INFLUENCE OF PRODUCT QUALITY, PRODUCT INNOVATION, AND SALES PROMOTION ON CUSTOMER SATISFACTION AT LAANCBAKE MSMEs IN BANDAR LAMPUNG

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Abstract: The reason of this consider is to find out and look at how client joy at Laaancbake MSMEs in Bandar Lampung is affected by item quality, item development, and deals advancement. The statistic beneath consider in this investigate is shoppers of Laancbake MSMEs; in this way, the test measure, as evaluated by the Lemshow strategy, demonstrated that 100 respondents were required for the consider. Different direct investigation, the coefficient of assurance test, and the t test are among the quantitative methods utilized in this consider. The comes about appear that (1) Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by product quality (2) Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by product innovation. (3) Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by sales promotion. (4) Laaancbake MSMEs in Bandar Lampung's customer satisfaction is together significantly impacted by product quality, product innovation, and sales promotion.

Keywords: Product Quality, Product Innovation, Sales Promotion and Consumer Satisfaction.

I. INTRODUCTION

The expansion of Indonesia's business community has advanced significantly. The global market is characterized by fierce competition. Businesspeople promote their excellent products with vigor. The quality, inventiveness, pricing, sales location, and advertising strategy of these exceptional products vary. Therefore, it becomes a value addition to outperform its rivals. The involvement of MSMEs in the business sector is able to support the Indonesian economy. MSMEs have so far demonstrated that they can strengthen the local economy and withstand the current pandemic. Aside from that, there are increasing chances to find new employment. This contributes to the value of MSMEs in society. The emergence of MSMEs also provides several benefits, despite the significant risks and commercial uncertainty. MSME participants have demonstrated their ability to compete in the market by trying. The quick growth of MSMEs that have persisted to this day is evidence of this.

Consumer satisfaction is the reason consumers decide to make a purchase. As stated by Zeithm & Bitner (2000) [1]satisfaction is a consumer response that is proportional to the fulfillment of expectations. Therefore, fulfilling needs is an important expectation for consumers.

In the majority of the world's nations, especially the larger ones, MSMEs are the engine of the economy (Muafa et al., 2020). Product quality in MSMEs might affect customer satisfaction. Customers choose to buy from MSMEs as a result of this, for sure. According to Kotler & Armstrong (2004), (Tombeng et al., 2019)product quality. The capacity of a product to meet demands, functions, and values is its quality. This function value comprises a product's appropriateness, ease of use, and completeness. Product innovation is one of the key factors that influences purchase decisions in addition to product quality.

Product innovation is one of the factors that influences marketing performance. Innovation comes from a change or elimination of a product attribute or appearance of a particular product or is also called a completely new product. One way to win the competition is by innovating products. Innovation is the process of identifying and satisfying customers through the discovery of new products. A product that innovates can have a longer life cycle, a strategic position in the market, resilience against rival attacks, and the ability to satisfy consumer demands [2].

Promotions can influence consumer satisfaction. Where promotions are able to attract consumers to purchase goods from MSMEs. Kurniawan & Kunto (2013) in [3], explained that promotion is communication from business actors to consumers. This communication aims to enable customers to understand information about the goods being sold. So, customers have information and are interested in making purchases of these products. After the promotion is carried out, consumers will provide an assessment of the price offered.

Food bakery products that are in demand among the public. Bakery products are foods made from wheat flour which is leavened with bread yeast and can be added with salt, sugar, milk, fat and delicious ingredients and then baked. Bakery products have a high carbohydrate content because they can contribute energy to people who consume them. Bakery products also contain various other nutrients such as protein, fat, minerals, etc. so that this product is a food that can provide adequate nutritional intake for consumers. Examples of bakery products are bread, biscuits, cakes, pastry.

Laancbake is one of the bread companies that has been able to survive to date with continuously increasing levels of productivity amidst a lot of competition with other bread producers. This is influenced by the company's ability to maintain product quality by using quality raw materials and no changes to the raw materials used. Laancbake Food Industries produces sweet bread, white bread, cakes and pastries. To see Laancbake's development, the following is Laancbake's sales for the period January – September 2023.

Tabel 1. Sales Of Laancbake Products For The Period January - September 2023

No	Tahun	Penjualan (Rp)	Perkembangan Penjualan (%)
1	January	Rp27,468,000	-
2	February	Rp24,836,000	-9.58%
3	March	Rp20,328,000	-18.15%
4	April	Rp25,788,000	26.86%
5	Mei	Rp26,460,000	2.61%
6	June	Rp27,500,000	3.93%
7	July	Rp24,780,000	-9.89%
8	August	Rp23,350,000	-5.77%
9	September	Rp22,888,000	-1.98%
	Jumlah	Rp223,398,000	-12%
	Rata-rata	Rp24,822,000	-1%

Sumber : Laancbake, 2023.

Based on sales of Laancbake products for the period January - September 2023, there was a fluctuation in Laancbake sales in January sales amounted to IDR 27,468,000, then in February there was a decrease of IDR 24,836,000, then in March IDR 20,328,000, in April there was an increase of IDR 25 ,788,000, in May and June there was also an increase of IDR 26,460,000 and IDR 27,500,000, however in August there was a decrease of IDR 24,780,000, followed by September which experienced a significant decrease of IDR 23,350,000. Laancbake experienced a problem with fluctuations and a decline in product sales. This may be due to decreased product quality, product innovation, and sales promotions. This study intends to ascertain and evaluate the impact of product quality, product innovation, and sales promotion on customer satisfaction at Laaancbake MSMEs in Bandar Lampung, based on the context of the problem description that has been provided.

II. LITERATURE REVIEW AND RESEARCH METHODS
Consumer Satisfaction
(Krisdianti & Sunarti, 2019) asserts that happiness and melancholy have an impact on customer satisfaction. This impression is obtained from comparing the things produced to consumer expectations. Irawan (2008) (Worek & Sepang, 2021) lists the following as indicators of consumer satisfaction: contentment with goods and services; repurchasing goods; product recommendations; and expectations being fulfilled.

Product quality
[4] expressed that item quality is the product's capacity to carry out its part. Durability, consistency, precision, simplicity of use, damage repair, and other product benefits are all included in these features. [5]. Product quality indicators according to Tjiptono (2001) [6] are performance, additional features, reliability and durability.

Product Innovation
[7]believes that product innovation is any item that has been developed or modified. According to [8]product innovation, it is related to development of current events. The goal is so that consumers don't get bored and are interested in new products. Indicators of product innovation according to Lukas & Ferrell (2000) [9]are new products, completely new products, line extensions.

Sales promotion
According to Kotler (2010), [10]promotion is a forum for advertising a product or service. Promotion is useful for strengthening the brand image that is attached to a product. Kotler & Armstrong (2016) [11]explain the indicators of promotion, namely advertising, sales promotion, direct marketing, publicity.

Framework for Thought and Hypothesis
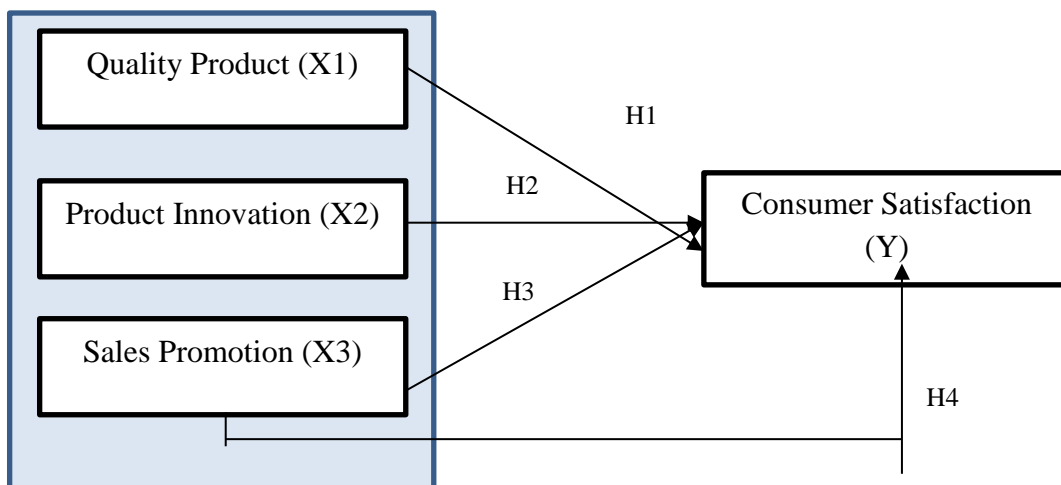
Picture 1. Framework

A framework of thought serves as the foundation for the formulation of hypothese, which are provisional solutions to problems. Drawing from the existing challenges and context, the following hypothesis can be proposed:

H1:   Product quality influences consumer satisfaction at Laancbake .
H2:   Product innovation influences consumer satisfaction at Laancbake .
H3:   Sales promotions influence consumer satisfaction at Laancbake .
H4:   Product quality, product innovation, and sales promotions together influence consumer satisfaction at Laancbake .

RESEARCH METHODS
This study employs a quantitative methodology, and an online liket scale will be used to disseminate the questionnaire. The author employs non-probability sampling as her method of sampling. Purposive sampling is the type of non-probability sampling approach utilized in this study. Sugiyono (2017) defines purposive sampling as "a technique for determining samples with certain considerations." It is uncertain who the study's population is. The Lemeshow formula is used to calculate the sample size for an unknown population. Based on this equation, the n gotten is 96.04 = 100 individuals. Hence, in this consider, the creator is required to require information from a test of at slightest 100 individuals who meet the criteria of having made numerous buys against Laancbake. Examinations of information that take the form of numerical values which will be computed or measured are known as quantitative examinations. The objective of this consider is to decide the quantitative affect of one or more components. This examination utilizes measurable computation methods, and SPSS 25 computer program is utilized to encourage information examination. Those that will be tried in this investigate are different direct tests, coefficient of assurance tests, t tests and F tests.

III. RESEARCH RESULTS AND DISCUSSION
Validity test
The Legitimacy Test is critical for confirming the legitimacy or suitability of the survey utilized to gather and analyze inquire about information from respondents. Pearson Relationship was utilized for this test. A demonstrate is considered worthy in case rcount (Adjusted Item-Total Relationship) > rtable breaks even with 0.197. For illustration, in the event that df = 100-2 = 98 and f_0 = 0.05, the item/question is legitimate.

Table 2. Validity Test Results for All Variables

No	X1	X2	X3	Y	r table	Conclusion
1	0 .758	0 .663	0 .758	0 .665	0.197	Legitimate
2	0 .850	0 .801	0 .850	0 .692	0.197	Legitimate
3	0 .771	0 .748	0 .771	0 .692	0.197	Legitimate
4	0 .778	0 .793	0 .778	0 .725	0.197	Legitimate
5	0 .769	0 .758	0 .769	0 .739	0.197	Legitimate
6	0 .795	0 .772	0 .795	0 .709	0.197	Legitimate
7	0 .767	0 .794	0 .767	0 .687	0.197	Legitimate
8	0 .840	0 .732	0 .840	0 .749	0.197	Legitimate
9	0 .751	0 .795	0 .751	0 .676	0.197	Legitimate
10	0 .752	0 .707	0 .752	0 .691	0.197	Legitimate

Source: Data processed with SPSS 2 5 , 2023

According to the findings of validity testing in the table above, there are 40 questionnaires comprising these four variables, which were completed by 100 respondents in this study. To determine whether surveys are genuine and incorrect, we must first identify the table. The formula for r table is df = N-2, thus 100-2 = 98, yielding r

table = 0.197. The comes about of the legitimacy calculations within the table over appear that r number > r table for all approved surveys.

Reliability Test
Unwavering quality tests were performed to decide the consistency of the consider instrument. A Cronbach Alpha score more prominent than 0.60 shows that the investigate instrument is reliable. Table 3 shows the comes about of the unwavering quality tests for the four factors utilized in this think about.

Table 3. Reliability Test Results for All Variables

Variable	Cronbach's Alpha	Realibility
X1	0.930	Reliable
X2	0.916	Reliable
X3	0.930	Reliable
Y	0.883	Reliable

Source: Data processed with SPSS 25, 2023

Based on the previously mentioned unwavering quality test discoveries, the alpha esteem was more than 0.60, demonstrating that this inquire about survey is reliable. This proposes that the measuring device utilized in this consider is as of now able of creating reliable estimation discoveries for the same indications.

Multiple Linear Regression

Table 4. Multiple Linear Analysis
Coefficients ᵃ

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,617	3,078		,525	,600
	Product quality	,612	.073	,620	8,367	,000
	Product Innovation	,181	,065	,207	2,794	,006
	Sales promotion	,142	,061	,148	2,311	.023

a. Dependent Variable: Consumer Satisfaction
Source: Data processed with SPSS 25, 2023

Interpretation
$Y = \alpha + \beta_1 X1 + \beta_2 X2 + \beta_3 X3 + e_t$
$Y = 1.617 + 0.612X_1 + 0.181X_2 + 0.142X_3 + e_t$
Interpretation:
Based on the linear regression equation above, the interpretation is as follows:

1. The Constant (a) value of 1.617 indicates that neglecting Product Quality, Innovation, and Sales Promotion will result in just 1.617 Consumer Satisfaction.
2. The regression efficiency value for the Product Quality variable (X1) is 0.612, indicating a positive influence on the Consumer Satisfaction variable (Y). Increasing (X1) by 1% while keeping Product Innovation constant leads to a 6.12% increase in Consumer Satisfaction.
3. The regression efficiency value for the Product Innovation variable (X2) is 0.181, indicating a positive relationship between the Product Quality variable (X2) and the Consumer Satisfaction variable (Y). For example, increasing (X2) by 1% while keeping Product Quality constant leads to a 1.81% increase in Consumer Satisfaction.

4. The regression efficiency value for the Sales Promotion variable (X3) is 0.142, indicating a positive influence on the Consumer Satisfaction variable (Y). For example, increasing (X3) by 1% while keeping Product Quality and Product Innovation constant leads to a 1.42% increase in Consumer Satisfaction.
5. The regression coefficient for Product Quality (X 1) is 0.612, higher than that for Product Innovation (X 2) and Sales Promotion (X3) (0.181 and 0.142, respectively). This demonstrates that the Product Quality variable contributes more to enhancing consumer satisfaction with Laancbake than Product Innovation and Sales Promotion.

Coefficient of Determination

Table 5. Determination Coefficient

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,783 [a]	,613	,601	3,351

a. Predictors: (Constant), Sales Promotion, Product Quality, Product Innovation

Source: Data processed with SPSS 25, 2023

The table above depicts the tight relationship between the variables Product Quality, Product Innovation, and Sales Promotion on Consumer Satisfaction. The calculation results show R = 0, 7 83, and the coefficient of determination is R 2 = 0, 613, or 61.3%. The magnitude of the coefficient of determination indicates that 61.3% of the change in the Consumer Satisfaction variable is influenced by Product Quality, Product Innovation, and Sales Promotion, with the remaining 38.7% influenced by other factors that the author did not investigate, such as Service Quality, Price, Customer Perception, Places, and so on.

Partial Hypothesis Test or t Test
Partial hypothesis testing can be used to identify the effects of each independent variable on the dependent variable. If the sig value is less than 0.05, the proposed hypothesis is accepted. Otherwise, Ho is rejected and Ha accepted.

Table 6. Partial Hypothesis Test (t Test)
Coefficients [a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1,617	3,078		,525	,600
	Product quality	,612	.073	,620	8,367	,000
	Product Innovation	,181	,065	,207	2,794	,006
	Sales promotion	,142	,061	,148	2,311	.023

a. Dependent Variable: Consumer Satisfaction

Source: Data processed with SPSS 25, 2023

Hypothesis testing Product Quality on Consumer Satisfaction

Based on the hypothesis test, t may be estimated. The Product Quality variable is 8,367 with a significance level of 0.000 since the probability is considerably lower than 0.050, indicating that Product Quality has a positive and substantial influence on Consumer Satisfaction, rejecting Ho and accepting Ha. Thus, the first hypothesis, "Product Quality has a positive and significant effect on consumer satisfaction with Laancbake," is accepted.

Customers' decisions to buy will be influenced by a high-quality product. Customers attempt to make purchases and evaluate the quality of the goods produced. Laancbake makes an effort to provide high-quality products at a fair price. Laancbake produces unique goods that are also quite durable. Research (Martini & Dewi, 2021) demonstrating that product quality has a strong beneficial influence on purchase decisions supports the assessment of this hypothesis.

Hypothesis Testing Product Innovation on Consumer Satisfaction
Using the hypothesis test, t may be calculated. The Product Innovation variable is 2,794 with a significance level of 0.0 06 since the probability is significantly lower than 0.050, showing that Product Innovation has a positive and significant impact on Consumer Satisfaction, rejecting Ho and accepting Ha. Thus, the second hypothesis "Product Innovation has a positive and significant effect on Consumer Satisfaction with Laancbake" is confirmed.

Customers find Laancbake's innovative products to be highly enticing. Unique items tend to make customers happier. Customers will choose to purchase anything as a consequence. Laancbake creates novel products that are only available right now. People will be tempted to buy because of this. The hypothesis's determination is in line with other studies (Hidayatullah et al., 2020), which show that product innovation influences buying decisions favorably and significantly.

Test the Sales Promotion Hypothesis on Consumer Satisfaction
Based on the hypothesis test, t may be estimated. The Sales Promotion variable is 2,311 with a significance level of 0.0 23 since the probability is substantially lower than 0.050, indicating that Sales Promotion has a positive and significant influence on Consumer Satisfaction, rejecting Ho and accepting Ha. As a result, the third hypothesis "Sales Promotion has a positive and significant effect on Consumer Satisfaction with Laancbake" is accepted.

Sales at Laancbake may persuade customers to make a purchase. This is, naturally, a result of satisfied clients who buy from Laancbake. Laancbake has tried to win over consumers with as many enticing promotions as they can. advertisements posted on social media sites like Facebook and Instagram. Additionally, Laancbake provides discounts to customers in an effort to entice them to buy. The theory was established in accordance with research (Zainullah, 2019), which shown that promotions have a positive and significant impact on purchasing decisions.

Hypothesis Testing by Anova
ANOVA may be used to examine the effect of independent factors on the dependent variable. If the sig value is <0.05, the hypothesis is accepted. Otherwise, Ho is rejected and Ha is accepted.

Table 6. Hypothesis Testing by Anova (F Test)

ANOVA ᵃ

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1708.471	3	569,490	50,729	,000 ᵇ
	Residual	1077719	96	11,226		
	Total	2786.190	99			

a. Dependent Variable: Consumer Satisfaction

b. Predictors: (Constant), Sales Promotion, Product Quality, Product Innovation

Source: Data processed with SPSS 25, 2023

Based on the above hypothesis test, F can be calculated to be 50,729 with a significance level of 0.000 because the probability is much smaller than 0.050, indicating that Product Quality, Product Innovation, and Sales Promotion have a positive and significant effect on Consumer Satisfaction, rejecting Ho and accepting Ha. Thus, the fourth hypothesis, "Product Quality, Product Innovation, and Sales Promotion Have a Significant Effect on Consumer Satisfaction with Laancbake," is accepted.

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IV. CONCLUSION AND SUGGESTION
Conclusion
Based on theoretical studies and data analysis results, it can be concluded that Product Quality and Product Innovation have a positive effect on Consumer Satisfaction . These conclusions are shown from the findings of the analysis as follows :
1. Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by product quality.
2. Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by product innovation.
3. Laaancbake MSMEs in Bandar Lampung's customer satisfaction is positively and significantly impacted by sales promotion.
4. Laaancbake MSMEs in Bandar Lampung's customer satisfaction is together significantly impacted by product quality, product innovation, and sales promotion.

Suggestion
The suggestions that researchers will give to Laancbake are as follows:
1. Laancbake should maintain the quality of the products provided to customers. Laancbake can focus more on the interests or achievement of customer satisfaction, so that good products and products can meet customer expectations.
2. The company must continue to innovate and meet market demand for the high quality products Laancbake produces.
3. Companies must also pay attention to other promotional tools besides sales promotions and advertising, namely personal sales, public relations, and holding special events.
4. This research can still be developed more widely. Future researchers are expected to focus on message content and message reception.

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