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The Impact of Price Attractiveness and Promotion Strategies on Customer Satisfaction at PT Java Tectona

Abdul Saboor Afzalehrari[1*], M. Ridwan Basalamah[2], Nurhidayah Nurhidayah[3]
Universitas Islam Malang, Jawa Timur, Indonesia[1,2,3]
afzalehrariabdulsaboor@gmail.com[1*], ridwanbasalamah19@gmail.com[2], aya@unisma.ac.id[3]

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Abstract

Purpose: This study investigates the impact of pricing and promotion strategies on customer satisfaction at PT Java Tectona, specifically addressing the company's challenge of optimizing marketing effectiveness.

Research Methodology: A quantitative approach was applied using PLS-SEM via SmartPLS. Data were collected through saturated sampling of 40 customers who made purchases between June and September 2023. Results: The findings indicate that most respondents perceived product prices positively. Pricing positively and significantly influences customer satisfaction, whereas the current promotional strategies show no significant effect.

Results: The findings show that Most respondents had a positive perception of the company's product prices. Pricing positively and significantly affects customer satisfaction. Discounts are considered more attractive than website promotions and company recommendations. However, promotions have no significant effect on customer satisfaction.

Conclusion: Competitive pricing is the primary driver of satisfaction at PT Java Tectona. The ineffectiveness of current promotions indicates the need for strategic realignment toward targeted marketing.

Limitations: This study only involved 40 customers from a single company and covered a limited research period.

Contribution: This study extends customer satisfaction theory by showing that price fairness is more influential than generic promotions among high-income customers.

Keywords: *Customer Satisfaction, Pricing Strategy, Promotion Effectiveness*

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1. Introduction

The intensity of market competition demands that companies design marketing strategies that not only attract customers but also create long-lasting post-purchase satisfaction (Huong & Tien, 2023). For businesses such as PT Java Tectona, ensuring that its product offerings and marketing initiatives generate positive customer evaluations is critical. Despite implementing personal selling and various sales initiatives, PT Java Tectona faces challenges in translating these efforts into optimal Customer Satisfaction (CS). Preliminary observations indicate a potential misalignment between the promotional channels utilized and the actual preferences of their target demographic, raising urgent questions about the effectiveness of their current marketing mix

Customer satisfaction is an important indicator for assessing a company's ability to provide value that matches customer expectations. Customer satisfaction can be understood as an evaluative response that arises when customers compare the expected benefits with the actual performance they experience after consumption (Huong & Tien, 2023). Customers tend to feel satisfied when the performance of a product or service meets or exceeds their expectations. Conversely, dissatisfaction can arise when the value received is lower than the expected value of the product. Therefore, customer satisfaction is not only influenced by one attribute but is formed through the evaluation of various dimensions of the offer (Bahtiar et al., 2023). These dimensions include product quality, service quality, price suitability, accessibility, promotional communication, functional benefits, and seller reliability (Li et al., 2023). In the context of service, satisfaction can be influenced by a company's ability to consistently meet customer needs and expectations (Huong & Tien, 2023).

Evidence from various sectors suggests that customer satisfaction is affected by a combination of technical and nontechnical attributes. Customers can judge offers not only by the core quality of the product but also by its price, availability, and suitability to their practical needs (Bahtiar et al., 2023). Positive customer sentiment can also be formed through favorable prices, trustworthy brands, good product quality, effective functions, responsive service, attractive appearance, fast delivery, and cost performance value (Li et al., 2023). Thus, customer satisfaction is formed through an integrated evaluation of the benefits, costs, and experiences obtained by customers when purchasing and using products or services.

One important factor that can affect customer satisfaction is price attractiveness. Price has a strategic position in the marketing mix because it represents the monetary sacrifice that customers must make to benefit from a product or service (Cahaya et al., 2023). Price is also related to the customer's perception of the suitability of the value received for the costs incurred (Muthi & Utama, 2023). In addition, price is a flexible marketing instrument because it can be adjusted to market conditions, competitive pressure, purchasing power, and customer value perception (Cahaya et al., 2023). A price that is considered reasonable can create a perception of fairness when customers judge that the benefits received are proportional to the costs incurred (Muthi & Utama, 2023). Conversely, inappropriate pricing can lower purchase interest and satisfaction when customers feel that economic sacrifices are not in line with the value offered by the company (Nguyen et al., 2025).

However, the influence of price on customer satisfaction is not always consistent across research contexts. Customer satisfaction can mediate the relationship between price and repurchase intent, so that reasonable pricing can drive future purchasing behavior through positive customer evaluation (Muthi & Utama, 2023). Customers may also be willing to pay a premium price when a product is judged to have quality, brand loyalty, and strong brand associations (Nguyen et al., 2025). In contrast, price does not always have a significant partial influence on customer satisfaction in a given context, although price, promotions, and product quality can simultaneously explain variations in customer satisfaction (Cahaya et al., 2023). The difference in findings shows that the influence of price attractiveness on customer satisfaction needs to be empirically tested according to the characteristics of the company and customer being studied.

In addition to price, promotional strategies are important in shaping customer satisfaction. Promotions communicate product information, explain benefits, attract customer attention, and encourage purchase responses (Cahaya et al., 2023). Promotions can also help companies communicate product value to customers more clearly (Muthi and Utama, 2023). Promotional activities include advertising, personal sales, direct marketing, discounts, product samples, special offers, and various short-term incentives designed to increase customer interest (Madhu et al., 2023). Effective promotion not only increases product visibility but also helps customers understand the value the company offers and reduces uncertainty before making a purchase (Kaur et al., 2023). Therefore, promotions must be assessed based on relevance, message clarity, timeliness, and the ability to meet customer information needs (Suryati et al., 2025). In the context of services, promotions can also be part of a company's efforts to build a positive perception of customers towards the offers provided (Huong & Tien, 2023).

Previous research has shown that promotions can affect customer satisfaction, trust, and loyalty. Promotion and advertising are factors that affect customer satisfaction with public Internet services in Vietnam (Huong & Tien, 2023). Promotions also have a direct and indirect influence on the loyalty of Islamic banking customers through their trust (Basrowi et al., 2023). Additionally, customer satisfaction can mediate the relationship between promotions and purchase intentions (Muthi & Utama, 2023). The findings suggest that promotions do not necessarily result in direct repurchases but can work through increased customer satisfaction and trust.

However, the effectiveness of promotions can vary according to industry characteristics, marketing channels, and customer behavior. In a digital purchasing environment, customers can respond differently to promotional stimuli based on their purchasing motives, needs, and tendencies (Madhu et al., 2023). Promotions have a more limited effect on customer satisfaction than convenience, ease of use, comparison, and search for variations in online shopping in Bangladesh (Karim et al., 2024). Customer satisfaction in online shopping can also be influenced by the design, usability, and trustworthiness of a website (Guo et al., 2023). In the context of broader organizational communication, communication transparency can indirectly increase relationship satisfaction through trust in systems and organizations (Park & Yoon, 2024). The findings reinforce the view that customer satisfaction is influenced by how customers receive, understand, and trust the information a company provides.

Understanding satisfaction needs to be placed according to the context of the object being studied. Research on job satisfaction among remote workers shows that relational experiences can contribute to the formation of satisfaction (Buonomo et al., 2023). Although job satisfaction differs from customer satisfaction, the findings show that satisfaction is a context-dependent construct. In customer research, satisfaction evaluations must be directed at attributes, interactions, and experiences that are directly relevant to the company's customers (Huong & Tien, 2023). Therefore, customer satisfaction cannot be separated from the characteristics of the product, the way the company interacts with the customer, and the value the customer feels after making a purchase (Li et al., 2023).

In the context of PT Java Tectona, the company is described as implementing promotional activities such as personal sales and other sales initiatives to communicate its products to potential customers. Personal selling activities are relevant because they allow companies to directly explain the benefits of their products to potential customers. Direct interaction also helps companies understand customer needs and respond to questions before purchasing decisions are made (Suryati et al., 2025). In addition to promotion, pricing policy is also an important part of PT Java Tectona's marketing practices because prices are related to the perception of customer value. A price that is perceived to be appropriate can strengthen the positive evaluation of the customer of the products offered (Muthi and Utama, 2023). However, the effectiveness of price attractiveness and promotional strategies implemented by PT Java Tectona in shaping customer satisfaction cannot be assumed without empirical testing.

Based on this description, the problem of this research lies in the unclear extent to which price attractiveness and promotional strategies affect customer satisfaction at PT. Java Tectona. Previous research has examined the relationship between price, promotion, and customer satisfaction in the context of retail and e-commerce (Cahaya et al., 2023). This relationship has also been studied in the context of public Internet services (Huong & Tien, 2023). Previous research has also addressed customer satisfaction in the context of digital shopping (Karim et al., 2024). Other studies have also highlighted customer satisfaction through product attributes, pricing, and purchase experience (Bahtiar et al., 2023). Quality, function, service, and cost-value factors have also been linked to positive consumer sentiment (Li et al., 2023). In the context of sustainable products, the perception of value and willingness to pay a premium price are also part of the customer's evaluation (Nguyen et al., 2025). However, these findings cannot be directly transferred to PT Java Tectona because each company has different product characteristics, communication strategies, customer interactions, and market expectations.

The differences in the results of previous research show that the influence of price and promotion on customer satisfaction is contextual. Price attractiveness can affect customer evaluation in one context, but it does not always have the same influence in other contexts (Cahaya et al., 2023). Promotional strategies can also have different influences depending on customer behavior and the characteristics of the marketing channels used (Karim et al., 2024). Therefore, this study aims to obtain empirical evidence regarding the relationship between price attractiveness, promotion strategies, and customer satisfaction in a specific research object, namely PT Java Tectona.

While previous studies in retail and e-commerce highlight the strong impact of promotions on satisfaction (Cahaya et al., 2023); (Huong & Tien, 2023), the unique characteristics of PT Java Tectona's customer base present a distinct research gap. Therefore, this study uniquely contributes to the literature by evaluating whether standard pricing policies and promotional practices remain effective for a specific, high-income entrepreneurial demographic, thereby providing targeted empirical evidence that broad industry studies fail to capture.

This study aimed to examine the influence of price attractiveness and promotion strategies on customer satisfaction at PT Java Tectona. The main motivation for this study is the need to obtain empirical evidence regarding whether a company's pricing policies and promotional practices can produce positive customer evaluations. This research is also important because customer satisfaction can be the basis for companies to improve their marketing strategies and relationships with customers (Muthi & Utama, 2023). The results of this study are expected to make a practical contribution to PT Java Tectona in designing a more effective marketing strategy. This study is also expected to enrich academic discussions on the influence of prices and promotions on customer satisfaction in a specific and competitive business context (Suryati et al., 2025).

2. Literature Review and Hypotheses Development

This study uses Customer Value Theory to explain the relationship between price, promotion, and customer satisfaction. This theory places customer value as a result of a comparison between the benefits that customers receive and the costs incurred to acquire a product or service. According to Woodruff (1997) Customer value is the customer's perception of the benefits obtained from a product or service compared to the costs incurred. In the context of this research, customers will evaluate whether the prices and promotions offered by PT Java Tectona are in accordance with the quality and benefits of the products they receive

This study uses Customer Value Theory by Woodruff (1997) as the primary theoretical lens to explain the mechanisms linking price, promotion, and customer satisfaction. According to this theory, customer value is formed through a cognitive trade-off between the perceived benefits and incurred costs. While previous studies have extensively applied this theory to conventional retail and broad e-commerce platforms (Karim, Islam, Ibrahim, Pan, & Rahman, 2024; Muthi, & Utama, 2023), a critical gap remains in understanding how these value dimensions operate within specialized, high-involvement markets such as PT Java Tectona. This study extends the existing knowledge by synthesizing how monetary sacrifices (price) and informational benefits (promotion) jointly shape the evaluative response (Customer Satisfaction) of a specifically affluent, entrepreneurial demographic. In this context, customers do not merely evaluate nominal prices or generic discounts; rather, they assess whether the pricing structure and promotional relevance logically align with the premium quality and long-term utility of the products they receive from the brand.

2.1 Pricing

Price is a financial representation of the value of a product or service and reflects the costs that consumers are willing to incur to obtain certain benefits. In contrast to other elements of the marketing mix, prices can be adjusted in a relatively short time and have a direct influence on a company's revenue. In relation to customer satisfaction, consumers not only consider the amount of the price nominally but also assess its fairness, transparency, and conformity with the quality of the product and the benefits obtained. Discounts can affect consumers' price perceptions and satisfaction levels (Guan et al., 2022). Pricing practices can also shape consumers' perceptions of price fairness

(Chen et al., 2023). The relationship between price and customer satisfaction can be mediated by service quality (Brucal et al., 2022). Price has also been shown to play a role in increasing customer satisfaction when customers judge that the costs incurred are proportional to the quality of service and the benefits obtained (Lesnussa et al., 2021). Customer perceived value contributes positively to customer satisfaction, although price sensitivity does not always have a direct influence (Lin et al. 2022). Price is an important factor in shaping customer satisfaction because customers tend to evaluate the suitability between the value of the product, the benefits received, and the costs to be paid (Nikmah et al., 2022). Price fairness and economic value are also important aspects of shaping customer evaluations (Soelasih et al., 2024; Yao et al., 2025). Therefore, the pricing strategy needs to consider the competitive aspect as well as the suitability between the price and the benefits felt by the customer. Synthesizing these prior findings reveals a theoretical debate: while some studies argue that price sensitivity diminishes among higher-income consumers (Lin et al., 2022), others emphasize that price fairness remains a universal driver of value and satisfaction regardless of economic status (Chen et al., 2023). This research bridges this divergence by testing how price attractiveness functions not only as a cost metric but also as an indicator of trust and fairness within a premium market setting.

2.2 Promotions

Promotion is a series of strategic communication activities carried out by companies to inform, influence, and remind customers about products or services through advertising, personal sales, sales promotions, and public relations. Effective promotions are not only aimed at attracting customers' attention but also need to provide clear, relevant, and easy-to-obtain added value. Promotional benefits, such as discount coupons and free shipping services, can affect customer behavior if the conditions imposed are considered reasonable by customers (Prasetyo et al., 2021). Customer responses to promotions can differ based on the characteristics of the customer segment, as some customers are more interested in discounts, while others prefer coupons (Wen & Ha, 2024). Integrated promotions can also support customer experience in omnichannel marketing (Khalid, 2024). Sales promotion is one of the factors related to the value that customers perceive (Soelasih et al., 2024). Promotions also shape customer satisfaction when they are perceived as beneficial and in accordance with customer needs (Yao et al., 2025). Thus, promotional strategies must be tailored to customer characteristics, communication channels used, and practical benefits offered. A critical synthesis of the existing literature highlights a boundary condition in promotional effectiveness. While studies often find that promotions directly drive satisfaction through immediate utilitarian benefits (Prasetyo et al., 2021), emerging research suggests that standard promotional tools have a limited impact if they fail to resonate with the overarching brand value or specific lifestyle of the target market (Karim et al., 2024). This study extends this discourse by evaluating whether traditional promotional mechanisms hold the same psychological weight as price fairness in shaping the satisfaction of specialized customer segments.

2.3 Customer Satisfaction

Customer satisfaction is the evaluation of the gap between initial expectations and the actual performance of a product or service after use. Satisfaction arises when perceived performance meets or exceeds customer expectations, whereas dissatisfaction occurs when the performance of a product or service is below customer expectations. Customer satisfaction is multidimensional because customers can consider various aspects of the purchase experience, including price, quality of service, product benefits, information availability, and promotional value. Perceived value is subjective and dynamic because customers can judge the value of a product differently based on their expectations and experiences (Ilieva et al. 2022). Customer satisfaction can also be influenced by product, logistics, and platform-related factors (Guan et al., 2022). Customer satisfaction positively contributes to word-of-mouth communication and repurchase intentions (Lin et al., 2022). Customer satisfaction is also related to the sustainability of product or service use and the formation of long-term relationships with customers (Khalid, 2024; Soelasih et al., 2024; Yao et al., 2025). In the context of PT Java Tectona, customer satisfaction is estimated to be influenced by a price strategy that is in accordance with the value of the product and promotional activities that can convey benefits in a relevant manner to customers.

2.4 Developmental Hypotheses

2.4.1 The Influence of Price on Customer Satisfaction

Grounded in Customer Value Theory, price represents the economic sacrifice customers evaluate against the perceived utility of a product (Woodruff, 1997). When a pricing strategy aligns with the customer's internal reference price and perceived fairness, cognitive dissonance is reduced, directly increasing satisfaction (Ahmed et al., 2022). This theoretical foundation explains the mechanism underlying the relationship between price and satisfaction.

Price is a key consideration in a customer's evaluation of a product's value because it reflects the trade-off between the costs incurred and the benefits obtained (Samosir et al., 2024). Customers tend to be satisfied if the price paid is considered fair and in accordance with the quality and benefits received from the product (Cahaya et al., 2023; Rendiansyah and Putra, 2024). Conversely, when customers judge that the price is not proportional to the value obtained, their satisfaction level tends to decrease (Amoako, 2022; Bata Ilyas & Mustafa, 2022). Various empirical studies have shown that price plays an important role in shaping customer satisfaction in various contexts (Akmala & Panjaitan, 2023). In particular, the perception of price fairness has been identified as an important factor that influences customer satisfaction, as it determines how customers evaluate the overall value of the product and the buying experience (Ahmed et al., 2022).

H_1: Price positively affects customer satisfaction

2.4.2 The Influence of Promotions on Customer Satisfaction

Promotions serve as a critical external stimulus that reduces information asymmetry between firms and customers. By providing clear, relevant added value, such as targeted discounts or informative personal selling promotions, the overall perceived value of the transaction is enhanced, which is a key antecedent to customer satisfaction (Yao et al., 2025).

Promotions are used to attract customers' attention, convey product information, and provide added value through specific offers. When customers find promotional activities relevant and rewarding, they tend to have a more positive buying experience, which improves customer satisfaction. Promotions have been found to significantly affect customer satisfaction in previous studies (Bata Ilyas & Mustafa, 2022; Cahaya et al., 2023). Similar findings were reported by Lesnussa et al. (2021), who identified promotion as a factor that affects customer satisfaction. Other studies further support that the right promotional strategy can contribute to higher customer satisfaction when promotions are relevant, informative, and aligned with customer needs (Akmala & Panjaitan, 2023; Huong & Tien, 2023).

H_2: Promotions positively affect customer satisfaction

2.5 Conceptual Framework

Based on previous theoretical studies and explanations, this study develops a conceptual framework to understand the relationship between price, promotions, and customer satisfaction. Price is often seen as a key factor that directly affects how customers evaluate a product, whereas promotions help communicate value and capture customers' attention. In this study, price (X_1) and promotion (X_2) were treated as independent variables, whereas customer satisfaction (Y) was the dependent variable. The framework assumes that both variables can affect customer satisfaction, although the strength of their impact may differ. The

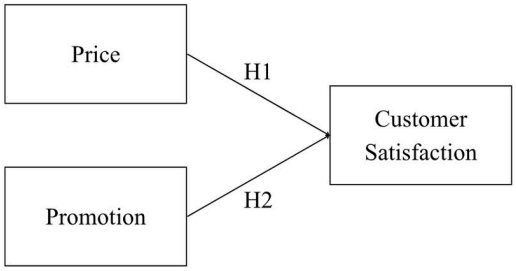


Figure 1. Conceptual framework

The conceptual model of this study is shown in Figure 1. The conceptual framework describes the direct relationship between the independent variables, that is, price (X_1) and promotion (X_2), and the dependent variable, customer satisfaction (Y). It is hoped that these two variables contribute to shaping customer satisfaction, either positively or insignificantly depending on their effectiveness.

3. Research Methodology

This study uses a quantitative approach to test the relationships between variables and prove the hypotheses formulated. The object of this research is PT Java Tectona's customers as an analysis unit. The quantitative approach was chosen because this study aimed to systematically measure the influence between variables through numerical data and statistical analysis. Specifically, this study analyzes the influence of price and promotions on customer satisfaction.

This study uses primary data and secondary data. Primary data were obtained through a survey using a questionnaire distributed to PT Java Tectona customers. The questionnaire was compiled to obtain information about the respondents' perceptions of each variable in the research model. Secondary data were obtained from various relevant academic sources, such as books, journal articles, and previous research. Secondary data were used to support the theoretical foundation, explain the relationships between variables, and strengthen the formulation of research hypotheses.

The population in this study consisted of 40 customers of PT Java Tectona from June to September 2023. Owing to the relatively limited population, this study used saturated sampling techniques. The saturated sampling technique is a sampling method that makes all members of the population research respondents. Thus, the number of samples used in this study was 40 respondents.

The measurement indicators for the variables were adapted from the established marketing literature to ensure content validity. The Price variable was measured using three items focusing on price fairness and affordability, Customer Satisfaction was measured using three items reflecting overall experience and expectation fulfillment, and Promotion was measured using three items assessing message clarity and offer attractiveness. All questionnaire items were evaluated using a 5-point Likert scale ranging from 1 (Strongly Disagree) to 5 (Strongly Agree). The collected data were then processed and analyzed using SmartPLS software. SmartPLS was used to evaluate the measurement models and test the relationships between variables in the structural models. Through this analysis, this study can determine whether the proposed hypothesis is supported by empirical data obtained from PT Java Tectona's customers.

4. Results and Discussions

4.1 Results

Table 1. Respondent characteristics

Characteristic	Category	Percentage (%)
Gender	Men	47.5
	Women	52.5
Age	20–30 years	42.5
	31–40 years	22.5
	41–50 years	27.5
	51–60 years	7.5
Occupation	Not working yet	0
	Students	17.5
	SOEs Employees	12.5
	Civil Servants	2.5
	Private Employees	15
	Entrepreneurship	40
	Freelancers	7.5
	IRT (Housewife)	2.5
	TNI-AD	2.5
Income	< IDR 1,000,000	10
	IDR 1,000,001–2,000,000	10
	IDR 2,000,001–3,000,000	10
	IDR 3,000,001–4,000,000	12.5

The respondents were dominated by women (52.5 %), while men accounted for 47.5%. The majority of respondents were aged 20-30 years old with a percentage of 42.5%. Based on employment, the entrepreneurial group had the largest proportion (40 %), followed by students at 17.5% and private employees at 15%. Meanwhile, in terms of income, most respondents (52.5 %) had an income above IDR 5, 000, 000 per month. In general, the characteristics of the respondents show the dominance of the young adult group, with an entrepreneurial background and a relatively high level of income. Table 1 presents the respondents' characteristics.

Table 2. Test validity

Item	Pricing	Customers Satisfaction	Promotions
H_1	0.884		
H_2	0.853		
H_3	0.862		
KP_1		0.923	
KP_2		0.870	
KP_3		0.895	
Page 1			0.740
Page 2			0.683
Page 3			0.664

All indicators in the price, customer satisfaction, and promotion variables showed adequate validity values. For the Price variable, the indicator value is in the range of 0.853–0.884, while the Customer Satisfaction variable has a value between 0.870–0.923. Meanwhile, the indicator on the Promotion variable is in the range 0.664–0.740. Using a minimum limit of 0.60, all indicators were declared valid and suitable for use in subsequent analyses. The validity test results are presented in Table 2.

The reliability testing technique in this study used the Cronbach alpha coefficient with a significance level of 5%. The instrument is declared reliable if Cronbach's alpha (α) value is greater than 0.60, indicating that the statement item in the questionnaire has acceptable internal consistency. Thus, the reliability of all variables in this study was evaluated based on the Cronbach alpha values obtained. The results of the reliability testing for these three variables are presented in Table 3.

Table 3. Reliability test

	Alpha Cronbach	Composite reliability (rho_a)	Composite reliability (rho_c)	Average Ariance Extracted (AVE)
Pricing	0.834	0.839	0.900	0.751
Customers Satisfaction	0.877	0.882	0.924	0.803
Promotions	0.468	0.468	0.738	0.727

Table 3 shows that the results of the reliability test on the price and customer satisfaction variables have a number above 0.5 Then the price variable, and customer satisfaction are declared reliable. Even if the promotional variable has a value below <0.5= 0.468, which is smaller than <0.5, it is declared that the promotional variable is unreliable.

Hypotheses testing was conducted to determine the influence of price and promotion on customer satisfaction. This test is based on statistical values T and P to determine whether the relationship between variables in the research model is significant. The results of the hypothesis testing are shown in Table 4.

Table 4. Path coefficients

Relationships	Statistics T	Table T	P value	Ket Groaning
Customer Satisfaction → Price	7.223	1.68	0.000	Accepted
Customer Satisfaction → Promotions	0.349	1.68	0.727	Rejected

The first hypothesis states that price significantly affects customer satisfaction. The results showed that the t-count value was 7.223, which was greater than the t-table value of 1.68. In addition, its significance value was 0.000, which is lower than 0.05. Therefore, the first hypothesis is accepted as true. These findings show that price has a significant effect on customer satisfaction.

The second hypothesis states that promotions do not significantly influence customer satisfaction. The results showed that the t-count value was 0.349, which was lower than the t-table value of 1.68. The significance value was 0.727, which was greater than 0.05. Therefore, the second hypothesis is rejected in this study. These results show that promotions have no significant effect on customers' satisfaction.

4.2 Discussion

These findings suggest that the promotional strategies implemented by companies may not be in line with customer expectations, thus reducing their effectiveness in influencing customer satisfaction. This suggests that customers may find promotional efforts less valuable than pricing strategies, highlighting the need for a more targeted and relevant approach to promotion.

4.2.1 The Relationship Between Price and Customer Satisfaction

The results of this study show that price has a positive and significant relationship with customer satisfaction. This means that customer satisfaction increases when customers consider the prices offered by PT Java Tectona fair, reasonable, and in accordance with the benefits they receive. In this relationship, price serves as an important factor in customer evaluation, as customers compare the amount of money they spend with the value, quality, and usability of the product. When the price is considered proportional to the benefits of the product, customers are more likely to feel satisfied.

These findings show that price is an important determinant of customer satisfaction at PT Java Tectona.

Good price perception can strengthen customer satisfaction because customers feel that the product provides appropriate value for the cost they pay for it. These results are in line with previous research that states that prices can affect customer satisfaction when customers perceive the price to be reasonable and consistent with the product's value (Ahmed et al., 2022; Amoako, 2022; Bata Ilyas & Mustafa, 2022; Rendiansyah & Putra, 2024). These results are also in line with Lesnussa et al. (2021), who indicated that price can affect customer satisfaction through the perception of value that customers receive. These findings are also supported by Nikmah et al. (2022), who explain that price plays a role in shaping satisfaction when customers judge the compatibility between cost, benefit, and quality obtained.

4.2.2 The Relationship Between Promotion and Customer Satisfaction

The results of this study show that promotions are not significantly related to customer satisfaction. This means that the promotional activities carried out by PT Java Tectona do not directly increase customer satisfaction. Although promotions are generally used to attract attention, communicate product information, and drive purchase interest, the findings suggest that customers do not consider promotions a major factor in determining their satisfaction.

This insignificant relationship can be critically explained by the specific demographic profile of PT Java Tectona's customers. Based on the respondents' characteristics, 40% were entrepreneurs, and 52.5% had a high income level exceeding IDR 5,000,000 per month. This professional and affluent demographic typically prioritizes core product quality, functional value, and long-term price fairness over generic promotional gimmicks and short-term discounts. Furthermore, standard promotional activities, such as generic website banners or basic personal selling, may lack the personalization and sophistication required to effectively engage this segment. Consequently, while promotions might inform customers, they do not serve as a primary driver of overall satisfaction.

These findings differ from those of previous studies that found that promotions have a significant effect on customer satisfaction (Bata Ilyas & Mustafa, 2022; Cahaya et al., 2023). However, the results of this study confirm that the effect of promotions on satisfaction can vary depending on the company context, customer characteristics, promotional media, and appeal of promotional offers but is consistent with the broader view that promotional effectiveness varies according to customer segments, channels, time, and perceived value (Karim et al., 2024; Khalid, 2024; Madhu et al., 2023)

5. Conclusions

5.1 Conclusion

This study aims to analyze the influence of pricing and promotion strategies on customer satisfaction at PT Java Tectona using a quantitative approach with SmartPLS. The results show that price has a positive and significant influence on customer satisfaction, which indicates that customer perception of price suitability with product quality and benefits is the main factor in determining the level of satisfaction. The better the customer's perception of the prices offered by the company, the higher their satisfaction. However, an improper pricing strategy can lower customer satisfaction.

Promotional variables have not been proven to have a significant influence on customer satisfaction. This shows that the promotional activities carried out by PT Java Tectona have not been able to fully meet expectations or effectively attract customer attention. Companies need to re-evaluate their promotional strategies to be more relevant, on target, and in line with customer needs. Overall, this study emphasizes that price is the dominant factor in increasing customer satisfaction, while the effectiveness of promotions still needs to be strengthened to have a more optimal impact on customer satisfaction**.**

5.2 Research Limitations

This study provides insights into the influence of pricing and promotion strategies on customer satisfaction at PT Java Tectona; however, there are some limitations that need to be considered. First, the number of samples used is relatively small, namely only 40 respondents, which limits the level of generalization of research results to a wider population. In addition, the study focused only on one company in a specific industry context; therefore, the results may not necessarily apply to other

sectors with different business characteristics, consumer behaviors, and levels of competition. This approach also uses quantitative survey data based on self-reports; therefore, it has the potential to cause response bias and is unable to describe customer experiences and perceptions in depth.

Another limitation lies in the measurement instrument, where the promotional variable shows relatively low reliability, requiring improvement in the development of indicators in subsequent studies. In addition, this study only involves two independent variables, whereas customer satisfaction is a multidimensional construct that is also influenced by other factors, such as product quality, service quality, brand image, and customer experience. Therefore, further research is recommended to add other variables and use a more comprehensive approach, including the possibility of mixed methods or cross-industry studies, to improve the validity of external and in-depth analyses.

5.3 Suggestions and Directions for Future Research

Based on the limitations and findings of this study, several directions for further research can be considered. First, future research should increase sample sizes and involve respondents from a variety of demographic backgrounds and broader geographic areas to improve the generalization of results. In addition, researchers are advised to add other variables that have the potential to affect customer satisfaction, such as product quality, service quality, brand trust, and customer experience, to provide a more comprehensive picture of the factors that determine customer satisfaction.

In addition, future research may use a mixed-methods approach by combining quantitative and qualitative data, such as in-depth interviews or focus group discussions, to gain a richer understanding of customer perception and behavior. Given that the promotion variables in this study have not shown a significant influence, further research needs to explore the dimensions of promotion more specifically, such as the effectiveness of digital marketing, social media engagement, personalized promotions, and promotion implementation time. In addition, longitudinal studies are recommended to analyze changes in customer satisfaction over time as pricing and promotional strategies change to support more informed strategic decision-making in the long term.

Based on these findings, PT Java Tectona should maintain its competitive pricing strategy by implementing transparent, value-based pricing, ensuring that the cost strictly reflects the premium quality expected by its customers. Because current promotional efforts are ineffective, management must pivot from mass-market strategies to highly targeted customer engagement strategies. It is strongly recommended that the company establish an exclusive B2B loyalty program or VIP engagement channels tailored to its dominant entrepreneurial client base. Additionally, utilizing personalized marketing communications rather than generic sales pitches will better align with the preferences of high-income customers, thereby transforming promotional efforts into meaningful drivers of satisfaction.

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Author Contributions

ASA contributes to the preparation of research concepts, data collection, data processing, result analysis, and article manuscript writing. NN and MRB provided academic direction, guided the research preparation process, studied the manuscript content, and provided input on improving the

articles. All authors have read, reviewed, and approved the final version of the manuscript for publication.

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