

THE INFLUENCE OF BRAND IMAGE AND TASTE ON PRICE PERCEPTION AND ITS IMPLICATIONS ON CUSTOMER LOYALTY AT INDIA RESTAURANT, TEBING TINGGI

AlfinaYusra¹, Hanna Sajidah Sinaga², Sarwoto³, Imelda Mardayanti⁴

^{1,2,3,4} Sekolah Tinggi Ilmu Ekonomi Bina Karya Tebing Tinggi, Indonesia

Email: alfinayusra417@gmail.com¹ sinagahannasajidah@gmail.com² sarwotohisyam@gmail.com³
212pembimbing@gmail.com⁴

Received : 21 May 2025

Revised : 29 May 2025

Accepted : 17 June 2025

Published : 07 July 2025

DOI : <https://doi.org/10.54443/ijset.v4i8.845>

Link Publish : <https://www.ijset.org/index.php/ijset/index>

Abstract

This study aims to analyze the effect of Brand Image (X1) and Taste (X2) on Customer Loyalty (Y), both directly and through Price Perception (Z) as a mediating variable, on Indian restaurant customers. This study was conducted for 2 months starting from February-April 2025. The method used in this study is a quantitative approach with path analysis techniques. Primary data were collected by distributing questionnaires to Indian Restaurant customers, with a total of 80 respondents, which were obtained using the Slovin formula with a margin of error of 5%. Data collection using a questionnaire using a google form. Based on the results of the calculation using bootstapping, the R2 value of the price perception variable is 0.518, which means that price perception is influenced by brand image and taste by 51.8% or in other words, the contribution of brand image and taste is 51.8% while the remaining 48.2% is the contribution of other variables not discussed in this study such as price references, product quality, brand trust and others. then it is known that the R2 value of the customer loyalty variable is 0.174 which means that customer loyalty is influenced by brand image and taste by 17.4% or in other words the contribution of brand image and taste is 17.4% while the remaining 82.6% is the contribution of other variables.

Keywords: *Brand Image, Taste, Price Perception, Customer Loyalty, Slovin and Indian Restaurant*

INTRODUCTION

Restaurant India in Tebing Tinggi, North Sumatra, has quite an interesting history. This city, which is one of the trading centers in North Sumatra, began to receive Indian culinary influences several decades ago, especially because of the Indian community that lives there. Their presence brought with them Indian culinary traditions rich in spices and distinctive flavors. Restaurant India first established itself in Tebing Tinggi in the 1990s, when the need for Indian food began to increase along with the growing Indian community in the city. Restaurant owners are generally of Indian descent, both those who have lived in Tebing Tinggi for a long time and those who have just arrived. They bring traditional recipes from South India or North India and adapt them to the tastes of the local community. Indian restaurants in Tebing Tinggi serve a variety of dishes, from naan bread, biryani, curry, to various types of meat or vegetable dishes with typical Indian spices. Indian food in Tebing Tinggi is not only enjoyed by residents of Indian descent, but also by local people who are interested in trying new flavors. With the development of the culinary industry in Tebing Tinggi, Indian restaurants are becoming increasingly popular and are becoming an important part of the culinary diversity in the city. This also shows the influence of Indian culture that is increasingly accepted by Indonesian people in various regions.

Customer loyalty is customer behavior with a high level of repeat purchases. Loyal customers tend to show attachment, preference and involvement in certain brands such as having a strong intention to convey positive things to others and a low intention to switch to competing alternatives. Customer loyalty is very important for companies that maintain the continuity of their business and the continuity of their

business activities. Loyal customers who are very satisfied with the physical evidence of their products and certain tastes and services, so they have the enthusiasm to introduce them to anyone they know. Building customer loyalty is easier and does not cost much compared to finding new customers which requires quite a lot of money. From customer loyalty, companies not only get profits more easily and do not spend a lot of money but customers can also not be influenced by other competitors. (Kusdianto & Firanti, 2023).

Another factor that can affect customer loyalty is taste, basically taste is a complex sensation caused by various senses (smell, taste, sight, touch and hearing) when consuming drinks. Customers will feel satisfied if the drink product served has a good taste when consumed and tend to buy the same product again. Conversely, if the taste of a drink product served does not match the customer's expectations, then it is not impossible for customers to feel disappointed and not want to buy the same product a second time. This is what makes business actors, especially companies engaged in the culinary field, make the taste factor very important to retain customers to become loyal customers. (Victor, 2022).

Brand image is very important for business owners. because buyers will think before making a purchasing decision. Consumers can get added value from a consistent and profitable brand image. A bad brand image greatly affects consumer buying interest. Therefore, companies in this scenario must use the right and effective approach to attract customer attention and maintain competition with other business players. Only when a business pays attention to what its consumers want can it provide customer happiness, to continue to win customer loyalty. Manufacturers must therefore pay attention to a number of factors that affect customer satisfaction, brand image is one of them. Building a positive reputation in the eyes of customers and the public is one tactic that can compete with brands and businesses (Syaidah & Ramadhika, 2023).

According to (Fadjri & Silitonga, 2019) in the research (Pertwi et al., 2022) perception is the process by which people select, organize, and interpret information to form a meaningful picture of the world. Meanwhile, according to (Amilia, 2017) in the study (Pertwi et al., 2022) Price perception is how consumers see prices as high, low and fair. This has a strong influence on purchasing interest and satisfaction in purchasing a product. According to (Muharam & Soliha, 2017) in the study (Pertwi et al., 2022) Price perception can be measured through several indicators consisting of Price Competitiveness, Price Suitability with Price Benefits, Price According to Product Quality.

LITERATURE REVIEW

Brand Image

Definition of Brand Image (brand image) According to Kotler and Keller (2015: 768) in their research (Santana, 2020) is the perception and belief held by consumers, as reflected in the associations held in customers' memories. which are good for meeting consumers' desires, expectations and needs.

According to Ferrinadewi E (2008) in research (Apriliani, 2019) Brand image is the part of a brand that is recognizable but cannot be spoken, such as a symbol, special lettering or color design, or the customer's perception of the product or service represented by the brand. The following are brand image indicators according to (Alif, 2019:21) in research (Yanto et al., 2020), namely:

- 1) Easy to recognize
- 2) Always remember
- 3) Good reputation

Taste

According to (Destria Justitie, 2019) Taste is a real form that will definitely be carried by the goods it produces. All consumers will pay great attention to the taste, especially those that will be used by themselves or their families. Talking about the taste of a product does have a fairly important role and is very decisive in the process of selecting the type of product. Taste is a form of cooperation between the five human senses, namely taste, smell, touch, sight, and hearing. The following are indicators of taste according to Drummond KE & Brefere LM in Budiansyah (2019:12) in research (Mardyanningsih et al., 2022) as follows :

- 1) Aroma

- 2) Flavor
- 3) Texture

Price Perception

According to (Yosef Tonce, SE et al., 2022) defines price perception regarding how the information is fully understood by the customer price and gives deep meaning to the consumer. Consumers consider some real prices today that consumers consider, not the marketer's stated price. Consumers may have a price at the lower limit where prices higher than the limit are considered excessive or not worth spending money. Often, various customers know the right price for a product, while others can only estimate the price based on the last purchase. The following are indicators of price perception According to Kotler and Armstrong and Maimunah (2019:61) in the study (Mardyaningsih et al., 2022) as follows:

- 1) Price affordability with product
- 2) Price matches quality
- 3) Price match with benefits

Customer Loyalty

According to (Rorong et al., 2023) states that customer loyalty has an important role in a company, maintaining them means improving financial performance and maintaining the company's survival, this is the main reason for a company to attract and retain customers. Efforts to create loyal customers cannot be done directly, but through several stages, starting from finding potential customers to obtaining partners. The following are indicators According to (Unika, 2019:142) in the study (Yanto et al., 2020) as follows:

- 1) Make repeat purchases regularly (repeat purchases).
- 2) Make purchases across product and service lines.
- 3) Providing references or references to others (Refers others).
- 4) Shows resistance to the pull of its rivals.

METHOD

This study uses a quantitative approach method. The data processing process in this study uses Smart PLS 3.0 software. According to (Sugiyono, 2019) sample is part of the number and characteristics owned by the population. The sampling technique used is non-probability sampling with accidental sampling technique. The sample in this study was 80 people in 1 day, and 560 people in 1 week. This is known through the Slovin formula.

$$N = \frac{n}{1 + (N \times e^2)}$$

Information :

n = Number of samples

N = Population size

e = Error level (error level 5%)

$$N = \frac{100}{1 + (100 \times 0,05^2)} = 80 \text{ Responden}$$

The research period starts from the planning process until the report is completed, starting from December 9, 2024 until completion.. This study aims to analyze the influence of Brand Image, Taste on Customer Loyalty and its implications on Price Perception. This research model can be described in the following framework:

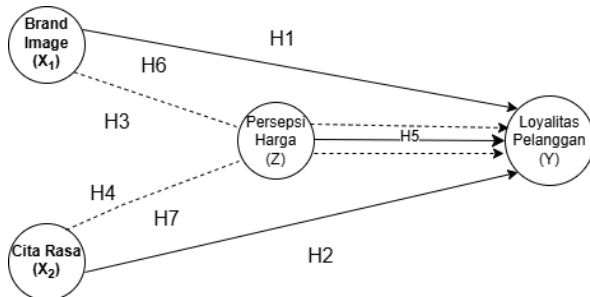


Figure 2.1 framework of thought

INFORMATION

1. Does Brand Image influence customer loyalty? Restaurant India Tebing Tinggi City.
2. Does taste image influence customer loyalty? Restaurant India Tebing Tinggi City.
3. Does Brand Image influence price perception? Restaurant India Tebing Tinggi City.
4. Does taste image influence price perception? Restaurant India Tebing Tinggi City.
5. Does price perception affect customer loyalty? Restaurant India Tebing Tinggi City
6. Is price perception a mediating variable in the influence of brand image on customer loyalty? Restaurant India Tebing Tinggi City.
7. Is price perception a mediating variable in the influence of taste on customer loyalty? Restaurant India Tebing Tinggi City.

RESULTS AND DISCUSSION

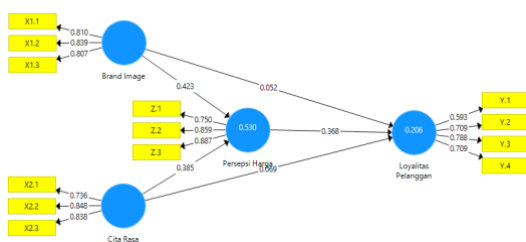


Figure 1. Second Outer Model
Source: Data Analysis Using SmartPLS

1. Validity Test

This research uses assistance from Smart software PLS 3.0 to test the validity and reliability of research instruments. To test the validity of data, it can be used to test the validity of data, convergent validity can be used to see the loading factor value and discriminant validity by looking at the cross loading value.

a. Convergent Validity

Convergent validity from the measurement model with the reflective model, the indicators are assessed based on the correlation between the item score/component score and the construct score which is calculated using Smart Software PLS. Reflective measures are said to be high if they correlate more than 0.70 with the construct to be measured. However, for early stage research with the development of a measurement scale, a loading value of 0.5 to 0.60 is considered sufficient (Ghozali and Latan, 2015). In this study, a loading factor of 0.5 was used with the algorithm calculation on Smart PLS 3.0. The following are the results of the convergent validity measurement model test using the loading factor, which can be seen in Table 2:

Table 2
Validity Test Results Using Loading Factor

	Brand Image	Taste	Customer Loyalty	Price Perception
X1.1	0.810			
X1.2	0.839			
X1.3	0.807			
X2.1		0.736		
X2.2		0.848		
X2.3		0.838		
Y.1			0.593	
Y.2			0.709	
Y.3			0.788	
Y.4			0.709	
Z.1				0.750
Z.2				0.859
Z.3				0.887

Based on table 2 above, it can be seen that all loading factor values have passed the limit of 0.5 so that it can be concluded that each indicator in this study is valid. Therefore, these indicators can be used to measure research variables.

b. Discriminant Validity

Discriminant validity comparing the Average Variance Extracted (AVE) value of each construct with the correlation between other constructs in the model. If the AVE root value of each construct is greater than the correlation value between the construct and other constructs in the model, then it is said to have a good discriminant validity value. The following are the results of testing the discriminant validity measurement model using cross loading which can be seen in table 3

Table 3 Cross Loading Value

	Brand Image	Taste	Customer Loyalty	Price Perception
X1.1	0.810	0.461	0.226	0.468
X1.2	0.839	0.465	0.342	0.591
X1.3	0.807	0.606	0.250	0.555
X2.1	0.483	0.736	0.199	0.469
X2.2	0.458	0.848	0.295	0.519
X2.3	0.569	0.838	0.318	0.577
Y.1	0.054	0.132	0.593	0.150

THE INFLUENCE OF BRAND IMAGE AND TASTE ON PRICE PERCEPTION AND ITS IMPLICATIONS ON CUSTOMER LOYALTY AT INDIA RESTAURANT, TEBING TINGGI

AlfinaYusra et al

Y.2	0.232	0.230	0.709	0.332
Y.3	0.365	0.272	0.788	0.408
Y.4	0.186	0.285	0.709	0.279
Z.1	0.462	0.443	0.310	0.750
Z.2	0.618	0.519	0.329	0.859
Z.3	0.571	0.640	0.464	0.887

Source: Processed Primary Data (2025)

Based on table 3 above, it can be seen that all cross loading values of each targeted indicator have a higher correlation with each variable compared to other variables. It can be concluded that the indicators above are valid as a whole.

2. Reliability Test

An instrument can be said to be reliable by looking at the Composite Reliability value of more than 0.7. The following are the results of the reliability calculation through Composite Reliability which can be seen in the following table:

**Table 4
Composite Reliability**

	Composite Reliability
Brand Image	0.859
Taste	0.850
Customer Loyalty	0.795
Price Perception	0.872

Source: Processed Primary Data (2025)

Based on table 4 above, it can be seen that the Composite Reliability value of the variable brand image as big as 0.859, variable taste as big as 0.850, variable customer loyalty 0.795, and price perception variable 0.872. From the calculation results above, it can be seen that all indicators are reliable in measuring their latent variables.

Inner Model Testing (Structural Model)

Evaluation of the inner model can be seen from several indicators including the coefficient of determination (R2), Predictive Relevance (Q2) and Goodness of Fit Index (GoF) (Hussein, 2015). The results of the structural model displayed by Smart PLS 3.0 in this study are as follows:

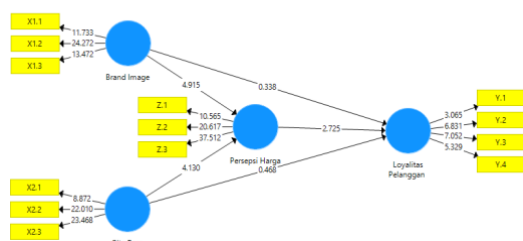


Figure 2. Inner Model

Source: Data Analysis Using SmartPLS

R2(R-Square) Result

In assessing the model with PLS, it begins by looking at the Adjusted R-square for each dependent latent variable. The results of the r2 calculation in this study are as follows;

Table 5
Correlation Value

	R Square	R Square Adjusted
Customer Loyalty	0.206	0.174
Price Perception	0.530	0.518

Source: Processed Primary Data (2025)

Based on the calculation results using bootstrapping in table 5 above, the r2 value of the variable is known. price perception 0.518 which means that price perception influenced by brand image and taste by 51.8% or in other words the contribution of brand image and taste is 51.8% while the remaining 48.2% is the contribution of other variables not discussed in this study such as price references, product quality, brand trust and others. then it is known that the r2 value of the customer loyalty variable is 0.174 which means that customer loyalty is influenced by brand image and taste by 17.4% or in other words the contribution of brand image and taste is 17.4% while the remaining 82.6% is the contribution of other variables not discussed in this study such as consumer satisfaction, consumer decisions and others.

Hypothesis Testing

Statistics ≥ 1.960 or probability value \leq level of significance ($\alpha = 5\%$). The limit of 0.05 means that the magnitude of the chance of deviation is only 5% and the remaining 95% is indicated to accept the hypothesis. Hypothesis testing in this study is divided into two parts, namely direct effect testing and indirect effect testing (mediation). Direct effect testing will use bootstrapping on Smart PLS 3.0 software, while indirect effect testing will use t-statistics on the indirect effect.

1. T-Test (Partial)

Direct effect testing is used to explain the hypothesis 1,2,3,4,5 through path coefficients. The path coefficients value can be seen through the t-statistic value which must be above the t-table, which is 1.96, which means that there is an influence of exogenous variables on endogenous variables in each hypothesis that has been determined. The t-statistic value ≥ 1.960 or the probability value \leq level of significance ($\alpha = 5\%$), has the conclusion that the hypothesis is accepted, namely there is a significant influence between the variables tested. Table 6 shows the results of direct hypothesis testing with bootstrapping on Smart PLS 3.0 software. Below is an explanation of each hypothesis in this study.

Table 6 Path Coefficients

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1->Y	0.052	0.052	0.153	0.338	0.736
X2->Y	0.423	0.433	0.086	4,915	0,000
X1->Z	0.069	0.053	0.148	0.468	0.640
X2->Z	0.385	0.382	0.093	4,130	0,000
Z -> Y	0.368	0.399	0.135	2,725	0.007

Source: Processed Primary Data (2025)

Based on table 6, the test results for each exogenous and endogenous test are as follows:

a. Brand Image Testing of Customer Loyalty

Based on table 6, it can be seen that the t-statistic value is $0.338 \leq t\text{-table } 1.96$ and the α test is $0.736 \geq \alpha 0.05$ so that brand image does not affect customer loyalty. Showing that the case in the Indian restaurant does not significantly affect which indicates that the Indian Restaurant studied against brand image is not a major factor in determining customer loyalty, where other aspects more dominantly influence customer loyalty in choosing an Indian Restaurant, such as food quality, price, service, or atmosphere.

b. Taste Testing Against Customer Loyalty

Based on table 6, it can be seen that the t-statistic value of $4.915 \geq t\text{-table } 1.96$ and α test $0.000 \leq \alpha 0.05$ so that taste affects customer loyalty. In Indian Restaurants, the taste of food is an important factor that affects customer loyalty. Customers who are satisfied with the taste of food tend to return and make the restaurant their main choice.

c. Testing Brand Image Against Price Perception

Based on table 6, it can be seen that the t-statistic value is $0.468 \leq t\text{-table } 1.96$ and the α test is $0.640 \geq \alpha 0.05$ so that brand image does not affect price perception. Indicating that the Indian Restaurant studied, brand image is not a major factor in the price offered. Customers tend to judge from the portion and quality of the food.

d. Taste Testing Against Price Perception

Based on table 6, it can be seen that the t-statistic value of $4.130 \geq t\text{-table } 1.96$ and α test $0.000 \leq \alpha 0.05$ so that taste affects price perception. In Indian Restaurants, the taste of food affects how customers assess prices. Customers consider the price offered to be appropriate, even reasonable, if the taste of the food served meets or exceeds customer expectations.

e. Testing Price Perception on Customer Loyalty

Based on table 6, it can be seen that the t-statistic value of $2.752 \geq t\text{-table } 1.96$ and α test $0.007 \leq \alpha 0.05$ so that price perception affects customer loyalty. This shows that the Indian Restaurant studied, the way customers view the prices offered, whether they are considered reasonable, equivalent or valuable affects customer loyalty.

2. Indirect Effect Test

The indirect influence test is conducted by testing the strength of the indirect influence of the independent variable (X) to the dependent variable (Y) through the intervening variable (Z) with the condition that the t-statistic value is >1.96 . The results of this test can be seen in the following table:

Table 7
Indirect effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
X1->Y->Z	0.156	0.176	0.075	2,076	0.038
X2->Y->Z	0.142	0.149	0.057	2,499	0.013

a. Indirect testing of the brand image variable on customer loyalty with price perception as a mediating variable.

Based on table 7, price perception shows that The t-statistic value of $2.076 \geq$ from the t-table of 1.96 as well as the v-area value of $0.038 \leq$ from $\alpha 0.05$ so that price perception is able to mediate the influence of brand image on customer loyalty. These results are interesting to discuss in direct testing brand image does not affect loyalty meaning brand image it does not directly influence consumer loyalty towards Indian Restaurants, however, it is the price perception that ultimately shapes brand image and influences customer loyalty. Where customers focus on the price given so that price perception is able to mediate.

b. Indirect testing of the taste variable on customer loyalty with price perception as a mediating variable.

Based on table 7, through price perception, it shows that the t-statistic value of the relationship between Taste Towards customer loyalty is as big as 2,499. With a t-table value ≥ 1.96 , with a p-value of $0.013 \leq \alpha 0.05$. This shows that taste has an effect on customer loyalty. Although the influence is through a mediator variable, taste still plays an important role in forming customer loyalty. In the context of an Indian Restaurant, improving the quality of taste can increase customer loyalty.

CONCLUSION

Research shows that brand image does not significantly affect price perception or customer loyalty, taste has a significant effect on price perception, taste also has a direct and indirect effect on customer loyalty and price perception has a significant effect on customer loyalty. This shows that improving the quality of taste has a major impact on price perception and customer loyalty. Therefore, the focus should be on consistency and improving the quality of food taste as the main key to building customer loyalty.

REFERENCES

- Apriliani, R. A. E. (2019). Pengaruh Brand Trust, Brand Equity dan Brand Image Terhadap Loyalitas Pelanggan (Studi Pada Pelanggan Teh Botol Sosro di Wonosobo). *Jurnal Penelitian Dan Pengabdian Kepada Masyarakat UNSIQ*, 6(2), 112–121. <https://doi.org/10.32699/ppkm.v6i2.687>
- Destria Justitie, A. suddin dan E. W. (2019). Analisis Pengaruh Kualitas Produk, Cita Rasa, Dan Harga Terhadap Loyalitas Pelanggan Waffelio Franchise Di Surakarta. *Jurnal Manajemen Sumber Daya Manusia*, Vol. 13(3), 243 – 253.
- Kusdianto, & Firanti. (2023). Pengaruh Bukti Fisik dan Cita Rasa Terhadap Loyalitas Pelanggan Pada Kopi Kenangan di Pasar Baru Tangerang. *Jurnal Comparative: Ekonomi Dan Bisnis*, 5(2), 190–199.
- Mardyaningsih, S. W. R. S., Ayuanti, R. N., & Udin, M. S. (2022). Pengaruh Persepsi Harga, Cita Rasa, Dan Promosi Terhadap Loyalitas Konsumen Di Kober Mie Setan Kediri. In *EBISMEN (Jurnal Ekonomi, Bisnis Dan Manajemen (Vol. 01, Issue 03))*.
- Pertiwi, A. B., Ali, H., & Sumantyo, F. D. S. (2022). Faktor-faktor Yang Mempengaruhi Loyalitas Pelanggan; Analisis Persepsi Harga, Kualitas Pelayanan dan Kepuasan Pelanggan (Literature Review Manajemen Pemasaran). *Jurnal Ilmu Manajemen Terapan*, 3(6), 582–591.
- Rorong, C. J., Tawas, H. N., & Rogi, M. H. (2023). the Effect of Café Atmosphere and Service Quality on Customer Loyalty With Brand Image As an Intervening Variable At Café I Care Langowan. *Jurnal EMBA*, 11(2), 255–264.
- Santana, A. (2019). Pengaruh Brand Image Terhadap Kepuasan Dan Loyalitas Pelanggan Pada Pt. Brand X Di Jakarta. *Jurnal Manajemen Bisnis Dan Kewirausahaan*, 2005, 150–155.
- Sugiyono. (2019). *metode penelitian kuantitatif, kualitatif, dan R&D* (M. Dr. Ir. Sutopo. S. Pd (ed.); 2nd ed.).
- Syaidah, R., & Ramadhika, A. (2023). Pengaruh Brand Image Terhadap Loyalitas Konsumen Rabbani Mall Online Bandung. *Jurnal Pendidikan Tambusai*, 4(2), 400–414.
- Victor, S. (2022). Analisis Pengaruh Jiwa Kewirausahaan dan Motivasi Terhadap Keberhasilan Usaha Pada Rumah Makan Padang di Kota Medan. 127– 134.
- Yanto, E., Herman Pengaruh Promosi dan Citra Merek, H., Yanto, E., & Herman, H. (2020). Pengaruh Promosi Dan Citra Merek Terhadap Loyalitas Pelanggan Pada Pt. Tiga Benua. *Jurnal Emba Ekonomi Manajemen*, 8(3), 103–112.
- Yosef tonce, SE, M., Olson, peter dan, & Keller, kottler dan. (2022). *minat dan keputusan pembelian tinjauan melalui persepsi & kualitas produk* (P. Kodri, M (ed.); 1st ed.).