The Effect of Price and Product Quality toward Brand Switching through Consumer Satisfaction (Study on Local Skincare Product Users Who Switched to Korean Skincare Products)

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Abstract
This study aims to analyze the effect of price and product quality on brand switching decisions, with customer satisfaction as an intervening variable among users of local skincare who switch to Korean skincare. This research employs a quantitative approach, with data collected through questionnaires. The sampling technique used is purposive sampling, with 205 respondents. The sample criteria include Generation Z residing in Surabaya, aged 13 years, and having experience using local and Korean skincare products at least once. Data analysis in this study was conducted using SmartPLS 4.0. The findings indicate that price and product quality significantly influence customer satisfaction. Additionally, customer satisfaction has a significant effect on brand-switching decisions. However, the results reveal that price does not directly influence brand-switching decisions, whereas product quality significantly impacts consumers' decisions to switch brands. Furthermore, customer satisfaction is a mediating variable in the relationship between price and product quality with brand switching decisions. These findings suggest that while product price shapes customer satisfaction, product quality has a greater influence on consumers' decisions to switch brands.

INTRODUCTION

In recent years, the cosmetics industry in Indonesia, especially skincare products, has grown rapidly. This growth can be seen from the 21.9% increase in cosmetics companies, rising from 913 in 2022 to 1,010 by mid-2023. Additionally, Indonesia's cosmetics industry has successfully entered the export market, with total exports of cosmetics, fragrances, and essential oils reaching 770.0 million USD from January to November 2023 (Kemenko Perekonomian, 2024). According to a survey by ZAP Beauty Index (2024), Gen Z is the most easily influenced by product claims when choosing skincare. The survey results show that 54.6% of Gen Z and 23.7% strongly agree that product claims are essential in deciding which skincare products to buy.

The K-Wave heavily influences the skincare trend in Indonesia, with Korean brands like COSRX, Innisfree, and Some By Mi dominating the market long before local skincare brands emerged. While Indonesia has brands like Wardah and Mustika Ratu, local products still lag in innovation compared to Korean brands, which are more daring in using active ingredients tailored to specific skin concerns. However, high prices and limited distributors have made Korean skincare less accessible, leading to the rise of counterfeit products. This opened opportunities for local skincare businesses to grow by adopting Korean innovations and adjusting them to Indonesian consumers' needs. The high demand for skincare has driven local brands to compete for attention, especially from Gen Z, who are easily influenced by product claims. Unfortunately, some brands engage in misleading marketing (overclaiming), such as exaggerating the percentage of active ingredients. For example, Azarine claimed its retinol serum contained 1% encapsulated retinol, but lab tests from SIG revealed it only had 0.00096% pure retinol. Local brands like Elsheskin, Bioaqua, and Daviena have also been accused of overclaiming.

In marketing, there is a phenomenon known as brand switching, which refers to consumers' tendency to switch from one brand to another. This behavior is a form of post-purchase customer behavior, often triggered by negative experiences with a product (Hawkins et al., 2020). When selecting cosmetic products, consumers typically go through several stages: identifying skin concerns (needs), searching for potential product options, choosing a product, making a purchase, and finally experiencing post-purchase behavior (Derivanti et al., 2022). Several specific factors exert a significant influence on consumer purchase interest, encompassing brand awareness, social media marketing, brand image, Electronic Word-of-Mouth (e-WoM), brand equity, and trust (Maidha Fitri, 2024.). Essentially, consumers naturally seek affordable and high-quality products affordable and high-quality products (Kusumawati & Rahmawan, 2021). However, Izani et al. (2023) argue that when it comes to cosmetics, consumers tend to prioritize quality over price before making a purchase.

When consumers are satisfied with a product, they typically exhibit behaviors such as repeat purchases, positive word-of-mouth (positive reviews), and loyalty. Meanwhile, dissatisfaction can lead to complaints, negative word-of-mouth, and brand switching (Hawkins et al., 2020). Brand switching indicates that a brand has lost a customer, a growing concern for local skincare businesses due to the rising issue of over-claiming among several local skincare brands. Price and product quality are essential to achieving consumer satisfaction from this status quo. Consumers expect high-quality products at competitive prices, and if their expectations are unmet, they will likely switch brands. A study by Meidea et al. (2024) on ASUS laptop users in Semarang found that perceived price and product quality positively influence brand switching through consumer dissatisfaction.

Based on research conducted by Dharmono et al. (2023) also indicates that price and product quality positively affect consumer satisfaction, with price having a greater impact. Consumers feel more satisfied when they receive high-quality products at lower prices. However, Fuadi et al. (2023) found that some consumers are willing to pay more for high-quality skincare that delivers satisfying results. Meanwhile, Yusuf et al. (2022) stated that price does not influence brand-switching decisions, and Irawan and Sitinjak (2024) also found that price does not affect consumer satisfaction. Interestingly, Scortionda et al. (2023), in their study on Disney Hotstar users in Padang, concluded that price and product quality do not impact satisfaction or brand-switching decisions through satisfaction. On the other hand, Rahayu (2020) found that product price and quality significantly affect consumer satisfaction. Similarly, Munawaroh and Sudarmiatin (2024) revealed that product quality influences brand-switching decisions through consumer satisfaction.

According to the phenomenon described and the research gap, this research aims to fill the existing knowledge gaps by exploring the effect of price and product quality on brand switching through consumer satisfaction, specifically in the context of local skincare consumers who switched to Korean skincare. This research will focus on consumers who are part of Gen Z and live in Surabaya City. Through this research, its hopes can provide a comprehensive understanding of what and how customers are influenced to switch skincare brands. Also, this research can be a basis for skincare business owner to develop or improve their pricing and product quality strategy.

LITERATURE REVIEW
Consumer Behavior
Solomon and Russell (2024) define consumer behavior as the study of processes related to choosing, purchasing, using, or disposing of a product or service, along with the experiences that satisfy consumers' needs and desires. Consumer behavior is closely tied to psychological aspects, influencing decisions before, during, and after a purchase. This makes consumer behavior dynamic and unpredictable. Kotler et al. (2022) emphasize that understanding consumer behavior is complex, as it revolves around what goes on in the consumer's mind. Consumers typically go through several stages in the purchasing process, starting from identifying a problem or need, searching for information, evaluating alternatives, making a purchase decision, and finally, experiencing post-purchase behavior. According to Hawkins et al. (2020), a purchase decision is usually followed by post-purchase processes, such as product usage and evaluation, which may lead to satisfaction. If consumers are satisfied, they tend to repurchase the product, spread positive word-of-mouth,

Moreover, they become loyal customers. However, dissatisfied customers may complain about the product, reduce brand loyalty, spread negative word-of-mouth, or switch to a different brand.

Customer Satisfaction
According to Rifa'i (2023), customer satisfaction is the feeling of joy, contentment, and relief experienced by an individual after consuming a product or service. The level of consumer satisfaction can be understood as the difference between perceived product performance and consumer expectations at the time of purchase. Satisfaction occurs when expectations align with reality, creating a sense of fulfillment for the consumer. Consumer satisfaction is closely linked to post-purchase behavior, representing a reaction or evaluation outcome based on the product's performance. Consumers feel satisfied when a product meets or exceeds expectations, whereas unmet expectations may lead to dissatisfaction and influence future purchasing decisions.

Brand Switching
According to Imber, (Firmansyah, 2019), brand switching refers to a consumer's decision to purchase a product from a different brand, the one they previously or regularly used. This decision can be influenced by several factors, including price promotions, in-store displays, product availability, the desire for improvement and innovation, curiosity to try something new, the number of product availability, perceived risk, purchase frequency, changes in product quality, and the level of consumer satisfactorily.

Price
According to Ahidin et al. (2023), price is the amount of money a company charges consumer for a product. Ahidin also explains that pricing involves several considerations, including production costs, market demand, and competitive pricing, to determine an appropriate and acceptable price. Therefore, price is not merely a numerical value on a product label but can also indicate product quality for some consumers.

Product Quality
Product or service quality is closely related to consumer behavior because, regardless of how experts define quality, it is ultimately determined by the consumer (Rifa'i, 2023). Consumers assess product quality based on perceptions rather than objective standards that dictate how a product should be presented. Product quality comprises various attributes a company designs to meet consumer needs and desires. Whether a product is considered high quality depends on the consumer's perception.

The Relationship Between Price and Consumer Satisfaction
Putri and Napitupulu's (2023) research shows that price significantly impacts consumer satisfaction. The more reasonable or acceptable a product's price is to consumers, the higher the level of satisfaction. Furthermore, a study by Subandrio & Arizahan (2023) also reveals that price positively and significantly affects consumer satisfaction. Price is one of the most crucial factors in enhancing consumer satisfaction. When consumers perceive a price as fair and reasonable, their satisfaction with the product also increases (Subandrio & Arizahan, 2023).
H1: Price affects the level of local skincare consumer satisfaction.

The Relationship Between Product Quality and Consumer Satisfaction
Research conducted by Muthmainnah et al. (2023) indicates that product quality significantly affects consumer satisfaction. The higher the product quality, the greater the level of consumer satisfaction. A well-made product benefits companies by increasing competitiveness, fostering consumer loyalty, and Attracting new customers.

Similarly, a study by Irawan and Sitinjak (2024) reveals that product quality has positively and significantly affected consumer satisfaction. Without considering the price, Irawan and Sitinjak (2024) also emphasize that companies offering high-quality products are more likely to be favored by consumers.
H2: Product quality affects the level of local skincare consumer satisfaction.

The Relationship Between Consumer Satisfaction and Brand Switching Decisions
Research by Scortionda et al. (2023) shows that consumer satisfaction significantly influences brand-switching decisions. In line with this finding, a study by Munawaroh and Sudarmiatin (2024) also reveals that consumer satisfaction has a positive and significant effect on brand-switching behavior. Fatima and Billah (as cited in Munawaroh & Sudarmiatin, 2024) describe consumer satisfaction as a mediating factor. This means that when consumers are dissatisfied with a product they purchase, they are more likely to seek alternatives, leading to brand-switching behavior.
H3: There is an effect of local skincare consumer satisfaction toward brand switching decisions.

The Relationship Between Price and Brand Switching Decisions
Research by Rooroh et al. (2024) indicates that price influences consumer brand-switching behavior. Their study also highlights that a company's pricing decisions significantly impact consumer behavior, as price determines the perceived value or benefits consumers receive. Similarly, Hijriany and Purwaningsih (2023) believe that price is a key factor that can drive consumers to brand switching.
H4: There is an effect of price-influenced brand switching decisions.

The Relationship Between Product Quality and Brand Switching Decisions
Research by George and Sony (2024) reveals that product effectiveness positively influences consumers' brand-switching decisions. Similarly, Kumari and Moorthy (2019) found that consumers primarily switch brands. They desire consumers primarily switch brands because they desire better product quality. This finding is further supported by Munawaroh and Sudarmiatin (2024), whose study confirms that product quality positively and significantly impacts brand-switching behavior.
H5: Product quality affects brand switching decisions.

The Relationship Between Price and Brand Switching Decisions Through Consumer Satisfaction
Regarding the relationship between price, brand switching, and consumer satisfaction, Gerrard and Cunningham (as cited in Zulhijja et al., 2023) state that if customers are dissatisfied with a product for any reason, they may feel inclined to switch brands, even if it means paying a higher price. Furthermore, the study by Zulhijja et al. (2023) reveals that consumer satisfaction fully and significantly mediates the relationship between price and brand-switching decisions.
H6: Price affects brand switching decisions through consumer satisfaction.

The Relationship Between Product Quality and Brand Switching Decisions Through Consumer Satisfaction
Meidea et al. (2024) research indicates a positive and significant relationship between product quality and brand switching, mediated by consumer dissatisfaction. Consumers are more likely to switch brands when dissatisfied with a product's quality. Supporting this finding, a study by Zulhijja et al. (2023) reveals that service quality positively and significantly affects brand-switching decisions, with consumer satisfaction acting as a mediator.
H7: Product quality affects brand-switching decisions through consumer satisfaction.
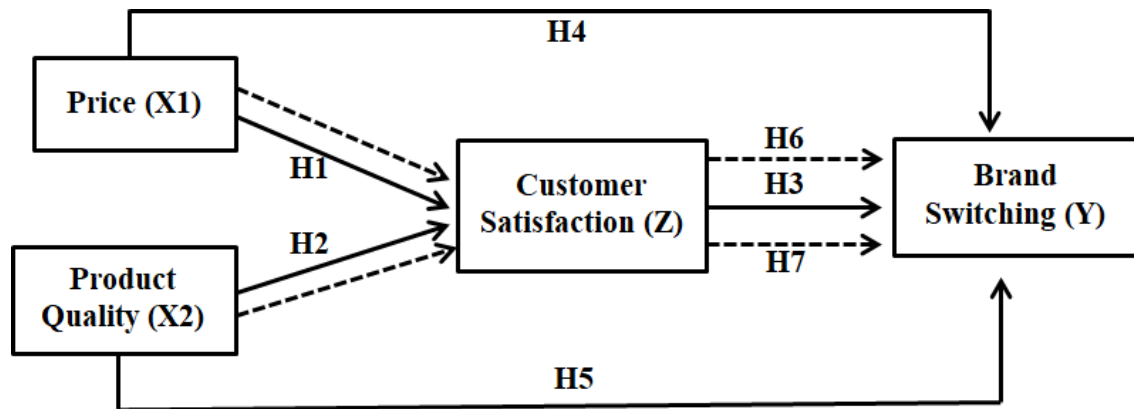
Figure 1. Framework of the Study
Source: Authors (2024)

METHODS

This study uses a quantitative research approach. According to Sahir (2021), quantitative research is a study that utilizes statistical data processing tools, with data obtained and presented in numerical form. The research takes place in Surabaya, East Java, the second-largest city in Indonesia. The population in this study consists of Generation Z residents in Surabaya. The sample size was determined by the Slovin formula, resulting in 205 respondents. The criteria for respondents include being at least 13 years old, residing in Surabaya, and having purchased local and Korean skincare products at least once.

RESULT AND DISCUSSION

Outer Model Analysis Results

The outer loading analysis is conducted in three stages: convergent validity testing, discriminant validity testing, and reliability testing, which are explained as follows:

Convergent Validity Test

Convergent validity is measured through the loading factor or outer loading between the latent variable and its indicators, with an ideal value of > 0.7. Additionally, convergent validity can be assessed using the Average Variance Extracted (AVE), which must be > 0.5 (Nasution et al., 2020).

Table 1. Convergent Validity

Variable	Indicators	*Outer Loading*	AVE
Price (X1)	X1.1	0,910	0,730
	X1.2	0,788	
	X1.3	0,849	
	X1.4	0,804	
	X1.5	0,852	
	X1.6	0,820	
Product Quality (X2)	X2.1	0,826	0,705
	X2.2	0,742	
	X2.3	0,785	

Variable	Indicators	*Outer Loading*	AVE
	X2.4	0,907	
	X2.5	0,815	
	X2.6	0,830	
	X2.7	0,801	
	X2.8	0,819	
	X2.9	0,874	
	X2.10	0,849	
	X2.11	0,875	
Customer Satisfaction (Z)	Z1	0,889	0,792
	Z2	0,840	
	Z3	0,881	
	Z4	0,821	
	Z5	0,783	
	Z6	0,820	
Brand Switching (Y)	Y1	0,928	0,690
	Y2	0,939	
	Y3	0,883	
	Y4	0,831	
	Y5	0,752	
	Y6	0,777	

Source: Data Processed by SmartPLS 4.0, 2025

Based on Table 1. above, each indicator in the reflective construct has an outer loading value greater than 0.70. This indicates that every indicator is valid in reflecting the latent variable and can be used for further analysis. Furthermore, the AVE value for each variable exceeds 0.50, confirming that all variables are valid in measuring the intended construct.

Discriminant Validity

Discriminant validity is measured through the cross-loading factor by ensuring that the loading value on the intended construct is greater than that of other constructs (Pering, 2020). Convergent validation requires variables to correlate with their indicators with an AVE value greater than 0.5 (Syarif, 2023).

Table 2. Discriminant Validity

	Price (X1)	Product Quality (X2)	Customer Satisfaction (Z)	Brand Switching (Y)
X1.1	**0,910**	0,510	0,501	0,481
X1.2	**0,788**	0,455	0,469	0,384
X1.3	**0,849**	0,603	0,571	0,447
X1.4	**0,804**	0,528	0,452	0,408
X1.5	**0,852**	0,433	0,405	0,402

	Price (X1)	Product Quality (X2)	Customer Satisfaction (Z)	Brand Switching (Y)
X1.6	**0,820**	0,360	0,331	0,315
X2.1	0,531	**0,826**	0,633	0,612
X2.2	0,461	**0,742**	0,561	0,557
X2.3	0,495	**0,785**	0,613	0,592
X2.4	0,554	**0,907**	0,625	0,607
X2.5	0,561	**0,815**	0,612	0,566
X2.6	0,509	**0,830**	0,598	0,565
X2.7	0,426	**0,801**	0,527	0,483
X2.8	0,438	**0,819**	0,519	0,540
X2.9	0,440	**0,874**	0,550	0,590
X2.10	0,438	**0,849**	0,637	0,608
X2.11	0,477	**0,875**	0,604	0,593
Z1	0,519	0,620	**0,889**	0,653
Z2	0,417	0,595	**0,840**	0,625
Z3	0,516	0,639	**0,881**	0,595
Z4	0,386	0,565	**0,821**	0,618
Z5	0,462	0,588	**0,783**	0,594
Z6	0,486	0,578	**0,820**	0,667
Y1	0,494	0,636	0,727	**0,928**
Y2	0,422	0,596	0,662	**0,939**
Y3	0,400	0,576	0,631	**0,883**
Y4	0,461	0,582	0,674	**0,831**
Y5	0,363	0,498	0,500	**0,752**
Y6	0,369	0,655	0,597	**0,777**

Source: Data Processed by SmartPLS 4.0, 2025

Based on Table 2, it is evident that the cross-loading values for each variable are greater than 0.70. This indicates that every indicator used in this study has good discriminant validity.
Reliability testing
Reliability testing measures the consistency of research instrument results, particularly the qu
stionnaire. A questionnaire is considered reliable if respondents' answers remain consistent over time. The reliability of constructs with reflective indicators is measured using Cronbach's Alpha and Composite Reliability. For confirmatory research, the expected value is > 0.7, while exploratory research is still acceptable within the range of 0.6–0.7 (Syarif, 2023).

Table 3. Composite Reliability

Variable	Cronbach's alpha	Composite Reliability
Price (X1)	0,915	0,934
Product Quality (X2)	0,955	0,961
Customer Satisfaction (Z)	0,916	0,935
Brand Switching (Y)	0,925	0,942

Source: Data Processed by SmartPLS 4.0, 2025

Based on Table 3, the composite reliability values for each construct have reached or exceeded 0.7. Therefore, all variables in this study can be categorized as reliable.

Outer Model Analysis Results
Structural model analysis (*inner model*) is the stage that connects exogenous variables (X) with endogenous variables (Y). This evaluation assesses the relationship between variables based on the *R- Square* value. The model's ability to explain variations is categorized as follows: an *R-Square* of 0.67 indicates a strong relationship, 0.33 indicates a moderate relationship, and 0.19 indicates a weak relationship (Musyaffi et al., 2022).

Table 4. R-Square

| Variable	R-*square*
Brand Switching (Y)	0,609
Customer Satisfaction (Z)	0,536

Source: Data Processed by SmartPLS 4.0, 2025

Based on Table 4, the *R-squared* value for the brand switching variable (Y) is 0.609. This indicates that price, product quality, and consumer satisfaction explain 60.9% of the variation in brand-switching decisions among consumers, which falls into the moderate category. Meanwhile, the remaining 39.1% is influenced by other variables outside the proposed model. Additionally, the *R-Square* value for the consumer satisfaction variable is 0.536, meaning that price and product quality account for 53.6% of the variation in consumer satisfaction, also categorized as moderate. The remaining 46.4% is attributed to other factors beyond this study.

Hypothesis Testing
In this study, hypothesis testing is conducted by analyzing the *path coefficient* to determine the significance of relationships between variables. This value is measured through the *t-statistic* and *p-value*, where a hypothesis is considered significant if the *t-statistic* is greater than 1.96 and the *p-value* is less than 0.05. Additionally, the mediation test in this research is evaluated using the *specific indirect effect* test in SmartPLS 4.0, applying the *bootstrapping* method to assess the influence of the intervening variable. Figure 2 and Table 5 below present this study's structural model testing results.
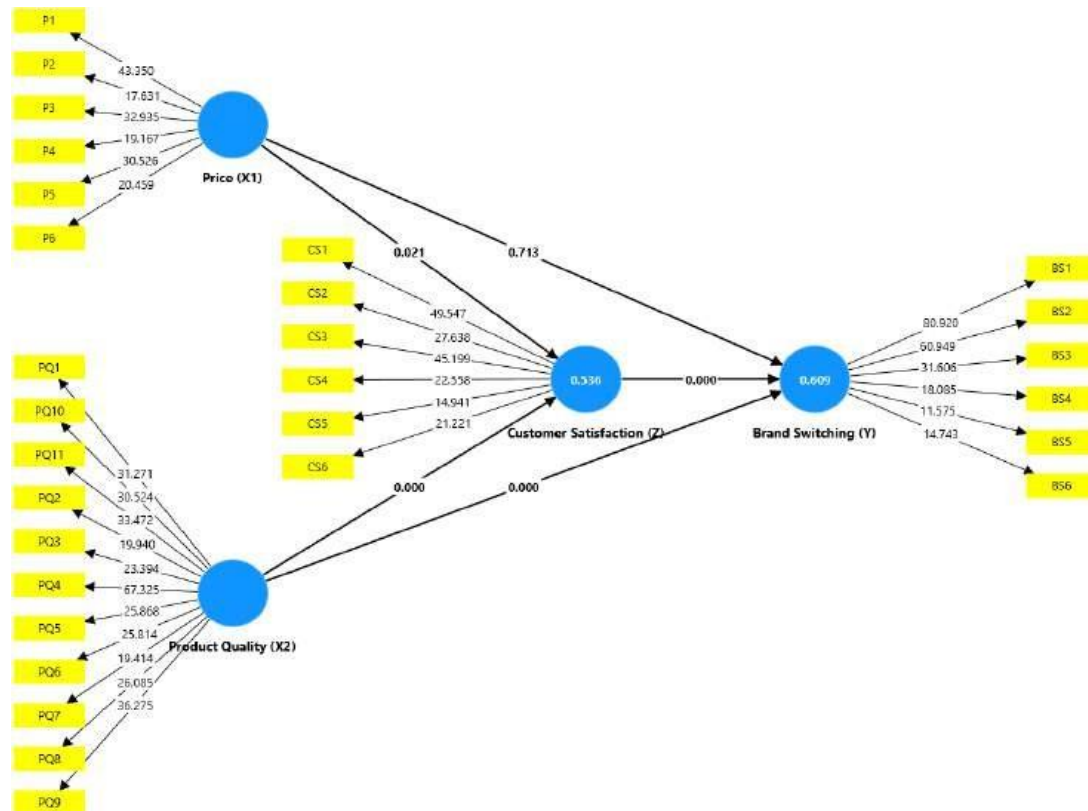
Figure 2. Inner Model Graphic
Source: Data Processed by SmartPLS 4.0, 2025

Table 5. Hypothesis Test of Direct Effect

	Path Coefficient	T-statistics	P -values	Note
Price (X1) → Customer Satisfaction (Z)	0,209	2,317	0,021	Significant
Product Quality (X2) → Customer Satisfaction (Z)	0,590	7,339	0,000	Significant
Customer Satisfaction (Z) → *Brand Switching* (Y)	0,502	6,102	0,000	Significant
Price (X1) → *Brand Switching* (Y)	0,026	0,367	0,713	Insignificant
Product Quality (X2) → *Brand Switching* (Y)	0,321	4,598	0,000	Significant

Source: Data Processed by SmartPLS 4.0, 2025

Based on the hypothesis testing results presented in Table 5 above, the following conclusions can be Draw: The first hypothesis test, which examines the effect of price on consumer satisfaction, show Path coefficient value of 0.209 with a t-statistic value of 2.317 and a p-value of 0.021. Since the t-statistic value of 2.317 is greater than the t-table value of 1.96 and the p-value is less than 0.05, it can be concluded that price positively and significantly affects consumer satisfaction, meaning the first hypothesis (H1) is accepted. This finding aligns with research conducted by Dharmono et al. (2023) and Zulhijja et al. (2023), which found that price significantly and positively influences consumer satisfaction. The more reasonable the price of a product, particularly skincare products, the higher the level of consumer

Satisfaction. A price that aligns with consumer expectations regarding the balance between benefits and cost can enhance their satisfaction. Therefore, price directly impacts the satisfaction of local skincare consumers.

The second hypothesis test, which examines the effect of product quality on consumer satisfaction, shows a path coefficient value of 0.590, with a t-statistic of 7.339 and a p-value of 0.000. Since the t-statistic value of 7.339 is greater than the t-table value of 1.96 and the p-value is less than 0.05, it can be concluded that product quality has a positive and significant effect on consumer satisfaction. Thus, the second hypothesis (H2) is accepted. This finding aligns with research by Irawan and Sitinjak (2024), Dharmono et al. (2023), and Munawaroh and Sudarmiatin (2024), which also found that product quality influences consumer satisfaction. The better the quality of skincare products, the higher the level of consumer satisfaction. Brands strive to offer high-quality products to meet customer expectations. This aligns with Muthmainnah et al. (2023), who stated that consumer satisfaction increases when a product has high and acceptable quality. Additionally, skincare brands with high-quality products are more recognized and preferred. Therefore, product quality directly influences the satisfaction of local skincare consumers.

The third hypothesis test, which examines the effect of consumer satisfaction on brand switching decisions, shows a path coefficient value of 0.502, with a t-statistic of 6.102 and a p-value of 0.000. Since the t-statistic value of 6.102 is greater than the t-table value of 1.96 and the p-value is less than 0.05, it can be concluded that consumer satisfaction has a positive and significant effect on brand-switching decisions. Thus, the third hypothesis (H3) is accepted. This finding aligns with Munawaroh and Sudarmiatin's (2024) and Scortionda et al. (2023) research, which found that consumer satisfaction significantly influences brand-switching decisions. Consumer satisfaction plays a crucial role in determining whether customers switch brands. Low satisfaction levels increase the likelihood of consumers switching to another brand. On the other hand, satisfied consumers tend to make repeat purchases and remain loyal to a product (Munawaroh & Sudarmiatin, 2024). In the context of this study, dissatisfaction with local skincare products encourages consumers to seek more satisfying alternatives, such as switching to Korean skincare brands.

The fourth hypothesis test, which examines the effect of price on brand switching decisions, shows a path coefficient value of 0.026, with a t-statistic of 0.367 and a p-value of 0.713. Since the t-statistic value of 0.367 is smaller than the t-table value of 1.96 and the p-value is greater than 0.05, it can be concluded that price has a very weak and insignificant effect on brand switching decisions. Therefore, price does not significantly influence brand switching decisions, and the fourth hypothesis (H4) is rejected. This finding is consistent with the research conducted by Yusuf et al. (2022) and Zulhijja et al. (2023), which found that price does not directly influence a consumer's brand-switching decision. When consumers are satisfied with a product, they tend to remain loyal despite price changes. In the skincare industry, quality is prioritized over price, as the primary goal of consumers is to achieve benefits and solve skin problems (Izani et al., 2023).

Furthermore, skincare effectiveness is subjective; if consumers find a brand that suits them—whether local or Korean—they are likely to continue using it regardless of whether the price is high or low. Price is one factor in brand-switching decisions but is not the primary driver. Therefore, price does not directly make local skincare users switch to Korean brands.

The fifth hypothesis test, which examines the effect of product quality on brand switching decisions, shows a path coefficient value of 0.312, with a t-statistic of 4.598 and a p-value of 0.000. Since the t-statistic value of 4.598 is greater than the t-table value of 1.96 and the p-value is smaller than 0.05, it can be concluded that product quality has a positive and significant influence on consumers' brand-switching decisions. Therefore, the fifth hypothesis (H5) is accepted. This analysis aligns with the findings of Yusuf et al. (2022), which indicate that product quality positively influences brand switching. When the quality of a skincare product declines, consumers are more likely to switch brands. This phenomenon is evident in the increasing number of local skincare users switching to Korean brands due to quality concerns. Conversely, if local skincare brands consistently improve their quality, consumers will be less likely to

Consider switching. Thus, the quality of local skincare products plays a crucial role in influencing consumers' decisions to switch to Korean skincare brands.

Table 6. Hypothesis Test of Indirect Effect

	Path Coefficient	*T-statistics*	*P-values*	**Note**
Harga (X1) → Kepuasan Konsumen (Z) → *Brand Switching* (Y)	0,105	2,416	0,016	Significant
Kualitas Produk (X2) → Kepuasan Konsumen (Z) → *Brand Switching* (Y)	0,296	4,040	0,000	Significant

Source: Data Processed by SmartPLS 4.0, 2025

Based on the hypothesis testing results presented in Table 5, the following conclusions can be Drawn: The sixth hypothesis test, which examines the effect of price on brand switching through customer Satisfaction shows a path coefficient value of 0.105, a t-statistic of 2.416, and a p-value of 0.016. Since the t-statistic (2.416) is greater than the t-table value (1.96) and the p-value (0.016) is less than 0.05, it can be concluded that price has a positive and significant impact on brand switching through customer satisfaction. Therefore, the sixth hypothesis (H6) is accepted. These findings align with previous studies by Zulhijja et al. (2023) and Ismet and Patricia (2025), which suggest that price significantly influences brand switching through customer satisfaction. Price alone does not always directly drive brand switching but can affect customer satisfaction. When customers feel the price does not match the quality or product claims, they look for alternatives. Yunita and Aslamnia (Zulhijja et al., 2023) also emphasize that dissatisfaction is a key factor in brand switching. In this study, customers of local skincare brands switch to Korean skincare brands due to their dissatisfaction with the price-to-quality ratio of local products, leading them to seek better alternatives.

The seventh hypothesis test, which examines the effect of product quality on brand switching through customer satisfaction, shows a coefficient value of 0.296, a t-statistic of 4.040, and a p-value of 0.000. Since the t-statistic (4.040) is greater than the t-table value (1.96) and the p-value (0.000) is less than 0.05, it can be concluded that product quality has a positive and significant impact on brand switching through customer satisfaction. Therefore, the seventh hypothesis (H7) is accepted. These findings are supported by previous studies by Munawaroh and Sudarmiatin (2024) and Meidea et al. (2024), which suggest that product quality significantly influences brand switching through customer satisfaction. This means that when consumers are dissatisfied or have low satisfaction with the products they purchase, they are more likely to switch brands in search of better quality that meets their needs and expectations. On the other hand, if a company provides high-quality products, consumers will be satisfied and will not consider switching to another brand.

CONCLUSION

Based on the results of the analysis, the price of skincare products affects the satisfaction level of local skincare consumers, with price being a key factor in purchasing decisions. Product quality also influences customer satisfaction— the better the quality, the higher their satisfaction. Furthermore, customer satisfaction has been proven to impact brand-switching decisions. Local skincare consumers who feel dissatisfied tend to switch to Korean brands as an alternative.

However, price does not directly affect brand switching decisions, whether for local or Korean skincare, as other factors like satisfaction play a more significant role in this decision. On the other hand, product quality directly influences brand-switching decisions. When the quality of local skincare products is perceived as lacking, consumers are more likely to switch to Korean products.

Additionally, price indirectly affects brand switching through customer satisfaction. If local skincare prices do not meet consumer expectations or fail to provide satisfaction, they are more inclined to switch to another brand, including Korean products. The same applies to product quality—when aspects like formulation and effectiveness are unsatisfactory, it affects customer satisfaction and encourages them to seek better alternatives.

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