

THE IMPACT OF SERVICE QUALITY, PRODUCT QUALITY, AND BRAND IMAGE ON CUSTOMER LOYALTY THROUGH THE MEDIATION OF CUSTOMER SATISFACTION AMONG PRIMA FRESHMART CUSTOMERS

Meiryanti Layarda^{1*}, Hendra Achmadi^{2*}

^{1,2}Faculty of Economics and Business, Universitas Pelita Harapan, Indonesia

E-mail: meiryanti.layarda@gmail.com

Abstract

As the retail industry for fresh produce in Indonesia becomes increasingly competitive, it creates an urgency for retailers to maintain relevant position in the market. Retailers need to cultivate loyal customers to ensure sustained performance and growth. Prima Freshmart, a specialized retailer that focuses on poultry products, is currently dealing with the challenge of having low customer loyalty rates based on the results of a preliminary survey. In order to understand how service quality, product quality, and brand image impact customer loyalty among Prima Freshmart's clientele, a study was conducted with 194 participants who completed questionnaires. The data was then analyzed using SmartPLS 4 software. The findings indicate that service quality, product quality, and brand image have a significant and positive influence on customer satisfaction. Furthermore, customer satisfaction has a significant and positive effect on customer loyalty and acts as a mediator in the relationship between service quality, product quality, brand image, and customer loyalty. These discoveries offer potential guidance for Prima Freshmart's management to enhance service quality, product quality, and brand image in order to improve customer satisfaction and loyalty. This research provides valuable insights that can be applied to both theoretical and practical aspects of customer retention strategies in the retail sector.

Keywords: Service Quality, Product Quality, Brand Image, Customer Satisfaction, Customer Loyalty

1. INTRODUCTION

The industry of grocery retail in Indonesia continues to grow positively each year. According to the United States Department of Agriculture in 2023, the sales value of grocery retail in Indonesia was USD 92,485 million in 2021, rising to USD 100,400 million in 2022 which gained an increase of 8.55%, Yuningsih (2023). This growth intensified competition among retailers. To maintain a competitive position, retail companies must implement strategies that ensure long-term business sustainability. One crucial strategy is attracting and retaining customers amid numerous retail options (Arslan & Turan, 2022).

Prima Freshmart, established in 2011 as part of PT. Primafood International (a subsidiary of PT. Charoen Pokphand Indonesia), is a specialty store selling groceries and food products. With many outlets spread nationally, its main products are chicken products such as frozen chicken, cut chicken, processed chicken products and omega-3 eggs. It also offers complementary products like spices, rice, and instant foods (Pusparini & Khalid, 2023).

A presurvey of 56 respondents revealed that 84% prefer chicken as their primary meat for daily consumption. Among them, 63% had shopped at Prima Freshmart, but only 30% considered it their first choice for meat purchases. The 30% customer loyalty rate indicates

significant potential for improving Prima Freshmart’s business sustainability. Retail success often hinges on customer loyalty, given that devoted customers not only drive profits up but also prove to be more cost-effective to keep compared to acquiring new ones, which can be significantly pricier (Larsson & Broström, 2020).

Understanding factors influencing Prima Freshmart’s customer loyalty is vital for its retail business sustainability. Prior research has demonstrated that customer loyalty is increased by customer satisfaction, which can be influenced by factors like the quality of service, the quality of products, and the reputation of the brand as depicted in Table 1.

Table 1. Established Relationships Based on Previous Studies

Relationship	Outcome	Source
Service Quality → Customer Satisfaction	Significant and positive	Slack <i>et al.</i> (2019); Kobbekaduwa <i>et al.</i> , (2019); Dam & Dam (2021)
Product Quality → Customer Satisfaction	Significant and positive	Alba & Kartikasari (2019); Yusuf <i>et al.</i> , (2019); Gunawan (2022)
Brand Image → Customer Satisfaction	Significant and positive	Cuong & Khoi (2019); Mehta & Tariq (2020); Dam & Dam (2021)
Customer Satisfaction → Customer Loyalty	Significant and positive	Slack <i>et al.</i> , (2019); Rashid & Rokade (2019); Biesok (2020)
Service Quality → Customer Loyalty	Significant and positively mediated by Customer Satisfaction	Albari & Kartikasari (2019); Nyan <i>et al.</i> , (2020); Lesmana <i>et al.</i> , (2021)
Product Quality → Customer Loyalty	Significant and positively mediated by Customer Satisfaction	Albari & Kartikasari (2019); Yusuf <i>et al.</i> , (2019) Pemayun & Seminari (2020)
Brand Image → Customer Loyalty	Significant and positively mediated by Customer Satisfaction	Farizan <i>et al.</i> , (2019); Mehta & Tariq (2020) Yazid <i>et al.</i> , (2020)

The study introduces a novel framework aimed at exploring how service quality, product quality, and brand perception influence customer loyalty by way of customer satisfaction, filling in the gaps left by previous research. Study by Slack et al (2020) concentrated on examining how the five dimensions of service quality impact customer loyalty and disloyalty by focusing on customer satisfaction, however, it neglected to take into account the mediating role that customer satisfaction plays. Yusuf (2023) conducted a study examining how product quality, pricing, and distribution channels impact customer loyalty by affecting customer satisfaction. This study specifically delves into how product quality plays a key role in keeping customers loyal, rather than distribution channels which have less of an effect on customer retention. Dam & Dam (2021) conducted a study on how brand image and service quality affect customer loyalty by impacting customer satisfaction. While both factors are important, they may not fully explain what determines customer loyalty in retail stores. By drawing on previous research, this study aims to contribute

additional insights for developing effective strategies to enhance customer loyalty at Prima Freshmart.

2. THEORETICAL FOUNDATION

2.1. Customer Loyalty

Marketing research has long been interested in the concept of customer loyalty, as it has been proven to greatly affect a company's competitive edge. It can be defined as a positive evaluation by customers, leading to repeated purchases and reduced sensitivity to competitor prices. Loyal customers contribute to long-term profitability because retaining them is more cost-effective than acquiring new ones (Moretta Tartaglione et al., 2019). Customer loyalty has two dimensions: attitudinal loyalty (willingness to recommend) and behavioral loyalty (intention to repurchase), which are both crucial for building a loyal customer base, Slack et al (2020).

2.2. Service Quality

Assessing the standard of service offered by a store involves comparing the customer's expectations with their real-life experience of the service (Nyan et al., 2020). The employee's reliability is a crucial aspect in service quality, along with their capability and credibility. The physical appearance of a retail store, including facilities and equipment, also plays a role in customer satisfaction. Attentiveness and responsiveness of employees towards customers are important factors in providing high-quality service. High service quality is essential for enhancing customer satisfaction and loyalty (Kobbekaduwa et al., 2019).

2.3. Product Quality

Product quality refers to customers' perceptions of the value of a product. It is determined by attributes such as durability, reliability, and price. In the context of food retail, product quality includes shelf life, raw material quality, and ease of processing. High product quality that meets customer expectations leads to increased satisfaction and loyalty. Customers tend to prefer products that align with their needs and desires, making it vital for companies to understand customer preferences to retain loyal customers (Kartikasari & Albari, 2019).

2.4. Brand Image

The perception customers hold of a brand is what shapes its brand image, including their thoughts, feelings, and judgments. This mental representation of the brand is influenced by how much customers trust and are loyal to it (Dam & Dam, 2021). A positive brand image enhances customer satisfaction and loyalty, serving as a marketing tool to differentiate the company from competitors. It also reflects the company's vision and mission, contributing to a favorable reputation that attracts and retains customers (Mehta & Tariq, 2020).

2.5. Customer Satisfaction

Customer satisfaction refers to how satisfied customers are after buying a product or service. It reflects their overall experience and shows how content they are with their purchase. Happy customers are inclined to stay loyal, leading to higher chances of repeat

purchases and favourable reviews (Rashid & Rokade, 2019). Customer satisfaction should be considered a key metric for assessing performance because it plays a significant role in fostering customer loyalty. Happy customers are unlikely to seek out alternatives, underscoring the need to consistently exceed their expectations (Nyan et al., 2020).

2.6. Hypothesis

The following hypothesis was summarized:

H1: Service quality significantly and positively affects customer satisfaction

H2: Product quality significantly and positively affects customer satisfaction

H3: Brand image significantly and positively affects customer satisfaction

H4: Customer satisfaction significantly and positively affects customer loyalty

H5: Customer satisfaction significantly and positively mediates service quality and customer loyalty

H6: Customer satisfaction significantly and positively mediates product quality and customer loyalty

H7: Customer satisfaction significantly and positively mediates brand image and customer loyalty

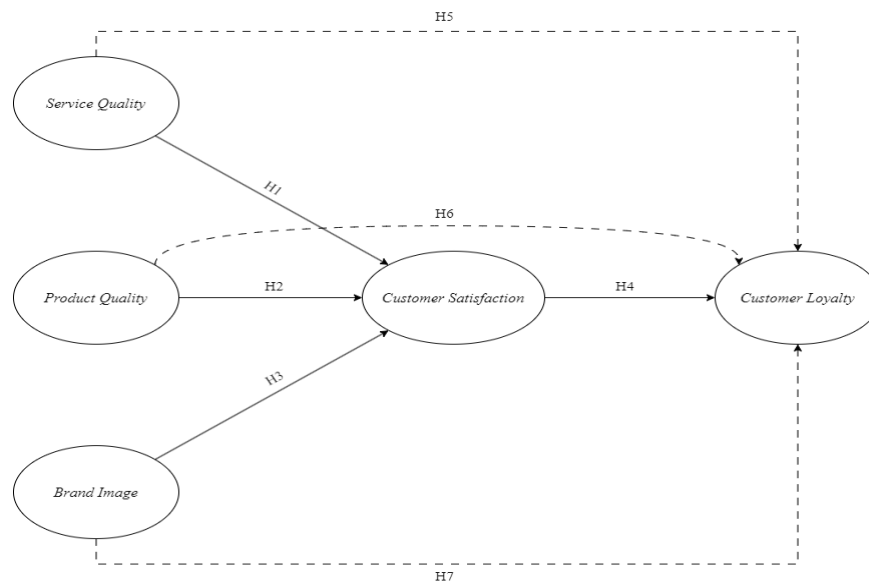


Figure 1. Conceptual Framework

3. RESEARCH METHOD

3.1. Object of Research

This research project examines five elements including factors that influence, factors that are influenced, and factors that mediate. Contributing factors include the quality of service, the quality of products, and the reputation of the brand. Factors influenced are customer contentment and customer commitment. Customer contentment also serves as a mediator in this study. The main goal of this research is to investigate how service quality,

product quality, and brand reputation impact customer commitment through the mediation of customer satisfaction.

3.2. Research Subject

In this study, the research subjects were Prima Freshmart customers spread across the Jabodetabek area. The criteria for research subjects are customers who have shopped at Prima Freshmart at least once in the past year.

3.3. Research Type

This research is a type of quantitative research that involves the systematic measurement of relationships between variables determined through the analysis of numerical data. Statistical techniques are used to process the data and answer research questions through questionnaires.

3.4. Population and Sample

The study focuses on Prima Freshmart customers as the target group. When the population is too vast to be studied entirely, samples can effectively serve as a representation (Sukmawati et al., 2023). This research focused on Prima Freshmart customers residing in the Jabodetabek region who have made a purchase at least once. The number of participants was calculated based on a formula developed by Cochran in 1977. According to the formula, a minimum of 96 respondents was required for this study with a confidence level of 90%, corresponding to a Z value of 1.6. The population proportion (p) was assumed to be 0.5, with a sampling error (e) of 10%.

3.5. Questionnaire Design

The survey contained questions designed to evaluate the variables being studied. Respondents were required to rate their level of agreement or disagreement on a scale from 1 (completely disagree) to 5 (completely agree) for each statement. The questionnaire commences with demographic questions, followed by service quality assessments, product quality evaluations, brand image assessments, customer satisfaction evaluations, and customer loyalty considerations. The survey concludes with an open-ended question to collect customers' overall comments on their interactions with Prima Freshmart.

3.6. Sampling Procedure and Data Analysis

The sampling method used in this study is convenience sampling, which involves selecting population elements that are easy for researchers to access Turner et al (2020). Sampling was carried out at several Prima Freshmart outlets in the Jabodetabek area. The study collected data from 194 respondents who were Prima Freshmart customers as of May 2024. These respondents were selected based on the criteria that they had made at least one purchase at Prima Freshmart within the past year and reside in Jabodetabek area. The data gathered from this research was processed using SmartPLS 4, a software tool for Partial Least Squares Structural Equation Modeling (PLS-SEM).

4. RESULTS AND DISCUSSION

In this study, there were 194 respondents who had completed the questionnaire and the data could be used as research data. Each questionnaire distributed consists of five general questions and 23 indicator questions from the five variables used in this study.

Table 2. Respondent Demographics

Description	Category	Count	Percentage
Gender	Male	87	45%
	Female	107	55%
Age	≤ 21	10	5%
	21 - 35	108	56%
	36 - 50	65	34%
	> 50	11	5%
Occupation	Student	6	3%
	Employee	115	59%
	Entrepreneur	38	20%
	Homemaker	35	18%
Expenditure for Monthly Groceries	≤ IDR 1.000.000	42	23%
	IDR 1.000.000 - 2.000.000	61	31%
	IDR 2.000.000 - 3.000.000	28	14%
	> IDR 3.000.000	63	32%

According to the data in Table 2, it can be seen that 45% of the participants are male, with the remaining 55% being female. The majority of respondents fall into the age group of 21 to 35 years (56%), followed by those aged 36 to 50 (34%), above 50 years (5%), and below 21 years (5%). The largest proportion of participants are employed (59%), followed by entrepreneurs (20%), homemakers (18%), and students (3%). In terms of monthly grocery spending, the majority of respondents spend over Rp 3.000.000 (32%), followed by Rp 1.000.000 to Rp 2.000.000 (31%), less than Rp 1.000.000 (23%), and lastly the range of Rp 2.000.000 to Rp 3.000.000 (14%).

Table 3. Descriptive Analysis Of Survey Responses

Variable	Indicator	Statement	SD	Mean
Service Quality	SQ1	PFM has modern equipment	0,81	4,14
	SQ2	I feel safe shopping at PFM	0,66	4,48
	SQ3	PFM employees are always ready to help me	0,68	4,41
	SQ4	PFM employees are always dependable	0,69	4,43
	SQ5	PFM employees prioritize my needs	0,74	4,25
Product Quality	PQ1	PFM sells high quality chicken products	0,62	4,53
	PQ2	PFM stores products according to health protocols	0,64	4,52
	PQ3	PFM hygienically packs their products	0,63	4,53

Variable	Indicator	Statement	SD	Mean
	PQ4	PFM never runs out of stock	0,93	3,85
Brand Image	BI1	PFM is known to be trustworthy among customers	0,59	4,47
	BI2	PFM is known to have good reputation among customers	0,62	4,42
	BI3	PFM always give good service to customers	0,64	4,43
	BI4	Customers consistently have pleasant experience at PFM	0,57	4,47
	BI5	PFM is known to have good service among customers	0,64	4,30
Customer Satisfaction	CS1	Shopping at PFM exceeds my expectations	0,68	4,27
	CS2	Shopping at PFM never makes me disappointed	0,76	4,20
	CS3	I would like to recommend PFM to others	0,63	4,52
	CS4	PFM is my first choice of shop to buy chicken products	0,85	4,23
	CS5	Shopping at PFM is the right choice for me	0,67	4,27
Customer Loyalty	CL1	I ignore other offers and prefer to shop at PFM	0,89	3,91
	CL2	I always return to PFM when I need chicken products	0,78	4,25
	CL3	I will shop at PFM even if there's price change	0,87	3,90
	CL4	Even if others offer promotions, I will still shop at PFM	0,89	3,79

The survey response details are displayed in Table 3, while the outcomes for inferential data can be found in Table 4 including outer loading, Cronbach's alpha, composite reliability, and AVE. Certain indicators such as PQ4, BI3, BI5, and CS2 did not meet the minimum reliability standard of 0.708 during the outer loading test. However, after excluding these indicators, all outer loading values met the required reliability standard. According to (Hair et al, 2019), If the outer loading value goes beyond 0.708, it indicates that the indicator can be relied upon for research purposes. Moreover, both Cronbach's alpha and composite reliability have also met the necessary reliability threshold. With an AVE value exceeding 0.5, as suggested by Hair et al. (2019), this meets the criteria for a valid construct variable. In essence, all the indicators employed exhibit consistent internal reliability.

Table 4. Outer Loading, Cronbach's Alpha, Composite Reliability, AVE

Variable	Indicator	Outer Loading	Cronbach's Alpha	Composite Reliability	AVE
Service Quality	SQ1	0,775	0,849	0,892	0,624
	SQ2	0,755			
	SQ3	0,835			
	SQ4	0,822			
	SQ5	0,757			
Product Quality	PQ1	0,782	0,732	0,848	0,651
	PQ2	0,808			
	PQ3	0,830			
Brand Image	BI1	0,853	0,758	0,861	0,675
	BI2	0,841			
	BI4	0,769			
Customer Satisfaction	CS1	0,746	0,768	0,852	0,591
	CS3	0,717			
	CS4	0,794			
	CS5	0,813			
Customer Loyalty	CL1	0,858	0,871	0,911	0,720
	CL2	0,844			
	CL3	0,848			
	CL4	0,844			

The results for the HTMT ratio are shown in Table 5. It is shown that each construct has a ratio under 0,9. According to, Hair et al (2019), the HTMT ratio must be under 0,9 to meet the requirements for discriminant validity. This means each construct used in the research model demonstrates discriminant validity.

Table 5. HTMT Ratio

	Brand Image	Customer Loyalty	Customer Satisfaction	Product Quality	Service Quality
Brand Image					
Customer Loyalty	0,680				
Customer Satisfaction	0,891	0,881			
Product Quality	0,637	0,603	0,816		
Service Quality	0,887	0,680	0,875	0,738	

The outcomes of the evaluations on the internal model can be viewed in Tables 6, 7, and 8. The initial examination of the internal model involves assessing the variance inflation factor (VIF). The VIF test is used to detect multicollinearity issues in the model. A VIF value greater than 10 indicates a multicollinearity problem. Based on Table 6, all VIF values in this study are below 10, indicating no multicollinearity issues (Hair et al, 2019).

Table 6. VIF Test

	Brand Image	Customer Loyalty	Customer Satisfaction	Product Quality	Service Quality
Brand Image			2,057		
Customer Loyalty					
Customer Satisfaction		1,000			
Product Quality			1,529		
Service Quality			2,412		

The outcomes of the testing of the internal model can be observed in Tables 6, 7 and 8. Initial examination of the internal model involves assessing the variance inflation factor (VIF), which helps identify problems related to multicollinearity. If the VIF value exceeds 10, it signifies the presence of multicollinearity. According to the data presented in Table 6, none of the VIF values surpass 10, suggesting the absence of multicollinearity concerns (Hair et al., 2019).

Table 7. VIF Test

	Brand Image	Customer Loyalty	Customer Satisfaction	Product Quality	Service Quality
Brand Image			2,057		
Customer Loyalty					
Customer Satisfaction		1,000			
Product Quality			1,529		
Service Quality			2,412		

The next stage in evaluating the model internally involves performing the coefficient of determination (R²) test. The results of the R² test are presented in Table 7. This test specifically measures the effectiveness of the independent variables in explaining the variances in the dependent variable. A higher R² value implies a stronger explanatory ability. According to the findings in Table 7, the independent variables can clarify 65% of the differences in customer satisfaction and 52% of the variations in customer loyalty (Hair et al., 2019).

Table 8. Coefficient of Determination (R²) Test

Variable	R²	R² Adjusted
Customer Loyalty	0,538	0,536
Customer Satisfaction	0,613	0,607

The last stage of testing the internal model is the predictive relevance assessment. The outcomes of this evaluation can be found in Table 8. This assessment measures the accuracy of the model's predictions using a blindfolding method. A Q² value above 0 signifies that the model is predictive. As seen in Table 8, it is evident that the model is able to predict customer satisfaction and loyalty quite accurately (Hair et al., 2019).

Table 9. Predictive Relevance (Q^2) Test

Variable	Q^2
Customer Loyalty	0,399
Customer Satisfaction	0,593

The outcomes of hypothesis testing with the bootstrapping technique can be seen in Table 9. This assessment aims to determine the importance of the impacts, both direct and indirect, of the independent variables on the dependent variables. The significance level used in this research is 0,05 meaning that the t-table value is 1,645. According to Memon et al (2023) In analyzing hypotheses, validity is determined by comparing the t-statistic to the t-table value, while significance is indicated by a p-value below 0.05. The study's results show that all proposed hypotheses have been supported.

Table 10. Hypothesis Testing

Hypothesis	Path Coefficient	T-statistic	P-value	Significance	Result
H1: SQ → CS	0,328	4,178	0,000	Significant	Supported
H2: PQ → CS	0,273	4,015	0,000	Significant	Supported
H3: BI → CS	0,315	4,736	0,000	Significant	Supported
H4: CS → CL	0,734	24,406	0,000	Significant	Supported
H5: SQ → CS → CL	0,240	4,053	0,000	Significant	Supported
H6: PQ → CS → CL	0,200	4,008	0,000	Significant	Supported
H7: BI → CS → CL	0,231	4,625	0,000	Significant	Supported

According to the findings presented in Table 9, the initial hypothesis concerning the impact of service quality on customer satisfaction is proven to be true. Despite the null hypothesis (H01) suggesting that service quality has no significant impact on customer satisfaction, the obtained t-statistic and p-value of 4.178 and 0.000, respectively, meet the requirements for rejecting H01 and favouring the alternative hypothesis (H1). The positive path coefficient value signifies a favourable correlation between the two variables, indicating that service quality indeed has a significant and positive influence on customer satisfaction. This finding is also supported by the research of Slack et al. (2020), Kobbekaduwa et al (2019), and Dam & Dam (2021) which state that service quality has a significant and positive effect on customer satisfaction. By increasing the level of customer service, there is also a likelihood of seeing a rise in customer satisfaction levels.

The second theory, which suggests that the quality of the product has a noteworthy and beneficial impact on customer happiness, is confirmed. While H02 argues that product quality has no significant impact on customer satisfaction, the findings reveal a t-statistic value of 4.015 and a p-value of 0.000, meeting the necessary criteria to reject H02 and back the alternative hypothesis H2. The favourable path coefficient value implies a positive connection between the two factors. Consequently, it can be concluded that product quality has a significant and positive influence on customer satisfaction. This finding is also supported by the research of, Kartikasari & Albari (2019), Yusuf et al. (2023), and Gunawan (2022) product quality plays a crucial role in enhancing customer satisfaction, with a direct

impact on overall consumer perception. By enhancing the quality of products offered to customers, businesses can also boost levels of customer contentment.

The study's third hypothesis, which suggests that brand image greatly influences customer satisfaction, is confirmed. While H03 initially proposed that brand image has no significant impact on customer satisfaction, the results clearly demonstrate otherwise. With a t-statistic of 4.736 and a p-value of 0.000, the evidence supports rejecting H03 in favour of the alternative hypothesis H3. The positive path coefficient value implies a strong positive correlation between brand image and customer satisfaction. In conclusion, brand image does indeed have a significant and positive impact on customer satisfaction. This finding is also supported by research by Cuong & Khoi (2019), Mehta & Tariq (2020), and Dam & Dam (2021) which state that brand image has a significant and positive effect on customer satisfaction. By increasing a positive brand image among customers, the assessment of customer satisfaction will also increase.

The fourth theory, which suggests that customer satisfaction plays a crucial role in building customer loyalty, has been proven correct. H04, which claims that customer satisfaction does not impact customer loyalty significantly, was put to the test. Nevertheless, the outcomes revealed a t-statistic value of 24.406 and a p-value of 0.000, meeting the criteria to dismiss H04 and favour the alternative theory H4. The favourable path coefficient value demonstrates a positive correlation between customer satisfaction and customer loyalty. Therefore, it can be concluded that customer satisfaction does have a significant and positive influence on customer loyalty. This finding is supported by research conducted by Slack et al. (2019), Rashid & Rokade (2019), and Biesok (2020) which state that customer satisfaction has a significant and positive effect on customer loyalty. Higher customer satisfaction ratings can help increase customer loyalty.

The study found that customer satisfaction plays a significant and positive role in enhancing customer loyalty as a result of service quality. The results showed a strong correlation between customer satisfaction and customer loyalty, indicating that customer satisfaction acts as a mediator in the relationship between service quality and customer loyalty. The statistical analysis revealed a t-statistic value of 4.053 and a p-value of 0.000, leading to the rejection of the null hypothesis (H05) in favor of the alternative hypothesis (H5). With a positive path coefficient value, it can be concluded that customer satisfaction significantly and positively influences customer loyalty through service quality. This finding is also supported by the research of Albari & Kartikasari (2019), Nyan et al (2020), and Lesmana et al. (2021) which state that customer satisfaction can mediate service quality on customer loyalty significantly and positively. The higher the assessment of customer satisfaction with service quality, the more customer loyalty will also increase significantly, indicating that customer satisfaction can mediate the relationship between service quality and customer loyalty.

The sixth hypothesis, that "customer satisfaction plays a significant and positive role in mediating the relationship between product quality and customer loyalty," is confirmed. In this analysis, it was found that customer satisfaction indeed mediates the connection between product quality and customer loyalty. The statistical values obtained, t-statistic of 0.200 and p-value of 0.000, meet the criteria to reject the previous hypothesis and support the alternative one. The positive path coefficient value indicates a favourable correlation between the two variables. Therefore, it can be concluded that customer satisfaction plays a

significant and positive role in mediating the impact of product quality on customer loyalty. This discovery is also backed by the works of Albari & Kartikasari (2019), Yusuf et al. (2023), and Pemayun & Seminari (2020) which highlight the mediating role of customer satisfaction in the relationship between product quality and customer loyalty. When customers rate a product's quality highly, their loyalty towards the brand significantly increases, demonstrating that customer satisfaction does indeed mediate the link between product quality and customer loyalty.

The seventh hypothesis, that "customer satisfaction significantly and positively mediates the connection between brand image and customer loyalty," is supported. In this examination, it was found that customer satisfaction does play a significant and positive role in mediating the relationship between brand image and customer loyalty. The obtained t-statistic and p-value of 0.231 and 0.000, respectively, both meet the criteria for rejecting the previous hypothesis and supporting the alternative one. The positive path coefficient value points towards a positive correlation between brand image and customer loyalty. Hence, it can be concluded that customer satisfaction significantly and positively mediates the impact of brand image on customer loyalty. This finding is also seen in the studies of Mehta & Tariq (2020) and Yazid et al. (2020), which highlight the mediating role of customer satisfaction in the connection between brand image and customer loyalty. A higher evaluation of a company's reputation by customers leads to a significant increase in customer loyalty, emphasising the role of customer satisfaction in mediating the relationship between brand image and customer loyalty.

5. CONCLUSION

The primary objective of this research was to explore how customer loyalty among Prima Freshmart customers is influenced by service quality, product quality, and brand image, primarily through customer satisfaction. Upon examination of the data, it was determined that all proposed theories were upheld. The outcomes of this study have implications both in theory and in practicality. This research validates the current theories on the relationships between service quality, product quality, brand image, customer satisfaction, and customer loyalty. Furthermore, it contributes to the advancement of research frameworks concerning these factors in the retail food and staple sector in Indonesia. The fresh insights acquired from this study can serve as a valuable reference for future research endeavours.

Through analysing responses from questionnaires, it was identified that SQ1, PQ4, BI5, CS2 and CL4 had the lowest mean values. To enhance these areas, it is recommended that Prima Freshmart invest in modern equipment, maintain stocks of popular products, provide customer service through various channels, address feedback and complaints promptly, and introduce a loyalty scheme. This research was specifically carried out among Prima Freshmart customers in the Jabodetabek region. It should be noted that the conclusions drawn from this study may not accurately reflect the opinions of customers from other Prima Freshmart outlets or other retail establishments.

Acknowledgements

The author expresses gratitude to all who assisted with this study. Special thanks go to the Prima Freshmart team for providing essential data. The author acknowledges the support of family and friends throughout the project. Appreciation is extended to all survey participants for their valuable input, which was crucial to the research's success.

REFERENCES

- Arslan, Y., & Turan, A. H. (2022). Consumers' acceptance Of Online Grocery Shopping In A Pandemic Situation: An Extended Technology Acceptance Model Perspective. *European Journal Of Business Science And Technology*, 8(2), 143–158.
- Biesok, G. (2020). Customer Satisfaction And Retailer Image As Drivers Of Customer Loyalty: Evidence From Polish Supermarkets. *Journal Of Lviv Polytechnic National University. Series Of Economics And Management Issues*.
- Cuong, D. T., & Khoi, B. H. (2019). The Effect Of Brand Image And Perceived Value On Satisfaction And Loyalty At Convenience Stores In Vietnam. *Journal Of Advanced Research In Dynamical And Control Systems*, 11(8), 1446–1454.
- Dam, S. M., & Dam, T. C. (2021). Relationships Between Service Quality, Brand Image, Customer Satisfaction, And Customer Loyalty. *The Journal Of Asian Finance, Economics And Business*, 8(3), 585–593.
- Gunawan, I. (2022). Customer Loyalty: The Effect Customer Satisfaction, Experiential Marketing And Product Quality. *KINERJA: Jurnal Manajemen Organisasi Dan Industri*, 1(1), 35–42.
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When To Use And How To Report The Results Of PLS-SEM. *European Business Review*, 31(1), 2–24.
- Kartikasari, A., & Albari, A. (2019). The Influence Of Product Quality, Service Quality And Price On Customer Satisfaction And Loyalty. *Asian Journal Of Entrepreneurship And Family Business*, 3(1), 49–64.
- Kobbekaduwa, D. D., Wickramasinghe, W. N., Aththanayake, V. T., & Kuruppu, C. L. (2019). A Study On The Impact Of Service Quality On Customer Loyalty A Case Of Sri Lankan Supermarkets.
- Larsson, A., & Broström, E. (2020). Ensuring Customer Retention: Insurers' Perception Of Customer Loyalty. *Marketing Intelligence & Planning*, 38(2), 151–166.
- Mehta, A. M., & Tariq, M. (2020). How Brand Image And Perceived Service Quality Affect Customer Loyalty Through Customer Satisfaction. *Academy Of Marketing Studies Journal*, 24(1), 1–10.
- Memon, N. A., Shah, G. M., & Warsi, F. (2023). Unlocking The Key To Customer Loyalty In Pakistan's E-Logistics Industry: A Quantitative Survey Analysis. *Journal Of Entrepreneurship And Business Venturing*, 3(1).
- Moretta Tartaglione, A., Cavacece, Y., Russo, G., & Granata, G. (2019). A Systematic Mapping Study On Customer Loyalty And Brand Management. *Administrative Sciences*, 9(1), 8.

- Nyan, L. M., Rockson, S. B., & Addo, P. K. (2020). The Mediation Effect Of Customer Satisfaction On The Relationship Between Service Quality And Customer Loyalty. *Journal Of Management And Strategy*, 11(3), 13.
- Pusparini, N., & Khalid, J. (2023). The Effect Of Brand Image, Promotion And Servicescape On Purchasing Decisions At Prima Freshmart Pekaruman Depok. *Indonesian Journal Of Business Analytics*, 3(2), 214–230.
- Rashid, A., & Rokade, V. (2019). Service Quality Influence Customer Satisfaction And Loyalty: A Study In Organized Food And Grocery Retail. *UKH Journal Of Social Sciences*, 3(1), 50–61.
- Slack, N., Singh, G., & Sharma, S. (2020). The Effect Of Supermarket Service Quality Dimensions And Customer Satisfaction On Customer Loyalty And Disloyalty Dimensions. *International Journal Of Quality And Service Sciences*, 12(3), 297–318.
- Sukmawati, S., Hermayanti, Y., Fadlyana, E., Mulyana, A. M., Nurhakim, F., & Mediani, H. S. (2023). Supplementation Of Prenatal Vitamin D To Prevent Children's Stunting: A Literature Review. *International Journal Of Women's Health*, 1637–1650.
- Turner, C. T., Gupta, R. K., Tsaliki, E., Roe, J. K., Mondal, P., Nyawo, G. R., Palmer, Z., Miller, R. F., Reeve, B. W. P., & Theron, G. (2020). Blood Transcriptional Biomarkers For Active Pulmonary Tuberculosis In A High-Burden Setting: A Prospective, Observational, Diagnostic Accuracy Study. *The Lancet Respiratory Medicine*, 8(4), 407–419.
- Yuningsih, N. (2023). Retail Foods: Indonesia. USDA Foreign Agricultural Service. Report Number: ID2023-0015. Retrieved From https://apps.fas.usda.gov/newgainapi/api/Report/DownloadReportByFileName?fileName=Retail%20Foods_Jakarta_Indonesia_ID2023-0015.pdf
- Yusuf, F. A. (2023). Total Quality Management (TQM) And Quality Of Higher Education: A Meta-Analysis Study. *International Journal Of Instruction*, 16(2), 161–178.

Copyrights

Copyright for this article is retained by the author(s), with first publication rights granted to the journal.

This is an open-access article distributed under the terms and conditions of the Creative Commons Attribution license (<http://creativecommons.org/licenses/by/4.0/>).