



The effect of price and customer satisfaction on online orchid purchase decisions in Batam City

Tussi Sulistyowati^{a,1,*}, Nur Elfi Husda^{b,2}

^a Department of Management, Universitas Putera Batam, Jl. R. Soeprapto, Muka Kuning, Batam, Riau Islands 29444, Indonesia

^b Department of Magister Management, Universitas Putera Batam, Jl. R. Soeprapto, Muka Kuning, Batam, Riau Islands 29444, Indonesia

¹ tussi@puterabatam.ac.id; ² nurelfi@puterabatam.ac.id

* Corresponding author

ARTICLE INFO	ABSTRACT
<p>Article history Received: 2024-07-02 Revised: 2024-09-12 Accepted: 2024-09-18 Published: 2024-12-05</p> <p>Keywords Customer Satisfaction MSME Price Purchase Decision Trust</p>	<p><i>This study highlights the crucial role of price and customer satisfaction in influencing purchase decisions within the online orchid market in Batam City. Utilizing SEM-PLS analysis with 112 purposively sample respondents, the research reveals a significant impact of price on both customer satisfaction and purchase decisions. Although trust was found to have a less direct effect on purchase decisions, its role in shaping customer satisfaction underscores the complexity of consumer behavior. The study's limitations include its focus on a specific sample from Batam City, which may limit the generalizability of the findings to other regions or markets. Future research should aim to broaden the sample size, include participants from various geographic locations, and examine additional variables that might influence consumer behavior. These insights suggest that MSMEs should prioritize optimizing pricing strategies, enhancing customer satisfaction through superior service, and tailoring marketing efforts to local market conditions. Addressing these factors will help businesses better meet customer expectations, build loyalty, and achieve sustained success in niche markets such as online orchids.</i></p>
<p>Kata Kunci Harga Kepercayaan Kepuasan Pelanggan Keputusan Pembelian UMKM</p>	<p>Pengaruh harga dan kepuasan konsumen terhadap keputusan pembelian anggrek secara online di Kota Batam. Penelitian ini menyoroti peran penting harga dan kepuasan pelanggan dalam mempengaruhi keputusan pembelian di pasar anggrek secara <i>online</i> di Kota Batam. Dengan menggunakan analisis SEM-PLS dan melibatkan 112 responden yang dipilih secara purposive, penelitian ini mengungkapkan dampak signifikan dari harga terhadap kepuasan pelanggan dan keputusan pembelian. Meskipun kepercayaan ditemukan memiliki pengaruh yang kurang langsung terhadap keputusan pembelian, perannya dalam membentuk kepuasan pelanggan menunjukkan kompleksitas perilaku konsumen. Keterbatasan studi ini termasuk fokus pada sampel spesifik dari Kota Batam, yang mungkin membatasi generalisasi temuan ke wilayah atau pasar lain. Penelitian di masa depan sebaiknya memperluas ukuran sampel, melibatkan peserta dari berbagai lokasi geografis, dan mengeksplorasi variabel tambahan yang mungkin memengaruhi perilaku konsumen. Temuan ini menyarankan agar UMKM memprioritaskan pengoptimalan strategi harga, meningkatkan kepuasan pelanggan melalui layanan yang unggul, dan menyesuaikan upaya pemasaran dengan kondisi pasar lokal. Mengatasi faktor-faktor ini akan membantu bisnis lebih baik dalam memenuhi ekspektasi pelanggan, membangun loyalitas, dan mencapai kesuksesan yang berkelanjutan di pasar <i>niche</i> seperti anggrek <i>online</i>.</p> <p style="text-align: right;">Copyright © 2024, Sulistyowati, et al This is an open access article under the CC-BY-SA license</p> <div style="text-align: right;">  </div>

How to cite: Sulistyowati, T., & Husda, N. E. (2024). the effect of price and customer satisfaction on online orchid purchase decisions in Batam City. *Journal of Community Service and Empowerment*, 5(3), 570-580. <https://doi.org/10.22219/jcse.v5i3.34799>

INTRODUCTION

In recent years, the rapid expansion of online platforms has significantly transformed consumer behavior, particularly in sectors such as the ornamental plant market (Sulistiyowati, 2024; Sulistiyowati & Husda, 2024), including orchids (Anacleto & Scheuer, 2020; Yuan et al., 2021). The growing popularity of online shopping is reshaping purchasing patterns and expectations, driven by the convenience and variety that digital channels offer (Kumareshan et al., 2024; Man, 2023). This research program is committed to advancing the Sustainable Development Goals (SDGs), specifically SDG 8 (Decent Work and Economic Growth) and SDG 12 (Responsible Consumption and Production) (Jacob-John et al., 2021). The study aims to contribute to economic growth and the creation of decent work opportunities through insights beneficial to MSMEs in the orchid market while emphasizing responsible consumption practices. By integrating these SDGs into the research framework, the program highlights its commitment to fostering sustainable development and addressing critical global challenges through its findings and recommendations.

The convenience and variety offered by online shopping have increasingly attracted consumers to digital channels, transforming their purchasing patterns and expectations (Kumareshan et al., 2024; Man, 2023). This shift presents significant challenges and valuable opportunities for Micro, Small, and Medium Enterprises (MSMEs) (Astuti et al., 2023; Barbosa, 2021). To stay competitive in the dynamic digital marketplace, MSMEs must adapt to evolving customer expectations by addressing key factors such as price transparency, product availability, and the convenience of doorstep delivery (Kumareshan et al., 2024). In Batam City, Indonesia, understanding these consumer dynamics is crucial for MSMEs aiming to thrive in a competitive environment. The local market is characterized by unique consumer preferences and distinct competitive pressures compared to other regions. As online shopping continues to grow, MSMEs in Batam City face the challenge of differentiating themselves and meeting the specific needs of local consumers. By analyzing consumer preferences, perceptions of vendor trustworthiness, and satisfaction with online purchasing experiences, businesses can develop strategies to enhance customer engagement and retention, thus improving their market position and achieving sustainable growth (Rane et al., 2023).

This study employs SEM-PLS analysis to rigorously examine the direct and indirect impacts of pricing, trust, and customer satisfaction on purchase decisions, explicitly focusing on online orchid shopping. Pricing, defined as the monetary value assigned to a product or service (Danthanarayana & Arachchi, 2020), is crucial in shaping consumer perceptions and behavior. Understanding how pricing strategies influence purchase decisions is essential for MSMEs seeking to attract and retain customers in the competitive online marketplace (Redjeki & Affandi, 2021). Trust, another critical factor, encompasses consumers' beliefs in sellers' reliability, honesty, and competence (Özdemir & Sonmezay, 2020). Establishing trust is pivotal for MSMEs operating online, where customers often rely on virtual interactions and reviews to assess credibility. By uncovering the dynamics between trust and purchase decisions (Catedrilla & Teodosia Suarez, 2022), the research aims to equip businesses with strategies to build and maintain trustworthiness, thereby enhancing customer loyalty and satisfaction (Rane et al., 2023). Customer satisfaction, defined as fulfilling customer needs and expectations (Rane et al., 2023), is also a critical determinant of purchase behavior in online orchid shopping. The study provides insights into effective customer relationship management strategies by analyzing how customer satisfaction mediates the relationship between pricing and trust in purchase decisions.

Overall, this research contributes to filling gaps in the current literature by offering a nuanced understanding of how pricing, trust, and customer satisfaction collectively shape consumer behavior in the context of online orchid purchases. By applying SEM-PLS analysis, the study not only elucidates these relationships but also offers actionable recommendations to MSMEs in Batam City, Indonesia, and beyond, aiming to bolster their digital marketing strategies and sustainability in an increasingly competitive marketplace (Sulistiyowati & Husda, 2023a). This research addresses a significant gap in the current literature by focusing on the dynamics of orchid online purchases in Batam City, Indonesia. While previous studies have broadly explored factors influencing online purchasing decisions, few have specifically examined customer satisfaction as an intervening variable between price and trust in this market segment. Orchids, renowned for their aesthetic appeal and cultural significance, present a unique case for investigating how perceived price fairness and the trustworthiness of online vendors interact with customer satisfaction to shape purchasing behavior (Pylvinen, 2020). By illuminating both the direct and mediated effects of price, trust, and customer satisfaction on purchase decisions through rigorous data collection and SEM-PLS analysis, this study aims to offer actionable insights to assist MSMEs in navigating competitive online environments effectively and sustainably.

Based on the problem formulation and conceptual framework presented earlier, the researcher proposes the following research hypotheses:

- H1: Price significantly and positively impacts Customer Satisfaction
- H2: Trust significantly and positively impacts Customer Satisfaction
- H3: Customer Satisfaction significantly and positively impacts Purchase Decision
- H4: Price significantly and positively impacts Purchase Decision
- H5: Trust significantly and positively impacts Purchase Decision
- H6: Price influences Purchase Decision through Customer Satisfaction
- H7: Trust influences Purchase Decisions through Customer Satisfaction

METHOD

The research was conducted over two months, from September to October 2023, focusing on residents of Batam City who have experience purchasing orchids online. The research population consists of residents of Batam City, Indonesia, with a sample of 112 participants selected through purposive sampling. This method ensures that participants align with the research objectives, enhancing the findings' accuracy and reliability. The study employs quantitative research methodology, gathering data through structured questionnaires distributed via Google Forms. The collected data is analyzed using Structural Equation Modeling (SEM) with SmartPLS 4 software. The community service implementation involved several stages, including problem identification, literature review, questionnaire design, data collection, data analysis, and conclusion, as detailed in Figure 1.



Figure 1. The stages in conducting the research

As illustrated in Figure 1, this research was conducted in six stages. Firstly, problem identification involves identifying a specific research issue or gap in knowledge that warrants investigation. This is typically informed by a review of existing literature, where researchers examine previous studies to understand what is already known and what areas remain unexplored. The literature study involves a comprehensive review of relevant academic and industry literature to gather insights, theories, and empirical evidence related to the research problem. Questionnaire design is a crucial step in which researchers develop a set of questions that will be used to collect data from participants. This includes ensuring the questions are clear, impartial, and consistent with the research goals. Data collection entails gathering information from participants through the prepared questionnaire. This can be accomplished using diverse approaches like surveys, interviews, or observations. Data analysis involves processing and interpreting the gathered data to derive meaningful conclusions. This step often includes statistical techniques using SEM-PLS (Structural Equation Modeling with Partial Least Squares) to analyze relationships in the data. Finally, the conclusion involves summarizing the data analysis findings and interpreting their implications for the research problem.

RESULTS AND DISCUSSION

Measurement Model

The first important step in assessing a reflective measurement model is to examine the indicator loadings. Indicator loading indicates the extent to which indicators used to measure a construct contribute to explaining the variability of that construct. In this context, indicator loadings above 0.7 are generally recommended, as this figure indicates that the construct explains more than 50 percent of the variance in its indicators. This suggests that the construct provides acceptable item reliability. This guideline is supported by several sources, such as Fehan and Aigbogun (2021), Hair et al. (2019), and Tilahun et al. (2023). By examining these indicator loadings, the study can ensure that the indicators used to measure the constructs reflect and measure them effectively. The results obtained from this assessment will serve as a crucial basis for understanding the reliability and quality of the constructs used in the research.

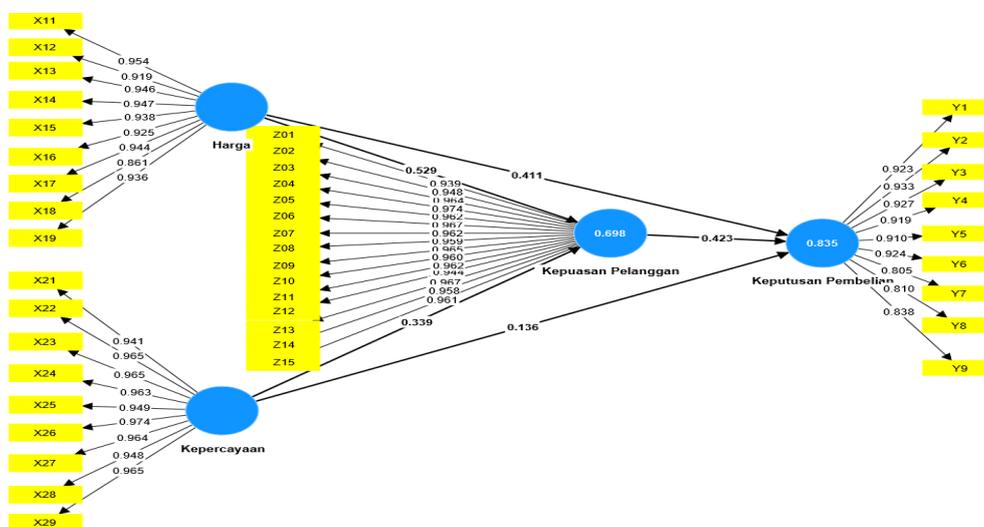


Figure 2. Measurement Model

Figure 2 shows that all indicators exhibit outer loading values greater than 0.708 (Hair et al., 2019). This indicates that the latent variables (Price, Trust, Customer Satisfaction, and Purchase Decision) consistently explain more than half the variance in their respective indicators. Therefore, it can be inferred that the reliability of these items is acceptable.

Composite Reliability

Table 1 evaluates construct validity by examining three critical metrics: Average Variance Extracted (AVE), Cronbach's Alpha, and Composite Reliability (CR). These metrics are essential for assessing the validity and reliability of the constructs used in the study. Specifically, the Average Variance Extracted (AVE) should exceed 0.50, indicating that at least 50% of the variance in the observed variables is explained by the latent construct, thus confirming that the construct effectively captures the intended concept. Cronbach's Alpha, which measures internal consistency, should be at least 0.70. This threshold indicates that the items within a construct are consistently measuring the same underlying concept (Hair et al., 2019). Additionally, Composite Reliability (CR) should exceed 0.708. This criterion ensures that the measurement of the construct is reliable, with the scale items providing a consistent measure across different samples (Fehan & Aigbogun, 2021; Tilahun et al., 2023). Together, these metrics provide a robust assessment of convergent validity, affirming that the constructs are both valid and reliable for the study's objectives.

Table 1. Composite Reliability

	Cronbach's alpha >0.70	Composite reliability >0.708	Average variance extracted (AVE) >0.50	
Price	0.980	0.983	0.866	Reliable
Trust	0.989	0.990	0.920	Reliable
Customer Satisfaction	0.994	0.994	0.921	Reliable
Purchase Decision	0.966	0.971	0.790	Reliable

The Average Variance Extracted (AVE) values for the constructs in this study range from 0.790 to 0.921, indicating high construct validity and suggesting that the constructs accurately measure and align with the research objectives, as they significantly exceed the 0.50 threshold. This high AVE confirms that the constructs effectively capture the majority of the variance in the observed variables. Additionally, the study's Cronbach's Alpha values, which measure internal consistency, meet or exceed the 0.70 benchmark, ensuring that the items within each construct consistently measure the same underlying concept. Moreover, the Composite Reliability (CR) values surpass the 0.708 threshold, reflecting reliable measurement of the constructs across different samples. Collectively, these metrics affirm that the constructs possess excellent reliability and validity, providing a robust foundation for further analysis and ensuring that the research findings are credible and reflective of the theoretical constructs being examined.

Discriminant Validity

Discriminant validity is essential for ensuring that a construct in a study measures a unique aspect distinct from other constructs, thereby affirming that each construct captures a specific theoretical dimension (Lim, 2024). It ensures that constructs are not overly correlated with unrelated constructs, which could indicate a lack of distinctiveness (Henseler et al., 2015). This is typically assessed using the Fornell-Larcker Criterion, which compares the square root of the Average Variance Extracted (AVE) for each construct with its correlations with other constructs, ensuring that the AVE is higher than these correlations (Hamid et al., 2017). Another method is the Heterotrait-Monotrait Ratio (HTMT), which examines the ratio of correlations between different constructs to those within the same construct, with lower ratios indicating more outstanding distinctiveness (Dirglatmo, 2023).

Table 2. Discriminant Validity Fornell-Larcker criterion

	Price	Trust	Customer Satisfaction	Purchase Decision
Price	0.930			
Trust	0.842	0.959		
Customer Satisfaction	0.815	0.785	0.960	
Purchase Decision	0.871	0.815	0.865	0.889

In Table 2, the Average Variance Extracted (AVE) values on the diagonal are significantly higher than the off-diagonal correlations between constructs. This indicates discriminant solid validity, as each construct effectively measures a distinct aspect and is well-differentiated from others. Higher AVE values suggest that each construct captures its intended dimension uniquely and does not overlap significantly with other constructs, reinforcing the validity of the model.

Table 3. HTMT Discriminant Criteria

	Heterotrait-monotrait ratio (HTMT) < 0.9
Trust <-> Price	0.854
Customer Satisfaction <-> Price	0.824
Customer Satisfaction <-> Trust	0.790
Purchase Decision <-> Price	0.891
Purchase Decision <-> Trust	0.830
Purchase Decision <-> Customer Satisfaction	0.880

Table 3 shows that the Heterotrait-Monotrait Ratio (HTMT) values for the latent constructs are all below 0.9. This is a positive sign, as low HTMT values indicate that the latent constructs are distinct from each other. This suggests that the constructs have weak interrelationships, thereby confirming that they measure separate and unique dimensions. Such findings are consistent with established guidelines for ensuring discriminant validity (Fehan & Aigbogun, 2021; Purwanto & Sudargini, 2022; Rahman et al., 2022).

Coefficient of Determination (R²)

The criteria for interpreting R square values provide a framework for evaluating the strength of the relationships between latent variables in a model. Expressly, R square values represent the proportion of variance in the dependent variable that is explained by the independent variables. According to the criteria, values above 0.67 are considered substantial, indicating that a large proportion of the variance in the dependent variable is explained by the model, which signifies a robust and effective model with high explanatory power. Values ranging from 0.33 to 0.67 are classified as moderate, suggesting that the model explains a reasonable amount of variance, but there is still room for improvement in understanding the dependent variable. Values between 0.19 and 0.33 are deemed weak, indicating that the model accounts for only a tiny portion of the variance, which may reflect limitations in the model's explanatory power or the need for additional variables to enhance understanding (Fehan & Aigbogun, 2021; Magdalena et al., 2023).

Table 4. R-Square Value of Dependent Variable

	R-square	Result
Customer Satisfaction	0.698	Strong
Purchase Decision	0.835	Strong

Table 4 reveals that the R-square value for the Customer Satisfaction variable is 0.698, which exceeds the threshold of 0.67, indicating a robust predictive capability for this variable. This high R-square value suggests that the model effectively accounts for a substantial proportion of the variance in customer satisfaction, demonstrating explanatory solid power. Similarly, the purchase decision variable has an R-square value of 0.835, significantly surpassing the 0.67 benchmark. This result reflects a vital predictive ability of the model concerning purchase decisions, as it explains a high percentage of the variance in this outcome. Overall, these findings indicate that the model performs effectively in predicting customer satisfaction and purchase decisions within the research context, showcasing its strong validity and utility in these areas.

Effect Size (F²)

Effect size quantifies the strength of the relationship between variables in a model, highlighting the magnitude of the influence that an exogenous latent variable has on one or more endogenous latent variables, as measured by changes in the R-squared (R²) value. Specifically, the F² (effect size) value helps in understanding the impact of a variable on the model. An F² value of 0.02 signifies a small effect, 0.15 indicates a medium effect, and 0.35 represents a large or significant effect (Fehan & Aigbogun, 2021).

Table 5. F-Square Value of Endogenous Latent Variables

	Purchase Decision	Result	Customer Satisfaction	Result
Price	0.236	Medium	0.270	Medium
Trust	0.030	Small	0.111	Medium
Customer Satisfaction	0.329	Large		

Table 5 illustrates the effect sizes of exogenous latent variables on endogenous latent variables using F-Square (F²) values. The results reveal moderate effects of the exogenous latent variable Price on both Purchase Decision and Customer Satisfaction, indicating a meaningful but not overwhelming impact. Similarly, Trust has a moderate effect on Customer Satisfaction. However, the Trust's influence on Purchase Decisions is relatively tiny. In contrast, Customer Satisfaction has a significant impact on Purchase Decisions, highlighting its vital role in shaping consumer choices. These findings emphasize the varying degrees of influence that different variables exert within the model, providing a nuanced understanding of their relative importance.

Predictive Relevance (Q²)

The Q-square value is used to determine whether a model has predictive relevance. In this context, the Q-square value indicates the predictive relevance of endogenous variables such as Customer Satisfaction and Purchase Decision. A Q-square value higher than 0.35 suggests that the exogenous variables have strong predictive relevance for certain endogenous variables (Rahman et al., 2022). A Q-square value above zero indicates that the model can reconstruct data well and has predictive relevance (Anisah et al., 2023). Therefore, a Q-square value above 0 shows that the model has predictive relevance. This is crucial for evaluating how well the model can accurately predict the data.

Table 6. Q-Square Value

	Q ² predict	RMSE	MAE
Customer Satisfaction	0.676	0.578	0.429
Purchase Decision	0.766	0.494	0.329

In Table 6, the Q-square values reflect the predictive relevance of the model for each variable. The Purchase Decision variable has a Q-square value of 0.766, which is greater than 0, indicating predictive solid relevance and suggesting that the model effectively captures the variance in Purchase Decision outcomes. Similarly, the Customer Satisfaction variable has a Q-square value of 0.676, also greater than 0, demonstrating good predictive relevance and affirming that the model adequately predicts Customer Satisfaction. These values signify that the model performs well in forecasting these variables, reinforcing its robustness and utility in the research context.

Goodness of Fit of the Model (GoF)

A model fit metric known as the Standardized Root Mean Square Residual (SRMR) evaluates the average square root difference between observed data correlations and correlations predicted by the model (Hair et al., 2022). A value below 0.10 indicates a good fit (Yew et al., 2022).

Table 7. Goodness of Fit of the Model

	Saturated model <0.10	Estimated model <0.10	Model Fit
SRMR	0.037	0.037	
d_ ULS	1.218	1.218	
d_ G	5.275	5.275	
Chi-square	2356.851	2356.851	
NFI	0.785	0.785	

Result

Using a bootstrap sample of 5,000 iterations (Fehan & Aigbogun, 2021) on data involving 112 respondents, the T-table value for a 95% confidence level (α 5%) and degrees of freedom (df) = $n-3 = 112-3 = 109$ is 1.658953. The results of hypothesis testing for the relationships between latent variables are displayed below.

Table 8. Results of Direct and Indirect Effect Test

Hypotheses	Original sample (O)	Sample mean (M)	Standard deviation (STDEV)	T statistics (O/STDEV) >1.658953	P values <0.05	Result
H1: Price -> Customer Satisfaction	0.529	0.543	0.153	3.448	0.001	Significant
H2: Trust -> Customer Satisfaction	0.339	0.326	0.156	2.176	0.030	Significant
H3: Customer Satisfaction -> Purchase Decision	0.423	0.414	0.108	3.915	0	Significant
H4: Price -> Purchase Decision	0.411	0.403	0.150	2.736	0.006	Significant
H5: Trust -> Purchase Decision	0.136	0.154	0.112	1.216	0.224	Not Significant
H6: Price -> Customer Satisfaction -> Purchase Decision	0.224	0.228	0.096	2.335	0.020	Significant
H7: Trust -> Customer Satisfaction -> Purchase Decision	0.144	0.130	0.065	2.22	0.026	Significant

The Influence of Price on Customer Satisfaction (H1)

The findings of this study highlight the pivotal role of price in determining customer satisfaction, validating Hypothesis 1 (H1), and aligning with previous research (Nawang Sari et al., 2020; Prasetyo et al., 2021; Putri & Sitorus, 2022; Suciningrum & Usman, 2021; Vasic et al., 2019). In the online orchid market of Batam City, these theories gain particular relevance. The digital shopping environment allows consumers to easily compare prices from different suppliers, making competitive pricing more attractive. Buyers who find orchids priced affordably often experience greater satisfaction, perceiving better value for their money. However, regional factors such as local market dynamics and cultural attitudes towards pricing influence how price impacts satisfaction. In Batam City, where purchasing power and consumer preferences may vary from other regions, these local factors can modify the effectiveness of pricing strategies. Thus,

while fundamental theories on price and satisfaction provide a helpful framework, their practical application requires adaptation to local conditions, emphasizing the importance of developing pricing strategies tailored to the specific characteristics of the Batam City market.

The Influence of Trust on Customer Satisfaction (H2)

The findings of this study reinforce the well-established notion that trust plays a crucial role in shaping customer satisfaction, confirming Hypothesis 2 (H2). This supports previous research showing that trust significantly enhances satisfaction across various contexts (Boon et al., 2021; Ginting et al., 2023; Musfar et al., 2023; Susanto et al., 2023; Wiratama et al., 2021). In the online orchid market, trust in sellers is particularly critical as it directly influences customer perceptions and overall satisfaction. However, in emerging markets like Batam City, the impact of trust can be nuanced by factors such as market maturity and consumer behavior. In this context, the perceived reliability of online sellers and the quality of customer service are vital in building trust and ensuring satisfaction. Thus, while the generally positive relationship between trust and satisfaction holds, its application in Batam City's online orchid market requires adaptation to local conditions and consumer expectations. Tailoring strategies to address these regional specifics is essential for effectively managing customer trust and enhancing satisfaction in this niche market.

The Influence of Customer Satisfaction on Purchase Decisions (H3)

The findings of this study reinforce the well-established understanding that customer satisfaction is a crucial driver of purchase decisions, validating Hypothesis 3 (H3). This supports prior research indicating that satisfaction significantly influences consumer behavior (Ardiyansyah & Louise, 2022; Devia & Putri, 2022). In the online orchid market, where consumers have access to a wide range of options and can easily compare products and prices, maintaining high levels of customer satisfaction becomes even more critical. Satisfied customers are more likely to return for repeat purchases and to recommend the seller to others, which is particularly valuable in niche markets like orchids. In such markets, word-of-mouth and online reviews can significantly impact purchasing decisions. Therefore, orchid sellers should focus on delivering high-quality products and exceptional services to enhance customer satisfaction, effectively influencing purchase decisions and fostering a loyal customer base.

The Influence of Price on Purchase Decisions (H4)

The findings of this study reinforce the established understanding that price significantly impacts purchase decisions, validating Hypothesis 4 (H4). This is consistent with previous research showing a strong positive relationship between price and consumer purchasing behavior (Afifah & Kurniawati, 2023; Akbar et al., 2020; Bahri & Komaladewi, 2023; Nursiam et al., 2020; Vieira et al., 2020). In the online orchid market, where consumers can easily compare prices from various sellers, competitive pricing becomes a key factor. Orchid sellers must adopt pricing strategies that balance perceived value with affordability to attract and retain customers effectively. Given the premium nature of orchids, implementing dynamic pricing and promotional offers can enhance the appeal of their products and influence purchase decisions. These strategies not only help in attracting potential buyers but also play a crucial role in fostering customer satisfaction and loyalty in this niche market.

The Influence of Trust on Purchase Decisions (H5)

The findings of this study indicate that trust does not significantly influence purchase decisions, thus not validating Hypothesis 5 (H5). This contrasts with a substantial body of research that underscores the importance of trust in shaping consumer behavior (Badir & Andjarwati, 2020; Hidayat et al., 2021; Mahliza, 2020; Susanti & Yosefly, 2021). However, in the specific context of online orchid purchases in Batam City, the expected impact of trust appears diminished. This discrepancy is in line with other studies suggesting that trust may not always be a pivotal factor in emerging or niche markets (Djan & Rubbiah Adawiyah, 2020; Mbete & Tanamal, 2020). In Batam City, factors such as price competitiveness, product availability, or regional market dynamics might exert a more significant influence on purchase decisions than trust. This implies that while trust is a critical driver in many markets, its significance can vary based on regional and market-specific conditions. Consequently, online orchid sellers in Batam City should consider these local factors and adjust their strategies accordingly, focusing on aspects like competitive pricing and product availability to better align with local consumer preferences and behaviors.

The Influence of Price on Purchase Decisions with Customer Satisfaction as Mediator (H6)

The findings of this study reinforce the established understanding that price significantly influences purchase decisions through customer satisfaction, thus validating Hypothesis 6 (H6). This aligns with the notion that price affects purchase decisions not only directly but also indirectly by enhancing customer satisfaction (Saleh, 2023). The study's results confirm that customer satisfaction acts as a mediator in the relationship between price and purchase decisions, echoing prior research that highlights the pivotal role of satisfaction in linking price with purchasing outcomes (Saleh, 2023). In the online orchid market of Batam City, this suggests that while competitive pricing plays a crucial role in influencing purchase decisions, its effectiveness is substantially amplified when customers are delighted with their purchase. Therefore, orchid retailers should not only focus on setting attractive prices but also prioritize delivering exceptional product quality and service to meet or exceed customer expectations. This dual focus on competitive pricing and high customer satisfaction is essential for maximizing sales performance and achieving a favorable impact on purchasing behavior.

The Influence of Trust on Purchase Decisions with Customer Satisfaction as a Mediator (H7)

The findings of this study reinforce the established understanding that trust influences purchase decisions primarily through customer satisfaction, validating Hypothesis 7 (H7). While trust is essential for establishing a positive relationship with customers, its effect on purchase decisions is often mediated through customer satisfaction (Hidayat & Ginting, 2020). The study's results, showing a non-significant direct impact of trust on purchase decisions, align with previous research, indicating that trust alone may not directly drive purchasing behavior (Djan & Rubbiah Adawiyah, 2020); Mbeté & Tanamal, 2020). This highlights the nuanced nature of the trust-purchase decision dynamic, suggesting that trust's influence is more complex and operates through its effect on customer satisfaction. In the context of the online orchid market in Batam City, this means that while fostering trust is crucial, the actual impact on buying behavior comes from the satisfaction customers experience as a result of that trust. Thus, online orchid retailers should prioritize enhancing customer satisfaction as a critical strategy to leverage trust effectively, ensuring that trust-building efforts are complemented by high-quality customer service and product offerings to influence purchase decisions positively.

CONCLUSION

This study highlights the critical roles of price and customer satisfaction in influencing purchase decisions within the online orchid market in Batam City. It confirms that price significantly impacts both customer satisfaction and purchase decisions, aligning with established research. At the same time, trust was found to have a less direct influence, with its effect on satisfaction being a crucial intermediary. Despite these insights, the study's focus on a specific sample from Batam City may limit the generalizability of the findings to other regions or markets. Future research should aim to include a broader, more diverse sample and explore additional variables affecting consumer behavior. For MSMEs in niche markets like online orchids, the findings suggest prioritizing effective pricing strategies, enhancing customer satisfaction through exceptional service, and tailoring marketing efforts to local conditions to better align with customer expectations, foster loyalty, and ensure long-term success.

ACKNOWLEDGEMENT

Thank you to all participants, stakeholders, respondents, institutions, organizations, academic advisors, mentors, family, and friends for their invaluable contributions, unwavering support, and encouragement, which were crucial to the successful completion of this research.

REFERENCES

- Afifah, F. A., & Kurniawati, L. (2023). Analysis of the Effect of Price, Quality of Information, Product Reviews, and Consumer Trust on Purchase Decisions on the Shopee Marketplace. *International Journal of Latest Research in Humanities and Social Science*, 06(04), 361–369. <http://www.ijlrhss.com/paper/volume-6-issue-4/42-HSS-1884.pdf>
- Akbar, R. M. I., Sularso, R. A., & Indraningrat, K. (2020). The Effect of Price, Ease of Transaction, Information Quality, Safety, and Trust on Online Purchase Decision. *E-Journal Ekonomi Bisnis Dan Akuntansi*, 7(1), 77–81. <https://doi.org/https://doi.org/10.19184/ejeba.v7i1.14956>
- Anacleto, A., & Scheuer, L. (2020). Preferences of Orchid Consumers and the Substitute Products' Influences. In *Orchids Phytochemistry, Biology and Horticulture. Reference Series in Phytochemistry* (pp. 1–13). Springer, Cham. https://doi.org/10.1007/978-3-030-11257-8_9-1
- Ardiyansyah, M., & Louise, H. (2022). The Effect of Product Quality and Price on Purchase Decisions through Customer Satisfaction at the Marketplace Shopee (Case Study on Employees of PT Wahana Makmur Sejati). *Budapest International Research and Critics Institute-Journal (BIRCI-Journal)*, 5(2), 11296–11305. <https://doi.org/10.33258/birci.v5i2.4947>
- Astuti, P., Talkah, A., & Mulyaningtiyas, R. D. (2023). The Effect of Orchid Plants Quality on Consumer Satisfaction Online Sales at CV. Asri Garden Kediri. *Proceedings of the 3rd International Conference on Agriculture (ICA, 2022)*, 38–47. https://doi.org/10.2991/978-94-6463-168-5_6
- Badir, M., & Andjarwati, A. L. (2020). The Effect of E-WOM, Ease of Use and Trust on Purchase Decisions (Study on Tokopedia Application Users). *Jurnal Minds: Manajemen Ide Dan Inspirasi*, 7(1), 39–52. <https://doi.org/10.24252/minds.v7i1.13715>
- Bahri, K. N., & Komaladewi, R. (2023). The Influence of Instagram, Brand Image, and Price on Online Purchase Decisions. *Asia Pasific Journal of Management and Education (APJME)*, 6(1), 79–93. <https://doi.org/10.32535/apjme.v6i1.165>
- Barbosa, M. F. (2021). *Digital Transformation in The Brazilian Flower Industry: Cultural and Technological Issues, Economic Benefits and Firms' Actual Adoption* [Thesis, Politecnico di Torino]. <http://webthesis.biblio.polito.it/id/eprint/21388>

- Boon, L. K., Fern, Y. S., & Singh, H. S. K. A. B. (2021). The Study of Customer Satisfaction of Shopee Customers in Malaysia. *International Journal of Entrepreneurship, Business and Creative Economy*, 1(2), 30–44. <https://doi.org/10.31098/ijebce.v1i2.602>
- Catedrilla, J., & Teodosia Suarez, M. (2022). Exploring Micro-Entrepreneurs' Trust on Customers in Social Commerce: Perspective from an Emerging Economy. *Pacific Asia Conference on Information Systems 2022*. <https://aisel.aisnet.org/pacis2022>
- Danthanarayana, C. P., & Arachchi, R. S. S. W. (2020). Role of Restaurant Attributes and Customer Perceived Value in Shaping Customer Satisfaction: A SEM-Based Analysis in Beach Restaurants in South Coast, Sri Lanka. *Journal of Management and Tourism Research*, 3(2), 45–59. https://www.researchgate.net/publication/348109781_Role_of_Restaurant_Attributes_and_Customer_Perceived_Value_in_Shaping_Customer_Satisfaction_A_SEM_Based_Analysis_of_Beach_Restaurants_in_South_Coast_Sri_Lanka
- Devia, V., & Putri, Y. K. W. (2022). Purchase Decision: Do the Paylater Ease and Consumer Satisfaction Affect It? (Case Study on Shopee Paylater and Gojek Paylater). *Sriwijaya International Journal of Dynamic Economics and Business*, 6(2), 147–164. <https://doi.org/10.29259/sijdeb.v6i2.147-164>
- Djan, I., & Rubbiah Adawiyah, S. (2020). The Effect of Convenience and Trust to Purchase Decision and Its Impact on Customer Satisfaction. *International Journal of Business and Economics Research*, 9(4), 269. <https://doi.org/10.11648/j.ijber.20200904.23>
- Fehan, H., & Aigbogun, O. (2021). Influence of Internal Organizational Factors and Institutional Pressures on Construction Firms' Performance. *Construction Economics and Building*, 21(2). <https://doi.org/http://dx.doi.org/10.5130/AJCEB.v21i2.7593>
- Ginting, Y. M., Chandra, T., Miran, I., & Yusriadi, Y. (2023). Repurchase intention of e-commerce customers in Indonesia: An overview of the effect of e-service quality, e-word of mouth, customer trust, and customer satisfaction mediation. *International Journal of Data and Network Science*, 7(1), 329–340. <https://doi.org/10.5267/j.ijdns.2022.10.001>
- Hair, J. F., Risher, J. J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. In *European Business Review* (Vol. 31, Issue 1, pp. 2–24). Emerald Group Publishing Ltd. <https://doi.org/10.1108/EBR-11-2018-0203>
- Hamid, M. R. A., Sami, W., & Sidek, M. H. M. (2017). Discriminant Validity Assessment: Use of Fornell & Larcker criterion versus HTMT Criterion. *Journal of Physics: Conference Series*, 890(1). <https://doi.org/10.1088/1742-6596/890/1/012163>
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Hidayat, A., Wijaya, T., Ishak, A., & Endi Catyanadika, P. (2021). Consumer Trust as the Antecedent of Online Consumer Purchase Decision. *Information*, 12(145), 1–10. <https://doi.org/10.3390/info12040145>
- Hidayat, R. S., & Ginting, E. (2020). Customer satisfaction in buying products by using media E-Commerce. *Proceedings of the International Conference on IT, Communication and Technology for Better Life, ICT4BL 2019*, 118–121. <https://doi.org/10.5220/0008930301180121>
- Jacob-John, J., D'Souza, C., Marjoribanks, T., & Singaraju, S. (2021). Synergistic Interactions of SDGs in Food Supply Chains: A Review of Responsible Consumption and Production. *Sustainability*, 13(16), 8809. <https://doi.org/10.3390/su13168809>
- Kumareshan, L., Reddy, V., K., S. B., T., S. M., & K., B. C. (2024). Online Retailing: The Past, The Present, And the Future. *Yugato*, 76(1), 764–777. <https://www.yugato.org/>
- Lim, W. M. (2024). A typology of validity: content, face, convergent, discriminant, nomological, and predictive validity. *Journal of Trade Science*, 12(3), 155–179. <https://doi.org/10.1108/JTS-03-2024-0016>
- Magdalena, Y. N., Raharjo, T., & Sensuse, D. I. (2023). The Factors that Affect Customer Ratings in E-Commerce Company. *2nd International Conference on Information Science and Technology Innovation (ICoSTEC)*. <https://doi.org/10.35842/icostec.v2i1.50>
- Mahliza, F. (2020). CONSUMER TRUST IN ONLINE PURCHASE DECISION. *EPRA International Journal of Multidisciplinary Research (IJMR)*, pp. 142–149. <https://doi.org/10.36713/epra4022>
- Man, N. (2023). Consumers' Preference in Online Purchasing of Ornamental Plants in the Klang Valley, Malaysia. *Malaysian Journal of Agricultural Economics*, 30(1), 1–25. <https://doi.org/10.36877/mjae.a0000436>
- Mbete, G. S., & Tanamal, R. (2020). Effect of Easiness, Service Quality, Price, Trust of Quality of Information, and Brand Image of Consumer Purchase Decision on Shopee Online Purchase. *Jurnal Informatika Universitas Pamulang*, 5(2), 100. <https://doi.org/10.32493/informatika.v5i2.4946>
- Musfar, T. F., Nabilla, M., & Jushermi, J. (2023). The Effect of Ease of Use and Customer Trust Toward Customer Satisfaction and Customer Loyalty in Using the Shopee PayLater Feature in Pekanbaru City. *DIJDBM Dinasti International Journal of Digital Business Management*, 4(3), 456–470. <https://doi.org/10.31933/dijdbm.v4i3>

- Nawangsari, S., Clara, D. P. A., & Wibowo, E. P. (2020). The Effect of Electronic Service Quality, Product, Price, Promotion on Customer Satisfaction (Case Study on Customer Online Stores Lazada. Co.Id Jakarta). *APTİKOM Journal on Computer Science and Information Technologies*, 5(1), 141–149.
<https://doi.org/10.34206/APTIKOM.J.CSIT.29>
- Nursiam, N., Yanissa, A. A. M., & Ariani, K. R. (2020). Simplicity, Price, Quality of Service, and Safety Towards the Decision to Purchase Products Through Shopee.id Application. *Riset Akuntansi Dan Keuangan Indonesia*, 5(1), 71–82. <https://doi.org/10.23917/reaksi.v5i1.10682>
- Özdemir, E., & Sonmezay, M. (2020). The Effect of The E-Commerce Companies' Benevolence, Integrity and Competence Characteristics on Consumers' Perceived Trust, Purchase Intention and Attitudinal Loyalty. *Business and Economics Research Journal*, 11(3), 807–821. <https://doi.org/10.20409/berj.2020.283>
- Prasetyo, Y. T., Tanto, H., Mariyanto, M., Hanjaya, C., Young, M. N., Persada, S. F., Miraja, B. A., & Redi, A. A. N. P. (2021). Factors Affecting Customer Satisfaction and Loyalty in Online Food Delivery Service during the COVID-19 Pandemic: Its Relation with Open Innovation. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(76), 1–16. <https://doi.org/10.3390/joitmc7010076>
- Purwanto, A., & Sudargini, Y. (2022). Partial Least Squares Structural Equation Modeling (PLS-SEM) Analysis for Social and Management Research: A Literature Review. *Journal of Industrial Engineering & Management Research*, 2(4), 114–123. <https://doi.org/10.7777/jiemar.v2i4>
- Putri, B. R., & Sitorus, D. H. (2022). The Effect of Product Quality and Price on Shopee Customer Satisfaction In Batam City. *Jurnal Ekonomi*, 11(03), 1270–1275. <http://ejournal.seaninstitute.or.id/index.php/Ekonomi>
- Pylvinen, J. (2020). *Fragrant orchids are blooming in the Middle Kingdom* [Master's Thesis in International Marketing]. Åbo Akademi University.
https://www.doria.fi/bitstream/handle/10024/177499/pylvinen_joonas.pdf?sequence=2&isAllowed=y
- Rahman, M., Ismail, I., Bahri, S., & Rahman, M. K. (2022). An Empirical Analysis of Cashless Payment Systems for Business Transactions. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(4).
<https://doi.org/10.3390/joitmc8040213>
- Rane, N. L., Achari, A., & Choudhary, S. P. (2023). Enhancing Customer Loyalty Through Quality of Service: Effective Strategies to Improve Customer Satisfaction, Experience, Relationship, And Engagement. *International Research Journal of Modernization in Engineering Technology and Science*, 5(5), 427–452.
<https://doi.org/10.56726/IRJMETS38104>
- Redjeki, F., & Affandi, A. (2021). Utilization of Digital Marketing for MSME Players as Value Creation for Customers during the COVID-19 Pandemic. *International Journal of Science and Society*, 3(1), 40–55.
<https://doi.org/10.200609/ijssoc.v3i1.264>
- Saleh, M. Z. (2023). Customer Satisfaction and Trust Moderate the Effect of Price and Service Quality on Purchase Decisions Shopping In The Marketplace. *Jurnal Scientia*, 12(2), 1175–1183.
<https://doi.org/https://doi.org/10.58471/scientia.v12i02.1304>
- Suciningrum, F., & Usman, O. (2021). The Effect of Product Quality, Service Quality, and Product Price on Customer Satisfaction in Shopee. In *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.3767892>
- Sulistiyowati, T. (2024). Trends and Patterns In Online Purchase Decision Research: A Literature Review And Bibliometric Analysis. *ECOBISMA*, 11(2), 1–11. <https://doi.org/https://doi.org/10.36987/ecobi.v11i2.4328>
- Sulistiyowati, T., & Husda, N. E. (2024). *Pengaruh Harga dan Kepercayaan Terhadap Keputusan Pembelian Online Anggrek di Kota Batam Dengan Mediasi Kepuasan Pelanggan* [Thesis]. Universitas Putera Batam.
- Sulistiyowati, T., & Husda, N. E. (2023a). Optimasi Strategi Pemasaran Digital Pada Umkm Uci Garden. *Proceeding National Conference Business, Management, And Accounting (NCBMA)*, 146–157.
<https://garuda.kemdikbud.go.id/documents/detail/3623312>
- Susanti, F., & Yosefly, R. (2021). Marketing Management Studies Online purchase decisions on the online buying site "Shopee" viewing from the variables of trust, ease, and price. *Marketing Management Studies*, 1(2), 123–131.
<https://doi.org/10.24036/jkmp.v1i1>
- Susanto, H., Prasetyo, D., Purnomo, E. C., Riyadi, A., Tinggi, S., & Sampit, I. E. (2023). The Influence of Price and Trust on Consumer Satisfaction In Shopping Online Shop (Tokopedia) In Sampit. *Jurnal Ekonomi*, 12(01), 1052–1061.
<http://ejournal.seaninstitute.or.id/index.php/Ekonomi>
- Tilahun, M., Berhan, E., & Tesfaye, G. (2023). Determinants of consumers' purchase intention on digital business model platform: evidence from Ethiopia using partial least square structural equation model (PLS-SEM) technique. *Journal of Innovation and Entrepreneurship*, 12(1). <https://doi.org/10.1186/s13731-023-00323-x>
- Vasic, N., Kilibarda, M., & Kaurin, T. (2019). The Influence of Online Shopping Determinants on Customer Satisfaction in the Serbian Market. *Journal of Theoretical and Applied Electronic Commerce Research*, 14(2), 70–89.
<https://doi.org/10.4067/S0718-18762019000200107>
- Vieira, J., Frade, R., Ascenso, R., Prates, I., & Martinho, F. (2020). Generation Z and Key Factors on E-Commerce: A Study on the Portuguese Tourism Sector. *Administrative Sciences*, 10(4), 1–17.
<https://doi.org/10.3390/admsci10040103>

- Wiratama, J. I., Hidayatullah, M. A., Bernarto, I., & Pasaribu, L. H. (2021). Price, Service Quality and Trust on Tokopedia Towards Customer Satisfaction. *Enrichment: Journal of Management*, 12(1), 590–596.
<https://doi.org/https://doi.org/10.35335/enrichment.v12i1.239>
- Yuan, S.-C., Lekawatana, S., Amore, T. D., Chen, F.-C., Chin, S.-W., Vega, D. M., & Wang, Y.-T. (2021). The Global Orchid Market. In *the Orchid Genome. Compendium of Plant Genomes* (pp. 1–28). Springer, Cham. .
https://doi.org/10.1007/978-3-030-66826-6_1