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The Effect of Perceived Benefit and Perceived Risk on Purchase Decisions That are Mediated By Purchase Intention Using The Alfagift Application

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ABSTRACT

This study aims to analyze the influence of perceived benefit and perceived risk on purchase decisions mediated by purchase intention in Alfagift application users. Perceived benefit refers to the benefits felt by consumers when using an application, while perceived risk relates to potential losses or uncertainties that may be faced. Purchase intention is the consumer's intention to buy, which is influenced by the perception of benefits and risks. This study uses a quantitative approach with a survey method to collect data from Alfagift application users. Data analysis was carried out using multiple regression models and path analysis to test the role of purchase intention as a mediating variable. The results of the study show that perceived benefits have a significant positive influence on purchase intention and purchase decision. On the other hand, perceived risk has a negative effect on purchase intention, but does not directly affect purchase decision without being mediated by purchase intention. Purchase intention has proven to be an important mediator in the relationship between perceived benefit, perceived risk, and purchase decision. These findings provide insights for app developers to improve perceived benefits and mitigate risks to drive consumer intent and purchase decisions.

Keywords : perceived benefit, perceived risk, purchase intention, purchase decision, alfagift, mobile application

INTRODUCTION

The E-Commerce industry, especially in the field of groceries (daily necessities) has experienced a fairly strong revolution recently, mainly driven by the rapidly increasing use of the internet and mobile devices. The development of technology, especially the internet, affects various areas of life, including trade that has undergone a transformation in terms of the buying and selling process, known as E-Commerce (Pardede & Hinsa, 2023). This phenomenon has become increasingly relevant since the global pandemic which forced everyone to limit their activities outside the home, so the role of the internet and mobile devices as a link with each other is increasingly vital (Tran et al., 2020).

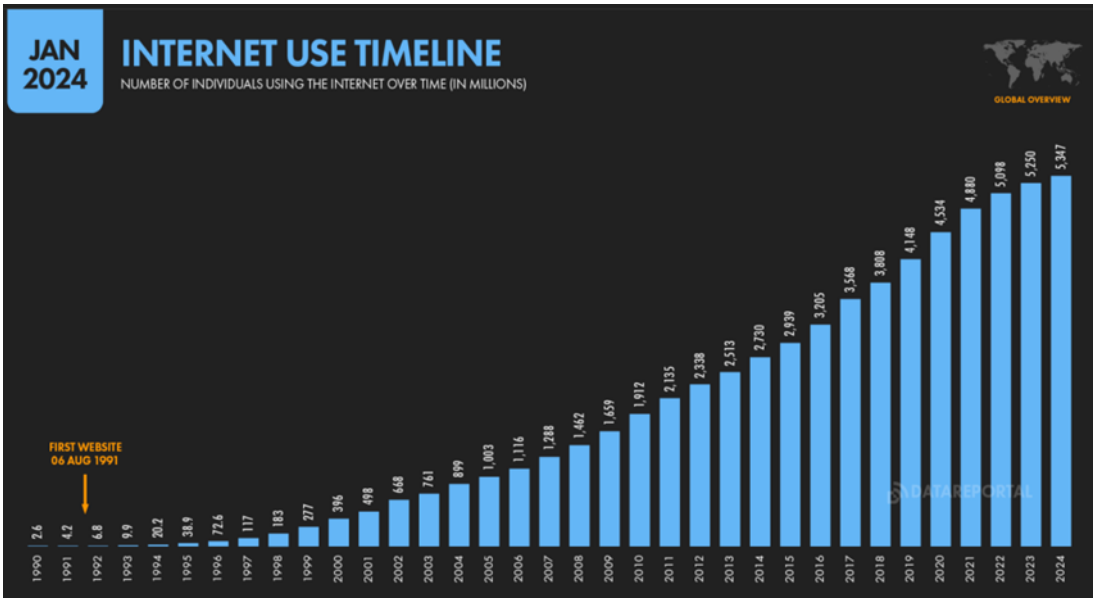
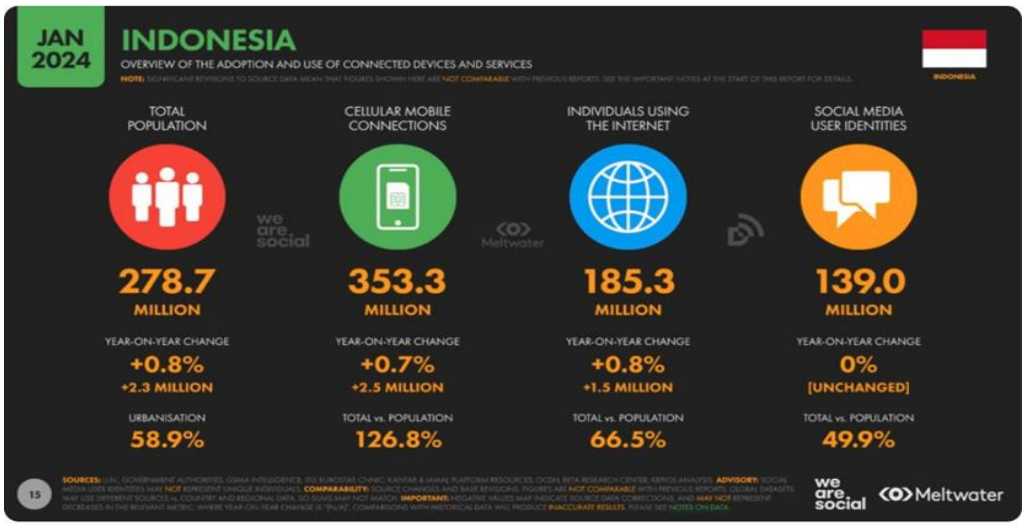


Figure 1. The growth of individual internet users in the world

Source : https://datareportal.com/reports/digital-2024-global-overview-report

According to the BPS Susenas Survey (2022), 66.48 percent of Indonesia's population has accessed the internet in 2022 and 62.10 percent in 2021. This high use of the internet reflects the climate of information openness and public acceptance of technological developments and changes towards an information society. The high number of internet users in Indonesia is inseparable from the rapid development of mobile phones. In 2022, it was recorded that 67.88 percent of the population in Indonesia already has a Cellular Phone. This figure increases when compared to the condition in 2021 which reached 65.87 percent (BPS, 2023).



- **Total Populasi (jumlah penduduk)**: 276,4 juta.
- **Perangkat Mobile yang terhubung**: 353,8 juta (128% dari total populasi).
- **Pengguna Internet**: 212,9 juta (77% dari total populasi).
- **Pengguna Media Sosial Aktif**: 167 juta (60,4% dari total populasi).

Figure 2. Internet and Social Media User Trends.

Source : https://andi.link/hootsuite-we-are-social-data-digital-indonesia-2024/#google_vignette

In Figure 2, it can be seen that the growth of mobile device users and internet users shows positive growth from the previous year, which increased by 0.7% or to 353.3 million mobile devices and 0.8% or to 185.3 million internet users. Furthermore, the number of active mobile devices of 353.3 million even exceeds the total population of Indonesia which is 278.7 million people, which indicates that quite a lot of people use more than one mobile device. This positive growth trend shows that the enthusiasm of the public is very good and opportunities for business people to work on the digital market are still wide open.

The rapid development of this technology makes the desire of consumers to follow these developments even greater, because most consumers always want to follow trends. The rapid growth of digital technology has fundamentally changed the way we live, such as the way we communicate, share information, access entertainment, and shop. Philip Kotler, (Sainam, Balasubramanian, Bhattacharya, & Ong, 2023). This change in consumer behavior requires entrepreneurs to always follow the phenomenon of trends that are or will occur and then look for alternative marketing strategies as much as possible to encourage increased sales. The internet has transformed the retail world in recent years as retailers have had to implement a "brick and click" approach (Offline and Online) for their business or become purely online retailers (Keller & Swaminathan, 2020).

Indonesia is one of the drivers of e-commerce growth in the region. According to a report released by McKinsey in 2022, the penetration of e-commerce and e-groceries is experiencing significant growth in almost all countries in Southeast Asia. In terms of market penetration percentage of total FMCG (Fast Moving Consumer Goods) products, countries such as Singapore are at the top followed by Indonesia in second place, but in terms of market share, Indonesia, which is the largest in Southeast Asia, is estimated to be at least until 2026.

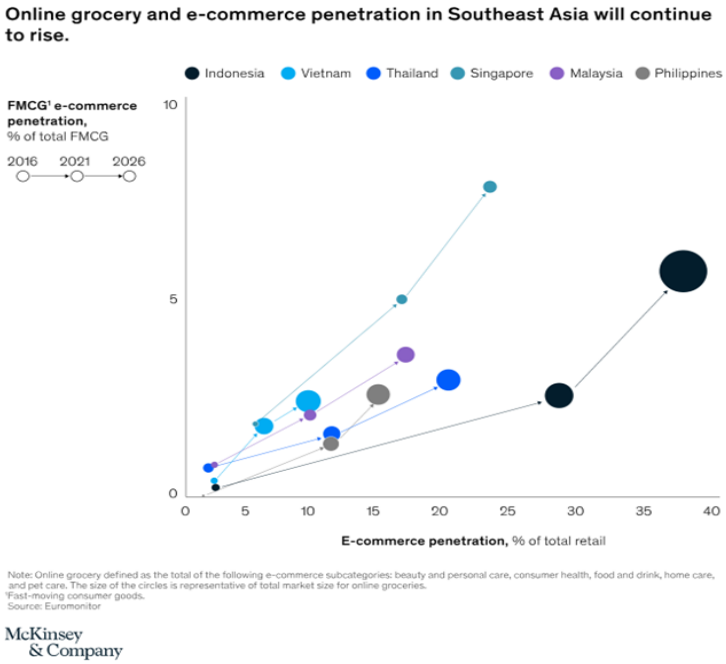


Figure 3. E-Groceries and E-Commerce Penetration in Southeast Asia
Source : https://www.mckinsey.com/industries/retail/our-insights/crafting-an-omnichannel-value-proposition-for-the-e-grocery-revolution

Product categories that support the growth of e-grocery or daily necessities products, including: groceries, food and beverages (F&B), fast moving consumer goods/FMCG such as personal care, home care, etc. The COVID19 pandemic has significantly accelerated the adoption of e-grocery due to massive social movement restrictions, this is in accordance with Google Temasek research which states that 47% of e-grocery buyers are new users, and 76% of them stated that they will continue to shop for groceries online even after the COVID19 has passed.

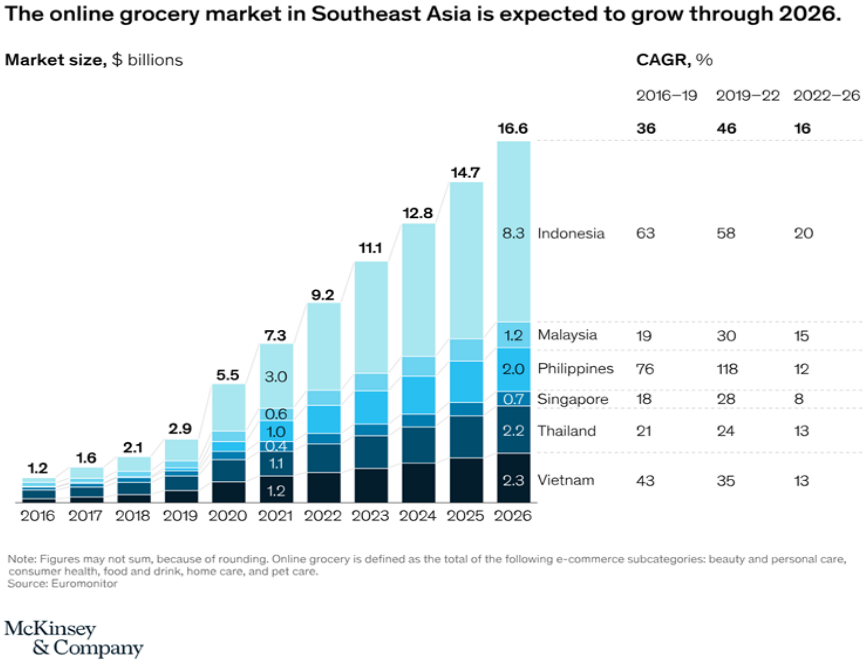


Figure 4. E-Groceries market share in Southeast Asia

Source : https://www.mckinsey.com/industries/retail/our-insights/crafting-an-omnichannel-value-proposition-for-the-e-grocery-revolution

Figure 4 shows that the e-groceries segment and its market share in the Southeast Asian region is estimated to reach US$16.6 billion in 2026, half of which will be contributed by Indonesia with a market share of US$8.3 billion, followed by Viet Nam with US$2.3 billion and Thailand US$2.2 billion.

With e-commerce growth reaching 91% during the pandemic (Menkominfo, 2020), Indonesia plays a very important role in the e-groceries segment and becomes a role-model for other countries. E-groceries penetration in Indonesia experienced growth in 2020 compared to 2019, from 0.2% with a transaction value of US$ 0.4 billion to 0.3% with a transaction value of US$ 1 billion. It is even predicted that in 2025 the market penetration will be 5% with a transaction value of US$ 6 billion (Katadata.co.id, 2021).

Figure 5. Projected GMV growth and e-groceries penetration

Source : https://katadata.co.id/infografik/617a6a52e2fb1/pergerseran-perilaku-dorong-pertumbuhan-layanan-e-groceries-indonesia

In addition to the Covid pandemic factor, the large and growing number of population, internet users and mobile device users, there are several other factors that contribute greatly to the growth of e-groceries, namely from the e-groceries players themselves. Currently, there are quite a lot of e-groceries players in Indonesia that we can categorize as follows:

1. Fresh Produce Consumer (Sayurbox and Tanihub)
2. Model aggregators partnered with modern retailers (HappyFresh with Farmers Market, Gomart between Gojek and Alfamart, Grabmart between Grab and Alfamart)
3. E-commerce that sells groceries (Shoope, Tokopedia and Blibli)
4. Modern retail with its online solutions (Alfagift - Alfamart, Klik Indomaret - Indomaret)
5. The four categories can be seen in Figure 1.6

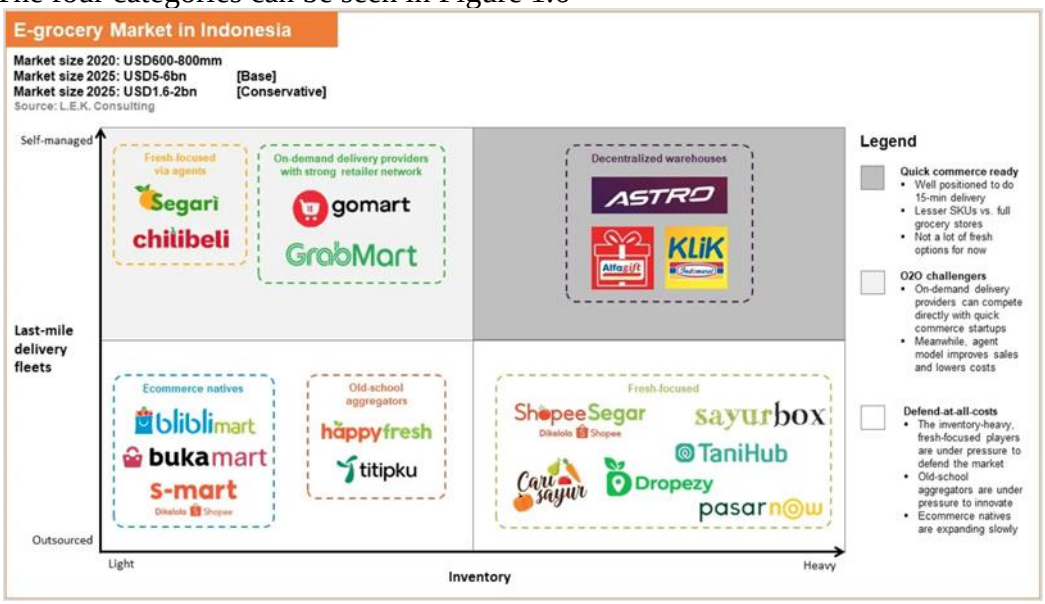


Figure 6. E-Groceries Players in Indonesia

Source : https://www.001.partners/p/the-usd6bn-e-grocery-market-in-indonesia

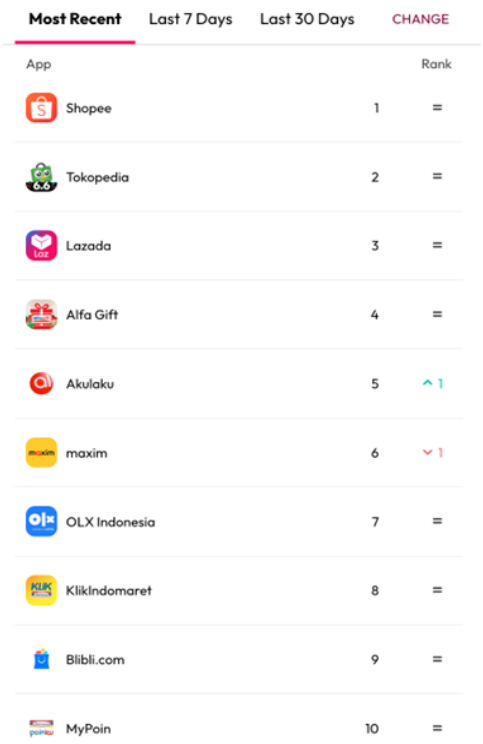
The biggest challenge today is fierce competition in competing for existing market share and then adapting appropriate technology, this is contained in the concept of marketing 5.0 which is a combination of human centric and new media according to Kotler (Pardede & Hinsa, 2023). A marketing concept that emphasizes the use of technology and the creation of Customer Experience, by using technology to create, communicate, convey and increase value throughout the consumer journey (Customer Journey). There are five core components in Marketing 5.0, namely three applications related to predictive marketing, contextual marketing, and augmented marketing, with applications built around two organizational principles, namely data-based marketing and agile marketing according to (Pardede & Hinsa, 2023).

Alfamart as a leading retail player in Indonesia, since 1998 until now (Alfamart, about us, 2022) has 33 branch offices and warehouses as well as more than 20,000 stores spread almost throughout Indonesia and 1,800 stores in the Philippines. Based on the Alfamart Annual Report 2023, the company, led by Mr. Hans Anggara Prawira (President Director), has a total of more than 150,000 employees, most of whom are spread across stores and warehouses, listed on the Indonesia stock exchange on January 15, 2009 with the stock code AMRT in the field of retail trading business in the format of minimarkets and franchise services.

Alfamart is one of the companies that is quite innovative in digital solutions in serving its consumers, starting in 2012 with the launch of Alfaonline which is a marketplace platform, in 2015 there was a Ponta loyalty platform, in 2016 Alfaonline transformed into Alfacart, in the same year there was Alfamind which is an Alfamart virtual store, finally in 2019 Alfagift was introduced to the public.

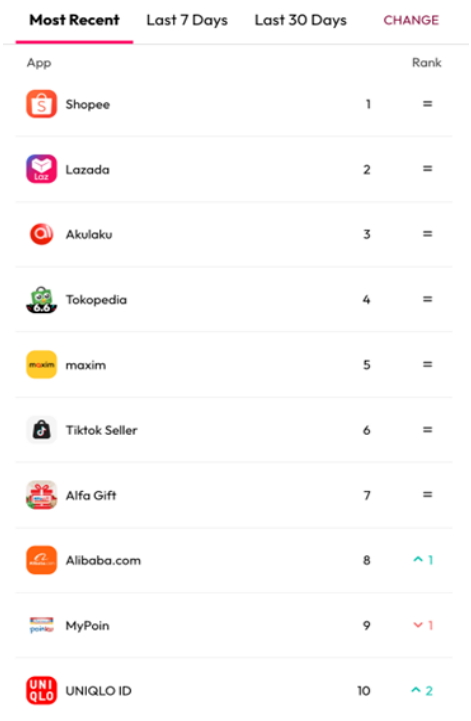
Alfagift is an Alfamart Customer Loyalty solution and Omni-Channel service managed by PT. Global Loyalty Indonesia as a subsidiary (Alfagift, 2022), is expected to be able to answer the challenges of Marketing 5.0. Alfagift as an E-Commerce Platform is expected to reach and serve consumers who want to shop online for products available at the nearest Alfamart store, as well as a Loyalty Platform that manages various member-only benefits such as Points, Vouchers, Stamps, Stars and others that can be enjoyed by consumers both at Alfamart stores and in the Alfagift application.

According to data.ai (May 2024) in Indonesia categories of free apps to shop on the Android and IOS platforms, the top 10 rankings with the highest number of active users can be seen in figure 1.6 and the highest number of downloads can be seen in figure 8.



Most Recent	Last 7 Days	Last 30 Days	CHANGE
App			Rank
Shopee		1	=
Tokopedia		2	=
Lazada		3	=
Alfa Gift		4	=
Akulaku		5	^ 1
maxim		6	v 1
OLX Indonesia		7	=
KlikIndomaret		8	=
Blibli.com		9	=
MyPoin		10	=

Figure 7. Top 10 Apps in Indonesia with the most monthly active users
Source : https://www.data.ai/en/apps/unified-app/top/active-user/indonesia/shopping/all-phone/#top-apps



Most Recent	Last 7 Days	Last 30 Days	CHANGE
App			Rank
Shopee		1	=
Lazada		2	=
Akulaku		3	=
Tokopedia		4	=
maxim		5	=
Tiktok Seller		6	=
Alfa Gift		7	=
Alibaba.com		8	^ 1
MyPoin		9	v 1
UNIQLO ID		10	^ 2

Figure 8. Top 10 Apps in Indonesia with the highest number of downloads
Source : https://www.data.ai/en/apps/unified-app/top/downloads/indonesia/shopping/all-phone/#top-apps

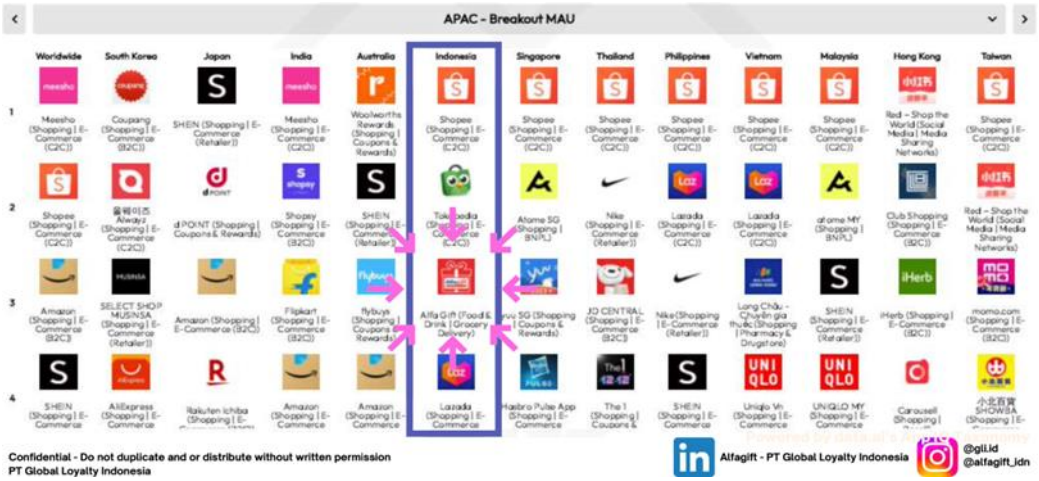


Figure 9. Top App Ranking in APAC with the most monthly active users in 2022

Source : https://www.data.ai/en/apps/unified-app/top/

Based on figure 8. and 9, it can be seen that Alfagift is in 4th position for the number of active users and in 7th position for the number of downloads in Indonesia. In figure 1.10, we see that Alfagift even ranks 3rd in 2022 which means that at that time Alfagift was only 3 years old. It is very interesting to research what makes many consumers download and use Alfagift to meet their online shopping needs.

With excellent e-commerce growth, supported by government regulations and public enthusiasm, domestic and foreign investors are optimistic about investing their capital. This can be seen from figure 6, between 2020 and 2021 the number of investor fund injections increased >7 times, where in 2020 the investment of US$22 Million became US$183 Million in 2021 and this is the largest in Southeast Asia.

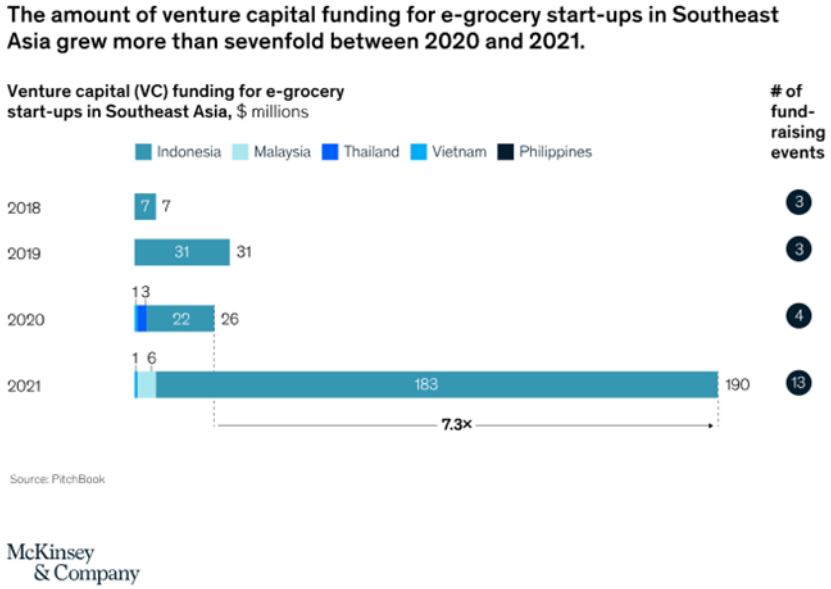


Figure 10. Comparison of E-Groceries investment in Southeast Asia

Source : https://www.mckinsey.com/industries/retail/our-insights/crafting-an-omnichannel-value-proposition-for-the-e-grocery-revolution

E-Commerce players in Indonesia with large investments will benefit because they can carry out various marketing strategies such as discounts, promotions, quality improvement, product diversity, speed, free shipping and so on so that consumers feel benefited (Perceived Benefit) so that they generate purchase interest (Purchase Intention)

and ultimately make a purchase decision (Purchase Decision). On the contrary, the magnitude of the Perceived Benefit received makes consumers ignore potential risks (Perceived Risk) that can occur such as inappropriate products and prices, fraud, personal data leakage and so on. So in this case, Perceived Risk has a negative effect on Purchase Intention and Purchase Decision. (Indiani & Fahik, 2020) Research by (Amat-ur-Rasool, Ahmed, Hasnain, & Carter, 2021) concluded that Perceived Benefit and viral marketing have a positive and significant influence on Purchase Decision mediated by Online Purchase Intention within the scope of Customer Behavior.

On the other hand, with the number of downloaders exceeding 40 million and the number of unique users reaching 7 million every month, the number of unique users who shop at least once a month is only 25%. So by looking at this phenomenon, researchers want to identify what values Alfagift consumers have in terms of Perceived Benefit and Perceived Risk so that it affects their Purchase Intention and Purchase Decision. Further research on customer behavior is needed to strengthen Alfagift's offerings to its consumers and better understand what consumers want so that they can compete with other E-Commerce Platforms.

Therefore, the researcher raised a study titled: The Effect of Perceived Benefit and Perceived Risk on Purchase Decision Mediated by Purchase Intention Using the Alfagift Application.

This study aims to analyze the influence of perceived benefit and perceived risk on purchase decisions mediated by purchase intention in Alfagift application users.

The novelty of this study lies in its exploration of the dual impact of perceived benefit and perceived risk on purchase decisions within the specific context of Alfagift, an emerging e-grocery platform in Indonesia. While previous research has extensively examined these factors in general e-commerce settings, this study uniquely focuses on how they interact to shape consumer behavior in the rapidly growing e-grocery sector, particularly in an Indonesian market that has seen a dramatic rise in digital adoption. Moreover, by investigating how purchase intention mediates the relationship between perceived benefit, perceived risk, and purchase decisions, this research offers new insights into the decision-making processes of consumers using Alfagift. These insights can provide valuable implications for e-grocery platforms aiming to optimize their strategies in similar emerging markets. This study also addresses a research gap by examining the relatively underexplored area of perceived risk in e-grocery contexts, contributing to a more nuanced understanding of consumer behavior in this increasingly significant sector.

RESEARCH METHOD

The design of this research uses quantitative research with a correlational method where this research researches the topic of Purchase Decision. The data sources in this study are the main and subordinate data sources. The main data source was obtained by collecting data from respondents using an online questionnaire to Alfagift application users around Jakarta, Bogor, Depok, Tangerang, Bekasi (JABODETABEK) and subordinate data sources were obtained from literature studies.

RESULT AND DISCUSSION

Results of Descriptive Analysis Related to Respondent Profiles and Indicators

This research questionnaire is in the form of a Google Form. The distribution of this questionnaire was carried out through Whatsapp groups and statuses, Instagram

posts, posts on X, posts on Linkedin, office friends and also randomly to Alfagift consumers who shop at Alfamart stores. The number of respondent samples obtained in this study was 273 respondents. From the incoming responses, the researcher screened according to the required criteria and obtained 246 respondents as the final result. The main criteria of the sample of respondents in this study are consumers who use the Alfagift application and make a minimum transaction of one purchase. The number of 246 sample respondents has met the minimum limit in this study. The indicators of this study are 24 indicators. The determination of this sample criterion uses the theory of Hair et al., (2019), the minimum number of samples is the total number of researcher indicators multiplied by five.

Descriptive Statistical Test Results

The descriptive statistical test is used to determine the magnitude of the average value of the indicator, Table 1 shows the statistical results of the descriptive test.

Table 1 Descriptive Statistical Test Results

Code	Items	Mean	Standard Deviation
PB1	I love being able to shop from home or from anywhere through Alfagift	4,328	0,731
PB2	I am happy with the various offers and promotions offered by Alfagift	4,303	0,717
PB3	I love being able to shop anytime I want at Alfagift	4,303	0,717
PB4	I am happy to be offered a wide selection of product variants by Alfagift	4,247	0,714
PB5	I am happy to get additional benefits such as points, stamps, coins and shopping vouchers from Alfagift	4,444	0,647
PB6	I find Alfagift easy to use	4,343	0,720
PB7	I feel that the product information, promotions and benefits provided by Alfagift are easy to understand	4,177	0,800
PB8	The products I received were according to the type, quantity and condition with the one I ordered at Alfagift	4,152	0,777
PB9	The order arrived according to the time I set myself in the Alfagift application	3,854	0,971
PD1	I feel happy that I have decided to shop at Alfagift	4,379	0,684
PD2	I would recommend shopping at Alfagift to others	4,232	0,808
PD3	I will be shopping for daily necessities using Alfagift again in the near future	4,177	0,813
PD4	I will regularly use Alfagift to shop for daily necessities	4,000	0,921
PI1	I want to shop for daily necessities at Alfagift	4,131	0,780
PI2	I enjoyed the shopping experience while using Alfagift	4,268	0,714
PI3	I am willing to connect my e-wallet / e-money / credit card on Alfagift	3,985	0,929
PR1	I was worried about making a payment at Alfagift, afraid that my balance would be cut off but the groceries were not delivered	2,071	0,918
PR2	I am worried about providing personal data information on Alfagift, afraid of misuse	2,313	1,055

PR3	I'm still not sure to shop on online platforms, especially Alfagift	1,737	0,824
PR4	The product I purchased was not shipped by Alfagift	1,657	0,787
PR5	The product I bought was not finished with the image or description at the beginning when I selected it on Alfagift	1,712	0,734
PR6	I'm worried about providing credit card information for payment on Alfagift	2,152	1,019
PR7	I'm worried that I won't get the best promos and benefits at Alfagift compared to other applications	1,949	0,857
PR8	I'm worried that I won't get the best price every time I shop at Alfagift compared to other apps	2,076	0,926

Based on Table 1, it can be seen that:

1. The highest average value of the Purchase Decision is PD1, which is with an average score of 4,379 where respondents who have decided to shop at Alfagift feel happy.
2. The average value of the highest indicator of Purchase Intention is PI2, which is 4,268 where respondents enjoy their shopping experience while using Alfagift.
3. The average value of the highest indicator of Perceived Benefit is PB5 with a value of 4,444 where respondents feel happy to get additional benefits such as points, stamps, coins and shopping vouchers from Alfagift.
4. The average value of the highest indicator of Perceived Risk is PR2, which is 2.313 where there are concerns among respondents in providing personal data information on Alfagift because of fear of misuse.

Test Instrument

The data that has been collected and analyzed with the SEM model uses SmartPLS version 4.0 Partial Least Square (PLS) which is an alternative SEM method or Structural Equation Modeling used to overcome SEM problems (Haryono & Wardoyo, 2012).

Outer Model Evaluation

The evaluation of the outer model is carried out to assess the validity and reliability or realism of the model. The outer model with reflexive indicators is evaluated through the convergent validity and discriminant validity of the indicators and the composite reliability for the indicator blocks (Ghozali & Latan, 2015). In this step, it is developed in the form of a SEM model diagram which aims to make it easier to see the causal relationships that want to be tested.

Validity Testing

Convergent validity testing of each indicator according to Hair et. Al. (2019) An indicator will be said to be valid if the outer loading value is greater than > 0.7.

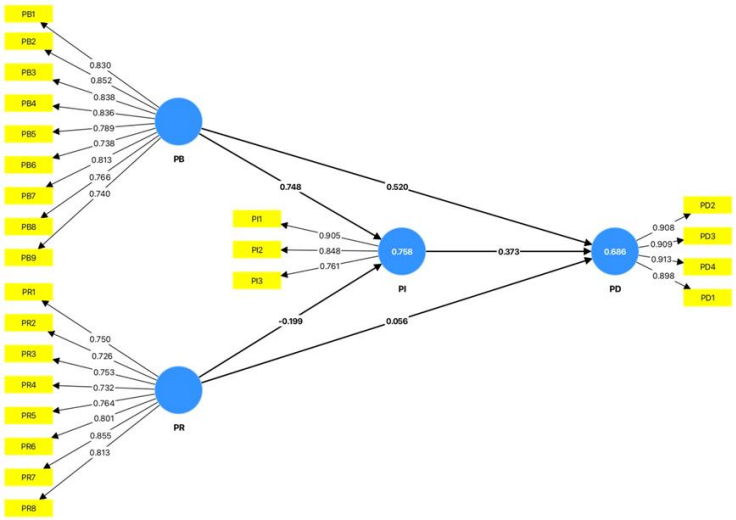


Figure 11 Outer Loadings

Source: SmartPLS 4 Data Processing Results, (2024)

The outer loadings values for each construction indicator can be displayed in Table 2 below:

Table 2 Outer Loadings

	Perceived Benefit	Purchase Decision	Purchase Intention	Perceived Risk	Information
PB1	0,830				Valid
PB2	0,852				Valid
PB3	0,838				Valid
PB4	0,836				Valid
PB5	0,789				Valid
PB6	0,738				Valid
PB7	0,813				Valid
PB8	0,766				Valid
PB9	0,740				Valid
PD1		0,898			Valid
PD2		0,908			Valid
PD3		0,909			Valid
PD4		0,913			Valid
PI1			0,905		Valid
PI2			0,848		Valid
PI3			0,761		Valid
PR1				0,750	Valid
PR2				0,726	Valid
PR3				0,753	Valid
PR4				0,732	Valid
PR5				0,764	Valid
PR6				0,801	Valid
PR7				0,855	Valid
PR8				0,813	Valid

Source: SmartPLS 4 data processing results, (2024)

Based on table 2 above, it can be seen that all indicators of the research variables have an Outer Loading above 0.7 so that all indicators are declared valid and do not need to be recalculated.

From the results of the outer loading value in table 4.7, it is obtained that:

1. The highest indicator of Perceived Benefit is PB2 with a value of 0.852 where respondents feel happy and satisfied with the various offers and promotions offered by Alfagift.
2. The highest indicator of Purcahse Decision is PD4 with a value of 0.913 where respondents feel confident to regularly shop using Alfagift in the future.
3. The highest indicator of Purchase Intention is PI1 with a value of 0.905 which states that respondents are interested in shopping for daily necessities through Alfagift.
4. The highest indicator of Perceived Risk is PR7 with a value of 0.855 where respondents are worried about not getting the best promos and benefits on Alfagift compared to other applications.

Average Variance Extracted (AVE) Testing

The AVE value must be above 0.5 so that the variable is considered valid (Hair, Risher, Sarstedt, & Ringle, 2019). Table 3 below displays the Average Variance Extracted (AVE) values for each variable:

Table 3 Average Variance Extracted (AVE) Test Results

Variable	Average variance extracted (AVE)	Information
Perceived Benefit	0,642	Valid
Purchase Decision	0,823	Valid
Purchase Intention	0,706	Valid
Perceived Risk	0,601	Valid

Source: SmartPLS 4 Data Processing Results, (2024)

Based on Table 3, it can be seen that the values on the Outer Loading of all indicators have met the requirements and are supported by the AVE values in Table 4.9 which have also met the requirements, which are above 0.5. Based on Table 4.9, it can also be seen that the AVE value is highest in the Purchase Decision variable with a value of 0.823 and the lowest AVE in the Perceived Risk variable with a value of 0.601.

Thus, it can be seen from the Outer Loading value in Table 4.8 and the AVE value in Table 3, the data from this study can be said to have met the test requirements for Convergent Validity.

Discrimination Validity Testing

Discriminant validity testing is carried out to show the extent to which a construct is completely different from other variables. The Discrimination Variable of the measurement model with reflective indicators is assessed based on Cross Loadings. This measurement is expected to be each latent variable measured compared to the indicator for the latent variable (Ghozali & Latan, 2015)v. A criterion is accepted when a measurement item correlates more strongly or higher with the variable it measures and correlates less with other variables. Table 4.10 shows the values of Cross Loadings for each construct.

Table 4 Cross Loadings

	PB	PD	PI	PR
PB1	0,830	0,734	0,696	-0,401
PB2	0,852	0,668	0,703	-0,430
PB3	0,838	0,764	0,709	-0,406
PB4	0,836	0,686	0,730	-0,455
PB5	0,789	0,635	0,689	-0,444

PB6	0,738	0,590	0,660	-0,415
PB7	0,813	0,594	0,668	-0,472
PB8	0,766	0,539	0,675	-0,415
PB9	0,740	0,583	0,624	-0,428
PD1	0,754	0,898	0,715	-0,419
PD2	0,766	0,908	0,712	-0,422
PD3	0,694	0,909	0,705	-0,418
PD4	0,714	0,913	0,707	-0,354
PI1	0,758	0,743	0,905	-0,527
PI2	0,800	0,700	0,848	-0,446
PI3	0,568	0,500	0,761	-0,558
PR1	-0,378	-0,252	-0,434	0,750
PR2	-0,357	-0,224	-0,392	0,726
PR3	-0,358	-0,294	-0,415	0,753
PR4	-0,439	-0,347	-0,500	0,732
PR5	-0,463	-0,349	-0,473	0,764
PR6	-0,394	-0,330	-0,445	0,801
PR7	-0,491	-0,458	-0,534	0,855
PR8	-0,408	-0,433	-0,490	0,813

Source: SmartPLS 4 data processing results, (2024)

Based on Table 4 it can be seen that the Cross Loadings value of each indicator has a higher correlation compared to other latent variables. Based on these results, it can be stated that all variables have met the requirements in the discrimination validity test.

Reality Testing

After conducting convergent validity and discrimination validity tests, the next stage is to conduct reliability testing. Reliability testing is measured by Composite Reliability and Crombach's Alpha. If all Composite Reliability values in the latent variable > 0.70 and Crombach's Alpha > 0.70, it can be stated that the construct has good reliability or the questionnaire used as a tool in this study has been reliable or consistent.

Table 5 Composite Reliability and Cronbach's Alpha Test Results

Variable	Cronbach's Alpha	Composite Reliability
Perceived Benefit	0,930	0,932
Purchase Decision	0,928	0,929
Purchase Intention	0,791	0,813
Perceived Risk	0,905	0,913

Source: SmartPLS 4 data processing results, (2024)

Based on Table 5, it can be seen that the value of Cronbach's Alpha shows a value greater than 0.7 and the value of Composite Reliability shows a value greater than 0.7 in each variable. Thus it can be stated that the value on each instrument is reliable.

Inner Model Evaluation (Structural Model)

(Ghozali & Latan, 2015) stated that Inner Model Testing is the development of a model based on theory and concepts, used to analyze the relationship between exogenous and endogenous variables that have been determined in a conceptual framework. The structural model test was carried out by assessing the Normed Fit Index (NFI),

determination coefficient (R2), Effect Size (f2), Predictive Relevance Value (Q2), and P-value for hypothesis testing.

Table 6 Normed Fit Index (NFI) Test Results

Saturated Model Value	
NFI	0.788

Source: SmartPLS 4 data processing results, (2024)

Based on Table 6, the data obtained by the Normed Fit Index shows a value of 0.788, so it can be concluded that the model used has met the eligibility requirements of the model and can be continued to the next stage.

R-Square (R2)

The Inner Model, also known as the Structural Model, is useful for describing the relationship between latent variables based on substantive theory. The structural model evaluates the bound or dependent construct using R2, predictive relevance using Q2, and uses the R2 value to assess the influence of certain bound or independent latent variables, as well as assessing the free or dependent latent variable, whether it has a large enough influence where the R2 value is larger, the ability of the bound latent variable to explain the free latent variable is greater. R2 results of 0.75, 0.50, and 0.25 were considered "substantial", "moderate", and "weak" (Hair et al., 2019)

Table 7 R2 Values of Each Variable

Variable	R-square	R-square adjusted
Purchase Decision	0,686	0,682
Purchase Intention	0,758	0,755

Source: SmartPLS 4 data processing results, (2024)

Based on Table 7, the data obtained can be seen that the R-Square value can be explained as follows:

1. Based on Table 7, it can be seen that the R2 value for *the Purchase Decision* is 0.686 so that the effect leads to Substantial.
2. Based on Table 7, it can be seen that the R2 value for *Purchase Intention* is 0.758 so that the effect is Substantial.

Effect Size (F2) or F-Square

The Effect Size (F2) or F-Square value is used to evaluate whether the exogenous variable removed has a substantial impact on the endogenous variable. F2 values with 0.02, 0.15, and 0.35 represent small, moderate, and large effects (Chin, 1998). In Table 4.20, the Effect Size (F2) value of each exogenous variable is shown to the endogenous variable.

Table 8 Value Effect Size (F2) or F-Square

Variable	Perceived Benefit	Purchase Decision	Purchase Intention	Perceived Risk
Perceived Benefit		0,232	1,646	
Purchase Decision				
Purchase Intention		0,107		
Perceived Risk		0,007	0,117	

Source: SmartPLS 4 data processing results, (2024)

Based on Table 8, the Effect *Size* (F2) value data obtained can be explained as follows:

1. The *Perceived Benefit* variable has an *effect size* value of 0.232 so it has a considerable influence on *the Purchase Decision* and an *effect size* value of 1.646 on *the Purchase Intention* which also has a large influence.
2. The *Perceived Risk variable has an* effect size *value* of 0.007 so it has a small influence on *the Purchase Decision* and the *effect size* value on *Purchase Intention* is 0.117 so it has a moderate effect.
3. The *Purchase Intention* variable has an *effect size value of* 0.107 so it has a moderate influence on *Purchase Decision*.

Predictive Relevance Value (Q2) or Q-Square

The Predictive Relevance Value (Q2) describes a measure of prediction accuracy, i.e. how well each change in an exogenous or endogenous variable is able to predict an endogenous variable. This measure is a form of validity in PLS to declare the suitability of the model's prediction (predictive relevance). A Q2 value above 0 indicates that the model has predictive relevance but in (Hair et al., 2019) the qualitative interpretation value of Q2 is 0 (low influence), 0.25 (moderate influence), and 0.50 (high influence)

Table 9 Q Square Value (Q2)

Variable	Q^2predict
Purchase Decision	0,643
Purchase Intention	0,750

Source: SmartPLS 4 data processing results, (2024)

Based on Table 9, the data obtained can be explained that Q2 on the *Purchase Decision* variable is 0.643 which means it has a high influence prediction accuracy and the Q2 value on the *Purchase Intention* variable is 0.750 which means it has a high influence prediction accuracy as well.

Hypothesis Testing

The next stage is to conduct bootstrapping testing. This test is carried out by looking at the results of the Path Coefficients test to see the significance value through the p value to check the relationship between variables. The following are the results of bootstrapping testing from the use of SmartPLS 4.

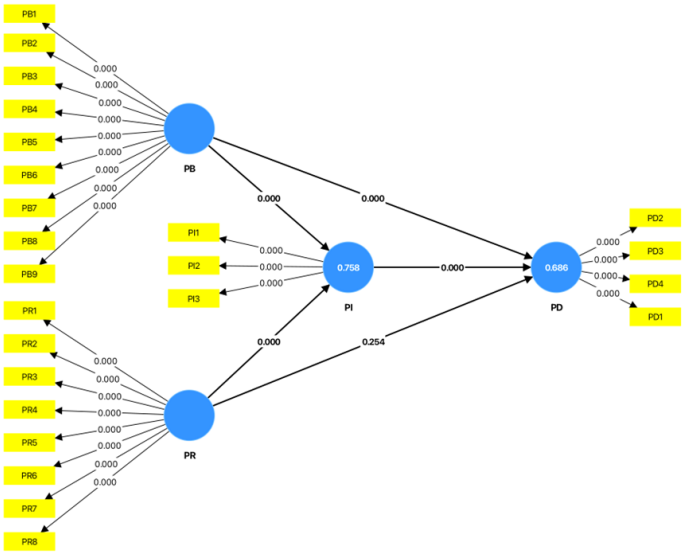


Figure 12 Bootstrapping Model

Source: SmartPLS 4 data processing results, (2024)

After performing the bootstrapping test as shown in Figure 4.3, the next step is to perform a Path Coefficients analysis to see the results of the direct influence calculation. The variable is declared significant when the p-value < 0.05 (Hair et. al. 2019).

Table 10 Testing the Direct Influence Hypothesis

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Information
Perceived Benefit -> Purchase Decision	0,520	0,085	6,118	0,000	Accepted
Perceived Benefit -> Purchase Intention	0,748	0,041	18,130	0,000	Accepted
Purchase Intention -> Purchase Decision	0,373	0,087	4,286	0,000	Accepted
Perceived Risk -> Purchase Decision	0,056	0,050	1,141	0,254	Rejected
Perceived Risk -> Purchase Intention	-0,199	0,047	4,269	0,000	Accepted

Based on Table 10, the results of calculations between constructs in the model by paying attention to the p-value can be expressed as follows:

1. Hypothesis 1

The Perceived Benefit on the Purchase Decision has a p-value of 0.000 < 0.05, then the first hypothesis is accepted. This means that Perceived Benefit has an effect on Purchase Decision.

2. Hypothesis 2

Perceived Benefit on Purchase Intention has a p-value of 0.000 < 0.05, then the second hypothesis is accepted. This means that Perceived Benefit affects Purchase Intention.

3. Hypothesis 3

Perceived Risk on Purchase Decision has a p-value of 0.254 > 0.05, then the third hypothesis is rejected. This means that Perceived Risk has no effect on Purchase Decision.

4. Hypothesis 4

Perceived Risk on Purchase Intention has a p-value of 0.000 < 0.05, then the fourth hypothesis is accepted. This means that Perceived Risk affects Purchase Intention.

5. Hypothesis 5

Purchase Intention to Purchase Decision has a p-value of 0.000 < 0.05, then the fifth hypothesis is accepted. This means that Purchase Intention has an effect on Purchase Decision.

As for the analysis of the influence of mediation variables, it can be seen in Table 11 below:

Table 11 Testing the Indirect Influence Hypothesis

	Original Sample (O)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values	Information
Perceived Risk -> Purchase Intention -> Purchase Decision	-0,074	0,025	2,964	0,003	Accepted
Perceived Benefit -> Purchase Intention -> Purchase Decision	0,279	0,067	4,176	0,000	Accepted

Source: SmartPLS 4 data processing results, (2024)

6. Hypothesis 6

The Perceived Benefit mediated by the Purchase Intention to the Purchase Decision has a p-value of 0.000 < 0.05, so this sixth hypothesis is accepted. This means that the Purchase Intention variable mediates the Perceived Benefit to the Purchase Decision.

7. Hypothesis 7

Perceived Risk mediated by Purchase Intention to Purchase Decision has a p-value of 0.003 < 0.05, so this seventh hypothesis is accepted. This means that the Purchase Intention variable mediates Perceived Risk against Purchase Decision.

Discussion of Research Results

- Perceived Benefit has a positive and significant effect on Purchase Decision.

  The Perceived Benefit to the Purchase Decision has a p-value of 0.000 < 0.05, then the first hypothesis (H1) is accepted. This means that Perceived Benefit has a positive and significant effect on Purchase Decision. This is also in accordance with research conducted by (Iriani & Andjarwati, 2020) concluded that there is a significant influence between Perceived Benefit and Perceived Ease Of Use on Online Purchase Decision. According to research by (Septiano & Sari, 2021), Product Quality, Location, Promotion, and Consumer Values have a positive effect on Purchase Decision.
- Perceived Risk has a negative and significant effect on Purchase Decision.

  Perceived Risk for the Purchase Decision has a p-value of 0.254, which is above 0.05, then the second hypothesis (H2) is rejected. This means that Perceived Risk does not directly affect the Purchase Decision. This result is not in accordance with previous research, according to (Gao et al., 2020) Perceived Risk has a negative influence on Purchase Decision and Customer Satisfaction, this is because online shoppers do not have physical contact with the product, so they may have low trust and consider the risk high. Research by (Tjahjawati & Sulastri, 2023) concluded that there is a negative relationship between Risk Perception and Purchase Decision. This shows that the lower the risk perception felt by consumers, the higher the decision to buy products online.
- Perceived Benefit has a positive and significant effect on Purchase Intention.

  The Perceived Benefit on Purchase Intetnion has a p-value of 0.000 < 0.05, then the third hypothesis (H3) is accepted. This means that Perceived Benefit has a positive and significant effect on Purchase Intention. This result is in accordance with previous research by Zaira C-Rodriguez and Concepcion (Ventre & Kolbe, 2020) concluding that Perceived Benefits such as Value Consciousness, Shopping Enjoyment, Usefulness and Ease Of Use have a positive and significant effect on Mobile Purchase Intention. Then research by (Bosri, 2020) concluded that Perceived Benefit (Product Price, Product Quality, Product Variety, Website Information, Website Usefulness, Delivery Time and Trust) has a positive and significant influence on Online Purchase Intention.
- Perceived Risk has a negative and significant effect on Purchase Intention.

  Perceived Risk on Purchase Intention has a p-value of 0.000 < 0.05, then the fourth hypothesis is accepted. This means that Perceived Risk has a negative and significant effect on Purchase Intention. This result is in accordance with previous research by (Hadining, 2020) who concluded that online shopping experience factors, product risk, financial risk, and privacy risk have a negative effect on Online Purchase Intention. Researcher (Jadil, Rana, & Dwivedi, 2022) concluded that Perceived Risk has a significant negative effect on customer attitude and has a negative influence on Purchase Intention but is not significant.

- Purchase Intention has a positive and significant effect on Purchase Decision.

  Purchase Intention to Purchase Decision has a p-value of 0.000 < 0.05, then the fifth hypothesis is accepted. This means that Purchase Intention has a positive and significant effect on Purchase Decision. These results are in accordance with previous research by (Sembhodo, Hermawati, Fatmawati, & Junaedi, 2022) Service quality innovation does not directly increase Purchase Decision, but Purchase Intention mediates service innovation and Purchase Decision. In their research, (Wandira & Rahman, 2021) found that Islamic Branding has a positive effect on Purchase Decision. Viral marketing has a positive effect on Purchase Decisions. Online Consumer Reviews have a positive effect on Purchase Decision. Purchase Intention has a positive effect on Purchase Decision. Purchase Intention can mediate Islamic Branding against Purchase Decision.
- Perceived Benefit has a positive and significant effect on Purchase Decision mediated by Purchase Intention.

  The Perceived Benefit mediated by the Purchase Intention to the Purchase Decision has a p-value of 0.000 < 0.05, so this sixth hypothesis is accepted. This means that Purchase Intention mediates the Perceived Benefit to the Purchase Decision positively and significantly. This result is in accordance with previous research by (Satriawan & Setiawan, 2020) which showed that Perceived Price and Perceived Quality mediated by Purchase Intention have a positive effect on Purchase Decision. Research by Amat-ur-Rasool, Ahmed, Hasnain, & Carter, (2021) concluded that Perceived Benefit and viral marketing have a positive and significant influence on Purchase Decision mediated by Online Purchase Intention. Researcher Dapas, Sitorus, Purwanto, & Ihalauw, (2019) found that Purchase Intention can mediate the influence of Service Quality and Website Quality on Purchase Decision.
- Perceived Risk has a negative and significant effect on the Purchase Decision mediated by Purchase Intention.

  Perceived Risk mediated by Purchase Intention to Purchase Decision has a p-value of 0.003, which is below 0.05, so this seventh hypothesis is accepted. This means that Purchase Intention mediates Perceived Risk against Purchase Decision but is not significant. This result is in accordance with previous research by Ni Luh Putu Indiani & Sagung N. S. Febriandari (2021) which shows that Perceived Risk does not have a significant influence on Purchase Decision mediated by Online Purchase Intention. This insignificant relationship is suspected to be due to the online practices applied in the market as well as the characteristics of the respondents. In conclusion, online sellers should emphasize the benefits of online shopping in their communication materials and provide better benefits to online consumers to increase online sales.

CONCLUSION

Based on the research findings, it can be concluded that perceived benefit has a positive and significant effect on purchase decisions, while perceived risk does not have a direct impact on purchase decisions. Perceived benefit also positively and significantly influences purchase intention, and perceived risk has a similar effect on purchase intention. Furthermore, purchase intention positively and significantly affects purchase decisions, acting as a mediator in the relationship between perceived benefit and purchase decision, enhancing this relationship positively and significantly. Conversely, purchase intention mediates the relationship between perceived risk and purchase decision in a negative manner. These results suggest that while perceived risk does not directly influence purchase decisions, it becomes significant when mediated by purchase

intention, highlighting that consumers prioritize the benefits they will receive over the risks associated with online shopping.

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