

The Effect of Product Quality, Brand Image, and Menu Variety on Customer's Loyalty Through Customer's Satisfaction as An Intervening Variable

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Abstract

This research aims to know the effect of product quality, brand image, and menu variety to the customer's loyalty through customer's satisfaction. The research population is obtained from the customers of Resto Ocean Garden Soekarno Hatta Malang. The population sample taken in the research is about 263 respondents. Within the data collection, this research employs questionnaire. From the path analysis method, it shows that the quality of product, image of brand, and menu variety directly affect to the loyalty of customer or indirectly affect to the satisfaction of customer. This research concludes that the product quality, brand image, and menu variety both directly and indirectly affect to build the loyalty of customers through their satisfaction. In last, based on the research result, it recommends to create new innovations to boost the customer's satisfaction.

Keywords: Product Quality, Brand Image, Menu Variety, Customer's Loyalty, Customer's Satisfaction

1. Introduction

In the era of globalization, the business development between firms is competing each other. This business competition is more extreme in both domestic and international market. The dynamic business development with full competition demands the firm to have some orientation change to the firm's way to serve the product, maintain the product, attract the customers, and handle the competitors. Kotler & Keller (2009) asserts that brand image is a perception and belief which is created by the customers, seen from the association within the customer's memory. Nugroho (2008) indicates that the image and brand is a reality, therefore if the market communication does not fit perfectly to the reality, so the reality will win. The image will be good if the customers could experience the product with new reality.

Menu variety means a collection of whole product or menu or served product from the seller to the buyer (Kotler & Keller, 2007). The relation between the menu variety and customer in deciding what to buy is closely interrelated to the sales viability of a firm. According to Rahajani (2005), the customer tends to choose a place or atmosphere that is able to serve various and complete menu. The decision to place the product relates to the product availability / menu variety in exact quantity and good location (Tjiptono, 2005).

Satisfaction is described as having a good or bad feeling that emerged from comparing the performance from the product perception or expectation result (Kotler & Keller, 2009). This customer's satisfaction depends on the performance and expectation. This satisfaction also means as a level of individual's feeling after comparing the performance or impression he/she has from the product expectation (Kotler, 1997).

Mowen and Minor (2008) declares that loyalty is a condition when the customer shows positive attitude to a brand of product, has commitment with that brand, and plan to repeat purchase in the next time. Commonly, the customer's loyalty means individual's loyalty towards certain product or service. Moreover, the customer's loyalty is a manifestation and continuance emerged from the customer's satisfaction or literally it is the result of customer's satisfaction (Dharmmesta & Shellyana, 2002).

Based on those conditions, Resto Ocean Garden Soekarno Hatta Malang has to improve the product quality for the customer in order to keep the brand image and menu variety in this restaurant and to build good impression to the customers. This strategy aims to keep the customer's satisfaction and give positive contribution to the restaurant. One of customer's satisfaction effects is to repeat the visit and purchase. According to this background, the researcher is interested to do a research on the title "The Effect of Product Quality, Brand Image, and Menu Variety to the Consumer's Loyalty by Means of Customer's Satisfaction as an Intervening Variable (Study on the Customers of Resto Ocean Garden Soekarno Hatta Malang)". From those mentioned backgrounds, the researcher formulates some research questions as below:

- 1) Do the product quality affect to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang?
- 2) Do the brand image affect to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang?
- 3) Do the menu variety affect to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang?
- 4) Do the customer's satisfaction affect to the customer's loyalty in Resto Ocean Garden Soekarno Hatta Malang?
- 5) Do the product quality affect to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang?
- 6) Do the brand image affect to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang?
- 7) Do the menu variety affect to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang?

- 8) Do the product quality affect to the costumers' loyalty through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang?
- 9) Do the brand image affect to the costumers' loyalty through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang?
- 10) Do the menu variety affect to the costumers' loyalty through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang?

Based on the research questions and theory framework, here are the hypotheses presented by the researcher:

- 1) H_1 : The product quality affect positively and significantly to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang.
- 2) H_2 : The brand image affect positively and significantly to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang.
- 3) H_3 : The menu variety affect positively and significantly to the costumers' satisfaction in Resto Ocean Garden Soekarno Hatta Malang.
- 4) H_4 : The customer's Satisfaction affect positively and significantly to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang.
- 5) H_5 : The quality product affect positively and significantly to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang
- 6) H_6 : The image brand affect positively and significantly to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang.
- 7) H_7 : The menu variety affect positively and significantly to the costumers' loyalty in Resto Ocean Garden Soekarno Hatta Malang
- 8) H_8 : The quality product affect positively and significantly to the costumers' satisfaction through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang.
- 9) H_9 : The brand image affect positively and significantly to the costumers' satisfaction through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang.
- 10) H_{10} : The menu variety affect positively and significantly to the costumers' satisfaction through their satisfaction in Resto Ocean Garden Soekarno Hatta Malang.

2. Research Method

This research is categorized into quantitative research by exerting descriptive and explanatory approach. The method of quantitative research refers to the methods to clarify the certain theories by examining the relation between variables (Creswell, 2013). This is called as descriptive since the research wants to describe each condition of research variables; they are Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3), Customer's Satisfaction (Z), and Customer's Loyalty (Y).

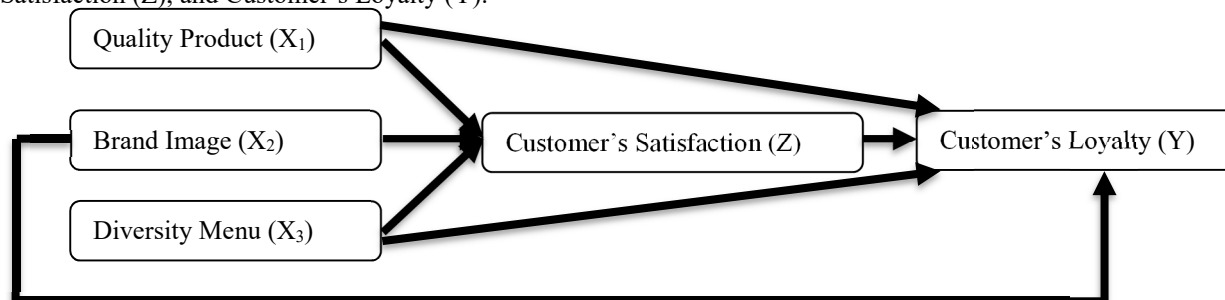


Figure 2.1 Research design

2.1 Population and Sample

Population is number of object or individual that is going to be examined, where the object has certain, clear, and complete characteristics that are needed to accomplish a research (Setiawan, 2005). This research takes population from the whole customers that are visiting and buying food in Resto Ocean Garden Soekarno Hatta Malang in 2018. The research sample is taken around 263 respondents.

2.2 Data Analysis

After the data are collected, the researcher will analyze the data. This research analysis uses method of descriptive and inferential analysis. In the data analysis process, the researcher describes and figures the collected data without having intention to draw general conclusion (Sugiyono, 2010). This descriptive analysis refers to the descriptive variable of research: Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3), Customer's Satisfaction (Z), and Customer's Loyalty (Y).

Meanwhile, inferential analysis is a research method that analyze the sample data and make generalization (valid generally) in population. The inferential analysis refers to the testing between independent variable and

dependent variable partially and simultaneously.

2.3 Result of Descriptive Analysis

a. Variable of Product Quality (X_1)

According to the table 2.4.1, it shows the average (mean) of Product Quality variable (X_1) which has average value about 3.93. In the class interval, it is included into category $3.40 < PQ \leq 4.20$. It means the value shows that most respondents rate “Agree” with the statements of all aspects related to the Product Quality.

Table 2.3.1 Distribution of Answer Frequency of Product Quality Variable (X_1)

Num	Question Item	Mean
X _{1.1}	Ocean Garden Malang has salty and delicious.	3.96
X _{1.2}	Ocean Garden Malang has different taste from the competitor’s food taste.	3.88
X _{1.3}	Ocean Garden Malang adjust the served food.	4.01
X _{1.4}	Food quality that served by Ocean Garden Malang is appropriate to the food offer.	4.00
X _{1.5}	Ocean Garden Malang is food restaurant that has long enough durability.	3.88
X _{1.6}	I trust that the ingredient that are used in every menu package of Ocean Garden Malang.	3.84
	Average	3.93

Source : Data is processed by the researcher, 2018

b. Variable of Brand Image (X_2)

Based on the table 2.4.2, it shows the average (mean) of Brand Image variable (X_2) has average value about 3.96. in the class interval, it is categorized into $3.40 < BI \leq 4.20$. This value means that the most respondents rate “Agree” with the statement of all aspects related to the Brand Image.

Table 2.3.2 Distribution of Answer Frequency of Brand Image Variable (X_2)

Num	Question Item	Mean
X _{2.1}	Label Image of Ocean Garden Malang is unique and attractive than the other sort of competitors.	3.97
X _{2.2}	Ocean Garden Malang has unique and attractive icon.	3.90
X _{2.3}	Ocean Garden Malang is easily remembered (OG).	4.04
X _{2.4}	Ocean Garden Malang is easily spelled (OG).	4.07
X _{2.5}	Ocean Garden is a restaurant that is well known as qualified brand in society.	3.90
X _{2.6}	Ocean Garden Malang always serve brand product superiority.	3.88
	Average	3.96

Source: Data is processed by the researcher, 2018

c. Variable of Menu Variety

Based on the table 2.3.3, it shows the average (mean) of Menu Variety Variable (X_3) which has average value about 4.02. In the class interval, it is categorized into $3.40 < MV \leq 4.20$ which means that value indicates the most respondents rate “Agree” with the statement of all aspects related to the menu variety.

Table 2.3.3 Distribution of Answer Frequency of Menu Variety Variable (X_3)

Num	Question Item	Mean
X _{3.1}	Menu variant offered by Ocean Garden Malang is complete.	4.00
X _{3.2}	Menu or product option offered by Ocean Garden Malang.	4.08
X _{3.3}	Availability of menu variant is completed by Ocean Garden Malang.	4.07
X _{3.4}	Availability of taste variant in the menu offered by Ocean Garden is various.	4.07
X _{3.5}	Menu quality offered by Ocean Garden Malang is appropriate to customer’s expectation.	3.98
X _{3.6}	Menu quality offered by Ocean Garden is different to the other sort of competitors.	3.90
	Average	4.02

Source: Data processed by the researcher, 2018

d. Variable of Customer’s Satisfaction (Z)

Based on the table 2.3.4, it shows the average (mean) of Customer’s Satisfaction Variable (Z) has average value about 4.08. In the interval class, it is categorized into $3.40 < QS \leq 4.20$. It indicates that most respondents rate “Agree” with the statement of all aspects related to the customer’s satisfaction.

Table 2.3.4 Distribution of Frequency of Customer’s Satisfaction Variable (Z)

Num	Question Item	Mean
Z ₁	The ingredient is appropriate to the standard of customer’s expectation.	3.99
Z ₂	The product or menu of Ocean Garden Malang has good quality.	4.17
Z ₃	The customer is satisfied to the food and beverage taste served by OceanGarden Malang.	4.06
Z ₄	The customer is satisfied to the order serving in Ocean Garden Malang.	4.11
	Average	4.08

Source: Data processed by the researcher, 2018

e. Variable of Customer's Loyalty

Based on the table of 2.3.5, it shows the average (mean) of Customer's Loyalty Variable (Y) has average value 4.01. In the class interval, it is categorized into $3.40 < CS \leq 4.20$ which indicates that the most respondents rate "Agree" with the statement of all aspects related to the customer's loyalty.

Table 2.3.5 Distribution of Frequency of Customer's Loyalty Variable (Y)

Num	Question Item	Mean
Y ₁	Menu of Ocean Garden Malang is favorite compared to the sort of competitors.	3.99
Y ₂	Ocean Garden Malang always focus to the satisfaction and pleasure of customer.	4.07
Y ₃	I am satisfied to the food quality of Ocean Garden Malang.	4.04
Y ₄	I would give positive impression about Ocean Garden Malang to my friends.	4.06
Y ₅	I would recommend Ocean Garden Malang as one of good restaurants to my family and friends.	3.88
Y ₆	I would invite my mate to enjoy the menu package of Ocean Garden Malang.	3.84
Y ₇	I would return here to enjoy the menu of Ocean Garden Malang.	4.10
Y ₈	Before I visit to Ocean Garden Malang, I would compare the food quality and brand to the same sort of competitors.	3.99
Y ₉	I would buy the food or menu Ocean Garden Malang.	4.09
	Average	4.01

Source : Data processed by the researcher, 2018

First comparison

The researcher will analyze the line related to the variable of Product Quality (X₁), Brand Image (X₂), Menu Variety (X₃), Customer's Satisfaction (Z):

Table 2.3.6 Anova Sub-Structure 1

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	290,786	3	96,929	33,503	,000 ^b
Residual	749,328	259	2,893		
Total	1040,114	262			

a. Dependent Variable: Customer's Satisfaction

b. Predictors: (Constant), Product Quality, Brand Image, Diversity Menu.

It is seen from Sig column. On the Anova table, Sig value is 0.000 or smaller than probability value 0.05 (Sig $0.000 < 0.050$), then Ho is rejected and Ha is accepted. Therefore, it is concluded that the variable of product quality (X₁) affect positively and significantly to the customer's satisfaction (Z).

Table 2.3.7 Summary Sub-Structure 1

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F change	Df1	Df2	Sig. F Change
1	.529 ^a	.280	.271	1.70093	.280	33.503	3	259	.000

a. Dependent Variable: Customer's Satisfaction

b. Predictors: (Constant), Product Quality, Brand Image, Diversity Menu.

Simultaneously, the variable of product quality (X₁), Brand Image (X₂), Menu Variety (X₃) contribute 0.280 (28.0%) (Value of R square and Summary table) in describing the change on the variable of customer's satisfaction (Z), meanwhile the rest 72.0% is described by the other variables. On Anova table (Test F) shows that simultaneously the free variables have significant effect to the variable of customer's satisfaction (Z).

Table 2.3.8 Coefficients Sub-Structure 1

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		T	Sig.
	B	Std. Error	Beta			
(Constant)	5,679	1,099			5,168	,000
1 Product Quality	,021	,040		,033	,530	,000
Brand Image	,204	,046		,292	4,468	,000
Menu Variety	,221	,042		,312	5,263	,000

a. Dependent Variable: Customer's Satisfaction

On the coefficient table of the variable of product quality (X₁), Brand Image (X₂), Menu Variety (X₃) simultaneously affect to the Customers' Satisfaction (Z) which intends to test the constant significance and dependent variable. On the coefficient table, partial test / T Test shows that the variable of product quality (X₁),

Brand Image (X_2), Menu Variety (X_3) statistically affect significantly to the Customer's Satisfaction (Z). This is indicated by the Sig Value. Each value is smaller than alpha 5%, 0.000.

$$Z = PZx_1 + PZx_2 + PZx_3 + PZe_1$$

$$= 0.033x_1 + 0.292x_2 + 0.312x_3 + 0.849e_1$$

Second Comparison

The product quality (X_1), Brand Image (X_2), Menu Variety (X_3) through Customer's Satisfaction (Z) simultaneously to the Customer's Loyalty (Y). Here are the discussion about the line analysis related to the variables.

Table 2.3.9 Anova Sub-Structure 2

ANOVA^a

	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	1326,752	4	331,688	37,183	,000 ^b
Residual	2301,477	258	8,920		
Total	3628,228	262			

a. Dependent Variable: Customer's Loyalty

a. Predictors: (Constant), Product Quality, Brand Image, Diversity Menu, Customer's Satisfaction

The Sig column on Anova table, Sig Value is 0.000 or smaller than Prob Value 0.05 (Sig 0.000 < 0.050), therefore, H_0 is rejected and H_a is accepted. It conclude that the variable of Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3) through Customer's Satisfaction affect simultaneously and significantly to the Customer's Loyalty (Y).

Table 2.3.10 Summary Sub-Structure 2

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F change	Df1	Df2	Sig. F Change
1	.605 ^a	.366	.356	2.98671	.366	37.183	4	258	.0000

a. Dependent: Customer's Loyalty

b. Predictors: (Constant), Product Quality, Brand Image, Diversity Menu, Customer's Satisfaction

Simultaneously, the variable of Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3), and Customer's Satisfaction (Z) has contributed 36.6% (R square Value) and on the Summary table describes the change on the variable of Customer's Loyalty (Y), meanwhile the rest 63.4% is described by the other variables. Anova table (F Test) shows that simultaneously the free variables affect significantly to the variable of Customer's Loyalty (Y) shown by the Sig Value 0.000 < 5%.

Table 2.3.11 Coefficient Sub-Structure 2

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
(Constant)	11,549	2,027			5,699	,000
1 Product Quality	,278	,071		,232	3,918	,000
Brand Image	,164	,083		,126	1,981	,049
Menu Variety	,302	,078		,228	3,893	,000
Customer's Satisfaction	,416	,109		,223	3,811	,000

a. Dependent Variable: Customer's Loyalty

On the table 2.3.11, the variable of Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3), and Customer's Satisfaction (Z) affect simultaneously to the Customer's Loyalty (Y) which intends to test Sig. constant and dependent variable. On coefficient table, T test / partial, it is seen that the variable of Product Quality (X_1) has value 0.000 higher than alpha 5% which means Sig Value or H_0 is rejected and H_a is accepted. The Product Quality (X_1), Brand Image (X_2), Menu Variety (X_3), and Customer's Satisfaction affect positively and significantly to the Customer's Loyalty (Y), which is partially shown from each Sig. Value higher than Alpha 5%, 0.000 and 0.000.

$$Y = PYx_1 + PYx_2 + PYx_3 + PYz + PYe_2$$

$$= 0.232 + 0.126 + 0.228 + 0.223 + 0.796e_2$$

Based on the table 2.3.4, it shows the average (mean) of Customer's Loyalty variable has average value 4.01. In the class interval, it is categorized $3.40 < CS \leq 4.20$. This value means that most respondents rate "Agree" with the statement of all aspects related to the Customer's Satisfaction in Ocean Garden Soekarno Hatta Malang.

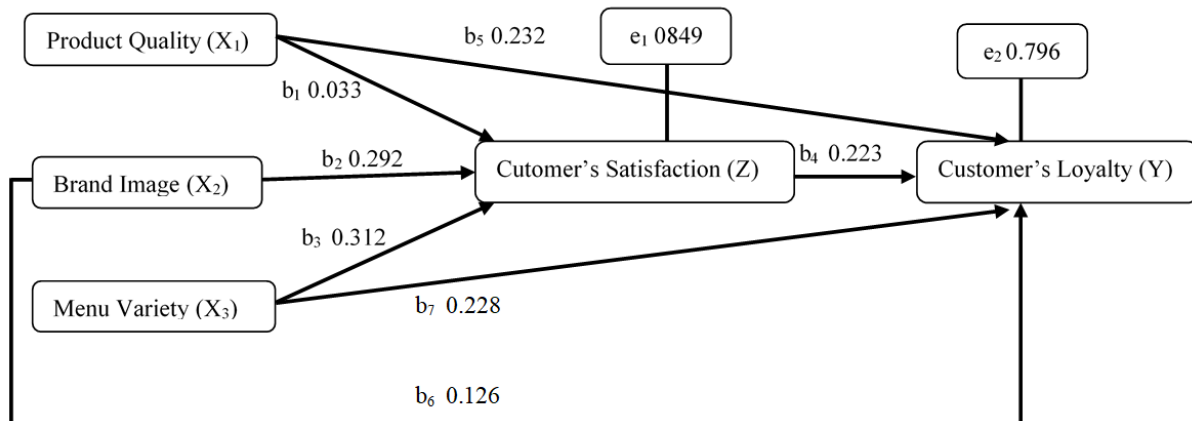


Figure 3.2 Analysis Results

Table 2.3.12 Results Analysis Path

Variable	Direct Effect	Indirect Effect	Total Effect
Product Quality to Customer's Loyalty	0.232	$0.033 \times 0.223 = 0.00735$	0.23935
Brand Image to Customer's Loyalty	0.126	$0.292 \times 0.223 = 0.06511$	0.19111
Menu Variety to Customer's Loyalty	0.228	$0.312 \times 0.223 = 0.06957$	0.29757
Customer's Satisfaction to Customer's Loyalty	0.223		0.223
Product Quality to Customer's Satisfaction	0.033		0.033
Brand Image to Customer's Satisfaction	0.292		0.292
Menu Variety to Customer's Satisfaction	0.312		0.312

Source: Data processed by the researcher, 2018

1) First Hypothesis Test

H1 according to the table 2.3.8 shows the value of t_{count} 0.530 with the line value 0.033 and Sig. value $0.000 < 0.050$. It indicates that there is a direct positive and significant effect from the product quality to the customer's satisfaction.

2) Second Hypothesis Test

H2 according to the table 2.3.8 shows the value of nilai t_{count} 4.468 with the line value 0.292 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the brand image to the customer's satisfaction.

3) Third Hypothesis Test

H3 according to the table 2.3.8 shows the value of nilai t_{count} 5.263 with the line value 0.312 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the menu variety to the customer's satisfaction.

4) Fourth Hypothesis Test

H4 according to the table 2.3.11 shows the value of nilai t_{count} 3.811 with the line value 0.223 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the customer's satisfaction to the customer's loyalty.

5) Fifth Hypothesis Test

H5 according to the table 2.3.11 shows the value of t_{count} 3.918 with the line value 0.232 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the product quality to the customer's loyalty.

6) Sixth Hypothesis Test

H6 according to the table 2.3.11 shows the value of t_{count} 1.981 with the line value 0.126 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the brand image to the customer's loyalty.

7) Seventh Hypothesis Test

H7 according to the table 2.3.11 shows the value of t_{count} 3.893 with the line value 0.223 and Sig value $0.000 < 0.05$. It refers to the fact that there is positive and significant effect which is directly obtained from the menu variety to the customer's loyalty. Therefore, H2 is accepted and H0 is rejected. In short, H7 states that the statement of effects emerging form menu variety to the customer's loyalty is accepted.

8) Eighth Hypothesis Test

H8 Value, it is known that the direct effect emerged from the product quality (X_1) to the customer's satisfaction (Z) about 0.232, whereas indirect effect from the product quality (X_1) through customer's satisfaction (Z) to customer's loyalty (Y) is multiplication between the value of product quality (X_1) to customer's satisfaction (Z) with the value of customer's satisfaction towards customer's loyalty (Y): $0.033 \times 0.223 = 0.008$. Therefore, the total effect emerged from the product quality (X_1) to the customer's loyalty (Y) is direct and indirect effect: $0.233 + 0.008 = 0.231$. According to that count, the direct effect value 0.232 and indirect effect value 0.008 which means that the indirect effect value is smaller than the direct effect value. This result shows that indirectly, the product quality (X_1) has positive and significant effect to the loyalty of customer (Y).

9) Ninth Hypothesis Test

H9 value, it is known that the direct effect emerged from brand image (X_2) towards customer's satisfaction (Z) is about 0.126, whereas the indirect effect of the brand image (X_2) through customer's satisfaction (Z) to the customer's loyalty (Y) is multiplication between the value of brand image (X_2) to customer's satisfaction (Z) with the value of customer's satisfaction towards customer's loyalty (Y): $0.292 \times 0.223 = 0.065$. Therefore, the total effect emerged from the brand image (X_2) to the customer's loyalty (Y) is direct and indirect effect: $0.126 + 0.008 = 0.191$. According to that count, the direct effect value 0.126 and indirect effect value 0.065 which means that the indirect effect value is smaller than the direct effect value. This result shows that indirectly, the brand image (X_2) has positive and significant effect to the loyalty of customer (Y).

10) Tenth Hypothesis Test

H10 value, it is known that the direct effect emerged from menu variety (X_3) towards customer's satisfaction (Z) is about 0.228, whereas the indirect effect of the brand image (X_3) through customer's satisfaction (Z) to the customer's loyalty (Y) is multiplication between the value of menu variety (X_1) to customer's satisfaction (Z) with the value of customer's satisfaction towards customer's loyalty (Y): $0.312 \times 0.223 = 0.069$. Therefore, the total effect emerged from the menu variety (X_2) to the customer's loyalty (Y) is direct and indirect effect: $0.228 + 0.069 = 0.297$. According to that count, the direct effect value 0.228 and indirect effect value 0.069 which means that the indirect effect value is smaller than the direct effect value. This result shows that indirectly, the menu variety (X_2) has positive and significant effect to the loyalty of customer (Y).

3. Discussion

a. Effect of Product Quality to Customer's Satisfaction

This research result shows that there is positive and significant effect from the product quality (X_1) towards the customer's satisfaction (Z) since Sig. Value is smaller than 0.05 with the value 0.033. The researches which are done by Abdullah & Rozario (2009), Jahanshahi, et al (2011), Suwarni & Mayasari (2011), Kusuma, et al (2014), Andreas (2016), and Nuridin (2018) showed that the product quality affect positively and significantly to the customer's satisfaction.

b. Effect of Brand Image to Customer's Satisfaction

This research result shows that there is positive and significant effect from the brand image (X_2) towards the customer's satisfaction (Z) since Sig. Value is smaller than 0.05 with the value 0.0292. Therefore, this research supported the previous researches done by Lai, et al (2009), Thakur & Singh (2012), Adreani, et al (2012), Prasetyo (2015), Neupane (2015) which stated that the brand image affect positively and significantly to the customer's satisfaction.

c. Effect of Menu Variety to Customer's Satisfaction

This research result shows that there is positive and significant effect from the menu variety (X_3) towards the customer's satisfaction (Z) since Sig. Value is smaller than 0.05 with the value 0.312. Therefore, this research supported the previous researches done by Suwarni & Mayasari (2011), Hasanah & Harti (2012), Pattarakithm (2015), and Mantauv (2015) which stated that the menu variety affect positively and significantly to the customer's satisfaction.

d. Effect of Customer's Satisfaction to Customer's Loyalty

This research result shows that there is positive and significant effect from the customer's satisfaction (Z) to the customer's loyalty (Y) since Sig. Value is smaller than 0.05 with the value 0.223. Therefore, this research supported the opinions by Malik, et al (2012), Khan (2012), Prsetyo (2015) which stated that the customer's satisfaction affect positively and significantly to the customer's loyalty. Also, this research supports the previous researches by Hasanah & Harti (2012), Kusuma et al (2014), Odunlami & Matthew (2015), Neupane (2015), Chao et al (2015), Andreas (2016) and Laila (2017) which asserted that customer's satisfaction affect positively and significantly to the customer's loyalty.

e. Effect of Product Quality to Customer's Loyalty

This research result shows that there is positive and significant effect from the product quality (X_1) to the customer's loyalty (Y) since Sig. Value is smaller than 0.05 with the value 0.232. Therefore, this research supports the previous researches which asserted that the product quality affect positively and significantly to the customer's loyalty. Moreover, this research supported the opinions by Jahanshahi, et al (2011), Halim et al (2014), Kusuma,

et.al (2014), Adreas (2016), and Minar & Safitri (2017), Nuridin (2018), which stated that the product quality affect positively and significantly to the customer's loyalty.

f. Effect of Brand Image to Customer's Loyalty

This research result shows that there is positive and significant effect from the brand image (X_2) to the customer's loyalty (Y) since Sig. Value is smaller than 0.05 with the value 0.223. Therefore, this research supports the previous researches which asserted that the variable of brand image affect positively and significantly to the customer's loyalty. This research supported the previous researches by Malik *et.al* (2012), Pranata & Saputri (2014), Prasetyo (2015), Chao *et.al* (2015), Neupane (2015), Laila (2017), Sulibhavi & K (2017), Minar & Safitri (2017), which stated that the brand image affect positively and significantly to the customer's loyalty.

g. Effect of Menu Variety to Customer's Loyalty

This research result shows that there is positive and significant effect from the menu variety (X_3) to the customer's loyalty (Y) since Sig. Value is smaller than 0.05 with the value 0.126. Therefore, this research supports the previous researches which asserted that the variable of brand image affect positively and significantly to the customer's loyalty. This research supported the previous researches by Hasanah & Harti (2012), Rorimpandey, *et.al* (2017), which stated that the menu variety affect positively and significantly to the customer's loyalty.

h. Effect of Product Quality to Customer's Loyalty through Customer's Satisfaction

On the image of line analysis, it shows the direct effect of product quality to the customer's loyalty 0.232. Meanwhile, the indirect effect through the customer's satisfaction is $0.033 \times 0.223 = 0.008$. From this count, it indicates the indirect effect through customer's satisfaction is smaller than the direct effect towards the customer's loyalty. This result refers that the product quality does not affect indirectly to the customer's loyalty through customer's satisfaction.

i. Effect of Brand Image to Customer's Loyalty through Customer's Satisfaction

On the image of line analysis, it shows the direct effect of brand image to the customer's loyalty 0.126. Meanwhile, the indirect effect through the customer's satisfaction is $0.292 \times 0.223 = 0.065$. From this count, it indicates the indirect effect through customer's satisfaction is smaller than the direct effect towards the customer's loyalty. This result refers that the brand image does not affect indirectly to the customer's loyalty through customer's satisfaction.

j. Effect of Menu Variety to Customer's Loyalty through Customer's Satisfaction

On the image of line analysis, it shows the direct effect of menu variety to the customer's loyalty 0.228. Meanwhile, the indirect effect through the customer's satisfaction is $0.312 \times 0.223 = 0.069$. From this count, it indicates the indirect effect through customer's satisfaction is smaller than the direct effect towards the customer's loyalty. This result refers that the menu variety does not affect indirectly to the customer's loyalty through customer's satisfaction.

4. Conclusions

Based on the research result and discussion related to the effect of product quality, brand image, and menu variety to the customer's loyalty through customer's satisfaction as intervening variable, the researcher concludes as below:

- a. The product quality, brand image, and menu variety affect positively and significantly to the customer's satisfaction.
- b. The product quality, brand image, menu variety, and customer's satisfaction affect positively and significantly to the customer's loyalty.
- c. The customer's satisfaction mediates between the product quality, brand image, and menu variety towards the customer's loyalty, since it gives bigger direct effect than indirect effect.

5. Recommendations

- a. To maintain and improve the product quality, which is known that Ocean Garden Malang as a restaurant in the sector of food and beverage has retained since 2012 up to now 2018. Moreover, the price variation has to be reconsider in order to keep the price affordable to all segments of society especially students.
- b. Brand image must also be improved as well as possible considering the number of competitors or competitors that exist today. So that customers will feel satisfied with the brand image provided and compare with the brand image of the competitors so they can be loyal to the product Ocean Garden Soekarno Hatta Malang
- c. For the next researches, based on this research restriction where the researcher obtained the data from the questionnaire answered by the respondents, the researcher hoped that the next researcher would be able to do a sort of research by doing closer interview to the respondents and the founder to get more information related to Resto Ocean Garden Soekarno Hatta Malang.

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