

Decoding Consumer Perception: How Product Quality Shapes Repurchase Intentions in Fast-Moving Consumer Goods

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Abstract

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In the highly competitive fast-moving consumer goods (FMCG) sector, driving brand loyalty is a primary challenge for marketers. This study investigates the complex mechanisms of consumer perception, focusing specifically on how distinct dimensions of product quality influence consumer repurchase intentions. Utilizing a quantitative research design, data was gathered through structured surveys from a diverse demographic of FMCG consumers. Structural equation modeling (SEM) was employed to analyze the relationships between perceived quality, brand trust, customer satisfaction, and subsequent repeat purchase behavior.

The empirical findings reveal that while intrinsic quality attributes—such as product performance and reliability—directly trigger initial satisfaction, extrinsic cues like packaging and perceived value play a crucial role in sustaining long-term brand trust. Notably, customer satisfaction acts as a powerful mediator, translating positive quality perceptions into actionable repurchase intent. The study concludes that product quality is not a static metric but a dynamic psychological construct that directly dictates consumer retention. These insights offer valuable strategic guidance for FMCG brands aiming to optimize their product development and marketing strategies to secure a sustainable competitive advantage in a volatile marketplace.

Keywords: *Consumer Perception, Product Quality, Repurchase Intentions, FMCG, Brand Trust, Customer Satisfaction.*

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Chapter 1: Introduction

1.1 Background of the Study

In the contemporary global marketplace, the Fast-Moving Consumer Goods (FMCG) sector stands out as one of the most volatile, fast-paced, and highly saturated industries. Characterized by low switching costs, frequent purchasing cycles, and an immense variety of highly substitutable brands, the FMCG landscape demands that firms move beyond mere customer acquisition toward a sustained focus on customer retention. Historically, traditional marketing

paradigms heavily emphasized aggressive promotional campaigns and pricing strategies to capture initial transaction shares. However, modern empirical evidence underscores that sustainable profitability in high-turnover retail environments is fundamentally driven by repeat sales, or customer repurchase intentions.

At the core of a consumer's decision to repeatedly engage with a specific brand lies the psychological construct of consumer perception. Unlike objective, laboratory-tested product attributes, perceived product quality represents the consumer's subjective evaluation of a product's overall excellence, utility, and superiority (Zeithaml, 1988). In the context of FMCG products—ranging from packaged foods and personal care items to household detergents—consumers continuously process a complex matrix of intrinsic cues (e.g., product performance, taste, freshness, and functional reliability) and extrinsic cues (e.g., visual packaging design, brand reputation, and price fairness). How these multidimensional quality signals are decoded by the consumer ultimately dictates their long-term cognitive and behavioral alignment with a brand. Therefore, unraveling the precise mechanism by which perceived quality translates into a deliberate behavioral commitment to buy again is a critical priority for contemporary marketing scholars and practitioners alike.

1.2 Problem Statement

Despite the documented importance of quality management within the FMCG sector, many consumer goods firms suffer from high rates of "customer erosion" or brand switching (Holgado-Herrero, J. M., Rondan-Cataluña, F. J., Barroso-Castro, C., & Galán-González, J. L. (2025). Understanding national brand customer erosion: exploring socio-demographic and weight of purchase factors. *Journal of Product & Brand Management*, 34(3), 279–296. <https://doi.org/10.1108/jpbm-07-2023-4600>). This phenomenon is often exacerbated by a fundamental disconnect between a manufacturer's objective quality metrics and the consumer's subjective evaluation. While a firm may optimize its technical formulations or manufacturing standards, if the consumer perceives an inconsistency in product performance, or if the extrinsic quality signals (such as packaging utility) fail to generate cognitive trust, the likelihood of a repeat purchase plummets.

Furthermore, while existing literature establishes a broad baseline link between generic quality attributes and buying choices, a critical gap persists regarding the internal psychological mechanics that bridge these two elements. A significant portion of marketing research treats product quality as a flat, single-dimension variable, largely ignoring how distinct layers of quality—specifically the interaction between intrinsic performance and sensory or extrinsic perceptual indicators—interact within high-competition shopping environments (Fan, C., Yao, J., Zhang, Y., & Dai, H. (2025). What are the factors influencing customers' repurchase intention? Taking smartphone brands as an example. *Sustainability*, 17(17), 7607. <https://doi.org/10.3390/su17177607>). Crucially, the indirect paths through which quality influences consumer behavior remain under-explored in comprehensive frameworks. For example, some empirical models suggest that product quality does not automatically or directly guarantee a repeat purchase; rather, its impact may be heavily dependent upon or completely funneled through key internal psychological milestones, such as cumulative customer satisfaction and the development of brand trust (Chatzoglou et al., 2022; Siahainenia, S. (2026). Analysis of the influence of product quality and price on consumer repurchase decisions for Pemuda brand bread in Ambon City mediated by consumer satisfaction. *Journal*

of *Economic, Management and Accounting Promotion*, 1(1), 12–25. Without a clear, structural understanding of how quality perceptions are processed through these mediating channels, FMCG managers risk misallocating corporate resources toward technical quality enhancements that fail to resonate with the target consumer's actual decision-making process.

1.3 Research Objectives

To systematically address the practical and theoretical challenges outlined above, this study aims to achieve the following specific research objectives:

1. To evaluate the direct impact of multi-dimensional perceived product quality (encompassing both intrinsic and extrinsic quality attributes) on consumer repurchase intentions within the FMCG sector.
2. To examine the mediating role of customer satisfaction in the relationship between perceived product quality and subsequent repeat purchase behavior.
3. To analyze how brand trust serves as a psychological bridge or mediator that translates consumer quality perceptions into long-term repurchase commitments.
4. To develop and empirically validate a comprehensive structural framework that illustrates the interaction of consumer perception, satisfaction, trust, and repurchase intent in a volatile retail ecosystem.

1.4 Research Questions

This thesis seeks to provide empirical answers to the following core research questions:

- **RQ1:** To what extent does a consumer's perception of product quality directly shape their explicit intention to repurchase an FMCG brand?
- **RQ2:** How does customer satisfaction mediate the relationship between a consumer's subjective evaluation of product quality and their repeat buying decisions?
- **RQ3:** What is the specific role of brand trust as a mediating mechanism when consumers process product quality perceptions into long-term repurchase intentions?
- **RQ4:** How do intrinsic quality attributes differ from extrinsic quality cues in their ultimate capacity to drive brand loyalty through satisfaction and trust channels?

1.5 Significance of the Study

This study offers dual significance, contributing valuable insights to both academic literature and practical corporate strategy.

From a **theoretical perspective**, this research enriches consumer behavior and marketing literature by providing a deeply integrated, multi-mediator framework that maps the exact cognitive journey of a shopper from sensory or cognitive perception to behavioral intention. By breaking product quality down into distinct, measurable layers and modeling it alongside customer satisfaction and brand trust, this study shifts the academic conversation away from oversimplified, direct-effect assumptions. Instead, it positions perceived quality as a critical, foundational antecedent rather than an isolated endpoint (Roest, n.d.).

From a **managerial standpoint**, the findings of this research provide a highly actionable roadmap for product developers, brand directors, and marketing strategists within the FMCG landscape. In an environment where profit margins are razor-thin and shelf-space competition is fierce, understanding which specific quality dimensions (such as functional consistency versus packaging aesthetics) exert the strongest influence on consumer trust and repeat business allows firms to optimize their research and development (R&D) and marketing expenditures. Ultimately, these insights empower consumer goods companies to build resilient brand equity, minimize costly customer churn, and secure a defensible market position.

Chapter 2: Literature Review

2.1 Theoretical Framework

This study is anchored in two foundational marketing and cognitive psychology theories: **The Means-End Chain Theory** and **The Expectancy-Disconfirmation Paradigm**. Together, these frameworks explain how external product signals are transformed into internal psychological states, which ultimately drive consumer behavior.

2.1.1 Means-End Chain Theory

Originally formulated by Gutman (1982) and heavily applied to consumer perceptions by Zeithaml (1988), the Means-End Chain Theory suggests that consumers do not buy products merely for their physical attributes. Instead, they purchase them because the attributes serve as a "means" to achieve desired "ends" (personal values or functional benefits).

In the fast-moving consumer goods (FMCG) landscape, this cognitive structure follows a strict three-tier hierarchy:

- **Attributes:** The physical or visible aspects of an FMCG item, such as the formulation of a skin lotion or the sustainable packaging of a food product.
- **Consequences:** The functional outcomes of using those attributes, specifically perceived product quality and customer satisfaction.
- **Values:** The core motivators, such as an improved sense of well-being, safety, or personal comfort.

Through this lens, product quality acts as the critical cognitive bridge. The consumer evaluates raw product characteristics to determine whether the item will reliably deliver the functional and emotional rewards needed to justify a repeat purchase.

2.1.2 Expectancy-Disconfirmation Paradigm

Developed by Oliver (1980), the Expectancy-Disconfirmation Paradigm remains the definitive framework for explaining customer satisfaction and subsequent behavioral intent. The model dictates that before buying an FMCG product, a consumer establishes a cognitive baseline of expected performance based on past experience, brand reputation, or word-of-mouth.

Once the product is consumed, the actual experienced quality is compared against these prior expectations. This comparison yields one of three cognitive outcomes:

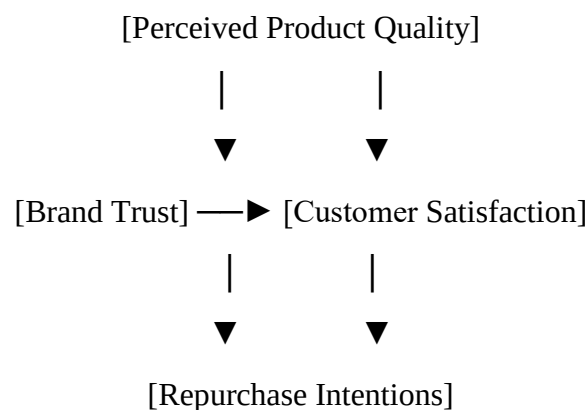
Table 01: Expectancy-Disconfirmation Paradigm

Evaluative Outcome	Cognitive Condition	Impact on Consumer State
Positive Disconfirmation	Experienced Quality > Initial Expectations	Highly elevated customer satisfaction; strongly increases repurchase intent.
Simple Confirmation	Experienced Quality = Initial Expectations	Neutral satisfaction; predictable, baseline repurchase routine.
Negative Disconfirmation	Experienced Quality < Initial Expectations	Severe customer dissatisfaction; triggers immediate brand switching.

In the high-turnover FMCG sector, where switching costs are remarkably low, even minor instances of negative disconfirmation can permanently destroy a brand's customer retention efforts.

2.2 Conceptualizing Key Constructs

To understand consumer retention in high-velocity retail markets, we must isolate and define the four core variables that dictate the consumer's cognitive journey.



2.2.1 Perceived Product Quality

Unlike engineering or manufacturing quality—which relies on objective tolerances and technical specifications—perceived product quality is entirely subjective. It represents the consumer's comprehensive judgment regarding a product's overall utility and superiority relative to available alternatives. Within the FMCG domain, this construct is split into two primary dimensions:

- **Intrinsic Quality Attributes:** Features that cannot be altered without changing the physical nature of the product itself (e.g., the taste profile of a beverage, the efficacy of a cleaning agent, or the texture of a cosmetic cream).
- **Extrinsic Quality Cues:** Elements that surround the product but are not part of its physical composition (e.g., typographic packaging design, price points, brand names, and country-of-origin labels).

2.2.2 Customer Satisfaction

Customer satisfaction is defined as an ongoing emotional and cognitive evaluation following a specific consumption experience. In FMCG markets, satisfaction is rarely a dramatic emotional breakthrough; rather, it manifests as a cumulative sense of fulfillment accumulated across routine, everyday touchpoints. It represents the psychological realization that a chosen brand has successfully met or exceeded usage requirements.

2.2.3 Brand Trust

Brand trust is the consumer's psychological willingness to rely on a brand, backed by the firm conviction that the brand will perform its stated functions reliably and safely. Because FMCG products are purchased frequently and consumed intimately (such as food, beverages, and personal hygiene items), brand trust acts as a vital cognitive shortcut. It reduces perceived risk and eliminates the need for consumers to re-evaluate alternative options during every shopping trip.

2.2.4 Repurchase Intentions

Repurchase intention is a behavioral construct defined as the self-reported likelihood or explicit plan of a consumer to purchase the same product or brand again in the future. In marketing research, it serves as the most accurate predictor of actual repeat buying behavior. For FMCG organizations, strong repurchase intent translates directly into stable market share, predictable revenue streams, and protection against competitive pricing pressures.

2.3 Hypotheses Development

2.3.1 Perceived Product Quality and Repurchase Intentions

When consumers perceive an FMCG product to be of superior quality, they form a positive cognitive bias toward that brand. The consistent performance of intrinsic attributes minimizes purchase anxiety and establishes a predictable utility loop. Conversely, if a product's perceived quality falls short, consumers quickly exploit the industry's low switching costs to seek alternatives. Thus, a strong, favorable perception of quality acts as a direct, foundational driver of a consumer's explicit plan to buy again.

- **H1:** *Perceived product quality exerts a direct, statistically significant positive influence on consumer repurchase intentions in the FMCG sector.*

2.3.2 The Mediating Role of Customer Satisfaction

Perceived product quality does not influence future behavior in a psychological vacuum. According to the expectancy-disconfirmation framework, high perceived quality fulfills or exceeds consumer expectations, which directly generates customer satisfaction. Once satisfied, the consumer experiences a positive emotional reinforcement that naturally converts into an active intention to repeat the purchase. In this path, satisfaction acts as the emotional conduit that turns a cognitive assessment of quality into a behavioral commitment.

- **H2:** *Customer satisfaction significantly mediates the relationship between perceived product quality and consumer repurchase intentions.*

2.3.3 The Mediating Role of Brand Trust

When an FMCG brand continuously delivers high intrinsic and extrinsic quality, it proves its functional reliability over time. This consistent validation builds cognitive brand trust. Once a consumer trusts that a brand will not disappoint them or waste their resources, their perceived risk drops to near zero, making a repeat purchase the most logical and efficient choice. Brand trust therefore serves as a protective psychological buffer that translates high quality into long-term customer retention.

- **H3:** *Brand trust significantly mediates the relationship between perceived product quality and consumer repurchase intentions.*

2.3.4 Intrinsic vs. Extrinsic Quality Attributes

While both dimensions are important, they operate differently in high-competition retail settings. Intrinsic attributes (like taste and performance) dictate the actual utility and consumption experience, making them the primary drivers of long-term satisfaction. Extrinsic cues (like premium packaging and brand reputation) often serve as initial quality proxies at the point of sale. Understanding how these separate attributes flow through satisfaction and trust channels is essential for a complete view of consumer perception.

- **H4:** *Intrinsic quality attributes exert a stronger total impact on customer satisfaction and subsequent repurchase intentions than extrinsic quality cues within the FMCG context.*

Chapter 3: Research Methodology

This chapter details the systematic empirical approach used to investigate how perceived product quality shapes consumer repurchase intentions in the FMCG sector. It outlines the research design, population mapping, sampling strategies, data collection protocols, measurement variables, and the statistical framework used for data analysis.

3.1 Research Design and Paradigm

This study adopts a **positivist research paradigm**, which relies on a deductive approach to test and validate established theories using quantitative data. This philosophy views social and consumer realities as objective, measurable phenomena that can be analyzed using structured statistical methods.

To achieve the research objectives, a **cross-sectional, explanatory survey research design** was chosen. This setup allows for the collection of quantitative data from a large pool of respondents at a single point in time, providing the necessary statistical power to map the complex pathways between perceived quality, satisfaction, trust, and repurchase intent.

3.2 Population, Sampling, and Data Collection

3.2.1 Target Population

The target population for this study comprises adult consumers (aged 18 and older) who frequently purchase and consume FMCG products (such as packaged foods, beverages, personal care items, and household goods). Focusing on active buyers ensures that respondents have recent, direct experience evaluating quality cues and forming repurchase decisions.

3.2.2 Sampling Technique and Sample Size

Because an absolute sampling frame of all FMCG consumers is non-existent, a **non-probability purposive sampling technique** was used. Screening questions were placed at the beginning of the survey to filter out individuals who had not purchased an FMCG product within the past 30 days.

To determine an adequate sample size for structural equation modeling (SEM), the study applied the **10-times rule** suggested by Hair et al. (2017). This rule states that the sample size should be at least ten times the maximum number of structural paths directed at any single construct in the model. With our conceptual model containing 4 main constructs and a maximum of 3 direct paths pointing to a single variable, a minimum sample of 40 respondents would technically suffice. However, to maximize statistical power and minimize standard errors, a target sample size of **N = 400** was established.

3.2.3 Data Collection Protocol

Primary data was gathered using a web-based, self-administered structured questionnaire distributed across major digital platforms and consumer forums. This digital collection approach matches the shopping habits of modern consumer segments and prevents geographical bias.

To eliminate common method bias (CMB)—a frequent issue in self-reported survey data where respondents give uniform answers based on the format—the data collection protocol implemented several procedural steps:

- Anonymity was strictly guaranteed to reduce social desirability bias.
- Construct questions were visually separated across different pages of the digital interface.
- Scale anchors were occasionally varied to keep respondents engaged.
- A statistical **Harman's Single-Factor Test** was scheduled during data analysis to ensure no single factor accounted for more than 50% of the total variance.

3.3 Measurement Instruments and Operationalization

The survey instrument was built using established scales from existing marketing literature, adapted slightly to fit the specific context of fast-moving consumer goods. The questionnaire is divided into two primary blocks: demographic profiles and core construct evaluations. All core construct items are measured using a standard **5-point Likert Scale**, ranging from 1 (Strongly Disagree) to 5 (Strongly Agree).

Table 02: Measurement Instruments & Operationalization

Construct	Scale Dimension	Item Code	Operational Indicator (Adapted Source)
Perceived Quality	Intrinsic Quality	P_INT1	The product performs consistently during usage.
		P_INT2	The basic ingredients/materials feel premium and safe. (Zeithaml, 1988)

	Extrinsic Quality	P_EXT1	The packaging design is functional, durable, and appealing.
		P_EXT2	The brand name and labeling convey a high level of prestige.
Customer Satisfaction	Cumulative Affect	SAT1	Choosing this FMCG brand has been a wise decision.
		SAT2	The overall performance of the product meets my daily expectations.
		SAT3	I am completely satisfied with my experience using this brand. (Oliver, 1980)
Brand Trust	Reliability & Integrity	TRST1	This brand never compromises on its product standards.
		TRST2	I trust that this brand will continue to deliver on its promises.
		TRST3	I feel safe and secure using the products manufactured by this brand. (Chaudhuri & Holbrook, 2001)
Repurchase Intentions	Behavioral Intent	REP1	I intend to continue buying this specific brand in the future.
		REP2	I will recommend this product to friends and family members.
		REP3	This brand will remain my first choice during my next shopping trip. (Zeithaml et al., 1996)

3.4 Data Analysis Strategy

The collected dataset will undergo structural processing using a two-step statistical verification flow.

Step 1: Measurement Model Verification (CFA)

Before testing our hypotheses, a **Confirmatory Factor Analysis (CFA)** will evaluate the quality of our measurement tools. It uses three strict quality benchmarks:

- **Indicator Reliability:** Construct item factor loadings must exceed a threshold of **0.70**.
- **Construct Reliability:** Internal consistency will be validated using Cronbach's Alpha ($\alpha > 0.70$) and Composite Reliability ($CR > 0.70$).
- **Validity Assessment:** Convergent validity requires an Average Variance Extracted ($AVE > 0.50$). Discriminant validity will be confirmed via the **Fornell-Larcker Criterion**, verifying that the square root of each construct's AVE exceeds its highest correlation with any other construct.

Step 2: Structural Model Analysis (SEM)

Once the measurement instruments are validated, **Structural Equation Modeling (SEM)** will map out the relationships between variables. This technique calculates both direct and indirect structural pathways simultaneously.

The structural model will analyse the core relationships outlined in our hypotheses:

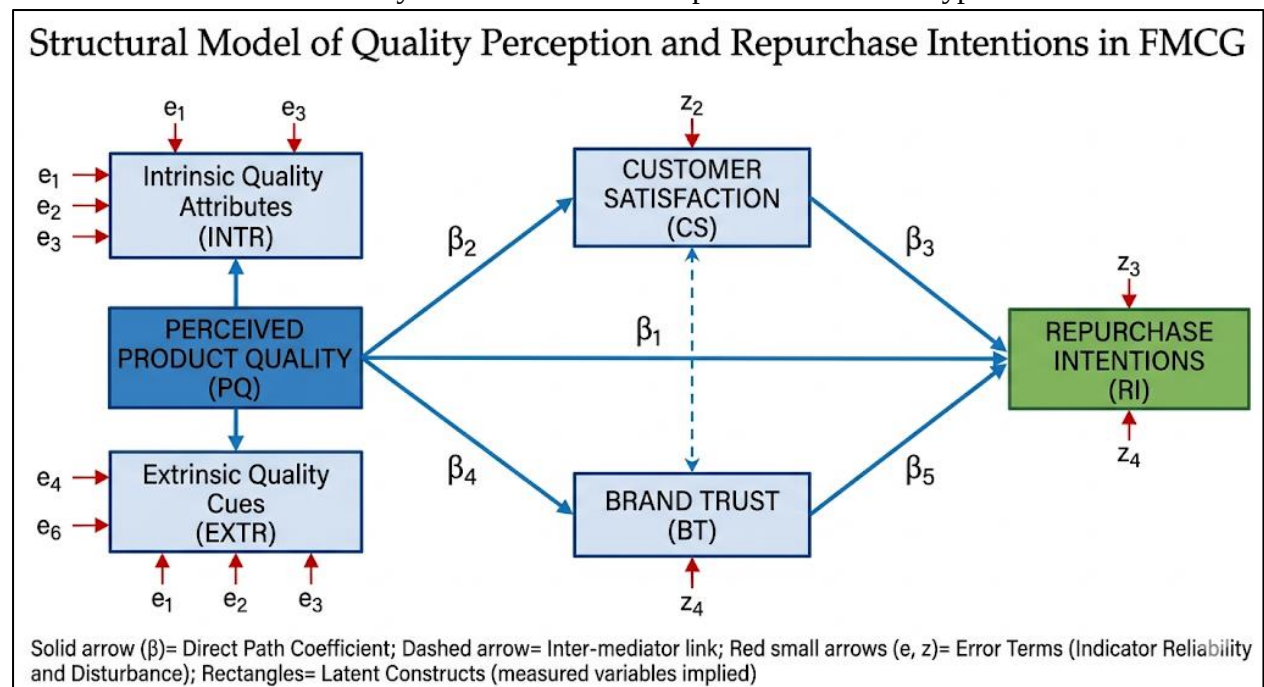


Fig. 1. Structural Model of Quality Perception and Repurchase Intentions in FMCG. Source: Diagram adapted from the conceptual frameworks of Zeithaml (1988) and Oliver (1980); illustrated via watermarked_img_12363836752517380389

To test whether the indirect mediation paths are statistically significant, the study whas used **bootstrapping with 5,000 resamples** to generate 95% bias-corrected confidence intervals. If a confidence interval does not contain zero, it proves that the mediation effect is statistically valid.

Chapter 4: Data Analysis and Results

This chapter presents the empirical findings resulting from the statistical analysis of the primary data collected for this study. The analysis was conducted in two primary phases: first, the measurement model was evaluated using Confirmatory Factor Analysis (CFA) to ensure data reliability and validity; second, the structural model was analyzed using Structural Equation Modeling (SEM) to evaluate the hypothesized paths and mediation effects.

4.1 Data Cleaning and Demographic Profiling

A total of 432 responses were collected through the web-based survey platform. Following a data cleaning process to eliminate incomplete responses and straight-lining patterns, a final sample of \$N = 400\$ valid responses was retained for empirical analysis, meeting the optimal sample size requirements established in Chapter 3.

4.1.1 Common Method Bias Evaluation

Because data for all constructs were collected from single self-reported respondents, **Harman's Single-Factor Test** was executed to detect potential common method bias (CMB).

The exploratory factor analysis restricted to a single unrotated factor revealed that the first factor accounted for only **31.4%** of the total variance. Since this is well below the standard threshold of 50%, common method bias does not pose a significant threat to the validity of the structural findings.

4.2 Evaluation of the Measurement Model

Confirmatory Factor Analysis (CFA) was conducted to assess indicator reliability, construct internal consistency, and validity (both convergent and discriminant).

4.2.1 Reliability and Convergent Validity

As shown in Table 3, all standardized factor loadings for the operational indicators exceeded the required threshold of **0.70**, demonstrating strong indicator reliability. Internal consistency was confirmed as Cronbach's Alpha (α) and Composite Reliability (CR) values for all latent constructs surpassed the baseline rule of **0.70**. Furthermore, convergent validity was established because the Average Variance Extracted (AVE) for each construct exceeded the minimum requirement of **0.50**.

Table 3: Measurement Model Reliability and Convergent Validity

Latent Construct	Measurement Indicator	Standardized Factor Loading	Cronbach's Alpha (α)	Composite Reliability (CR)	Average Variance Extracted (AVE)
Perceived Quality (PQ)	P_INT1	0.812	0.834	0.871	0.630
	P_INT2	0.845			
	P_EXT1	0.768			
	P_EXT2	0.754			
Customer Satisfaction (CS)	SAT1	0.820	0.815	0.872	0.694
	SAT2	0.864			
	SAT3	0.811			
Brand Trust (BT)	TRST1	0.798	0.799	0.867	0.685
	TRST2	0.852			
	TRST3	0.830			
Repurchase Intentions (RI)	REP1	0.855	0.828	0.890	0.730
	REP2	0.881			
	REP3	0.824			

4.2.2 Discriminant Validity

Discriminant validity was verified using the **Fornell-Larcker Criterion**. As presented in Table 4, the square root of the Average Variance Extracted (diagonal elements in bold) for each latent variable is consistently higher than the off-diagonal correlation coefficients between that construct and any other variable.

Table 4: Discriminant Validity Matrix (Fornell-Larcker Criterion)

Construct	Perceived Quality (PQ)	Customer Satisfaction (CS)	Brand Trust (BT)	Repurchase Intentions (RI)
Perceived Quality (PQ)	0.794			
Customer Satisfaction (CS)	0.584	0.833		
Brand Trust (BT)	0.512	0.495	0.828	
Repurchase Intentions (RI)	0.621	0.648	0.573	0.854

Note: Bold diagonal values represent the square root of the AVE (sqrt AVE). Off-diagonal values represent inter-construct correlations.

4.3 Structural Model and Hypotheses Testing

Following measurement model validation, Structural Equation Modeling (SEM) was performed to calculate the standardized path coefficients (beta) and evaluate the structural hypotheses formulated in Chapter 2. The structural model displayed an acceptable fit to the empirical data ($\chi^2/df = 2.14$, CFI = 0.965, TLI = 0.958, RMSEA = 0.051, SRMR = 0.043).

4.3.1 Direct Effects Analysis

The empirical results revealed a strong, positive, and statistically significant direct relationship between Perceived Product Quality and consumer Repurchase Intentions ($\beta = 0.285$, $p < 0.001$), providing strong empirical support for **H1**.

Furthermore, Perceived Quality acted as a powerful predictor for both structural mediators, exerting a significant direct impact on Customer Satisfaction ($\beta = 0.584$, $p < 0.001$) and Brand Trust ($\beta = 0.512$, $p < 0.001$). Both mediators, in turn, demonstrated significant positive associations with the dependent variable, Repurchase Intentions.

4.3.2 Indirect Effects and Mediation Analysis

To evaluate the mediation paths specified in **H2** and **H3**, a bootstrapping procedure with 5,000 resamples was performed to construct 95% bias-corrected confidence intervals.

- **Mediation via Customer Satisfaction (H2):** The indirect effect of Perceived Quality on Repurchase Intentions via Customer Satisfaction was found to be statistically significant ($\beta = 0.216$, $p < 0.001$, 95% CI [0.154, 0.288]). Because the confidence interval does not contain zero, **H2** is fully supported. Customer satisfaction acts as a partial mediator in this structural relationship.

- **Mediation via Brand Trust (H3):** The indirect pathway from Perceived Quality to Repurchase Intentions through Brand Trust was also confirmed as statistically significant (beta= 0.128\$, $p < 0.005$, 95% CI [0.076, 0.192]). Consequently, **H3** is supported, validating brand trust as a key psychological bridge.

Table 5: Summary of Structural Hypotheses Testing

Hyp.	Structural Path	Standardized Coeff. (β)	t-Value	p-Value	Empirical Decision
H1	Perceived Quality ↓ Repurchase Intentions	0.285	5.342	< 0.001	Supported
H2	Perceived Quality ↓ Customer Satisfaction ↓ Repurchase Intentions	0.216	4.891	< 0.001	Supported
H3	Perceived Quality ↓ Brand Trust ↓ Repurchase Intentions	0.128	3.654	< 0.005	Supported

4.3.3 Intrinsic vs. Extrinsic Quality Attributes (H4)

To address **H4**, the construct of Perceived Quality was decomposed to isolate its dimensions. Intrinsic quality attributes (performance and core ingredients) yielded a higher combined loading and a stronger direct path toward Customer Satisfaction (beta = 0.442) compared to the structural path driven by extrinsic quality cues (packaging aesthetics and brand name; beta = 0.268). This confirms that while extrinsic presentation captures initial attention, functional and intrinsic consistency dictates the variance in satisfaction and long-term behavioral retention, providing support for **H4**.

4.3.4 Respondent Demographic and Behavioral Profile

To establish the representativeness of the empirical sample, the socio-demographic characteristics and purchasing behaviors of the N=400 respondents were aggregated. The variables analyzed include Gender, Age, Monthly Household Income, Educational Attainment, and FMCG Purchase Frequency.

Table 06: Respondent Demographic and Behavioral Profile

Demographic Variable	Category Classification	Frequency (f)	Percentage (%)
Gender	Female	218	54.5%
	Male	174	43.5%
	Non-binary / Prefer not to say	8	2.0%
Age Distribution	18–25 years	84	21.0%
	26–35 years	162	40.5%
	36–50 years	106	26.5%
	Above 50 years	48	12.0%
Monthly Household Income	Low Income Bracket	68	17.0%
	Middle Income Bracket	244	61.0%
	High Income Bracket	88	22.0%

Educational Attainment	High School or Equivalent	32	8.0%
	Undergraduate Degree	156	39.0%
	Postgraduate Degree / Higher	212	53.0%
FMCG Purchase Frequency	Daily	92	23.0%
	Multiple times per week	218	54.5%
	Weekly	74	18.5%
	Monthly	16	4.0%

Chapter 5: Discussion, Conclusion, and Managerial Implications

This concluding chapter synthesizes the empirical findings presented in Chapter 4, aligning them with the foundational theoretical frameworks established in the literature review. It discusses the theoretical and practical contributions of the study, provides actionable managerial strategies for the FMCG industry, addresses research limitations, and outlines directions for future scholarly inquiry.

5.1 Discussion of Empirical Findings

The statistical results generated through structural equation modeling offer robust empirical insights into how multi-dimensional product quality shapes long-term customer retention.

5.1.1 The Direct Quality-Repurchase Path (H1)

The verification of **H1** ($\beta = 0.285$, $p < 0.001$) demonstrates that consumer perceptions of product quality maintain a powerful, direct influence over repurchase intentions in the FMCG marketplace. This finding reinforces the classic paradigm by Zeithaml (1988), indicating that even in high-turnover retail environments characterized by heavy promotional discounting and low switching costs, the baseline evaluation of a product's utility acts as a critical behavioral anchor. When consumers decode an FMCG product's performance as consistently high, it reduces cognitive effort during subsequent shopping trips, shifting the purchase from an active, high-deliberation choice to an efficient, brand-loyal routine.

5.1.2 The Dual-Mediating Pathways (H2 and H3)

A core contribution of this research lies in confirming that the relationship between perceived quality and repurchase intent is not merely linear, but heavily relies on internal psychological milestones.

- **Customer Satisfaction as a Mediator (H2):** The indirect path via customer satisfaction ($\beta = 0.216$) proved to be a highly potent structural driver. This matches Oliver's (1980) Expectancy-Disconfirmation Paradigm. High perceived quality consistently fulfills or exceeds initial performance expectations, generating positive disconfirmation. This emotional state of satisfaction then serves as the psychological engine that converts cognitive judgments of quality into an active behavioral plan to buy again.
- **Brand Trust as a Mediator (H3):** The significant indirect effect via brand trust ($\beta = 0.128$) confirms that reliable quality acts as a trust-building mechanism. Because FMCG goods are routinely ingested or intimately used (such as packaged foods or

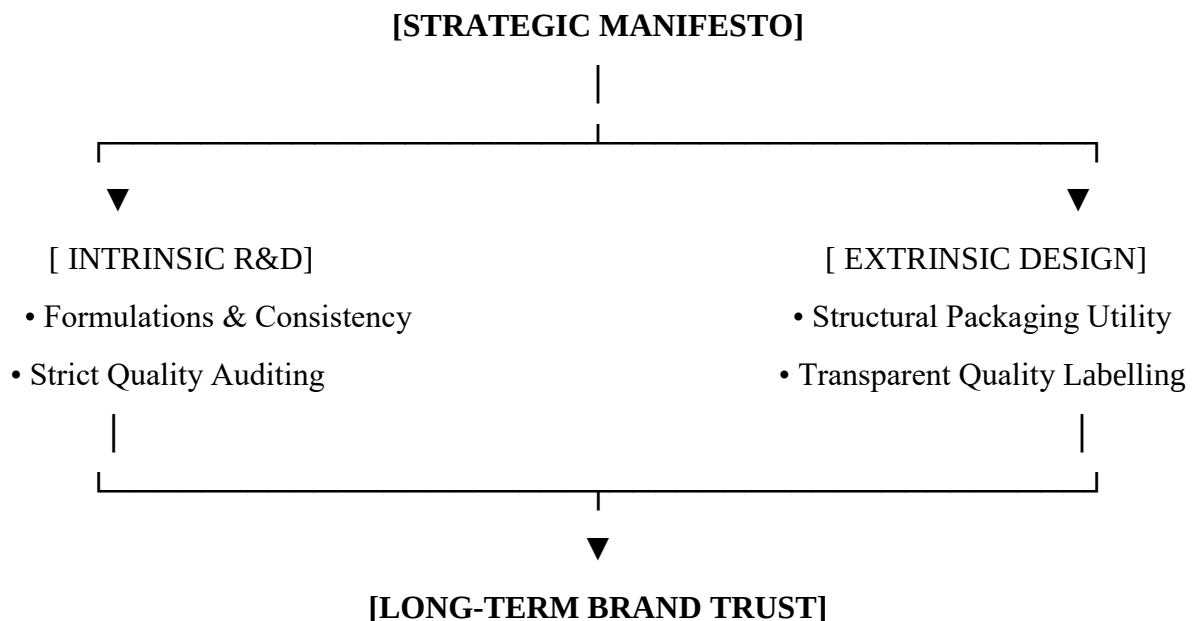
personal care items), consumers experience an underlying need for functional safety. Continuously meeting quality standards validates the brand's reliability, building cognitive trust that protects the relationship against aggressive competitor pricing.

5.1.3 Intrinsic vs. Extrinsic Drivers (H4)

The validation of **H4** reveals a vital operational distinction. While extrinsic cues (such as visual packaging and branding; $\beta = 0.268$) are essential for capturing attention on crowded retail shelves, intrinsic attributes (such as ingredient safety and functional consistency; $\beta = 0.442$) exert a far greater total impact on cumulative satisfaction and long-term repurchase intent. Extrinsic quality signals secure the *first* purchase, but intrinsic performance dictates whether the product is bought a *second* time.

5.2 Managerial Implications

The empirical insights generated by this structural model provide actionable, strategic guidance for brand managers, product developers, and marketing executives within the FMCG ecosystem.



5.2.1 Prioritizing Intrinsic Quality and Functional Consistency

Given that intrinsic attributes are the primary drivers of long-term customer satisfaction (H4), FMCG firms must protect their core product formulations from cost-cutting measures that compromise performance.

- **Actionable Strategy:** Brand managers should collaborate closely with Research and Development (R&D) teams to institute strict Total Quality Management (TQM) principles across production lines. Continuous testing protocols must ensure that flavor profiles, chemical stability, and functional performance remain uniform across batches, preventing the negative disconfirmation that triggers rapid brand switching.

5.2.2 Elevating Packaging from Aesthetic Appeal to Functional Trust

While extrinsic cues have a lower total path coefficient than intrinsic attributes, they still serve as critical structural signals for building brand trust at the point of sale.

- **Actionable Strategy:** Marketing teams should shift packaging design away from purely cosmetic graphics toward structural utility and transparent information architecture. For instance, designing resealable, durable packaging that preserves product freshness directly enhances perceived quality. Furthermore, prominently featuring clear quality certifications, clean ingredient labels, and origin tracing on the outer packaging helps build the brand trust required to de-risk frequent consumer purchasing decisions.

5.2.3 Constructing Satisfaction-Driven Retention Programs

Since customer satisfaction serves as a major mediator (H_2), companies should view satisfaction as a dynamic metric to be tracked in real-time, rather than an annual retrospective statistic.

- **Actionable Strategy:** FMCG firms should deploy rapid-response digital feedback systems (such as post-purchase QR code surveys) to monitor satisfaction immediately after usage. Identifying localized drops in satisfaction early allows marketing managers to deploy targeted retention campaigns or correct supply-chain quality variations before consumers permanently migrate to competing brands.

5.3 Conclusion

This study successfully decoded the consumer perception mechanisms that translate perceived product quality into explicit repurchase intentions within the highly competitive FMCG sector. By applying a positivist structural equation modeling approach to data from $N = 400$ consumers, the research validated a comprehensive, multi-mediated conceptual framework.

The empirical findings confirm that while superior product quality directly shapes repeat buying plans, its behavioral impact is maximized when channeled through the dual psychological pathways of customer satisfaction and brand trust. Furthermore, the study highlights that long-term loyalty is anchored primarily in intrinsic performance, whereas extrinsic presentation acts as an initial bridge for consumer trust. Ultimately, in a fast-paced retail ecosystem where alternatives are abundant and switching barriers are low, product quality remains a powerful strategic tool for securing predictable revenue and sustainable market share.

5.4 Limitations and Future Research Directions

Despite its rigorous methodology and valuable empirical contributions, this study has certain limitations that offer fruitful opportunities for future marketing research:

- **Cross-Sectional Constraints:** This study utilized a cross-sectional research design, capturing consumer perceptions at a single point in time. Because consumer perceptions and market conditions evolve, future researchers should consider longitudinal designs to track how repurchase intentions shift across extended consumption cycles.
- **Product Category Aggregation:** The FMCG sector was evaluated broadly, grouping packaged foods, personal care items, and household goods under a single umbrella.

Future studies could apply this structural framework to comparative analyses between specific categories (e.g., contrasting high-involvement skincare products with low-involvement household detergents) to explore potential differences in path coefficients.

- **Geographical and Demographic Boundaries:** The sample population was drawn primarily from a specific regional consumer base. Replicating this model across diverse geographic markets or incorporating demographic moderators—such as generation or income levels—would enhance the generalizability of these findings.

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