

JIM UPB  
Journal of Management Study Program  
Putera University of Batam Vol.13 No. 2 (2025)

## THE ROLE of PRODUCT CHARACTERISTICS and PRICE DISCOUNTS in ENHANCING CUSTOMER SATISFACTION and LOYALTY

**Asman Abnur<sup>1</sup>, Agung Edy Wibowo<sup>2</sup>, Hendra Syaiful<sup>3</sup>, Vargo Christian Lumban Tobing<sup>4</sup>,  
Wasiman<sup>5</sup>, I Nyoman Budhiartha<sup>6</sup>**

<sup>126</sup>Postgraduate Program in Tourism Planning and Development, Batam Tourism Polytechnic  
Email: asman@btp.ac.id, agungedy@btp.ac.id, budiratihhealty@yahoo.com

<sup>3</sup>Study Program in Food and Beverage Management, Batam Tourism Polytechnic  
Email: hendrasyaiful02@gmail.com

<sup>4</sup>Accounting Study Program, Putera Batam University  
Email: vargo.tobing@gmail.com

<sup>5</sup>Management Study Program, Putera Batam University  
Email: Wasiman@puetrabatam.ac.id

### ABSTRACT

*This study aims to examine the role of product characteristics and price discounts in building customer satisfaction and loyalty. The study is motivated by the growing competition among café businesses, where customer retention and satisfaction are crucial for business sustainability. This research explores whether product features and price discounts can effectively shape customer loyalty, either directly or through the mediating role of customer satisfaction. Using a quantitative approach, data were collected through purposive sampling involving 114 respondents who had previously visited MoMoo Café, located in a popular culinary tourism area. The analysis was conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) to test the proposed hypotheses. The results show that price discounts do not have a direct and significant effect on customer loyalty. However, discounts were found to significantly influence customer satisfaction, which in turn significantly affects customer loyalty. This indicates that although discounts do not directly create loyal customers, they enhance satisfaction through the perception of value received, which subsequently drives loyalty. In contrast, product characteristics were found to have no significant influence, either directly on loyalty or on customer satisfaction. These findings highlight the importance of customer satisfaction as a strategic mediator in the formation of loyalty. Therefore, businesses operating in tourist areas should not rely solely on price promotions but should focus on creating a satisfying customer experience. Enhancing service quality, ambiance, and emotional engagement with the brand can result in more sustainable loyalty than price-based incentives alone. This study contributes to the consumer behavior literature in the tourism context by emphasizing the indirect role of price discounts and the central position of satisfaction in building long-term customer relationships.*

**Keywords:** Product Characteristics, Price Discounts, Customer Satisfaction, Customer Loyalty, Tourism Area

## INTRODUCTION

The current business era is highly competitive, and the measure of a company's success is no longer limited to its ability to attract new customers, but also its capacity to retain existing ones. Customer loyalty serves as the foundation for sustainable business growth. A series of interrelated factors that can shape customer loyalty include product characteristics, the provision of price discounts, and customer satisfaction in their interactions with a company's products or services. These three elements can foster long-term relationships with customers, encouraging them to consistently choose the company's products or services.

Product characteristics can build a positive perception in the minds of customers. Products that offer superior quality and innovation tend to provide a satisfying experience for users. Customers who perceive value from the products they purchase are more likely to become loyal, as they believe that the product or service has delivered the expected benefits. Therefore, effective quality control and a deep understanding of customer needs are essential to ensure that the products or services offered possess the characteristics capable of attracting and influencing purchasing decisions and customer loyalty (Wahyuati, 2016). In addition to product quality, pricing strategies also play a significant role in influencing customer decisions and loyalty.

Price discounts can serve as a promotional tool, offering a strong appeal to attract new customers and encourage repeat purchases from existing ones. A price discount is a condition in which the price offered to customers is lower than the usual price. This strategy can create opportunities to increase purchase volume and make customers feel they are receiving greater value or benefits. Such conditions can lead to increased customer satisfaction.

Customer satisfaction can act as a bridge between product characteristics and price discount offerings provided by the company. A satisfied customer is not only content with the product's performance but also appreciates the opportunity to gain additional benefits—for example, making minimal sacrifices while receiving greater value. Customer satisfaction encompasses the entire customer experience, starting from awareness, interest, desire, to action (Kotler dan Armstrong, 2011). Satisfied customers are more likely to recommend the brand to others and make repeat purchases in the future.

There is a synergistic relationship between product characteristics, price discounts, and satisfaction. High-quality products offered at attractive prices, particularly through discounts, have the potential to enhance customer satisfaction. Conversely, even if the product is of good quality, an excessively high price or a poor purchasing experience can reduce customer satisfaction and hinder the formation of loyalty. Therefore, companies must manage these three elements in an integrated manner to create optimal value for customers. This is especially important given that customers often have high critical standards when evaluating a product.

Customer loyalty offers significant benefits for companies. Loyal customers tend to engage in repeat purchasing behavior, spend more resources in transactions, and are less likely to switch to competitors. They can also serve as effective marketing agents, recommending the brand to their friends and family (Prasetyo et al., 2020). Thus, the process of building customer loyalty is not only a strategy to enhance satisfaction, but also a long-term investment in business growth and profitability.

Companies that are capable of managing superior product characteristics, offering strategic price discounts, and delivering high levels of customer satisfaction are businesses that have established essential pillars in building customer loyalty. Organizations that understand and effectively manage these three elements will be better positioned to foster strong and enduring relationships with their customers.

## **Literature review**

### **Product Characteristics**

A product can significantly influence a customer's decision to proceed with or abandon a purchase. This largely depends on the nature of the product's characteristics. In a competitive market, product characteristics play a crucial role. Product characteristics refer to a set of attributes, features, functions, and qualities inherent in a good or service offered by a company to its customers. These characteristics encompass both physical or functional aspects as well as the perceived value and benefits experienced by customers (Kotler, 2016). They may include design, style, brand, packaging, and service. The combination of these various characteristics forms the unique identity of a product and differentiates it from competing offerings in the market.

High customer satisfaction from a product can be achieved when its characteristics meet or even exceed customer expectations. When customers feel that the product they have purchased delivers the promised and expected value, functions properly, and fulfills their needs, they are likely to be satisfied with their purchase. For instance, in the case of a food item, attributes such as taste, price, texture, and portion size can satisfy customers who seek these specific qualities. Conversely, poor-quality food, which fails to meet such expectations, may lead to customer dissatisfaction. Customer satisfaction thus becomes a vital foundation for establishing long-term relationships between customers and both the product and the brand.

Strong product characteristics provide a solid foundation for building and sustaining customer loyalty. Customer satisfaction derived from superior product attributes has a significant impact on customer loyalty. Satisfied customers tend to have a positive overall experience with the product and brand, thereby increasing the likelihood of repeat purchases in the future. They are also more inclined to recommend the product to others. When customers consistently perceive positive value from the product characteristics offered, their trust in the product strengthens, and they are more likely to reject competing alternatives (Jamaluddin, 2017).

A well-designed product that aligns with market needs will result in greater customer satisfaction. Product characteristics are not merely technical features or physical attributes; they represent the value and benefits promised to the customer. Customer satisfaction is a primary driver of customer loyalty, where customers not only make repeat purchases but also become loyal advocates for the brand. Therefore, companies must place significant emphasis on developing and maintaining superior product characteristics as a strategic investment in building long-term relationships with customers and achieving sustainable business success.

### **Price Discounts**

A price discount refers to a reduction in the selling price of a product or service from its regular price, applied either for a limited period or under specific conditions or terms (Kotler, 2016). Price discounts are tactical tools used in marketing to stimulate purchases by offering financial incentives to customers. These can take various forms, such as buy-one-get-one-free offers, percentage-based discounts, coupon applications, or cashback rebates. The primary

objectives of implementing price discounts are to boost sales volume, attract new customers, clear out inventory, or respond to competitor actions.

Price discounts have the potential to increase short-term customer satisfaction, especially for price-sensitive consumers or those who perceive added value from the money they spend. For example, customers who enjoy purchasing quality products at discounted prices may experience a high level of satisfaction with such transactions. However, continuous or excessive use of discounts may lead to negative perceptions. Customers might begin to question the true value of the product, delay purchases in anticipation of future discounts, or feel disappointed if they purchased the product before a price reduction was offered. Therefore, the effectiveness of price discount strategies depends significantly on how these discounts are implemented and perceived by consumers.

Price discounts also have implications for customer loyalty. While they may encourage repeat purchases in the short term, they do not automatically lead to strong, long-term loyalty. Genuine loyalty to a product or service is typically based on the overall value perceived by the customer through their use or experience with the product, service, or brand, and not merely on financial incentives. Customers who are primarily motivated by price discounts tend to exhibit discount-seeking behavior and are more likely to switch brands when a competitor offers a better deal. Sustainable loyalty can only be nurtured when price discounts are integrated into a broader strategy that focuses on building emotional relationships and providing excellent customer service (Zozalbo & Astuti, 2022).

Enduring loyalty is best cultivated through a combination of high product quality, positive customer experiences, and strong brand relationships. Price discounts can be an effective part of a loyalty strategy when they are offered thoughtfully and as a reward for customer commitment, rather than being the sole driver of purchasing behavior toward a company's products or services.

### **Customer Satisfaction and customer loyalty**

Customer satisfaction is a comprehensive evaluation made by customers regarding their experience with a product, service, or organization as a whole. Oliver (1997) defines customer satisfaction as an affective response resulting from a comparison between pre-purchase or pre-use expectations and the actual performance perceived by the customer. The level of satisfaction can range from very dissatisfied to very satisfied, and is influenced by various factors including product quality, pricing, customer service, and the overall brand experience.

The relationship between customer satisfaction and customer loyalty is close and often regarded as a critical phase in the cognitive journey of the customer. Customers who are satisfied with their experience with a product or service are more likely to develop loyalty toward the brand. When customer expectations are met or even exceeded, they tend to form a positive perception of the product or service, increasing the probability of repeat purchases. Satisfaction builds a foundation of trust and a positive relationship that becomes the basis for loyalty. Satisfied customers feel valued and understood by the company, and are more likely to remain loyal rather than switch to alternative offerings—even when faced with attractive alternatives.

Highly satisfied customers tend to share their positive experiences with others through word-of-mouth recommendations or via social media platforms. Such advocacy is extremely valuable for companies, as it is often considered more credible and influential than traditional advertising (Aldoreno, 2020). Loyal customers also tend to be more tolerant of minor errors made by the



company and are more willing to provide constructive feedback, which in turn helps the organization improve its products and services continuously.

Customer satisfaction is a critical foundation for building long-term customer loyalty. Companies that consistently strive to meet and exceed customer expectations are more likely to foster not only repeat purchases but also brand advocacy. In addition to encouraging repeat business and positive referrals, customer satisfaction significantly contributes to higher customer retention rates. Retaining existing customers is far more cost-effective than acquiring new ones (Zozalbo & Astuti, 2022). Satisfied customers are more likely to remain loyal to a brand over the long term, thereby reducing customer churn and increasing brand stability.

Customer loyalty that stems from sustainable satisfaction generates a more stable and predictable revenue stream for the company. Therefore, a focus on enhancing customer satisfaction is a sound business strategy to secure long-term growth and profitability through effective customer retention. In the business context, customer loyalty goes beyond mere repeat purchases; it reflects a deep commitment from customers to continue doing business with a specific company, to recommend it to others, and to exhibit resistance to competitor offers. Customer loyalty involves two main dimensions: a positive attitude toward the brand and consistent purchasing behavior. Strong loyalty indicates that customers are not only satisfied but also emotionally attached and trusting of the brand, motivating them to continue choosing it amid various available alternatives.

A synergistic interaction between product characteristics, price discounts, and customer satisfaction is essential to building robust loyalty. Customers who perceive that they are receiving good value for their money and are treated with special attention are more likely to develop stronger relationships with the brand. Therefore, companies must create an ecosystem where these three elements work in harmony to deliver superior value and consistently satisfying experiences. Loyal customers not only engage in repeated purchases but also contribute to the brand's long-term strength. Companies that are capable of managing product characteristics, price discount strategies, and customer satisfaction in a holistic manner will succeed in building a loyal customer base, ultimately generating a sustainable competitive advantage and long-term business growth.

Several previous studies have demonstrated that brand reputation can significantly influence consumer loyalty. Consumers tend to remain loyal to a brand if their expectations are consistently met by its performance. Furthermore, brand trust embedded in the consumer's perception becomes a decisive factor in determining the likelihood of brand-switching behavior. Consumers who trust a brand are less likely to consider alternatives offered by competitors (Wibowo & Mikasari, 2021).

Junaidi (2010) also found that consumer dissatisfaction can strongly influence brand switching. Consumers exhibit a high tendency to switch brands when they encounter dissatisfaction with the services or performance of a brand. Additionally, product characteristics of a brand can affect a consumer's decision to switch or stay. When a particular brand is able to fulfill specific consumer needs, those consumers are more likely to remain loyal to that brand.

Previous research conducted by Ngutji et al. (2014) revealed that brand quality has a positive effect on consumer satisfaction, which in turn influences brand loyalty. This finding suggests that loyalty can be tested when actual experience fails to meet expectations. Satisfaction plays a crucial role in anchoring a brand in the consumer's mind, thus reducing the likelihood of switching and reinforcing brand loyalty over time.

Based on the theoretical framework and findings from previous studies, the following research framework can be proposed:

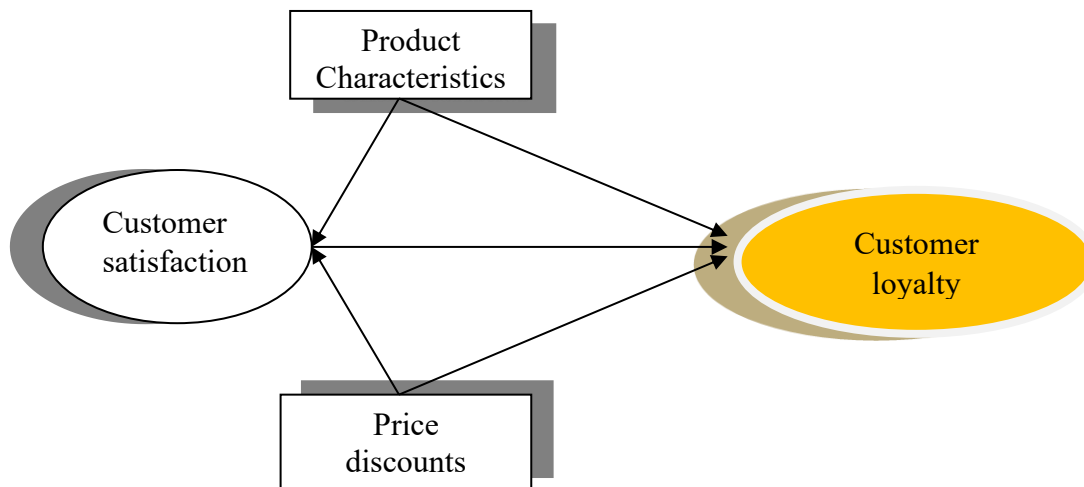


Figure 1. Research Framework

## Hypotheses

- H1: Product characteristics have a significant effect on customer loyalty.
- H2: Price discounts have a significant effect on customer loyalty.
- H3: Customer satisfaction has a significant effect on customer loyalty.
- H4: Customer satisfaction significantly mediates the effect of product characteristics on customer loyalty.
- H5: Customer satisfaction significantly mediates the effect of price discounts on customer loyalty.

## METHODS

This study employed a survey method. Primary data collection was carried out through the distribution of questionnaires. The questionnaires were administered to respondents who are customers or consumers of MoMoo Cafe, located at Harbour Bay, Batam, and who have made or previously made purchases at the café. Each respondent was asked to complete a set of questionnaires.

The sample size in this study consisted of 114 respondents, selected using purposive sampling, a method of sample selection based on specific considerations to match certain research criteria, thereby improving sample accuracy (Cooper & Emory, 1995, as cited in Wibowo, 2021). The criteria included: respondents must have visited MoMoo Café at least twice, be over 18 years of age, and have previously received promotional offers in the form of price discounts.

The gender distribution of the respondents was 46 male (40.4%) and 68 female (59.6%). Regarding visit frequency to MoMoo Café at Harbour Bay, 55 respondents (48.2%) reported visiting 1 to 2 times per month, 43 respondents (37.7%) visited more than 2 times, and 16 respondents (14.04%) visited more than 3 times. Based on age groups, 24 respondents (21.0%) were aged 18 to 25 years, 54 respondents (47.3%) were aged 26 to 39 years, and 36 respondents (31.58%) were aged over 40 years.

## RESULTS and DISCUSSION

The evaluation of the measurement model or the validity level of items or instruments includes the assessment of the following indicators: loading factor, composite reliability (CR), Cronbach's alpha, and average variance extracted (AVE). The results of each measurement are presented in the following figures or tables:

The evaluation of item or instrument validity was conducted through the assessment of the following values: loading factor, composite reliability (CR), Cronbach's alpha, and average variance extracted (AVE). The results of each of these tests are presented in the table below.

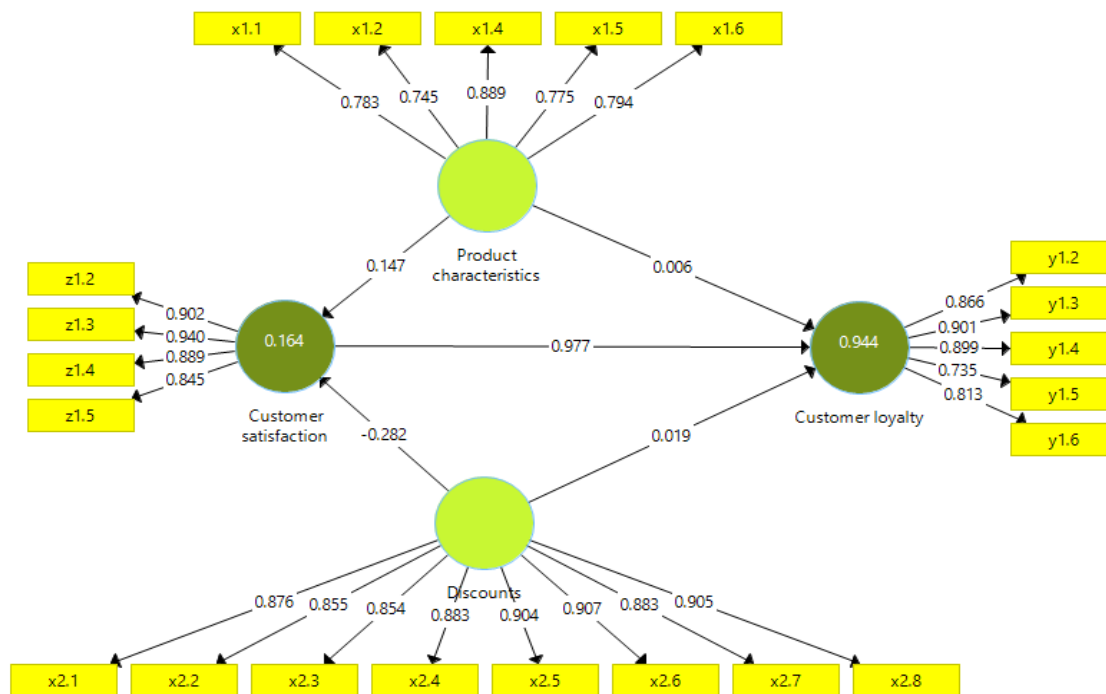


Figure 2. Loading Factor

After undergoing the screening process and eliminating indicators under the product characteristics variable, the valid indicators identified were items x1.1, x1.2, x1.4, x1.5, and x1.6. All indicators under this variable were deemed valid except x1.3, since all other indicators had loading factor values above 0.70 (Hair, 2013). Similarly, all indicators under the discount variable were found to be valid as they all had loading factor values exceeding 0.70.

Furthermore, for the customer satisfaction variable, all indicators were declared valid except x1.1 and x1.6, as all other indicators recorded loading factor values above 0.70. Meanwhile, for the customer loyalty variable, all indicators were considered valid except y1.1 and y1.7, as the remaining indicators had loading factor values greater than 0.70 (Hair, 2013). The results of the Composite Reliability test used to assess construct validity and reliability are presented in the table below:

Table 1 *Composite Reliability*

	Cronbach's Alpha	rho A	Composite Reliability	Average Variance Extracted (AVE)
Customer satisfaction	0.916	0.919	0.941	0.801
Customer loyalty	0.899	0.914	0.925	0.714
Discounts	0.960	0.964	0.966	0.781
Product characteristics	0.859	0.891	0.898	0.638

Based on Table 1, it can be explained that the latent variables exhibit Composite Reliability (CR) values greater than 0.70 (Hair et al., 2013). This indicates that all indicators used in the variables are considered reliable. Meanwhile, the measurement using Cronbach's Alpha yielded results as presented in the table below:

Table 2 *Cronbach's Alpha*

	Cronbach's Alpha	rho A	Composite Reliability	Average Variance Extracted (AVE)
Customer satisfaction	0.916	0.919	0.941	0.801
Customer loyalty	0.899	0.914	0.925	0.714
Discounts	0.960	0.964	0.966	0.781
Product characteristics	0.859	0.891	0.898	0.638

Based on Table 2, it can be explained that all indicators representing the latent variables have Cronbach's Alpha values greater than 0.70 (Hair et al., 2013). This confirms that all indicators are considered reliable. Meanwhile, the measurement of Average Variance Extracted (AVE) to assess convergent validity yielded the results presented in the following table:

Table 3 *Average Variance Extracted*

	Cronbach's Alpha	rho A	Composite Reliability	Average Variance Extracted (AVE)
Customer satisfaction	0.916	0.919	0.941	0.801
Customer loyalty	0.899	0.914	0.925	0.714
Discounts	0.960	0.964	0.966	0.781
Product characteristics	0.859	0.891	0.898	0.638

Based on Table 3, it can be explained that all indicators representing the latent variables have an Average Variance Extracted (AVE) value greater than 0.50 (Hair, 2013). This confirms that all indicators possess good convergent validity.



Meanwhile, the results of the discriminant validity test using the Fornell-Larcker Criterion can be explained as follows:

**Table 4 Fornell Larcker**

	Customer satisfaction	Customer loyalty	Discounts	Product characteristics
Customer satisfaction	0.895			
Customer loyalty	0.832	0.845		
Discounts	-0.393	-0.369	0.884	
Product Characteristics	0.360	0.343	-0.757	0.798

Based on Table 4, it can be explained that the test results show that *Customer Satisfaction* has a square root of AVE value (0.895) that is higher than its correlations with *Customer Loyalty* (0.832), *Discounts* (-0.393), and *Product Characteristics* (0.360). The *Customer Loyalty* variable has a square root of AVE value (0.845), which is greater than its correlations with *Discounts* (-0.369), *Product Characteristics* (0.343), and *Customer Satisfaction* (0.832). The *Discounts* variable has a square root of AVE value (0.884), which is higher than its correlations with *Product Characteristics* (-0.757), *Customer Satisfaction* (-0.393), and *Customer Loyalty* (-0.369). These results indicate that the criterion for discriminant validity is fulfilled, as the square root of AVE for each construct is greater than its correlations with other constructs (Hair, 2013).

Meanwhile, the results of the discriminant validity test using the Heterotrait–Monotrait Ratio (HTMT) can be explained as presented in the table below:

**Table 5. HTMT**

	Customer satisfaction	Customer loyalty	Discounts	Product characteristics
Customer satisfaction				
Customer loyalty	0.685			
Discounts	0.415	0.380		
Product characteristics	0.386	0.367	0.837	

Based on Table 5 above, the acceptance criterion for the HTMT test is met if the HTMT value is less than 0.90 for each pair of variables (Hair et al., 2019). The HTMT values for the variable pairs are as follows: *Customer Satisfaction* and *Customer Loyalty* (0.685), *Customer Satisfaction* and *Discounts* (0.415), and *Customer Satisfaction* and *Product Characteristics* (0.386). The HTMT value between *Customer Loyalty* and *Discounts* is 0.380, and between *Customer Loyalty* and *Product Characteristics* is 0.367. The HTMT value between *Discounts* and *Product Characteristics* is 0.837.

All values are below the 0.90 threshold, indicating that the discriminant validity based on the HTMT criterion is fulfilled.

### Structural Model Evaluation

#### Multicollinearity

**Table 6 Multicollinearity**

	Customer satisfaction	Customer loyalty	Discounts	Product characteristics
Customer satisfaction		1.196		
Customer loyalty				
Discounts	2.343	2.438		
Product characteristics	2.343	2.369		

Based on Table 6, the test results indicate that there is no sign of multicollinearity, as evidenced by the Inner Variance Inflation Factor (VIF) values being less than 5. This suggests that the level of multicollinearity among variables is considered low. These results indicate that the parameter estimation strength in this Partial Least Squares Structural Equation Modeling (PLS-SEM) is good and not robust or biased (Hair, 2013, as cited in Wibowo, Agung Edy, Cahayani et al., 2025).

#### Hypothesis Testing

**Table 7 Hypothesis Testing**

	P Values
Product characteristics -> Customer loyalty	0.840
Discounts -> Customer loyalty	0.484
Product characteristics -> Customer satisfaction	0.264
Discounts -> Customer satisfaction	0.040
Customer satisfaction -> Customer loyalty	0.000

Based on Table 7 above, it can be explained that *Product Characteristics* have an insignificant effect on *Customer Loyalty*, with a significance value of  $0.840 > 0.05$ . *Discounts* also have an insignificant effect on *Customer Loyalty*, with a significance value of  $0.484 > 0.05$ . *Product Characteristics* have an insignificant effect on *Customer Satisfaction*, with a significance value of  $0.264 > 0.05$ . In contrast, *Discounts* have a significant effect on *Customer Satisfaction*, with a significance value of  $0.040 < 0.05$ . *Customer Satisfaction* has a significant effect on *Customer Loyalty*, with a significance value of  $0.000 < 0.05$ .

These results can be further illustrated in the following model diagram:

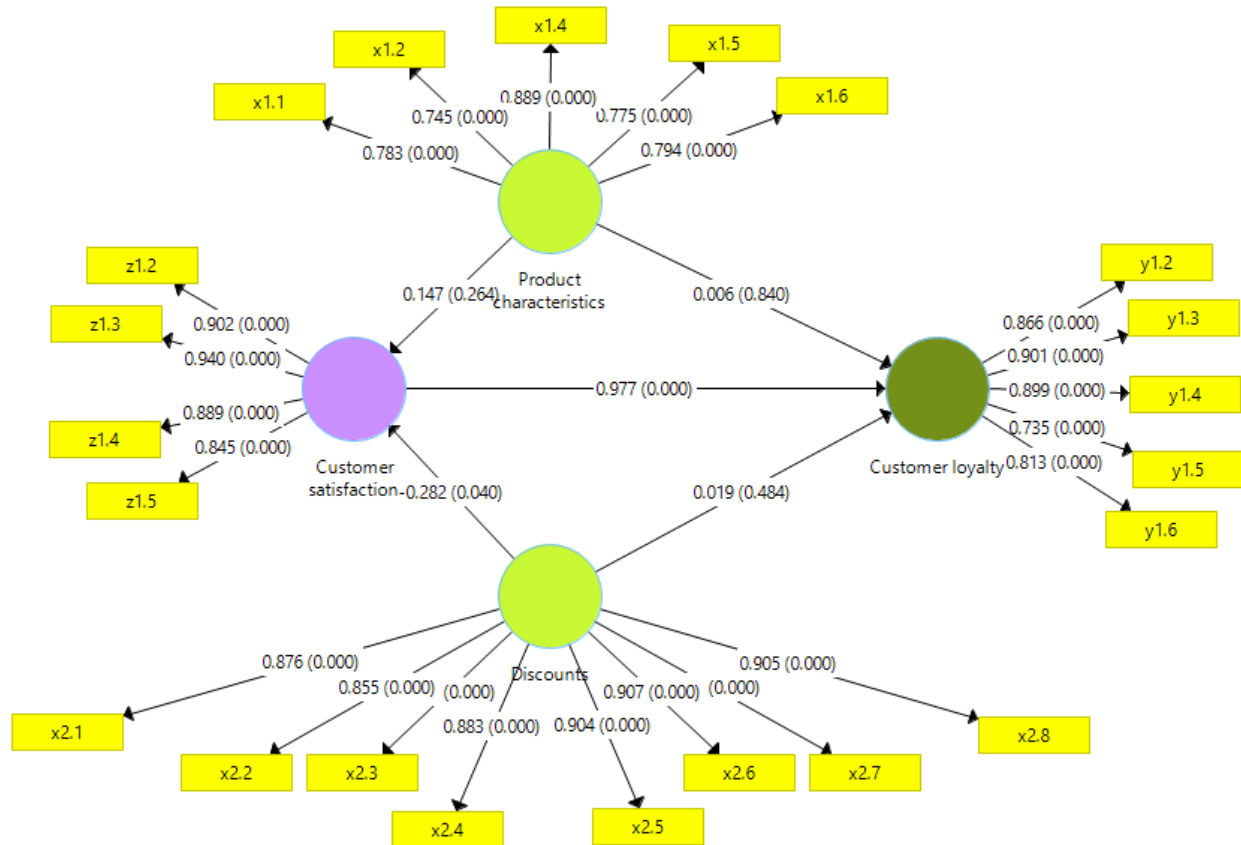


Figure 3 Coefficients and P-Value

## Indirect Effects

Table 8 Indirect Effects

	Path Coefficients	P Values
Discounts -> Customer satisfaction -> Customer loyalty	-0.275	0.041
Product characteristics -> Customer satisfaction -> Customer loyalty	0.143	0.265

Based on Table 8 above, it can be observed that *Customer Satisfaction* has a significant mediating effect on the relationship between *Discounts* and *Customer Loyalty*, as indicated by a significance value of  $0.041 < 0.05$  and a path coefficient of 0.275. This means that any change in *Customer Satisfaction* enhances the mediating role between *Discounts* and *Customer Loyalty* by 0.275 units. In other words, a one-unit increase in *Discounts* results in an increase of *Customer*

*Loyalty* by 0.275 units through *Customer Satisfaction*. This also indicates that MoMoo Café's products exhibit price elasticity.

On the other hand, the mediation test of *Customer Satisfaction* on the relationship between *Product Characteristics* and *Customer Loyalty* shows an insignificant effect, as indicated by a significance value of  $0.265 > 0.05$ .

## Model Fit

**Table 9 R Square**

	R Square
Customer satisfaction	0.944
Customer loyalty	0.464

Table 9 above illustrates the extent to which the variance of endogenous variables can be explained by other exogenous and/or endogenous variables in the model. Based on the data analysis results, it can be explained that the combined effect of *Product Characteristics* and *Discounts* on *Customer Loyalty* is 0.464, which is considered moderate. In contrast, the effect of *Product Characteristics* and *Discounts*, mediated by *Customer Satisfaction*, on *Customer Loyalty* is 0.944 or 94.4%. This substantial figure indicates a strong level of influence or effect, falling into the high category (Chin, 1998, as cited in Wibowo, Agung Edy, Cahayani et al., 2025; Kotler, 2016).

## CONCLUSION

Based on the results of the conducted tests, it can be concluded that *Product Characteristics* do not have a significant effect on *Customer Loyalty*. This indicates that even though a product may have specific features, quality, or design, these factors alone are not necessarily sufficient to directly foster customer loyalty. Customers may not be solely attracted by product characteristics; instead, they are likely to consider other factors when deciding whether to remain loyal to a brand.

Additionally, the analysis shows that *Discounts* do not have a direct influence on *Customer Loyalty*. This means that offering price reductions does not guarantee repeat purchases or continued loyalty toward a product or brand. While discounts may be appealing in the short term, they do not create emotional attachment or long-term brand preference.

Nevertheless, *Discounts* do have a significant effect on *Customer Satisfaction*. This suggests that offering discounts can enhance customers' perceived value, leading to greater satisfaction with their purchasing experience. *Customer Satisfaction*, in turn, has been proven to have a significant influence on *Customer Loyalty*. Therefore, satisfaction serves as a crucial mediating factor in building loyalty, and discounts can be utilized as a tool to achieve this satisfaction.

Based on these findings, management should prioritize strategies that focus on enhancing customer satisfaction as a key to fostering loyalty. Discount programs may still be implemented but should be directed toward improving the overall customer experience, rather than merely driving short-term sales. Furthermore, other approaches that foster satisfaction—such as better service quality, enjoyable customer experiences, and emotional engagement with the brand—should be developed. Evaluation of product characteristics should also focus on how the product creates perceived value for customers, not merely its technical quality.

Strategic recommendations focusing on customer satisfaction are especially relevant given that MoMoo Café's market segment does not primarily target young people, but rather adults and young professionals. This group tends to prioritize service quality, ambiance, comfort, and the overall value of the experience they receive when visiting a café, rather than being enticed by price-based promotions such as discounts. Therefore, a strategy that overemphasizes discounts may be seen as less relevant, or even detrimental to the exclusive image the café aims to establish.

Moreover, adult and professional customers typically have higher expectations regarding service consistency and the long-term value of a brand. Thus, strategies that position satisfaction as a bridge to loyalty become highly critical. Satisfaction derived from personalized service, a calm and elegant atmosphere, and consistently high-quality offerings will play a more influential role in building strong loyalty. By understanding the psychology and needs of this market segment, MoMoo Café can develop strategies that are not only effective in the short term but also capable of fostering sustainable and high-value customer relationships.

## REFERENCES

- Aldoreno, R. (2020). *The Impact Of Discount Frame And Type Of Product On Purchase Intention Chairy Program Studi Magister Manajemen Universitas Tarumanagara*. 10–15.
- Hair, E. al. (2013). A Primer on Partial Least Squares Structural Equation Modeling. *Long Range Planning*, 46(1–2), 184–185. <https://doi.org/10.1016/j.lrp.2013.01.002>
- Jamaluddin, R. and. (2017). Impact of Service Quality and Customer Satisfaction on Customer Loyalty: A Case Study in a Private Hospital in Indonesia. *IOSR Journal of Business and Management (IOSR-JBM)*, 19(5), 23–33.
- Junaidi., S., D. (2010). Pengaruh Ketidakpuasan Konsumen, Karakteristik Kategori Produk, Dan Kebutuhan Mencari Variasi Terhadap Keputusan Perpindahan Merek. *DiE: Jurnal Ilmu Ekonomi Dan Manajemen*, 6(2). <https://doi.org/10.30996/die.v6i2.131>
- Kotler dan Amstrong. (2011). *Marketing Management International*, 5th Prentice Hall. Upper Sadle River. New Jersey.
- Kotler, P. (2016). *Principle of Marketing*. John Wisley, NYC.
- Ngutji, E., Tumbel, A., & Rotinsulu, J. J. (2014). Kualitas Pelayanan dan Kepuasan Konsumen Pengaruhnya terhadap Kesetiaan Merek Kentucky Fried Chicken (KFC) Megamall Manado. *Jurnal EMBA*, 2(1), 160–171.
- Prasetyo, E. B., Sopiah, & Zen, F. (2020). *The Effect of Discount Price on Purchasing Intentions Through Consumer's Perceived Risk in the Flash Sale Program at Shopee*. 124, 633–643. <https://doi.org/10.2991/aebmr.k.200305.129>
- Wahyuati, F. N. dan A. (2016). *Pengaruh Bauran Pemasaran Terhadap Volume Penjualan Pada Restoran MCDonald's Delta Paza Surabaya*. *Jurnal ISSN : 2461-0593*.
- Wibowo, Agung Edy, Cahayani, K., Silitonga, F., & Tobing, V. C. L. (2025). Pengetahuan akuntansi dan karakter kepemimpinan terhadap kinerja manajerial. *Jurnal Akuntansi Bareleng*, 9(2), 203–213.
- Wibowo., A.E., Mikasari., D. A. (2021). Reputasi Merek, Kompetensi Merek, Kesukaan Merek dan Kepercayaan pada Perusahaan terhadap Loyalitas Merek Apotek Vitka Farma. *Postgraduate Management Journal*, 1(1), 14–25.



- Wibowo, A. E. (2021). *Metodologi Penelitian Pegangan untuk Menulis Karya Ilmiah*. Penerbit Insania, Cirebon.
- Zozalbo, F., & Astuti, R. (2022). *The Effect of Specific Discount Pattern and Product Type on Customers' Purchase Intention in E-commerce Platform*. August 2020. <https://doi.org/10.4108/eai.27-7-2021.2316875>