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The Effect Of Product Quality And Service Quality On Customer Satisfaction

Musaba¹⁾; Wediastri Chalida²⁾; Rani Agusseptani³⁾; Rahma Sari Khairunisa⁴⁾ and Sugiyanto⁵⁾

Pamulang University, Indonesia

E-mail: ^{a)}musabaa@yahoo.com; ^{b)}wediastrichalida@gmail.com; ^{c)}raniagusseptani@gmail.com; ^{d)}raskha95@gmail.com; ^{e)}dosen00495@unpam.ac.id

Abstract: The results of the regression test show that Psychological Capital, Budgetary Participation and Procedural Justice have a calculated F value of 219,239 > F table 2.68 with a significance value of 0.000 < 0.05. The results of this study indicate that Psychological Capital, Budgetary Participation and Procedural Justice have a simultaneous effect on Managerial Performance. The results of the regression test show that procedural justice has a t-count value of 10,237 > t-table 1,661 with a significance value of 0,000 < 0.05. The results of this study indicate that procedural justice has a significant effect on managerial performance.

Keywords: Psychological capital, budget participation, procedural justice, managerial performance

INTRODUCTION

The very large population in Indonesia will become a very potential market for companies to market their products. Both domestic companies and foreign companies are trying to establish business ventures and create types of products that will be liked by prospective customers. Of these various types of companies, all of them have in common the objective of management, which is to grow their business by obtaining an optimal profit level. With so many restaurants in Indonesia, restaurants are a very promising business opportunity. Lots of various kinds of restaurants that provide quality food menus and of course with the best service.

In managing a company, there are various functions that must be carried out, while these functions are marketing functions, financial functions, personnel functions, and production functions. Among these functions it can be said that the marketing function has the most important position in achieving company goals. Good marketing management will be able to guarantee the survival of the company both now and in the future.

To always maintain the viability of the company, company managers really need information about product quality and service quality where product quality and service quality in a company can reflect the good image or name of the company. And besides that, product quality and service quality are one of the driving factors for its occurrence.

The customer is an asset as well as the only one who judges whether the product quality and service quality in the restaurant are good or bad. Therefore, one of the requirements that

must be met by a restaurant in order to achieve success and survival is trying to create comfort, accuracy, safety and satisfaction for customers in accordance with the services it offers. Thus every restaurant is able to understand consumer behavior. Service quality can be interpreted as an effort to fulfill consumer needs and desires as well as the accuracy of delivery in balancing consumer expectations according to (Tjiptono, 2010: 123).

management of product quality and service quality requires a real benchmark, so that it can be known how good the product quality and service quality provided by the company. One benchmark that can be used is to measure the satisfaction of its customers. Measurement of customer satisfaction can be done by comparing the products and services provided with the needs and desires of customers. Customer satisfaction is determined by good service quality so that product assurance is a top priority for every company that exists at this time, especially as a benchmark. company's competitive advantage. By fulfilling the needs and desires of customers, the customer will feel satisfied, and when a customer feels satisfied, then he will return to consume products or services that make them satisfied. In other words, by providing satisfaction to customers, the company has created loyalty for its customers. Every business actor in each business category is required to have sensitivity to any changes that occur and to place an orientation towards customer satisfaction as the main goal according to (Kotler, 2010:45). Basically customer satisfaction and dissatisfaction with a product/service will affect the next pattern of behavior. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. In other words, by providing satisfaction to customers, the company has created loyalty for its customers. Every business actor in each business category is required to have sensitivity to any changes that occur and to place an orientation towards customer satisfaction as the main goal according to (Kotler, 2010:45). Basically customer satisfaction and dissatisfaction with a product/service will affect the next pattern of behavior. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. In other words, by providing satisfaction to customers, the company has created loyalty for its customers. Every business actor in each business category is required to have sensitivity to any changes that occur and to place an orientation towards customer satisfaction as the main goal according to (Kotler, 2010:45). Basically customer satisfaction and dissatisfaction with a product/service will affect the next pattern of behavior. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. Every business actor in each business category is required to have sensitivity to any changes that occur and to place an orientation towards customer satisfaction as the main goal according to (Kotler, 2010:45). Basically customer satisfaction and dissatisfaction with a product/service will affect the next pattern of behavior. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. Every business actor in each business category is required to have sensitivity to any changes that occur and to place an orientation towards customer satisfaction as the main goal according to (Kotler, 2010:45). Basically customer satisfaction and dissatisfaction with a product/service will affect the next pattern of behavior. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again. This is shown by the customer after the purchase process occurs (Kotler, 2010: 138). If the customer is satisfied, then he will show the high probability of buying the same product again.

LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

Management

According to Anoraga (2013: 109) argues "Management is a process of planning, organizing, implementing, and controlling actions that use both knowledge and expertise in the context of efforts to achieve organizational goals that have been set". Meanwhile,

according to Hasibuan (2012: 11) argues "Management is the science and art of managing the process of using human resources and other sources effectively to achieve a certain goal". According to Terry (2012: 16) explains "Management is a process of planning actions of organizing, actuating, and controlling to determine and achieve goals through the utilization of human resources and other resources.

Marketing Management

According to Simamora (2012: 149) argues "Marketing has a completely different meaning from sales". Marketing is also not just advertising and other forms of promotion, however, every day we are always the target of marketing for various products. Meanwhile, according to Kotler and Keller (2013: 5) defines "Marketing is identifying and fulfilling human and social needs". Another opinion was put forward by the American Marketing Association (AMA) "Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders".

According to Swastha and Handoko (2013: 16) "The purpose of marketing is a business philosophy which states that satisfying customer needs is an economic and social requirement for the survival of the company". This definition implies that the purpose of marketing is to provide satisfaction to the wants and needs of customers. Meanwhile according to Alma (2011: 10) states "The aim of marketing is to hold a market balance by holding trade between countries or regions to complement each other". The intended purpose is to find a balance in the market, between the buyer's market and the seller's market. According to Kotler and Keller (2013: 5) argue "Marketing management is the art and science of choosing target markets and getting, keeping, and growing customers by creating, delivering, and communicating superior customer value". Furthermore, according to Swastha and Irawan (2012: 27) defines "Marketing management is the analysis, planning, implementation and monitoring of programs aimed at holding exchanges with the intended market with the intention of achieving organizational operational goals".

Product Quality

People will satisfy their wants and needs through a product. The definition of a product according to Kotler and Armstrong is anything that can be offered to the market in order to attract attention, acquisition, use or consumption that can satisfy a want or need. Products include more than just tangible goods. In a broad sense, products include physical objects, services, events, people, places, organizations, ideas, or mixes of these entities. Products marketed are a very good weapon in winning the competition if they have high quality or quality. On the other hand, products with low quality will be difficult to get the image from consumers. Therefore, the products produced must be endeavored to remain of good quality.

According to Kotler and Keller (2012: 4) "In developing a product, companies need knowledge about the product level", explained the product level in question is

1. Core benefits, namely the actual benefits where the services or benefits that customers really buy. Marketers must see themselves as providers of benefits.
2. Basic product, i.e. marketing must convert the core benefit into the basic product.
3. Expected product, that is, the marketer prepares the expected product, a group of attributes and conditions that buyers usually expect when they buy this product.
4. Enhanced product, namely the marketer prepares additional levels that exceed customer expectations.
5. Potential product, which includes all the possible additions and transformations that a product or offering might undergo in the future.

Service Quality

According to Tasunar (2011: 46) defines "Service quality is a concept that represents the essence of the performance of a service, namely a comparison of excellence (reliability) and sales counters carried out by customers". According to Tjiptono (2011: 53), there are 5 kinds of quality perspectives that can be used, namely:

1. Transcendental Approach, namely quality is seen as innate excellence, where quality can be felt or known, but is difficult to define and rationalize, usually applied in the world of

- art.
2. Product-based approach namely characteristics or attributes that can be quantified and can be measured. Differences in quality reflect differences in the amount of some of the elements or attributes that the product has.
 3. User-based approach that is, quality depends on the person looking at it, so that the product that best satisfies one's preferences (eg perceived quality) is a high-quality product.
 4. Manufacturing-based approach namely quality as conformance / equal to requirements. It is in the service sector that quality is often driven by the goal of increasing productivity and reducing costs.
 5. Value-based approach namely quality in terms of value and price. Quality in this sense is relative, so that the highest quality product is not necessarily the most valuable product. However, the most valuable goods or services are the most appropriate to buy.
 6. According to Handayani (2013: 28) argues "Service quality is divided into two parts, namely technical quality and functional quality, technical quality related to technical services". So service in general is a sense of fun given to other people accompanied by conveniences and meet all their needs. Thus service is an effort to provide pleasure to customers with convenience so that customers can meet their needs.

Customer satisfaction

Customer satisfaction makes something very important in marketing. According to Irawan (2013: 41) suggests "Customer satisfaction is determined by customer perceptions of product or service performance in meeting customer expectations. Customers are satisfied if their expectations are met or will be very satisfied if customer expectations are exceeded. The fundamental statement is what actually makes the customer satisfied". Meanwhile, according to Yazid (2013: 60) argues "Customer satisfaction is the absence of a difference between expectations and what is received. If expectations are high, while what is received is mediocre, satisfaction will not be achieved, conversely, if what is received exceeds what is expected, satisfaction will increase. According to Tjiptono (2011: 304), there are three things that underlie how to understand customer satisfaction, including:

1. Various studies have shown that customers tend to be silent when they are satisfied, but if they are not satisfied, they will make a scene. Customers who no satisfied will tell bad experience with 8 to 10 other people (friends and family)
2. The customer does not feel or realize that he is satisfied until he experiences certain problems.
3. The understanding of customer dissatisfaction develops through two main research areas, namely dissonance and complaint behavior. Dissonance and customer dissatisfaction are two different but related concepts. Conversely, a dissatisfaction situation occurs when a customer has used a product or experienced a service purchased and feels that the product's performance does not meet expectations, dissatisfaction can lead to a negative attitude towards the brand or the manufacturer/service provider (even the dealer), reducing the possibility of repurchasing, switching brand (brand switching), and various kinds of complaint behavior.

According to Alma (2012: 285) "The basic principle underlying the importance of measuring customer satisfaction is to measure customer satisfaction". The methods that are widely used in measuring customer satisfaction are:

1. Complaint and suggestion system (Complaints and Suggestions System) Open a suggestion box and receive customer complaints. There are also companies that give envelopes with the company's address written on them to use to convey suggestions, complaints and criticisms. These suggestions can also be conveyed via comment cards, customers hotline, toll-free telephone or using technological facilities and infrastructure. This information is needed to anticipate policies that will be taken and respond quickly to these criticisms and suggestions.
2. Customer satisfaction surveys (customer satisfaction survey)
3. In this case the company conducts a survey to detect customer comments. This survey can be done by post, telephone or personal interview, or customers are asked to fill out a

- questionnaire.
4. Ghost Shopping (shadow buyer)
 5. In this case the company assigns certain people as buyers to other companies or to their own company. This mystery buyer reports the advantages and disadvantages of the services that serve him. Also reported everything that is useful as material for decision making by management. Not only are other people hired to be shadow shoppers but the manager himself has to go out into the field, shopping at rival stores where he is not known. The experience of this manager is very important because the data and information obtained he directly experienced himself.
 6. Lost Customer Analysis (analysis of running customers)
 7. Lost subscribers were tried to be contacted again. They were asked to state why they had left, moved to another company, had there been any problems that could not be resolved or resolved too late. From this kind of contact, information will be obtained and will improve the company's own performance so that there are no more customers who run away or are disloyal.

METHODS

The research method used in this study is the associative-quantitative statistical method, which emphasizes the analysis of numerical data (numbers) processed by statistical methods, while the form of the hypothesis formulation uses descriptive hypothesis formulation. The descriptive hypothesis is an assumption about the value of an independent variable and does not make comparisons or relationships, Sugiyono (2016: 86).

Data Analysis Techniques The data analysis method in this study uses simple linear regression analysis using SPSS 25, regression is a statistical technique (analysis tool) the relationship used to predict or estimate from one variable in relation to other variables through the regression line equation (Sugiyono, 2016). Regression analysis can be a straight line (linear) and non-linear. While the regression analysis in this study is a simple linear regression analysis, namely a regression that only involves one variable, namely the independent variable (X) and the dependent variable (Y).

Validity test

Validity test is used to determine whether the research instrument used meets the requirements in terms of validity or validity. According to the opinion expressed by Sugiyono (2016: 121), "validity is the level of reliability and validity of the measuring instrument used". The instrument is said to be valid, meaning that the measuring instrument used to obtain data is valid or can be used to measure what should be measured.

Reliability Test

After determining the validity of the research instrument, the next step is to measure the reliability of the data from the research instrument. Reliability is a measuring tool for measuring a questionnaire which is an indicator of a variable or construct. This reliability test is used to test the consistency of data within a certain period of time, namely to find out how far the measurements used can be trusted or relied upon. These variables are said to have a Cronbach alpha value greater than 0.70, which means that the instrument can be used as a reliable data collector, that is, the results of measurements are relatively coefficient if repeated measurements are made. This reliability test aims to see consistency (Ghozali, 2013:48).

Partial Test

The t test aims to determine the effect of the independent variables on the dependent variable partially. To find out whether there is a significant influence from each independent variable, namely: career development, occupational safety and health, compensation for one dependent variable, namely job satisfaction on employee performance, the significant value of t is compared to the degree of confidence. The significance level chosen in this study was 0.05 or (5%), meaning that it is most likely that the results of the conclusion have a probability of 95% or an error tolerance of 5%. The relationship between the independent variables and the dependent variable will be tested with the t test (testing the significance of the product moment correlation), namely by comparing ttable with tcount.



F Test

The F test was carried out with the aim of testing all independent variables, namely: career development, occupational safety and health and compensation on one dependent variable, namely job satisfaction. Independently with a significance of 0.05, it can be concluded (Ghozali, 2013:98).

Determination Coefficient Test

The coefficient of determination aims to measure how far the ability of the model can explain the variation in the dependent variable. In testing the first hypothesis the coefficient of determination is seen from the value (Adjusted R²) to find out how far the independent variables are. The coefficient of determination is an analysis to find out how much (percent) the independent variable contributes to the dependent variable.

RESULTS AND DISCUSSION

The t-test is used to test whether the independent variable has a significant effect on the dependent variable or not. The t-test is used to determine the t-test hypothesis testing if the price of the t-coefficient is used as a measure, then the value of the coefficient must be compared with the t-table value for the alpha level that has been set with the appropriate (dk). The criteria used are rejecting H₀ and accepting H_a if t count > t table, and accepting H₀ and rejecting H_a if t count < t table (Ghozali, 2013). In this model the value of t table is obtained using the conditional value of α (alpha) of 0.05 and the value of degree of freedom (n-2 = 120-4) of 118, then a t table of 1.661 is obtained. Following are the results of the t (partial) statistical test for the first equation model on the research data using SPSS 26 which is shown in the following table:

Table 1. T test results (Simultaneous) Variable Effect of product quality (X1) Against Customer Satisfaction (Y)

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	std. Error	Betas		
(Constant)	8,466	1,937		4,371	,000
1Product quality	,684	,068	,723	10.101	,000

Source: Research data, 2022

Based on the results of the analysis in the table above, it is obtained that the value of tcount > ttable or 10.101 > 1.661 is reinforced by a significance value of 0.000 < 0.05, for the first hypothesis which states that there is a partial positive and significant effect between the effect of product quality on customer satisfaction, it can be received.

Table 2. T Test Results of Service Quality Variable (X2) Customer Satisfaction (Y)

Model	Unstandardized Coefficients		Standardized Coefficients	Q	Sig.
	B	std. Error	Betas		
(Constant)	9,419	2,796		3,369	,001
1QualityProduct	,632	.096	,566	6,613	,000

Source: Research data, 2022

Based on the results of the analysis in the table above, the value of tcount > ttable or (6.613 > 1.661) is confirmed by a significance value of 0.000 < 0.05, for the second hypothesis which states that there is a positive and significant effect partially between Service Quality on Customer Satisfaction, acceptable.

Simultaneous F test

The F statistical test in decision making uses criteria if F count > F table and the significance value of the F test value < 0.05, it can be concluded that the model can be used to predict the dependent variable. It can also be said that the independent variables jointly affect the dependent variable (Ghozali, 2016). Following are the results of the F (simultaneous) statistical test on the research data using SPSS 26 which are shown in the table as follows:



Table 3. Statistical Test Results F

Model	Sum of Squares	Df	MeanSquare	F	Sig.
Regression	1534,976	2	767,488	86,195	,000b
1 residual	819,172	92	8,904		
Total	2354,147	94			

Source: Research data, 2022

Based on the test results in the table above, the calculated F value > F table or (86.195 > 2.72) is also reinforced by a significance probability value of 0.000 < 0.05. Thus the third hypothesis which states that there is a positive and significant influence simultaneously between the variables Effect of Product Quality and Service Quality on Customer Satisfaction, can be accepted.

Coefficient of Determination (R²)

The coefficient of determination test (R²) is a test conducted to measure how far the model's ability to explain the variation of the dependent variable. The higher the coefficient of determination (R²) the higher the ability of the independent variables to explain the dependent variable. The value of the coefficient of determination is between zero and one. A small R² value means that the ability of the independent variables to explain the dependent variable is very limited. However, if the R² value is close to one, it means that the independent variable can provide all the information needed to predict the variation in the dependent variable (Gozali, 2016). The following are the results of the coefficient of determination test on the research data using SPSS 2.5 which are shown in table 4.16 as follows:

Table 4. The coefficient of determination

Model	R	R Square	Adjusted R Square	std. Error of the Estimate
1	,807a	,652	,644	2,984

Source: Research data, 2022

Based on the calculations in the table above, the coefficient of determination (R-square) is 0.652. It can be concluded that the variable product quality (X1) and service quality (X2) together have a contribution to customer satisfaction (Y) of 65, 2% while the remaining 34.8% is influenced by other factors.

CONCLUSIONS

Based on the results of the analysis in the table above, it is obtained that the value of $t_{count} > t_{table}$ or $10.101 > 1.661$ is reinforced by a significance value of 0.000 < 0.05, for the first hypothesis which states that there is a partial positive and significant effect between the effect of product quality on customer satisfaction, it can be received.

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