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Private Label and Price on Customer Satisfaction and Its Impact on Retail Industry Customer Loyalty

Helma Malini[1]*

[1] *University of Tanjung Pura, Faculty of Economics and Business, Pontianak, Indonesia.*

Abstract. *This study seeks to determine and provide empirical evidence regarding the impact of private label and price on customer satisfaction and its influence on customer loyalty at Alfamart. This research is a casually associative quantitative investigation. This study's population consisted of all Indomaret consumers who purchased private label products. The sampling technique employs a purposive sampling method that incorporates non-probability sampling of a total of 100 respondents using a questionnaire to collect data. The method of data analysis employed begins with descriptive analysis of research data, discussion of research instrument tests, classic assumption tests, path analysis (Path Analysis), and statistical testing of hypothesis results using version 25 of the SPSS data processing programme. Private label has a significant effect on customer satisfaction, price has a significant effect on customer satisfaction, private label has no significant effect on customer loyalty, price has no significant effect on customer loyalty, customer satisfaction has a significant effect on customer loyalty, private label has a significant effect on customer loyalty via customer satisfaction, and price has a significant effect on customer loyalty.*

Keyword: *Private label, Price, Customer Satisfaction, Customer Loyalty*

Abstrak. *Penelitian ini bertujuan untuk mengetahui dan memberikan bukti secara ilmiah mengenai pengaruh private label dan harga terhadap kepuasan pelanggan serta pengaruhnya terhadap loyalitas pelanggan di Alfamart. Penelitian ini merupakan penelitian kuantitatif asosiatif. Populasi penelitian ini adalah seluruh konsumen Indomaret yang membeli produk private label. Teknik pengambilan sampel menggunakan metode purposive sampling yang menggabungkan non-probability sampling dari total 100 responden dengan menggunakan kuesioner untuk mengumpulkan data. Metode analisis data yang digunakan diawali dengan analisis deskriptif data penelitian, pembahasan uji instrumen penelitian, uji asumsi klasik, analisis jalur (Path Analysis), dan pengujian statistik terhadap hasil hipotesis dengan menggunakan program pengolah data SPSS versi 25. Private label berpengaruh signifikan terhadap kepuasan pelanggan, harga berpengaruh signifikan terhadap kepuasan pelanggan, private label tidak berpengaruh signifikan terhadap loyalitas pelanggan, harga tidak berpengaruh signifikan terhadap loyalitas pelanggan, kepuasan pelanggan berpengaruh signifikan terhadap loyalitas pelanggan, private label berpengaruh signifikan terhadap loyalitas pelanggan melalui kepuasan pelanggan, dan harga berpengaruh signifikan terhadap loyalitas pelanggan.*

Kata Kunci: *Merek Pribadi, Harga, Kepuasan Pelanggan, Loyalitas Pelanggan*

*Corresponding author at: University of Tanjung Pura, Faculty of Economics and Business, Pontianak, Indonesia

E-mail address: helma.malini@gmail.com

1   Introduction

Especially in the age of globalization, global business competition is intensifying and becoming more fierce. Globalization has effects beyond technological advancements and the digital revolution. However, globalization also facilitates the marketing activities of businesses. As a result, many foreign retailers desire to enter Indonesia. As a result, old businessmen who believe they have already entered the retail industry will become more sensitive and aggressive in their pursuit of every remaining opportunity, resulting in competition. Which is so competitive that its participants will work harder to develop a superior marketing strategy for the future (Arndt, 1997; Matsumura, 1997; Singh, 2004).

Retail is currently essential to economic growth in Indonesia because it absorbs a great deal of labor, which in turn increases people's income, thereby advancing the economic wheels that will impact all sectors, including modern retail. Originally, the people of Indonesia shopped at traditional markets, but now they prefer modern markets (Lamm, 1981; Rhodes & Brien, 2015; Sands et al., 2010). Changes in consumer preferences regarding where to purchase are one of the factors contributing to the expansion of retail establishments in Indonesia. Particularly modern retail is retail that has its own service system and sells a variety of products. This facilitates consumer access to the required product. In Indonesia, examples of retail include Indomaret, Alfamart, Gramedia, Matahari, and others.

Figure 1. Indonesia real sales index (March 2021-March 2022)
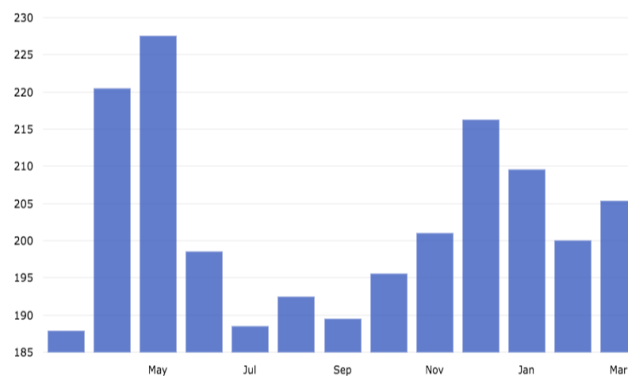
The Bank Indonesia (BI) survey revealed that the performance of retail or retail sales improved in March 2022 relative to the previous month. This is reflected in the Real Sales Index (IPR), which reached 205.3 in March 2022, up 2.6% month-over-month from 200 in February 2022. This growth has not occurred since the beginning of 2022. Previously, retail sales performance in January 2022 fell 3.1% month-to-month. Similarly, in February it contracted 4.5% (month-to-month). March 2022 retail sales growth is influenced by rising public demand. This is consistent with the reduction of activity restrictions, the decline in Covid-19 cases, and the beginning of Ramadan preparations. Most categories experienced an increase in retail sales, with spare parts and accessories growing by 12.1% (month-to-month), other domestic equipment by 7.4% (month-to-month), and clothing by 4.6% (month-to-month). The annual growth rate of retail sales remained strong at 9.3% (year-on-year/yoy), although it was weaker than the previous

month's growth rate of 12.9% (yoy). In terms of annual growth, sales of motor vehicle gasoline, food, beverages, and tobacco, as well as the clothing sub-group, slowed down. The sales of the information and communication equipment division, on the other hand, decreased annually.

Alfamart provides essentials and daily necessities. Alfamart is also straightforward to locate in residential areas, office buildings, and other public areas. The 65 distribution centers of Alfamart, which supply the majority of great merchandise to all stores, offer more than 5,000 distinct product categories. Indomaret distributes its own label or private label products. Products sold under the private label Alfamart brand are owned by the corporation and are sold exclusively at Alfamart retail locations. In 2000, Alfamart private label products first appeared. In Pontianak, Alfamart is not the only retail establishment. With so many competitors, Alfamart desires to enhance the reputation of the Alfamart brand by accumulating private label products, so that consumers are aware that the company not only sells No Brand products, but also owns and trades Alfamart-branded products. Approximately 500 varieties of Alfamart private trademark products are available.

Many businesses have recently realized the significance of consumer loyalty to their business operations. Customer loyalty is crucial to the survival of a business. Customer loyalty is the driving force behind many businesses' use of defensive marketing strategies to increase market share and maximize profits. According to (Malini et al., 2022; Wahyuningsih & Sukaatmadja, 2020), customer loyalty is the extent to which a user demonstrates a favorable attitude towards a brand, is committed to a specific brand, and intends to continue purchasing it in the future. In the meantime, according to (Baig et al., 2020; Malini, 2021), customer loyalty is the attachment of a consumer to a brand who is always committed to remaining loyal to that brand. Therefore, customer loyalty refers more to consumers' decisions to make repeated purchases of private label products, prices, and customer satisfaction in order to maintain a positive attitude towards Alfamart's products.

Customer satisfaction is a very decisive factor in marketing, especially if the customer is dissatisfied with the service and the price does not reflect the value of the product or service. According to (Martínez & Del Bosque, 2013), customer satisfaction is the perception of the general attitude consumers have towards a product or service after using it. According to (Martínez & Del Bosque, 2013), customer satisfaction is the degree to which the perceived performance of a product or service matches expectations. If the efficacy of the product or service falls short of expectations, then the consumer is dissatisfied. If the performance meets the consumer's expectations, the consumer is pleased. If performance exceeds the consumer's expectations, he or she is extremely content or pleased. Therefore, businesses must be able to manage their marketing strategy so that consumers are interested in the offered products, loyal to using them, and we can establish a positive brand image among customers.

Based on the background information provided, it is evident that minimarkets, hypermarkets, and supermarkets in the city of Pontianak are required to better their retail quality due to the intense competition they face. In order for Alfmart minimarkets to continue to make a positive contribution to economic growth in Indonesia, particularly in the city of Pontianak, they must be able to compete

in this environment. For Alfamart Pontianak City customers to remain loyal, we must be able to maintain private label products and prices, as well as increase customer satisfaction.

2   Literature Review

Retail purveyors construct and own their own private label brands. According to alternative perspectives, private labels are products that use a distributor's or retailer's brand name or a brand name created specifically for distributors or retailers (Cuneo et al., 2015). In addition, the term "private label" is defined as a product brand that is developed specifically for and sold exclusively by retailers. A private brand, on the other hand, is a product created and promoted by a retailer that is sold exclusively in that retailer's store and is not available for purchase by competitors. Given that private label is a brand created by retailers and merchants, it is essential to the success of marketing in achieving its objectives (Gielens et al., 2021; Seong-Soo, 2022). The development of a comprehensive private label is essential for business travel because it provides organizations with a means of attaining their objectives. Whether private labels are excellent or bad is determined by product quality, selling price, product information, and properly implemented promotions (Sansone et al., 2021).

Price is a unit of exchange that evaluates the received benefits and consumers' purchasing power. According to alternative perspectives, pricing is the quantity of money charged for a product or service and represents the value consumers receive in exchange for the benefits of possessing or utilizing the product or service (Shioda et al., 2011). Moreover, according to's definition of price, a product's price is the quantity of money allocated for it, the value consumers exchange for the benefits of owning or utilizing expensive goods or services, and a product's delivery time influences customer satisfaction. Price indicates that the value of a product is conveyed in dollars. Customer satisfaction is defined as the perception of the consumer's overall attitude towards a brand after using it. According to a second viewpoint, customer satisfaction is the encouragement of individual desires with the aim of achieving satisfaction (Akcay, 2011). In addition, the definition of customer satisfaction proposed by stated that customer satisfaction is a person's emotions of pleasure or disappointment after comparing the actual product performance (outcome) to the expected product performance (or result). In the meantime, according to Customer satisfaction is the degree to which the perceived performance of a product or service matches expectations. If the efficacy of the product or service falls short of expectations, then the consumer is dissatisfied. If the performance meets the consumer's expectations, the consumer is pleased. When performance exceeds consumer expectations, consumers feel extremely contented or delighted (Safitri, 2018).

Customer loyalty is an individual's devotion to a brand and unwavering determination to remain a customer. According to alternative perspectives, customer loyalty is the extent to which a consumer has a favorable opinion of a brand, is committed to a particular brand, and intends to continue purchasing that brand in the future (Agrawal et al., 2012). In addition, a definition of customer loyalty was provided. According to this definition, customer loyalty is a consumer's devotion to a brand, store, or vendor based on exceptionally favorable characteristics in long-term

purchases. Customer loyalty is the commitment to repeatedly purchase or subscribe to a product or service in the future to encourage additional purchases.

Conceptual Framework and Research Hypothesis

The conceptual framework describes the relationship between one variable and the other variables used in the research. In this study, there are 5 researches variable relationships, namely as follows:

a. Relationship between Private Label and Customer Satisfaction

In this study, the private label relationship has a significant effect on customer satisfaction. This shows that if private label products are recognized by the market share, the product packaging owned by private labels is attractive and good and has a lot of variety, the higher the customer satisfaction with Indomaret products. H1 = Private label has a significant effect on customer satisfaction.

b. Price Relationship Relationship And Customer Satisfaction

In this study, the relationship between price and customer satisfaction has a significant effect. This means that if the price offered by Indomaret is able to compete with the prices of similar products, the price offered is in accordance with the quality and benefits obtained, the higher the customer satisfaction with Indomaret. *H2 = Price has a significant effect on customer satisfaction*

c. Private label relationship with customer loyalty

In this study, private label relationships have a significant effect on customer loyalty. This means that if the private label product is known by the market share, the private label product packaging is attractive and good and has many variations, the higher customer loyalty to Indomaret. H3 = Private label has a significant effect on customer loyalty

d. Price Relationship Relationship With Customer Loyalty

In this study, the price relationship has a significant effect on customer loyalty. This means that if the price offered by Indomaret is able to compete with similar product prices, the price offered is in accordance with the quality and benefits obtained, the higher customer loyalty to Alfamart. H4 = Price has a significant effect on customer loyalty

e. Relationship Relationship between Customer Satisfaction and Customer Loyalty

In this study, if customer satisfaction has a significant effect on customer loyalty. This means that if the customer is satisfied with Alfamart private label products, wants to buy Alfamart private label products again and the products purchased meet expectations, Alfamart customer loyalty will increase. H5 = Customer Satisfaction has a significant effect on Customer Loyalty

f. Indirect Effect of Private Label on Customer Loyalty Through Customer Satisfaction

In this study, if the private label has a significant effect on customer loyalty through customer satisfaction. This means that Indomaret private label products are known by market share, Alfamart private label products are very attractive and good and have many product variations so that customers are satisfied with these products and create customer loyalty to Alfamart. H6 = Private label has an indirect effect on customer loyalty through customer satisfaction

g. Indirect Effect of Price on Customer Loyalty Through Customer Satisfaction

In this study, if the price has a significant effect on customer loyalty through customer satisfaction. This means that the price set for Indomaret private label products is able to compete with prices for similar products, the price set is in accordance with the quality and benefits obtained so that customers are satisfied with the product and grow customer loyalty to Indomaret. H7 = Price has an indirect effect on customer loyalty through customer satisfaction Based on the description of the relationship between the research variables and the formulation of the hypothesis as described above, it can be concluded that the description of the research conceptual framework is as follows:

Figure 2. Research Conceptual Framework
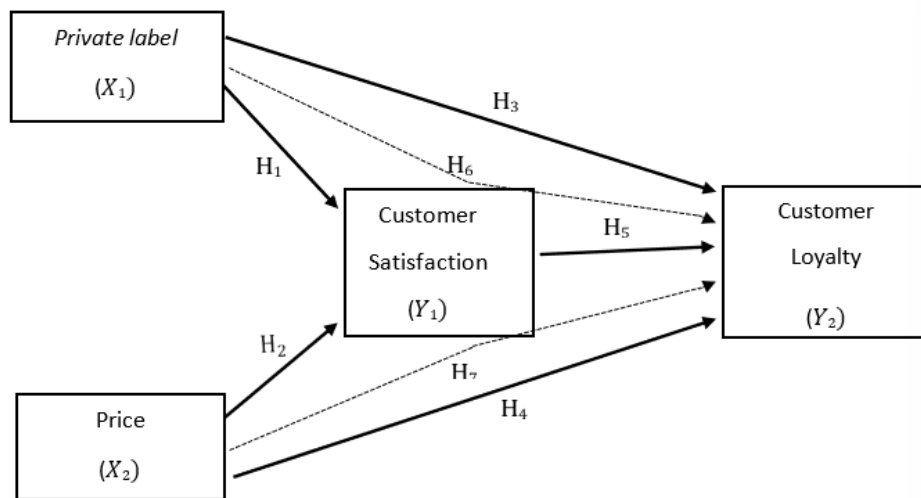
Source: Based on the research results (2023)

3 Method

Customers of Alfamart who have purchased Indomaret private label products will be surveyed. The purpose of this survey and causal associative research is to determine and evaluate the relationship between private label variables, price, and customer satisfaction and loyalty. This study's target population consisted solely of Indomare customers, with a total sample size of 100 individuals. The sampling strategy employs probability sampling. Using version 25 of SPSS, tests were conducted by analyzing the results of descriptive statistical tests, classical assumption tests, path analysis, and hypothesis testing. Online questionnaires were utilized to gather primary data. Secondary data in this study include information on the growth of Indonesian retail sales, the 10 retailers with the highest consumer value in Indonesia, price comparison data for Indomaret is a

private label products versus other branded products, the number of Alfamart outlets, and PT. Alfamart profile.

In this study, the sampling technique used in this study was purposive sampling or non-probability sampling. The criteria for the research sample are:

1. Respondent is at least 17 years old
2. Respondents have purchased Private label products at Alfamart at least 3 times shopping within 1 month in 2023, because that time is the right time for shopping frequency at Alfamart, besides that this reason also aims to find out how often and how satisfied respondents shop at Alfamart.

$$N = \frac{Z^2}{4(Moe)}$$

Description:

N   :   Number of Samples

Z   :   Normal distribution level at a significant level of 5% = 1.96

Moe :   Margin of error or the maximum error that is usually corrected, Here it is set at 10% or 0.10

$$N = \frac{1.96^2}{4(0.10)^2} = 96.04$$

Based on the results of the above calculations, the number of samples used was 96.04 respondents, to facilitate research, the number of samples set was 100 people. The number of respondents of 100 people is considered representative because it exceeds the minimum total sample.

Research Variables

In this study includes the following variables:

1. Independent Variable (Independent Variable): The independent variables in this study are private label (X1) and price (X2).
2. Dependent Variable (Dependent Variable): The dependent variable in this study is customer loyalty (Y2)
3. Mediation Variables (Intervening Variables): The intervening variable is usually referred to as the mediating variable, which is the variable that separates the dependent variable from independent variable. The intervening variable in this study is customer satisfaction (Y1).

Operational Variables

Path Analysis

Path analysis tests the regression equation which involves several independent and dependent variables at once, thus allowing testing of the mediating/intervening variables or intermediate variables. The path analysis equation in this study is as follows:

Figure 3. Path Analysis Equation
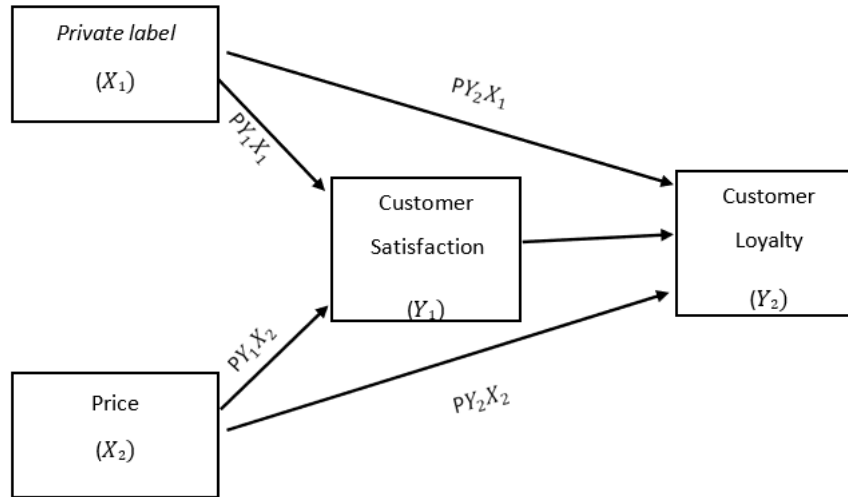
Source: Based on the research results (2023)

First regression equation: $Y_1 = PY_1X_1 + PY_1X_2$ Second Regression Equation: $Y_2 = PY_2X_1 + PY_2X_2 + PY_2Y_1$

Description:

X_1 = Private label Variable

X_2 = Price Variable

Y_1 = Customer Satisfaction Variable

Y_2 = Customer Loyalty Variable

Y_1X_1 = Path Coefficient of Variable Customer Satisfaction to Private label

Y_2X_1 = Path Coefficient of Customer Loyalty to Private label

Y_1X_2 = Path Coefficient of Customer Loyalty to Price

Y_2X_2 = Path Coefficient of Customer Loyalty to Price

Y_2Y_1 = Path Coefficient of Customer Loyalty to Customer Satisfaction

Hypothesis Testing

The criteria for analyzing the coefficient of determination are as follows:

a. Partial Test (T Test)

   The T test basically shows the level of influence of the explanatory variable or independent variable on the dependent variable (Ghozali, 2013). This test was carried out using a significance level of 0.05 ($\alpha = 5\%$). Acceptance or rejection of the hypothesis is done on the basis of the following analysis:

1. If the significant value of t <0.05 then this indicates that H0 is rejected, which means that there is a significant influence on the independent variable being tested on the dependent variable.

2. If the significant value of t > 0.05, this indicates that H0 is accepted, which means that there is no significant effect on the independent variable being tested on the dependent variable.

1. The model feasibility test (Goodness of Fit)

The model feasibility test (Goodness of Fit) or the F test is used to basically show whether all the independent or independent variables included in the model have an influence on the dependent or dependent variable. The test steps are as follows:

1. Degree of confidence = 5%

2. Degree of freedom f Table (a, k, n-k-1) a = 0.05

   k = number of independent variables n = number of samples

3. Determine the test criteria

   f count > f – Table, then H0 is rejected f count < f - Table, then H0 is rejected

   Conclusion: If fcount < ftable then H0 is accepted and Ha is rejected, meaning that there is no effect simultaneously.

2. Determination Coefficient Test (**R2**)

The coefficient of determination is between zero and one. A small R2 value means that the ability of the independent variable to explain the dependent variable is very limited. The coefficient of determination ranges from zero to one ($0 \leq R2 \leq 1$). This means that if R2 = 0 indicates that there is no influence between the independent variables on the dependent variable, if R2 is getting bigger and closer to 1 it means that the independent variable has a stronger influence on the dependent variable, if R2 is getting smaller and even closer to zero, then it can be said that it can it is said that the independent variable has a smaller influence on the dependent variable.

1. If Kd is close to zero (0), then the effect of the independent variable on the dependent variable is weak.

2. If Kd is close to one (1), then the effect of the independent variable on the dependent variable is strong.

In general, the coefficient of determination of cross-sectional data is relatively low, because there are very large differences between each observation, and for time series data it usually has a high coefficient of determination.

3. Sobel Test

According to Ghozali (2011) said that testing the mediation hypothesis can be carried out with the procedure developed by Sobel (1982) and known as the Sobel test (Sobel Test). The Sobel test is carried out by testing the strength of the indirect influence of the independent variable (X) on the dependent variable (Y2) through the intervening variable (Y1). To make

it easier to test the effect of mediation, the Sobel Test can also be calculated using the online Sobel calculator. The requirements for the Sobel test require a large number of samples, if the sample is small, the Sobel test will be less precise. The basis for decision making on the Sobel test (Ghozali, 2011), namely:

1. If the value of Y1 < 1.96 then it is stated that it is unable to mediate the relationship between the influence of the independent variable on the dependent variable.

2. If the Y1 value is > 1.96, then it is stated that it is capable of mediating the relationship between the influence of the independent variables on the dependent variable.

4. Result and Discussion

The results indicated that all questionnaire items were valid and reliable. For the traditional assumption test, the data is typically distributed and linearly related. According to the study's findings, private label has a significant effect on customer satisfaction, price has a significant effect on customer satisfaction, private label has no significant effect on customer loyalty, price has no significant effect on customer loyalty, customer satisfaction has a significant effect on customer loyalty, private label has a significant effect on customer loyalty via customer satisfaction, and price has a significant effect on customer loyalty.

There are five queries within the private label variable that present the variable indicators. The responses of respondents to private label variables are shown in Table 1.

Table 1. Private Table

No	Question Item	Respondent Responses					Score	Mean	Categorization
		SS	S	CS	TS	STS			
		5	4	3	2	1			
1.	Indomaret private label brand already known by the market share	30	53	14	3	0	410	4,10	High
2.	Private label product packaging Indomaret is very good	22	60	17	1	0	403	4,03	High
3.	Private label product packaging Indomaret is very interesting	20	53	24	3	0	390	3,9	High
4.	Indomaret private label products has many variations	31	52	14	3	0	411	4,11	High
5.	Private label product conditions Indomaret is very good	21	61	17	1	0	402	4,02	High
Average Value of *Private label*								**4,03**	**High**

Source: Data Processing Results (2023)

According to Table 1, the response with the highest average score is the fourth item, which states that "Alfamart label products have many variations" with a mean score of 4.11, which falls within the category of "high." The lowest response was for the third item, which stated that "Alfamart private label product packaging is very attractive" and received an average score of 3.9, which

falls within the high category. Overall, it can be concluded that respondents were favorable towards all private label products. This is evidenced by the private label variables' overall mean value of 4.03, which falls within the high range.

There are four queries that present the variable indicators for the Price variable. The responses of respondents to the price variable are shown in Table 2.

Table 2. Price

No	Questions	Tanggapan Responden					Score	Mean	Kategori
		SS	S	CS	TS	STS			
		5	4	3	2	1			
1.	Prices set for private label products Indomaret is able to compete with similar product prices	26	49	23	2	0	399	3,99	Tinggi
2.	Prices set for private label products Indomaret according to the quality of the products sold	19	63	15	3	0	398	3,98	Tinggi
3.	Prices offered for private label products Indomaret according to the benefits obtained	14	69	15	2	0	395	3,95	Tinggi
4.	Prices offered for private label products Indomaret is a reasonable price	17	60	21	2	0	392	3,92	Tinggi
Average Value of Price								**3,96**	**Tinggi**

Source: Data Processing Results (2023)

Based on Table 2, the highest response is in the first item, which states that "Prices set by Alfamart private label products can compete with prices for similar products" with an average value of $3.99, which falls into the high category. The lowest response is found in the fourth statement item, which states, "The prices offered for Alfamart private label products are reasonable prices," with a mean score of 3.92, which falls within the high category. Overall, it can be concluded that the respondents' response to the entire price item was positive. This is evidenced by the price variable's overall average value of 3.96, which places it in the "high" category.

Responses of Respondents to Questions Concerning Customer Satisfaction

Indicators for the Customer Satisfaction variable are presented through three queries. The responses of respondents to customer satisfaction variables are displayed in Table 3.

Table 3. Customer Satisfaction

No	Question	Respondent Responses					Score	Mean	Kategori
		SS	S	CS	TS	STS			
		5	4	3	2	1			
1.	I felt satisfied when I use Alfamart Private Label	16	67	14	3	0	396	3,96	Tinggi
2.	I will buy private label product from Alfamart	16	63	18	3	0	392	3,92	Tinggi
3.	The product of Alfamart Private Label was qualified with my expectations.	12	69	17	2	0	391	3,91	Tinggi
Average Value of Customer Satisfaction								**3,93**	**Tinggi**

Source: Data Processing Results (2023)

According to Table 3, the highest response is found in the first item, which states, "I feel satisfied when using Alfamart Private Label Products," with an average score of 3.96, which falls within the high category. The statement that "Alfamart private label products meet my expectations" received the lowest response from respondents, with an average score of 3.91, placing it in the high category. In general, it can be concluded that the respondents' responses to the aggregate customer satisfaction items were positive. The total average value of the variable measuring overall customer satisfaction is 3.93, which places it in the "high" category.

Responses Received Regarding Customer Loyalty

Indicators for the customer loyalty variable are presented in four separate queries. The responses of respondents to the customer loyalty variable are shown in Table 4.

Table 4. Customer Loyalty

No	Question	Respondent Responses					Score	Mean	Categorization
		SS	S	CS	TS	STS			
		5	4	3	2	1			
1.	I will buy Private label product in Alfamart Frequently	11	42	32	14	1	348	3,48	High
2.	I will always be going to use private label product from Alfamart	14	34	36	15	1	345	3,45	High
3.	I will always be going to use Private Label Product from Alfamart although there is similar product out there that offering much cheaper product	11	38	30	19	2	337	3,37	Low enough
4.	I am going to suggest the private label product of IndoMaret to everyone else.	12	44	36	8	0	360	3,6	High
Average Value of Customer Satisfaction								**3,47**	**High**

Source: Data Processing Results (2023)

Based on Table 4, it can be seen that the highest response is for the fourth item, "I will recommend Indomaret private label products to others," with an average score of 3.6, which falls within the high category. "I will continue to use Alfamart private label products even though similar products offer cheaper prices" received the lowest response from respondents, with an average score of 3.37, which falls into the fairly low category. Overall, it can be concluded that all consumer loyalty items received positive responses from respondents. This is evidenced by the total average value of the customer loyalty variable being 3.47, which is in the high category.

From the results of the second sub-structural regression equation, the sub-structure can be described as follows:

Figure 4. Results of Sub-Structure Coefficient Analysis
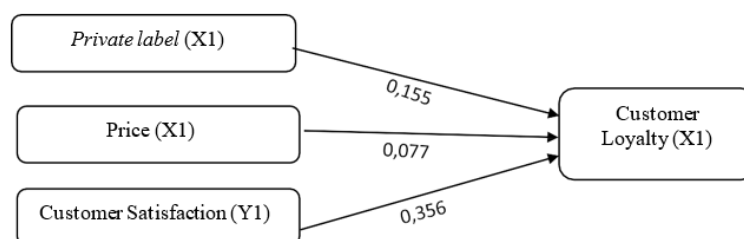
From the results of the first sub-structural regression equation and the second sub-structural model, the path analysis diagram model can be described as follows:

Figure 5. Results of the First and Second Sub-Structure Coefficient Analysis
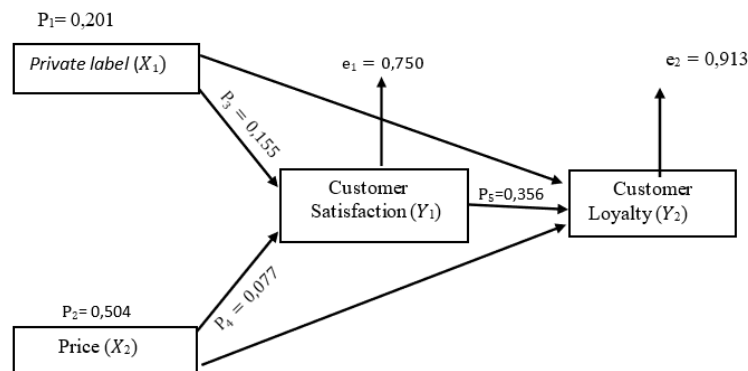
5. Conclusions

Based on the findings of the research, questionnaires were distributed to research subjects who met the requirements, namely Alfmart customers, in order to capture data. This study collected data from 100 Indomaret customers who completed out a questionnaire in its entirety and could be analysed. Based on the outcomes of the data analysis, the following conclusions are drawn: Price has a significant effect on customer satisfaction at Indomaret, private label has no significant effect on customer loyalty at Indomaret, and private label has no significant effect on customer loyalty at Alfamart. At Alfamart, customer satisfaction has a substantial effect on consumer loyalty.

Private label has a substantial influence on customer loyalty, as mediated by Alfamart customer satisfaction. Price has a substantial impact on customer satisfaction, which is mediated by Alfamart customer satisfaction. This research can be utilized by business actors as input or material for consideration as they perpetually develop more effective marketing strategies. It is also anticipated that Indomaret will continue to increase advertising so that private label products are better known by market share, improve private label product packaging to be more appealing, offer more product variations, and further enhance private label product conditions. In addition, prices must be competitive with comparable products. offered by private label products must be proportional to the benefits and quality obtained, and the price of private label products must be reasonable so that customers will be satisfied with Indomaret private label products and want to buy them again, this is because private label products meet customer expectations, making customers loyal to Indomaret private label products, customers always purchase and use private label products. Future researchers are anticipated to be able to add or develop additional variables that affect Alfamart customer loyalty in order to provide a fuller image. Researchers also recommend expanding the research area and increasing the sample size in order to accurately represent the population.

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