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## **A DESCRIPTIVE ANALYSIS OF PRODUCT QUALITY, PRICE, BRAND IMAGE, AND SERVICE QUALITY TOWARD CUSTOMER SATISFACTION IN THE BATIK INDUSTRY**

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**Abstract:** This study examines the determinants of customer satisfaction in the batik industry, focusing on product quality, price, brand image and service quality. Using a quantitative research approach, data were collected through surveys of customers of various batik retailers. The analysis used descriptive statistics to show the mean values of each determinant to provide a comprehensive understanding of their impact on customer satisfaction. The results show that service quality receives the highest mean score, reflecting its crucial role in customer satisfaction. Brand image and product quality follow closely behind, highlighting the importance of a strong brand presence supported by the quality of materials used. Price, while still important, has the lowest mean score, suggesting that customers are willing to pay a premium for high quality products and services. These findings offer valuable implications for batik retailers seeking to increase customer satisfaction by prioritizing improvements in product quality and service offerings. Future research should investigate the dynamic interplay between these determinants and examine how digital marketing strategies can further influence customer satisfaction in the batik industry.

**Keywords:** Customer satisfaction, batik industry, product quality, service quality, brand image

### **1. Introduction**

The batik industry in Malaysia, especially in Kelantan, is still important despite the rapid advancements in technology. Government initiatives aimed at preserving this national heritage have ensured that Malaysians continue to buy and wear batik for various occasions, including both formal and informal occasions such as family gatherings and weddings. However, while the industry retains its relevance domestically, it is struggling to expand internationally. Batik has evolved into a modern art form, attracting attention with contemporary designs that reflect today's lifestyles. This change has not only sustained local interest but also opened avenues for potential international appeal. The

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recognition of batik by UNESCO as a Masterpiece of the Oral and Intangible Heritage of Humanity in 2009 underscores its cultural significance (Ramlee et al., 2020). Nevertheless, the emergence of digitally printed batik poses a challenge as it offers consumers alternative options that could compromise the authenticity of traditional batik (Ramlee et al., 2020). In addition, the industry faces challenges in expanding its reach to international markets, mainly due to factors such as price, brand image, service quality and product quality.

The Malaysian batik industry, especially in Kelantan, faces major challenges despite its cultural relevance and support from the government. High production costs due to reliance on imported raw materials result in higher prices that can deter potential buyers, especially when cheaper imitations from other countries are readily available. Although efforts have been made to promote the unique identity of Malaysian batik, the industry still struggles to differentiate itself in a competitive market where foreign brands offer similar products at lower prices (Syed Shaharuddin et al., 2021).

Service quality is another critical factor. Although excellent customer service can increase customer satisfaction and loyalty, many local producers lack the resources to provide such services, which affects their competitiveness (Syed Shaharuddin et al., 2021). Finally, maintaining high standards of product quality is critical to sustaining the industry's reputation, especially in the face of competition from inferior, mass-produced alternatives (Ramlee et al., 2020). The problem is that the industry needs to address these challenges, namely, pricing, brand image, service quality and product quality to strengthen its international presence and competitiveness.

The aim of this study is to investigate the key factors that influence customer satisfaction in the Malaysian batik industry. Specifically, it examines how pricing, which is influenced by high production costs and competition from cheaper imitations, affects consumer choice. The study intends to assess the impact of brand image in differentiating Malaysian batik in a competitive market, evaluate the role of service quality in improving customer satisfaction given the resource constraints of local producers, and analyse the importance of maintaining high product quality standards in upholding the industry's reputation and attracting discerning customers. The study also seeks to understand the role these factors play in customer satisfaction and to identify strategies that could improve the industry's international presence and competitiveness.

## **2. Literature Review**

Customer satisfaction is an important measure of how well a product or service meets the customer's expectations and how they experience it overall. It reflects the subjective evaluation of a customer's interaction with a company and is influenced by factors such as product quality, service quality, price and brand image. Studies have shown that customer satisfaction is closely linked to the extent to which a product or service fulfills the customer's needs, desires and expectations and thus serves as an important performance indicator for companies (Franklin & Director, 2023; Khoo, 2022; Sambo et al., 2022). High customer satisfaction not only shows that a company's offerings meet or exceed customer expectations, but also contributes to customer loyalty and business success (Kotler & Armstrong, 2016).

Product quality is a fundamental factor in customer satisfaction, as it is about how well a product meets customer needs and complies with industry standards. In the competitive business world where customer expectations are constantly rising, maintaining high product quality is crucial to ensure customer satisfaction (Agarwal & Kothari, 2020; Jaehun, 2020). Research has consistently shown that product quality has a significant impact on customer satisfaction, especially in the context of e-commerce, where the quality of products plays a crucial role in shaping the overall customer experience (Ferry Cahaya et al., 2023).

Price is another important factor that influences customer satisfaction. It represents the monetary value that customers are willing to pay for a product or service (Lee, H & Kim, 2019). The perceived value of a product in relation to its price plays an important role in shaping customer satisfaction. Studies have shown that customers tend to be more satisfied when they feel they are getting good value for their money, highlighting the importance of transparent and fair pricing strategies (Montevirgen, 2023; Brown & Jones, 2020; Smith, 2018). Furthermore, the sensitivity of different customer demographics to pricing underscores the need for companies to adopt tailored pricing strategies to optimize satisfaction (Garcia & Martinez, 2021).

Brand image is a powerful tool for differentiating a company from its competitors and plays a crucial role in influencing customer satisfaction (Ezgi, 2022). Strong and positive brand image can evoke emotional responses in customers, leading to higher levels of satisfaction and loyalty (Park, 2019; Babu et al., 2023; Davood & Atena, 2020). The emotional connection that customers develop with a brand can significantly increase their overall satisfaction and increase their lifetime value to the company. Therefore, managing and maintaining a positive brand image is essential for companies that want to achieve a high level of customer satisfaction in today's competitive market.

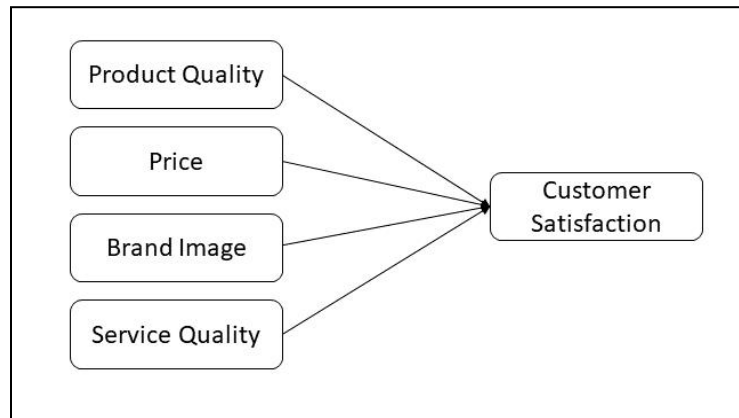
Service quality is closely linked to customer satisfaction as it measures how well a company's services meet or exceed customer expectations. High service quality not only leads to immediate customer satisfaction but also promotes long-term loyalty (Udayalakshmi & Sridevi, 2023; Parasuraman et al., 2017). Recent research has highlighted the dynamic nature of this relationship and emphasizes the importance of consistent, high-quality service across different channels to maintain customer satisfaction over time (Cronin & Taylor, 2019; Zhang & Wang, 2020). With the increasing prevalence of digital interactions, the quality of online service experiences, such as website usability and responsiveness, has also become a critical factor in customer satisfaction (Liu & Li, 2021).

To summarize, customer satisfaction is a multi-faceted concept that is influenced by product quality, price, brand image and service quality. Companies that excel in these areas are more likely to achieve higher levels of customer satisfaction, which in turn leads to customer loyalty and long-term success.

### 2.1 Conceptual Framework

Based on the research constructs of previous studies and extensive review of previous literature, a conceptual framework has been developed and presented in Figure 1. This study intends to investigate the relationship between product quality, price, brand image, and service quality.

**Figure 1:** A Proposed Conceptual Framework



## 3. Data Collection and Methodology

The research design for this study is based on a quantitative approach. The quantitative approach is suitable for deductive research, objective and outcome-oriented studies using standards for reliability and validity of statistical procedures (Hair et al., 2010). This study is cross-sectional research where the data are collected, analysed and summarized statistically while the conclusions are drawn at a single point in time. The measurement scale for the study is developed by adopting a list of potentially validated items from previous literature (Table 1). The constructs are operationalized using a five-point Likert scale (1=agree strongly disagree to 5=agree strongly agree) with 23 items measuring respondents' level of agreement with five variables. The empirical data used for this study are collected by means of a survey. The study focuses on the batik industry in Kelantan and the questionnaire is randomly distributed to the respondents.

The study participants are primarily female and largely in their 20s and 30s. Most are married, have a bachelor's degree and work in the government sector. Income is generally below RM5,000 and the majority have less than five years of work experience. The actual data are filtered to check if the data have been entered correctly, if there are no missing values or outliers and if the distribution of variables is normal. SPSS version 23 was used to analyse the data. Descriptive statistical analysis was used to determine the product quality, price, brand image and service quality in relation to customer satisfaction in the batik industry.

## 4. Findings

### 4.1 Reliability Analysis

Cronbach's alpha ( $\alpha$ ) is the most common method for assessing reliability, including the reliability of a measurement scale or internal reliability (Nunnally & Bernstein, 1994; Sekaran & Bougie, 2016). Various thresholds have been proposed in the literature. Nunnally (1978) and Hair et al. (2010) suggested that the alpha level should be 0.7 or higher. This means that  $\alpha$ -value higher than 0.7 indicates that the variables are internally consistent and appropriate measures for the study. Therefore, 0.70 is used as the minimum value for the internal consistency of the constructs in this study. In this study, the results for all variables vary between 0.74 and 0.92 (Table 1). As all values are greater than 0.7, they are within the acceptable threshold, indicating that all variables are reliable.

**Table 1:** Reliability Analysis

| <b>Factors</b>        | <b>Cronbach's Alpha</b> |
|-----------------------|-------------------------|
| Product quality       | 0.74                    |
| Price                 | 0.83                    |
| Brand image           | 0.87                    |
| Service quality       | 0.86                    |
| Customer satisfaction | 0.92                    |

### 4.2 Descriptive Analysis

The current level of customer satisfaction is measured by the mean value. The result of the mean value shows that the current level of customer satisfaction is high. The results show that the mean scores for product quality, price, brand image, service quality and customer satisfaction are 4.2398, 4.2256, 4.3512, 4.3659 and 4.2927, respectively. The results show that service quality receives the highest mean score, reflecting its crucial role in customer satisfaction. Brand image and product quality follow closely behind, highlighting the importance of a consistent and reliable presence of a strong brand and good customer service. Price, while still significant, has the lowest mean score, suggesting that customers are willing to pay a premium for high quality products and services. Therefore, all variables receive very high mean scores. The standard deviations for each variable, namely customer satisfaction, product quality, price, brand image, service quality and customer satisfaction, are 0.6203, 0.6029, 0.6033, 0.5776 and 0.5900, respectively. Table 4. shows the descriptive analysis of all variables: Product Quality, Price, Brand Image, Service Quality and Customer Satisfaction.

**Table 2:** Descriptive Statistics

| <b>Factors</b>        | <b>Mean</b> | <b>SD</b> |
|-----------------------|-------------|-----------|
| Product quality       | 4.2398      | 0.6203    |
| Price                 | 4.2256      | 0.6029    |
| Brand image           | 4.3512      | 0.6033    |
| Service quality       | 4.3659      | 0.5776    |
| Customer satisfaction | 4.2927      | 0.5900    |

## 5. Conclusion

From the findings, the batik industry in Malaysia, particularly in Kelantan, has high customer satisfaction in terms of several key factors. The analysis revealed that service quality, brand image and product quality play a crucial role in customer satisfaction, with service quality receiving the highest average score. This underlines the importance of excellent customer service in maintaining a satisfied customer base. Brand image and product quality also receive high scores, underlining the importance of consistent and reliable products and a strong brand presence. Price, while rated as significant, has the lowest mean score among the factors, suggesting that customers are generally willing to pay a premium for quality batik products and services. The high reliability scores for these factors confirm their importance to customer satisfaction in the batik industry. Overall, the study suggests that while pricing continues to play a role, the focus should be on maintaining high standards of service quality, brand image and product quality as to drive customer loyalty and satisfaction.

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