

The Influence Of Product, Service, And Wom On Customer Loyalty: Purchasing Decisions As An Intervening Variable At Waroeng Kampoeng 99

¹Dwi Danesty Deccasari, ²Maulana Hanif Abbyan, ³Marli

^{1,2,3} Management Study Program, STIE Malangkeucecwara, Malang, East Java, Indonesia

Email: ¹danesty@stie-mce.ac.id, ²abimaulana818@gmail.com, ³marli@stie-mce.ac.id

Abstract

Keywords:

Product Quality, Customer
Service, Word of Mouth
(WOM), Consumer Loyalty

This study aims to examine the influence of product quality, customer service, and word-of-mouth (WOM) recommendations on consumer loyalty, considering the mediating role of purchasing decisions at Waroeng Kampoeng. The approach used is quantitative with a comparative design, involving 100 respondents, of which 99 are regular customers. Data collection was carried out using a Likert-based questionnaire instrument, while data analysis used the Partial Least Squares Structural Equation Modeling (PLS-SEM) approach with a bootstrapping procedure of 5,000 samples. Model validity and reliability testing were carried out using composite reliability indicators, Average Variance Extracted (AVE), and outer loading, all of which met the established acceptance threshold. The research findings indicate that purchasing decisions have a significant influence on consumer loyalty ($\beta = 0.485$; $p < 0.001$). Customer service was proven to have a significant influence on purchasing decisions ($\beta = 0.235$; $p = 0.020$), although it did not have a direct impact on loyalty. Product quality showed a significant influence on consumer loyalty ($\beta = 0.300$; $p = 0.019$) and purchasing decisions ($\beta = 0.253$; $p = 0.037$). In contrast, WOM did not show a significant mediating effect on loyalty ($\beta = 0.123$; $p = 0.067$). This finding implies the importance of strategic planning that focuses on improving product quality and service quality as an effort to strengthen customer loyalty in the food and beverage (F&B) sector. Although WOM did not show significance in this study, its potential to provide long-term impact remains an area worthy of exploration. Further research is recommended by expanding the sample size and adding moderating variables, such as price sensitivity.

INTRODUCTION

The culinary industry in Indonesia has experienced rapid growth, making it one of the most vital and rapidly growing economic sectors, driven by surging consumer demand and advances in tourism infrastructure (Apriliana & Hidayat, 2020). This significant growth has triggered increasingly intense competition among culinary businesses, requiring them to continuously innovate and analyze consumer behavior to maintain a competitive market position.

Education-based cities like Malang are a clear illustration, where culinary businesses serve more than just food providers, but also as integral elements of social and cultural experiences. The success of culinary businesses, such as Waroeng Kampoeng 99, is largely determined by their capacity to generate customer satisfaction, which ultimately fosters sustained loyalty (Iskandar et al., 2025). Therefore, a comprehensive understanding of the factors influencing customer loyalty—including product quality, superior service, and word-of-mouth recommendations—is key to the sustainability and progress of culinary businesses (Iskandar et al., 2023; Mulyana & Setyono, 2020).

According to Mowen and Minor, consumers assess the quality of food and beverage products based on their performance and benefits, which partially positively influences purchasing decisions

(Pengaruh et al., 2021). This finding indicates that consumers tend to evaluate a product's physical attributes and functionality in their decision-making process (Mulyana & Setyono, 2020). Consistent with this, empirical studies confirm that product quality plays a central role in shaping taste perceptions and consumer satisfaction levels, which subsequently encourage repeat purchases (Hardini & Santoso, 2025). Business phenomena like Mixue further strengthen this argument, where consistent product quality combined with effective marketing strategies successfully stimulates repeat purchase interest, particularly among the younger generation (Laili & Vania, 2023).

Service quality is also a crucial element because it directly shapes customer satisfaction; thus, businesses are required to consistently optimize and maintain these standards to build consumer trust and ensure long-term operational continuity (Rusdiyanto & Suranti, 2021). Therefore, providing high-quality service is essential to meeting or exceeding customer expectations, which in turn triggers positive recommendations through word-of-mouth (Hardini & Santoso, 2025). Research by Gidion P. Adirinekso shows that service and product quality significantly influence customer satisfaction, with purchasing decisions acting as a mediator (Manggala & Adirinekso, 2022). Furthermore, for service-oriented businesses, service quality is a key determinant of success, as consumer trust is built through optimal service and responsiveness to their needs and preferences (Latupeirissa et al., 2023). In the culinary industry, the holistic customer experience—not just food quality alone—is a key differentiator from competitors and a driver of loyalty (Latupeirissa et al., 2023). Empirical evidence also underlines that product and service quality not only has a direct impact on purchasing decisions, but also substantially shapes consumer loyalty through word-of-mouth mechanisms (Aisyah et al., 2025; Asiyah et al., 2025).

Customer loyalty, defined as a consumer's ongoing commitment to maintain the use of a product or service despite the availability of alternative options, is a primary indicator in predicting business viability (Apriliana & Hidayat, 2020). Building this loyalty requires an in-depth analysis of its drivers, including product and service quality, as well as word-of-mouth recommendation dynamics (Hardini & Santoso, 2025). Innovative product quality and adaptive service play a pivotal role in shaping customer satisfaction, which then influences repeat purchases and the natural spread of positive word-of-mouth (Hamzah & Pratiwi, 2025, 2023).

Consumers who feel appreciation and satisfaction from the service they receive tend to build stronger bonds with the product or service provider, thus encouraging them to act as promoters through word-of-mouth recommendations (Mahardika & Febrina, 2025). Empirical support confirms that product and service quality influence customer loyalty, with satisfaction being an essential mediator (Ikhwana & Purkon, 2025).

Although numerous studies have explored the factors shaping customer loyalty in the culinary sector, the majority still adhere to traditional approaches such as product quality and service, often ignoring the vital role of word-of-mouth. This study aims to bridge this gap by integrating purchasing decisions as a mediating variable in the relationship between product, service, and word-of-mouth on customer loyalty (Ikhwana & Purkon, 2025). Therefore, this study will investigate in detail the mediating role of purchasing decisions in loyalty formation, by exploring the synergy of product quality, service, and word-of-mouth recommendations (Iskandar et al., 2023). Specifically, the analysis will focus on these dynamics in the case of Waroeng Kampoeng 99, a representative local culinary business, to generate insights that can be extrapolated to similar businesses (Ena et al., 2020). This approach aims to fill this knowledge gap with a comprehensive evaluation of the multifactorial interactions at Waroeng Kampoeng 99, serving as an illustrative

case study (Gunawan et al., 2024). This methodology will detail the contribution of these factors to consumer preference and long-term retention, with an emphasis on the purchase decision as a central element. This aligns with previous literature confirming the mediating role of the purchase decision in strengthening the relationship between key drivers and consumer loyalty (Manggala & Adirinekso, 2022; Tyagita et al., 2024). This research specifically emphasizes that a positive response to a purchase decision will increase loyalty, highlighting the urgency of understanding this dynamic in a competitive marketplace (Tyagita et al., 2024). Loyal consumers not only make repeat purchases but also have the potential to become brand advocates through personal recommendations or social media platforms (Sitindaon, 2025).

It is hoped that this research will not only enrich the theoretical foundations in marketing and business management but also provide practical recommendations applicable to conventional culinary entrepreneurs (Butar et al., 2021). Through a more nuanced analysis of the role of product quality, service, and word-of-mouth (Ardani et al., 2022), these findings can also form the basis for further studies exploring additional variables, such as the impact of strategic location or market segmentation based on the demographics of the younger generation in urban areas (Mursid, 2020). Thus, the contribution of this research goes beyond the current context, opening up opportunities for further development.

METHODS

This study applies a quantitative approach to explore the relationships between previously theoretically defined variables (Wijaya & Tjokrosaputro, 2024). This approach allows for quantitative measurement of the collected data, thus enabling hypothesis testing through consistent statistical analysis (Sholeh & Wusko, 2023). This quantitative-based research design uses a survey method as a tool to collect primary data through a structured questionnaire, systematically designed to measure consumer perceptions of product quality, service quality, word-of-mouth (WOM) impact, purchasing decisions, and loyalty to Waroeng Kampoeng 99. The study population includes all Waroeng Kampoeng 99 customers who have made at least one purchase, with the sample being determined using a non-probability sampling technique of the *purposive type* (Firdausy et al., 2024). *Inclusion criteria for purposive sampling* subjects include consumers who have repeat purchasing experience or who actively play a role in recommending Waroeng Kampoeng 99 products to others, to ensure the data's relevance to the loyalty construct and the WOM phenomenon.

Data collection was conducted through the distribution of online questionnaires equipped with a Likert scale to measure each variable construct consistently and validly (Hardini & Santoso, 2025). In data analysis, this study used the *Structural Equation Modeling* (SEM) method based on *Partial Least Squares* (PLS-SEM) with the help of SmartPLS 4.0 software (Isnoue & Azis, 2024). The selection of this method is based on its ability to model complex causal relationships between latent variables and their indicators, as well as its advantages in handling data with non-normal distributions and limited sample sizes. The results of this analysis are expected to provide a significant empirical contribution in understanding the mechanisms of customer loyalty formation in the *food and beverage sector*, particularly in the context of the interaction between product quality, service, and social influence in a dynamic market environment.

RESULTS AND DISCUSSION

Technique applied data processing in study This using PLS (*Partial Least Square*) with SEM (

Structural *Equation* Modeling) method applied through 2 (two) tests, namely the outer model and the inner model.

Technique applied data processing in study This using PLS (*Partial Least Square*) with SEM (*Structural Equation* Modeling) method applied through 2 (two) tests, namely the outer model and the inner model.

1. Outer Model

The outer model focuses on the relationship between latent variables and indicators. Testing the outer model aims to ensure that the instruments used to measure the latent variables have good validity and reliability. There are three main types of testing in the outer model: Convergent Validity, Discriminant Validity, and Construct Reliability.

a. Convergent Validity

Table 1: Loading Factor Values

Variables	Decision Purchase	Loyalty customer	Service	Product	Word of Mouth
Kp 1	0.806				
Kp 2	0.760				
Kp 3	0.793				
Kp 4	0.835				
Kp 5	0.812				
Kp 6	0.827				
Ly 1		0.820			
Ly 2		0.877			
Ly 3		0.847			
Ly 4		0.767			
Ly 5		0.769			
Ly 6		0.764			
Ply 1			0.860		
Ply 2			0.864		
Ply 3			0.759		
Ply 4			0.824		
Ply 5			0.770		
Ply 6			0.782		
Prod 2				0.902	
Prod 3				0.732	
Prod 4				0.754	
Prod 5				0.929	
Prod 6				0.928	
WM 1					0.748
WM 2					0.838
WM 3					0.833
WM 4					0.842
WM 5					0.867
WM 6					0.795

Data source processed SEM-PLS, 2025

Based on table on can known that indicator fulfil condition mark significance above 0.7 . With Thus , the construct said to be valid and has fulfil condition validity .

b. Average Variance Extracted

The output results from Average Variance Extracted (AVE) can be seen in the following table:

Table 2: Results of Average Variance Extracted (AVE)

Variables	Average variance extracted (AVE)	Information
Decision Purchase	0.649	Valid
Loyalty Customer	0.654	Valid
Service	0.657	Valid
Product	0.728	Valid
Word of Mouth	0.675	Valid

Data source processed SEM-PLS, 2025

Based on the data analysis in the table above, the Average Variance Extracted (AVE) value for each construct in the overall model is above the threshold of 0.6. This finding indicates that each construct is able to explain a significant portion of the variance in its indicators, thus meeting the convergent validity criteria established in the research model. This supports the reliability of latent variable measurement in the context of this research.

c. Test Validity Discriminant *Validity*

Discriminant validity serves to verify that each construct in the measurement model actually measures a distinct phenomenon and does not exhibit significant overlap with other constructs. In this study, discriminant validity was evaluated using the cross-loading method , which assesses the strength of the correlation between each indicator and the construct it is supposed to measure compared to other constructs. If each indicator exhibits a higher loading on the relevant construct compared to other constructs, then this indicates that the construct has adequate discriminant validity.

Table 3: Cross Loading Results

Variable s	Decision Purchase	Loyalty Customer	Service	Product	Word of Mouth
Kp 1	0.806	0.703	0.683	0.706	0.733
Kp 2	0.760	0.758	0.620	0.688	0.688
Kp 3	0.793	0.647	0.662	0.633	0.639
Kp 4	0.835	0.677	0.629	0.635	0.683
Kp 5	0.812	0.724	0.666	0.668	0.686
Kp 6	0.827	0.787	0.671	0.727	0.703
Ly 1	0.702	0.820	0.643	0.719	0.579
Ly 2	0.816	0.877	0.735	0.745	0.703
Ly 3	0.768	0.847	0.651	0.662	0.671
Ly 4	0.741	0.767	0.650	0.656	0.672
Ly 5	0.638	0.769	0.540	0.603	0.740
Ly 6	0.644	0.764	0.609	0.712	0.632
Ply 1	0.689	0.696	0.860	0.760	0.579
Ply 2	0.744	0.740	0.864	0.859	0.703
Ply 3	0.609	0.474	0.759	0.612	0.522

Ply 4	0.589	0.617	0.824	0.696	0.523
Ply 5	0.686	0.633	0.770	0.688	0.596
Ply 6	0.624	0.654	0.782	0.704	0.504
Prod 2	0.776	0.803	0.808	0.902	0.729
Prod 3	0.594	0.519	0.685	0.732	0.481
Prod 4	0.628	0.690	0.639	0.754	0.617
Prod 5	0.774	0.767	0.820	0.929	0.671
Prod 6	0.791	0.789	0.847	0.928	0.715
WM 1	0.632	0.646	0.532	0.619	0.748
WM 2	0.748	0.667	0.616	0.664	0.838
WM 3	0.682	0.640	0.546	0.533	0.833
WM 4	0.727	0.688	0.628	0.647	0.842
WM 5	0.707	0.727	0.597	0.647	0.867
WM 6	0.718	0.686	0.570	0.635	0.795

Source : Data processed by SEM-PLS, 2025

Cross-loading values for all variables indicate that each indicator has a higher correlation with the construct it is supposed to measure compared to other constructs. This finding indicates that each indicator specifically reflects its intended construct, thus supporting the existence of discriminant validity in the research model. Cronbach's alpha and *Composite Reliability*

Table 4: Cronbach's alpha and Composite reliability results

Variabel	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)	Keterangan
Kp	0,892	0,892	0,917	Reliabel
Ly	0,893	0,896	0,919	Reliabel
Ply	0,895	0,901	0,92	Reliabel
Prod	0,904	0,92	0,93	Reliabel
WM	0,903	0,905	0,925	Reliable

Source : Data processed by SEM-PLS, 2025

Based on the data in the table above, the Cronbach's Alpha and Composite Reliability values for all constructs/variables listed in the table reached a value of ≥ 0.70 . This indicates that all constructs in the study have an adequate level of reliability, in accordance with the criteria recommended in quantitative research. This finding supports the reliability of the research instrument's measurements in describing the variables studied.

2. Model Testing (Inner Model)

Within the PLS-SEM framework, the Internal Model serves to describe the structure of relationships between latent variables, with evaluations conducted to empirically assess the strength and significance of the relationships. This assessment is conducted through three critical dimensions: (1) the statistical significance of the relationships through hypothesis testing, (2) the explanatory power of the model (R-squared), and (3) the effect size that reflects the practical relevance of each relationship in the research context.

a. R Square (R^2)

Table 5: R-Square

Variables	R-square
Buying decision	0.830
Customer Loyalty	0.835

Source : Data processed by SEM-PLS, 2025

Based on results from Table 5 known that R-Square value of variables decision purchase show is of 0.830 or equivalent with 83%. Number the show that decision the purchase described by influence Products , Services , and *Word of Mouth* is by 83%. Where the remaining 17% is explained by variables others who don't discussed in study this . Meanwhile that , variable Loyalty Customer show is of 0.835 or equivalent with 83.5 % . Figures the show that Loyalty Customers described by influence Products , Services , *Word of Mouth*, and Decision Purchase is of 83.5 % . Where the remaining 16.5 % is explained by other variables that are not discussed in study This .

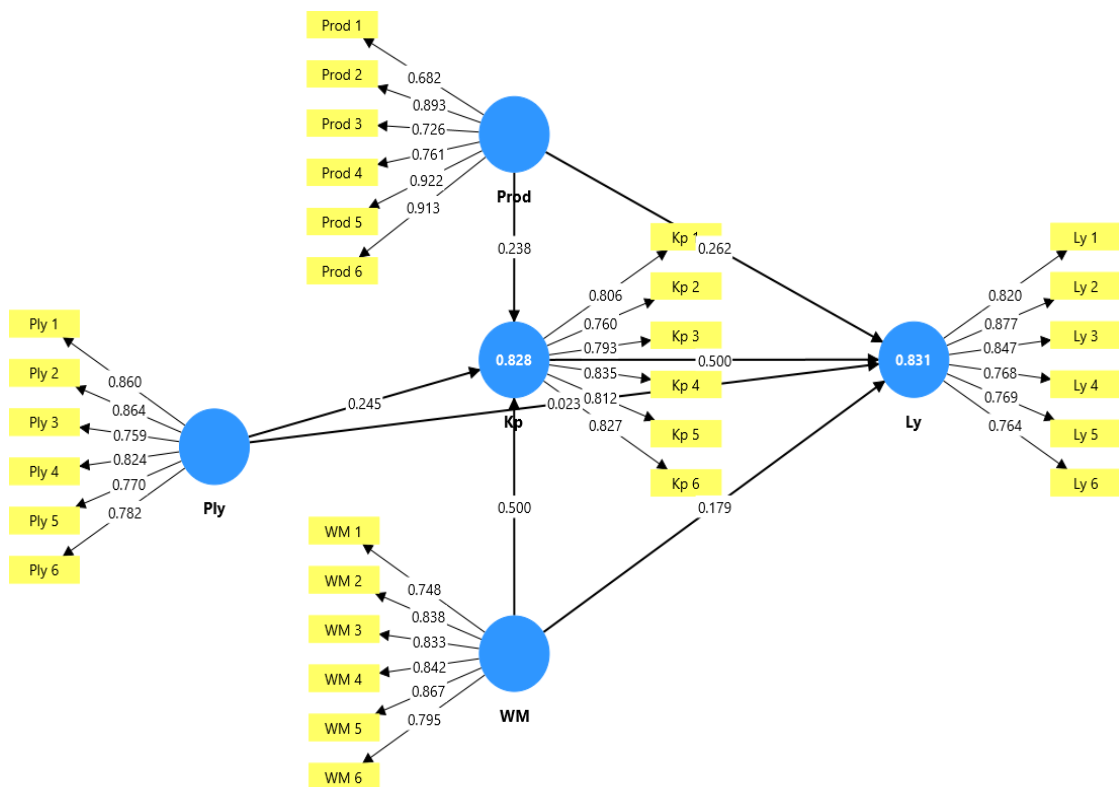


Figure 1: PLS SEM Alogarithm Model Output

b. Significance (Hypothesis Testing)

Table 6: Bootstrapping results of direct effects

Variables	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV)	P values
Decision -> Loyalty	0.485	0.489	0.098	4,932	0,000
Service -> Purchase					
Decision	0.235	0.238	0.114	2,052	0.020
Service -> Loyalty	0.003	0.009	0.115	0.022	0.491

Product -> Purchase Decision	0.253	0.247	0.142	1,788	0.037
Product -> Loyalty	0.300	0.285	0.145	2,067	0.019
Word of Mouth -> Purchase Decision	0.497	0.500	0.089	5,594	0,000
Word of Mouth -> Loyalty	0.178	0.185	0.083	2,154	0.016

Source : Data processed by SEM-PLS, 2025

The table above illustrates the direct relationship between variables in this study, which include: product quality as the independent variable (X1), service quality as the independent variable (X2), the impact of *word-of-mouth* (WOM) as the independent variable (X3), customer loyalty as the dependent variable (Y), and purchasing decisions as the intervening variable (Z). Next, testing of the indirect relationship between these variables was carried out, with the results summarized in the table below.

Table 7: Results of Path Coefficient Bootstrapping Indirect Effect

Variables	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistic (O/STDEV)	P values
Product -> Purchase Decision -> Loyalty	0.114	0.114	0.057	1,988	0.023
Word of Mouth -> Purchase Decision -> Loyalty	0.123	0.125	0.082	1,496	0.067
Service -> Purchase Decision -> Loyalty	0.241	0.242	0.059	4,117	0,000

Source : Data processed by SEM-PLS, 2025

Based on the data presented, this analysis quantitatively explores the impact of product variables, *word-of-mouth*, and service quality on consumer loyalty, with purchasing decisions acting as a mediating variable. These findings provide a deeper understanding of the indirect mechanisms of influence between independent variables on consumer response, as well as the crucial role of purchasing decisions as a bridge in the decision-making process.

DISCUSSION

The influence of service on purchasing decisions

Based on the presented statistical analysis results, the effect of service quality on purchasing decisions shows a path coefficient of 0.235, with a T-statistic value of 2.052 and a significance level of $p = 0.020$. These results indicate that service quality has a positive and statistically significant effect on purchasing decisions, indicating that improving service quality will have a direct impact on increasing the likelihood of consumers making purchasing decisions (Yulita et al., 2024). This finding is consistent with previous research confirming that high service quality significantly increases consumer purchase intentions (Aghivirviati, 2022). The practical implications suggest that Waroeng Kampoeng 99 needs to prioritize improving service quality as

part of its customer management strategy. A holistic approach to service improvement—from timely responsiveness to staff friendliness—can maximize the influence on purchasing decisions and, ultimately, encourage the formation of stronger customer loyalty (*Tj, 2020*).

The Influence of *Word of Mouth* on Purchasing Decisions

The results of statistical analysis show that **the influence of Word of Mouth on purchasing decisions** has a path coefficient of 0.497 with a T-statistic value of 5.594 and a significance of $p = 0.000$, this value clearly shows that *Word of Mouth* has a strong, positive, and very significant influence on purchasing decisions, indicating that recommendations from others substantially increase the likelihood of consumers to make a purchase (*Martha et al., 2023; Ningsih & Hurnis, 2024*). This finding is in line with previous research showing that word of mouth is one of the most powerful factors influencing purchasing decisions, often even exceeding traditional forms of marketing due to the credibility attached to personal recommendations (*Mukharomah et al., 2023*). Consumers who receive positive information through word of mouth tend to use it as a basis for purchasing decisions (*Muriati & Rino, 2022*), an effect reinforced by other empirical findings that confirm the significant impact of WOM on purchasing decisions (*Pristiwati & Fikri, 2021; Wijaya & Keni, 2021*).

The influence of purchasing decisions on customer loyalty

Based on the results of the statistical analysis presented, the influence of purchasing decisions on customer loyalty shows a path coefficient of 0.485, with a T-statistic value of 4.932 and a significance level of $p = 0.000$. This finding supports the theoretical framework of the Expectation-Confirmation Model (ECM), which states that consistency between consumer expectations before purchase and actual product performance will shape loyalty through the post-purchase satisfaction process (*Aisyah et al., 2025*). Thus, positive and satisfying purchasing decisions are key factors in building long-term customer loyalty, because each successful transaction strengthens the affective bond between consumers and the brand (*Hardini & Santoso, 2025; Saputra & Ardani, 2020*). This finding emphasizes that satisfying and repeat purchasing experiences are the main foundation in the loyalty formation process, which in turn encourages consumers to continue choosing Waroeng Kampoeng 99 in the future (*Abidin et al., 2025*). These results are also in line with previous research showing a significant positive correlation between satisfaction with purchasing decisions and increased consumer loyalty to a brand or product (*Lenteralega et al., 2024*).

The Influence of Products on Customer Loyalty

Based on the results of the statistical analysis presented, the influence of purchasing decisions on customer loyalty shows a path coefficient of 0.485, with a T-statistic value of 4.932 and a significance level of $p = 0.000$. This finding supports the theoretical framework of the Expectation-Confirmation Model (ECM), which states that consistency between consumer expectations before purchase and actual product performance will shape loyalty through the post-purchase satisfaction process (*Aisyah et al., 2025*). Thus, positive and satisfying purchasing decisions are key factors in building long-term customer loyalty, because each successful transaction strengthens the affective bond between consumers and the brand (*Hardini & Santoso, 2025; Saputra & Ardani, 2020*). This finding emphasizes that satisfying and repeat purchasing experiences are the main foundation in the loyalty formation process, which in turn encourages consumers to continue choosing Waroeng Kampoeng 99 in the future (*Abidin et al., 2025*). These results are also in line with previous research showing a significant positive correlation between satisfaction with purchasing decisions and increased consumer loyalty to a

brand or product (Lenteralega et al., 2024).

The influence of service on customer loyalty

Based on the presented statistical analysis results, the effect of service quality on customer loyalty shows a path coefficient of 0.003, with a T-statistic value of 0.022 and a significance level of $p = 0.491$. This finding indicates that service quality does not have a significant direct effect on customer loyalty, which contradicts a number of previous studies that reported a positive correlation between service quality and customer loyalty (*Angie et al., 2023*). The implication of this finding is that an exclusive emphasis on improving service quality may not be sufficient to directly strengthen customer loyalty, unless it is integrated with other mediating variables, such as the level of customer satisfaction that plays a role in motivating customer loyalty (*Sholikhah & Hadita, 2023*). However, this finding contradicts previous research that emphasized the SERVQUAL dimension (service quality) as the main predictor of customer satisfaction and loyalty (*Ikhwana & Purkon, 2025*), but is in line with contemporary studies that identified an indirect effect through the mediation mechanism of satisfaction (*Iskandar et al., 2023; Nafsi et al., 2024*). This highlights the complexity of the relationship between service and loyalty, suggesting that while customer satisfaction does not always directly influence loyalty, superior service quality can still contribute to loyalty through the mediation pathway of satisfaction (*Hardini & Santoso, 2025*). Therefore, Waroeng Kampoeng 99 may need to consider how service can be improved to indirectly influence customer loyalty through increased satisfaction, for example by focusing on service personalization or responsiveness (*Bessie & Suki, 2023; Yulita et al., 2024*).

This finding underscores the need for a contingency approach in modeling the service-loyalty relationship, taking into account industry-specific contexts and consumer characteristics (*Iskandar et al., 2023*). However, several other studies have found that service quality is not always positively correlated with customer loyalty, and may even have no significant effect at all, implying that unmet customer expectations can mitigate the positive impact of service.

The Influence of Word of Mouth on Customer Loyalty

The influence of *Word of Mouth* (WOM) on customer loyalty in this study was proven to be positive and significant, indicated by a path coefficient of 0.178 with a p -value of 0.016 ($p < 0.05$), so the designed hypothesis can be accepted. These results are in line with the literature review that emphasizes the role of direct communication between individuals as a strong predictor of customer retention and brand advocacy, showing that personal recommendations have a significant impact in building sustainable loyalty bonds (*Syabran et al., 2022*). Positive *Word of Mouth* serves as a catalyst in building consumer trust and reducing risk perception, which ultimately encourages repeat purchasing behavior and strengthens long-term relationships between consumers and Waroeng Kampoeng 99 (*Jokhu, 2020*). These findings underscore the importance of creating a shareable customer experience ecosystem as part of a strategy to build and maintain brand loyalty in the digital age. These findings are supported by research indicating that the influence of Word of Mouth on customer loyalty is not only direct but can also be mediated by satisfaction factors (*Putra & Nurcaya, 2022; Tjahjaningsih et al., 2023*). Furthermore, a study shows a significantly positive word of mouth on customer loyalty (*Putra & Nurcaya, 2022*). This emphasizes the importance of strategies that encourage the dissemination of positive information from existing customers to strengthen the loyalty of new and existing customers (*ASLAN & Aslan, 2025; Marlina et al., 2024; Putra & Nurcaya, 2022*). Therefore, companies need to invest in creating exceptional customer experiences to trigger positive recommendations (*Jokhu, 2020*).

Thus, despite the differences in findings in the literature, this study strengthens the position that *Word of Mouth* is a strategic aspect in marketing that actively supports the formation of customer loyalty in the context of the current study. **Thus, H7 is accepted.**

The influence of products on customer loyalty through purchasing decisions

Based on the statistical analysis conducted, the indirect effect of product quality on customer loyalty through the mediation of purchasing decisions shows a path coefficient of 0.114, with a *t*-statistic value of 1.988 and a significance level of $p = 0.023$. These results confirm that the indirect effect is significant at the $\alpha = 0.05$ level, indicating that aspects such as quality, packaging, innovation, and product features substantially shape consumer purchasing intention, which in turn contributes to strengthening customer loyalty. This finding is consistent with previous research that identified purchasing decisions as a crucial mediating variable between product quality and customer loyalty (Tyagita et al., 2024). Furthermore, high-quality, innovative, and reliable products have been shown to encourage repeat purchasing patterns among consumers, thereby significantly increasing brand loyalty bonds (Pramadanti et al., 2024). Therefore, for Waroeng Kampoeng 99, a continuous commitment to developing innovative products that are aligned with dynamic market needs is needed to stimulate stronger purchasing decisions and maintain long-term customer loyalty.

The influence of service on customer loyalty through purchasing decisions

The effect of service on customer loyalty through purchasing decisions shows a path coefficient of 0.241, with a *t*-statistic of 4.117 and a *p*-value of 0.000, indicating a highly significant indirect effect. This finding illustrates that the quality of service provided by a company plays a significant role in influencing purchasing decisions, which then has a strong impact on the formation of customer loyalty. This result is consistent with the *Service-Dominant Logic theory*, which emphasizes that positive customer experiences through superior service can form preferences and emotional bonds that lead to continued loyalty. Other studies also support this finding, showing that customer satisfaction derived from good service quality significantly influences purchasing decisions, which in turn increases brand loyalty (Ariefiantoro et al., 2021). In the context of Waroeng Kampoeng 99, this implies that investing in employee training to improve interaction quality and service responsiveness can effectively encourage repeat purchasing decisions and build a strong foundation of loyalty (Ariefiantoro et al., 2021). Therefore, the strategy of improving service quality must be a top priority for Waroeng Kampoeng 99 to achieve competitive advantage and maintain market share in the long term.

The influence of *Word of Mouth* on customer loyalty through purchasing decisions

The influence of *Word of Mouth* on customer loyalty through purchasing decisions has a path coefficient of 0.123 with a *t*-statistic of 1.496 and a *p*-value of 0.067. A *p*-value exceeding the significance threshold of 0.05 indicates that the indirect effect is not significant in this study. This indicates that although *Word of Mouth* plays a role in driving purchasing decisions, its effect is not strong enough to consistently transfer that influence to the formation of customer loyalty in the context of this model. This finding is in line with research showing that the impact of WOM on customer loyalty is not always direct, but is often mediated by other variables such as customer satisfaction or brand image (Tyagita et al., 2024). In accordance with this, several studies also found that Word of Mouth communication does not directly influence purchasing decisions, and that WOM does not positively influence purchasing decisions directly (Pengaruh et al., 2021; Tyagita et al., 2024). Nevertheless, the role of Word of Mouth in increasing awareness and initial perception of Waroeng Kampoeng 99 remains crucial, even though it does not directly result in

loyalty without the mediation of other factors such as customer satisfaction or a strong brand image ([Hardini & Santoso, 2025](#)).

CONCLUSION

This study evaluates the influence of three antecedent variables—namely Product, Service, and Word of Mouth (WOM)—on Purchase Decisions and Customer Loyalty, considering the mediating role of Purchase Decisions. The results of the analysis using Partial Least Squares Structural Equation Modeling (PLS-SEM) show that Service has the most dominant and significant influence on Purchase Decisions ($\beta = 0.241, p < 0.001$), and indirectly contributes to increasing Customer Loyalty through a mediation pathway ($p = 0.023$). Similarly, WOM contributes significantly to Purchase Decisions ($\beta = 0.123, p = 0.000$) and shows a significant indirect effect on Customer Loyalty ($p < 0.001$), which emphasizes the central role of social recommendations in the purchasing process. In contrast, Product shows a positive influence on Purchase Decisions that is not directly significant ($p = 0.037$), and does not form a significant mediating effect on Customer Loyalty ($p = 0.067$); However, its direct influence on Customer Loyalty proved significant ($p = 0.019$).

These findings indicate that improving service quality and implementing WOM-based marketing strategies are crucial factors in driving purchasing decisions and building consumer loyalty. On the other hand, although product loyalty contributes directly and significantly to customer loyalty, its role in mediating through purchasing decisions is not yet optimal. Therefore, systematic efforts are needed to enrich product attributes—both in terms of quality, innovation, and relevance to consumer needs—to strengthen the mediating effect and build a more sustainable foundation for loyalty.

References

- Abidin, R., Yudistria, Y., & Ramli, AH (2025). The Effect of Customer Experience, Customer Satisfaction, and Word of Mouth on Customer Loyalty. *Scientific Journal of Unity Management* , 13 (2), 685. <https://doi.org/10.37641/jimkes.v13i2.2125>
- Aghivirwiati, GA (2022). THE ROLE OF WORD-OF-MOUTH IN MEDIATING PRODUCT QUALITY TOWARDS CONSUMER PURCHASE INTENTION ON ALISSA HIJAB. *Bulletin of Economic Studies* , 276. <https://doi.org/10.24843/bse.2022.v27.i02.p10>
- Aisyah, A., Nazira, H., Putri, RA, & Setiawan, M. (2025). Toward Sustainable Consumption: Drivers of Halal Cosmetic Purchasing in the Indonesian Market. *E3S Web of Conferences* , 650 , 2008. <https://doi.org/10.1051/e3sconf/202565002008>
- Angie, A., Fahlevi, R., & Sinambela, F.A. (2023). Analysis of factors influencing customer loyalty to coffee shops in Batam City. *Journal of Business Management and Entrepreneurship* , 7 (6), 1452. <https://doi.org/10.24912/jmbk.v7i6.26284>
- Apriliana, V., & Hidayat, W. (2020). The Effect of Product Quality and Service Quality on Consumer Loyalty with Consumer Satisfaction as an Intervening Variable (A Study on Consumers of Waroeng Spesial Sambal, Banyumanik Branch). *Journal of Business Administration* , 9 (4), 571. <https://doi.org/10.14710/jiab.2020.28829>
- Ardani et al.,. (2022).

- Ariefiantoro, T., Suryawardana, E., & Niati, A. (2021). EFFECT OF SERVICE QUALITY, PRODUCT QUALITY, CUSTOMER SATISFACTION AS MEDIATING VARIABLE AND PURCHASING DECISION ON PEMPEK NY KAMTO MAJAPAHIT SEMARANG RESTAURANT. *Economics and Business Solutions Journal* , 5 (2), 99. <https://doi.org/10.26623/ebsj.v5i2.3510>
- Asiyah, BN, Adlan, MA, Mashudi, M., Huda, Q., Hidayat, MS, Holle, Moh. H., Wahyudi, A., & Kinanti, K. (2025). Why Halal Awareness Matters in Supporting Sustainable Halal Cosmetics? *IQTISHODUNA* , 21 (1), 89. <https://doi.org/10.18860/iq.v21i1.32588>
- ASLAN, M., & Aslan, H. (2025). The interplay of brand identification, satisfaction, and psychological well-being: a mediational role of positive WOM behavior in higher education. *BMC Psychology* , 13 (1). <https://doi.org/10.1186/s40359-025-02931-6>
- Bessie, JLD, & Suki, NN (2023). THE EFFECT OF SERVICE QUALITY, PRODUCT QUALITY, AND PRICE ON CUSTOMER SATISFACTION (A STUDY AT WAROENK RESTO & CAFE, KUPANG CITY). *Glory.* , 4 (1), 31. <https://doi.org/10.35508/glory.v4i1.10205>
- Butar et al.,. (2021).
- Ena, MY, Nyoko, AEL, & Ndoen, WM (2020). THE EFFECT OF PRICE PERCEPTION, SERVICE QUALITY, LOCATION, AND WORD OF MOUTH ON PURCHASING DECISIONS AT CHEZZ CAFENET. *Journal of Management Small and Medium Enterprises (SMEs)* , 10 (3), 299. <https://doi.org/10.35508/jom.v10i3.1998>
- et al., G., et al., B., Oliver, Holbrook, C., Robins, T., et al., D., Park, K., & et al., I. (2025). *CHAPTER 1 INTRODUCTION* .
- Firdausy, SBK, Maharani, DD, & Sakti, DB (2024). The Influence of Perceived Quality, Brand Trust, and Brand Satisfaction on Repurchase Intention in MSMEs in the Food Product Marketing Sector. *Sanskara Management and Business* , 2 (3), 179. <https://doi.org/10.58812/smb.v2i03.417>
- Gunawan, D., Maharani, S., & Layli, D. (2024). The Influence of Word of Mouth and Service Quality on Customer Loyalty with Customer Satisfaction as an Intervening Variable. *Management and Business Progress.* , 3 (2), 172. <https://doi.org/10.70021/mbp.v3i2.181>
- Hamzah, M., & Pratiwi, MP (2025). The Influence of Product Innovation and Service Quality on Customer Satisfaction at King Geprek Sumberanyar. *RIGGS Journal of Artificial Intelligence and Digital Business* , 4 (3), 1661. <https://doi.org/10.31004/riggs.v4i3.2199>
- Hardini, RP, & Santoso, S. (2025). *The Effect of Service Quality (Reliability, Responsiveness, Assurance, Empathy, & Tangible) and Cost Perception on Satisfaction and Positive Word of Mouth of UKDW Faculty of Medicine Students* .
- Ikhwana, A., & Purkon, HM (2025). Determining Factors Supporting Consumer Loyalty in the Food and Beverage Industry. *Calibration Journal* , 23 (1), 39. <https://doi.org/10.33364/bilitas/v.23-1.2049>
- Iskandar, R.P., Hartoyo, H., & Yulianti, L.N. (2023). The Effect of Service Quality and Marketing Mix on Customer Satisfaction and Trust in Building Loyalty: B2B Customers of PT. Farmsco Feed Indonesia. *Journal of Management and Agribusiness* . <https://doi.org/10.17358/jma.20.2.236>

- Isnoe, MZM, & Azis, AM (2024). Analysis of E-Service Quality of DANA Application in Meeting Customer Satisfaction Using E-Servqual Dimensions. *E-Business Scientific Journal of Economics and Business* , 17 (2), 199. <https://doi.org/10.51903/e-bisnis.v17i2.2067>
- Jokhu, JR (2020). ADAPTATION OF NEW ENTRANTS USING WORD OF MOUTH MARKETING STRATEGIES TOWARDS CUSTOMER LOYALTY. *Muara Jurnal Ilmu Ekonomi dan Bisnis* , 4 (1), 77. <https://doi.org/10.24912/jmieb.v4i1.7568>
- Laili, EF, & Vania, A. (2023). The Mixue brand phenomenon influenced by several important factors in Malang city. *Journal of Business Management and Entrepreneurship* , 7 (4), 908. <https://doi.org/10.24912/jmbk.v7i4.25393>
- Latupeirissa, JJP, Arniti, NK, & Lestari, NLY (2023). *ANALYSIS OF THE EFFECT OF PUBLIC SERVICE AND E-SERVICE QUALITY ON PUBLIC SATISFACTION* .
- Lenteralega, M., Chaska, MH, & Windarko, W. (2024). Purchasing Decisions and Customer Satisfaction Towards Customer Loyalty at Warung Kopi Tuku. *Journal of Economics, Management, and Business* , 1 (6), 9. <https://doi.org/10.62017/jemb.v1i6.1532>
- Mahardika, P., & Febrina, A. (2025). The Effect of Product Quality, Price, and Service Quality on Customer Satisfaction at Ayam Penyet Sambal Pecak Kak Juli. *Journal of Community Research and Service* , 9 (1). <https://doi.org/10.24114/jcrs.v9i1.68394>
- Manggala, H., & Adirinekso, GP (2022). THE EFFECT OF SERVICE QUALITY AND PRODUCT QUALITY ON CONSUMER SATISFACTION WITH PURCHASING DECISIONS AS A MEDIATION VARIABLE. *JOURNAL OF MANAGEMENT SCIENCE* , 19 (1), 39. <https://doi.org/10.21831/jim.v19i1.49600>
- Marlina, RS, Ruswanti, E., & Mulyani, EY (2024). The Influence of Patient Experience, Customer Satisfaction on Loyalty with Ewom as a Mediator in Outpatients at Hospital X, West Java. *Ranah Research Journal of Multidisciplinary Research and Development* , 6 (3), 395. <https://doi.org/10.38035/rrj.v6i3.825>
- Martha, LP, Primadewi, A., Priwirjanto, ES, Fatmawati, E., Nahdiana, IY, Mastiyah, I., & Hidayati, LLA (2023). The effects of digital marketing, word of mouth, and service quality on the purchase decisions: An empirical study of food SMEs products. *International Journal of Data and Network Science* , 7 (3), 1117. <https://doi.org/10.5267/j.ijdns.2023.5.012>
- Mukharomah, M., Kurniawan, B., & Meiriyanti, R. (2023). Factors Influencing Purchasing Decisions at Nusantara Tobacco Stores Through Word of Mouth. *E-Business Management* , 1 (3), 71. <https://doi.org/10.59603/ebisman.v1i3.87>
- Mulyana, AR, & Setyono, H. (2020). PRODUCT QUALITY AND SERVICE QUALITY AS ANTACEDENTS OF CUSTOMER SATISFACTION IN FORMING CUSTOMER LOYALTY (A Study of Customers of Waroeng Spesial Sambal “SS” Veteran Branch, Yogyakarta). *Jurnal Fokus Manajemen Bisnis* , 9 (1), 14. <https://doi.org/10.12928/fokus.v9i1.1547>
- Muriati, M., & Rino, R. (2022). The Effect of Product Quality and Word of Mouth on Repurchase Intention with Purchase Decision as a Mediator in Using Maxim. *Jurnal Ecogen* , 5 (3), 387. <https://doi.org/10.24036/jmpe.v5i3.13720>
- Mursid,. (2020).
- Nafsi, LD, Kurnia, M., & Pramesti, DA (2024). The Influence of Service Quality, Product Quality, and Lifestyle on Customer Loyalty through Customer Satisfaction. *Benefecium* . , 486. <https://doi.org/10.31603/conference.12033>

- Ningsih, A., & Hurnis, D. (2024). THE ROLE OF WORD OF MOUTH IN MEDIATING THE INFLUENCE OF INSTAGRAM SOCIAL MEDIA MARKETING ON CULINARY PURCHASE DECISIONS. *Jesya (Journal of Economics & Sharia Economics)* , 7 (1), 923. <https://doi.org/10.36778/jesya.v7i1.1515>
- Nurdiana. (2023). *Millennial Generation Perceptions of Product Quality, Prices, and Promotions During Online Shopping on the Shopee Marketplace Site* .
- Nurhasna, FN, Dewi, RS, & Lestari, D. (2022). The Influence of Product Quality and Price on Purchasing Decisions as Intervening Variables on Consumer Loyalty. *Journal of Business Administration* , 11 (4), 750. <https://doi.org/10.14710/jiab.2022.36078>
- Influence, K., Service, D., Quality, P., On, L., Customer, D., Satisfaction, K., As, V., & Rahayu, DP (2021). THE EFFECT OF SERVICE QUALITY, PRICE AND PRODUCT QUALITY ON CUSTOMER LOYALTY WITH CONSUMER SATISFACTION AS AN INTERVENING VARIABLE (STUDY ON UVI CONSULTANT TRAINING SERVICES IN YOGYAKARTA). *Journal of Management* , 11 (1), 64. <https://doi.org/10.26460/jm.v11i1.2273>
- Pramadanti, R., Kristiadi, A., & Riyanto, A. (2024). Determinants of Brand Loyalty through Brand Trust at Kopi Janji Jiwa, East Bekasi. *Journal of Business and Management Inspiration* , 7 (2), 129. <https://doi.org/10.33603/jibm.v7i2.8415>
- Pristiwati, P., & Fikri, MH (2021). The Influence of Word of Mouth and Place Communication on Purchasing Decisions at the Mulia Jaya Etawa Goat Milk Business in Melati II Village, Perbaungan District. *Simki Economic Journal* , 4 (1), 1. <https://doi.org/10.29407/jse.v4i1.46>
- Putra, DBAD, & Nurchaya, IN (2022). THE ROLE OF CONSUMER SATISFACTION IN MEDIATING THE INFLUENCE OF WOM ON CUSTOMER LOYALTY AT M ABOE TALIB COFFEE SHOP. *E-Journal of Management, Udayana University* , 11 (8), 1504. <https://doi.org/10.24843/ejmunud.2022.v11i08.p04>
- Rizki, PA, & Prabowo, B. (2022). The Influence of Brand Image, Price, and Quality of Indomie Products Through Consumer Satisfaction as an Intervening Variable on Customer Loyalty. *Al-Kharaj Journal of Islamic Finance & Business Economics* , 4 (5), 1543. <https://doi.org/10.47467/alkharaj.v4i5.1023>
- Rusdiyanto, W., & Suranti, S. (2021). ANALYSIS OF THE EFFECT OF SERVICE QUALITY ON CUSTOMER LOYALTY WITH CUSTOMER SATISFACTION AS A MEDIATION VARIABLE. *EFFICIENCY - ADMINISTRATIVE SCIENCE STUDY* , 18 (1), 15. <https://doi.org/10.21831/efisiensi.v18i1.37406>
- Saputra, GW, & Ardani, IGAKS (2020). THE EFFECT OF DIGITAL MARKETING, WORD OF MOUTH, AND SERVICE QUALITY ON PURCHASE DECISIONS. *E-Journal of Management, Udayana University* , 9 (7), 2596. <https://doi.org/10.24843/ejmunud.2020.v09.i07.p07>
- Sholeh, B., & Wusko, AU (2023). The Influence of Word of Mouth, Taste and Product Quality on Consumer Purchasing Decisions of Mixue Ice Cream & Tea (Survey on Mixue Ice Cream & Tea Consumers in Pandaan). *ATRABIS Journal of Business Administration (e-Journal)* , 9 (2), 190. <https://doi.org/10.38204/atrabis.v9i2.1483>
- Sholikhah, AF, & Hadita, H. (2023). THE EFFECT OF SERVICE QUALITY, PRODUCT QUALITY, AND PRICE ON CUSTOMER LOYALTY THROUGH CUSTOMER SATISFACTION OF MIE GACOAN IN EAST BEKASI. *JOURNAL OF ECONOMINA* , 2 (2), 692. <https://doi.org/10.55681/economina.v2i2.352>

- Sitindaon, N. (2025). *Digital Marketing Strategy in Increasing Consumer Loyalty: A Study on MSMEs in the Industry 4.0 Era* .
- Sugiharti, N., & Cahyani, L. (2025). The Influence of Product Quality on Customer Loyalty at Diagram Coffee Bandung in 2025. *Eduvest - Journal Of Universal Studies* , 5 (8), 9563. <https://doi.org/10.59188/eduvest.v5i8.51464>
- Syahrar, S., Karunia, E., Asdar, Muh., Akmar, Muh., Kamase, J., & Sajidan, M. (2022). Analysis of service quality on customer loyalty with customer satisfaction and trust as mediating variables. *INNOVATION* , 18 (1), 95. <https://doi.org/10.30872/jinv.v18i1.10519>
- Tj, HW (2020). The Influence of Product Quality and Price on Purchase Decisions for Bobba Drinks Mediated by Promotional Strategy (Case Study: Chatime Consumers in Tanjung Duren). *Syntax Literate Indonesian Scientific Journal* , 5 (12), 1566. <https://doi.org/10.36418/syntax-literate.v5i12.1875>
- Tjahjaningsih, E., Rivai, AR, Widyasari, S., & Cahyani, AT (2023). The Role of Satisfaction and Word of Mouth in Influencing Loyalty: A Study on Batik Craft Works in Semarang, Indonesia. *Hong Kong Journal of Social Sciences* , 62 . <https://doi.org/10.55463/hkjs.issn.1021-3619.62.8>
- Tyagita, MN, Maulidah, S., & Aprilia, A. (2024). THE EFFECT OF BRAND AND GETOK TULAR MARKETING ON CONSUMER LOYALTY: PURCHASE DECISION AS A MODERATING VARIABLE. *SEPA Journal of Agricultural Socio-Economics and Agribusiness* , 21 (1), 1. <https://doi.org/10.20961/sepa.v21i1.56247>
- Wijaya, F., & Tjokrosaputro, M. (2024). Analysis of factors influencing customer loyalty in cafes in Batam: Customer satisfaction as a mediator. *Journal of Business Management and Entrepreneurship* , 8 (3), 533. <https://doi.org/10.24912/jmbk.v8i3.30215>
- Wijaya, H., & Keni, K. (2021). The Influence of Service Quality, Word of Mouth, and Brand Awareness on Vehicle Insurance Policy Purchase Decisions in Jakarta. *Journal of Business Management and Entrepreneurship* , 5 (5), 518. <https://doi.org/10.24912/jmbk.v5i5.13303>
- Yulita, H., Widhianto, CW, & Sari, DP (2024). Consumer Loyalty Mediated by Satisfaction and Quality. *E-Bis Journal (Economics-Business)* , 8 (1), 229. <https://doi.org/10.37339/e-bis.v8i1.1304>