

# WHAT MAKES SHOPPER BUY OMNI-CHANNEL RETAIL PRODUCT: WITH COVID-19 CONTEXT

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#### Abstract

Many studies have shown how omni-channel influences the landscape of retail businesses. In Indonesia, retail businesses influence is greater because it has a stronger relationship with small businesses enterprises (SMEs). While the economy of Indonesia contributed by SMEs for 61,1% (Sasongko, 2020). It is essential to know the phenomena of omni-channel happening in the retail business. This research studied two aspects of buying intention. First, the motivation of consumers (contributed by consumers). Second the perceived quality (contributed by the capabilities of the retailer). This research also revealed how satisfaction plays a significant role in creating buying intention in an omni-channel context, with additional variables representing the consumers' innovativeness. This study did survey 425 respondents from 10 cities on Java Island, Indonesia. All the respondents had been filtered for only the shopper who has interacted with omni-channel. The result of this research shows how shopper satisfaction plays an essential role in order to push shopping intention. Personal innovativeness does not have a positive and significant effect as a moderator, instead of directly influences the shopping intention.

**Keywords:** Utilitarian Value, Hedonic Value, Channel Integration Quality, Omni-Channel Shopping Intention, and Shopper Satisfaction

#### **INTRODUCTION**

The phenomena of omni-channel creating big change in how the retail business works, especially in Indonesia. The government of Indonesia also identified the change in retail businesses in Indonesia by saying that the retail businesses need to be more decentralized than before (Kementrian Koordinator Bidang Perekonomian, 2017). In the other hand, the Retail Growth Index in Indonesia move differently compare to the Gross Domestic Product (GDP). The Retail Growth Index (Look at Figure 1) decreased gradually from 13.3% in 2015, 10.8% in 2016, 2.9% in 2017, and slightly increased to 3.7% in 2018, and 3.8% in 2019 (Indonesia, 2015, 2017, 2020). It was different with the GDP (Look at Figure 1) which present a stable figure. Started by 4.88% in 2015, continue to 5.03% in 2016, 5.07% in 2017, 5.17% in 2018, then 5.02% in 2019 (BPS, 2017, 2019). Those data are collected before the pandemic of COVID-19, which means it is not even related to the downturn caused by pandemic.

This research tried to find the actual trigger of the consumers while shopping in omni-channel retailers by including 2 main aspects of shopping intention. The first one represents the aspect controlled by the customers, which is the motivations that lead them to buy the product. This aspect will be represented by variable utilitarian value and hedonic value. The second one





represents the aspects represented by the quality of integration provided by the retailers. This aspect is represented by a variable, channel integration quality. Another variable, personal innovativeness, is expected to represent the innovative customers who usually shop for goods and services in e-commerce. The research has been done during the pandemic downturn in cases per day in Indonesia.

The combination of utilitarian value, hedonic value, and channel integration quality will bring new insight into the omni-channel world. At the same time, the situational factors variable is expected to be a new finding because of the survey of this research taken during the pandemic conditions. This research was conducted in Indonesia, specifically with the 10 most significant internet users who use the internet for buying goods and services.

# LITERATURE REVIEW

#### **History Summary of Omni-Channel**

Omni-channel was started by the traditional store where all people still shop in the physical store such as supermarkets, jewelry stores, department stores, book stores, etc. It is also called traditional retail. At this stage, the only channel is the physical store (single-channel). It is the reason why the only way to get more customers is by increasing the number of the physical store. (Chopra, 2018)

The invasion of digital world, which driven by the rapid development of technology, started to make new change in retail businesses. It started by the change that happened in advertising. Business doers start to make advertising in digital way, such as creating website, or making digital advertising in websites which get much visits by the targeted customers. (Beck and Rygl, 2015)

The digital disruption starts to invade other parts of business until one day, all the activity of business can be done digitally. This era is more popular as e-commerce era. Ramanathan, Ramanathan and Hsiao (2012) Defines e-commerce as the use of electronic technology to sell or advertise through the internet, in the context of B2B (Business to Business) and B2C (Business to Customers), which proposes to give improvement on internal functions (such as processing and fulfillment), and to facilitate communication between supply chain partner. The rise of the e-commerce era signifies the beginning journey to omni-channel.

The journey star to leave single-channel behind and start the new one, which is multi-channel. Multi-channel retailing happens when retailers sell their products through more than one channel. At this stage, when a customer chooses to start interacting with one channel, for example, the website, the customer will do the research and execution to buy the product from the website's customer services or sales department. Multi-channel does not allow integration between channels. (Beck and Rygl, 2015)

After the multi-channel era getting advanced, the contribution of customers also increased. There is cross-channel retailing appearing. Cross-channel allows integration between channels, both offline and online. At this stage, the integration between channels partially done by the





retailers. For example, when a customer is able to check the price and availability of a product that provided by the retailer in their website. After the customer ended the research, he/she decide to buy the product in the physical store. Cross-channel also allows the customers to do research, for example, in physical store, then buy their product in other channel, such as e-commerce application on their smartphone. (Galipoglu et al., 2018)

After the advanced stage of cross-channel, there is the time for omni-channel era to start. Verhoef, Kannan and Inman (2015) stated in their journal, the definition of omni-channel retailing is the synergetic management of numerous available channels and customer touch point, in such a way that the customer experience and the performance over all channels are optimized. In omni-channel, integration between channels is a must. The intervention of social media also gives more channels to add. Customers able to interact with every touch point in omni-channel environment, and the integration between channels would be important to make the customers interaction with each channel gives the same impression, and lead customers to buying decisions.

#### **Utilitarian Value and Hedonic Value**

Hedonic motivation is related to something fun, pleasurable, and enjoyable. While utilitarian value related to rational and task-oriented traits (Juaneda-Ayensa, Mosquera and Murillo, 2016). Both utilitarian value and hedonic value developed from performance expectancy, effort expectancy, and hedonic motivation. Those 3 constructs based on UTAUT2 model. UTAUT2 model is a development of UTAUT (Unified Theory of Acceptance and Use of Technology) model. UTAUT model's root is TRA (Theory of Reasoned Action) model (Fishbein and Ajzen, 1975) which have attitude toward behavior, and subjective norms. Davis (1985) develop new model to advocate technology adoption, which named TAM (Technology Acceptance Model). TAM is more complex than TRA. It has perceived usefulness perceived ease-of use, and subjective norms. TAM is developed into TAM2 by Venkatesh and Davis (2000). In TAM2, there are several constructs, such as social influence processes (subjective norm, voluntariness, and image), output quality, result demonstrability, and perceived ease-of-use.

In this research, utilitarian value and hedonic value are studied for their influence toward intention, and toward satisfaction. The relationship between those variables had been observed by many previous researches. (Juaneda-Ayensa, Mosquera and Murillo, 2016; Kesari and Atulkar, 2016; Gan and Wang, 2017; Nguyen et al., 2020)

#### **Channel Integration Quality**

Channel integration quality is defined as the ability to provide customers with a seamless and unified service experience across different channels (Sousa and Voss, 2006). Omni-channel services demands synergetic management of all channels. It is the reason why channel integration quality is more oriented to address the concerns of omni-channel (Shen et al., 2018).

Channel integration quality itself is a result of the evolution of service quality. Service quality is concerning the quality of services when the consumers come to the physical store. Then it started to evolve when the e-commerce era started. Service quality isn't only about the physical





services accepted by the customers in the physical store, but also the virtual service quality such as website quality (Loiacono, Watson and Goodhue, 2002), SITEQUAL (Yoo and Donthu, 2001), eTailQ (Wolfinbarger and Gilly, 2003), and E-S-Qual (Parasuraman, Zeithaml and Malhotra, 2005). In order to make both physical and virtual quality unified, integration is needed. In omni-channel, all channels, physical or virtual, should be integrated.

This research study the relationship from channel integration quality toward satisfaction and intention. The study about those constructs has been done by many previous researches under different terminology such as, service quality and multi-channel integration quality. (Pantano and Viassone, 2015; Shen et al., 2018)

#### Shopper Satisfaction

Satisfaction reflects users' subjective evaluation resulting when comparing the usage experience with prior expectations about the social commerce sites (Oliver R. L., 1980). Satisfaction is not only about customer evaluation after using the products (after the purchase), but also able to create intention. It is the reason why Gan and Wang (2017) connect satisfaction to purchase intention.

The term of 'shopper' is to describe that this variable's context is the omni-channel. The term itself has been used by prior researches (Sands, Oppewal and Beverland, 2015; Elmashhara and Soares, 2019). Based on the prior researches, this research study the influence of hedonic value, utilitarian value, and channel integration toward shopper satisfaction. The developed hypotheses are:

H1a: Utilitarian value influences shopper satisfaction significantly.

H1b: Hedonic value influences shopper satisfaction significantly.

H1c: Channel integration quality influences shopper satisfaction significantly.

#### **Omni-channel shopping intention**

Omni-channel shopping intention, more popular with the term "purchase intention", defined as consumer's intention or choice to purchase from one of the channels offered by the retailer (Pantano and Viassone, 2015). Purchase intention itself started to be used as variable in research model when Swanson (1982) use it as one of the decisive factor for consumer behavior. The term omni-channel shopping intention is to highlight the context of omni-channel. This term also used by Juaneda-Ayensa, Mosquera and Murillo (2016) and Kang (2019).

This research study the direct influence of utilitarian value, hedonic value, channel integration quality, toward omni-channel shopping intention. Previous researches such as Juaneda-Ayensa, Mosquera and Murillo (2016), Gan and Wang (2017), and Nguyen et al. (2020) has been studied the same model except the participation of channel integration quality. That differentiation would provide new insight scientifically.

In the other hand, the influence of shopper satisfaction toward omni-channel shopping intention, also being observed in this research. It is a similar observation to Pantano and





Viassone, (2015) and, Gan and Wang (2017) which using the digital context to see the influence of satisfaction toward intention. Based on that, this research develops hypotheses as below:

H2a: Utilitarian value influences omni-channel shopping intention significantly.

H2b: Hedonic value influences omni-channel shopping intention significantly.

H2c: Channel integration quality influences omni-channel shopping intention significantly.

H3: Shopper Satisfaction influence omni-channel shopping intention significantly.

#### **Personal Innovativeness**

Personal innovativeness defined as the degree to which a person prefers to try new and different products or channels, and to seek out new experiences requiring a more extensive search (Midgley and Dowling, 1978). Citrin et al. (2000) states that, there are two types of innovativeness. The first one is the open-processing innovativeness, which also called as general innovativeness. The second one is the domain-specific innovativeness. The open-processing innovativeness focuses on a cognitive style (incorporates a person's intellectual, perceptual, and attitudinal characteristics). While the domain-specific innovativeness focuses on the adoption of innovation, but just for an area of interest. Based on those explanation, personal innovativeness is more similar to the open-processing innovativeness.

The variable of personal innovativeness influence on purchase intention has been studied by many researches (Citrin et al., 2000; San Martín and Herrero, 2012; Juaneda-Ayensa, Mosquera and Murillo, 2016). In this research, personal innovativeness also tested for its moderation effect on the influences of utilitarian value, hedonic value, and channel integration quality toward omni-channel shopping intention. Previous researches have been giving several finding about how is the moderation effect of personal innovativeness such as Agarwal and Prasad (1998); Citrin et al. (2000); and Alkawsi, Ali and Baashar, (2021). Based on those literature above, this research develops hypotheses as below:

H4: Personal innovativeness influence omni-channel shopping intention significantly

**H5a**: Positive and significant moderation effect of personal innovativeness on the influence of utilitarian value toward omni-channel shopping intention.

**H5b**: Positive and significant moderation effect of personal innovativeness on the influence of hedonic value toward omni-channel shopping intention.

**H5c:** Positive and significant moderation effect of personal innovativeness on the influence of hedonic value toward omni-channel shopping intention.

#### MATERIALS AND METHODS

This research uses a quantitative approach. In term of how the data taken, this research is classified as cross-sectional studies. The sampling technique used by this research is, the convenience sampling (or also called as purposive sampling). This sampling technique allow researcher to choose respondents base on comfortability. (Sekaran and Bougie, 2016)





Convenience sampling itself also divided into two types which are judgement sampling and quota sampling. This research allows quota sampling for 10 cities/regions with the biggest internet users (for shopping). The cities those chosen are inside Java Island, Indonesia. The reason for only choosing cities inside Java because it contributes 55% of internet users in Indonesia.

The 10 cities/regions those chosen are Jakarta, Districts of Tangerang, Tangerang (City), Bekasi, Districts of Bogor, Semarang, Districts of Pati, Yogyakarta, Surabaya, and Districts of Sidoarjo. Those cities are chosen based on their internet user amount. All of them are the best 2 cities/regions in each province (except Jakarta and Yogyakarta, because the size of the region is more similar to a city). (Statistik Kesejahteraan Rakyat Kabupaten Administrasi Kepulauan Seribu, 2020; Statistik Kesejahteraan Rakyat Provinsi Jawa Barat, 2020; Statistik Kesejahteraan Rakyat Provinsi Jawa Tengah, 2020; Statistik Kesejahteraan Rakyat Provinsi Jawa Timur, 2020; Statistik Kesejahteraan Rakyat Provinsi Jawa Timur,

The questionnaire uses 5-points Likert Scale from kototoolbox.org. The researcher use Structural Equation Modelling to do the analysis which using software R. R is proven and used by many researchers such as Mallika Appuhamilage and Torii (2019), and Pieters, Pieters and Lemmens (2022).

#### **Data Collection**

Following the guideline from Hair Jr et al. (2019), which states that, in order to avoid deviation problem, it is recommended to use 10 respondents for each parameter. The questionnaire of this research has 35 questions as parameter. Because of that, the targeted minimum total respondents for this research are 350 respondents. To avoid error filling from the respondents which come from various educational and cultural backgrounds, the researcher targeted 450 respondents. After filtering the responses, it is concluded that 425 responses could be use as observation object for this research. The distributions of 425 respondents will be shown in the respondent profile.

All respondents who answered the online questionnaire have been filtered by the filter questions about are they have experienced shopping online in the e-commerce application. In this case, the e-commerce applications refer to those popular and available in Indonesia, such as Shopee, Tokopedia, Lazada, etc.

#### **RESULTS AND DISCUSSION**

This research using software R to do data analysis, and SPSS to show the descriptive statistic. The respondents of this results dominated by woman with 62.6% proportion. Most of the respondents also found at 26-35 years old (57.6%), followed by respondents in the range of 17-25 years old. It is also found that 57.9% of the respondents are senior high school graduates (58%). It follows with bachelor degree graduates with 28.2%.





The occupations of the respondents are dominated by housewife with 34.1% and followed by private enterprises employees with 27.5%. Most of our respondents of this research seems to use Shopee (66.3%). For more complete figure about the respondents, see Figure .....

Before the main data collection, the researcher conducted a pre-test to 50 respondents. The result from the pre-test shown that all of questions are valid. All the number of r-count are higher the r-table (in this case the r-table value is 0.284). Complete view shown on Table 1.

After finishing the pre-test, the main data collection running. The findings will be justified as significant if t-value is above 1.96 at the significant  $\alpha = 5\%$ . The hypotheses testing show that 7 hypotheses are rejected (H2b, H2c, H5a, H5b, H5c, H6b, and H6c), and 7 hypotheses are accepted (H1a, H1b, H1c, H2a, H3. H4, H6a). Complete view shown on Table 2.

It is important to be noted that the  $R^2$  of omni-channel shopping intention is 0.805 and shopper satisfaction is 0.784. It means the variable of utilitarian value, hedonic value, and channel integration quality explain the shopper satisfaction with 78.4%. While omni-channel shopping intention is explained by utilitarian value, hedonic value, channel integration quality, shopper satisfaction, and personal innovativeness at the rate of 80.5%.

#### [Part A: Discussion of the results]

The influence of utilitarian value and hedonic value toward shopper satisfaction is positive and significant. It is the same condition with the research made by Gan and Wang (2017) which also found that the influence of utilitarian value and hedonic value toward satisfaction in omnichannel context is positive and significant. The result of this research also confirm the finding in Kesari and Atulkar (2016). In other hand, the influence of channel integration quality toward shopper satisfaction is positive and significant. It is confirming the finding of Pantano and Viassone (2015) that find the influence of service quality perception toward satisfaction is positive and significant.

The influence of utilitarian value toward omni-channel shopping intention is positive and significant. It is confirming the finding of Gan and Wang (2017) that find the influence of utilitarian value toward purchase intention is positive and significant. In other hand the influence of hedonic value on omni-channel shopping intention is proved not significant. It is similar to other research that collecting data during COVID-19 pandemic, from Nguyen et al. (2020) which find hedonic motivation's influence on online purchase intention is not significant. The same case happened to the influence of channel integration quality toward omni-channel shopping intention that found negative and insignificant in this research. This condition similar to the finding of Yu, Niehm and Russell (2011), which finds that perceived channel quality is not significantly influence channel usage intention.

In this research, personal innovativeness and shopper satisfaction also tested for their direct influence toward omni-channel shopping intention. The personal innovativeness represents the influence of people (both forced and voluntarily) interact to the technology every day. The influence of personal innovativeness on omni-channel shopping intention is positive and significant. It is confirming the research from Juaneda-Ayensa, Mosquera and Murillo (2016)





which also found that the influence of personal innovativeness toward purchase intention is positive and significant, in the context of omni-channel. In other hand, the influence of shopper satisfaction towards omni-channel shopping intention is also positive and significant. It is in line with the finding of Pantano and Viassone (2015). In that journal, satisfaction significantly create positive influence on purchase intention.

The moderation effect of personal innovativeness gives good insight in this research (see table 3). The finding exposed that the moderation effect of personal innovativeness is not significant except the moderation effect on the influence of utilitarian value on omni-channel shopping intention, but it is a negative effect. This finding is in line with the research of Alkawsi, Ali and Baashar (2021) which also found the moderation effect on the influence of performance expectancy and effort expectancy towards omni-channel shopping intention is not significant. It is also found in other research that personal innovativeness is not giving significant influence of internet usage on internet shopping (Citrin et al., 2000).

[Part B; Validity and Reliability]

All questions are tested reliable and valid (complete data shown at Table 4 – Table 9). The validity testing is using standard loading factors, which the value must be above 0.5 to be stated as valid. Standard loading factor is measurement for construct validity testing. (Hair Jr et al., 2019)

All the constructs also tested for reliability which the results show all of it are reliable. The testing of reliability uses Composite Reliability (CR), Average Variance Extracted (AVE), and Cronbach's Alpha. Composite Reliability (CR) is part of confirmatory factor analysis, which to confirm reliability the value suggested to be at 0.7 or above. Cronbach's Alpha is the test for consistency of the entire scale. Cronbach's Alpha value also expected to be 0.7 or above. Average Variance Extracted (AVE) which computed as the total of all squared standardized factor loadings (squared multiple correlation) divided by the number of items. AVE value is recommended at the level 0.5 or above to be called as reliable.

[Part C: Goodness of Fit]

In this research the goodness of fit of the model are tested by several indices: (1) Chi square, (2) RMSEA, (3) GFI, (4) NFI, (5) AGFI, (6) TLI/NNFI, (7) CFI, (8) SRMR, (9) PNFI, and (10) PGFI. Another 2 additional measurements which are IFI and RFI are the same function as CFI.

Chi square is part of the absolute fit indices. It is the fundamental of overall fit. Chi square's value expected to be small value. RMSEA (Root Mean Square Error of Approximation) is the measure that fix the problem of chi square which tend to refuse research model with big sample number. RMSEA suggested to be under 0.7 to be called as fit. GFI (Goodness of Fit Index) is a non-statistic measurement which the value is between 0 (poor fit) and 1 (perfect fit). Most of the researcher agreed 0.9 or above for the value of GFI to make a model called fit.

AGFI (Adjusted Goodness of fit) is adjustment of GFI, by considering the degree of freedom. AGFI value is expected to be higher than 0.90 for a model called as fit. TLI (Tucker-Lewis







Index), which often called as NNFI (Non-Normed Fit Index) is the evaluation tool for factor analysis. Then, after some development TLI/NNFI also set for SEM analysis. Value of TLI/NNFI recommended at 0.9 or above. (Santoso, 2011; Ghozali, 2017; Hair Jr et al., 2019)

CFI (Comparative Fit Index) is based on the number of NCP (Non-Centrality Parameter) for many various models. The value of CFI expected to above 0.9 to make a model called fit. The basis of CFI is the same as the basis of IFI (Incremental Fit Indices) and RFI (Relative Fit Indices), all of them required 0.9 value for fit indices. Another very important index is SRMR (Standardized Root Mean Residual). SRMR started by the standardized residual value. But standardized residual value cannot become a decisive value for model fit. So, it is developed to RMR, and then SRMR which justified able to describe overall model. The number of SRMR expected between 0.92 and 0.97. (Santoso, 2011; Ghozali, 2017; Hair Jr et al., 2019)

PNFI (Parsimony Normal Index) is the modification of NFI. PNFI used by researcher to comparing models. The Value of PNFI recommended at 0.5 if other indices dominated by 0.9. PGFI (Parsimony Goodness of Fit Index) is the base of parsimony estimated model. The value of PGFI also expected to be around 0.5 if the other indices are 0.9. (Hooper, Coughlan and Mullen, 2008)

All the number of Goodness of fit are provided in Table 11. The chi square is not fit, but based on the guideline from Hair Jr et al. (2019), for model with the big number of respondents, the multiple goodness of fit is recommended (chi square cannot be the one and only measurement). Based on Table 10, it is shown that, from 13 indices, there are 10 indices that confirms as fit. Therefore, the model of this research can be claimed as fit.

Code	Questions	r-count	r-table	Conclusion
UV1-01	The e-commerce application that I use provides a variety of products offered.	0.626	0.284	Valid
UV1-02	The e-commerce application that I use provides detailed information about product features.	0.678	0.284	Valid
UV2	The product prices offered in the e-commerce application that I use are very competitive.	0.693	0.284	Valid
UV3-01	The e-commerce application that I use provides convenience in shopping because it provides convenience.	0.685	0.284	Valid
UV3-02	The e-commerce application that I use provides convenience in shopping because it makes shopping activities fast (saves time).	0.592	0.284	Valid
HV1-01	Shopping through the e-commerce application that I use makes me feel adventurous.	0.829	0.284	Valid
HV1-02	Shopping through the e-commerce application that I use gives its own sensation	0.842	0.284	Valid
HV2	Shopping through the e-commerce application that I use can reduce stress.	0.713	0.284	Valid

# Table 1: Pre-Test Result





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Code	Questions	r-count	r-table	Conclusion
HV3	I feel comfortable shopping for goods/services for other people who are special to me in the e-commerce application that I usually use	0.746	0.284	Valid
HV4	I enjoy shopping on e-commerce apps that I use when hunting for promotions, flash sales, or discounts.	0.743	0.284	Valid
HV5	I have the experience of getting social interaction (sharing with friends on social media, or responses from friends) after shopping on the e-commerce application that I use.	0.766	0.284	Valid
HV6	I find trending new products when shopping on the e- commerce application that I use.	0.821	0.284	Valid
HV7	I feel that I get social recognition when I shop for goods and services with certain brands that are sold online through various e-commerce platforms.	0.689	0.284	Valid
CIQ1-01	I know that all purchase channels (channels) are provided by each brand (Example: Can be purchased through offline stores, through e-commerce applications, through social media, or others)	0.678	0.284	Valid
CIQ1-02	I know all the differences between the service attributes (features you get) that exist in the various purchase channels.	0.717	0.284	Valid
CIQ2-01	I can choose various alternative channels (alternative ways) to get a service. (Example: alternative payment services such as bank transfers, electronic money, Gopay, Shopeepay, Kredivo, and others)	0.758	0.284	Valid
CIQ2-02	Even though I have selected a particular purchasing channel/channel, I can still get information from various other purchasing channels/channels.	0.739	0.284	Valid
CIQ3-01	The information I get from various purchasing channels/channels remains consistent and doesn't create confusion.	0.769	0.284	Valid
CIQ3-02	When I interact with a service channel/line or purchase, my interaction with another service channel/line or purchase is still accommodated.	0.732	0.284	Valid
CIQ4-01	The services available from various purchase channels/channels provide the same image for the product from the brand I purchased.	0.822	0.284	Valid
CIQ4-02	The service performance of various purchasing or service channels is also consistent.	0.777	0.284	Valid
SS1	I am satisfied with all the services I get while using the e- commerce application that I use.	0.800	0.284	Valid
SS2-01	I am satisfied with the experience while using the e- commerce application that I use for shopping.	0.800	0.284	Valid
SS2-02	I am satisfied because the experience exceeded my expectations.	0.787	0.284	Valid
SS3	I am satisfied that I can choose which purchasing channel/path I will use.	0.803	0.284	Valid
OCSI1	I intend to buy goods through the e-commerce application that I usually use.	0.763	0.284	Valid
OCSI2	I would recommend to others to shop through the app.	0.815	0.284	Valid
OCSI3	I predict that I will shop through this app in the future.	0.749	0.284	Valid





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Code	Questions	r-count	r-table	Conclusion
PI1	I like experimenting with something new.	0.764	0.284	Valid
PI2	Among my friends and family, I am usually the first to try something new (new technology).	0.675	0.284	Valid
PI3	When I hear of a new technology, I look for ways to try it out.	0.819	0.284	Valid
PI4	Compared to my colleagues, I tend to be more information seeking when it comes to something new.	0.771	0.284	Valid

#### Table 2: Hypotheses Testing (Without moderating effect)

Hypothesis	β	Std. Err	t-value	p-value	Conclusion		
UV -> S	0.151	0.081	2.521	0.012	Significant		
HV -> SS	0.322	0.066	4.241	0	Significant		
CIQ -> SS	0.473	0.077	6.362	0	Significant		
UV -> OCSI	0.123	0.084	1.973	0.049	Significant		
HV -> OCSI	0.138	0.071	1.67	0.095	Not Significant		
CIQ -> OCSI	-0.077	0.091	-0.867	0.386	Not Significant		
SS -> OCSI	0.587	0.099	5.873	0	Significant		
PI -> OCSI	0.217	0.049	4.15	0	Significant		
Significant at a real level $\alpha = 5\%$							

# Table 3: Moderation Effect of Personal Innovativeness (PI)

Hypothesis	Estimate	Std. Error	t value	p-value	Conclusion
UV -> OCSI (Moderated by PI)	-0.023	0.012	-1.976	0.049	Significant
HV -> OCSI (Moderated by PI	-0.004	0.006	-0.638	0.524	Not significant
CIQ -> OCSI (Moderated by PI)	-0.002	0.008	-0.201	0.840	Not significant

# **Graphical results**



**Figure 1: GDP vs Retail Growth Index** 







**Figure 2: Gender of Respondents** 



# **Figure 3: Age of Respondents**





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**Figure 4: Occupation of Respondents** 



Figure 5: Which e-commerce application do you usually use?





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# **Figure 6: Distribution of Respondents**



#### **Figure 7: Education Level of Respondents**





## Validations

# Table 4: Validity and Reliability of Variable Utilitarian Value

Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion	
UV1-01	0.664				Valid	
UV1-02	0.801	0.874			Valid	
UV2	0.693		0.874	0.874 0.843	0.588	Valid
UV3-01	0.793					Valid
UV3-02	0.783				Valid	
Std. Loading Factor > 0.5; Cronbach's Alpha > 0.7; CR > 0.7; AVE > 0.5						

#### Table 5: Validity and Reliability of Variable Hedonic Value

Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion		
HV1-01	0.79				Valid		
HV1-02	0.816		0.906 0.911	0.55	Valid		
HV2	0.795				Valid		
HV3	0.793	0.006			Valid		
HV4	0.666	0.900			Valid		
HV5	0.775				Valid		
HV6	0.771				Valid		
HV7	0.706				Valid		
Std. Loading	Std. Loading Factor > 0.5; Cronbach's Alpha > 0.7; CR > 0.7; AVE > 0.5						

#### Table 6: Validity and Reliability of Variable Channel Integration Quality

Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion
CIQ1-01	0.686				Valid
CIQ1-02	0.69				Valid
CIQ2-01	0.682		0.907 0.898	0.541	Valid
CIQ2-02	0.775	0.007			Valid
CIQ3-01	0.789	0.907			Valid
CIQ3-02	0.834				Valid
CIQ4-01	0.812				Valid
CIQ4-02	0.82				Valid
Std Loading	x = Factor > 0.5 Cropba	ch's Alpha > 0.7.	CR > 0.7 $AVE > 0$	5	

Std. Loading Factor > 0.5; Cronbach's Alpha > 0.7; CR > 0.7; AVE > 0.5

# Table 7: Validity and Reliability of Shopper Satisfaction

Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion	
SS1	0.796	0.866	366 0.875	0.599	Valid	
SS2-01	0.819				Valid	
SS2-02	0.847				Valid	
SS3	0.808				Valid	
Std. Loading Factor > 0.5; Cronbach's Alpha > 0.7; CR > 0.7; AVE > 0.5						





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Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion	
PI1	0.801	0.889	0.007	0.669	Valid	
PI2	0.843				Valid	
PI3	0.851		0.889	0.907	0.008	Valid
PI4	0.855				Valid	
Std. Loading Factor > 0.5; Cronbach's Alpha > 0.7; CR > 0.7; AVE > 0.5						

#### Table 8: Validity and Reliability of Omni-Channel Shopping Intention

Table 9:	Validity a	and Reliability	of Situational	Influence
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Indicator	Standard Loading Factor	Cronbach's Alpha	Composite Reliability (CR)	Average Variance Extracted (AVE)	Conclusion		
OCSI1	0.842	0.839	0.858	0.626	Valid		
OCSI2	0.832				Valid		
OCSI3	0.828				Valid		
Std. Loading Factor $> 0.5$ ; Cronbach's Alpha $> 0.7$ ; CR $> 0.7$ ; AVE $> 0.5$							

Test	Criteria	Score	Threshold	Description
	Chi square	987.24	Getting smaller	Not fit
Absolute motob	Relative Chi Square (x2/df)	1.928	< 2	Fit
Absolute match	GFI	0.883	> 0.90	Marginal fit
SIZE	Std RMR	0.039	< 0.08	Fit
	RMSEA	0.047	< 0.07	Fit
	AGFI	0.856	> 0.90	Marginal fit
	NFI	0.917	> 0.90	Fit
Incremental match	NNFI (TLI)	0.951	> 0.90	Fit
size	CFI	0.958	> 0.92	Fit
	IFI	0.958	> 0.90	Fit
	RFI	0.904	> 0.90	Fit
Dersimony Fit Size	PNFI	0.789	> 0.5	Fit
raisinony rit size	PGFI	0.717	> 0.5	Fit

#### **Table 10: Goodness of Fit**

#### CONCLUSIONS

There are some points to conclude this paper. The first point is how shopper satisfaction can create shopping intention in omni-channel retail. This paper proved that utilitarian value, hedonic value, and channel integration quality positively and significantly influence shopper satisfaction. At the same time, the shopper satisfaction variable has a positive and significant influence on omni-channel shopping intention. Contrast results happened to the influence of utilitarian value, hedonic value, and channel integration quality toward omni-channel shopping intention directly. The result only the utilitarian value significantly and positively affects omni-channel shopping intention directly. It means shopper satisfaction greatly influences buying intention in the omni-channel world. While in the case of basic needs and rational reasons, the shopper might intend to buy an event they are not satisfied with their experience when





interacting with an omni-channel touch point. So, all retailers must ensure their channels satisfy the shopper at every touch point. The second conclusion is how the innovative shopper characteristic gives us insight. Innovative shopper tends to buy the products of omni-channel retailers directly. It proved that personal innovativeness influences omni-channel shopping intention significantly and positively on their direct relationship. The innovativeness of shoppers needs to moderate the influence of hedonic value and channel integration quality toward omni-channel shopping intention. However, it creates a negative and significant influence on the influence of utilitarian value toward omni-channel shopping intention. It means the innovative trait of a shopper will not influence hedonistic shoppers to buy more. It also means the quality created by retailers on integration will not make innovative shoppers buy more products. The result even shows us that innovativeness harms shopper who interacts with omni-channel retailing with a rational mind. Shoppers with innovative characteristics will buy products if they are interested in them. There is no need to consider their motivation. Quality of integration between channels is also not crucial for innovative shoppers. It is because the innovative shopper wants to try something new. Future research should give more insights into how some businesses get their best income during a pandemic, especially in Indonesia. What kind of shoppers are buying their products, and what triggers the desire to buy more during the pandemic. It is essential because the pandemic has not ended yet, while another crisis in food and energy (because of the war in Ukraine) still creates high inflation in many countries.

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