**CORRESPONDING AUTHOR**

Setiawan Mandala Putra
Tadulako University,
Palu, Indonesia

**EMAIL**
setiawanmandalaputra@gmail.com

# THE DIGITAL MARKETING TO INFLUENCE CUSTOMER SATISFACTION MEDIATED BY PURCHASE DECISION

**Syamsul Bachri**
**Setiawan Mandala Putra**
**Erwan Sastrawan Farid**
**Darman**
Tadulako University, Palu, Indonesia
**Arung Gihna Mayapada**
Otago University, Dunein, New Zealand

**Abstract**: Consumer satisfaction and purchasing decisions made by consumers have always been a concern of marketers, taking into account these two aspects can encourage businesses to develop. Digital marketing is one of the factors that can shape consumer satisfaction and purchase decisions. For this reason, this study aims to prove whether there is an influence between digital marketing on purchasing decisions and consumer satisfaction, the influence of purchasing decisions on consumer satisfaction, and to prove whether purchasing decisions can mediate the relationship between digital marketing and customer satisfaction. This study, using Structural Equation Modeling (SEM) Partial Least Squares (PLS) analysis to test the hypothesis. This study also using a non-probability sampling method through a judgmental sampling technique. The minimum number of samples in using SEM is 100-200 samples, and this study uses a sample of 100 respondents. The results of the study show that digital marketing influences purchasing decisions and also influences consumer satisfaction. Other findings show that purchasing decisions have a positive effect on consumer satisfaction. The research findings also show that purchasing decisions can positively mediate the relationship between digital marketing and consumer satisfaction. The findings of this study have practical implications especially transformations in digital-based marketing strategies. The use of various digital marketing strategies such as email marketing, search engine optimization, search engine marketing, content marketing, social media marketing, etc., can help companies or marketers to increase consumer decisions in making purchases which at the last can build their satisfaction.

**Keywords**: Digital Marketing, Purchase Decision, Customer Satisfaction

## INTRODUCTION

Over the past few years, digitization has become one of the strategies implemented by most companies. It has also revolutionized many areas such as marketing, consumer, industry, E-Commerce, Mobile Devices, Smart Products, Internet of Things, and Artificial Intelligence. All fields affected by digitalization are inseparable and interrelated in the development of digital marketing effectively. Digital marketing can help companies assist various activities, institutions, and processes in creating, delivering, communicating, and exchanging value for consumers (Herhausen et al., 2020; AMA, 2013). Digital Marketing is a medium currently in great demand by the public to support various activities. Digital marketing communications and transactions can be used at any time for free in real-time and can be global. Digital marketing has become a part of everyday life for people worldwide. As of January 2021, there are 4.66 billion internet users worldwide, 59.5% of the global population (Statista, 2021). In addition, data shows that internet users in Indonesia are increasing. Based on data from the 2021 Susenas Survey conducted by BPS, 62.10 percent of Indonesia's population will have access to the internet in 2021. The high use of the internet also reflects a climate of information openness and public acceptance of technological developments and changes toward an information society. Indonesia's high number of internet users cannot be separated from the rapid growth of cellular telephones. In 2021, it is recorded that 90.54 percent of households in Indonesia already own/master at least one cellular telephone number. This figure has increased when compared to conditions in 2018, which reached 88.46 percent (BPS, 2021). The situation can open greater opportunities for most companies to use digital-based marketing strategies to achieve predetermined goals.

Digital marketing has changed how consumers find product information, interact with brands, and purchase. Today's consumers have easier access to information, product reviews, and recommendations through digital platforms (Adam et al., 2022). In a competitive business world, purchasing decisions and consumer satisfaction are important factors in maintaining market share and winning the competition. When marketers understand how digital marketing works, this can influence consumers to make buying decisions and influence their satisfaction. Digital marketing can also encourage companies to optimize the use of digital platforms to increase interactions and relationships with their customers (Putri and Marlien, 2022; Ilyas et al., 2021). Consumer purchasing decisions are defined as purchasing products, services, or brands consumers prefer. Consumers will go through several process stages when they want to make a purchase decision, namely, problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior (Kotler et al., 2020). Therefore, the main goal for a company when it wants to encourage consumers to make purchases is to make consumers feel they need and like the products offered. Consumer purchase decisions are shaped by their interests, expectations, values, attitudes, and behaviors. The use of various digital marketing channels is a way that will influence consumer behavior, and hence, their purchasing decisions can be inspired (Sonwaney and Chincholkar, 2019). Online advertising, e-mail marketing, websites, and social media are some digital marketing factors influencing consumer purchase decisions. For example, a marketer can send and communicate information easily, quickly, and inexpensively to consumers using this method or instrument. Of course, the information provided aims to encourage consumers' sense of need, make it easier for consumers to find the information they need, make it easier for consumers to evaluate the goods owned by the company, and encourage good responses from the consumers in consuming the products offered (Kurdi et al., 2022).

Consumer satisfaction is a comparison between consumer expectations of perceived product performance. If product performance falls short of expectations, the customer is dissatisfied. If performance matches expectations, the customer is satisfied. If performance exceeds expectations, the customer is satisfied or happy (Kotler et al., 2020). One indicator for marketers to measure whether consumers are satisfied can be reflected in various forms of repurchasing these products and conveying positive word-of-mouth messages to others (Ahmed, 2021). Satisfying customers includes providing appropriate information and schemes, detecting customer problems, and suggesting proper services and solutions. All of these activities can

be carried out in a practical way by utilizing digital marketing (Alwan and Alshurideh, 2022).

Digital marketing strategies are usually found on social media and marketplaces. Social media is changing the way customers interact in marketing. Businesses seem to have shifted their marketing strategy to the Internet because of the ease of access to their target consumers at a low cost. Social media is informational content created by people who utilize publishing technology, is highly accessible, and is intended to facilitate communication, influence, and interaction with other people and the general public. One of the fastest-growing social media in Indonesia is Instagram. Instagram is an application to share photos and videos (Haudi et al., 2022). Besides Instagram, Tiktok is one of the most popular social media. In 2020 in Indonesia, the social media that is experiencing rapid development to become a popular culture in Indonesia is the TikTok application. Now, TikTok has become a new trend and popular culture in Indonesia.

Popular culture is a culture that many people like and is not tied to a particular social class. Popular culture is currently having a bigger impact in the current digital era because easy access to information has a significant effect on popular culture in a country (Hasiholan et al., 2020). In addition to the use of social media, the marketplace is a place where consumers can carry out buying and selling activities. A marketplace is a place for buying and selling that sells goods or services to buyers. Marketplaces are usually in the form of electronic or online markets. However, the marketplace concept is different from the Online Store concept. The marketplace can be illustrated as a traditional market with many people gathered in one place to buy and sell online. Usually, the marketplace acts as an intermediary for sellers and buyers through a website that aims to accommodate meetings and carry out legal transactions between sellers and buyers (Dewa and Setyohadi, 2017). Nowadays, online purchases make it easy for consumers to get the products they want without being physically present. This activity is also cheaper and time-saving (Huseynov and Yıldırım, 2016). People can check prices and discounts and shop anywhere and anytime using only their mobile, computer, or tablet (Aziz and Wahid, 2018).

The importance of the digital marketing for companies is shown by the increasing attention of researchers who research this matter (e.g., Olson et al., 2021; Shankar et al., 2021; Saura et al., 2021; Djakasaputra et al., 2021). Previous studies have identified several objectives of using digital marketing, such as increasing market share, increasing rates of engagement, increasing sales revenue, reducing costs (e.g., distribution or promotion costs), achieving brand objectives (such as increasing brand awareness and enhancing brand image), increase the reach of promotions in reaching consumers, achieve Customer Relationship Management (CRM) objectives (such as increasing customer satisfaction customers, purchase frequency, or customer reference level) (Djakasaputra et al., 2021). Even though most researchers have paid attention to the discussion of digital marketing, there are some shortcomings and weaknesses in previous research. According to Ilyas et al. (2021), many of the findings were still vague when identifying the subject of the digital marketing, especially when digital marketing is discussed in different business areas. In addition, the existing literature review focused on published research only, thus neglecting the accelerating emergence of "new" digital capabilities in managerial practice. It is inconvenient, especially given the speed with which digital technology develops and affects business opportunities (Herhausen et al., 2020). Therefore, the novelty of research discussing digital marketing is necessary every time to return to update knowledge for readers or academics and companies that want to apply digital marketing strategy.

The importance of the digital marketing for companies is shown by the increasing attention of researchers who research this matter (e.g., Olson et al., 2021; Shankar et al., 2021; Saura et al., 2021; Djakasaputra et al., 2021). Previous studies have identified several purposes for using digital marketing from various perspectives. The importance of digital marketing for companies is shown by the increasing attention of researchers who research this matter (e.g., Olson et al., 2021; Shankar et al., 2021; Saura et al., 2021; Djakasaputra et al., 2021). Even though most researchers have paid attention to the discussion of digital marketing, there are some shortcomings and weaknesses in previous research. According to Ilyas et al. (2021), many of the findings were still vague when identifying the subject of digital marketing, especially

when digital marketing is discussed in different business areas. In addition, the existing literature review focused on published research only, thus neglecting the accelerating emergence of "new" digital capabilities in managerial practice. This research will also offer a significant contribution. Approaches involving purchasing decisions as mediation between digital marketing and consumer satisfaction have not been identified. As such, this research will bring a new understanding of how digital marketing can influence consumer satisfaction through purchasing decisions. It will provide unique and innovative added value in the marketing literature. This study aims to analyze the relationship between digital marketing and purchasing decisions, digital marketing on consumer satisfaction, and how consumer decisions mediate the influence of digital marketing on consumer satisfaction. In general, the benefit of research is to find out whether digital marketing can impact increasing sales, which can be seen from consumer purchasing decisions, and whether digital marketing can create consumer satisfaction when shopping through digital media. This study tries to investigate the impact of digital marketing on consumer decisions and satisfaction, specifically how consumer decisions can mediate the relationship between digital marketing and customer satisfaction. This research can help marketers maximize the use of digital marketing to maximize various kinds of marketing strategies that companies will implement.

## LITERATURE REVIEW
### Digital Marketing

Digital marketing refers to the use of electronic media by marketers to promote products or services to the market to attract customers and enable them to interact with companies through digital media (Yasmin et al., 2015; Mkwizu, 2019). Media such as the web, e-mail, and wireless media combined with the digital data govern all digital marketing activities (Chaffey and Ellis-Chadwick, 2019). Thus, digital marketing effectively increases the range of customer perceptions and buying behavior. From the definitions above, it is easy to see that the general point of digital marketing includes three main factors: Using digital media, approaching customers digitally, and interacting with them (Hien and Nhu, 2022). A plan in digital mar-

keting can help define specific digital marketing goals and develop strategies to ensure that resources are used to take advantage of the Internet's marketing opportunities and counter its threats. Digital marketing is focused on how companies and their brands use their websites and other digital platforms and media such as mobile sites and apps, search and social media, and e-mail marketing to interact with their audiences to add value to their companies, products, services and so on (Chaffey, 2015).

This research will focus on discussing the four dimensions of digital marketing variables. Interactive is a two-way communication relationship between the company and consumers so that it can be well received and clear enough. Incentive Programs are the advantages of promotional programs carried out by companies so that they can add more value to the company. Site/web design is an attractive appearance that can add positive value to the company through the digital marketing media. Transaction/cost is a promotional technique that can streamline time and reduce transaction costs.

### Purchase Decision

The research that has been done previously states that purchasing decisions are an individual or group decision to choose certain goods or services offered by a company and prefer these products compared to products offered by competitors. Both internal and external marketing factors can influence consumer purchasing decisions. Internal factors include beliefs, attitudes, knowledge, personality, perceptions, lifestyle, roles, and status. On the other hand, external factors include culture, membership groups, and social class (Hanaysha, 2022). As today's consumers face multiple product or service offerings and multiple alternatives, service providers realize that it is very challenging to attract and maintain successful relationships with key customers to ensure their continued growth and presence in the market (Salem, 2018). Marketing practitioners have also noticed that the consumers are becoming more comfortable using Internet channels and social media sites to connect.

For this reason, most service providers create their pages on social networks to connect with customers online and develop to search for brands and what they want (Hutter et al., 2013). When consumer awareness of a brand and its offerings

increases, they usually search for more information about it online, assess the benefits of choosing that product over other product brands, and then make a purchase decision (Sharma et al., 2021). With that in mind, recent technological developments such as social media, e-mail marketing, marketplaces, and others can be a powerful approach to communicating and interacting with customers virtually at a lower cost. By leveraging social media networks, companies can increase consumer engagement and build fast, convenient, and easy relationships with target markets (Gkikas et al., 2022; Huang et al., 2019). Through their involvement and experience, customers will also get the opportunity to influence others and share their opinions through online reviews, comments, and word of mouth (Liu et al., 2022). It can maximize marketing efforts through digital media that companies can carry out.

## Customer Satisfaction

Satisfaction is a comparison between the expectations a consumer holds and the reality or reality they get. If the product that consumers obtain is positive beyond what they imagine or expect, consumers will feel very satisfied, and vice versa (Kotler et al., 2020). Satisfaction is the consumer's assessment of the goods and services delivered. Consumers' positive experiences motivate them to repurchase the product. In the marketing literature, it is the most researched construct. Many researchers have repeatedly confirmed that companies that can satisfy their customers will retain them and attract new ones. Quan et al. (2020), Dash et al. (2021), and Simanjuntak et al. (2020) have identified that customer satisfaction, customer decisions, and purchase intentions have a positive correlation. Some studies also show that attracting new customers is more expensive than retaining old ones. Hence, the companies are advised to spend a lot of resources on service quality and ensure that their customers are satisfied with them. Highly satisfied customers are not price sensitive and ignore random bad experiences of goods and services, while they can also spread positive information through word-of-mouth.

## Customer Attitudes towards Digital Marketing

Individual attitudes are their evaluations, feelings of emotional attachment, and tendencies to act toward some objects or ideas. It will change over time when the individuals approach new concepts about those ideas or objects (Shaouf et al., 2016). In particular, attitudes towards digital marketing and customer behavior towards digital marketing can be shown through positive or negative responses of consumers to certain digital marketing (Hien and Nhu, 2022). Consumer attitudes toward advertisements are one of the indicators that influence the effectiveness of advertising because purchase intentions will increase when attitudes toward advertisements are more positive (Hameed et al., 2020). In this study, attitudes toward digital marketing are considered important variables in assessing the success of forms of digital marketing (Hien and Nhu, 2022). The key aspect here is the perception of the digital-based marketing media, which can help companies encourage the usage of digital marketing.

## HYPOTHESIS DEVELOPMENT
### Digital Marketing and Purchase Decision

Purchasing decisions have several processes: problem recognition, information seeking, evaluating alternatives, consumer decisions, and post-purchase evaluation (Kotler and Keller, 2016). This research will focus on the consumer decision stage. Of course, a purchase decision to be made by a consumer is influenced by the stages of the previous decision-making process. However, a company or marketer still has the opportunity to influence consumers who are already at the buying stage (Iblasi et al., 2016). At this stage, marketers must provide their products to consumers and ensure the buying process is easy and convenient (Bui et al., 2021). By using digital technology, digital marketing channels such as e-mail marketing, SEO, social media, online advertising, mobile services, etc., can improve the consumer shopping experience at the purchase stage by making it easier to order, purchase, and pay for products, thereby saving money, time, and effort that must be spent by customers (Al-Azzam and Al-Mizeed, 2021). Therefore, digital marketing can offer various benefits and advantages for a company. Ultimately, the various features or tools offered by digital marketing can help consumers purchase the products because digital marketing directly makes it easier for them to shop. Therefore, the following hypothesis is proposed.

**H1**: Digital Marketing's positive effect on purchasing decisions.

### Digital Marketing and Consumer Satisfaction

Satisfaction is a comparison between expectations and performance based on the Expectations Disconfirmation Model (Herhausen et al., 2020). In addition, customer satisfaction is also a series of positive impressions felt by customers or trends in customer buying or consumption experiences from the results of comparisons between customer expectations and product or service directions (Ilyas et al., 2021). If the perceived performance of a product or service is lower or higher than expected, consumers will automatically form negative or positive feelings. For example, if the performance exceeds the expectations, the consumer's tendency will lead to more positive feelings and customer satisfaction. Conversely, when performance is lower than expectations, consumers will have negative feelings and be dissatisfied with the product or service they get.

Customer satisfaction is usually obtained from the online experience and digital transactions they make. That is because various online experiences and digital transactions are created to make it easier for a consumer to shop (Alwan and Alshurideh, 2022). With digital marketing, consumers do not need to pay much to purchase. With digital-based media, consumers can carry out various purchasing activities at the desired place. Of course, with convenience like this, consumers do not need to spend a lot of time reaching the outlet they want and do not need to spend energy to find and buy the product they want. It will support and encourage consumers to perform better than their imagined expectations. In the end, consumers who have positive feelings when shopping online will be satisfied with their product-purchasing activities. Thus, using digital marketing media is expected to affect a consumer's satisfaction.

**H2**: Digital Marketing's positive effect on consumer satisfaction.

### Purchase Decision on Consumer Satisfaction

Kotler et al. (2020) stated that purchasing decisions are the stages of the decision process where consumers purchase a product. The buying decision-making process consists of five stages: need recognition, information search, evaluation of alternatives, purchase decisions, and post-purchase behavior (Kotler and Keller, 2016). As is known, consumer satisfaction is a comparison between a product's performance and consumer expectations. If the performance obtained exceeds expectations, the consumer's tendency will lead to more positive feelings and form customer satisfaction. Conversely, when performance is lower than expectations, consumers will have negative feelings and be dissatisfied with the product or service they get. Therefore, if the purchase made by a consumer is right, the consumer will immediately feel happy and have a positive perception of the purchase, which will ultimately form satisfaction within them. If a purchase made by a consumer is deemed inappropriate, the consumer will feel disappointed with the purchase and, in the end, form feelings of inadequacy or dissatisfaction within them.

**H3**: Purchase decision effect on consumer satisfaction.

### The Mediating Role of Purchasing Decisions

Digital marketing and purchasing decisions can build consumer satisfaction (Herhausen et al., 2020; Digdowiseiso and Sari, 2022). Digital marketing is also able to assist consumers in making decisions to make purchases of a product. When marketers use digital marketing, this will help consumers to find information and evaluate a brand or product more easily. It will help consumers make purchase decisions, especially through digital media (Koeswandi et al., 2020). In addition, purchasing decisions can help a consumer shape their satisfaction. Satisfaction refers to the quality or state of the consumer's buying situation and products that can meet the needs or desires of consumers. The customer satisfaction is a function of the closeness between customer satisfaction and product performance (Parlan and Andriani, 2016). Therefore, when a consumer purchases a brand or product that is right and has good performance, the consumer will feel satisfied with the purchase, and vice versa. It means that when a marketer carries out marketing activities through digital media, it will help the consumers make purchase decisions (Digdowiseiso and Sari, 2022). Ultimately, when consumers make the right purchases, this will help them shape their satisfaction.

**H4**: Purchase decisions can mediate influence digital marketing on consumer satisfaction.
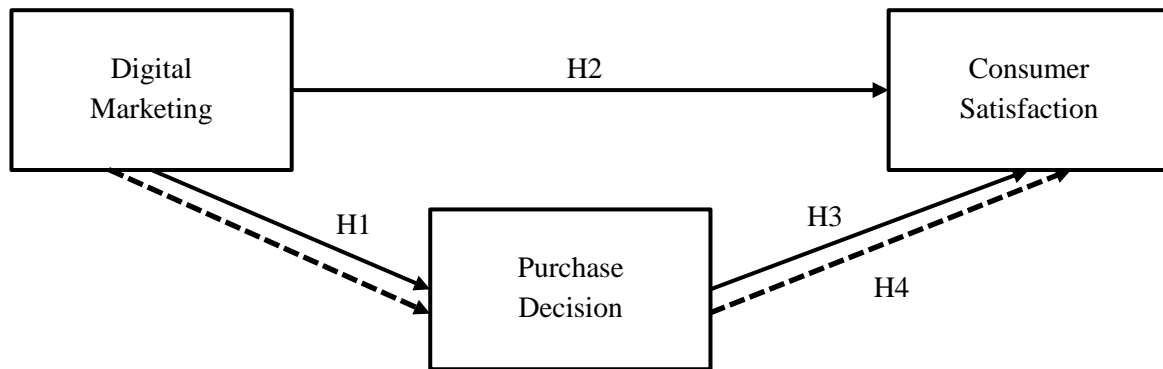
Source: Processed Data (2023)

**Figure 1. Research Model**

**Table 1. Operational Variable**

| Variables | Dimensions | Indicators |
|---|---|---|
| Digital Marketing | | Digital marketing makes employees easy to communicate with consumers |
| (Lisani and Indrawati, 2020; Leisander and Diah, 2017) | Interactive | Digital marketing assists employees in responding to complaints |
| | | Digital marketing Facilitate checking and updating of information |
| | Incentive | Using digital marketing can provide clear information |
| | | Using digital marketing to provide information quickly |
| | | Attractive store design |
| | Site Design | The store design is neatly arranged |
| | | The user interface design is easy to use |
| | | The design elevates the experience |
| | Cost | Cheaper prices than retail stores |
| | | Shorten transaction time |
| Purchase Decision | | Feel good about the decision to buy products from the online store. |
| (Hanaysha, 2018) | | Positively recommend the online store to other parties. |
| | | Frequently purchase from the online store. |
| | | Intent to purchase again from online store in the future |
| Customer Satisfaction | | Satisfied with the decision to purchase from an online marketplace |
| (Trivedi and Yadav, 2020) | | Feel well regarding the decision to purchase from the same online marketplace. |
| | | Did the right thing by buying from the same online marketplace |
| | | The online store took good care during the buying process. |

Source: Processed Data (2023)

## METHOD

The research approach used in this study is the quantitative method, using the survey method. This research is associative research judging from the level of explanation. Associative research is research to determine causal relationships—the relationship or influence of the independent variable (X) on the dependent variable (Y). The population in this study is digital media users in Palu City. Sampling in this study used a non-probability sampling method through a judgmental sampling technique. Judgmental sampling is a sampling technique with certain considerations. Therefore, there are certain criteria that researchers consider relevant to the research topic, na-mely, (1) using social media and marketplace, (2) having made purchases on digital media or marketplace. The minimum number of samples using SEM is 100-200 (Hair et al., 2014). The data for hypothesis testing is 100 respondents from an online questionnaire distributed to respondents.

This study uses a measuring tool questionnaire given to respondents who have become the criteria. The questionnaire measurement scale uses a Likert scale, namely a scale of 1 - 5, such as strongly disagree (1) to strongly agree (5) (Santosa, 2018). The research indicators for each variable are as follows: digital marketing has four items, adapted from (Lisani and Indrawati, 2020; Leisander and Diah, 2017). The purchase decisions are measured by four items adapted from Hanaysha, (2018). Meanwhile, the consumer satisfaction is measured by four items adapted from Blom et al., (2021) and Trivedi and Yadav (2020). The operational definition table can be seen in table 1. The study used the Structural Equation Modeling (PLS-SEM) to test the hypothesis. Because the PLS is a modeling tool in multivariate analysis (Santosa, 2018).

## RESULTS
### SEM test using SmartPLS

This study's second statistical analysis technique is Structural Equation Modeling (SEM) using SmartPLS. Reporting the results of data analysis will be carried out in two steps (Latan and Ghozali, 2012; Santosa, 2018). The first step that needs to be taken is to evaluate the measurement model (measurement or outer model), followed by the second step to evaluate the structural model (structural or inner model).

### Convergent Validity

Convergent validity is a measure that shows the extent to which an indicator has a positive correlation with other indicators in the same construct (Santosa, 2018). This convergent validity also assesses whether the indicators used from a construct are considered to be able to measure a construct significantly. Convergent validity can be measured using the scores loading factor. The limitations used in this study refer to Hair et al. (2016), with scores loading factors > 0.50 (Latan and Ghozali, 2012).

The validity results show several indicators with a loading factor value. The digital marketing variable for the interactive dimension consists of 3 indicators, X1.1, X1.2, and X1.4, each with a loading factor value of 0.707, 0.557, and 0.622. The Incentive dimension consists of 2 indicators, X2.1 and X2.2, with a loading factor value of 0.620 0.537. Site design dimensions consist of 4 indicators X3.1, X3.2, X3.3, and X3.4 with a loading factor value of 0.584; 0.610; 0.538; 0.637. The Cost dimension consists of 2 indicators, X4.1 and X4.2, with a loading factor value of 0.510 and 0.685. The Purchase Decision variable consists of 4 indicators Z1, Z2, Z3, and Z4 with a loading factor value of 0.749; 0.818; 0.640; 0.587. The customer satisfaction variable consists of 4 indicators Y1, Y2, Y3, and Y4 with a loading factor value of 0.758; 0.765; 0.666; 0.745. The Explanation shows the values loading factor of each indicator variable value is greater than 0.50. It shows that each indicator used can explain each existing variable, so it is considered valid to proceed to the next analysis.

### Discriminant Validity

Discriminant validity is a measure used to see whether there is a greater correlation between indicators of a construct and the construct itself when compared to indicators of other constructs (Latan and Ghozali, 2012). Discriminant validity relates to the principle that measures of different constructs should not have a high correlation. Discriminant validity testing is done by looking at the cross-loading value. For discriminant validity to be met, the indicator cross-loading value on the variable must have the largest value compared to other variables.

The cross-loading results for discriminant validity show several indicators with cross-loading values. The digital marketing variable for the interactive dimension consists of 3 indicators, X1.1, X1.2, and X1.4, with cross-loading value of 0.707, 0.557, and 0.622. The incentive dimension consists of 2 indicators, X2.1 and X2.2, with a cross-loading value of 0.620 0.537. The site design dimension consists of 4 indicators X3.1, X3.2, X3.3, and X3.4 with a cross loading value of 0.584; 0.610; 0.538; 0.637. The cost dimension consists of 2 indicators, X4.1 and X4.2, with a cross-loading value of 0.510 and 0.685. These dimensions' value results from projections with digital marketing variables. This value is higher than when these indicators are projected with the other two variables (the customer satisfaction and purchase decision). The purchase decision variable consists of 4 indicators Z1, Z2, Z3, and Z4 with a cross loading value of 0.749; 0.818; 0.640; 0.587. These indicators' value results from projections with the purchase decision variable. This value is higher than when these indicators are projected with the other two variables (digital marketing and customer satisfaction). The customer satisfaction variable consists of 4 indicators Y1, Y2, Y3, and Y4 with a cross loading value of 0.758; 0.765; 0.666; 0.745. The value of these indicators results from projections with the customer satisfaction variable, which is higher than when these indicators are projected with the other two variables (digital marketing and purchase decisions). The explanation shows that each indicator in the variables of leadership style, decision-making effectiveness, and budgeting participation has the largest cross-loading value on the variable itself compared to other variable indicators. It shows that constructs can predict their construct indicators better than others. Thus, it can be concluded that each indicator of a construct has a high correlation with each construct.

## Construct Reliability

The reliability test is used to measure the consistency of a measuring instrument or instrument in making measurements. In this study, the reliability test used in PLS is composite reliability and Cronbach's alpha. Composite reliability and Cronbach's alpha are used because they also take into account the outer loading value of each existing indicator. A construct is reliable if its composi-te reliability value is greater than 0.70 and Cronbach's alpha is greater than 0.60 (Latan and Ghozali, 2012).

The results of the reliability test show several variables with composite reliability values. The digital marketing variable shows a composite reliability value of 0.862. The purchase decision variable shows a composite reliability value of 0.795. The customer satisfaction variable shows a composite reliability value of 0.824. The explanation shows that each variable has a composite reliability value greater than 0.70. Thus, it can be said that all variables or constructs have good reliability.

## Coefficient of Determination R-Square

The coefficient of determination, often referred to as R-Square, is a value that indicates the size of the variance of the dependent variable caused by all independent variables (Santosa, 2018). The R-Square value is one measure that is often used to assess structural models in PLS. The R-Square value ranges from 0 to 1, with a value closer to 1 indicating greater prediction accuracy. This study uses the R-Square value limit greater than or equal to 0.25, indicating a high effect.

**Table 2. R-Square Value**

| Variable | R Square | Adjusted R Square |
|---|---|---|
| Purchase Decision | 0,305 | 0,297 |
| Customer Satisfaction | 0,399 | 0,386 |

Source: Processed Data (2023)

Table 2 above shows the effect of digital marketing variables on consumer decisions and satisfaction. The digital marketing variables on the consumer decisions, the R-Square value of 0.297 indicates that these independent variables have a low influence on consumer decision variables. So, 29.7% of the consumer decision variables can be explained by digital marketing variables, while other variables outside of these variables can explain the remaining 70.3%. Meanwhile, the digital marketing variable on consumer satisfaction has an R-Square value of 0.386, indicating that the independent variables have a moderate effect on consumer satisfaction variables. So, 38.6% of the consumer

satisfaction variable can be explained by the digital marketing variables, while the other variables outside of these variables can explain the remaining 61.4%.

## Path Coefficient Estimation

Path coefficient estimation is an estimation of path relationships in the structural model, which is used to see the significance value of data processing results using the bootstrapping procedure. The significance value of all path estimates will be used to see the relationship between the variables. The relationship between variables in the structural model is evaluated based on the calculated t value, and the hypothesis is accepted when the calculated t value is greater than the critical value. The critical values generally used for the two-tailed test are 1.65 (significance level = 10%), 1.96 (significance level = 5%), and 2.57 (significance level = 1%). Meanwhile, the critical values for the one-tailed test were 1.28 (significance level = 10%), 1.65 (significance level = 5%), and 2.33 (significance level = 1%) (Hair et al., 2016). Because the relationship between the variables in this study already has a clear direction, the bootstrapping procedure uses the one-tailed test at a significance value of 0.05 and a t-count of 1.65. Here are the bootstrapping test results:

### Table 5. Path Coefficient

| Variable | Original Sample (O) | T Statistic | P Value |
|---|---|---|---|
| Digital Marketing → Purchase Decision | 0,552 | 8,381 | 0,000 |
| Digital Marketing → Customer Satisfaction | 0,490 | 6,254 | 0,000 |
| Purchase Decision → Customer Satisfaction | 0,211 | 2,375 | 0,018 |
| Digital Marketing → Purchase Decision → Customer Satisfaction | 0,116 | 2,167 | 0,031 |

Source: Processed Data (2023)
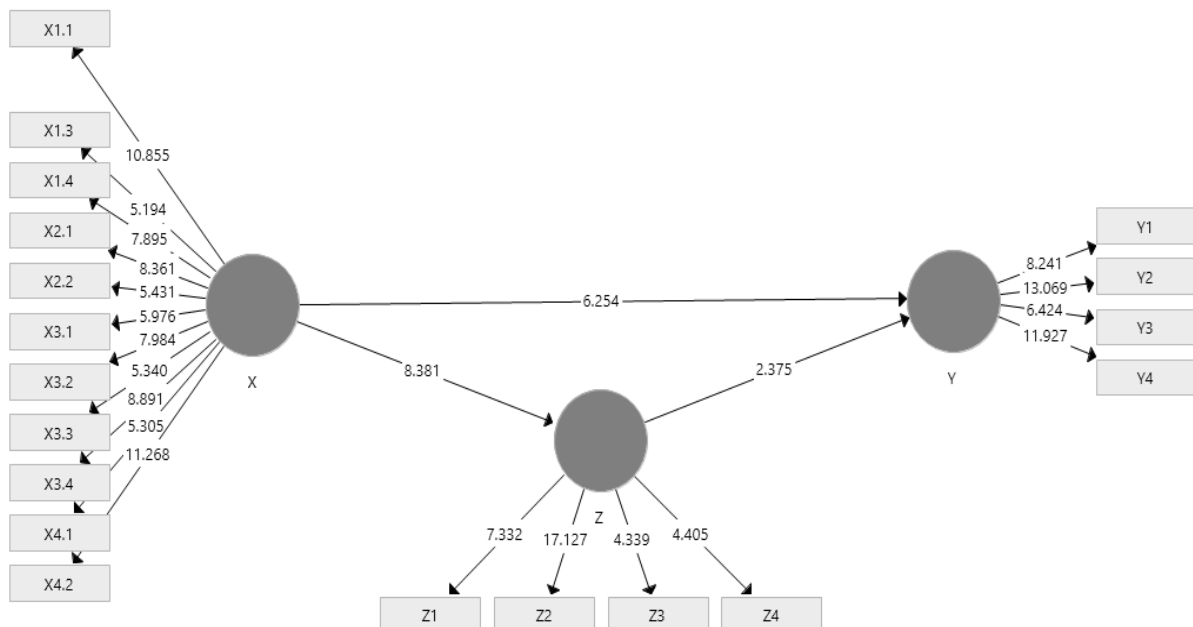


Source: Processed Data (2023)

### Figure 1. Path Analysis Results

### Hypothesis 1 Test Results

The results of testing the relationship between digital marketing and purchasing decisions show a calculated t value of 8.381, greater than 1.65, with a significance level of p values of 0.000, less than 0.05. It shows that the relationship between digital marketing variables and purchasing decisions is positive and significant. Thus, it can be concluded that hypothesis 1 (H1) is accepted.

### Hypothesis 2 Test Results

The results of testing the relationship between digital marketing and customer satisfaction show a t value of 6.254, greater than 1.65, with a significance level of p values of 0.000, less than 0.05. It shows the positive and significant relationship between digital marketing variables and customer satisfaction. Thus, it can be concluded that hypothesis 2 (H2) is accepted.

### Hypothesis 3 Test Results

The results of testing the relationship between purchasing decisions and customer satisfaction show a t value of 2.375, greater than 1.65, with a significance level of p values of 0.018, less than 0.05. It shows the significant relationship between purchasing decision variables and customer satisfaction. Thus, it can be concluded that hypothesis 3 (H3) is accepted.

### Hypothesis 4 Test Results

The results of testing the relationship between purchasing decisions mediating between digital marketing and customer satisfaction show a t value of 2.167, which is greater than 1.65, with a significance level of p values of 0.031, less than 0.05. It shows that purchasing decisions can significantly mediate the relationship between the digital marketing variables and customer satisfaction. Thus, it can be concluded that hypothesis 4 (H4) is accepted.

### DISCUSSION
#### Digital Marketing and Purchase Decisions

This study found that digital marketing has a positive influence on buyer decisions. It indicates that when a marketer designs a digital marketing strategy well, focused, and on target, the marketer can optimize the purchasing decisions of the consumers who previously did not want to buy to want to buy the products offered as it is known that purchasing decisions have several stages, namely problem identification, information search, evaluation of alternatives, purchase decisions, and post-purchase behavior (Kotler and Keller, 2016). Although this research focuses on the fourth stage, namely purchasing decisions, the information provided through digital marketing can affect all consumer processes when identifying problems, searching for information, evaluating alternatives, and even influencing consumer decisions. It is because by using digital marketing, the company ensures that the purchasing process made by consumers can be carried out comfortably and easily; this can encourage a consumer to purchase a product (Bui et al., 2021). Therefore, it can be said that digital marketing offers a variety of benefits not only for companies but also for consumers. It is what makes companies use digital marketing strategies that can encourage consumers to make the decisions in purchasing a product. This result aligns with previous research (Al-Azzam and Al-Mizeed, 2021), which shows that digital marketing, such as social media marketing and mobile marketing, has a major impact on consumer buying decisions.

#### Digital Marketing and Consumer Satisfaction

This study found that digital marketing has a positive influence on consumer satisfaction. It indicates that when a marketer designs a digital marketing strategy well, the marketer can create consumer satisfaction in purchasing. The Customer satisfaction indicates customer confidence in the possibility of a service that leads to positive feelings (Udo et al., 2010). Digital marketing refers to the use of electronic media by marketers to promote products or services to the market to attract customers and enable them to interact with companies through digital media (Mkwizu, 2019). Utilization through digital media aims to minimize costs that consumers will incur in making a purchase, which will ultimately allow for greater customer satisfaction. These results align with previous research (Ilyas et al., 2021), which states that digital marketing can encourage and create customer satisfaction.

#### Consumer Decisions on Consumer Satisfaction

This study found that the consumer decisions have a positive influence on the consumer sat-

isfaction. It indicates that when consumers make the right purchases, this will affect their satisfaction and vice versa. When consumers make inappropriate purchases, this will affect their dissatisfaction. The company's goal is to focus on building customer satisfaction to get big profits. That is because satisfied consumers can create various positive influences, such as making repeat purchases, giving positive word-of-mouth, and being loyal (El-Adly, 2019; Kalinic et al., 2019). The level of consumer satisfaction is determined by the size of the gap between consumer expectations and the reality received by consumers. In addition, El-Moussaoui et al. (2022) stated that consumer satisfaction can be defined as an emotional response to consumer experience.

Broadly speaking, this can be seen as an evaluative assessment of the emotional response to the consumption experience made by a consumer. Therefore, when consumers make the right decisions and get positive experiences from these purchases, they will be directly satisfied with their purchases. These results align with previous research Tirtayasa et al. (2021), which showed a positive and significant effect between purchasing decisions and consumer satisfaction.

**The Mediation Role of Purchasing Decisions**

This research finds that consumer decisions can mediate the relationship between digital marketing and consumer satisfaction. It indicates that when a consumer has been helped by a purchase he made through media or digital marketing, in the end, the consumer will feel satisfaction from the purchase. Media or digital marketing can help the consumers find the specific problems they face, the information they want to find, and various choices and make the decisions quickly and precisely. Therefore, digital marketing can encourage consumer purchasing decisions (Munandar, 2022). Furthermore, when consumers make the right purchase, this will encourage their satisfaction with the purchase, service, product, or brand (Tirtayasa et al., 2021).

**IMPLICATIONS**

The findings of this study have practical implications that are so important for entrepreneurs, especially for entrepreneurs who have not yet carried out business transformations using digital media, especially transformations in the digital-based marketing strategies. The use of various digital marketing strategies such as e-mail marketing, search engine optimization, search engine marketing, content marketing, social media marketing, etc., can help companies or marketers to increase consumer decisions in making purchases with digital marketing, the consumers will reduce the effort they put into carrying out an information search for a product or making a purchase which will ultimately form customer satisfaction.

**RECOMMENDATIONS**

Therefore, in the future, the other researchers are advised to identify and even conduct experiments on which digital marketing strategy is most effective for a business based on the type of business. The limitation of this research is that the researcher did not specifically identify which digital marketing strategy to identify. The researcher cannot determine which digital marketing strategy is the most effective. Also, this research is limited to explaining that digital marketing, in general, can positively influence companies.

**CONCLUSIONS**

This study concludes that digital marketing has a positive effect on purchasing decisions and consumer satisfaction. It indicates that optimizing the use of a digital-based marketing strategy will benefit the company or business because this digital-based marketing strategy will encourage the consumers to make their purchasing decisions and their satisfaction when purchasing a product. The existence of these advantages will certainly have a positive impact on performance or success of the company. In addition, this study also found that purchasing decisions have a positive effect on customer satisfaction. Also, purchasing decisions can mediate the relationship between digital marketing and customer satisfaction. That is, marketers need to identify the factors that can encourage the consumers to make purchases so that later consumer satisfaction will be formed.

**REFERENCES**

Adam, M. R. R., Handra, T., and Annas, M. 2022. Pengaruh Celebrity Endorser Dan Periklanan terhadap Brand Image (Peran Digital Marketing). *Technomedia Journal*, 7(2 Oc-

tober), pp. 189-201.

Ahmed, A. A., Alshurideh, M., Al Kurdi, B., and Salloum, S. A. 2021. Digital Transformation and Organizational Operational Decision Making: A Systematic Review. *In Proceedings of the International Conference on Advanced Intelligent Systems and Informatics 2020*, pp. 708-719. Springer International Publishing.

Al-Azzam, A. F. and Al-Mizeed, K. 2021. The Effect of Digital Marketing on Purchasing Decisions: A Case Study in Jordan. *The Journal of Asian Finance, Economics and Business*, 8(5), pp. 455-463.

Alwan, M. and Alshurideh, M. 2022. The Effect of Digital Marketing on Value Creation and Customer Satisfaction. *International Journal of Data and Network Science*, 6(4), pp. 1557-1566.

American Marketing Association. 2013. *Definitions of Marketing*. https://www.ama.org/the-definition-of-marketing/.

Aziz, N. N. A. and Wahid, N. 2018. Why Consumers Are Hesitant to Shop Online: The Major Concerns Towards Online Shopping. *International Journal of Academic Research in Business and Social Sciences*, 8(9), pp. 1175-1185.

Blom, A., Lange, F., and Hess, R. L. 2021. Omnichannel Promotions and Their Effect on Customer Satisfaction. *European Journal of Marketing*, 55(13), pp. 177-201.

BPS. 2021. *Statistik Telekomunikasi Indonesia*. Jakarta: Badan Pusat Statistik.

Bui, T. Nguyen, N., Nguyen, K., and Tran, T. 2021. Antecedents Affecting Purchase Intention of Green Skincare Products: A Case Study in Vietnam. *Journal of Asian Finance, Economics and Business*, 8(3), pp. 1295–1302.

Chaffey, D. 2015. *Digital Business and E-Commerce Management: Strategy, Implementation, and Practice*. Pearson UK.

Chaffey, D. and Ellis-Chadwick, F. 2019. *Digital Marketing: Strategy, Implementation and Practice*. Pearson UK.

Dash, G., Kiefer, K., and Paul, J. 2021. Marketing-to-Millennials: Marketing 4.0, Customer Satisfaction and Purchase Intention. *Journal of Business Research*, 122, pp. 608-620.

Dewa, B. P. and Setyohadi, B. 2017. Analisis Dampak Faktor Customer Relationship Management dalam Melihat Tingkat Kepuasan dan Loyalitas pada Pelanggan Marketplace di Indonesia. *Telematika: Jurnal Informatika dan Teknologi Informasi*, 14(1), pp. 33-38.

Digdowiseiso, K. and Sari, Y. K. 2022. The Impact of Digital Marketing, Product Quality, and Service Quality on Customer Satisfaction through Purchase Decision as Interacting Variables (Case Study of User Accurate Accounting Software In Jabodetabek Area). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, 5(3).

Djakasaputra, A., Wijaya, O., Utama, A., Yohana, C., Romadhoni, B., and Fahlevi, M. 2021. Empirical Study of Indonesian SMEs Sales Performance in Digital Era: The Role of Quality Service and Digital Marketing. *International Journal of Data and Network Science*, 5(3), pp. 303-310.

El-Adly, M. I. 2019. Modelling the Relationship between Hotel Perceived Value, Customer Satisfaction, and Customer Loyalty. *Journal of Retailing and Consumer Services*, 50, pp. 322-332.

El-Moussaoui, A. E., Benbba, B., and El Andaloussi, Z. 2022. Impact of Logistics Performance on the Store Image, Consumer Satisfaction and Loyalty: A Quantitative Case Study. *Arab Gulf Journal of Scientific Research*, (ahead-of-print).

Gkikas, D. C., Tzafilkou, K., Theodoridis, P. K., Garmpis, A., and Gkikas, M. C. 2022. How do Text Characteristics Impact User Engagement in Social Media Posts: Modeling Content Readability, Length, and Hashtags Number in Facebook. *International Journal of Information Management Data Insights*, 2(1), pp. 100067.

Hair, J. F., Hult, G. T. M., Ringle, C. M., and Sarstedt, M. 2014. *A Primer on Partial Least Square Structural Equation Modeling (PLS-SEM)*. SAGE Publications. London.

Hair, J. F., Hult, G. T. M., Ringle, C. M., and Sarstedt, M. 2016. *A Primer on Partial Least Squares Structural Equation Modeling (2nd ed)*. California: Sage.

Hameed, I., Khan, M. B., and Shahab, A. 2020. Perceived Humor and Purchase Intention: Mediating Role of Attitude towards the Ad-

vertisement and Brand. *The Lahore Journal of Business*, 8(2), pp. 55-84.

Hanaysha, J. R. 2018. An Examination of the Factors Affecting Consumer's Purchase Decision in the Malaysian Retail Market. *PSU Research Review*, 2(1), pp. 7-23.

Hasiholan, T. P., Pratami, R., and Wahid, U. 2020. Pemanfaatan Media Sosial Tik Tok sebagai Media Kampanye Gerakan Cuci Tangan di Indonesia untuk Mencegah Covid-19. *Communiverse: Jurnal Ilmu Komunikasi*, 5(2), pp. 70-80.

Haudi, H., Handayani, W., Musnaini, M., Suyoto, Y., Prasetio, T., Pitaloka, E., and Cahyon, Y. 2022. The Effect of Social Media Marketing on Brand Trust, Brand Equity and Brand Loyalty. *International Journal of Data and Network Science*, 6(3), pp. 961-972.

Herhausen, D., Miočević, D., Morgan, R. E., and Kleijnen, M. H. 2020. The Digital Marketing Capabilities Gap. *Industrial Marketing Management*, 90, pp. 276-290.

Hien, N. N. and Nhu, T. N. H. 2022. The Effect of Digital Marketing Transformation Trends on Consumers' Purchase Intention in B2B Businesses: The Moderating Role of Brand Awareness. *Cogent Business and Management*, 9(1), pp. 1-24.

Huang, L., Clarke, A., Heldsinger, N., and Tian, W. 2019. The Communication Role of Social Media in Social Marketing: A Study of the Community Sustainability Knowledge Dissemination on LinkedIn and Twitter. *Journal of Marketing Analytics*, 7, pp. 64-75.

Huseynov, F. and Yıldırım, S. O. 2016. Internet Users' Attitudes toward Business-to-Consumer Online Shopping: A Survey. *SAGE Journals*, 32(6), pp. 452-465.

Hutter, K., Hautz, J., Dennhardt, S., and Füller, J. 2013. The Impact of User Interactions in Social Media on Brand Awareness and Purchase Intention: The Case of MINI on Facebook. *Journal of Product and Brand Management*, 22(5/6), pp. 342-351.

Iblasi, W. N., Bader, D. M., and Al-Qreini, S. A. 2016. The Impact of Social Media as a Marketing Tool on Purchasing Decisions (Case Study on SAMSUNG for Electrical Home Appliances). *International Journal of Managerial Studies and Research*, 4(1), pp. 14-

28.

Ilyas, G. B., Munir, A. R., Tamsah, H., Mustafa, H., and Yusriadi, Y. 2021. The Influence of Digital Marketing and Customer Perceived Value through Customer Satisfaction on Customer Loyalty. *Journal of Legal, Ethical and Regulatory Issues*, 24, pp. 1-14.

Kalinić, Z., Marinković, V., Djordjevic, A., and Liebana-Cabanillas, F. 2019. What Drives Customer Satisfaction and Word of Mouth in Mobile Commerce Services? A UTAUT 2-Based Analytical Approach. *Journal of Enterprise Information Management*.

Koeswandi, T. A., Wibowo, L. A., and Nurfitriya, M. 2021. Does Digital Marketing Affect Millennial Purchase Decisions in Covid-19 Situation?. *In 5th Global Conference on Business, Management and Entrepreneurship (GCBME 2020)*, pp. 328-331. Atlantis Press.

Kotler, P. and Keller, K. L. 2016. *Marketing Management 15th ed*. S.l.: Pearson Education.

Kotler, P., Armstrong, G., Harris, L. C., and He, H. 2020. *Principles of Marketing (18e Global)*. Harlow: Pearson Education Limited.

Kurdi, B., Alshurideh, M., Akour, I., Alzoubi, H., Obeidat, B., and Alhamad, A. 2022. The Role of Digital Marketing Channels on Consumer Buying Decisions through E-WOM in the Jordanian Markets. *International Journal of Data and Network Science*, 6(4), pp. 1175-1186.

Latan, H. and Ghozali, I. 2012. *Partial Least Squares: Konsep, Teknik, dan Aplikasi Menggunakan Program SmartPLS 2.0*. Semarang: Badan Penerbit Universitas Diponegoro.

Leisander, I. and Diah, D. 2017. Pengaruh Digital Marketing terhadap Organizational Performance dengan Intellectual Capital dan Perceived Quality sebagai Variabel Intervening pada Industri Hotel Bintang Lima di Jawa Timur. *Jurnal Strategi Pemasaran*, 2(2).

Lisani, A. M. and Indrawati, I. 2020. Pengaruh Digital Marketing Mobile Application terhadap Loyalitas Pelanggan Gojek. *Jurnal Penelitian IPTEKS*, 5(2), pp. 254-258.

Liu, Y., Mensah, I. K., Fang, Z., and Mwakapesa, D. S. 2022. Factors Driving the Purchase of Mobile Phone Top-Ups Services on Social Commerce Based on a Modified Utaut Theory. *International Journal of Information*

*Systems in the Service Sector (IJISSS)*, 14 (1), pp. 1-21.

Mkwizu, K. H. 2019. Digital Marketing and Tourism: Opportunities for Africa. *International Hospitality Review*, Pp. 5-12.

Munandar, D. 2022. The Role of Digital Marketing, Influencer Marketing and Electronic Word of Mouth (eWOM) on Online Purchase Decisions for Consumers of Private University Students in Bandung West Java. *International Journal of Artificial Intelligence Research*, 6(1).

Olson, E. M., Olson, K. M., Czaplewski, A. J., and Key, T. M. 2021. Business Strategy and the Management of Digital Marketing. *Business Horizons*, 64(2), pp. 285-293.

Parlan, A. V. and Andriani Kusumawati, M. K. M. 2016. The Effect of Green Marketing Mix on Purchase Decision and Customer Satisfaction (Study on Independent Consultant of JAFRA Cosmetics Indonesia in Malang). *Jurnal Administrasi Bisnis S1 Universitas Brawijaya*, 39.

Putri, P. M. and Marlien, R. A. 2022. Pengaruh Digital Marketing terhadap Keputusan Pembelian Online. *Jesya (Jurnal Ekonomi dan Ekonomi Syariah)*, 5(1), pp. 25-36.

Quan, N., Chi, N. T. K. C., Nhung, D., Ngan, N., and Phong, L. 2020. The Influence of Website Brand Equity, E-Brand Experience on E-Loyalty: The Mediating Role of E-Satisfaction. *Management Science Letters*, 10(1), pp. 63-76.

Salem, M. Z. 2018. Effects of Perfume Packaging on Basque Female Consumers' Purchase Decision in Spain. *Management Decision*, 56(8), pp. 1748-1768.

Santosa, P. I. 2018. *Metode Penelitian Kuantitatif – Pengembangan Hipotesis dan Pengujiannya Menggunakan SmartPLS*. Yogyakarta: Penerbit ANDI.

Saura, J. R., Palacios-Marqués, D., and Ribeiro-Soriano, D. 2021. Digital Marketing in SMEs via Data-Driven Strategies: Reviewing the Current State of Research. *Journal of Small Business Management*, pp. 1-36.

Shankar, V., Grewal, D., Sunder, S., Fossen, B., Peters, K., and Agarwal, A. 2021. Digital Marketing Communication in Global Market places: A Review of Extant Research, Future Directions, and Potential Approaches. *International Journal of Research in Marketing*.

Shaouf, A., Lü, K., and Li, X. 2016. The Effect of Web Advertising Visual Design on Online Purchase Intention: An Examination Across Gender. *Computers in Human Behavior*, 60, pp. 622-634.

Sharma, A., Dwivedi, Y. K., Arya, V., and Siddiqui, M. Q. 2021. Does SMS Advertising Still Have Relevance to Increase Consumer Purchase Intention? A Hybrid PLS-SEM-Neural Network Modelling Approach. *Computers in Human Behavior*, 124, pp. 106919.

Simanjuntak, M., Putri, N. E., Yuliati, L. N., and Sabri, M. F. 2020. Enhancing Customer Retention Using Customer Relationship Management Approach in Car Loan Bussiness. *Cogent Business and Management*, 7(1), pp. 1738200.

Sonwaney, V. and Chincholkar, S. 2019. Identifying the Factors Impacting Online Consumer Buying Behaviour. *International Journal of Scientific and Technology Research*, 8(08), pp. 445–456.

Statista, B. D. P. 2021. *Global Digital Population as of January 2021*. URL: https://www. Statista.com/statistics/617136/digital-population-worldwide/.

Tirtayasa, S., Lubis, A. P., and Khair, H. 2021. Keputusan Pembelian: Sebagai Variabel Mediasi Hubungan Kualitas Produk dan Kepercayaan terhadap Kepuasan Konsumen. *Jurnal Inspirasi Bisnis dan Manajemen*, 5(1), pp. 67-86.

Trivedi, S. K. and Yadav, M. 2020. Repurchase Intentions in Y Generation: Mediation of Trust and E-Satisfaction. *Marketing Intelligence and Planning*. 38(4), pp. 401-415.

Udo, G. J., Bagchi, K. K., and Kirs, P. J. 2010. An Assessment of Customers'e-Service Quality Perception, Satisfaction and Intention. *International Journal of Information Management*, 30(6), pp. 481-492.

Yasmin, A., Tasneem, S., and Fatem, K. 2015. Effectiveness of Digital Marketing in the Challenging Age: An Empirical Study. *International Journal of Management Science and Business Administration*, Volume 1, Issue 5, pp. 69-80.