

# Analysis of the Decision to Choose a Store Seen from Product Quality, Product Diversity, and Digital Communication with Store Image as an Intervening Variable

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**Abstract** – *The development of offline stores is facing major challenges to compete with the ease of shopping offered by e-commerce. Before making a purchasing decision, Marketing Management needs to know the right way for consumers to decide to purchase at the store. The purpose of this study was to determine the effect of product quality, Product Diversity, Digital Communication, and Store Image on the decision to choose a store and store image as an intervening variable. The method used in this study was qualitative and statistical description with Partial Least Squares-Structural Equation Modeling (PLS-SEM) Model Analysis with data processing using SmartPLS Version 3.2.9. With a population of 8977 members of the employee cooperative (KOPKAR 71) and a sample of 269 respondents, the data collection technique was a questionnaire distributed to respondents with answers that were collected back as many as 269 responses. The results showed that Product Quality, Product Diversity, digital communication, and store image had a significant positive effect on Store Selection Decisions and Store Image as an intervening variable at the Employee Cooperative in the Nikomas Gemilang Industrial Area.*

**Keywords** – *Store Selection Decision, Store Image, Product Quality, Product Diversity, and Digital Communication.*

## INTRODUCTION

In recent years, the dominance of e-commerce has created a paradigm shift in the decision to choose a store. Consumers are now more likely to switch to platforms Online to shop because of convenience, accessibility, and greater product variety. Physical stores face a huge challenge to keep up with the ease of shopping offered by e-commerce. Before making a purchase decision, complete and fast information through digital communication is the right way to be used by business actors compared to old or conventional methods. The quality of the goods is a factor that can affect the preferences of buyers and the variety of products offered by a store (Setianingsih & Nurhadi, 2016).

Consumers increasingly rely on reviews and recommendations from fellow consumers in choosing a store. Social media and product review platforms such as Yelp, Google Reviews, and Trip Advisor have a huge influence in shaping consumers' perceptions of the reliability and quality of the store. Stores that have

managed to build a positive reputation through reviews Online have a greater chance of attracting potential consumers. Consumers find the publication of other consumer reviews on the seller's website beneficial and helpful in purchasing Online (Ventre & Kolbe, 2020).

Survey results e-Commerce The year 2023 presents several findings including the fact that the number of businesses e-Commerce in Indonesia in 2022 is estimated to reach 2,995,986. Of the total businesses that existed during the year, e-commerce which is included in the category (large and small traders, two- and four-wheeled repair and maintenance) dominates with a percentage of 37.82 percent. Along with that, around 8.89 percent of these businesses are entities that directly accept orders or make sales via the Internet and have been operating commercially since 2022. (Central Statistics Agency, 2023). In addition, Indonesia's large population produced e-commerce users in 2023 reaching 178.9 million people or 65% of the total population, making Indonesia the country with the largest number of digital consumers in Southeast Asia (Kredivo and

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Katadata Insight Center, 2023). Shift from conventional in-person purchases to purchases through platforms *Online (e-Commerce)* has become an inevitable trend along with the development of information technology. E-commerce is in demand because it offers cheaper product prices, attractive promos and discounts, and free shipping for specific purchases (Sansa Amalita, 2024). This advantage makes e-commerce a more economical and profitable option for shoppers compared to shopping in a physical store.

According to the business data collection (listing) survey *e-Commerce* In 2023, in 4,252 census blocks in 302 regencies/cities, there are still many businesses that have not yet carried out e-commerce in 2022. The most common reason (78.12%) is that people prefer to sell directly (offline), 29.94% of businesses are not interested in sales *Online*, and 27.83% of businesses do not have enough knowledge or expertise (Central Statistics Agency, 2023).

Attention to ethics and sustainability is a factor in the decision to choose a store. They tend to support stores that have responsible business practices for the environment, workers, and society. Stores that openly voice their commitment to sustainability have the potential to attract a segment of consumers who are increasingly concerned about these issues (Ernawati et al., 2021; Octoviani, 2011).

Based on data from the Serang Regency Cooperatives, Industry, and Trade Office, there are four types of trade facilities, namely markets, shops, kiosks, and stalls. The number of markets in the Serang district was stable during the 2019-2023 period as many as 13 pieces. Meanwhile, the number of stores increased by 4.73% in 2023, reaching 177 units. Some of the descriptions of the phenomenon above, give consumers choice and opportunity in deciding to choose a store when shopping. Depending on the purchasing situation, physical stores can still be important places for consumers.

A store is chosen by customers based on the level of confidence they have in the store, both in terms of characteristics and the quality of the products and services offered. The level of importance customers have to their proximity to the store will be determined by the perceived risk of making a purchase mistake and how important the product category is to them (Sinha & Banerjee, 2004). However, the increasing number of products sold directly by manufacturers through online platforms and smart devices has made new companies even stronger. (Reinartz et al., 2019)

### **The Concept of Choosing a Store Decision**

After going through the stages of evaluating the various brands of products to be purchased, the process in the next purchase decision is to choose a store or outlet to buy the product. A decision can be defined as a choice between two or more locations that are alternative options available (Schiffman & Wisenblit, 2015). In this context, it can be revealed that customers choose between shopping options, namely retail *offline* and retail *Online*. The shopping decision process on e-commerce platforms is interpreted as the first step of the consumer's intention to make a purchase. In this stage, consumers engage in a series of activities to search for information from various websites and e-commerce to find the desired product. Intention to make a purchase *Online* formed through the relationship between behavioral intentions and actual behaviors. An individual's awareness of intention to take action will affect their actual behavior, so the intention to buy from a shopping site *Online* certain factors that can predict the actual behavior or purchase decision of customers (Kim et al., 2008).

They will go through five steps in the buying decision-making process, starting from the phase of recognizing needs, which is the initial stage in the stage. Consumers are aware of problems or demands, involving searching for information as a process that consumers go through before purchasing products. At this stage, the consumer wishes to gather more information; It could be that they may just increase their vigilance or actively search for information. Furthermore, evaluating various alternatives is a step in the buyer's decision process where consumers use the information to assess alternative brands in a certain selection pool. Purchase decisions are the result of consumers' consideration of which brand is most preferred, however, two factors can influence purchase intent and purchase decisions. Post-purchase behavior is a phase in the buyer's decision-making process where consumers take the next steps after purchase, depending on their level of satisfaction or dissatisfaction (Kotler & Armstrong, 2008).

### **Concept of Store Image**

Citra Toko according to (desi Handayani & Nuryani, 2022) is the "identity of a store". The identity or image of a take reflects the impression and experience felt by consumers towards a particular take. The image of the store can also be interpreted as the image formed in the minds of the public about a name or product of the store effectively, including aspects such as value, quality,

and price (Pride and Farrel, 2010) related to the impression of consumers formed both through current and previous exposure. There are four main aspects of a store's image that customers consistently use to shape their perception of the store they visit: service, merchandise, marketing appeal, and the atmosphere itself.

According to (Utami, 2006), most retailers provide services that may not be fully needed by consumers, but this can be an incentive for consumers to make purchases. Building a tradition and reputation for customer service takes time and effort, but high-quality service is considered a very valuable strategic asset. (Foster, 2008) also notes that the atmosphere of the book does not only consist of planned physical elements but can also be explained as a change in the design of the buying environment that produces a certain emotional effect, encouraging the consumer to make a purchase action.

### **Product Quality Concept**

Based on Mowen's (2012) research, the goodness level of a product is how we measure how well a product functions and meets customer expectations. Product quality has an important influence in increasing consumer buying interest in the products offered. A buyer usually looks for a product considering the quality it sees. The higher the quality standards given by the company to its products, the greater the buyer's interest in the product. This is due to the critical attitude of current buyers in choosing and selecting the products they want to buy. They are very meticulous in gathering information related to products that interest them.

Efforts to achieve high product quality are essential for every company that wants to compete fiercely to win the hearts of consumers with suitable products and services. (Kotler and Armstrong, 2018) explained that product quality refers to the features of a product or service that support the ability of a product to meet customer needs (Assauri, 2018) adding that product quality includes factors in an item or result that make it fit for its intended use. From these several definitions, it can be concluded that product quality reflects the product's ability to meet customer desires, including aspects of durability, reliability, ease of use, and other value-added attributes.

(Kotler and Armstrong, 2018) mentioned that product quality is recognized as one of the crucial components in determining optimal marketing positions. The level of quality of a product or service is directly

correlated with its performance, which will ultimately have an impact on the perception of value and customer satisfaction. More specifically, quality can be interpreted as the absence of damage. (Purba, 2019) also highlights that to maintain a competitive advantage in the market, companies must understand whose dimensions are used as a reference for consumers to distinguish their products from competitors' products.

### **Concept of Product Diversity**

Diversity of goods or diversity refers to the variety available of various products produced by a manufacturer. According to Engel's definition, Product Diversity includes aspects of the depth, breadth, and quality of the products offered, as well as the availability of those products in the market. Thus, it can be interpreted that Product Diversity involves a wide variety of products, including various brands, sizes, and quality levels, that are available in each store. According to (Meithiana et al., 2019) (Laura & Afivah, 2022) The variety of goods describes a wide variety of goods that are presented to buyers.

The differences in a product are greatly influenced by the stages that the product goes through from the time it was first introduced in the market until it was finally no longer sold. The length of time it takes to go through these stages is largely determined by the business strategy that the company implements. Some products may only last a short time in the market, while others can last for a long period. The concept of the product life cycle emphasizes four main points, namely: The product experiences a decline in market demand over time due to the limited product life cycle, Product sales involve various typical stages, and each stage presents obstacles, opportunities, and difficulties for sellers, Profits fluctuate changes in the product life cycle, Throughout the product life cycle, marketing strategies, finance, manufacturing, purchasing, and different human resources are needed.

### **Digital Communication Concept**

The rapid development of digital technology has encouraged the emergence of new theories in the field of communication. The media richness theory, for example, explains how different media have different capacities for conveying rich and complex information. Meanwhile, social presence theory emphasizes the importance of social presence in online interactions. These two theories, along with many others, have made significant contributions to understanding how digital

technologies shape the way we communicate and interact with others (Freeman, 1990)

Digital Communication in the realm of marketing describes how digital communication can change consumer behavior and support companies in designing more efficient marketing strategies. The implementation of marketing strategies today has entered the digital realm. In this context, marketing practices are considered digital to be used as a means of implementation (Yasmin et al., 2015).

Similarly, transformation occurs in marketing communications when digital transmission technology is applied to connect marketers with customers. Marketers leverage digital communication to interact directly through digital transmission technology with their customers (Bird, 2007).

To find out about digital communication, Marc Prensky has conducted research related to technology developments in society. There is a gap between sophisticated societies. Furthermore, Prensky added, the gap divides society into two parts, namely digital natives, or people who are proficient in using new media, and digital immigrants or people who are not proficient in using technology (Handhayani et al., 2020).

All of the above descriptions when depicted in the form of a diagram will appear as follows:

### Research Hypothesis

The following is the research hypothesis:

- H1 : It is suspected that there is a significant positive influence of Product Quality on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.
- H2 : It is suspected that there is a significant positive influence of Product Diversity on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.
- H3 : It is suspected that there is a significant positive influence of Digital Communication on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.
- H4 : It is suspected that there is a significant positive influence of Product Quality on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate

- H5 : It is suspected that there is a significant positive influence of Product Diversity on the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.
- H6 : It is suspected that there is a significant positive positive effect of Communication Digitization on the Image of Shops in Employee Cooperatives in the Nikomas Gemilang Industrial Estate.
- H7 : It is suspected that there is a significant positive influence of Citra Toko on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.
- H8 : It is suspected that there is a significant positive influence of Product Quality on the Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate
- H9 : It is suspected that there is a significant positive influence of Product Diversity on the Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate
- H10 : It is suspected that there is a significant positive influence of Digital Communication on the Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate.

### OBJECTIVES OF THE STUDY

The growth of physical stores is having a hard time keeping up with the convenience of online buying. Marketing management must understand how customers should make their decisions before purchasing at the store. Finding the impact of product quality, product diversity, digital communication, and store image as an intervening variable on the decision to select a store was the objective of this study.

### MATERIALS AND METHODS

#### Research Venue

The location of the research was carried out in the Employee Cooperative (Kopkar) 71 which is located in the Industrial Estate of the industrial estate of PT. Nikomas gemilang, Jl. Raya Serang - Jakarta KM 71, Cikande, Serang Regency, Banten.



**Research Time**

The research lasted for four months, starting from May 2024 to August 2024.

**Research Methods**

This study adopts a quantitative method, which is a carefully designed research approach and follows a predetermined procedure. This method emphasizes the collection of numerical data and statistical analysis to test the hypothesis proposed.

By the opinion of Sugiyono (2015), this study uses a descriptive approach to provide an accurate description of the phenomenon being studied. The data obtained will be presented as is without any in-depth analysis or generalization.

**Population**

Ferdinand (2014), the population in the study are members of the Employee Cooperative in the Nikomas Gemilang Industrial Estate.

**Sample**

The sample in this study is part of the population taken, members of the Employee Cooperative in the Nikomas Gemilang Industrial Estate.

**Data Collection Techniques**

Data collection is carried out through various techniques to obtain relevant information to answer research problems. In this study, the data collection technique used was a questionnaire by giving several written questions to the research participants to be answered. The data obtained from these answers were then analyzed.

The measurements in this study used an interval scale, specifically the 'agree-disagree' *Likert* scale. This scale produces quantitative data with the same distance between values, but the zero value on this scale has no absolute meaning.

**Data Analysis Techniques**

Research It adopts Partial Least Square-Structural Equation Modeling (PLS-SEM) to analyze the cause-and-effect relationship between the variables studied. Methodology PLS-SEM It was chosen because it was considered most appropriate to test how one variable affects another variable in a model. The advantage of PLS is its ability to handle data that does not follow the normal distribution, does not require strict assumptions, and can be applied to research models that do not yet have a strong theoretical foundation. (Ghazali & Latan, 2014).

Table1. Research Population and Sample

No	Cooperative Name	Members of the Cooperative	Population	Sample
1	Employee Cooperative	PT. Nikoamas Gemilang	2307	69
2		PT. Pouchen Indonesia	2215	66
3		PT. PCMS	2335	70
4		PT. Chang Yang	420	13
5		PT. Kayuen	1140	34
6		PT. SPI	560	17
<b>Sum</b>			<b>8977</b>	<b>269</b>

Data Source: Nikomas Gemilang Industrial Estate Employee Cooperative 2023

**RESULTS AND DISCUSSION**

**Evaluation of Reflective Measurement Models (Outer Model)**

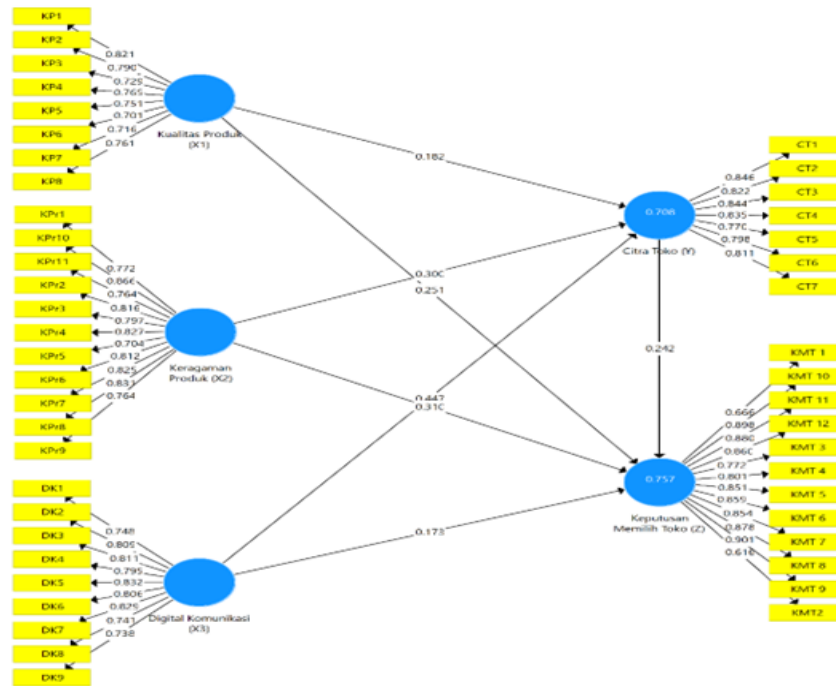


Fig 1. Output Run Algoritma Smart PLS V 3.2.9

### Loading Factor (LF) or Outer Loading

Loading Factor (LF) or outer loading is the correlation between a set of measurement items and variables. This measure describes how well the item reflects/illustrates the variable measurement. Rule of thumb, (Hair et al., 2021) (Henseler et al., 2009) using an  $LF \geq 0.70$  is acceptable, Another opinion according to (Chin, 1998), an LF value  $\geq 0.60$  is acceptable. In this study, it refers to (Hair et al., 2021) that  $LF \geq 0.70$ .

### Internal reliability consistency

The values in the table above obtained Cronbach's Alpha, rho\_A, Composite Reliability (CR) values greater than 0.7 which can be concluded to have met the criteria of good realism and can be carried out in the next stage of the evaluation process.

### Convergent validity

For the Convergent validity test on smart pls version 3.2.9, namely by looking at the Average Variance Extracted (AVE) value as follows:

Table 2. Average Variance Extracted (AVE) Value

Variable Name	Cronbach's Alpha	rho_A	Composite Reliability	Information
Shop Image (Y)	0.972	0.972	0.977	Reliable
Digital Communication (X3)	0.979	0.979	0.982	Reliable
Decision to Choose a Store (Z)	0.959	0.961	0.964	Reliable
Product Diversity (X2)	0.984	0.984	0.985	Reliable
Product Quality (X1)	0.963	0.964	0.969	Reliable

Source: Data processed by SmartPLS V.3.2.9

The table above explains that the Average Variance Extracted (AVE) value of the Product Quality Variable (X1) is 0.797, Product Diversity (X2) is 0.860, Digital Communication (X3) is 0.858, Store Image (Y)

is 0.856 and the Decision Variable to Choose a Store (Z) is 0.696 has a value greater than 0.5 so that it can be concluded that the AVE value mentioned above can meet the criteria of good validity, and can be done at the next stage of the process.

Table 3. Average Variance Extracted (AVE) Value

Variable Name	Average Variance Extracted (AVE)	Information
Product Quality (X1)	0.797	Valid
Product Diversity (X2)	0.860	Valid
Digital Communication (X3)	0.858	Valid
Shop Image (Y)	0.856	Valid
Decision to Choose a Store (Z)	0.693	Valid

Source: Smart PLS Output Results (2024)

### Hypothesis Testing

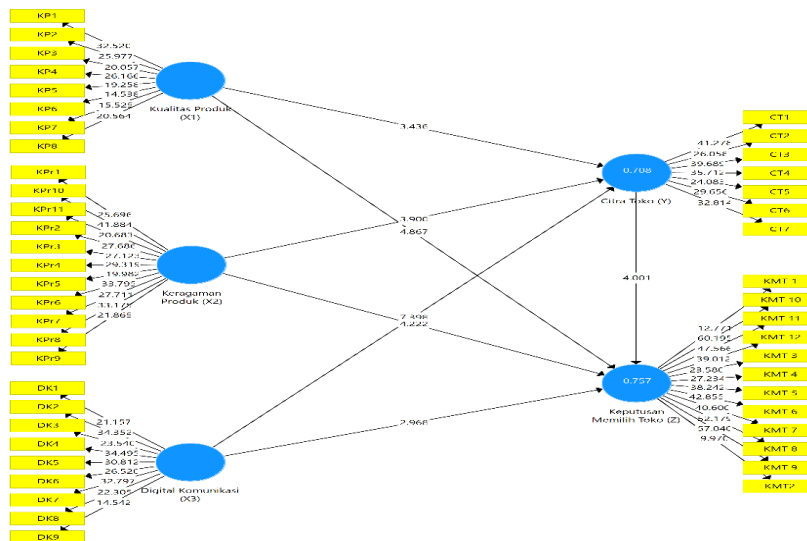


Fig 2. Output Result Run Smartpls version 3.2.9

Table 4. Path Coefficients

	Variable Name	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics ( O/STDEV)	P Values	Hypothesis
H1	Product Quality (X1) -> Decision Choosing a Store (Z)	0.248 Positive values	0.254	0.062	4.006>1,96	0.000<0.05 Significant	Accepted
H2	Product Diversity (X2) -> Store Selection Decision (Z)	0.228 Positive values	0.236	0.073	3.114>1,96	0.002<0.05 Significant	Accepted
H3	Digital Communication (X3) -> The Decision to Choose a Store (Z)	0.261 Positive values	0.251	0.082	3.198>1,96	0.001<0.05 significant	Accepted
H4	Product Quality (X1) -> Store Image (Y)	0.390 Positive values	0.385	0.075	5,193>1.96	0.000<0.05 Significant	Accepted
H5	Product Diversity (X2) -> Store Image (Y)	0.246 Positive values	0.256	0.081	3.054>1.96	0.002<0.05 Significant	Accepted
H6	Digital Communication (X3) -> Citra Toko (Y)	0.322 Positive values	0.316	0.078	4.127>1.96	0.000<0.05 Significant	Accepted
H7	Store Image (Y) -> Choosing a Store Decision (Z)	0.223 Positive values	0.218	0.076	2,926>1.96	0.004<0.05 significant	Accepted

Source: Data processed by SmartPLS V.3.2.9

Based on the data in the table above, the results of hypothesis testing are obtained.

### Hypothesis 1

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Product Quality path (X1) to the Decision to Choose a Store (Z) is 0.248 positive value, with a statistical t of  $4.006 > t$  table 1.96 and a P-Value of  $0.000 < 0.05$  and it can be interpreted that Product Quality has a significant positive effect on the Decision to Choose a store, so it can be concluded that:  $H_a: \gamma_1 \neq 0$ , it is suspected that there is a significant positive influence of Product Quality on the Decision to Choose a Store at the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **H<sub>a</sub> is Accepted**.

### Hypothesis 2

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Product Diversity path (X2) to the Decision to Choose a Store (Z) is 0.261 positive value, with a statistical t of  $3,114 > 1.96$  and a P-Value of  $0.002 < 0.05$  and it can be interpreted that Product Diversity has a

significant positive effect on the Decision to Choose a Took. It can be concluded that:  $H_0: \gamma_2 = 0$ , it is suspected that there is a significant positive influence of Product Diversity on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang **Ha Industrial Estate Received**.

### Hypothesis : 3

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Digital Communication path (X3) to the Decision to Choose a Store (Z) is 0.261 positive value, with a statistical t of  $3,198 > 1.96$  and a P-Value of  $0.001 < 0.05$  and it can be interpreted that Digital Communication has a significant positive effect on the Decision to Choose a Store. This can be concluded that:  $H_a: \gamma_3 \neq 0$ , It is suspected that there is a significant positive influence of Digital Communication on the Decision to Choose a Store at the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **H<sub>a</sub> is Accepted**.

### Hypothesis 4

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Product Quality path (X1) to the Store Image (Y) is



0.385 positive value, with a statistical  $t$  of  $5,193 > 1.96$  and a P-Value of  $0.000 < 0.05$  and it can be interpreted that Product Quality has a significant positive effect directly on the Store Image. It can be concluded that:  $H_a: \gamma_4 \neq 0$ , it is suspected that there is a significant positive influence of Product Quality on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **Ha is Accepted**.

**Hypothesis 5**

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Digital Communication line (X3) to the Store Image (Y) is 0.246 positive value, with a statistical  $t$  of  $3.054 > 1.96$  and a P-Value of  $0.002 < 0.05$  and it can be interpreted that Product Diversity has a significant positive effect directly on the Store Image. It can be concluded that:  $H_a: \gamma_5 \neq 0$ , it is suspected that there is a significant positive influence of Product Diversity on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **Ha is Accepted**.

**Hypothesis 6.**

Based on the hypothesis test sil on SmartPLS data processing can be seen in the table above, the value of the coefficient of the Digital Communication path

(X2) to the Store Image (Y) is 0.322 positive value, with a statistical  $t$  of  $4,127 > 1.96$  and a P Value of  $0.000 < 0.05$  and it can be interpreted that digital Communication has a significant positive effect directly on the Store Image. This can be concluded that:  $H_a: \gamma_6 \neq 0$ , it is suspected that there is a significant positive influence of Communication Digitization on the Image of the Shop in the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **Ha is Accepted**.

**Hypothesis 7**

Based on the hypothesis test sil on SmartPLS data processing can be seen in the table above, the value of the coefficient of the Citra Toko path (Y) to the Decision to Choose a Store (Z) is 0.223 positive value, with a statistical  $t$  of  $2.926 > 1.96$  and a P Value of  $0.004 < 0.05$  and it can be interpreted that digital communication has a significant positive effect directly on Citra Toko. It can be concluded that:  $H_a: \gamma_7 \neq 0$ , it is suspected that there is a significant positive influence of the Store Image on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate, then **the Ha Received** shows that (Y) is increased the Decision to Choose a Store (Z) will increase by 0.364.

**Testing the Indirect Influence Hypothesis**

Table 5. Indirect Influence Hypothesis Testing

Variable Name	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values
Digital Communication (X3) -> Store Image (Y) -> Choosing a Store Decision (Z)	0.108	0.109	0.029	3.707 >1.96	0.000 <0.05
Product Diversity (X2) -> Store Image (Y) -> Choosing a Store Decision (Z)	0.073	0.074	0.030	2.434 >1.96	0.000 <0.05
Product Quality (X1) -> Store Image (Y) -> Store Selection Decision (Z)	0.044	0.043	0.015	2.927 >1.96	0.004 <0,05

Source: SmartPLS Output V.3.2.9

Based on the data in the table above, the results of testing the indirect influence hypothesis are as follows:

**Hypothesis 8**

The value of the coefficient of the Product Quality path (X1) on the Decision to choose a Store (Z) through the Store Image (Y) is 0.044 positive value, with

a  $t$  statistic of  $2.927 > 1.96$  and a P-Value value of  $0.004 < 0.05$  can be interpreted that Product Quality has a

Significant positive effect on the Decision to Choose a Store, so it can be concluded that  $H_a: \beta_8 \neq 0$ , it is suspected that there is a significant positive influence of Product Quality on the Decision to Evaluate the Store through the Store Image in the Employee Cooperative in the Region Nikomas Gemilang Industry. **Hypothesis Accepted**

### Hypothesis 9

The value of the coefficient of the product diversity path (X2) to the Decision to choose a Store (Z) through the Store Image (Y) is 0.073 positive value, with a statistical t of  $3.707 > 1.96$  and a P-Value of  $0.004 < 0.05$ , which can be interpreted that Product Diversity has a significant positive effect on the Decision to Choose a Store, so it can be concluded that, so it can be concluded that  $H_a: \beta_9 \neq 0$ , is suspected to have a positive influence of Product Diversity Significant to the Decision of Meilih Toko through the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate **Hypothesis Accepted.**

### Hypothesis 10

The value of the coefficient of the Digital Communication path (X3) on the Decision to Choose a Store (Z) through the Store Image (Y) is 0.108 positive value, with a t statistic of  $3.707 > 1.96$  and a P-Value of  $0.000 < 0.05$ , which can be interpreted that Product Diversity has a significant positive effect on the Decision to Choose a Store, so it can be concluded that  $H_a: \beta_{10} \neq 0$ , is suspected to have a positive influence on Digital Communicationsignificance to the Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. **Hypothesis accepted.**

### Discussion of Research Results

The following is a discussion of the results of the research entitled Analysis of the Decision to Choose a Store Seen from Product Quality, Product Diversity, and Digital Communication with Store Image as an Intervening Variable (Study on the Nikomas Gemilang Industrial Estate Employee Cooperative).

### **The Influence of Product Quality was significantly positive on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

Based on the results of the hypothesis test on SmartPLS data processing, which can be seen in the table above, the value of the coefficient of the Product Quality path (X1) to the Decision to Choose a Store (Z) is 0.248 positive value, with a statistical t of  $4.006 > 1.96$  and a P-Value of  $0.000 < 0.05$  and it can be interpreted that Product Quality has a significant positive effect on the Decision to Choose a Store.

In the level 95% confidence range, the Effect of Product Quality ( $X_1$ ) on the Decision to choose a Store

(Z) is located between 0.250 to 0.540, which shows that if the quality of the product ( $X_1$ ) is improved, the Decision to choose (Z) will increase by 0.540.

It can be concluded that this research is supported or in line with the research conducted (Dessyaningrum et al., 2020) which stated the results in their study that there is a positive and significant influence between the variables of mobile phone quality, price, and product quality on purchase decisions.

Rupantra's research (2021) highlights the important role of product quality in increasing soy milk customer satisfaction. About 22.6% of the total variation in customer satisfaction can be explained by product quality, showing that product quality is a significant factor in influencing customer perception.

### **The Influence of Product Diversity Significantly Positive on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

By the results of the hypothesis test on SmartPLS data processing, the value of the Product Diversity path coefficient (X2) to the Decision to Choose a Store (Z) is 0,261 positive value, with a statistical t of  $3,114 > 1.96$  and a P-Value of  $0.002 < 0.05$  and it can be interpreted that Product Diversity has a significant positive effect on the Decision to Choose a Store. At a confidence level of 95%, the Influence of Product Diversity (X2) on the Decision to Choose a Store (Z) is located between 0.103 to 0.377, which shows that the Product Diversity (X2) is increased, the Decision to Choose a Store (Z) will increase by 0.377 Ini strengthened by researchers conducted (Jaber et al., 2021) The influence of service quality, store atmosphere and product diversity on repurchase intention through satisfaction as an intervening variable.

Research This is also done by (Imanulah et al., 2022) in the title of the research The Influence of Store Image, Product Variants, and Location on Purchase Decisions at Pancious SOMA Palembang Restaurant published in the journal Scientific Economics and Business with the results of the research which are in line with this study, the results of the research are Based on simultaneous/simultaneous testing (Test F) also shows the results that store image, product variants and locations simultaneously have a positive and significant effect on purchase decisions.

### **The Influence of Digital Communication has a significant positive impact on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Digital Communication path (X3) to the Decision to Choose a Store (Z) is 0.261 positive value, with a statistical  $t$  of  $3,198 > 1.96$  and a P-Value of  $0.001 < 0.05$  and it can be interpreted that Digital Communication has a significant positive effect on the Decision to Choose a Store. At the 95% confidence level, the Influence of Digital Communication (X3) on the Decision to Choose a Store (Z) is located between 0.087 to 0.401, which shows that Digital Communication (X3) is increased and the Decision to Choose a Store (Z) will increase by 0.40. This was also found by previous researchers (Budi Harto et al., 2021) who explained in their research the results of multiple linear analyses and sobel test showed that digital marketing has a positive and significant effect on purchase decisions and brand image as a moderation variable can strengthen or increase the influence of digital marketing variables on purchase decision variables.

Furthermore, this research is strengthened by the research conducted (Aker & Sultana, 2020), which involved 665 respondents in Dhaka, Bangladesh, showing that digital platforms such as websites and social media greatly influenced the purchasing process of branded cosmetics during the pandemic. The results indicate that digital marketing communication plays an important role in every stage of the purchase decision, from awareness to post-purchase.

### **The effect of Product Quality was significantly positive on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Product Quality path (X1) to the Store Image (Y) is 0.385 positive value, with a statistical  $t$  of  $5,193 > 1.96$  and a P-Value of  $0.000 < 0.05$  and it can be interpreted that Product Quality has a significant positive effect directly on the Store Image. In the 95% confidence range, the Effect of Product Quality (X1) on the Store Image (Y) is located between 0.250 to 0.540, which shows that if the quality of the product (X1) is increased, the Store Image (Y) will increase by 0.540.

These results are similar to previous research conducted (Teguh Afwan & Budi Santosa, 2019) with the results of this study showing that Product Quality, Price Perception, Service Quality, and Brand Image have a positive and significant effect on Purchase Decisions at Madina Furniture Stores Banjarnegara.

Furthermore, in the research conducted (Jahron et al., 2021) The results of this study indicate that individually, brand image, store atmosphere, and price have a significant influence on consumer purchasing decisions. However, when these three variables are considered together, they also exert a significant influence on purchasing decisions.

### **The Influence of Product Diversity Significantly Positive on the Image of Stores in Employee Cooperatives in the Nikomas Gemilang Industrial Estate**

Based on the results of the hypothesis test on SmartPLS data processing, the value of the coefficient of the Product Diversity path (X2) to the Store Image (Y) is 0.246 positive value, with a statistical  $t$  of  $3.054 > 1.96$  and a P-Value of  $0.002 < 0.05$  and it can be interpreted that Product Diversity has a significant positive effect directly on the Store Image. At the 95% confidence level, the Influence of Digital Communication (X3) on the Store Image (Y) is located between 0.162 to 0.468 This shows that if Digital Communication (X3) is improved, the Store Image (Y) will increase by 0.468

This study is different from the research conducted (Wu et al., 2019) with different results, namely The results show that on the product selection page, consumers have a stronger impulse purchase intention Online when the level of Product Diversity is lower, and the smoothness of information processing plays a mediating role. When a consumer buys a product for himself, Product Diversity has a significant negative impact on consumers' intention to make impulse purchases, and the level of Product Diversity has no significant influence on consumers' impulse purchase intentions Online.

### **The Influence of Digitization of Communication has a significant positive effect on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

Based on the hypothesis test results on SmartPLS data processing can be seen in the table above, the value of the coefficient of the Digital Communication path (X2) to the Store Image (Y) is 0.322 positive value,

with a statistical  $t$  of  $4.127 > 1.96$  and a P Value of  $0.000 < 0.05$  and it can be interpreted that digital Communication has a significant positive effect directly on the Store Image. In the 95% confidence level, the influence of Product Quality Influence (X1) on Store Image (Z) is located between 0.103 to 0.414, this shows that Product Diversity (X2) is increased, then Store Image (Y) will increase by 0.414

This research is in line with research conducted by previous researchers (Pinastika, 2019). The results of the study show that there is a significant influence and a strong correlation between the influence of Integrated Marketing Communication activities through Instagram on the Store Image of Online Cheap Bookstores. This can be proven through the value of the correlation coefficient in this study of 0.584, more than 0.40, and less than equal to 0.599. This finding indicates that the value is quite strong.

#### **The influence of Citra Toko is significantly positive on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

Based on the hypothesis test sil on SmartPLS data processing can be seen in the table above, the value of the coefficient of the Citra Toko path (Y) to the Decision to Choose a Store (Z) is 0.223 positive value, with a statistical  $t$  of  $2.926 > 1.96$  and a P Value of  $0.004 < 0.05$  and it can be interpreted that digital communication has a significant positive effect directly on Citra Toko. At the 95% confidence level, the Influence of Store Image (Y) on the Decision to Choose a Store (Z) is located between 0.070 to 0.364, which shows that the Store Image (Y) is improved, and the Decision to Choose a Store (Z) will increase by 0.364

Research with similar variables has been conducted by (Rosadi et al., 2023) with the results of the study There is a simultaneous influence of the store atmosphere and store image which has a positive and significant effect on purchase decisions.

This research is also strengthened by researchers (Nuriyah & Suriyanto, 2022) The results of the analysis show that Toko Image is a key factor that greatly influences consumers' purchasing decisions at Toko Bening. This means that efforts to improve the store's image will have a direct impact on increasing sales.

#### **The influence of Product Quality is significantly positive on the Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

The value of the coefficient of the Product Quality path (X1) on the Decision to choose a Store (Z) through the Store Image (Y) is a positive value of 0.044, with a statistical  $t$  of  $2.927 > 1.96$  and a P-Value of  $0.004 < 0.05$ , which can be interpreted that Product Quality has a significant positive effect on the Decision to Choose a Store. Product Quality (X1) to the Decision to Choose a Store (Z) through the Store Image (Y) with a 95% confidence level interval located at 0.018 to 0.076. This shows that if Product Quality (X1) is improved through Store Image (Y) will increase by 0.076, In the Influence of Product Quality (X1) on the Decision to Choose a Store (Z) through Store Image (Y) there is Partial Mediation with a positive coefficient and is called the type of complementary partial mediation.

Another study said (Soetanto et al., 2020) The results of the study stated that product quality and product diversity had a significant effect on the purchase decision of Amondeu products.

#### **The Influence of Product Diversity is significantly positive on the Meilih Toko Decision through the image of the store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate**

The value of the coefficient of the Product Diversity path (X1) to the Decision to choose a Store (Z) through the Store Image (Y) is 0.073 positive value, with a  $t$  statistic of  $2.434 > 1.96$  and a P-Value value of  $0.004 < 0.05$ , which can be interpreted that Product Diversity has a significant positive effect on the Decision to Choose a Store. Product Diversity (X2) to the Decision to Choose a Store (Z) through the Store Image (Y) with a 95% confidence level interval located 0.024 to 0.138. This shows that if Product Diversity (X2) is increased through Store Image (Y), it will increase by 0.138 In the Influence of Product Diversity (X2) on the Decision to Choose a Store (Z) through Store Image (Y) there is Partial Mediation with a positive coefficient and is called the type of complementary partial mediation

This researcher also strengthens the research that has been carried out (Laura & Afivah, 2022) which in its research Location does not have a significant effect on buying interest. Product Diversity has a positive and significant effect on buying interest. Price has a positive and significant effect on buying interest. The location after being moderated by the price makes the location

have an effect but negatively on buying interest. Product diversity after being moderated by fixed prices makes product diversity have a positive and significant effect on buying interest.

In research, What is done next (Detika Yossy Pramesti et al., 2021) Data analysis shows that product diversity has a great influence on customer satisfaction. The more complete and diverse the products available, the more satisfied customers will be. This result is in line with the opinion of experts who state that product diversity is one of the important factors in increasing customer satisfaction.

### **The Influence of Digital Communication Significantly Positive on Meilih Toko Decision through Store Image in Employee Cooperatives in Nikomas Gemilang Industrial Estate**

The value of the coefficient of the Digital Communication channel (X3) on the Decision to Choose a Store (Z) through the Store Image (Y) is 0.108 positive value, with a t statistic of  $3.707 > 1.96$  and a P-Value of  $0.000 < 0.05$ , which can be interpreted that Product Diversity has a significant positive effect on the Decision to Choose a Store. Digital Communication (X3) on the Decision to Choose a Store (Z) through Citra Toko (Y) with a 95% confidence level interval located at 0.059 to 0.172. This shows that if Digital Communication (X3) is improved through the Store Image (Y), the decision to Choose a Store (Z) will increase by 0.172. On the Influence of Digital Communication (X3) on the Decision to Choose a Store (Z) through the Store Image (Y) occurs Partial Mediation with a positive coefficient and is called the type of complementary partial mediation This shows that if Digital communication (X3) is improved through the Store Image (Y) will increase by 0.172

(Akter & Sultana, 2020) From the results, it can be seen that digital marketing communication can trigger every stage of behavioral purchase decisions with high involvement in buying branded cosmetics. The study also shows that customers have a positive feeling towards digital platforms during this pandemic (COVID-19).

### **CONCLUSION AND RECOMMENDATION**

Based on the results of the research described in the results and discussion above, it can be concluded as follows:

1. Product Quality has a significant positive effect on the Decision to Choose a Store in the Employee

2. Cooperative in the Nikomas Gemilang Industrial Estate. if the product quality (X1) is increased by one unit, then the decision to Choose a Store (Z) will increase by 0.540 with the provision that the other variables are fixed.
2. Product diversity has a significant positive effect on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If the Product Diversity (X2) is increased by one unit, then the Decision to Choose a Store (Z) will increase by 0.377 with the other variable being fixed.
3. Digital Communication has a significant positive effect on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If Digital Communication (X3) is increased by one unit, then the Decision to Choose a Store (Z) will increase by 0.401 with the provision that the other variables are fixed.
4. Product Quality has a significant positive impact on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. if the quality of the product (X1) is increased by a unit, then the Store Image (Y) will increase by 0.540 with the provision that the other variables are fixed.
5. Product diversity has a significant positive effect on the Image of the Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If Digital Communication (X3) is increased by one unit, then the Store Image (Y) will increase by 0.468 with the provision that the other variables are fixed.
6. Digitization of Communication has a significant positive effect on the Image of Shops in Employee Cooperatives in the Nikomas Gemilang Industrial Estate. If the Product Diversity (X2) is increased by one unit, the Store Image (Y) will increase by 0.414 with the provision that the other variables are fixed.
7. Toko's image has a significant positive effect on the Decision to Choose a Store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If the Store Image (Y) is increased, the Decision to Choose a Store (Z) will increase by 0.364 with the condition that the other variables are fixed.
8. Product Quality has a significant positive effect on Meilih Toko Decision through the Store Image in the Employee Cooperative in the Nikomas

Gemilang Industrial Estate. If the Product Quality (X1) is increased by one unit through the Store Image (Y), then the Decision to Choose a Store will increase by 0.076 with the provision that the other variables are fixed.

9. Product diversity has a significant positive effect on the Meilih Toko Decision through the image of the store in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If the Product Diversity (X2) is increased by one unit through the Store Image (Y), the decision to choose a Store will increase by 0.138 with the provision that the other variables are fixed.
10. Digital Communication has a significant positive effect on Meilih Toko's Decision through the Store Image in the Employee Cooperative in the Nikomas Gemilang Industrial Estate. If Digital Communication (X3) is increased by one unit through the Store Image (Y), the decision to Choose a Store (Z) will increase by 0.172 with the provision that the other variables are fixed.

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