The impact of corporate image and relationship marketing on customer loyalty in mediated customer satisfaction at SMEs

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ABSTRACT

The primary objective of this study is to investigate the impact of corporate image, relationship marketing, and customer satisfaction on customer loyalty. The present study employs a quantitative methodology to provide an explanatory analysis. The study sample comprised customers residing in the city of Malang who patronize the small and medium enterprises (SMEs) known as Rampis Bang Raden. The research utilized the purposive sampling method. The study’s sample size consisted of 170 participants. The data gathering methods employed in this study encompassed surveys, documentation, and the utilization of Likert scales to assess the instrument. The data underwent analysis through the utilization of the structural equation model partial least squares (SEM-PLS) modeling technique. The results of this study suggest that there is a considerable relationship between corporate image and relationship marketing, and their impact on consumer loyalty. Furthermore, the influence of corporate image and relationship marketing on customer satisfaction is also substantial. Enhancing customer happiness can lead to an increase in customer loyalty. The mediating role of customer happiness can be observed in the association between corporate image and relationship marketing, and their impact on consumer loyalty. The results of this study indicate that small and medium-sized enterprises (SMEs), such as Rampis Bang Raden, are able to uphold both product distinctiveness and quality, while simultaneously enhancing amicable buyer interactions in order to sustain consumer loyalty.

Introduction

Competition in every industry is rising, making customer retention and expansion essential for survival. Increasing customer loyalty is one way for businesses to achieve this goal. Customer loyalty is the disposition of customers to continue purchasing products or services from the same company. Customer loyalty is crucial to a company’s success (Setiawan et al., 2016). Loyal customers tend to purchase more frequently and recommend the business to others. Therefore, companies must be able to develop strategies to increase customer loyalty. In developing strategies to increase customer loyalty, companies can consider corporate Image and relationship marketing as critical factors.

Corporate Image is one of the most significant determinants of customer loyalty. A positive company reputation can increase customer loyalty and trust. A positive company image can be achieved through various means, such as establishing a solid brand, delivering superior products or services, and committing to exceptional customer service. Relationship marketing is a marketing strategy that focuses on the customer and strengthens the relationship between the business and the customer. Relationship marketing seeks to cultivate long-term relationships with customers so that they will be more loyal and the company will reap long-term benefits.

This is consistent with the strategies used by SMEs Rampis Bang Raden Malang to maintain customer loyalty through corporate image and relationship marketing strategies. Rampis Bang Raden Malang penetrated the export market and became the second-
ranked SME in the culinary business services sector after Surabaya City, a leader in the industry. SMEs Rampis Bang Raden has local and international market consumers, which causes fierce competition between SMEs. SME Rampis Bang Raden Malang has successfully enhanced its corporate image by becoming one of the top SME recipients of government support. Rampis Bang Raden Malang ensures its products retain authenticity and superior quality over time to preserve its brand image. SMES Rampis Bang Raden Malang is one of the SMES actors that manufacture processed food products in Malang City, which has intense business competition, necessitating that SMES Rampis Bang Raden Malang must strengthen its strategy to win consumers.

In the current business climate, small and medium-sized enterprises (SMEs) must have a solid competitive foundation (Radar Malang, 2019). Faced with such competition, Rampis Bang Raden is intensifying its competitive advantage and highlighting its distinctive qualities. Nevertheless, based on sales difference data, the graph illustrates the significant difference between Rampis Bang Raden's domestic and export sales turnover. Monthly turnover from domestic sales ranges from 20 to 30 million, while turnover from export sales reaches 350 to 400 million. This more than 10-fold difference shows that export sales have much greater potential to contribute to the company's revenue. High export sales mean that Bang Raden's Rampis products have strong competitiveness in the international market.

Rampis Bang Raden may be able to expand their business thanks to the high turnover from export sales. This provides an opportunity for significant growth and expands the scope of the company's operations. Maintain and enhance the quality of the rental services offered by the business. The government and community acknowledge Rampis Bang Raden Malang's contribution to preserving cultural heritage and local products. By establishing solid relationships with the government and becoming a partner in economic development programs, Rampis Bang Raden Malang has bolstered its reputation as a resilient and dependable SME.

Furthermore, customer satisfaction is an essential factor that can affect customer loyalty. Customers who are pleased with the company's products or services will likely continue using them and recommend them to others. Therefore, companies must consider customer satisfaction influencing Corporate Image and Relationship marketing on customer loyalty. Customers who are satisfied with the products or services the company provides tend to pay more attention to the company's image and the relationship established with the company. Therefore, companies must be able to pay attention to customer satisfaction to increase customer loyalty.

This study investigates the impact of Corporate Image and Relationship marketing on customer loyalty via customer satisfaction. Safitri et al. (2016) demonstrate the relationship between corporate image and customer loyalty. The study indicates that businesses with innovative ideas and solid customer relationships tend to enjoy greater customer loyalty. However, these findings contradict the findings of Almassawa's (2018) study, which found no correlation between company image and customer loyalty. Additionally, Semaranata and Telagawathi (2022) demonstrate a positive and statistically significant relationship between Relationship marketing and customer loyalty. However, Wibisono's (2018) research indicates that relationship marketing undermines customer loyalty.

Apriyanti, Surya, and Lutfi (2017) demonstrate that satisfaction can moderate the effect of Corporate Image on customer loyalty, whereas Nurutami, Marnis, and Kornita (2021) show that happiness cannot strengthen this relationship. Following that, Prabowo's (2018) research indicates that satisfaction can boost the impact of Relationship marketing on customer loyalty. However, these findings contradict the findings of Pratama's (2020) and Wibisono's (2018) studies, which show that reducing customer satisfaction does not strengthen the relationship between Relationship marketing and customer loyalty. As a result, research on the impact of Corporate Image and Relationship Marketing on customer loyalty with customer satisfaction as a mediating variable remains relevant.

The relationship between Corporate Image, Relationship marketing, and customer loyalty is strengthened by the mediating effect of customer satisfaction. Customer satisfaction can strengthen customer loyalty. Customers who are satisfied with a company's products or services are typically more loyal and continue to utilize them (Semaranata & Telagawathi, 2022); (Saputra, 2013). Thus, customer satisfaction can strengthen the relationship between brand perception and customer loyalty. The relationship between corporate image and customer loyalty is mediated or connected through customer satisfaction. When customers are pleased with a company's product or service, they are typically more loyal and continue to use it. When a company has a good and positive corporate image, it can strengthen customer perceptions of product or service quality and increase customer satisfaction. Apriyanti et al. (2017).

Customer satisfaction can strengthen the relationship between customer satisfaction and customer loyalty. Customer satisfaction can increase when companies effectively implement relationship marketing strategies, such as providing excellent service, fostering effective communication, and paying close attention to customers. High levels of customer satisfaction will strengthen the company-customer relationship and, as a result, increase customer loyalty (Wibowo, 2009; Prabowo, 2008). The variables of corporate image, relationship marketing, and customer satisfaction were chosen as the focus of the study because they significantly affect customer loyalty. The existence of satisfaction felt by the customer, the customer will make repeated purchases, leading to customer loyalty.

Based on the data and reviews presented above, as well as the existing research gap, the purpose of this study is to examine the effect of corporate image and relationship marketing on customer loyalty mediated by customer satisfaction at SMES Rampis Bang Raden Malang.
Literature Review

Branding

Branding is the process of creating an identity associated with a particular identity's conjecture, emotion, and feeling. Branding precedes sales and marketing. Effective marketing requires a strong brand (Rampersad, 2008, p. 2). Branding aims to distinguish a product, service, or group of sellers from other brands (Kotler, 2009, p. 332). Branding is a declaration of who (identity), what (offered products or services), and why a brand is worth selecting. The brand is its reputation, and brands with a positive reputation are desirable (Neumeier, 2003: 54). The researcher concludes, based on the preceding definition, that Branding is crucial because an individual will select a product for both rational and emotional reasons. Branding is crucial because it can create an emotional connection with customers. Branding is categorized by Neumeir (2003) as a differentiator, promotion and attraction, image builder, confidence giver, quality assurance, status, and market control. With powerful Branding, the target market will be easily controlled.

Customer Loyalty

Dick and Basu (1994) in Rusmiati P I and Rizki Zulfikar (2018: 3) define customer loyalty as the strength of an individual's relative attitude toward a unit (brand, service, store, or supplier) and repeat purchases. Ishaq (2014), cited in Jeremia and Djurwati (2019: 833), states that customer loyalty is a process and that after this process, customer satisfaction affects perceived quality, which can impact customer loyalty and intentions for certain behaviors. A consumer is said to be loyal or loyal if the consumer exhibits regular purchasing behavior or if there is a condition requiring the consumer to purchase at least twice within a specified period (Griffin (2010) in Robby (2017: 351). Customer loyalty is a reliable indicator of future sales growth, and a customer's consistent purchasing behavior can also define it (Griffin, 2005: 31). Based on their characteristics, it is clear that loyal customers are an asset to the company. Consequently, a company's future growth can be predicted based on the loyalty of its customers.

Corporate Image

Soemirat and Adianto (2007) define Corporate Image as the public's impression, feeling, and Image of the company, deliberately created by an object, individual, or group. Kotler and Keller (2009) define corporate Image as the public's perception of a company or its products. Corporate Image relates to the business name, architecture, variety of products, traditions, ideology, and the impression of quality communicated by every employee interacting with the organization's clients. Based on the definition provided by the experts, it can be concluded that Corporate Image is an impression imprinted in the minds of consumers in the company, either through the quality of services or products offered or the company's standing in the community. Tsaliikis and Fritzsch (2017) explain that several factors can influence corporate Image, including company performance, communication, product or service quality, business ethics, and corporate social responsibility. Corporate Image can impact customer loyalty because a solid corporate image can create a favorable impression of the company's brand or Product in customers' minds. Corporate Image can also be referred to as company image. The higher the company image, the higher customer loyalty (Saftri, 2016; Tor Wallin Andreassen (2015)

H1: Corporate Image has a positive significant effect on customer loyalty.

Relationship Marketing

 Saputra and Ariningsih (2014) stated that relationship marketing is "a marketing strategy that seeks to establish long-term relationships with customers" to increase customer retention and brand advocacy. According to Sivesan (2012), relationship marketing's primary goal is to strengthen the bond between marketers and customers by converting indifferent customers into loyal ones. Relationship marketing and customer loyalty have a very close relationship. Relationship marketing is a customer-centric marketing strategy that emphasizes the development of long-lasting customer relationships and enhancing customer value. In relationship marketing, companies are viewed as having a closer relationship with their customers, which enables them to comprehend their needs and desires and provide products or services better suited to their requirements. The findings of Semaranata and Telagawathi (2022), Gusti N. A. R. Darmayasa, and Ni Nyoman Kerti Yasa (2021) show that customer loyalty increases with the quality of the company's relationship marketing with consumers support this.

H2: Relationship marketing has a positive significant effect on customer loyalty.

Customer Satisfaction

Satisfaction, as defined by Oliver (2019), is "a person's feelings after comparing his perceived performance or results with expectations," with satisfaction being proportional to the gap between actual performance and what was expected. Past experiences can influence consumers' expectations, relatives' viewpoints, and marketers' insights. Customer satisfaction can have an impact on customer loyalty. Customers who are pleased with the product or service of the company will likely purchase or use it again. Consequently, customer satisfaction can boost customer loyalty (Semaranata & Telagawathi, 2022; Missy et al., 2022). The company's image also impacts customer satisfaction. A positive Corporate Image can increase customer trust in the company so that customers feel comfortable making transactions and interacting with the Company (Purnama (2019), Kelly Johonis, Farlane S. Rumokoy, and Johan Tumiiwa (2017)). Relationship marketing also has an impact on customer satisfaction. Companies can better understand customer needs and desires, allowing them to provide more personalized and customer-centric services. This can increase customer satisfaction because they feel cared for and valued by the company. In the long run, a good relationship between the
company and its customers can build a positive image of the company and strengthen customer trust, which can positively affect customer satisfaction (Mulyadi & Susanti, 2018).

H3: Corporate Image has a positive significant effect on customer satisfaction.

H4: Relationship marketing has a positive significant effect on customer satisfaction.

H5: Customer satisfaction has a positive significant effect on customer loyalty.

A positive company image will increase customer confidence in the company and its products, influencing customer satisfaction. A high level of customer satisfaction can influence customer loyalty. Customers pleased with a company's products or services will likely purchase from it again and recommend it to others, enhancing customer loyalty. This is consistent with the findings of Apriyanti et al. (2017), who found that customer satisfaction can bolster the effect of corporate image on customer loyalty. Moreover, in Relationship Marketing, companies strive to identify customer needs and desires and provide satisfying customer services and experiences. By strengthening this relationship, customers will remain loyal and committed to the organization, fostering customer loyalty. However, the connection between Relationship Marketing and Customer Loyalty can only be effectively established through customer satisfaction. Customer satisfaction is a crucial component in maintaining and expanding customer loyalty. This is consistent with the findings of Apriyanti et al. (2017), who found that customer satisfaction can bolster the effect of corporate image on customer loyalty. Moreover, in Relationship Marketing, companies strive to identify customer needs and desires and provide satisfying customer services and experiences. By strengthening this relationship, customers will remain loyal and committed to the organization, fostering customer loyalty. However, the connection between Relationship Marketing and Customer Loyalty can only be effectively established through customer satisfaction. Customer satisfaction is a crucial component in maintaining and expanding customer loyalty.

H6: Customer satisfaction can mediate the relationship between corporate image and customer loyalty.

H7: Customer satisfaction can mediate the relationship between relationship marketing and customer loyalty.

Methodology

This study employs an explanatory research approach to test the theory objectively by testing the relationship between each variable using statistical procedures and a quantitative approach. The population in this study were consumers of SMEs Rampis Bang Raden, located in Malang City. This study employs a nonprobability sampling method based on purposive sampling. Sampling with purposive sampling is restricted to a subset of individuals who possess or meet the researcher-specified criteria (Sekaran & Bougie, 2020). These individuals provide the desired information because they possess or meet the researcher-specified criteria. Respondents have been regular SMEs Rampis Bang Raden customers for more than a year, have purchased and consumed the product more than twice, and are at least 17 years old. The number of samples used in this study was 170 respondents.

The data for the study was collected through survey responses and documentation. In the questionnaire submitted, a Likert scale is used to determine the extent to which respondents give their opinions according to a predetermined scale.

The data were analyzed using structural equation modeling partial least squares (SEM-PLS). The reason for using PLS data analysis is that the concept is to test the modified results of several research models to provide an overview of the variables under study (Garson, 2016). This study uses indicators from Shirley Harrison and Sella Kurnia Sari (2012: 14) for the Corporate Image variable.

**Empirical Data and Analysis**

SMES Rampis Bang Raden Malang City is one of the SMES engaged in food processing. SMES Rampis Bang Raden is located on Tanjung Street, Tanjungrejo village, Sukun sub-district, Malang City. SMES Rampis Bang Raden produces healthy rambak snacks made from fruits. Currently, SMES Rampis Bang Raden sells two types of products: banana rambak and mango rambak. With a monthly shipping volume of 18 tons, Rampis Bang Raden can penetrate the export market in Singapore, Malaysia, Timor Leste, and Turkey. Rampis Bang Raden products are also available at the online retailers Shopee and Tokopedia. The following are the characteristics of the respondents:

<table>
<thead>
<tr>
<th>Table 1: Demographic Respondent</th>
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<tbody>
<tr>
<td><strong>Category</strong></td>
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<tr>
<td>Age</td>
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<tr>
<td>17-27 years</td>
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<tr>
<td>28-37 years</td>
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<tr>
<td>38-47 years</td>
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<tr>
<td>&gt;47 years</td>
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<tr>
<td>Educational Background</td>
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<tr>
<td>Senior High School</td>
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<tr>
<td>Diploma-3</td>
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<tr>
<td>Bachelor</td>
</tr>
</tbody>
</table>

*Source: Author 2023*

Based on the table above, it shows that the majority of respondents are aged 20-25 years (17-27 years (20.6%). This indicates that the dominant age of SMES Rampis Bang Raden Malang customers is 28-47 years. Then, in terms of education, it is dominated by S1 education (50%). This shows that the education level of SMES Rampis Bang Raden Malang customers is mostly S1 education.

**Measurement Model Analysis**

To test the quality of the data, this study uses convergent validity and discriminant validity tests with the constructs to be measured for the initial research scale development values between 0.50 are values that are considered sufficient (Ghozali & Latan, 2015). In more detail, the results of the validity and reliability tests can be seen in Table 2 below.

<table>
<thead>
<tr>
<th>Table 2: Validity Analysis</th>
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<tbody>
<tr>
<td><strong>Latent Variable</strong></td>
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<td></td>
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<tr>
<td>Corporate Image</td>
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<td>Relationship Marketing</td>
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<td>Customer Loyalty</td>
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<td>Customer Satisfaction</td>
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</table>

*Source: Author 2023*
Based on Table 2 shows that the loading factor value (convergent validity) of each item is more significant than 0.7, so each item in the Corporate Image, Relationship Marketing, Customer Satisfaction, and Customer Loyalty variables is said to be valid. So, it is concluded that all items in each variable have performed their measuring functions appropriately and precisely with the SmartPLS measuring instrument.

Table 3: Reliability Analysis

<table>
<thead>
<tr>
<th></th>
<th>Cronbach’s Alpha</th>
<th>Composite Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate Image</td>
<td>0.956</td>
<td>0.968</td>
</tr>
<tr>
<td>Relationship Marketing</td>
<td>0.922</td>
<td>0.945</td>
</tr>
<tr>
<td>Customer Loyalty</td>
<td>0.900</td>
<td>0.926</td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td>0.894</td>
<td>0.927</td>
</tr>
</tbody>
</table>

Source: Author 2023

Based on Table 3 above, it can be concluded that the data used in this study are reliable. The threshold value for reliability is 0.70 (Ghozali and Latan, 2015). In Table 4 it can be seen that each variable has a Cronbach’s alpha and composite reliability value greater than 0.7. So that the items used in this study are reliable.

Structural Model Test

Coefficient of determination (R2), predictive relevance (Q2), and goodness of fit (GoF) values are used in structural model (inner model) testing to determine a model’s suitability. The test results for the Customer Satisfaction variable's coefficient of determination (R2) are 0.896. This value proves that the independent variables can influence the customer satisfaction variable in the form of corporate image, relationship marketing, and customer loyalty, with a magnitude of 0.896, or 89.6%. In contrast, other factors that are not a part of this study account for the remaining 10.4%. The R2 value in the Customer Loyalty variable is 0.887, proving the corporate image and relationship marketing customer loyalty variables, while the remaining 11.3%.

The Q2 test yields a Q2 value of 0.628 or 0.699, indicating that this research model has predictive validity. Corporate image, relationship marketing, and customer satisfaction are 97%, while the remaining 3% is the contribution of other variables that are not part of this research model. The goodness-of-fit test aims to evaluate the precision of a research model constructed from all research variables. Based on the results of GoF calculations, it produces a value of 0.792, so the structural model of this study generally has predictive solid properties. The goodness of fit (GoF) above shows that the model in this study is robust enough that hypothesis testing can be done.
Hypothesis Test

This study examined the direct influence test and the mediating influence test hypotheses. The objective of the direct effect test is to evaluate the effect of company image, relationship marketing, and customer loyalty. The following are the results of the test of the hypothesis:

Table 4: Direct Effect Test Results

<table>
<thead>
<tr>
<th>Path Coef.</th>
<th>t-Statistic</th>
<th>P-Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI → CS</td>
<td>0.247</td>
<td>3.088</td>
<td>0.002</td>
</tr>
<tr>
<td>CI → CL</td>
<td>0.252</td>
<td>3.198</td>
<td>0.001</td>
</tr>
<tr>
<td>CL → CS</td>
<td>0.355</td>
<td>3.740</td>
<td>0.000</td>
</tr>
<tr>
<td>RM → CS</td>
<td>0.375</td>
<td>3.855</td>
<td>0.000</td>
</tr>
<tr>
<td>RM → CS</td>
<td>0.712</td>
<td>9.526</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Source: Author 2023

The table above shows that Corporate Image significantly affects Customer Satisfaction (β = 0.247, t = 3.088 p < 0.05) so that H1 is accepted. In addition, Corporate Image significantly affects customer loyalty (β = 0.252, t = 3.198 p <0.05) so that H2 is accepted. Furthermore, Customer Loyalty significantly affects customer satisfaction (β = 0.355, t = 3.740 p <0.05) so that H3 is accepted. Furthermore, Relationship Marketing significantly affects Customer Satisfaction (β = 0.375, t = 3.855 p <0.05) so that H4 is accepted. Then, Relationship Marketing significantly affects Customer Loyalty (β = 0.712, t = 9.526 p <0.05) so that H5 can be accepted.

Table 5: Indirect Hypothesis Testing

<table>
<thead>
<tr>
<th>Path Coefficient</th>
<th>t-Statistic</th>
<th>p-Value</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>CI→ CS →CL</td>
<td>0.089</td>
<td>2.469</td>
<td>0.014</td>
</tr>
<tr>
<td>RM→ CS →CL</td>
<td>0.253</td>
<td>3.292</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Source: Author 2023

Table 5 above explains that the indirect test or mediation role of Customer Loyalty between the Corporate Image relationship and Customer Satisfaction has a positive and significant effect (β = 0.089, t = 2.469 p <0.05), so hypothesis 6 is accepted. In addition, Customer Loyalty also successfully mediates Relationship Marketing on Customer Satisfaction, showing positive and significant results (β = 0.253, t = 3.292, p <0.05) so that hypothesis 7 is accepted. It can be concluded that hypotheses 6 and 7 in the study are acknowledged. This can be interpreted that Customer Loyalty is a partial mediation between Corporate Image and Relationship Marketing on Customer Satisfaction.

Result and Discussion

The corporate image influences customer loyalty. Customers can use the outcomes of this corporate image as a guide. According to these findings, customer loyalty to a product is proportional to the company's image. This is consistent with the findings of Purba's (2017) research. Indeed, brand image is a representation of the overall perception that consumers have of a brand. This image results from data collected from various credible sources and previous consumer interactions with the brand. This perception significantly impacts how consumers will perceive, remember, and respond to the brand, thereby influencing purchasing decisions and consumer loyalty. The company tries to be a complete source of information to form a good image. This completeness of knowledge must meet the needs and desires of the target object. To maintain customer loyalty, SMES continues to make various breakthroughs, such as using sophisticated and modern tools, formulating its vision and mission, and commitment. This study also supports the research conducted by Putra (2018), Aprilia, and Mayliza (2017), which states that corporate image positively affects customer loyalty.

Customer loyalty is significantly influenced by relationship marketing. Customers will be more loyal to a business that effectively implements and maintains Relationship Marketing. Implementing proper relationship marketing will result in a high level of customer loyalty. In addition, Relationship Marketing's optimal performance influences customer satisfaction, thereby increasing overall customer loyalty. The company's success in competing with competitors depends on its ability to adopt superior strategies. Businesses can forge stronger ties with their customers by focusing on cultivating customer relationships. Companies can better comprehend customer needs and preferences, offer more personalized service, and respond proactively to customer feedback. The deeper the relationship, the greater the likelihood that the customer will remain loyal and choose the company over competitors. Thus, building good customer relationships is critical to maintaining the company's position in a competitive market. Fitri's research supports this study's results (2019: 1), Oktaviani and Anggraini (2022), and Hidayat 2020, which state that Relationship marketing affects customer loyalty.

Corporate image has a significant impact on customer satisfaction. This finding demonstrates that the higher the corporate image, the higher the customer satisfaction with a product. This research is consistent with the theory that corporate image strongly influences customer satisfaction; as corporate image improves, so does customer satisfaction. Suci and Imas's (2019) research demonstrates that
Corporate image has a favorable and significant impact on customer satisfaction, which aligns with this. Customer satisfaction occurs when consumers are satisfied with their purchased and used products or services. As a result, they will tend to use the products or services the company offers again. This phenomenon plays a vital role in building customer loyalty. When consumers are satisfied with their experience using a product or service from a company, they will have higher trust in the company (Rahmawati 2021; Yuliyana et al. 2023). Customer loyalty is a valuable asset for companies because loyal customers tend to shop more frequently, recommend the company to others, and contribute positively to the corporate image. Therefore, companies must ensure customer satisfaction to achieve sustainable success and growth.

Relationship marketing has a significant impact on customer loyalty. These findings indicate that customer loyalty to a product is proportional to the level of relationship marketing. The results of this study are supported by prior research conducted by Handayani and Syarifudin in 2022. At the very least, relationship marketing requires long-lasting relationships, continuous exchanges, and mutual reliance and trust. Companies must be capable of sustaining and enhancing service quality for consumers to be remembered. Likewise, research conducted by Torman and Asanawati (2016); (and Mulyadi and Susanti, 2018) shows that the better the relationship marketing between companies and consumers, the better the customer satisfaction will be.

Customer loyalty is influenced positively by customer satisfaction. The greater customer loyalty to a product, the more significant customer satisfaction. Companies can increase customer loyalty by providing superior and satisfying service, which positively affects achieving business objectives. Research by Siswadi et al. (2018) supports the findings of this study. Customer loyalty comprises several components, one of which is quality service, which involves a combination of human qualities reflected in personal behavior and attitudes when interacting with customers. Customers have an essential role in the continuity and success of the company. Other studies supporting the results of this study are Putri (2017), Semaranata and Telagawathi (2022), and Missy Salim and Rodhiah (2022) also show a significant influence between customer satisfaction and customer loyalty. As a result, many companies use customer loyalty development programs that focus on customer satisfaction as an assessment standard. For companies, maintaining service quality is an important strategy to achieve the goal of maintaining customer loyalty.

Customer loyalty is strongly influenced by corporate image. The direct effect of corporate image on customer satisfaction and the immediate product of customer satisfaction on customer loyalty have a significant impact; thus, there is a significant indirect effect between the indirect result of service quality and customer loyalty via customer satisfaction. This indicates that customer satisfaction serves as a partial mediating variable. Corporate Image is an essential element that attracts consumer interest, especially in brands that are well-known for their quality. Apart from the company image, customers also want a store atmosphere that is comfortable, pleasant, and easy when shopping for products or services. Rahmawati (2021) said that Corporate Image can increase loyalty through the intermediary of satisfaction as an intervening variable. Evaluating the satisfaction and loyalty consumers have attained must always come after efforts to foster customer satisfaction and belief. This is in line with the research conducted by Budi (2022) and Suminto & Maharani (2020), who also said that Corporate Image significantly affects Customer Loyalty and Consumer Satisfaction. In this context, the impact of Corporate Image on Customer Loyalty will be influenced by Customer Satisfaction as a mediating factor. This means that the level of customer satisfaction will affect how much the company's image can impact customer loyalty. So that customer satisfaction is high, the positive influence of corporate image on customer loyalty tends to be stronger.

Customer satisfaction is directly influenced by relationship marketing, and customer satisfaction is directly influenced by customer loyalty. Service quality has a significant indirect influence on customer loyalty through customer satisfaction. This indicates that customer satisfaction successfully mediates the relationship between these variables as a form of partial mediation. This research is supported by Tariq and Akbar (2018), who demonstrate that customer satisfaction positively influences customer loyalty. Customer loyalty is substantially affected by relationship marketing. A meaningful indirect relationship exists between service quality and customer loyalty via customer satisfaction. This demonstrates that partial mediation in the form of customer satisfaction successfully mediates the relationship between these variables. This research is supported by Tariq and Akbar (2018). Gaining customer loyalty is more straightforward than maintaining it. Therefore, providing the best service to create customer satisfaction is essential to building good relationships between companies and consumers (Amaliyah, 2018). Relationship marketing can foster a positive, loyal attitude toward consumers, and customer satisfaction significantly influences loyalty. The level of customer satisfaction will affect the effectiveness of Relationship Marketing in creating customer loyalty. By understanding the role of Customer Satisfaction as a mediating factor, companies can adjust and improve their Relationship Marketing strategies to create a more positive customer experience.

Conclusions

Customer loyalty can be influenced by corporate image and relationship marketing. A positive company image and implementing customer-focused marketing strategies can increase customer loyalty by fostering positive perceptions and brand loyalty. Furthermore, corporate image and relationship marketing have a significant positive impact on customer satisfaction. Customer satisfaction has a significant positive impact on customer loyalty. Customer satisfaction is essential for fostering brand loyalty and the desire to engage in repeat business. Customer satisfaction can mediate the relationship between corporate image and relationship marketing regarding customer loyalty. Suppose the level of customer satisfaction is high. In that case, the positive influence of corporate image and marketing strategies focusing on customer relationships will be strong so that customer loyalty will be stronger.
This study provides a theoretical contribution by bolstering previous theories and research, and it is hoped that these findings will serve as a resource for future studies. This research adds value for SMEs to continue the uniqueness of each product brand and maintain good relationships with customers to increase consumer loyalty and lead to the success and profit of SMEs.

The limitation of this study is the possibility of biased responses from respondents, which means that the results may not be objective and cannot be generalized to other SMEs. For further research, a larger sample size can be used to look for other alternative mediating variables as an update in determining customer loyalty. Also, the next research can expand the analysis with other variables.

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**References**


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