



**THE EFFECT OF BRAND IMAGE AND  
PRODUCT QUALITY ON RE-PURCHASE INTENTION  
WITH CUSTOMER SATISFACTION AS INTERVENING VARIABLES  
IN CONSUMERS OF SKINCARE ORIFLAME USERS – A STUDY  
ON STUDENTS OF NORTH SUMATRA UNIVERSITY,  
FACULTY OF ECONOMICS AND BUSINESS**

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**Abstract:**

This study aims to determine the effect of brand image and product quality variables on repurchase intention through customer satisfaction on consumers who buy Oriflame skincare products at the University of North Sumatra. This type of research used quantitative research with a descriptive approach. In this study, the respondents were 100 students from the University of North Sumatra. Researchers collected data by distributing questionnaires to all respondents in this study. The results of descriptive statistics show that the majority of respondents expressed the perception of agreeing to all questionnaire statements distributed. The first sub-structural research results show that brand image has an effect on customer satisfaction with significance of 0.014 and product quality has an effect on customer satisfaction with significance of 0,000. The results of the second sub-structural research show that brand image influences repurchase intention with a significance of 0,000, product quality influences repurchase intention with a significance of 0.027 and customer satisfaction influences repurchase intention with a significance of 0,000. The path analysis test shows that customer satisfaction is not able to mediate between brand image and repurchase intention. On the other hand, customer satisfaction is able to mediate between product qualities and repurchase intention.

**JEL:** D11; D12; D21

**Keywords:** brand image, product quality, customer satisfaction, repurchase intention

## 1. Introduction

The phenomenon of the expansion in the domain of business ventures is currently growing rapidly. This can be seen from the developed level of competition between companies. The high level of competition requires each company to be able to become superior in order to conquest the market. At present, almost all business sectors experience a pretty severe shock due to high competition, and business ventures in the cosmetics sector are no exception. Business ventures especially in the field of cosmetics, is one of the areas that receives distinctive attention from business entrepreneurs at the present time. That is because at this point in time the needs of consumers for cosmetics are progressively higher.

Consumers consider cosmetics an essential that must be fulfilled on daily basis. As an industry which is related to beauty and body well-being, its development will largely depend on the market's desire to select the required facial care products. Currently, there are many beauty products that are trending in the market such as Oriflame, Erha Clinic, Natasha Skin Care, Miracle, LBC, and others. The rise of face care cosmetic products on the market today makes the competition tighter. Therefore, companies must be able to compete and be the preminent in creating cosmetic products with certain specifications of excellence, ranging from price, product design, quality and other advantages.

The rise of the concern of the hazards of using cosmetics has resulted in a high level of consumer alertness especially for facial care products on the market. This affects one's attitude towards the purchase and use of an item. Consumers are now beginning to be critical and meticulous in choosing which products they need and how they benefit. Purchasing a product is no longer based on rational thinking, but emotional and regional element have started to be used by consumers.

The diversity of products offered by competitors requires companies to produce products that fit the needs and desires of consumers. Seeing this, in general the company will attempt to win the hearts of consumers and decide to change the products manufactured by the company to suit consumer desires. Overall, consumers will go through phases in determining the product to be selected starting from the introduction of the problem, searching for information, evaluating alternative choices and then deciding to consume them. With the wide choice of products on offer, it requires companies to create strategies in retaining customers. According to Musaddad (2011), the way that can be done is to instill subjective perception to consumers when consuming goods or services so that consumers are interested in making repeat purchases.

Repurchase intention is an internal stimulus drive that strongly motivates action, where this impulse is influenced by positive feelings about the product (Kotler, 2016).

Repurchase intention is the development of consumer purchasing decision theory. Repurchase decisions occur after the consumer carries out a series of consumer purchasing processes, namely: problem recognition, information search, alternative evaluations, purchasing decisions and post-purchase behavior. Satisfaction obtained by a consumer from a product can encourage consumers to make repeat purchases, can even tell good things to others.

PT Oriflame is one of the cosmetics companies known to the public in Indonesia. Oriflame was founded in Sweden by Bengt Hellsten, two brothers Robert and Jonas of Jochnick and became an international beauty company with a direct sales system in more than 60 countries worldwide. ORIFLAME in Indonesia is entrusted to PT ORINDO ALAM AYU and started operating in 1986 in Jakarta, and opened branches in several cities in Indonesia, one of which is located in the city of Medan. The existence of Oriflame has received a positive response from both foreign and domestic market. However, due to the high level of competition between companies, especially in the cosmetics sector at this time, causing Oriflame is less in demand by consumers.

Based on pre-research results, there is a decrease in consumer purchasing interest for Oriflame skincare products. There are 53% of consumers who do not intend to try to repurchase other variations of skincare products offered by Oriflame. That is because consumers feel dissatisfied with Oriflame skincare products. Consumers say that the price of Oriflame skincare products does not match the quality of the goods, which causes consumers not to make repeat purchases. But there are 47% of consumers who argue that they want to try the latest skincare Oriflame products. In addition, there are 67% of consumers who do not want to buy Oriflame skincare products regularly. That is because consumers have found other better products that are able to meet their needs. But there are 33% of consumers who agree to make regular purchases, because they already get satisfaction from the product.

## **2. Literature Review**

### **2.1 Brand Image**

Brand image is a series of associations that are perceived by individuals all the time, as a result of direct or indirect experience of a brand (Tjiptono, 2011). Brand image is also part of a brand that can be recognized but might not be pronounced, such as symbols, special letter or color designs, customer perceptions of a product or service that the brand represents (Surachman, 2011). According to Schiffman and Kanuk (2010), brand image is a perception that lasts in the minds of every consumer, is formed through experience, and is relatively consistent.

From the above definition it can be concluded that brand image is the consumer's understanding of the distinctiveness of a product or company, in identifying and differentiating a product with competing products so as to cause consumer confidence

in the brand. According to Wicaksono (2007), a well-managed brand image will produce a positive impact, including:

- 1) Increase understanding of aspects of consumer behavior in making purchasing decisions.
- 2) Enrich the orientation of consumption towards matters that are more symbolic than the functions of the product.
- 3) Increase consumer confidence in the product.

Increase sustainable competitive advantage, considering that technological innovation is very easy to be emulated by competitors. According to Kotler and Keller (2016), brand image can be seen from:

- 1) Excellence brand association, one of the factors forming brand image is product excellence, where the product is deemed to excel in competition.
- 2) The strength of brand associations, each valuable brand has a soul; a special personality is fundamental obligation for brand owners to be able to express, to socialize this soul / personality in one form of advertising, or other forms of promotional and marketing activities. That is what will continue to be the link between the product / brand and the customer.
- 3) The uniqueness of a brand association is the inimitability owned by the product.

## 2.2 Product Quality

According to Kotler and Keller (2016), product quality is the ability of an item to provide results or performance that is in line even more than what the customer wants. Meanwhile, according to Schiffman and Kanuk (2007), product quality is the ability of a company to provide an identity or feature on each product so that consumers can recognize the product. Kotler and Armstrong (2016) state that "*product quality is the ability of products to carry out various functions including durability, reliability, accuracy, and ease of use*". Product quality serves to illustrate the extent to which these products can meet and satisfy consumer needs.

The higher the level of product quality, the higher the level of consumer satisfaction generated (Kotler & Keller, 2016). According to Wood (2009) high quality products are products that are able to excel in competing to meet consumer needs. These high-quality products can help companies attract new customers and retain old customers for higher profits. Based on these descriptions it can be concluded that product quality is the ability of a product to meet consumer needs and at the same time provide satisfaction for consumers. According to Tjiptono (2008) there are eight dimensions of product quality, these dimensions are:

- 1) Performance which is related to the main function of a product and is a core product characteristic that consumers consider when buying.
- 2) Durability, this dimension shows how long the product can be used.

- 3) Conformance to specifications i.e. the extent to which the level of suitability of the performance of a product in meeting predetermined standards based on consumer desires.
- 4) Features are additional characteristics that serve to complete the basic benefits of a product.
- 5) Reliability which is related to the possibility of a product successfully carrying out its functions every time it is used within a certain time period and conditions.
- 6) Aesthetics is the appeal of a product to the five senses. The aesthetics of a product can be seen through how the external appearance of a product, taste, or aroma, physical form, artistic model or design, color and so on,
- 7) Perceived quality (the impression of quality), namely consumer perceptions of the quality or excellence of a product.
- 8) Serviceability (ability to be improved), related to the speed, ease and competence of products to be improved.

### **2.3 Consumer Satisfaction**

Customer satisfaction is a central concept in business and management discourse (Tripjono, 2012). Satisfaction is a feeling of pleasure or disappointment from an individual who appears after comparing the performance of the product from being thought to expected. If performance is below expectations, the customer is not satisfied, if the performance meets expectations, the customer is satisfied and if the performance exceeds the expectations, customer is very satisfied or delighted (Kotler and Keller, 2016). Sunarto (2006) argues that customer satisfaction is related to the feelings of pleasure or disappointment of individuals. This appears after comparing between perception and impression of a product and its expectations. Increased customer satisfaction has the potential to lead to long-term and short-term sales growth, and market share as a result of repurchases.

Satisfaction is a measurement and assessment of customers about how well the service or product can meet the needs, including services that have been received from the purchase stage to the consumption or post-purchase stage (Narteh, 2015). According to Lovelock and Wirtz (2011) Satisfaction is an attitude that is based on the experience gained. Satisfaction is an assessment of the characteristics or features of a product or service, or the product itself, which provides a level of consumer pleasure related to the fulfillment of purchaser's consumption needs.

Based on the description above, the authors conclude that customer satisfaction or dissatisfaction is the gap between expectations before the purchase to the results felt after the purchase. Therefore, customer satisfaction is a level where the needs, desires and expectations of customers will be fulfilled through transactions that occur and are expected to result in repurchases. Customer satisfaction has several benefits, namely:

- 1) Harmonious relationship between the company and its customers.

- 2) Potential to be a source of future income (especially through repurchases, cross-selling and up-selling).
- 3) Encourage the creation of customer loyalty.
- 4) Form a word-of-mouth recommendation.
- 5) The company's reputation is good in the eyes of the customer.
- 6) Earnings obtained can be more and more increased.

According to Kotler's theory (2016), one of the keys to retaining customers is creating customer satisfaction. Indicators of customer satisfaction can be seen from:

- 1) Re-purchase where the customer will return to the company to look for goods / services.
- 2) Creating Word-of-Mouth: In this case, customers will say good things about the company to others prospective buyers.
- 3) Creating a Brand Image: Customers will pay less attention to brands and advertisements of competing products.
- 4) Creating a purchasing decision at the same company where consumers buy other products from the same company.

## 2.4 Repurchase Intention

According to Corin et al., quoted in Hendarsono and Sugiharto (2013) the notion of repurchase intention is customer behavior in which the customer responds positively to what has been given by a company and is interested in making a return visit or re-consenting the company's products. Nurhayati and Wahyu (2012) said that "*repurchase interest is the desire or action of consumers to repurchase a product, because of the satisfaction received as desired from a product*". Consumer confidence in a product causes consumers to make repeat purchases.

Repurchase according to Peter & Olson in Oetomo, et al. (2012) is a purchasing activity carried out more than once or several times. Satisfaction obtained by a consumer, can encourage someone to make a repeat purchase, be loyal to the product or loyal to the store where he bought the item so that consumers can tell good things to others. Thamrin and Francis (2012) said that "*repurchase interest is a buying interest based on the buying experience that has been done in the past*". High repurchase intention reflects a high level of satisfaction from consumers when deciding to take on a product. According to Hasan (2013), repeat intention to purchase can be identified through the following dimensions:

- 1) Transactional interest: i.e. one's tendency to buy products.
- 2) Referential interest: that is one's tendency to refer to others.
- 3) Preferential interest: that is an interest that describes the behavior of someone who has a primary preference on a product; this preference can only be replaced if something happens with the product's preference.

- 4) Explorative interest: this interest describes the behavior of someone who is always looking for information about the product of interest and looking for information to support the positive qualities of the same product.

According to Finna Anastasia Wijaya, Sugiono Sugiharto (2015) repurchase intention can be measured using the following indicators:

- 1) Willingness of consumers who will make a purchase;
- 2) The desire of consumers to make purchases in the future;
- 3) The desire of consumers to make repeat purchases.

### 3. Research Methods

This research was conducted at the Faculty of Economics and Business, University of North Sumatra. The population in this study were students of the Faculty of Economics and Business, University of North Sumatra, who are still active, who use Oriflame skincare products whose numbers are unknown. Sampling using the Wibisono formula in Riduwan and Akdon (2013) which is presented as follows:

$$n = \left( \frac{Z_{\alpha/2} \sigma}{e} \right)^2$$

$$n = \left( \frac{(1,96) (0,25)}{0,05} \right)^2$$

$$n = 96,04$$

#### Description

n = Sample size

$Z_{\alpha/2}$  = Normal Z score for 95% confidence level. In this study used  $\alpha = 5\%$ , so from the Z distribution

table was obtained  $Z_{\alpha/2} = 1,96$ .

$\sigma$  = Standard deviation = 0,25.

e = estimated error (maximum error rate), in this case a maximum error rate of 5% is specified

Based on the above calculation, the minimum required sample is 96.04. So that answers from respondents through a more representative questionnaire, the researchers set the number of samples is 100 respondents. Furthermore, the sampling technique used in this study is non-probability sampling, which is a sampling technique that does not provide an opportunity for equal opportunity for each element or member of the population to be selected as a sample (Sugiyono, 2012). The type of non-probability sampling used is accidental sampling. Riduwan and Akdon (2013) explained that accidental sampling technique is a technique of determining samples based on spontaneity factors, meaning that anyone who accidentally meets with a researcher and

in accordance with their characteristics can be used as a sample. The sample characteristics for the study were USU Faculty of Economics and Business students aged 18 - 60 years who were active and used Oriflame skincare products at least once.

The analytical method used in this study is the path analysis method, with the following equation:

- 1) Equation of the first sub-structural path:

$$Z = \rho_1 + \rho_2 +$$

- 2) Equation of the second sub-structural path:

$$Y = \rho_3 + \rho_4 + \rho_5 Z +$$

Description:

X<sub>1</sub> = Brand Image;

X<sub>2</sub> = Product Quality;

Y = Interest in Repurchase;

Z = Customer Satisfaction;

$\rho_1$  X<sub>1</sub> = Brand Image Path coefficient on Consumer Satisfaction;

$\rho_2$  X<sub>2</sub> = Product Quality Path Coefficient on Consumer Satisfaction;

e<sub>1</sub> = Other factors that influence the disclosure of Consumer Satisfaction;

$\rho_3$  X<sub>1</sub> = Brand Image Path Coefficient of Repurchase Intention;

$\rho_4$  X<sub>2</sub> = Product Quality Path Coefficient of Repurchase Intention;

$\rho_5$  Z = Customer Satisfaction Path Coefficient of Repurchase Intention;

e<sub>2</sub> = Other factors that influence Consumer Repurchase Intention.

## 4. Results and Discussion

### 4.1 Sub-Structure Path Analysis Results I

Hypothesis testing using t-statistics is obtained by looking at the relationship between variables. Statistical results with the help of SPSS software can be seen in the following table:

**Table 1:** Partial Test of t-statistics Sub-Structure I

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.213	.369		.578	.564
	<i>Brand Image</i>	.300	.120	.248	2.514	.014
	Product Quality	.640	.115	.550	5.575	.000

a. Dependent Variable: *Customer Satisfaction*

From Table 1 the equation is obtained:



$$\text{Customer Satisfaction} = 0.248 \text{ Brand Image} + 0.550 \text{ Product Quality}$$

### A. Effect of Brand Image on Customer Satisfaction

Table 1 shows the statistical testing for brand image variables on customer satisfaction obtained a significant value of 0.014. This test will be measured whether brand image is able to influence customer satisfaction. The statistical results can show that the significant value generated is 0.014, greater than the tolerance level of 5% or equal to 0.05, then the hypothesis can be accepted. From these results, it can be stated that brand image has an effect on customer satisfaction that is proven by the significant value generated.

### B. Effect of Product Quality on Customer Satisfaction

Table 1 displays the statistical results for the product quality variable on customer satisfaction produce a significant value of 0,000. Statistical testing is done to see whether product quality affects customer satisfaction. From the statistical results, it can be shown that a significant value of 0,000 is smaller than the tolerance level of 0.05, and then the hypothesis can be accepted. Because the significant value is less than 0.05, it can be concluded that product quality has an effect on customer satisfaction. To be able to see the results of the model in the first sub-structure can be seen in the following coefficient of determination table:

**Table 2:** Coefficient of Determination

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.751 <sup>a</sup>	.564	.555	.42168
a. Predictors: (Constant), Product Quality, Brand Image				
b. Dependent Variable: Customer Satisfaction				

It can be seen from Table 2 that the coefficient of determination is 0.555. This shows that the ability of the brand image variable and product quality to explain its effect on customer satisfaction is 55.5% obtained from (0.555 x 100) and the rest is (1-0,555 = 0, 445 or 44.5%) influenced by other variables not examined in this study.

## 4.2 Sub-Structure Path Analysis Results II

In this study, hypothesis testing will be conducted to determine the effect given by the brand image variable, product quality and customer satisfaction on repurchase interest. Hypothesis testing using t-statistics is done by looking at the relationship between variables. The results of these statistics can be seen in the following table:

**Table 3:** Partial Hypothesis Test Sub-Structure II

Coefficients <sup>a</sup>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.240	.342		.702	.484
	<i>Brand Image</i>	.650	.114	.553	5.703	.000
	Product Quality	-.273	.122	-.242	-2.240	.027
	<i>Customer Satisfaction</i>	.490	.094	.505	5.216	.000

a. Dependent Variable: Repurchase Intention

From Table 3 the equation can be made:

$$Y = 0.553 \text{ Brand Image} - 0.242 \text{ Product Quality} + 0.505 \text{ Customer Satisfaction}$$

### A. Effect of Brand Image on Repurchase Intention

From the statistical results, the brand image variable has been tested on repurchase intention. From these results obtained a significant value of 0,000 and a beta coefficient of 0.553. From the statistical results, the significant value obtained is smaller than 0.05. So with this hypothesis in this study, it can be accepted that brand image has an effect on repurchase intention. The results of statistical calculations also obtained the value of the beta coefficient for the brand image variable of 0.553. The results of the beta coefficient are positive, which means brand image is able to provide a positive influence on the formation of consumer buying interest. From these results, it can also be concluded that by increasing the image of Oriflame, it will be able to increase consumer buying interest by 0.553 units.

### B. Effect of Product Quality on Repurchase Intention

Table 4.15 shows that hypothesis testing has been carried out on the second structural model that is testing the effect of product quality with consumer repurchase interest. To be able to find out whether the quality of the product is able to influence the repurchase intention, the significant value must be less than 0.05.

The statistical results that can be seen in Table 4.10, the significant value obtained is 0.027. Then the value is smaller than 0.05, then the hypothesis in this study can be accepted. From the results of these statistics, it can be concluded that the quality of the product influences consumer repurchase interest. Statistical results also show the coefficient of determination of -0.2242, which shows the negative direction. These results can be seen that if Oriflame is unable to provide a quality product or the quality of the product being marketed is not able to explain its function, the impact is the consumer's repurchase interest will decrease by 0.242 units.

### C. The Influence of Customer Satisfaction on Repurchase Intention

Table 4.15 displays that the significant value obtained are equal to 0,000. From the results of these calculations, the hypothesis in this study can be accepted because the significant value is smaller than 0.05. So, it can be concluded that customer satisfaction

has a significant effect on consumer repurchase intention. The results of statistical calculations also obtained the coefficient of customer satisfaction beta is equal to 0.505. These results are positive, which means that when each increase in customer satisfaction by 0.505 it will be able to provide additional repurchase interest of 0.505 units. To be able to see the results of the model in this second sub-structure can be seen in the following coefficient of determination table:

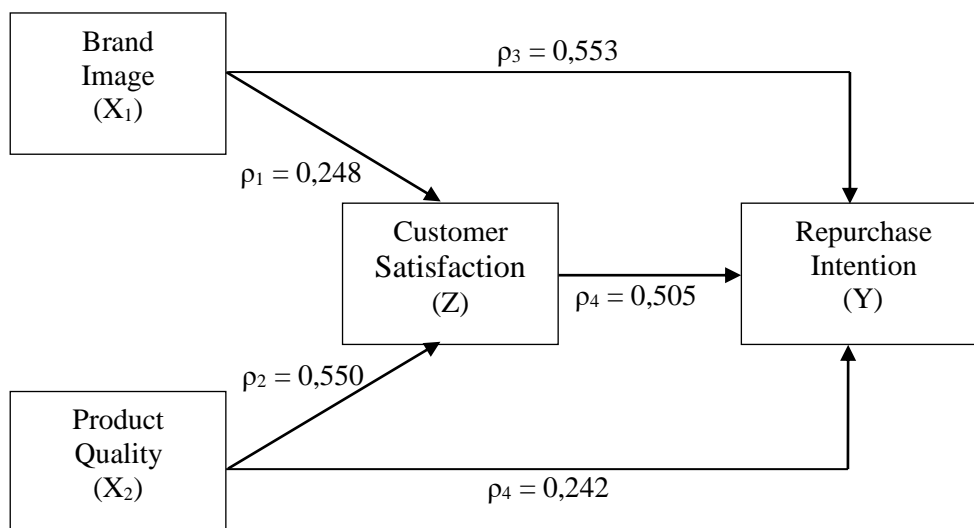
**Table 4:** Sub-structure Determination Coefficient II

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.780 <sup>a</sup>	.608	.596	.38991
a. Predictors: (Constant), <i>Customer Satisfaction</i> , <i>Brand Image</i> , <i>Product Quality</i>				
b. Dependent Variable: <i>Repurchase Intention</i>				

Table 4.10 shows the results of the second sub-structure model testing, namely testing the effect of customer satisfaction variables on repurchase intention, brand image on repurchase intention, and product quality on repurchase intention. From the results of statistical tests, it can be seen that the coefficient of determination in this model is 0.596, which is seen from the value of Adjusted R Square. The statistical results can be interpreted that consumer repurchase intention is influenced by brand image, product quality and customer satisfaction that is equal to 59.6%, while the rest is influenced by other variables not examined in this study.

### 4.3 Path Analysis

From the results of calculations on the first and second sub-structural models, the following is the results of the second sub-structural model:



**Figure 2:** Path Analysis

$\text{Repurchase Intention} = 0.553 \text{ Brand Image} - 0.242 \text{ Product Quality} + 0.505 \text{ Customer Satisfaction}$

## 5. Discussion

### 5.1 The Effect of Brand Image on Customer Satisfaction

The results of statistical tests show that the brand image variable on customer satisfaction obtained a significant value of 0.014. This shows that brand image can influence customer satisfaction. Oriflame's long-standing brand image of the company is able to provide a consistent picture of trust to consumers when using their skincare products. A well-managed brand image can increase understanding of aspects of consumer behavior in making decisions, enrich consumption orientation towards things that are more symbolic than product function, increase consumer confidence in products, and increase sustainable competitive advantage (Wicaksono, 2007). The better the brand image of a company, the higher the level of customer satisfaction when using the products offered.

From the results of the descriptive statistical tests conducted, it can be seen that there are six indicators of brand image in this study. Of the total indicators, the most dominant factor influencing customer satisfaction is the aroma indicator of Oriflame skincare products that are unique and not tested on animals. The indicator is formed through the dimensions of the uniqueness of the Oriflame brand. The next dominant factor that provides a high influence on customer satisfaction is skincare has a distinctive aroma. The distinctive aroma of Oriflame skincare products comes from plant extracts that have a distinctive fragrance and are good for skin health, including blueberries, horse chestnut, yarrow, iris, coconut, birch, cloudberry, apple and other plants originating from Sweden. These materials are processed with very sophisticated technology by researchers who are very reliable in their fields, so as to produce products that have a very distinctive aroma.

The results of this study are in line with research conducted by Susanti and Wardana (2015) entitled the effect of product quality and brand image on customer satisfaction and loyalty of the body shop's green cosmetic products. The results showed that brand image had a positive and significant effect on customer satisfaction.

### 5.2 Effect of Product Quality on Customer Satisfaction

Product quality is one of the determining factors in realizing consumer expectations of a product. Laksana (2008) said that "*quality is the best guarantee of customer loyalty, the strongest defense in the face of competition and the only path to lasting growth and income*". Therefore, product quality is something that needs to get the main attention of the company. The statistical results in the first sub-structural model mentioned product quality has a positive and significant effect on customer satisfaction. These results can be proven by statistically significant results of 0,000. From these results it can be seen

that the factors forming the quality of the product are through the attractively formed skincare container indicators.

From the findings in this study, it can be stated if Oriflame is able to provide the appeal of its products and will increasingly provide satisfaction for consumers when using the skincare. Apart from attractive product packaging, the reason consumers feel satisfaction when using Oriflame skincare is because the product when used is also not easy to wear off. There are several responses given by consumers that, consumers have also tried other similar products with Oriflame skincare and consumers state that it is true that Oriflame skincare products can be relied on because when used it is not easily wear off.

In addition, what gives satisfaction to consumers when using Oriflame skincare products is because this product is made from natural ingredients, so consumers assume when using this product, the skin will not feel itchy and damaged. With its natural ingredients, Oriflame skincare products can treat skin for a long period of time, which of course is adapted to tropical skin types. Good quality Oriflame skincare products can provide high satisfaction for consumers who use them, so they still want to use Oriflame products.

#### **5.4 The Effect of Brand Image on Repurchase Intention**

Brand image is a perception that lasts in the minds of every consumer, is formed through experience, and is relatively consistent (Schifman and Kanuk (2010)). From the results of statistical calculations, namely in testing hypotheses obtained significant results between brand image on repurchase intention which are significant of 0,000 and a beta coefficient of 0.553. This shows that there is a significant influence between brand image on repurchase intention. The results also show that the relationship between these variables is positive that can be demonstrated through the positive value of the beta coefficient.

From the results of these statistics, it can be seen that the three dimensions of the brand image variable, namely brand excellence, brand strength, and brand uniqueness which are able to influence buying interest in Oriflame skincare products. Responses from several respondents stated that Oriflame skincare has its own advantages compared to other skincare. These advantages stems from Oriflame skincare products that use natural raw materials or herbal ingredients derived from plants and are not tested on animals. This can be proven by the Halal Assurance System certificate for Oriflame skincare products and a statement from BPOM stating that Oriflame products are free of animal elements.

The superiority of the brand owned by Oriflame turned out to be able to have a positive influence on consumers' interest to buy back Oriflame skincare especially students from the Faculty of Economics and Business, University of North Sumatra. Respondents who assured them that the main raw material from skincare came from natural ingredients such as plants also gave a very positive response. In addition to its

natural ingredients, Oriflame is also very concerned about the skin needs of its consumers. Oriflame skincare products are adapted to all skin types, so they don't damage the skin when using them. The natural ingredients function to treat skin for a long time. Nourish facial skin is what makes consumers more confident when using it.

The results of this study are in line with research conducted by Soleha et al (2017) who conducted a similar study entitled the influence of brand image and halal label perceptions of the repurchase interest of Zoya Malang cosmetic products. The results of this study stated that the brand image variable influenced the interest in repurchasing Zoya Malang cosmetic products.

### **5.5 Effect of Product Quality on Repurchase Intention**

The results of statistics on hypothesis testing shows that product quality variables affect the interest in repurchase. From these results a significant value of 0.027 was obtained. Statistical results also show the coefficient of determination of -0.2242, which shows the negative direction. These results explain that if Oriflame is not able to provide quality products or the quality of products marketed is not able to explain its function, the impact is the consumer's repurchase intention will decrease by 0.242 units. Students as Oriflame skincare consumers give a perception of repurchasing Oriflame skincare products.

Product quality is a description of how well the product or service is able to explain the product to consumers, the more improved the quality of the product, the more positive meaning it has to consumers. In the descriptive statistical results, it can be seen that respondents gave very positive responses to Oriflame skincare products. The quality of skincare products has six dimensions, including performance with indicators to enhance facial skin and treat facial skin. From the results of respondents' responses showed that the respondents' responses were positive and felt that it was true that Oriflame skincare was able to provide charm for the face and was able to provide care for facial skin. The next dimension is about durability which has a long usage indicator and is not easily damaged. Responses of respondents stated that Oriflame skincare is very good when used and gives confidence to consumers because skincare is durable and not easily damaged when used on the face.

According to Wood (2009) high quality products are products that are able to excel in competing to meet consumer needs. From these results, it shows that indeed a very good product quality is able to provide confidence for consumers who will return to buy the product. The results of this study are in line with research conducted by Nurahma et al (2016) which states that product quality is capable of influencing repurchase interest in Larissa skincare products and services in Jambers.

### **5.6 The Influence of Customer Satisfaction on Repurchase Intention**

The results of statistics that have been obtained on hypothesis testing shows that customer satisfaction is able to influence the repurchase intention of Oriflame skincare

consumers. The significant value obtained is 0,000. From the results of statistical calculations also obtained the coefficient of customer satisfaction beta is equal to 0.505. These results are positive, which means that when each increase in customer satisfaction by 0.505 it will be able to provide additional repurchase intention of 0.505 units.

Customer satisfaction is the consumer's assumption of whether the product is able to provide and meet consumer expectations. Consumer satisfaction will be the most important factor to increase the frequency of consumers buying. Judging from the three dimensions of customer satisfaction variables, a quality product has an indicator of the quality of Oriflame skincare products in accordance with expectations, showing the results of descriptive statistics from good respondents. Consumers state that Oriflame skincare products marketed to consumers are able to provide trust and products used by consumers in accordance with consumer expectations. This can be proven from the response of consumers who state that Oriflame skincare products can make facial skin healthier than other products.

From these findings, this research is in line with research conducted by Nurahma et al (2016) which states that consumer satisfaction is able to provide a positive and significant influence on the interest in repurchasing skincare products and services in Jammers.

### **5.7 The Effect of Brand Image on Repurchase Interests through Customer Satisfaction**

Brand image is an association that is perceived by individuals all the time, as a result of direct or indirect experience of a brand (Tjiptono, 2011). Brand image is part of a brand of a product that is able to be easily remembered and known by consumers whenever and wherever. Brand image will also be able to influence the desire of consumers to buy a product.

From the statistical results of hypothesis testing that has been done, it is known that the brand image variable can provide a significant influence on consumer buying interest. Consumers are interested in buying skincare because basically consumers easily recognize Oriflame skincare products. The statistical results show that brand image is able to give a direct influence on the repurchase intention of students of the University of North Sumatra.

The statistical results show that customer satisfaction is not able to mediate between brand image and repurchase intention. This can be seen from the comparison between the direct coefficient beta effect and the indirect effect. The value of the direct effect is 0.553, while the value of the indirect effect is 0.125. From the results of these calculations, it can be seen that the direct effect is greater than the indirect effect, so it can be concluded that in this hypothesis customer satisfaction is not able to mediate between brand image and repurchase interest.

### **5.8 The Effect of Product Quality on Repurchase Interests through Customer Satisfaction**

Products that have high quality are one of the most important tools that must be owned by Oriflame skincare products. Product quality is the ability of a product to carry out its functions, durability, reliability, accuracy, ease of operation and repair (Kotler and Armstrong, 2016). From the results of the analysis on hypothesis testing shows that product quality significantly influences consumer repurchase intention in Oriflame skincare products. But these results indicate a negative direction, which is seen from the beta -0 coefficient value, 242 which is negative. In testing this hypothesis obtained a comparison between direct influence and indirect effect. The value of the direct effect is -0, 242 and the value of the indirect effect is 0.278, so it can be stated that the indirect effect is greater than the direct effect. The statistical results show that customer satisfaction is able to mediate between product quality variables with repurchase intention.

These results state that in the process of creating consumer repurchase intention in Oriflame skincare products must first create customer satisfaction. In the process of creating a sense of satisfaction for consumers of course in this case the products offered must provide a strong influence for consumers. In this finding it was found that indicators of product quality and indicators of customer satisfaction were able to provide a strong influence on consumers to repurchase Oriflame skincare products.

The results of this study are in line with research conducted by Savitri and Wardana (2018) which states that in the process of forming consumer buying interest must first form a sense of satisfaction for consumers through the quality of their products. In this case the customer satisfaction variable is able to mediate between product quality variables with consumer repurchase interest.

## **6. Conclusion**

The results of this study obtained several findings that can be concluded by researchers as follows:

- 1) Brand image has a significant effect on customer satisfaction on Oriflame skincare products.
- 2) Product quality has a significant effect on customer satisfaction on Oriflame skincare products.
- 3) Brand image has a significant effect on repurchase interest in Oriflame skincare products.
- 4) Product quality has a significant effect on repurchase interest in Oriflame skincare products.
- 5) Customer satisfaction has a significant effect on repurchase interest in Oriflame skincare products.



- 6) Customer satisfaction is not able to mediate between brand image variables with repurchase interest in Oriflame skincare products.
- 7) Customer satisfaction is able to mediate between product quality variables with repurchase interest in Oriflame skincare products.

### 6.1 Suggestion

- 1) For Oriflame Companies, especially Orindo Alam Ayu, it is suggested to pay more attention to trends in consumer needs in accordance with the latest era, for instance by improving product quality such as creating skincare products that are able to make faces glowing faster. So, consumers feel more satisfied with the quality of the product without having to wait a long time.
- 2) Oriflame must be sensitive to the input and advice given by consumers in improving the Oriflame brand image, such as introducing the quality of Oriflame products with natural ingredients that are certified Halal and free from mercuries and have permission from BPOM, so consumers are more confident to use the Oriflame skincare products.
- 3) For further researchers and research development, it is recommended that future researchers can consider adding variables to this study such as brand ambassadors, event marketing, and customer loyalty. In addition, researchers can further deepen the object of research by using men as samples in research, because most research on cosmetics is only applied on women.

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