Research Article

The Effect of Product Quality and Price on Customer Satisfaction of The Originote Skincare Products

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Abstract: The reserchaims to examine the impact of product quality and price on customer satisfaction with The Originote skincare products. The research is motivated by the growing public awareness of skincare and the increasing interest in local skincare brands, particularly The Originote. The data is a questionnaire using a quantitative approach with a descriptive method. This research uses multiple linear regression analysis was employed to assess the variables. The findings reveal that product quality has a positive significant effect on customer satisfaction, where significance probability value of 0.000, which is less than 0.05. Consumers tend to prefer high-quality products as they offer a sense of security, comfort, and benefits that meet ex-pectations. However, price does not significantly, with a significance probability value of 0.534, which is greater than 0.05. This indicates that consumers prioritize product quality and ingredients over price. The study's implications highlight the need for companies to focus on maintaining and improving product quality to ensure and enhance customer satisfaction.

Keywords: Customer Satisfaction; Price; Product Quality

1. Introduction

In the present era, skincare has become a fundamental necessity across all demographics, with the beauty industry continuously introducing innovative products. Skincare, in particular, has seen a significant rise in popularity, and with the abundance of available options, consumers select brands based on various considerations. The Indone-sian skincare industry is experiencing rapid growth, fueled by increasing public awareness, a trend toward natural beauty, the use of environmentally friendly ingredients, and the growing presence of local brands. In 2023, the market value of skincare products exceeded USD 2 billion, positioning Indonesia as one of the largest markets in Southeast Asia for beauty and personal care. Although affordable skincare products attract many consumers, such products often contain ingredients that may be harmful and detrimental to skin health. Conversely, skincare products priced at a moderate level generally offer greater assurance regarding the suitability and safety of their ingredients. As the market continues to expand, a growing number of local brands are emerging, with Indonesian companies striving to produce high-quality, internationally standardized skincare products to compete effectively with both domestic and global brands, as evidenced by the increasing sales of brands such as The Originote.

The Originote is an Indonesian skincare brand established in 2022, offering a range of products tailored to address various skin concerns and suitable for users starting from the age of 13 (adolescents). Each product is designed to target specific skin issues with advanced formulations while remaining affordable. Consistent with its vision and tagline, "Affordable Skincare for All", The Originote's products are accessible to a broad demographic. Growing public awareness of early skincare use has led to increased interest across different groups, prompting The Originote to introduce products specifically designed for skincare beginners, not only focusing on affordability but also on ingredient quality and skin compatibility. The brand's initial product launch was a moisturizer featuring key ingredients such as Hyaluron, Ceramide, and Chlorelina. Manufactured by PT. Nayue Kosmetik Indonesia, founded in 2022, The Originote quickly gained widespread attention and positive reception. This success

is attributed to the use of high-quality, dermatologically tested ingredients, ensuring the products are safe for all skin types and suitable for both adolescents and adults. The strong sales performance reflects the brand's unique appeal, combining product quality with highly affordable pricing, which effectively attracts consumers.

Customer satisfaction with The Originote skincare products must be a key focus for management, as it can impact the brand's financial performance, image, reputation, and long-term sustainability. According to [1], customer satisfaction refers to the sense of happiness or dissatisfaction that arises when a product's perceived performance is compared to the customer's expectations, something that occurs naturally without external pressure. Customer satisfaction with The Originote is crucial; when consumers are satisfied, the company must maintain and strengthen these relationships, while dissatisfaction requires addressing the underlying issues. This aligns with previous research by [2], which found that customer satisfaction significantly contributes to customer loyalty. Therefore, strategies to improve product quality, deliver satisfying service, and set reasonable prices are essential for retaining and enhancing loyalty. Reviews highlight that customer satisfaction strongly influences perceptions of product quality and its suitability for individual needs. Positive feedback shows that the product meets many users' needs, while negative reviews serve as reminders that improvements are needed to better suit a wider range of skin types. These insights are vital for guiding the company in refining and enhancing its products. Product quality and pricing are among the main determinant influencing customer satisfaction.

Product quality is also a crucial factor influencing customer satisfaction. According to [3], product quality is the extent to which a product can carry out its intended functions effectively, including features like durability, reliability, accuracy, user-friendliness, ease of repair, and other supporting attributes. In summary, product quality is defined as a product's capability to function effectively, including features like durability, reliability, accuracy, user-friendliness, ease of maintenance, and other attributes that enhance its performance. High-quality products are those that successfully meet or exceed consumer needs and expectations. This is supported by [4], which found that product quality and online shopping experiences significantly influence customer loyalty, with online shopping experiences having a greater impact.

Price is also a vital factor influencing customer satisfaction, particularly in the skincare industry. According to [3], competitive pricing strategies and discounts can enhance a product's market appeal and directly impact customer satisfaction. Affordable prices and significant discounts create a higher perceived value for consumers, thereby driving sales. Given the highly competitive nature of the skincare market, setting the right price and offering attractive promotions are crucial for successful marketing. Therefore, pricing decisions must balance perceived value with the offered price. In summary, price is the monetary value that consumers give in exchange for a product or service, reflecting their perceived value of the product's benefits.

The Originote has experienced continuous sales growth, supported by its high-quality products formulated with safe, natural ingredients suitable for various skin types. Prioritizing long-lasting hydration, lightweight textures, and quick absorption, The Originote also offers competitive pricing, making it a popular choice across consumer segments. As market competition intensifies, local brands like The Originote are increasingly competing with international players by delivering comparable quality at affordable prices. This study examines the impact of product quality and price on customer satisfaction, and how The Originote can strengthen its market position through effective quality and pricing strategies. Previous research presents mixed findings, with [5] showing no significant effect of product quality, while [6] found a significant positive influence, underscoring the need for further investigation within Indonesia's expanding skincare market.

2.　Preliminaries or Related Work or Literature Review

Product Quality

Product quality is a key factor in consumers' purchasing decisions, as they prioritize well-tested, reliable products. According to [7], product quality refers to anything offered to the market to attract attention, be purchased, satisfying customer needs or wants. [8] defines quality as a combination of attributes and characteristics that determine a product's or service's ability to fit customer needs, while [9] describe it as the

capability to exceed cus-tomer expectations. In summary, product quality includes aspects such as standards, reli-ability, features, content, and functionality that fulfill customer needs and expectations.

Price

Price is the value of money a consumer must pay to acquire a desired prod-uct/service [3]. In marketing strategy, price is often seen as a factor that creates value for both cus-tomers and companies. Effective pricing strategies should consider fac-tors such as pro-duction costs, competitor pricing, and consumers' purchasing power. According to [10], price is the cost imposed by producers on consumers as compen-sation for the product offered. [11] defines price as the amount consumers must pay to obtain goods or services, typically expressed in monetary terms. Price reflects the value consumers pay for the ben-efits they receive from a product or service. Addi-tionally, price can influence consumers' perception of product quality, as higher-priced products are often seen as higher quality, though this is not always the case.

Customer Satisfaction

Customer satisfaction is the evaluation made by consumers after a purchase, where they compare their experience with their prior expectations. If the product or service re-ceived meets expectations, the customer will be satisfied. Conversely, if it falls short, the customer is likely to feel dissatisfied or disappointed [12]. Customer satisfaction is also influenced by the degree and nature of confirmation or disconfir-mation that occurs when post-purchase and post-use evaluations are compared to pre-purchase expectations re-garding a product or service's performance [13]. Ac-cording to [14], satisfaction is an emotional response, either pleasure or disappoint-ment, that occurs after comparing the outcome with the consumer's expectations. If it meets or exceeds expectations, customers will feel satisfied; otherwise, they tend to feel disappointed.

Hypothesis

H1: Product quality has a significant positive effect on customer satisfaction with The Originote skincare products.
H2: Price has a significant positive effect on customer satisfaction with The Originote skincare products.

3. Proposed Method

Research Design

This study adopts a quantitative research approach, as defined by [15], focusing on con-crete data to test hypotheses about the impact of product quality and price on customer sat-isfaction with The Originote skincare products. The research data collected via ques-tion-naires, and various references such as journals and company profiles. The primary data is collected directly from respondents via an online questionnaire using Google Forms. The population consists of all consumers who have purchased and used The Originote skincare products in Indonesia, with a sample size determined by the purposive sampling method, selecting respondents based on specific criteria. The sample size is calculated using Mal-hotra's formula, resulting in 70 respondents, rounded up to 100, in line with [16]'s rec-om-mendation for an appropriate sample size.

Operational Definition of Variables

According to [17], a variable is any element defined by the researcher to be examined with the aim of gathering information about it, which will then lead to conclusions.

Table 1. Operational Definition.

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Variable	Definition	Indicator	Scale
Product Quality (X1)	Product quality is the overall characteristics of a product that can meet the needs desired by consumers.	1. Perceived Quality 2. Product Differentiation 3. Texture 4. Material Benefits 5. Durability 6. Safety and skin suitability 7. Attractiveness 8. Suitability to consumer needs 9. Customer satisfaction	Likert
	Tjiptono, (2008)	Muthmainnah et al., (2023)	
Price (X2)	Price is the amount of money charged for a product or the amount paid by a consumer in a transaction.	10. Price Affordability 11. Price-Quality Ratio 12. Price Competitiveness 13. Price-Benefit Alignment	Likert
	Kotler, P & Keller, (2016)	Muthmainnah et al., (2023)	
Customer Satisfaction (Y)	Customer satisfaction is a person's feeling of pleasure or disappointment that arises after comparing the perceived performance of a product with their expectations.	14. Customer Satisfaction Level 15. Repurchase Intention 16. Willingness to Recommend	Likert
	Kotler, P & Keller, (2016)	Muthmainnah et al., (2023)	

Research Instruments Test

The instrument testing includes validity and reliability tests. The validity test, using IBM SPSS 25 with factor analysis (CFA), assesses whether questionnaire items accurately measure the intended variables; items are valid if the KMO-MSA > 0.50 [20] and factor loadings > 0.55 [21]. The reliability test, also using SPSS 25, measures the consistency of responses; a questionnaire is considered reliable if Cronbach's Alpha shows strong internal consistency [22], ensuring the instrument provides stable and accurate measurements.

Data Analysis Techniques

The data analysis technique aims to show relationships between phenomena, test hypotheses, and draw conclusions useful for companies and future research. This study uses SPSS 25. Hypothesis testing includes: (a) multiple linear regression to estimate cus-tomer satisfaction (Y) based on product quality (X_1) and price (X_2) using the model $Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \varepsilon$; (b) the t-test to assess the partial effect, where significance is met if $p < 0.05$; (c) the F-test to examine the simultaneous effect of independent variables; and (d) the R^2 to measure the contribution in describing the variation in customer satisfaction.

4. Results and Discussion
Research Instrument Test Results
Validity Test Results

Table 2 Validity Test Results.

Variabel	Items	KMO Measure of Sampling Adequacy	Anti-Image Correlation	Loading Factor	Results
Product Quality (X1)	X1.1	0,926	0,948	0,800	Valid
	X1.2		0,924	0,809	Valid
	X1.3		0,962	0,868	Valid
	X1.4		0,961	0,869	Valid
	X1.5		0,964	0,850	Valid
	X1.6		0,973	0,826	Valid
	X1.7		0,965	0,846	Valid
	X1.8		0,945	0,742	Valid
	X1.9		0,941	0,868	Valid
Price (X2)	X2.1	0,828	0,936	0,887	Valid
	X2.2		0,952	0,886	Valid
	X2.3		0,936	0,860	Valid
	X2.4		0,965	0,900	Valid
Customer Satisfaction (Y)	Y1	0,744	0,949	0,921	Valid
	Y2		0,936	0,893	Valid
	Y3		0,972	0,908	Valid

The result indicates all questionnaire items are confirmed as valid and accurately measure the intended variables. This means each statement or question within the ques-tionnaire ef-fectively captures the constructs of product quality, price, and customer satis-faction.

Reliability Test Results

Table 3 Reliability Test Results.

variable	Item	Cronbach's Alpha	Results
Product Quality (X1)	X1.1	0,944	Reliable
	X1.2		Reliable
	X1.3		Reliable
	X1.4		Reliable
	X1.5		Reliable
	X1.6		Reliable
	X1.7		Reliable
	X1.8		Reliable
	X1.9		Reliable
Price (X2)	X2.1	0,906	Reliable
	X2.2		Reliable
	X2.3		Reliable
	X2.4		Reliable

Customer Satisfaction (Y)	Y1		Reliable
	Y2	0,893	Reliable
	Y3		Reliable

The Cronbach Alpha value obtained from the calculation > 0.60. So it can be con-cluded that variable are reliable and worthy of use for research.

Research Instrument Test Results
Multiple Linear Regression

Table 4 Multiple Linear Regression Test Results.

		Coefficients[a]				
		Unstand. Coeff.		Standardized Coefficients		
	Model	B	Std. Error	Beta	t	Sig.
1	(C)	-.613	.625		-.982	.329
	Product Quality	.332	.033	.867	10.026	.000
	Price	.044	.071	.054	.624	.534
a. Dependent Variable: Customer Satisfaction						

The following results were obtained**: Y = 0,613 + 0,867 + 0,054**

F Test

Table 5 F Test Results.

		ANOVA[a]				
Model		Sum	df	Mean	F	Sig.
1	Regression	427.082	2	213.541	247.568	.000[b]
	Residual	83.668	97	.863		
	Total	510.750	99			
a. Y: Customer Satisfaction						
b. Predictors: (Constant), Price, Product Quality						

It can be seen that the calculated F value > F table, namely 247.568 > 3.09 and the significant probability value is less than 0.05, namely 0.000 < 0.05.

T Test

Table 6 T Test Results.

Independent Variable	Sig.	Results
X_1 = Produk Quality	0,000	H1 accepted
X_2 = Price	0,534	H1 rejected

a. The t-value (10.026 > 1.984) and significance (0.000 < 0.05) show H1 is accepted.
b. The t-value (0.624 < 1.984) and significance (0.534 > 0.05) show H2 is rejected.

R2 Test

Table 7 R2 Test Results.

		Model Sum.		
Model	R	R^2	Adj. R^2	Std. Error
1	,914[a]	,836	,833	,92874
a. Predictors: (C), Price, Produk Quality				

This indicates that product quality and price variables explain 83.6% of the variation in customer satisfaction, while the remaining 16.4% is affected by other factors.

Discussion

The Influence of Product Quality on Customer Satisfaction

This study used nine product quality indicators: perceived quality, product differentiation, texture, ingredient benefits, durability, safety and skin compatibility, appeal, suitability to customer needs, and customer satisfaction. Statistical analysis showed that each indicator of product quality (X1) had a significant positive effect on customer satisfaction (Y) for The Originote skincare. This means that factors such as product uniqueness, skin compatibility, lasting benefits, and fulfilling customer needs directly contribute to higher satisfaction levels. Product quality is a key factor determining customer satisfaction with The Originote skincare. Consistent with [6], the findings highlight that higher perceived product quality increases customer trust and satisfaction. Quality influences not just results but also builds long-term consumer confidence and brand preference, enhancing customer loyalty and repeat purchases. The Originote's focus on active ingredients, safety, texture, and user experience has become a major driver of satisfaction. Their attention to packaging, skin compatibility, and lasting effects, combined with accessible distribution through online and offline channels, supports ease of purchase for mostly student consumers. However, quality involves more than just product ingredients; it includes the full user experience. Maintaining product consistency and meeting customer expectations are essential for sustaining loyalty and strengthening brand presence in the skincare market.

The Influence of Price on Customer Satisfaction

Price represents the cost consumers pay to obtain The Originote skincare products. Generally, customers expect the price to align with the product's benefits and quality. Marketing theory suggests that the more affordable and fair the price relative to product value, the higher customer satisfaction should be. However, this study shows that customer perceptions of The Originote's pricing do not have a significant impact on satisfaction. Even though consumers view the price as affordable, it does not directly enhance their satisfaction. Instead, factors like product quality, active ingredients, safety, and effectiveness are more decisive in shaping customer satisfaction. In other words, The Originote skincare users prioritize visible product results over low prices alone. This finding aligns with [23], which found that price did not significantly impact customer satisfaction for the Maxim app. Although Maxim offers competitive and low prices, consumers did not feel more satisfied solely because of pricing. Instead, factors such as service quality, speed, and comfort were more influential in determining satisfaction levels. It can be summarized that in both product and service contexts, modern consumers value quality experiences more than just low prices. Therefore, The Originote should continue focusing on improving product quality, enhancing the effectiveness of active ingredients, and ensuring safety to fit customer's expectation and sustainably boost satisfaction.

5. Conclusions

Based on the research, it can be concluded that Product Quality has a positive sig-nificant effect on Customer Satisfaction for The Originote, confirming that higher product quality enhances customer satisfaction. In contrast, Price does not have a significant effect, indicating that consumers prioritize product effectiveness and safety over affordability. This study is limited by its focus on The Originote users, reliance on online surveys, and the examination of only two variables, which may not capture all factors affecting satisfaction. Future research should include broader samples, additional variables such as brand loyalty and service quality, and consider mixed-method approaches to provide deeper insights into customer behavior and satisfaction in the skincare industry.

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