

## Service Quality and Brand Image Effects on Customer Loyalty through Satisfaction at Bintang Mulya Indah

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### ABSTRACT

**PURPOSE** - This study seeks to examine the impact of service quality and brand image on customer loyalty, with customer satisfaction serving as a mediating variable among patrons of Bintang Mulya Indah General Merchandise Store in Madiun City. The annual rise in the number of customers was the main reason for this study. It shows how important service quality, brand image, and customer satisfaction are for building customer loyalty.

**METHODOLOGY** - This research utilizes a quantitative methodology with an explanatory research framework. The population comprises all customers of Bintang Mulya Indah, while the sample was obtained through a non-probability accidental sampling method. The Slovin formula was used to get 75 responses. Data were gathered via observation, interviews, documentation, and Likert-scale questionnaires. The analysis of the data included tests for validity and reliability, tests for normality, path analysis, t-tests, and Sobel tests to look at direct and indirect effects between variables.

**FINDING** - The results indicate that: (1) service quality and brand image significantly enhance customer satisfaction; (2) service quality, brand image, and customer satisfaction substantially affect customer loyalty; (3) customer satisfaction serves as a mediator in the relationship between service quality and customer loyalty; and (4) customer satisfaction also acts as a mediator in the relationship between brand image and customer loyalty.

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## INTRODUCTION

The most basic human needs are food, clothing, and shelter. Housing requires the provision of furniture and household appliances, as well as daily, weekly, and even monthly household needs. These can be purchased at nearby shops, supermarkets, or minimarkets (Banna et al., 2025; Edwards, 2017). Today, the variety of household needs is growing. This development presents an opportunity for household goods sellers, ranging from those with small-scale businesses, such as neighborhood shops, to those with medium-scale businesses, like supermarkets, and those with larger-scale businesses, to sell or market their brands (Negara et

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al., 2024; Yuwei, 2024). This is intended to encourage entrepreneurs to join the marketing network. The impact is significant, with entrepreneurs finding it easier to use a well-known brand than to create a new one.

Because there is a high demand in the market for new household items, sellers are competing to capitalize on these trends by offering a wide range of trendy items to maximize their profits (Amatanweze et al., 2025). This trend has led to an increase in the number of convenience stores and minimarkets opening, making competition even more challenging. As a result, all convenience stores and mini-markets are competing for a share of the market. This includes developing new products, assembling packages, offering customers discounts, and introducing new household items (Hussain et al., 2025).

Bintang Mulya Indah General Merchandise Store is a one-stop shop that combines a minimarket and a general merchandise store. It offers a wide range of household items and furniture that people can purchase to meet their specific needs. This general merchandise store is an offshoot of the Bintang Mulya brand, which works in the construction and building equipment business. The Bintang Mulya brand recognized that its location in a densely populated area had significant potential, so it expanded its business into the furniture and household goods market under the name Bintang Mulya Indah. The target market consists of individuals who have recently moved into their homes and those who are still completing their household needs (Akkaya, 2021).

From 2021 to 2023, the Bintang Mulya Indah brand's customer base grew steadily. The number of customers went from 540 in 2021 to 870 in 2022, and then to 1.290 in 2023. This steady rise shows that the store is still dedicated to improving service quality and building its brand image. These kinds of things show that the company is committed to meeting customer needs, making shopping a good experience, and making customers feel good about themselves, which all lead to more customer loyalty to the Bintang Mulya Indah brand.

Loyalty to an object, such as a brand, store, service, or company, is demonstrated through a favorable tendency towards that object (Arslan & Oz, 2017). Loyalty, namely the degree to which a consumer shows repeat purchasing behavior from a service provider, has a disposition or positive attitude tendency towards the service provider, and only considers using this service provider when the need arises to use this service, a loyal consumer is not only a buyer who makes repeat purchases, but also maintains a positive attitude and also recommends to other customers (Gremier & Brown, 1996; Rohman et al., 2024). Consumer loyalty can be influenced by various aspects, including a company's brand image and service quality. This is supported by (Setyowati, 2017), who stated that customer loyalty is influenced by brand image and service quality, which are inextricably linked to customer satisfaction.

Satisfaction refers to the extent to which a product or service meets a customer's expectations (Dam & Dam, 2021). Consumer satisfaction is defined as a state in which consumer expectations for a product or service align with the reality perceived by the customer. In general, satisfaction can be defined as the degree of similarity between the performance of the product or service received and the performance of the product or service expected by the customer. Consumer satisfaction is a post-purchase evaluation in which the chosen alternative meets or exceeds customer expectations. Dissatisfaction arises when actual performance does not meet customer expectations.

Quality, as a characteristic of product appearance or performance, is a significant part of a company's strategy for achieving sustainable excellence, whether as a market leader or as a

strategy for continued growth. Service quality refers to the level of expected excellence and the ability to maintain that level of excellence to meet customer desires (Prasetyo et al., 2023). This is explained as follows: if the service received or recommended meets expectations, the service quality is perceived as good and satisfactory. If the service received exceeds customer expectations, the service quality received is lower than expected, and the service quality is perceived as poor.

In addition to providing excellent service to customers, brand image is a factor that often influences customer loyalty. Brand image is the type of association that arises in a consumer's mind when recalling a particular brand (Mehra & Jain, 2021). This association can appear in the form of a particular thought or image associated with a brand, much like when we think about other people. Brand image is an assumption or opinion about a brand in the mind of a customer that must be maintained. Brand image refers to a consumer's perception of a brand's quality, reliability, and overall value (Tahir et al., 2024). This prompted researchers to investigate the impact of service quality and a positive brand image on customer satisfaction, ultimately leading to customer loyalty to the Bintang Mulya Indah brand in Madiun City.

## LITERATURE REVIEW

### Loyalty

Loyalty signifies a customer's enduring relationship with a company, evidenced by habitual repeat purchases, a favorable disposition toward the service provider, and a preference for continued engagement with the same provider for analogous needs (Kotler & Keller, 2016; Oliver, 2014; Utami et al., 2023). Loyal customers, in addition to frequent transactions, frequently serve as informal advocates by disseminating their experiences and recommendations, thus fostering positive word-of-mouth communication.

### Customer Satisfaction

Satisfaction is the level of feeling at which a person expresses the results of comparing the performance of a product or service received with their expectations (Rohman et al., 2024). A customer's deep commitment to re-patronize or repurchase a selected product/service consistently in the future, despite situational influences and marketing efforts that have the potential to cause behavioral change (Haverila & Twyford, 2021). The indicators that are used are keeping customers happy, going above and beyond for customers, right for customers and delivering what customers expect.

### Service Quality

Service quality as the degree of expected excellence and the management of that excellence to satisfy customer needs (Wulandari, 2022). Service quality is a measure of how well the service provided meets customer expectations (Ali et al., 2021). Five dimensions of service quality are reliability, responsiveness, assurance, empathy, and tangibles (Setiono & Hidayat, 2022).

### Brand Image

Brand image, as defined by (Kotler & Keller, 2014), is the public's perception of a company or its products. Brand image is a description of consumer associations and beliefs about a particular brand. Associations are attributes inherent in the brand and possess a certain level of strength (Tahir et al., 2024). Brand image is the perception or opinion that consumers have about a brand, and it's important to maintain because it reflects all the associations linked to that brand



(Mehra & Jain, 2021). Brand image indicators encompass product attributes, perceived consumer benefits, and brand personality.

## METHODOLOGY

This study was conducted at Bintang Mulya Indah General Merchandise Store, Manguharjo, Madiun City, East Java, from August to September 2024. It used a scientific method to gather data in a rational, empirical, and systematic way (Sugiyono, 2021). The research was explanatory, using a quantitative approach to explain the relationships and effects between the variables being studied (Ghanad, 2023); (Khumsab et al., 2025). The sample is anyone who happens to meet the researcher while shopping and becomes a customer at the Bintang Mulya Indah General Merchandise Store who meets specific criteria according to the research proposal. In this study, the number of respondents was determined using the SLOvin formula.

$$n = \frac{N}{N \cdot e^2 + 1}$$

Where:

N = Population size

n = Sampling size

e<sup>2</sup> = Desired accuracy limit = 10% = 0.01 %

The calculation results were obtained using the SLOvin Formula with a 10% error rate, resulting in the following sample size:

$$n = 300 / (300 \cdot 0.01 + 1)$$

$$n = 300 / 4$$

$$n = 75$$

According to the formula slovin above, the value of n represents the population size, which is 300 people, and the sample size is 75 people. Data in this study were collected using several techniques to obtain accurate and comprehensive information relevant to the research objectives, as follows: observation, interviews, questionnaires and documentation. The measurement scale used in this study was a Likert scale. A Likert scale is commonly used to measure attitudes, perceptions, and opinions by assigning numerical values to response categories (Sugiyono, 2014). Respondents were asked to indicate their level of agreement with each statement on a five-point scale, ranging from strongly disagree to strongly agree. The data obtained from this scale were treated as quantitative data for statistical analysis.

## RESEARCH RESULTS

### Normality Test

The purpose of the normality test is to determine whether the dependent variable, the independent variable, or both have normally distributed data. A good regression model uses data that is normally distributed, or can be said to be approximately normal. In this test, the Kolmogorov-Smirnov method is used to test the normality of the regression. If the probability value (asyp.sig) is greater than 0,05, the data are typically distributed. However, if the probability value (asyp.sig) is <0,05, the data is not normally distributed. The following are the results of the normality test.

**Table 1.** Normality Test Results

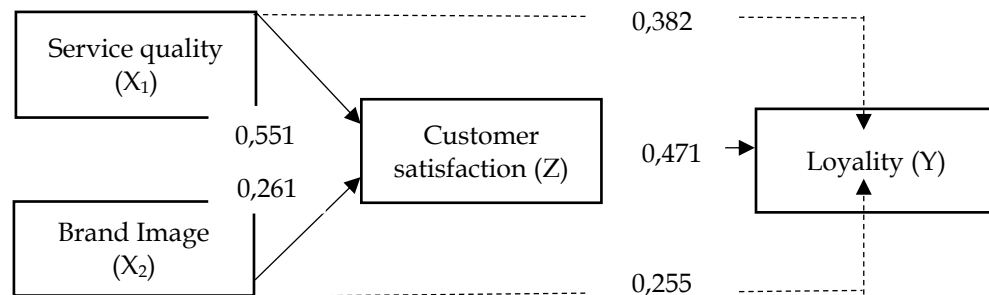
One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		84
Normal Parameters <sup>a,b</sup>	Mean	,0000000
	Std. Deviation	1,78945701
Most Extreme Differences	Absolute	,077
	Positive	,053
	Negative	-,077
Test Statistic		,077
Asymp. Sig. (2-tailed)		,200 <sup>c,d</sup>

Source : Primary data processed, 2025

Based on the normality test in Table 1, the results indicate that the significance value is 0,200, which is greater than 0,05. This indicates that the data is usually distributed.

#### Path Analysis

Path analysis is an extension of multiple linear regression analysis. Four path analysis models will be explained:



**Figure 1.** Path Analysis Results

Based on Figure 1, the results of the path analysis above can be seen from all the path coefficients of the relationship, so it can be seen that the direct influence, indirect influence and total influence of each variable that influences a particular variable, the results and tests of the path analysis above can be concluded in the following Table 2.

**Table 2.** Path Analysis

	Influence of Variables	Causal Influence	
		Direct	Indirect
1.	$X_1$ and $X_2$ against $Z$ $(\beta_1 + \beta_2)$	$0,551 + 0,216 =$ $0,767$	
2.	$X_1$ and $X_2$ against $Y$ $(\beta_3 + \beta_4)$	$0,382 + 0,255 =$ $0,637$	
3.	$Z$ against $Y$ $\beta_5$	$0,471$	
4.	$X_1$ and $X_2$ against $Y$ through $Z$ $(\beta_1 + \beta_2) \times \beta_5$		$(0,551 + 0,216) \times$ $0,471$ $= 0,361$

Source : Primary data processed, 2025

From the table above, it can be concluded that:

- The effect of service quality ( $X_1$ ) and brand image ( $X_2$ ) on customer satisfaction ( $Z$ ) is 0,767.
- The effect of service quality ( $X_1$ ) and brand image ( $X_2$ ) on loyalty ( $Y$ ) is 0,637.
- The effect of service quality ( $X_1$ ) and brand image ( $X_2$ ) on loyalty ( $Y$ ) through customer satisfaction ( $Z$ ) is 0,361.

#### Path Analysis Model 1 Results

**Tabel 3.** Influence of Service Quality ( $X_1$ )  
and Brand Image ( $X_2$ ) on Customer Satisfaction ( $Z$ )

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	2,050	1,932	
	Quality of Service	,499	,080	,551
	Brand Image	,251	,102	,216

a. Dependent Variable: Customer satisfaction

Source : Primary data processed, 2025

The results of the path analysis data for model 1 in Table 3 show a beta value of 0,551 for the service quality variable, representing the value of  $X_1$  relative to  $Z$ . The beta value of the brand image variable is 0,216 relative to the  $Z$  variable.

$$Z = \beta_1 X_1 + \beta_2 X_2 \text{ or } Z = 0,551 X_1 + 0,261 X_2$$

Keterangan:

$X_1$  = Quality of service

$X_2$  = Brand image

$e$  = error

The results of the path analysis data indicate that  $\beta_1$  (regression coefficient value for  $X_1$ ) is 0,551, suggesting that service quality has a positive impact on customer satisfaction. If service quality is improved, customer satisfaction will increase. Meanwhile,  $\beta_2$  (regression coefficient value  $X_2$ ) is 0,216, which means that brand image has a positive influence on customer satisfaction. The better the brand image, the better the customer satisfaction will be.

### Path Analysis Model 2 Results

**Tabel 4.** The Effect of Service Quality ( $X_1$ ) and Brand Image ( $X_2$ ) on Loyalty ( $Y$ )

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	3,138	2,454	
	Quality of Service	,391	,102	,382
	Brand Image	,334	,130	,255

a. Dependent Variable: Loyalty

Source : Primary data processed, 2025

The results of the path analysis data for Model 2 in Table 4 show a beta value of 0,382 > 0,05 for the service quality variable, representing the value of  $X_1$  relative to  $Y$ . The beta value of the brand image variable is 0,255 > 0,05 for  $X_2$  relative to  $Y$ .

$$Y = \beta_1 X_1 + \beta_2 X_2 \text{ or } Y = 0,382X_1 + 0,255X_2$$

Note:

$X_1$  = Service quality

$X_2$  = Brand image

e = error

According to the path analysis results, the regression coefficient value  $\beta_1$  ( $X_1$ ) is 0,382, indicating that service quality has a positive influence on loyalty. If service quality is improved, customer satisfaction will increase. While  $\beta_2$  (regression coefficient value  $X_2$ ) is 0,255, which means that brand image has a positive influence on loyalty. If brand image is improved, loyalty will also increase.

### Path Analysis Model 3 Results

**Tabel 5.** The Effect of Customer Satisfaction ( $Z$ ) on Loyalty ( $Y$ )

Model		Unstandardized Coefficients		Standardized Coefficients
		B	Std. Error	Beta
1	(Constant)	7,688	1,753	
	Customer satisfaction	,533	,110	,471

a. Dependent Variable: Customer satisfaction

Source : Primary data processed, 2025

The results of the path analysis data for Model 3 in Table 5 show a beta value of 0,471 for the Customer Satisfaction variable, which is greater than 0,05, representing the  $Z$  value for  $Y$ .

$$Y = \beta_1 Z$$

Note:

$Z$  = Customer Satisfaction

The path analysis data results in a  $\beta_1$  (regression coefficient value of  $Z$ ) of 0,471, indicating that customer satisfaction has a positive influence on loyalty. Increasing customer satisfaction will increase loyalty.



## Hypothesis Testing

### t-Test (Direct Effect Test)

The t-test (direct effect test) is a partial regression test used to determine the partial significance of the independent variable on the dependent variable. The results of the t-test (direct effect test) can be applied as follows:

#### Model 1 t-Test Results

**Tabel 6.** The Influence of Service Quality ( $X_1$ ) and Brand Image ( $X_2$ ) on Customer Satisfaction ( $Z$ )

		Coefficients <sup>a</sup>			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	2,050	1,932		1,061	,292
	Quality of Service	,499	,080	,551	6,244	,000
	Brand Image	,251	,102	,216	2,448	,017

a. Dependent Variable: Customer satisfaction

Source : Primary data processed, 2025

The results of the data in Table 6 show that the significant value of the t-test on the service quality variable ( $X_1$ ) is 0,000, which is smaller than the  $\alpha$  value (0,05), meaning that service quality ( $X_1$ ) has a significant positive effect on customer satisfaction ( $Z$ ). The significant value of the t-test on the brand image variable ( $X_2$ ) is 0,017, which is smaller than the  $\alpha$  value (0,05), meaning that customer satisfaction ( $X_2$ ) has a significant positive effect on customer satisfaction ( $Z$ ). From these results, it can be concluded that service quality ( $X_1$ ) and brand image ( $X_2$ ) have a direct effect on customer satisfaction ( $Z$ ).

#### Model 2 t-Test Results

**Tabel 7.** The Effect of Service Quality ( $X_1$ ), Brand Image ( $X_2$ ), and Customer Satisfaction ( $Z$ ) on Loyalty ( $Y$ )

		Coefficients <sup>a</sup>			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	2,565	2,426		1,057	,294
	Quality of Service	,251	,121	,245	2,072	,041
	Brand Image	,264	,132	,201	1,998	,049
	Customer satisfaction	,280	,139	,247	2,020	,047

a. Dependent Variable: Loyalty

Source : Primary data processed, 2025

The results of the data in Table 7 show that the significant value of the t-test on the service quality variable ( $X_1$ ) is 0,041, which is smaller than the  $\alpha$  value (0,05), meaning that service quality ( $X_1$ ) has a significant positive effect on loyalty ( $Y$ ). The significant value of the t-test on the brand image variable ( $X_2$ ) is 0,049, which is smaller than the  $\alpha$  value (0,05), meaning that customer satisfaction ( $X_2$ ) has a significant positive effect on loyalty ( $Y$ ). and the significant value of the t-



test on the customer satisfaction variable (Z) is 0,047, which is smaller than the  $\alpha$  value (0,05), meaning that customer satisfaction (Z) has a significant positive effect on loyalty (Y). From these results, it can be concluded that service quality (Y), brand image ( $X_2$ ), and customer satisfaction (Z) have a direct effect on loyalty (Y).

### Model 3 t-Test Results

**Tabel 8.** The Influence of Customer Satisfaction (Z) on Loyalty (Y)

		Coefficients <sup>a</sup>			t	Sig.
Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta		
1	(Constant)	7,688	1,753		4,386	,000
	Customer satisfaction	,533	,110	,471	4,830	,000

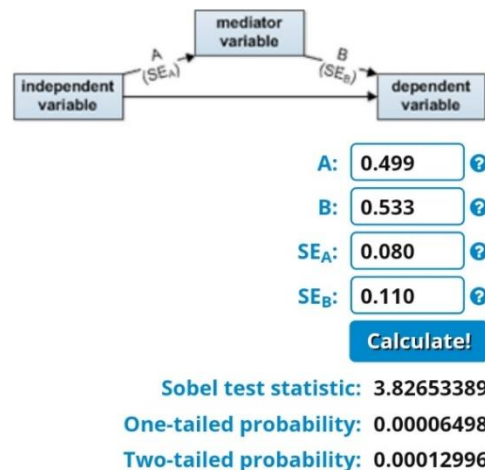
a. Dependent Variable: Loyalty

Source : Primary data processed, 2025

The results of the data in Table 8 show that the significant value of the t-test on the customer satisfaction variable (Z) is 0,000, which is smaller than the  $\alpha$  value (0,05), meaning that customer satisfaction (Z) has a significant positive effect on loyalty (Y).

### Sobel Test

The Sobel test is used to determine whether the relationship between variables through a mediating variable is able to exert a significant influence as a mediator in that relationship. To calculate the significance value of the mediating variable in this study, the Sobel Test Calculator is used as follows:



**Figure 2.** Sobel Test  $X_1$ -Z-Y

Based on Figure 2 above, the data obtained from the Sobel Test Calculator shows a two-tailed probability result on service quality of  $0,00012996 < 0,05$ . The customer satisfaction variable (Z) can mediate between service quality ( $X_1$ ) and loyalty (Y). Then, based on Figure 3, the data obtained from the Sobel Test Calculator shows a two-tailed probability result on brand image of  $0,02823137 < 0,05$ . It can be concluded that the customer satisfaction variable (Z) mediates the relationship between brand image ( $X_2$ ) and loyalty (Y).

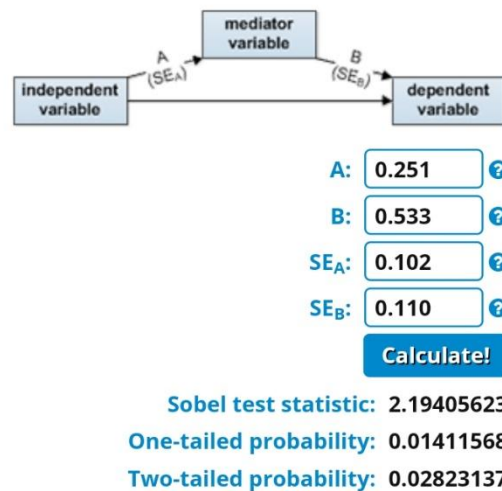


Figure 3. Sobel  $X_2$ -Z-Y Test

## Discussion

### Implications of Research Results: The Direct Effect of Service Quality ( $X_1$ ) on Customer Satisfaction (Z).

Based on the distribution of respondents' responses to the service quality ( $X_1$ ) and customer satisfaction (Z) variables, the average response indicates that respondents agree with each item, with an average value of 3.82 for service quality and 3.94 for customer satisfaction, respectively. Service quality indicators include reliability, responsiveness, assurance, empathy, and physical aspects, with the physical aspect ( $X_{1.5}$ ) receiving the highest response. In the customer satisfaction variable, the indicator "as expected" ( $Z_{.4}$ ) received the highest response. The results of the study indicate that service quality ( $X_1$ ) has a significant positive effect on customer satisfaction (Z), with a t-value of 6,244, a significance level of 0,000 ( $<0,05$ ), and a beta value of 0,449. This means that the better the service quality at the Bintang Mulya Indah General Merchandise Store in Madiun City, the higher the level of customer satisfaction with the products offered. This aligns with the findings of (Yudha & Yulianthini, 2021), which state that service quality has a significant impact on customer satisfaction.

### Implications of Research Results: The Direct Effect of Brand Image ( $X_2$ ) on Customer Satisfaction (Z).

The results of the study indicate that brand image ( $X_2$ ) has a positive and significant effect on customer satisfaction (Z) at the Bintang Mulya Indah General Merchandise Store, with an average respondent score of 3,98 for brand image and 3,94 for customer satisfaction. The most prominent brand image indicator is superiority compared to other brands, while the highest customer satisfaction indicator is that the product meets expectations. The t-value of 2,448 and a significance level of 0,017 ( $<0,05$ ) emphasise that the better the brand image, the higher the customer satisfaction. This finding aligns with previous research indicating that a strong brand image can enhance customer satisfaction (Setyowati, 2017).

### Implications of Research Results: Direct Influence of Service Quality ( $X_1$ ) on Loyalty (Y).

The results of the study indicate that service quality ( $X_1$ ) has a positive and significant effect on customer loyalty (Y) at the Bintang Mulya Indah General Merchandise Store, with an average respondent score of 3,82 for service quality and 4,02 for loyalty. The most prominent

indicator of service quality is the physical aspect or form, while the highest indicator of loyalty is customer loyalty. The t-value of 3,851 and a significance of 0,000 ( $<0,05$ ) confirm that the better the quality of service provided, the higher the level of customer loyalty. This finding aligns with previous research, which suggests that enhancing service quality will have a positive impact on customer loyalty (Dewastuti & Sunarti, 2017).

#### **Implications of Research Results: Direct Influence of Brand Image ( $X_2$ ) on Loyalty (Y).**

Based on the research findings, the average respondents expressed agreement with the brand image variable (3,98) and loyalty (4,02), with the highest indicators for brand image being "superior to others" and for loyalty being "loyal." Statistical analysis revealed that brand image ( $X_2$ ) significantly and positively influenced loyalty (Y), as evidenced by a t-value of 2,572, a significance level of 0,012 ( $<0,05$ ), and a beta coefficient of 0,334. This suggests that a more favorable brand image correlates with greater consumer loyalty to products at Bintang Mulya Indah General Merchandise Store in Madiun City, which is consistent with (Dewastuti & Sunarti, 2017) research, which also found a significant positive impact of brand image on loyalty.

#### **Implications of Research Results: Direct Influence of Customer Satisfaction (Z) on Loyalty (Y).**

The research findings indicate that the average respondents expressed agreement with the customer satisfaction variable (3,94) and loyalty (4,02), with the highest indicators for customer satisfaction being "meets expectations" and for loyalty, "loyal." Statistical analysis confirmed that customer satisfaction (Z) has a significant and positive impact on loyalty (Y), as evidenced by a t-value of 4,830, a significance level of 0,000 ( $<0,05$ ), and a beta coefficient of 0,533. This underscores that a higher level of customer satisfaction provided by Bintang Mulya Indah General Merchandise Store correlates with greater consumer loyalty to the products offered. These results are consistent with prior research by (Nafiah & Trihudyatmanto, 2021; Setyowati, 2017), which demonstrated that enhanced customer satisfaction leads to increased loyalty, thereby attracting more consumers and visitors.

#### **Implications of Research Results on indirect influence of Service Quality ( $X_1$ ) on Loyalty (Y) through Customer Satisfaction (Z).**

The study's findings indicated that the mean respondent exhibited agreement with the service quality variables (3,82), customer satisfaction (3,94), and loyalty (4,02); specifically, the physical aspect was the most prominent indicator of service quality, customer satisfaction was rated as "as expected," and loyalty was classified as "loyal." Furthermore, the data analysis revealed a statistically significant impact of service quality ( $X_1$ ) and customer satisfaction (Z) on loyalty (Y), with customer satisfaction demonstrating a mediating effect on the relationship between service quality and loyalty, as evidenced by a probability value of 0,007, which is less than the 0,05 significance threshold. The data suggests a positive correlation between superior service quality and heightened customer loyalty towards Bintang Mulya Indah General Merchandise Store products, particularly when coupled with elevated customer satisfaction levels. This observation aligns with prior investigations, such as those conducted by (Setyowati, 2017) and (Alzaydi, 2024), which highlighted the significance of customer satisfaction as a mediating factor in amplifying the impact of service quality on customer loyalty.

#### **Implications of the research results on the indirect influence of Brand Image ( $X_2$ ) on Loyalty (Y) through Customer Satisfaction (Z).**

The results of the study showed that the average respondent agreed with the variables of brand image (3,98), customer satisfaction (3,94), and loyalty (4,02), with the highest indicator in



brand image being “superior compared to others,” in customer satisfaction being “as expected,” and in loyalty being “loyal.” Data analysis proved that brand image ( $X_2$ ) and customer satisfaction ( $Z$ ) had a significant effect on loyalty ( $Y$ ), where customer satisfaction was able to mediate the effect of brand image on loyalty with a probability value of 0,004 ( $<0,05$ ). This finding indicates that the better the brand image and the higher the customer satisfaction, the stronger the consumer loyalty to Bintang Mulya Indah General Merchandise Store in Madiun City products. This result is in line with the research of (Dewastuti & Sunarti, 2017; Setyowati, 2017), but differs from (Nafiah & Trihudiatmanto, 2021) who found that customer satisfaction was unable to mediate the effect of brand image on loyalty.

## CONCLUSION

This study aims to determine and analyse the influence of service quality, brand image, loyalty, and customer satisfaction on each other. Based on the discussion results, it can be concluded that service quality and brand image have a direct impact on customer satisfaction, which in turn has a direct impact on loyalty. Furthermore, service quality and brand image also directly influence loyalty. In addition to the direct influence, customer satisfaction has been shown to mediate the relationship between service quality and brand image, influencing loyalty. Therefore, efforts to improve service quality, brand image, and overall customer satisfaction will strengthen consumer loyalty.

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