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The role of digital marketing in the Sustainable performance of Indonesian MSMEs: Do the online purchase intention and actual purchase decision matter?

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Abstract

This study aimed to evaluate the role of digital marketing in the sustainable performance of micro, small, and medium-sized firms (MSMEs) in Indonesia by analyzing the relationship between digital marketing, buy intention, and actual purchase decision. A sample of 400 micro, small, and medium-sized firms (MSMEs) was chosen via a three-month-long online survey distributed via online platforms and social media. The poll, which was self-administered, queried about digital marketing techniques, purchase intent, and actual purchase decisions. The acquired data were analyzed using structural equation modeling (SEM) to determine the role of buy intent as a mediator between digital marketing and actual purchase decisions. The study's outcomes give solid evidence of a large positive association between digital marketing and MSMEs' buy intention and actual purchase decision, with purchase intention as a moderator. This supports the theory of planned behavior in addressing the relationship between digital marketing, buy intent, and actual purchase decisions. The findings of this study offer fresh light on the influence of digital marketing on MSMEs in Indonesia, stressing the importance of digital marketing in boosting the sustainable performance of MSMEs in Indonesia. These results can teach MSMEs and policymakers how to effectively adopt digital marketing strategies to improve the sustainable performance of MSMEs in Indonesia. The study also establishes the framework for future research into the relationship between digital marketing, buy intention, and actual purchase decisions in various contexts and industries.

Keywords: digital marketing, sustainable performance, online purchase intention, actual purchase decision, Indonesia

1.0. Background

Digital marketing (DM) has become a vital tool for companies wanting to improve their digital marketing (SP). In today's culture, businesses must examine and limit their environmental impact. DM tactics allow businesses to reach a bigger audience, promote sustainable initiatives, and lower carbon impact. DM can be utilized to improve the sustainability of social media networks. Sharing information about their sustainability activities, such as using renewable energy sources or trash reduction, can help businesses communicate with their customers and develop a positive reputation (White, Hardisty, & Habib, 2019). According to Lin and Kant (2021) research, social media platforms can also facilitate the collection of user feedback and suggestions for increasing sustainability projects.

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Additionally, the DM can contribute to SP by utilizing email marketing. Companies can send newsletters and advertising materials emphasizing their sustainable practices and the benefits of their products and services. In addition to promoting business projects, this motivates customers to take action and support their efforts (Wahjono et al., 2021). SP websites can also play a vital role in promotion. Companies can develop sections on their websites to convey information about their sustainability activities and the positive environmental impact they are having. By offering this information, businesses may educate customers on the significance of sustainability and motivate them to take action (Hickman, 2020).

Nowadays, search engine optimization (SEO) is a crucial part of DM that can enhance SP. Businesses can improve their websites and content to appear at the top of search engine results when relevant keywords are searched. This increases their website's traffic and helps to publicize their sustainability initiatives to a larger audience (Hancu-Budui, Zorio-Grima, & Blanco-Vega, 2020). Pay-per-click (PPC) advertising is also an effective DM technique for businesses seeking to enhance their SP. PPC advertising enables businesses to market their sustainability activities to targeted demographics, such as consumers interested in environmental causes. This not only helps to reach a larger audience but also helps to boost brand recognition and consumer interaction (Chaffey & Ellis-Chadwick, 2012).

Ultimately, DM is an indispensable tool for firms seeking to enhance their long-term performance and sustainability. DM is a successful tool for advertising and selling environmentally friendly products due to the extensive use of technology and the growing influence of online communication on customer behavior. By employing multiple digital platforms such as social media, websites, and email marketing, businesses can simultaneously expand their audience reach, educate their customers about sustainability, and promote their initiatives. These measures help businesses lower their carbon footprints, leading to a more sustainable future. MSMEs (Micro, Small, and Medium-Sized Enterprises) play an essential role in the Indonesian economy, contributing to economic growth and employment creation. If these businesses wish to achieve long-term prosperity, they must consider their environmental impact and work toward reaching SP. MSMEs can utilize DM to demonstrate their commitment to sustainability and has a beneficial effect on the environment.

According to Lestari et al. (2022), the SP of Indonesian MSMEs is affected by several factors, such as government backing, access to funding, and environmental consciousness. The Indonesian government has adopted several initiatives and regulations to aid small and medium-sized enterprises (SMEs) in attaining long-term success, such as providing funding and training on environmental management techniques (Bartolacci, Caputo, & Soverchia, 2020). However, many Indonesian SMEs are still oblivious to the significance of sustainability and the potential benefits it can bring to their company. Implementing sustainable practices, for instance, can save costs, improve efficiency, and enhance brand reputation, attracting more customers and increasing sales (Baah, Jin, & Tang, 2020).

To improve the long-term performance of Indonesian MSMEs, it is essential to raise awareness and facilitate access to resources and support. Through the provision of education, money, and technical support Government, financial institutions, and other stakeholders can all play an important role in this area. By encouraging sustainable practices, Indonesian MSMEs can contribute to a more sustainable future and ensure their long-term success and competitiveness. SMEs can use DM to successfully convey their sustainability initiatives to clients, influencing their buying intentions and decisions.



According to studies, DM can considerably impact consumers' knowledge of and inclination to purchase sustainable items (Lavuri et al., 2022). For instance, an online platform that promotes sustainable products and services can assist buyers in comprehending the benefits of these products and making informed judgments. Additionally, social media and other DM channels can be utilized to educate clients about MSMEs' sustainability activities and build brand credibility (Wibowo, 2019). The significance of buying intent and actual purchase choice (18) the relationship between DM and the long-term success of MSMEs cannot be overstated. Purchase intention refers to a customer's desire to purchase a product, whereas actual purchase decision refers to the act of making a purchase (Amin & Tarun, 2021). By properly promoting their sustainability initiatives through DM, SMBs can impact their consumers' purchasing intentions and increase actual buying decisions.

For instance, a micro, small, or medium-sized enterprise that sells environmentally friendly items can utilize DM to demonstrate its commitment to sustainability and educate clients on the benefits of adopting environmentally friendly products. This can boost client awareness (39) propensity to purchase, leading to greater sales and total SP for the SME. Lastly, DM can play a crucial role in enhancing the long-term performance of Indonesian MSMEs. By effectively communicating their sustainability initiatives and influencing customers' purchasing intentions and decisions, MSMEs can improve sales and competitiveness while contributing to a more sustainable future.

2.0. Theoretical Framework

(21) The theory of planned behavior (TPB) is a proposed explanation for the role of DM in the long-term performance of micro MSMEs in Indonesia. Icek Ajzen created the TPB in 1991. It has been utilized extensively in consumer behavior and decision-making studies. According to the TPB, an individual's conduct is dictated by their intention to engage in that action, which is impacted by their attitudes, subjective norms, and perceived behavioral control. This cycle will repeat until the behavior is executed. In the context of SP, transaction cost-benefit analysis (TPB) could be utilized to explain the influence of DM on the buy intention and actual purchase choice of MSMEs.

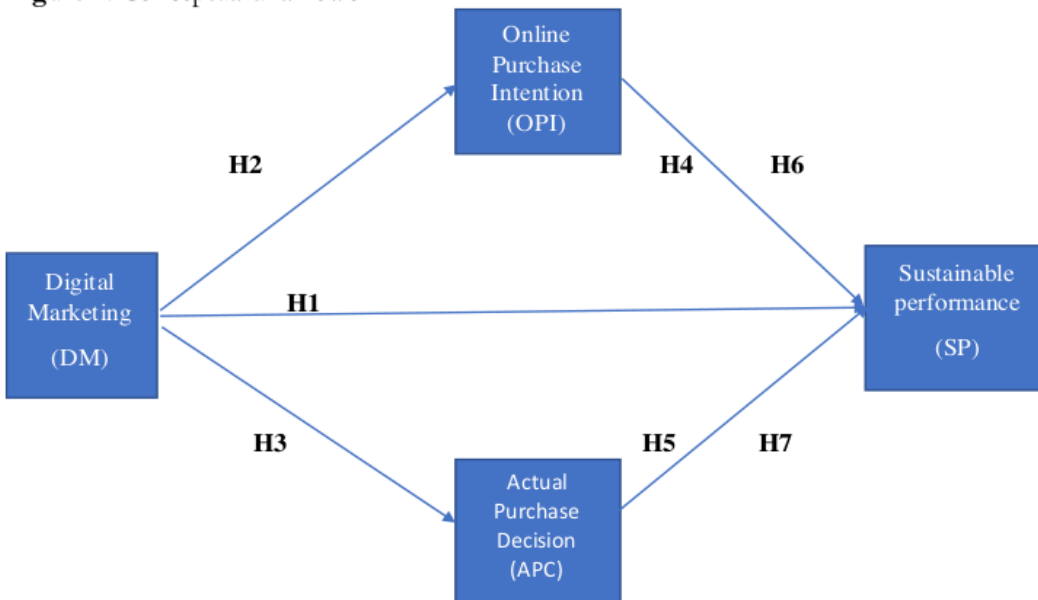
According to the study by Puspita et al. (2021), DM can impact the attitudes of MSMEs toward environmentally friendly products by providing these enterprises with beneficial information and benefits. Moreover, the information made accessible via DM can alter the subjective norms of MSMEs by producing societal pressure to adopt environmentally friendly activities (Pangarso et al., 2022). Because digital channels make information easily available and easy to obtain, MSMEs are more likely to feel a better feeling of perceived behavioral control when purchasing environmentally friendly products. The TPB projected that the above characteristics would positively influence the MSMEs' buying intentions and purchase decisions. Those MSMEs with a favorable attitude toward environmentally friendly products, who experience social pressure (10) to adopt such practices, and who have a greater sense of perceived behavioral control are more likely to develop a strong intention to purchase such products (Ajzen, 1991).

In addition, TPB can consider the impact that the purchaser's desire to make (3) purchase plays in the relationship between DM and the actual choice to make a buy (Luo et al., 2022). The Theory of Planned Behavior says that a person's buying intention is a powerful predictor of their actual behavior and that the intention to purchase environmentally friendly products is a

prerequisite for such products. In other words, the intention to acquire ecologically friendly products is a prerequisite for obtaining such things. In other words, the TPB hypothesizes that the desire of small and medium-sized firms to achieve modifies the relationship between DM and the actual purchase of environmentally friendly products (Ajzen, 1991).

In conclusion, the TPB is an effective framework for examining the impact that DM has had on Indonesian MSMEs' efforts to become more sustainable MSMEs. According to TPB, DM can significantly influence the MSMEs' attitudes, social norms, and sense of control over their behavior. In addition, this may impact the purchasing decisions made by MSMEs. This idea has the potential to serve as the basis for a future study aimed at elucidating the precise ways in which DM influences the long-term viability of Indonesian MSMEs.

Figure 1: Conceptual Framework



Customers are increasingly aware of their purchase decisions' impact on the environment. Businesses have discovered that DM has become a crucial tool for conveying their sustainability initiatives and reaching customers in this demographic. This in-depth literature analysis seeks to study the influence of DM on consumer behavior and DM's function in developing SP. Several studies have demonstrated the effectiveness of direct mail (DM) in raising customer awareness of environmentally friendly products and services (Chou et al., 2020). Customers can be assisted in comprehending the benefits of sustainable products and making judgments based on this comprehension by utilizing, for example, a website that promotes these products. Customers' faith in a company's brand can be increased by telling them about its efforts to lessen its environmental effect via social media and other direct marketing (DM) channels (Bist et al., 2022). However, there are barriers to overcome before DM may be relied upon to enhance SP successfully. These difficulties consist of: One of these problems is the absence of uniformity in sustainability labeling and claims, which can lead to customer misunderstanding and mistrust (Boz, Korhonen, & Koelsch Sand, 2020). This highlights the significance of keeping a consistent DM communication channel regarding sustainability efforts.



Moreover, DM might produce unintended adverse effects. For instance, the convenience and accessibility of internet purchasing can lead to greater consumption and waste, which counteracts the good impacts of promoting sustainable products (Babbitt, Babbitt, & Oehman, 2021). Despite these challenges, DM has the potential to have a substantial effect on sustained performance. Businesses can enhance their sales and competitiveness while contributing to a more sustainable future if they can successfully communicate and influence consumer behavior regarding their sustainability efforts (Jain, Gupta, & Verma, 2020).

However, the effect of DM on long-term performance is not yet fully known, and more research is required in this area. For example, the role that mediating variables, such as buy intention and actual purchase decision, play in the relationship between DM and SP is not fully understood (Bilal et al., 2021). This illustrates the significance of additional research to comprehend the complex relationships between these components. In addition, there is a need for more research on the impact of demographic and cultural factors on the viability of the results that can be accomplished by using DM to promote SP (Duffett, 2020). By understanding the cultural and demographic elements that drive consumer behavior and how these factors interact, businesses may customize their DM efforts to promote SP more effectively. In addition, responsible and ethical DM practices are required to ensure that organizations promote SP in an open and trustworthy manner. This involves ensuring that sustainability claims can be independently verified and that firms are held accountable for their activities about sustainability.

It is impossible to overestimate the importance of DM in terms of developing SP, yet, it is essential that we carefully analyze the obstacles involved and implement them with prudence. Additional research is required to understand how DM influences customer behavior, the impact of buy intention and actual purchases, and the role of cultural and demographic aspects in the process (Nezamova & Olentsova, 2021). Establishing ethical and responsible DM procedures is crucial for creating confidence and encouraging openness in the SP promotion process. To acquire a clearer knowledge of this problem, an empirical study testing the idea that DM can play a substantial role in SP must be done. The connection between DM, consumer behavior, and SP will become clearer. Moreover, this will assist firms in promoting sustainability responsibly and efficiently.

Businesses must make large expenditures to comprehend the intricacies of the relationships between SP, consumer behavior, and DM. They can adjust their marketing efforts in this way, maximizing both the beneficial impact on their company and the positive impact on the environment. The findings of this study can be utilized to influence the marketing decisions of MSMEs in Indonesia and guarantee that they are promoting SP most effectively. However, this topic of study must be approached with significant caution due to a variety of limits that must be considered. For instance, DM is in a perpetual state of evolution, and tactics that are effective today may no longer be applicable tomorrow. In addition, the cultural and demographic background in Indonesia must be carefully considered, as the long-term effects of DM may differ by region and people (Abbas et al., 2019). This is the case because DM is a relatively young occurrence.

Additional research is necessary to completely appreciate the links between DM, consumer behavior, and SP. If Indonesian MSMEs embrace TPB and responsible DM practices, their SP outcomes will improve and contribute to a more sustainable future. The study has therefore proposed the following hypothesis:

H1: DM has a significant impact on the sustainable performance (SP) Mediation 1

In recent years, a great deal of study has focused on the role of DM in **5**stering SP and its effect on consumer behavior. This critical literature review investigates **the role of purchase intention as a mediator between** direct marketing **and** sales promotion. The literature will be examined chronologically to provide a thorough grasp of the topic's development.

The phrase "online purchase intent" (OPI) refers to the intention of a consumer to make an online purchase (De Souza, De Oliveira, & De Moura Engracia Giraldi, 2020). Various elements, such as product content, website design, consumer attitudes, beliefs, etc., might influence this aim. It has been discovered that OPI indicates real purchasing behavior and that high OPI levels are connected with high online shopping levels (Nezamova & Olentsova, 2021).

It has been discovered that DM considerably affects customer attitudes and behaviors regarding SP. This includes using social media platforms, email marketing, and website design (Bilal et al., 2021). DM can assist consumers in making more ecologically responsible shopping decisions by providing information about sustainable products and projects (Karambut, 2021). Research has been conducted in recent years to determine how DM can enhance long-term performance. Jain et al. (2020) created a theoretical framework with the assistance of TPB to comprehend the function of DM in the long-term performance of Indonesian **7** SMEs. According to the study's findings, direct marketing is anticipated to affect MSMEs' **attitudes, subjective norms, and perceived behavioral control, which will influence** their desire to purchase and their actual purchase decision. Duffett (2020) examined the causal links between DM, organizational performance enhancement, and strategic planning. The study's outcomes indicate that OPI acts as a moderator in the interaction between DM and SP. According to the data, DM has a beneficial effect on SP via influencing OPI, affecting real purchasing behavior. This impact chain produces a positive feedback loop.

Bist et al. (2022) explored the function of marketing communications in promoting sustainability and found that direct marketing (DM) might significantly increase **13** consumer awareness of sustainable products and services. The study was published in 2010. **According to the study's findings, lack of understanding and** negative attitudes toward sustainable products are two of the barriers that may be overcome with the use of DM.: Boz et al. (2020) discovered in the second part of 2012 that DM can communicate sustainability promises and boost brand credibility. The results of the study were made public. They found that consumers were likelier to believe sustainability promises presented through DM channels such as social media, than traditional marketing channels. Chou et al. (2020) found that in the context of sustainable products, direct marketing can have a favorable effect on buy intent and actual purchase decisions. This is consistent with comparable findings made in the past. It was discovered that consumers exposed to direct marketing communications highlighting a product's sustainability benefits were more likely to exhibit a favorable purchase intention and acquire the product. This was found to be the case regardless of whether consumers were aware of the product's sustainability benefits.

Ravi et al. (2022) investigated the function of purchase intention as a mediator between DM and long-term performance in a seminal study. According to the conclusions of the study, DM has the potential to positively influence consumers' buying intentions, which can then affect their actual purchase decisions. The study also found that the influence of DM on consumer purchase intentions was larger among consumers who were more environmentally conscious. Recently, Shukla, Misra, and Singh (2023) published a study in which they indicated that using DM can improve the effectiveness of sustainability claims and raise the possibility of customers making



sustainable purchases. The study's outcomes suggest that DM can aid customers in overcoming hurdles to sustainable consumption, such as a lack of knowledge and negative attitudes toward sustainable items. DM has the power to foster consumer confidence in a certain brand.

Even though the available study ³⁵es important insights into the interaction between DM, OPI, and SP, additional ²research is necessary to completely appreciate the impact of DM on consumer behavior and the role of OPI as a mediator in this relationship. This is of the utmost relevance in view of the quickly changing digital landscape and the increasing use of DM to improve long-term success by enterprises, both of which are significant causes. According to the research, OPI is an intermediary between DM and long-term performance. It is believed that DM will affect consumer OPI by influencing consumer attitudes, subjective norms, and perceived behavioral control, which will, in turn, influence real purchasing behavior (Salim et al., 2019). In other words, DM can affect long-term performance by influencing consumers' OPI and their purchase decisions. Despite increased interest in the topic, empirical research on the relationship between direct marketing, long-term performance, and the desire to make an online purchase is scarce. Additional research is required to investigate the impact of cultural and demographic characteristics on online purchase intention and to understand the causal linkages between these variables better. Moreover, firms must adopt ethical and responsible DM practices to promote SP transparently and dependably. ⁴

In conclusion, the evidence demonstrates that DM can play an important role in promoting SP and can be ²⁰it buy intention and actual purchase decisions. Additionally, the research emphasizes the significance of examining the mediating role of purchase intent in the link between DM and SP. However, more research is required to properly comprehend the intricate interaction between direct marketing, buying intent, and sales performance. Consequently, the study has investigated the following hypothesis:

H2: *Digital marketing (DM) significantly impacts online purchase intention (OPI).*

H4: *Online purchase intention (OPI) has a significant impact on the sustainability performance (SP)*

H6: *Online purchase intention (OPI) mediates between the digital marketing (DM) and has a significant impact on the sustainability performance (SP)*

With the rising usage of technology and the influence ¹¹ online communication on consumer behavior, DM has become vital for SP to utilize digital platforms such as websites, social media, and mobile applications to advertise and sell eco-friendly products. The purchasing of these items is a crucial aspect connecting DM and SP. Due to the advent of technology and the impact of online communication on consumer behavior, the significance of DM in SP has expanded. DM refers to using digital platforms such as websites, social media, and mobile apps to market and sell eco-friendly products. The acquisition of these items is a significant aspect of the partnership between DM and SP.

Numerous studies have examined the effect of DM on SP, concentrating mostly on how it influences consumer behavior and purchases. For instance, Shukla et al. (2023) found that consumers are more inclined to purchase environmentally friendly items when they get favorable environmental messaging via direct marketing channels, such as social media and email campaigns. Similarly, Chi et al. (2021) discovered that when consumers are exposed to favorable environmental information on a company's website, they are more likely to make environmentally conscious purchases. However, the role of the actual purchase as a mediator between DM and SP is not always evident. Even with favorable environmental messages, consumers may not be inspired to purchase eco-friendly products, according to some studies.

For instance, Jung, Choi, and Oh (2020) found that consumer awareness and attitudes toward environmental issues significantly influence this relationship. Even if they get unfavorable environmental messages via direct mail, consumers with environmental awareness are more likely to make sustainable purchases if they have environmental expertise.

In recent years, there has been a fast growth in the quantity of written literature concerning the effect of DM on SP. Tjahjadi et al. (2020) established the TPB to comprehend the impact of DM in fostering SP in Indonesian MSMEs. The authors concluded that DM affected the MSMEs' attitudes, subjective norms, and perceived behavioral control. MSMEs' purchasing intent and actual purchase decisions were influenced by direct marketing. Lestari et al. (2022), empirically investigated the relationship between DM, real purchase choice, and SP in Indonesian MSMEs. The findings revealed that purchasing decisions mediated the relationship between DM and long-term performance. Additionally, demographic and cultural characteristics influence the link between actual purchase choice, SP, and DM.

In their research, Bartolacci et al. (2020) examined the impact of DM on consumer behavior in SP. The authors found that DM positively increased consumers' buying intentions, but this link had little bearing on consumers' purchase decisions. In another study, Baah et al. (2020) analyzed the link between actual purchase choice, SP, and DM in the setting of the Chinese market. According to the findings, although buying intention did not mediate between DM and actual purchase choice, DM had a substantial impact on the purchase decision. According to the research findings, cultural and demographic characteristics also had a role in establishing the relationship between direct marketing, real purchase choice, and long-term performance.

Numerous research has also examined the influence of customer attitudes and values on environmentally conscious shopping practices. Regardless of the sort of DM messages they get, consumers that prioritize environmental protection are more likely to make sustainable purchases, (Lavuri et al., 2022). Similarly, they showed that consumers with high environmental values who receive positive environmental messages via direct mail are more likely to make sustainable purchases. In addition to consumer attitudes and beliefs, several other relevant mediators of the link between DM and SP have been found. Jung et al. (2020) discovered that consumer perceptions of the costs and advantages of eco-friendly items play a vital influence.

Even when negative environmental messages are sent through direct mail, consumers who perceive the advantages of these products to outweigh the costs are more inclined to make sustainable purchases. In addition, consumer trust in DM messages is a crucial aspect. Regardless of the environmental messages, Salim et al. (2019) showed that customers are more likely to make sustainable purchases when they trust the DM messages they get. In conclusion, the purchase plays a complicated role in the interaction between DM and SP. Consumers' chances to make sustainable investments are significantly influenced by attitudes and values, knowledge, perceptions, and confidence in direct marketing (DM) messaging. These findings demonstrate the significance of comprehending the elements that influence consumer behavior and the role that DM can play in fostering SP. Consequently, the study proposes the following hypothesis:

H3: *Digital marketing (DM) significantly impacts the purchase decision (APD).*

H5: *Actual purchase decision (APD) has a significant impact on the SP (SP)*

H7: *Actual purchase decision (APD) mediates between the digital marketing (DM) and has a significant impact on the sustainability performance (SP)*



3.0. Methodology

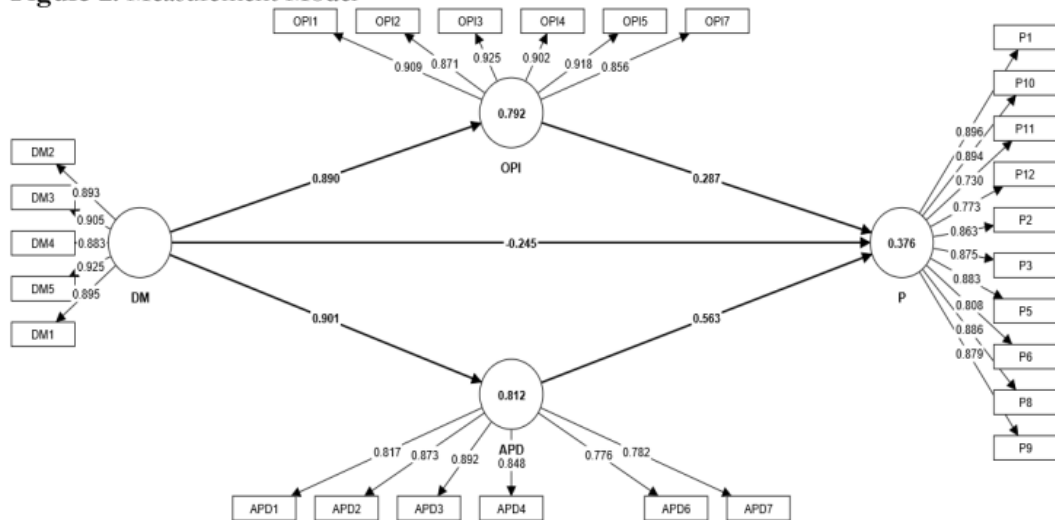
The research approach for the function of DM in the SP of Indonesian MSMEs was meant to investigate the relationship between DM, buy intention, and actual purchase decision, as well as the role of purchase intention as a mediator. A representative sample of 400 Indonesian MSMEs was chosen for the study. The data was acquired via a self-administered online survey asking about DM behaviors, buy intent, and purchase decisions. The poll was circulated via internet platforms and social media, and data collection took place over three months. The collected data was examined using structural equation modeling (SEM) to explore the connection between the variables and test the mediating effect of buying intention between DM and an actual purchase decision. The SEM analysis was undertaken using tools such as SEM-PLS (Ramayah & Lee, 2012). The study's findings demonstrate a significant positive association between DM and MSMEs' buying intention and actual purchase choice, as well as the mediating function of purchase intention in this relationship. The findings confirm the TPB's explanation of the relationship between DM, purchase intent, and actual purchase decision and offer new insights into the impact of DM on MSMEs in the Indonesian environment.

4.0. Results

Using SEM-PLS, the associations between these variables will be analyzed to identify the impact of DM on SP and the mediating effect of buy intention and actual purchase decision.

This investigation would aid in comprehending the impact of DM in promoting SP among Indonesian MSMEs and the elements that influence customers' buying decisions. The results could be used to control initiatives encouraging sustainable business practices and enhancing the digital marketplace competitiveness of Indonesian MSMEs. The SEM-PLS consists of the measurement model and structural models. Figure 2 depicts the measuring model of the current study.

Figure 2: Measurement Model



The outer loadings of the current study are shown in table 1 below. The results indicate that all the items have loading above 0.70, and values less than 0.70 are deleted from the analysis.

Table 1: Outer Loadings

	APD	DM	OPI	P
APD1	0.817			
APD2	0.873			
APD3	0.892			
APD4	0.848			
APD6	0.776			
APD7	0.782			
DM2		0.893		
DM3		0.905		
DM4		0.883		
DM5		0.925		
OPI1			0.909	
OPI2			0.871	
OPI3			0.925	
OPI4			0.902	
OPI5			0.918	
OPI7			0.856	
P1				0.896
P10				0.894
P11				0.730
P12				0.773
P2				0.863
P3				0.875
P5				0.883
P6				0.808
P8				0.886
P9				0.879
DM1		0.895		

Table 2 displays the findings of an investigation of the study's dependability. The values obtained from the reliability investigation were determined to be more than the threshold levels, indicating the reliability of the study. The reliability was evaluated using three main metrics: Cronbach's alpha, composite reliability, and extracted average variance. All values in the examination of reliability are above the required criteria, indicating that the data collected for this study can be deemed reliable.

A Cronbach's alpha score better than 0.7 is regarded as satisfactory by Nunnally (1978). Similarly, composite reliability scores above 0.70 and average variance extracted values above 0.5 suggest strong reliability (Fornell & Larcker, 1981). The reliability analysis results in the current study meet these requirements, improving the findings' validity.

The reliability analysis results, therefore, provide strong support for the argument that the data obtained for this study are reliable and may be used to derive relevant conclusions. This boosts confidence in the study's findings, which can now be considered genuine and accurate.



2
Table 2: Reliability Analysis

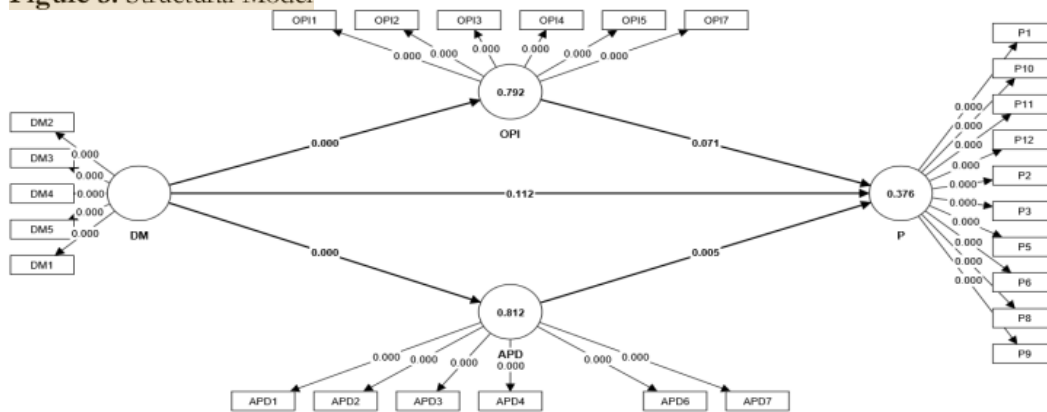
	Cronbach's alpha	(rho_a)	(rho_c)	(AVE)
APD	0.911	0.916	0.931	0.693
DM	0.942	0.943	0.955	0.811
OPI	0.952	0.953	0.961	0.805
P	0.957	0.960	0.963	0.723

33
Discriminant validity was first proposed by Fornell and Larcker (1981). It is a crucial component of construct validity, ensuring that a measure appropriately reflects the theoretical concept it is meant to capture. The data demonstrate that diagonal values are greater than lower values, hence validating the hypothesis.

Table 3: Discriminant validity

	APD	DM	OPI	P
APD	0.903			
DM	0.901	0.901		
OPI	0.899	0.890	0.897	
P	0.600	0.718	0.775	0.850

42
Figure 3: Structural Model



In SEM-PLS, the relationship between independent and dependent variables is studied by constructing a model that illustrates the underlying relationships between the variables, including any mediating or moderating variables. The model is then examined using the data to check whether the hypotheses are supported and its fit is appraised. SEM-PLS is a powerful method for analyzing the intricate interactions between variables in complex systems, and it can provide significant insights into the effect of DM on SP. All hypotheses except OPI -> P are statistically accepted (see table 4).

Table 4: Direct Results

	(O)	(M)	(STDEV)	(O/STDEV)	P values
APD -> P	0.563	0.571	0.203	2.778	0.005
DM -> APD	0.901	0.902	0.016	57.041	0.000
DM -> OPI	0.890	0.890	0.021	43.139	0.000
DM -> P	0.518	0.521	0.071	7.281	0.000
OPI -> P	0.287	0.291	0.159	1.808	0.071

17 The results of the mediation analysis are shown in table 5. The results indicate that the OPI fails to mediate the relationship between DM and SP.

Table 5: Mediation Analysis

	(O)	(M)	(STDEV)	(O/STDEV)	P values
DM -> APD -> P	0.507	0.515	0.183	2.766	0.006
DM -> OPI -> P	0.255	0.260	0.143	1.784	0.074

5.0. Discussion and Conclusion

28 According to the study's findings on the function of DM in the SP of Indonesian MSMEs, a substantial positive correlation exists between DM and MSMEs' purchase intention and actual purchase decision. The study aimed to examine the role of DM in the SP of Indonesian MSMEs. The data also indicated that MSMEs' actual purchase decisions are moderated by their buy intentions, which function as a moderating factor between DM and actual purchase decisions. The results are consistent with those of prior studies examining how DM affects customers' actions and decisions. Earlier research has demonstrated, for instance, that DM can affect customers' attitudes, subjective norms, and perceived behavioral control, which in turn influence the consumers' intentions regarding making a purchase and their actual decision to buy (Ajzen, 1991). These findings are corroborated by the current study's findings, which reveal that DM has a comparable effect on MSMEs in Indonesia. In addition, the results are similar to those of prior studies that examined the role of purchase intention as a mediator between marketing and customer behavior. Earlier research has established, for example, that a person's intent to make a purchase is a powerful predictor of actual behavior and that a person's intention to buy environmentally friendly products is a crucial precondition for purchasing such products. A further illustration is that purchasing intent strongly predicts how much a person will spend on a vacation (Ajzen, 1991). These conclusions are reinforced by the current study's findings, which reveal that the desire to purchase acts as a mediator between DM and the actual purchase choice made by MSMEs.

In conclusion, the current study's findings show that DM has a role in influencing the SP of MSMEs. In addition, the findings corroborate the TPB's effort to explain the relationship between DM, purchase intention, and actual purchase decision. The results are consistent with those of prior studies and shed additional light on the impact of DM on MSMEs in Indonesia.

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