

The Impact of Product Quality on Brand Switching with Customer Dissatisfaction as a Mediating Factor (A Study on Acer Laptop Users in Ternate City)

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ABSTRACT

Objective: This study aims to analyze the effect of product quality on customers' decisions to switch brands, considering the mediating role of customer dissatisfaction.

Methodology: This research employs a quantitative approach involving a population of 110 employees from the city of Ternate. The survey was conducted by distributing questionnaires directly using a 5-point Likert scale. Data analysis techniques utilized include Partial Least Square (PLS) with SmartPLS 4.0 software.

Findings: The results indicate that the effect of product quality on customer dissatisfaction has a T-statistic value of 2.026 and a P-value of 0.043, indicating a positive and significant influence. Additionally, customer dissatisfaction positively and significantly affects the decision to switch brands. However, the direct effect of product quality on the decision to switch brands is negative and not significant.

Conclusion: The results of this research show that: (1) product quality has a negative and insignificant influence on brand switching; (2) product quality has a significant effect on customer dissatisfaction; (3) customer dissatisfaction has a significant effect on brand switching; (4) product quality has a significant effect on brand switching through customer dissatisfaction.

Keyword : Product Quality, Brand Switching, and Customer Dissatisfaction.

PENDAHULUAN INTRODUCTION

In the context of increasingly fierce business competition, product quality becomes one of the key factors that determine the success of a company. High product quality not only contributes to customer satisfaction but also plays a crucial role in shaping customer loyalty. Research results show that product quality has a positive and significant impact on customer satisfaction (Rahman et al., 2024). This means that when product quality improves, customer satisfaction also increases. This indicates that customers tend to feel more satisfied with products that meet high-quality standards, which aligns with previous research indicating that product quality is a key factor in building customer satisfaction (Kotler & Keller, 2016). This shows that the higher the quality of the product offered, the higher the level of customer satisfaction. This is consistent with research by Lystia et al. (2022), which found that product quality significantly contributes to customer satisfaction, although the mechanisms explaining this relationship were not explained in detail. Additionally, research

by Dakhi (2023) emphasizes that product quality can have a positive effect on customer satisfaction. Cahaya et al. (2023) explain that one of the factors that lead consumers to feel satisfied with a product is the product's quality. The better the quality of the product offered, the higher the level of consumer satisfaction, so traders need to focus on improving product quality standards in accordance with consumer expectations regarding durability, benefits, and product value (Damma & Yahya, 2024). Meanwhile, Dakhi (2023) explains that when Alfamidi offers high-quality products, customers tend to feel more satisfied with their shopping experience. This high level of satisfaction can contribute to customer loyalty and increase purchase frequency. On the other hand, if the product quality offered at Alfamidi does not meet consumer expectations, it can decrease satisfaction and result in customers switching to competitors. In contrast, research by Banjarnahor et al. (2023) shows that the quality of Acer laptops has a significant positive relationship with consumer satisfaction; the higher the quality of the laptops offered, the higher the level of satisfaction felt by consumers. Therefore, focusing on improving quality, such as performance, durability, and design, can enhance customer satisfaction and encourage better purchase decisions. Research also shows that price quality contributes positively to customer satisfaction with Acer laptops (Tafonao, 2021; Rumra, 2023; and Muhsinin & Komara, 2024). This means that when consumers feel that the price paid is proportional to the quality offered, they will experience higher satisfaction with the product. This satisfaction has the potential to increase consumer loyalty and encourage repeat purchases in the future. Therefore, good price quality acts as a key driver of customer satisfaction, making it important for Acer to offer products that are not only of high quality but also competitively priced and in line with consumer expectations (Muhsinin & Komara, 2024).

Product quality, in addition to affecting consumer satisfaction, also influences brand switching (Hidayat et al., 2017). By improving product quality, companies can reduce the rate of brand switching, which in turn can increase sales and market share (Putra, 2018). Research by Hanifati (2021) shows that product quality has a negative impact on brand switching, which is in line with the finding that customer loyalty and product quality perception are interrelated. Product quality contributes to reducing the intention to switch brands. In this context, if consumers are satisfied with the product quality offered by a particular brand, they are less likely to switch to another brand. This aligns with findings showing that although brand personality has a significant impact, customer loyalty and perceptions of product quality are the determining factors in preventing switching behavior. If customers do not feel loyal or do not have a positive perception of product quality, brand personality alone is not enough to stop them from switching. On the other hand, switching costs also play an important role. If consumers face high costs or difficulty in switching to another brand, this can reduce their intention to switch (Liao et al., 2024). For example, costs can include money, time, or effort required to switch to a new product. When switching costs are considered high, consumers are more likely to remain loyal to the brand they have been using, even if better alternatives exist. This contrasts with the findings of Oktafianus et al. (2020), which explain that product quality has a positive effect on brand switching, where an improvement in product quality may encourage consumers to seek better alternatives. This indicates that while high quality is important, companies also need to add value or differentiation to prevent customers from switching to other brands. Therefore, both findings (Liao et al. and Oktafianus) suggest the need for different strategies in managing product quality and consumer behavior.

Furthermore, consumer satisfaction not only becomes an endogenous factor but also plays an important role both directly and as a mediator in the relationship between product quality and brand switching. This is in line with the findings of Budiara & Basyir (2021), where customer satisfaction directly affects brand switching, with higher satisfaction reducing the intention to switch brands. Additionally, customer satisfaction also acts as a mediating variable in the relationship between product quality and brand switching; improvements in product quality contribute to increased satisfaction, which in turn reduces the likelihood of consumers switching to other brands (Budiara & Basyir, 2021). According to Saleh et al. (2015), the higher the customer satisfaction with a particular brand, the less likely they are to switch to another brand. This indicates that customer satisfaction is an important factor in maintaining consumer loyalty. The significant positive effect of customer satisfaction on brand switching shows that high satisfaction levels can reduce the likelihood of customers switching to another brand (Umar & Baharun, 2017); and Rafid et al. (2023). This emphasizes the importance of marketing strategies focused on meeting customer expectations through good product quality, responsive customer service, and satisfying experiences. When companies succeed in creating satisfaction, customers will be more likely to remain loyal and reluctant to seek alternatives, thereby reducing the risk of losing customers. Other researchers explain that product quality has a negative effect on brand switching through customer satisfaction mediation (Fatima & Billah, 2022). In other words, the better the product quality, the higher the customer satisfaction, which in turn reduces customers' intention to switch to other brands.

Although many studies have highlighted the importance of product quality in influencing customer loyalty, in-depth studies on the mediating role of consumer dissatisfaction in driving brand switching behavior are still limited. Most previous studies, as noted by Lystia et al. (2022) and Dakhi (2023), tend to focus on the direct relationship between product quality and loyalty without considering the psychological mechanisms experienced by consumers, such as dissatisfaction. These studies confirm that product quality has a significant impact on customer satisfaction but do not delve into how dissatisfaction acts as a trigger for consumers to switch to other brands. Meanwhile, research by Cahaya et al. (2023) and Damma & Yahya (2024) shows that the better the product quality, the higher the satisfaction felt by consumers. However, they also do not explain how dissatisfaction may arise from unmet expectations, potentially leading to a brand switching decision. These findings indicate a gap in understanding the relationship between product quality, satisfaction, and brand switching behavior.

In the context of the technology market in developing areas such as Ternate City, research on local consumer behavior faced with various laptop brand options has not been fully explored. Research by Banjarnahor et al. (2023) highlights the importance of product quality in increasing customer satisfaction with Acer laptops but does not investigate how dissatisfaction can function as a mediator in that relationship. This contrasts with the views of Hidayat et al. (2017) and Hanifati (2021), who state that product quality has a negative effect on brand switching; however, this study more closely links loyalty and product quality perceptions without examining psychological mechanisms such as dissatisfaction. Therefore, there is a significant research gap in the literature that needs to be filled to provide a more comprehensive understanding of the dynamics of brand switching mediated by consumer dissatisfaction, especially in this highly competitive technology industry. This study seeks to address this gap by exploring the role of dissatisfaction as a mediator,

revealing how negative experiences with product quality can lead consumers to switch brands, an aspect that has not been widely studied in both local and global contexts.

LITERATURE REVIEW

Brand Switching

According to Gerrard & Cunningham (2004), customer switching is defined as the process of a customer moving from one bank to another, not between branches of the same bank. (Tafiprios & Astini, 2019) added that brand switching is the process where consumers switch from using or purchasing one product to another within the same category. According to Kotler & Garry Armstrong (2018), the indicators influencing brand switching behavior include value, benefits, and desires. Value refers to the consumer's perception of the benefits of one brand compared to another; consumers are likely to switch if they believe a new brand offers greater value. Benefits include the tangible advantages received by consumers; if the benefits of the current brand are perceived as inadequate, consumers will seek alternatives. Desire relates to consumer expectations; if the current brand does not meet expectations, they may switch to a brand that better aligns with those expectations. These three indicators play a role in the evaluation and decision-making process for consumers when switching brands.

Product Quality

According to Kotler & Garry Armstrong (2018), a product is anything that can be offered to the market that will bring attention, be purchased, used, or consumed to satisfy a want or need. (Kotler & Keller, 2016) defines a product as a key element in the overall market offering. Furthermore, a product can also be understood as the customer's perception, articulated by the manufacturer through the results of their production (Tjiptono, 2015). The dimensions of product quality according to (Tjiptono, 2015) include several factors that affect the consumer's assessment of a product, such as performance, durability, fit, features, reliability, aesthetics, quality impression, and service. Performance refers to how well the product performs its function, while durability relates to the product's resistance to long-term use. Fit evaluates whether the product meets the consumer's needs and expectations, whereas features describe the characteristics and capabilities offered by the product. Reliability pertains to the consistency of the product's function without disruptions, while aesthetics involves the visual appeal and appearance of the product. Quality impression is the general perception of product quality by consumers, and service includes after-sales support and customer service. These factors interact in shaping consumer perceptions of product quality and influence purchasing decisions.

Customer Dissatisfaction

According to (Tjiptono, 2015), customer satisfaction is the evaluation that consumers make by comparing their expectations with the performance of a product or service they receive. If the product or service's performance exceeds expectations, consumers will feel satisfied; conversely, if the performance falls short, satisfaction will decrease. Customer satisfaction is key to building customer loyalty and fostering positive communication about a brand. (Kotler & Keller, 2016) argue that dissatisfaction triggers a negative attitude toward a brand and reduces the likelihood of repurchasing the same brand. Kotler and Keller (2016) further assert that consumer dissatisfaction occurs when the performance of a product does not meet the consumer's perceptions and expectations. According to (Fandy, 2005), if

consumers feel satisfied, they will show a greater likelihood of repurchasing. However, consumer dissatisfaction post-consumption will cause disappointment, leading to the cessation of repurchase and possibly switching to another brand. Lupiyoadi & Hamdani (2008) identify several indicators of customer satisfaction, including product quality, service quality, emotional aspects, price, location, and cost. These indicators are important for helping companies understand the factors affecting customer satisfaction, enabling them to enhance the overall consumer experience and drive loyalty. By understanding these indicators, companies can be more effective in formulating strategies to meet customer needs and expectations.

Research Framework and Hypotheses

The Effect of Product Quality on Brand Switching

The effect of product quality on brand switching is highly significant in the context of consumer behavior. Based on existing literature, high product quality is often directly associated with customer loyalty and satisfaction. Hidayat et al. (2017) found that improvements in product quality can reduce brand switching rates, indicating that consumers are less likely to switch brands if they are satisfied with the product quality they are using. Furthermore, Putra (2018) emphasized that product quality contributes to lowering the intention to switch brands. Conversely, research by Oktafianus et al. (2020) indicates that improved product quality may make consumers more likely to seek out better alternatives, suggesting that companies need to consider differentiation factors to retain customers.

H1: Product quality significantly affects brand switching.

The Effect of Product Quality on Customer Dissatisfaction

The effect of product quality on customer dissatisfaction is an important aspect in understanding consumer behavior. According to studies by Lystia et al. (2022) and Dakhi (2023), poor product quality can lead to customer dissatisfaction. When a product fails to meet customer expectations in terms of performance, durability, or features, consumers are likely to experience dissatisfaction. Cahaya et al. (2023) further added that product quality is a key factor affecting customer satisfaction. If the quality of the product offered does not meet expectations, consumers will feel disappointed, which can lead to a decision to stop using that brand. In this context, Tjiptono (2015) identified that aspects such as performance, reliability, and quality impression play a significant role in creating satisfaction. Therefore, if a product does not meet the expected standards, it can lead to significant dissatisfaction. Based on the literature above, the hypothesis to be proposed is:

H2: Product quality significantly affects customer dissatisfaction.

The Effect of Customer Dissatisfaction on Brand Switching

The effect of customer dissatisfaction on brand switching is an important issue in marketing and consumer behavior. Previous research shows that customer dissatisfaction can drive them to switch to another brand. According to Budiara & Basyir (2021), high dissatisfaction contributes to the customer's intention to switch brands. This is in line with findings by Umar & Baharun (2017), which state that the greater the customer dissatisfaction, the higher the likelihood of seeking alternative brands. The factors underlying this effect include negative experiences with products or services, which can reduce loyalty and trust in the brand. For example, if customers feel that a product does not meet their expectations, in terms of

quality, features, or service, they are more likely to explore other options they consider more satisfying. Fatima & Billah (2022) emphasized that customer dissatisfaction acts as a key driver for them to switch to another brand, as customers tend to seek better experiences after feeling disappointment. The hypothesis is:

H3: Customer dissatisfaction significantly affects brand switching.

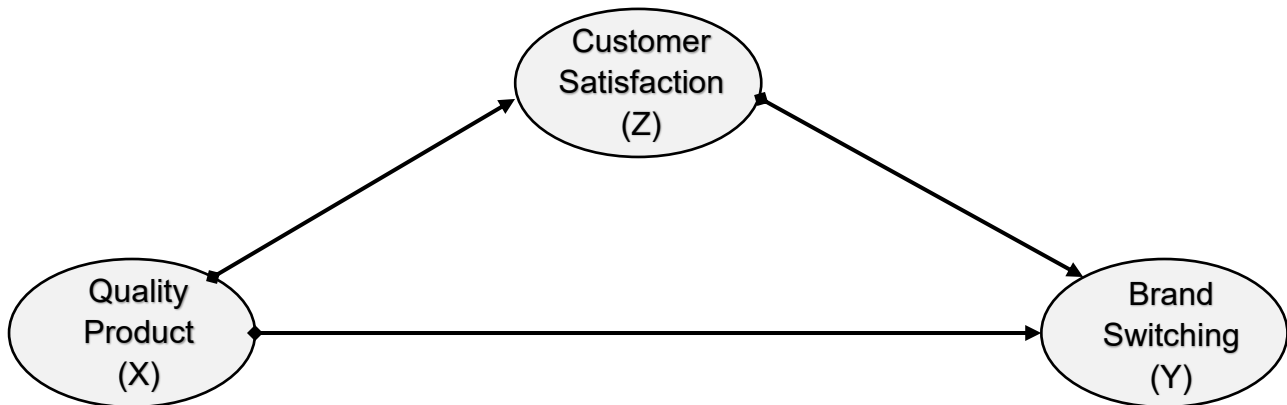


Figure 1. Research Framework

RESEARCH METHODOLOGY

Measurement Development

Product Quality (X): Product quality refers to the ability of a product to perform its function, including durability, reliability, ease of operation and repair, and other valuable attributes (Kotler & Keller, 2016). The indicators for this variable include product features, compliance with specifications, durability, reliability, and design.

Brand Switching (Y): Brand switching is consumer behavior that reflects a shift from the usual brand of a product to a product from another brand (Kotler & Garry Amrstrong, 2018). The indicators for this variable include value, benefits, and desire.

Customer Dissatisfaction (Z): Customer dissatisfaction occurs when the performance of a product does not meet the consumer's perception and expectations (Kotler & Keller, 2016). The indicators for this variable are product quality, service quality, emotional, price, location, and cost.

In this study, a Likert scale questionnaire is used to measure respondents' responses to statements related to the variables being studied. The Likert scale consists of five levels, ranging from 1, meaning "strongly disagree," to 5, meaning "strongly agree." This method allows researchers to obtain more accurate data regarding respondents' attitudes and perceptions, as well as analyze the intensity of satisfaction or dissatisfaction with the products or services offered. The data collected will provide valuable insights into the relationships between customer satisfaction, product quality, and brand switching.

Data Analysis Method

This research uses a quantitative research design, focusing on the collection of numerical data to test hypotheses and analyze relationships between variables. In this context, the research design focuses on measuring variables such as product quality, customer dissatisfaction, and brand switching behavior. The sampling method used is non-probability sampling with a purposive sampling approach. In this method, the researcher

selects respondents based on specific criteria relevant to the study, namely employees located in Ternate City. With a population of 110 employees, respondents were selected directly to ensure that the sample truly represents the characteristics of the population being studied.

The research method used in this study is Structural Equation Modeling (SEM) with a Partial Least Squares (PLS) approach, utilizing the SmartPLS 4.0 software. In the first step, the researcher formulates a conceptual model that includes independent variables, such as product quality, and dependent variables such as customer dissatisfaction and brand switching. The researcher then determines indicators for each variable, which are measured using a 5-point Likert scale questionnaire. Data collection was conducted by distributing questionnaires directly to 110 employees in Ternate City. After data collection, analysis was performed using SmartPLS 4.0, starting with testing the measurement model to ensure the validity and reliability of the indicators. Then, structural model analysis was conducted to evaluate the relationships between variables and test the research hypotheses.

RESEARCH RESULTS AND DISCUSSION

Research Results

Evaluation of the Outer Model (Measurement Model)

The data used in this study are primary data. Primary data were obtained by distributing questionnaires to the residents of Ternate City. The questionnaires were related to the variables of product quality, brand switching, and customer dissatisfaction. After conducting a reliability test, the results were as shown in Table 1.

Table 1. Composite Reliability and Cronbach's Alpha Testing

| Variable | Cronbach's Alpha | Composite Reliability (rho_a) | Composite Reliability (rho_c) | Average Variance Extracted (AVE) |
|--------------------------|------------------|-------------------------------|-------------------------------|----------------------------------|
| Brand Switching | 0,918 | 0,930 | 0,933 | 0,667 |
| Customer Dissatisfaction | 0,902 | 0,917 | 0,921 | 0,627 |
| Product Quality | 0,935 | 0,968 | 0,944 | 0,679 |

The results of the Outer Model evaluation show that all variables in this study have excellent reliability and validity. The Cronbach's Alpha values for each variable exceed 0.9, indicating high internal consistency. Composite reliability also records values above 0.9, confirming the solidity of the measurements. The Average Variance Extracted (AVE) for all variables is greater than 0.5, indicating that more than 50% of the indicator variance can be explained by the related construct. Overall, the research instruments are valid and reliable, providing an in-depth understanding of the relationships between the variables studied.

From the SmartPLS output, all constructs in this study have composite reliability and Cronbach's alpha values above 0.6, indicating that these constructs have good reliability. According to Hair et al. (2017), although alpha or composite reliability values above 0.7 are more ideal, values above 0.6 are still acceptable. After ensuring reliability, the next step is

to conduct hypothesis testing to explain the relationships between the variables being studied, and the results of this hypothesis testing will be explained further.

Inner Model Evaluation

Hypothesis Testing

Based on Table 2, the results of the path coefficient tests show several important findings related to the relationships between variables in the study.

1. Customer Dissatisfaction → Brand Switching: The path coefficient (O) of 0.825 with a t-value of 26.240 and a p-value of 0.000 indicates that customer dissatisfaction has a positive and significant effect on brand switching intention. This means that the higher the customer dissatisfaction, the greater their tendency to switch to another brand.
2. Product Quality → Brand Switching: The analysis shows that product quality does not have a significant effect on brand switching intention, as evidenced by the path coefficient of -0.065, a t-value of 0.910, and a p-value of 0.363. The negative path coefficient indicates an inverse relationship, where an increase in product quality tends to decrease the intention to switch brands. However, since the p-value is greater than 0.05, this relationship is not statistically significant, and therefore, it cannot be concluded that product quality directly influences the consumer's intention to switch to another brand. This finding implies that there are other factors, beyond product quality, that play a more significant role in influencing the consumer's decision to remain loyal to a brand or switch to another brand.

Table 2. Path Coefficients Test (Mean, STDEV, t-value)

| Variable | Original Sample | Sample Mean (M) | Standard Deviation (STDEV) | t-statistic | p-value |
|--|-----------------|-----------------|----------------------------|-------------|---------|
| Customer Dissatisfaction → Brand Switching | 0,825 | 0,829 | 0,032 | 26,240 | 0,000 |
| Product Quality → Brand Switching | -0,065 | -0,063 | 0,072 | 0,910 | 0,363 |
| Product Quality → Customer Dissatisfaction | 0,273 | 0,287 | 0,134 | 2,034 | 0,042 |

3. Product Quality → Customer Dissatisfaction: The path coefficient of 0.273 with a t-value of 2.034 and a p-value of 0.042 indicates that product quality has a positive and significant effect on customer dissatisfaction. This means that an improvement in product quality can reduce customer dissatisfaction. This means that the better the quality of the product offered, the more likely it is to reduce customer dissatisfaction. If the product meets or even exceeds customer expectations, they are less likely to feel disappointed. This result may lead to a reduction in dissatisfaction and a potential increase in customer loyalty to the brand.

Table 3. Indirect Effects of Independent Variables on Dependent Variables through Mediating Variables

| Variable | Original Sample | Sample mean (M) | Standard Deviation (STDEV) | t-statistic | p-value |
|--|-----------------|-----------------|----------------------------|-------------|---------|
| Product Quality → Customer Dissatisfaction → Brand Switching | 0,226 | 0,239 | 0,111 | 2,026 | 0,043 |

Based on the mediation effect test above (Table 3), product quality as the independent variable (X) affects brand switching as the dependent variable (Y) through customer dissatisfaction as the mediating variable. The t-statistic value of 2.026 is greater than 1.96, and the p-value of 0.043 is less than 0.05. This indicates that the mediation effect is positive and significant, thus the mediation effect hypothesis (H4) is accepted. This shows that customer dissatisfaction plays a crucial role in explaining how product quality can influence customers' decisions to switch brands.

Marketing theory explains that poor product quality can lead to customer dissatisfaction, which in turn increases the likelihood of brand switching. This aligns with research that shows customer dissatisfaction is often a primary driver in brand-switching decisions. In other words, dissatisfaction acts as a mediator that strengthens the relationship between product quality and consumer behavior in selecting a new brand.

Discussion

The Effect of Product Quality on Brand Switching

The findings of this study indicate that the testing of the relationship between customer dissatisfaction as variable X and brand switching as variable Y yielded a path coefficient of 0.825, with a t-value of 26.240 and a p-value of 0.000. This result suggests that the alternative hypothesis (H1) is accepted, and the null hypothesis (H0) is rejected. Therefore, it can be concluded that customer dissatisfaction has a positive and significant effect on brand switching intentions. This means that the higher the level of customer dissatisfaction, the greater the tendency to switch to another brand. These findings suggest that customers who are dissatisfied with the product or service are more likely to seek alternatives from other brands that are perceived to meet their expectations.

Relevance to previous research is also important to consider. For instance, a study by Budiara & Basyir (2021) shows that customer dissatisfaction significantly increases the intention to switch brands, supporting the current findings. This research confirms that when customers are dissatisfied, they are more likely to actively search for products from other brands. Additionally, the results of this study align with research by Umar & Baharun (2017), who state that customer dissatisfaction is a key factor in brand-switching decisions. These findings emphasize the need for companies to proactively manage customer experiences to avoid dissatisfaction that could lead to brand switching. In the context of Acer laptops in Ternate City, this study highlights the importance of customer satisfaction management. Companies need to focus on improving the quality of products and services provided, as dissatisfaction can lead to customer loss. Therefore, an effective marketing strategy should include efforts to understand and meet customer needs and expectations to minimize the likelihood of them switching to another brand.

The Effect of Product Quality on Brand Switching

The findings of this study indicate that testing the relationship between product quality as variable X and brand switching as variable Y yielded a path coefficient of -0.065, with a t-value of 0.910 and a p-value of 0.363. This result suggests that the null hypothesis (H0) is accepted, and the alternative hypothesis (H1) is rejected. Therefore, it can be concluded that product quality does not have a significant effect on brand switching. This means that even if the product is of good quality, it does not significantly reduce the tendency of consumers to switch to other brands. These findings suggest that consumers may still choose to switch brands even if they are satisfied with the quality of the offered product. This implies that there are other factors that more dominantly influence consumers' decisions to switch brands.

Relevance to previous research is also important to consider. For instance, a study by Hidayat et al. (2017) shows that product quality can have a negative relationship with brand switching, meaning that good quality should ideally reduce the intention to switch brands. However, other findings, such as those presented by Oktafianus et al. (2020), suggest that increasing product quality could encourage consumers to look for better alternatives, contrary to expectations. In the context of Acer laptops in Ternate City, this study suggests that while product quality is an important aspect, other factors such as price, after-sales service, and brand perception also play a crucial role in consumers' decisions to switch brands. Therefore, companies need to consider these other factors in their marketing strategies, as product quality alone is not enough to maintain consumer loyalty. A more holistic approach to understanding consumer behavior will be very helpful in creating more effective strategies for retaining customers.

The Effect of Customer Dissatisfaction on Brand Switching

The findings of this study indicate that testing the relationship between product quality as variable X and customer dissatisfaction as variable Y yielded a path coefficient of 0.273, with a t-value of 2.034 and a p-value of 0.042. This result suggests that the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted. Therefore, it can be concluded that product quality has a positive and significant effect on customer dissatisfaction. This means that an improvement in product quality can reduce customer dissatisfaction. When consumers are satisfied with the quality of the product they receive, the likelihood of experiencing dissatisfaction is reduced. This indicates that product quality is an important factor that contributes to customer satisfaction.

Relevance to previous research is also very important to consider. For example, research by Hidayat et al. (2017) found a positive relationship between product quality and customer satisfaction, which aligns with the findings of this study. Meanwhile, research by Budiara & Basyir (2021) shows that improving product quality can reduce dissatisfaction, strengthening the result that consumers tend to be more satisfied with high-quality products. In the context of Acer laptops in Ternate City, this study suggests that companies need to focus on improving product quality to enhance customer satisfaction. This will not only reduce dissatisfaction but can also increase customer loyalty to the brand. Companies should implement feedback from consumers regarding product quality to continuously improve and innovate. Therefore, a strategy focused on product quality improvement will contribute positively to the overall customer experience and reduce the likelihood of customers switching to other brands.

The Effect of Customer Satisfaction in Mediating Product Quality on Brand Switching

Based on the mediation effect testing, it was found that product quality as the independent variable (X) has a significant effect on brand switching as the dependent variable (Y) through customer dissatisfaction as the mediating variable. This is evident from the t-statistic value of 2.026, which is greater than 1.96, and the p-value of 0.043, which is less than 0.05. These results indicate that there is a positive and significant mediating effect, so the mediation hypothesis (H4) is accepted. This means that product quality not only has a direct influence on consumers' decisions to switch brands, but also plays a role through the dissatisfaction felt by customers. When customers experience dissatisfaction due to poor product quality, it increases the likelihood that they will consider switching to another brand. These findings suggest the importance of understanding the relationship between product quality and customer dissatisfaction in the context of brand switching. Good product quality can prevent customer dissatisfaction, thereby reducing their tendency to switch brands. In other words, improving product quality can be an effective strategy for enhancing customer loyalty and reducing the risk of brand switching.

Relevance to previous research shows consistency with the findings of Umar & Baharun (2017), who found that customer dissatisfaction significantly mediates the relationship between product quality and the decision to switch brands. This finding further strengthens the argument that companies need to focus on improving product quality to reduce customer dissatisfaction, thereby maintaining brand loyalty and avoiding brand switching. In the context of Acer laptops in Ternate City, this study emphasizes the need for companies to not only improve product quality but also understand and address the factors that can lead to customer dissatisfaction. Thus, better marketing strategies and product development can be applied to retain customers and reduce their tendency to switch to other brands.

Conclusion

The conclusion of this study indicates that customer dissatisfaction has a positive and significant effect on brand switching. The higher the level of customer dissatisfaction, the greater the tendency for customers to switch brands. These findings suggest that dissatisfied customers tend to seek alternatives that better align with their expectations. Conversely, product quality was not found to have a significant impact on brand switching decisions. This indicates that, despite good product quality, consumers' decisions to switch brands are more influenced by other factors beyond product quality. However, this study also found that product quality significantly influences customer dissatisfaction. Improving product quality has proven to reduce dissatisfaction, which can indirectly influence the tendency to switch brands. Additionally, customer dissatisfaction significantly mediates the relationship between product quality and brand switching. These findings emphasize that good product quality can help reduce customer dissatisfaction, thereby reducing the potential for switching to another brand.

Recommendations

Recommendations for companies are to focus more on improving product quality and the overall customer experience. Companies are encouraged to develop attractive loyalty programs and enhance after-sales service to make consumers feel valued and connected to the brand. Furthermore, it is important for companies to actively listen to customer

feedback and respond promptly, as this can help reduce dissatisfaction and prevent brand switching. For future researchers, it is recommended to conduct further studies considering additional variables that may influence brand switching decisions, such as price, product innovation, and marketing strategies. Research with a larger and more diverse sample is also expected to provide deeper insights into consumer behavior in various contexts.

The limitations of this study include the use of a limited sample of Acer laptop consumers in Ternate City, meaning the results may not be fully generalizable to other regions. Additionally, this study did not consider external factors such as economic conditions and market competition, which could affect consumer purchasing decisions. Future research is recommended to address these limitations by involving more diverse locations and considering relevant external variables to gain a more holistic understanding of the factors influencing brand switching.

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