THE OMNICHANNEL EFFECT: EVALUATING CONSUMER SATISFACTION IN THE WAKE OF E-COMMERCE CLOSURE AMONG BANDUNG'S MSMES

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ABSTRACT

This research delves into the impact of the government's closure of TikTok shop's online marketing interaction channel on MSMEs, emphasizing the reduction in offline interaction channels and resulting business losses. The study's primary objective is to dissect and assess the multifaceted omnichannel interaction framework, comprising online, offline, and cross channels, and its influence on consumer experience value and satisfaction. The research was conducted in Bandung, Indonesia, and it engaged 425 participants who interacted through various marketing channels. Utilizing the partial least squares path model, the study deduces that while online and cross channels significantly influence experience value and consumer satisfaction, offline channels do not. This insight calls for a reevaluation of the TikTok shop closure decision, considering the profound role of satisfaction in purchasing decisions. The research, however, recognizes its limitations in terms of the temporal scope, analytical methods, and potential for hypothesis refinement. Future studies could broaden the geographic scope to incorporate diverse cities, offering insights shaped by varying local characteristics. Overall, the study contributes to understanding the effects of omnichannel interactions on consumer satisfaction, presenting a nuanced perspective for academics and practitioners to enhance consumer shopping experiences.

INTRODUCTION

In the contemporary retail and business sectors, the emergence of omni-channel has become a noteworthy phenomenon. Customers in the digital age are more interconnected than ever, utilizing various platforms and devices, making a speedy, fluid, integrated, and seamless buying experience essential (Mou, 2022). Retailers are currently dealing with a growing difficulty of client attrition in addition to the expansion of e-commerce and the widespread adoption of mobile devices. (Fang et al., 2021). Modern consumers are no longer glued to a single channel for their shopping needs, according to a background study on omnichannel development. They anticipate having seamless access to both online and physical stores (Lim et al., 2022), looking up product details online, comparing prices, and eventually making purchases via mobile devices. The above situation compels merchants and enterprises to implement an omnichannel strategy, requiring them to provide clients with a consistent and comprehensive experience throughout various channels. According to earlier research (Xu & Jackson, 2019), businesses that effectively apply omnichannel strategies can boost customer loyalty, increase market share, and outperform rivals. The significant influence that technology adoption has on improving business operations and customer interactions is essential for the successful implementation of omnichannel strategies (Thaha et al., 2022).

The notion of omnichannel has surfaced as a novel methodology aimed at delivering a comprehensive and uniform experience over numerous channels of communication and engagement. Although omnichannel offers customers a significant experience, the importance of each channel's integration has received very little attention in studies (Fang et al., 2021). Customers' pleasure is the key to lowering customer churn and encouraging them to return to the firm for their needs; hence creating an omnichannel experience is essential to corporate success (Riaz et al., 2021). Three categories comprise omnichannel interaction channels: cross-channel consistency, offline interactivity, and online channel interactivity (Cui et al., 2022).

Marketing channels in Indonesia today have also developed a lot, starting from offline interaction channels, which are still the most used because activities or events such as promotions through giving discounts, vouchers, or direct gifts are still an attraction for consumers. Online channels are also experiencing rapid growth in Indonesia through marketplaces and social media such as TikTok and others. Social media marketing channels, often known as social commerce, are currently a polemic issue in the country due to the lack of purchase transactions in conventional markets. Therefore, many people on behalf of MSMEs are asking that the TikTok shop be closed so that offline purchases are busy again. In addition, this research also aims to seek knowledge about stores that have used cross-channel channels in their marketing and how they relate to the experiential value they get in influencing customer satisfaction. The gap in research in this study is that no theory or previous research measures each part of the marketing channel that impacts experience value and customer satisfaction. Novelty in this research is in addition to a new research model; although the results of the development of previous research, it is hoped that this research will be able to provide new insights, especially the government or business actors in determining which marketing channel interactions are the most appropriate and needed by today's society and the influence of experience value on customer satisfaction.

LITERATURE REVIEW

In order to provide customers with a smooth shopping experience, omnichannel retailing incorporates a variety of retail channels, such as storefronts, the Internet, catalogs, branded mobile applications, and call centers (Rakhmanita et al., 2023). Omni-channel is a functionality that enables consumers to engage with businesses most effortlessly and comfortably. This encompasses various channels such as in-person interactions, home-based interactions, mobile gadgets, and any other means through which brands and customers can establish communication with each other (Leinbach, 2022). Companies are actively striving to broaden the avenues of communication with their customers, who increasingly navigate between channels effortlessly and expect a smooth buying experience (Barwitz & Maas, 2018). Throughout a customer's omnichannel journey, their contacts with service providers have the potential to impact their pleasure, loyalty, and engagement with the organization (Alexander & Kent, 2022). During omnichannel interactions, clients utilize a combination of online and physical channels to obtain information, communicate, and complete transactions for a single purchase (Verhoef, 2021). Sousa and Voss classify interactions between firms and customers into two categories: online channels, which rely on information technology, and offline channels, which are based on physical locations (Sousa & Voss, 2006). Channel interactivity refers to the extent to which a firm engages with consumers in terms of interaction. This concept has been defined by Florenthal and Shoham (2010) and further discussed by Shareef (Cui et al., 2022). In online channels, interactivity refers to the degree to which multiple parties can engage with each other using communication mediums. It is expected to impact customer behavioral intentions (Ye et al., 2019). Interaction between people and information technology is called interactive (Florenthal and Shoham, 2010; Shareef et al., 2018a). For instance, in-person interactions are more frequent and direct than communications via technological media. The degree to which one or more people react to a specific resource, including objects and content, is hence referred to as interactivity. The primary reliance in this investigation was placed on validated scales, which were then altered for use. The ONI

framework is constructed upon three dimensions: perceived online communication (OCM), perceived online control (OCL), and perceived online response (ORP). These dimensions are assessed using eight items adapted from Liu's 2003 study (Liu, 2003). OFI is derived from three dimensions: perceived offline attitude (FAT), perceived offline behavior (FBH), and perceived offline expertise (FEP), which have been developed from Brady and Cronin's work (Brady & Cronin, 2001). An advantageous aspect of omnichannel integration, under the firm's control, is the ability to offer clients a smooth and uninterrupted buying experience across different channels (Sousa & Voss, 2006). Firstly, it defines integration as a collection of actions controlled by the company, which consumers can assess by rating the seamlessness of their buying experience. Secondly, it implies a causal connection between firm-managed channel integration and the provision of advantageous results for customers. Third, omnichannel integration can occur at different intensities, meaning that businesses can integrate to differing degrees, and customers' perceptions of channel integration can vary widely. According to Liu (2016), customers will use products to fulfil their desires; consumer value is acquired through the product provisioning experience. In the study's context, "experience" refers to the process of using marketing techniques to give consumers worthwhile and unforgettable experiences (Utarsih et al., 2023).

According to Francesca et al. (2015), value is determined by customers comparing the "product obtained" and the "price paid" to form an overall assessment of the product. According to Bouzon et al. (2016), experiential value is derived from the customer's experience and consumption of tangible goods or intangible services; it involves integrating customers into the setting in which they are consuming and creates a lasting experiential imprint (Bouzon et al., 2016).

According to Kim (2022), the value of an individual's sensory, affective, and aesthetic perceptions following consumer consumption is known as experiential value. Lewis (2015) states that interacting with customers through products or services can improve experiential value (Lewis, 2015). On the other end of the interaction spectrum, perceived service value is created by individuals' interactions,

conversations, and relationships with the organization (Hanssen & Jørgensen, 2015). Accordingly, psychological perceptions that visitors derive from a variety of experiential and re-consumption activities and revisit intentions through the influence of perceptions and emotions are defined as experiential value in this study. The experience value is A reference to Chiu et al. (2017) is made in this study where experience value is categorized into four categories: (1) return on investment, (2) service superiority, (3) aesthetics, and (4) interests. In the meantime, N. Fall et al. (2021) separate the experience value dimensions into four categories: (1) cognitive value (quality of services, time, effort, and convenience); (2) hedonic value (pleasure, enjoyment, and escape); (3) social value (social approval, status, and esteem); and (4) ethical value (privacy and trust).

According to Barusman, customer satisfaction is measured by comparing expectations with verified performance and evaluating the outcome regarding the likelihood of repurchasing (Barusman et al., 2020). The perception that customers have of a product or service about their expectations is known as customer satisfaction (Anggraeni et al., 2023). Satisfaction significantly positively affects return intentions (Agnihotri et al., 2020). The Latin terms "satis" (good enough, adequate) and "facio" (doing or making) are the sources of the English word "satisfaction," according to Fandy Tjiptono & Chandra (2016: 204). What is meant by "an effort to fulfil something" or "make something adequate" is satisfaction. As stated in the Oxford Advance Learner's Dictionary, satisfaction is "the good feeling that you have when something that you wanted to happen does happen," "the act of fulfilling a need or desire," and "an acceptable way of dealing with a complaint, a debt, an injury, etc."(Tjiptono & Chandra, 2016). IT artifacts facilitate consumers' transition to alternative vendors within the same brand, enabling them to capitalize on additional benefits such as convenience and user-friendliness. Hence, in the online setting, customers can gauge their entire contentment by incorporating the assessment of the vendor's services from before the service is rendered until after it is provided (Park et al., 2010).

Through a smooth shopping experience, this research seeks to ascertain the indirect effects of omnichannel interactions on retail switching, basket size, and customer engagement. This hypothesis was developed using empirical evidence and the literature review:

H1: Online Channel Interaction has a significant effect on Experience Value

Prior studies have examined the influence of online channel interactions on experience value. Online channels offer advantages such as customer-generated content, convenient search functionality, and social connectivity, which can enhance the online shopping experience. For instance, websites have been identified as one such online channel (Zhao et al., 2023; Mohd-Any et al., 2015). The quality of interaction among users influences the positive impact and value of the online user experience (Zhu et al., 2022; Mohd-Any et al., 2015). Another article emphasizes the significance of comprehending and enhancing the online customer experience by creating and delivering experiential value to clients. The citation "(Fall et al., 2021)" refers to the work of N. A. M. Fall and colleagues published in 2021.

H2: Online Channel Interaction has a significant effect on Customer Satisfaction

The primary objective of e-businesses is to ensure client satisfaction, which leads to many long-term advantages such as favorable word-of-mouth promotion, customer loyalty, and sustained profitability. Ensuring a positive online customer experience is crucial for meeting consumer expectations and customer satisfaction (Ertemel et al., 2021). Klaus & Nguyen (2013) focuses on cultivating consumer trust and confidence, sustaining customer loyalty, and establishing robust connections. The citation for this source is Jaiswal & Singh, 2020. An enhanced digital customer experience can contribute to the development of customer satisfaction (Tri Atmojo & Widodo, 2022).

H3: Cross Channel Interaction has a significant effect on Experience Value

The phrase "cross-channel customer experience" pertains to how consumers interact with and encounter a brand across several channels. The concept emphasizes the significance of delivering a seamless experience across all platforms to enhance a brand's reputation and trustworthiness (Becker, 2022). Several scholarly articles examine the impact of cross-channel integration on the perceived value of the consumer experience (Dong & Lu, 2022).

Cross-channel customer experiences encompass customers' interactions and encounter with a company over several channels (Becker, 2022). To establish the credibility and trustworthiness of a brand, it is crucial to implement cross-channel marketing strategies. This approach ensures that users get a valuable and consistent experience across all platforms (Affairs, 2014).

H4: Cross Channel Interaction has a significant effect on Customer Satisfaction

Past research has underlined the importance of understanding how cross-channel technology and service innovation delivery impact customer satisfaction. Numerous studies have shown a strong connection between cross-channel innovation and consumer pleasure (Fisher, 2018). Effective execution of multi-channel integration is crucial for the success of omni-channel commerce. Research has shown that good multi-channel integration can enhance both customer pleasure (Yunita et al., 2022) and customer satisfaction (Kabadayi et al., 2017), with customer experience playing a mediating role (Chung et al., 2022).

H5: Offline Channel Interaction has a significant effect on Experience Value

Organizations must prioritize delivering a gratifying customer experience. This entails merging digital and physical components to establish a cohesive, multi-channel, and consistent end-to-end customer journey. It is crucial to enable customers to transition effortlessly from conducting online research to making online or offline purchases (Humphreys, 2021)

Prior studies have revealed that online retailers face significant challenges due to the absence of personal interactions with sales representatives. However, engaging in direct offline interactions with service providers can enhance customer experience and elevate perceived value (Zhao et al., 2023). Consequently, companies should prioritize enhancing the interactivity between online and offline channels in order to facilitate customer value-creation behavior (Cui et al., 2022) and stimulate purchase intentions (Swoboda & Winters, 2021).

H6: Offline Channel Interaction has a significant effect on Customer Satisfaction

The phrase "offline channel" refers to traditional methods of distributing and selling things, which entail face-to-face encounters, telephone communications, or email-based orders (Oh, 2021). An inquiry into the impact of online and offline channel interactivity on consumer value-creation behavior has been conducted by Zhao et al. (2023), Patricia (2011), and Yang et al. (2016). Furthermore, various studies indicate that organizations can enhance customer satisfaction and expand their market share by implementing online-to-offline (O2O) marketing strategies. These tactics are designed to target customers who engage with both online and offline channels.

H7: Experience Value has a significant effect on Customer Satisfaction

Comprehending the generation and outcomes of experience value holds significant importance (N. A. M. Fall et al., 2021) as the perceived value can impact satisfaction (Kim et al., 2022) (Chen & Chen, 2010) (Andriani et al., 2018) and play a role in determining future behavior (Castellanos-Verdugo et al., 2016).

Fig. 1 depicts the research model that this study suggests. The present investigation involves the integration of the omnichannel interaction model with other variables, including experience value and customer satisfaction, that are associated with the utilization of diverse channel interactions during purchase transactions.
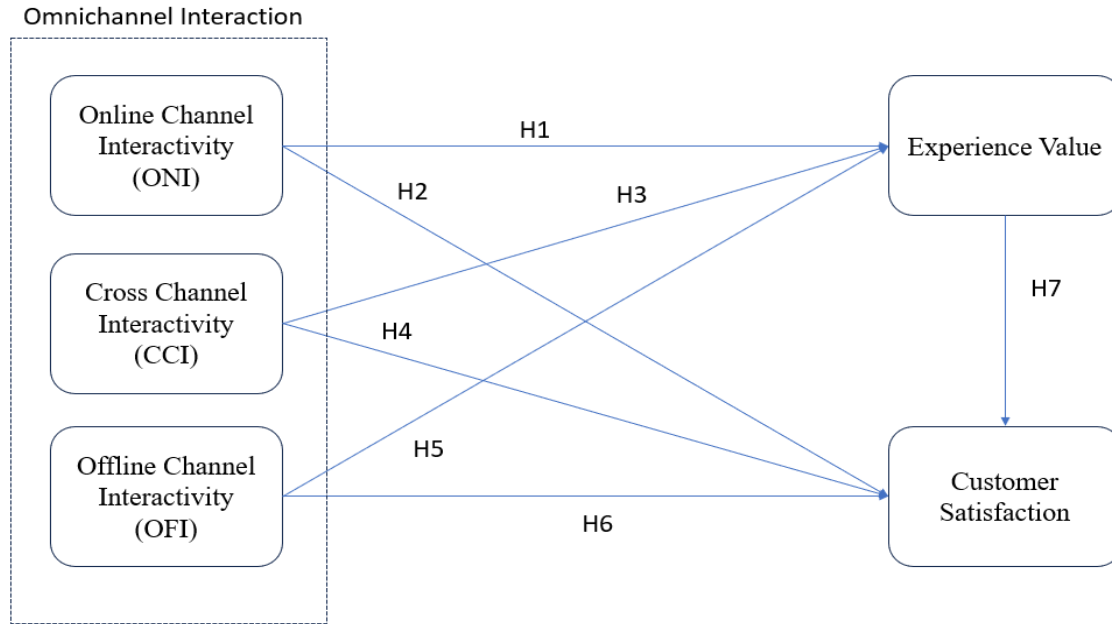
Figure1: Research Model

Source: author's work.

METHODOLOGY

The questionnaire was developed on an Internet platform, allowing unrestricted access and management. The questionnaire was disseminated through email and different social media platforms (WhatsApp, Twitter, Facebook, Instagram, etc.), specifically targeting e-commerce application users in Bandung. Bandung is a city in Indonesia's province with the highest percentage of marketplace users, accounting for 35%. Bandung is classified as a tier 1 city, with an estimated population of 6,186,326 users, according to Katadata in 2023. We performed research in Bandung because the sample collected from this city, which falls under the criteria of a tier one province with the highest number of marketplace application users, namely West Java, will enable us to define each variable under study accurately.

Before completing the questionnaire, all participants were verified to be familiar with the marketplace or have engaged in transactions on the marketplace. Furthermore, participants were provided with an explanation regarding the objective of this study. They were also allowed to seek clarification or ask questions if they encountered difficulties comprehending the questionnaire. To determine the demographic classification of respondents, we use only four categories in the research report: gender, education level, experience, and frequency, which respondents most often use because we know that almost all respondents have experience using more than one marketplace application. In this study, the researchers did not control the proportion of each characteristic. The survey consisted of two components. The 5-point Likert scale is widely used in both online and in-person surveys as a popular approach for rating things (Allen & Seaman, 2007). (Matas, 2018) proposes that this scale enables the evaluation of respondents' sentiment levels, promoting a more detailed study. The final score of this scale ranges from "Strongly Agree" (5) to "Strongly Disagree" (1), with the actual score being within this range (Matas, 2018).

Data analysis techniques, namely partial least squares (PLS), are used to estimate structural equation models (SEM). Using variance-based data analysis approaches enables the statistical examination of the hypotheses underlying the study model (Martinez-Navalon et al., 2019). PLS-SEM, as described by Hair et al., quantifies and evaluates the direct and indirect impacts of several factors on various variables (Hall & Khan, 2003). Reinartz et al. (2009) found that PLS is a commonly employed analysis tool in social science investigations. The Smart PLS 3 software is used to conduct structural model analysis and

validate measurement scales. Smart PLS 3 is the most potent software for employing diverse statistical techniques to analyze the model visually.

The study focuses on individuals residing in Bandung who have encountered diverse marketing interaction channels (omnichannel) within the marketplace application. The employed sampling approach is probability sampling, specifically random stratified proportional sampling. We are considering respondents who have encountered omnichannel services and are residing in Bandung.

RESULT & DISCUSSION

Data was gathered from August to October 2023. A total of 452 participants completed the questionnaire. This number has satisfied the sample assumption computation with a 0.05 error rate. Out of these, around 16 respondents' data did not include an answer to the question regarding frequently utilized markets, despite it being improbable that they just forgot to respond. Nevertheless, the researcher continues to employ it to include all respondent data, as the results still meet the criteria for the subsequent analysis stage. Table 1 provides a concise overview of the demographic traits of the participants. Table 1 reveals that most participants are female (54%), with a significant proportion having completed high school or pursuing college education (71%). Furthermore, nearly half of the participants have more than three years of experience (49%), and the most frequently utilized marketplace is Shoppe (72%).

Table 1: Demographic characteristics of the study participants(n=452).

Classification Variable	Variable	Frequency	Percentage
Gender	Female	243	54%
	Male	209	46%
	Other	0	0%
Level Education	High School	321	71%
	Associate degree	27	6%
	Bachelor's degree	90	20%
	Master's degree	14	3%
Experience using marketplace apps	> 1 years	65	14%
	> 2 years	88	19%
	> 3 years	78	17%
	More than three years	221	49%
Frequently used marketplaces	Tokopedia	52	12%
	Shoppe	326	72%
	Lazada	5	1%
	Bukalapak	2	0%
	Others	16	4%

Source: author's work.

The AVE (Average Variance Extracted) is a metric used to assess the degree of convergent validity in factor analysis and path analysis. The AVE (Average Variance Extracted) demonstrates satisfactory convergent validity, indicating that a single underlying variable can account for over 50% of the variability in its indicators, on average. To be deemed appropriate, the AVE value should be no less than 0.5 (Haris et al., 2021). The AVE value of all variables in Table 2 satisfies the specified criteria. The Cronbach alpha coefficient indicates the degree of internal consistency and reliability of a measurement instrument in assessing a specific construct or variable (Tavakol & Dennick, 2011). The minimum acceptable threshold for Cronbach's alpha depends on the field of study and research aims.

Nevertheless, Cronbach's alpha is commonly considered acceptable when it falls within the range of 0.70 or above, but certain writers propose even higher thresholds of 0.90 to 0.95. Nunnally (1978) suggests a rule of thumb of 0.7 as the minimal alpha, but more recent studies tend to cite 0.8 as the minimum alpha (Yu et al.,

2021). The Cronbach alpha value of all variables in Table 2 exceeds 0.7, indicating that all variable constructions employed are deemed qualified and reliable.

Table 2: Measurement items

Const		Item		Correlation loading		CA	rho_A	CR	AVE
Omnichannel Interaction	ONI	Level of clarity of transaction communication in the application	OI1	0,840	***	0,774	0,774	0,869	0,689
		Level of control over the communication process when using online channels	OI2	0,850	***				
		Judging from current communication, online stores communicate more responsively to consumers and their partners.	OI3	0,800	***				
	CCI	Stores using integrated marketing channels (online and offline) make consumers' shopping smoother.	OI4	0,823	***	0,839	0,854	0,903	0,756
		Stores using integrated marketing channels (online and offline) are more valuable.	OI5	0,890	***				
		Stores using integrated marketing channels (online and offline) are more profitable.	OI6	0,893	***				
	OFI	I prefer to shop conventionally (offline)	OI7	0,709	**	0,764	0,809	0,862	0,677
		The interaction of offline sales transactions is usually more satisfying than online.	OI8	0,874	**				
		The interaction of offline goods sales transactions is usually much better than online.	OI9	0,875	**				
Customer satisfaction		Satisfaction level between expectations of marketplace application usage experience compared to reality	CS1	0,702	***	0,896	0,903	0,915	0,521
		Level of conformity between the promised marketplace application usage experience and the application performance presented?	CS2	0,674	***				
		Level of interest in returning to use the marketplace application due to the perceived application performance	CS3	0,764	***				
		Level of desire to reuse the marketplace application after a previous good experience	CS4	0,782	***				
		Level of likelihood to recommend this marketplace application to others due to satisfaction with application performance	CS7	0,756	***				
		Level of likelihood of telling positive things about marketplace	CS8	0,772	***				

Table 2: Continued

	applications to others due to personal experience								
	Level of willingness to pay more because the quality of the marketplace application services provided is as expected	CS9	0,525	***					
	Level of conformity of costs incurred with the performance of the marketplace application provided	CS10	0,767	***					
	Level of opportunity to provide input on experiences that have been felt using the marketplace application	CS11	0,740	***					
	Level of opportunity to provide feedback related to the experience of using the marketplace application so that its performance matches expectations	CS12	0,695	***					
Experience value	Level of suitability of the costs incurred for the quality of the pleasant marketplace application service experience.	EV1	0,738	***	0,958	0,960	0,961	0,532
	Level of conformity between the costs incurred and the valuable experience of using the marketplace application	EV2	0,746	***				
	Level of conformity between the costs incurred and the effectiveness obtained when using the marketplace application	EV3	0,682	***				
	Level of conformity between the costs incurred and the process time for completing buying and selling transactions through the marketplace application	EV4	0,730	***				
	Level of conformity between the costs incurred with the ease of transactions supported by the marketplace application	EV5	0,764	***				
	Level of conformity between the costs incurred with the relief of making transactions through the marketplace application	EV6	0,755	***				
	Level of conformity between the costs incurred with the convenience of transactions supported by the marketplace application	EV7	0,779	***				
	Level of conformity between the costs incurred and the practicality of transactions through the marketplace application	EV8	0,773	***				
	Level of suitability of the costs incurred with the pleasure of transacting through the marketplace	EV9	0,785	***				

Table 2: Continued

	application								
	Level of suitability of the costs incurred with the happiness of transacting through the marketplace application	EV10	0,759	***					
	Level of conformity of the costs incurred with the enjoyment of the process when transacting through the marketplace application	EV11	0,754	***					
	Level of conformity of the costs incurred with satisfaction with the process when transacting through the marketplace application	EV12	0,774	***					
	Level of conformity of costs incurred with the feeling of pleasure of using the marketplace application to eliminate boredom	EV13	0,754	***					
	Level of conformity of costs incurred with the feeling of using the marketplace application to eliminate boredom	EV14	0,636	***					
	Level of conformity of costs incurred with a sense of prestige (social recognition) when using marketplace applications	EV15	0,665	***					
	Level of conformity of costs incurred with confidence when using marketplace applications to make transactions	EV16	0,689	***					
	Level of conformity of costs incurred with recognition from others regarding the use of marketplace applications	EV17	0,734	***					
	Level of conformity of the costs incurred with the opportunity to get support from the community of other users	EV18	0,671	***					
	Level of conformity of the costs incurred with the data security provided by the marketplace application	EV19	0,678	***					
	level of conformity of the costs incurred with the privacy of the data provided by the marketplace application	EV20	0,696	***					
	Level of conformity of costs incurred with the transparency of the marketplace application in the usage experience	EV21	0,727	***					
	Level Conformity of costs incurred with reliability in the usage experience	EV22	0,734	***					

Note: CA = Cronbach's alpha; CR = Composite Reliability; AVE = Average Variance Extracted; *** p-value < 0.001; **p-value > 0.001			

Source: author's work.

The AVE (Average Variance Extracted) is a metric used to assess the degree of convergent validity in factor analysis and path analysis. The AVE (Average Variance Extracted) demonstrates satisfactory convergent validity, indicating that a single underlying variable can account for over 50% of the variability in its indicators, on average. To be deemed appropriate, the AVE value should be no less than 0.5 (Haris et al., 2021). The AVE value of all variables in Table 2 satisfies the specified criteria. The Cronbach alpha coefficient indicates the degree of internal The t-test is an inferential statistical method employed to compare the means of two distinct groups or samples. The t-test assesses the null hypothesis that there is no substantial disparity between two groups or samples (Wilson & Jessica, 2020). To determine whether the relationship has an impact or not, the computed T value must exceed the critical value from the T table. The study involved 452 respondents and had five variables. The T table indicated an error value of 5% with a corresponding critical value of 2.82.

The P value is a statistical metric used to determine the significance of the study findings. P values are frequently employed in research articles to convey the outcomes of statistical analysis succinctly. Nevertheless, the comprehension and use of P values are frequently misconstrued and misapplied. Many authors and readers often regard a P value of 0.05 as the benchmark for statistical significance.

Many individuals deem results with a P value greater than 0.05 to be insignificant or without value. Nevertheless, this statement is false. The scientific results of a research publication should be assessed for validity using criteria outside the statistical analysis alone (Nahm, 2017).

The perceived ease of use variable, which is the latent variable that is not endogenous in this study, is not associated with an R2 value in the suggested model. Interaction variables for omnichannel (ONI, CCI, and OFI). All endogenous variables' R2 values are shown in Table 4. All values surpass 0.1, as shown in Table 4, indicating that the model's predictive value is ideal (Hair et al., 2013). The first is a criterion by Fornell and Larcker (1981) that examines the variation that a variable extracts from its indicators; this variance must exceed the variance that the variable in question shares with another variable (Hair et al., 2019). Second, the heterotrait-monotrait ratio (HTMT) is examined to do the discriminant validity analysis. The average of the heterotrait-heteromethod correlations divided by the average of the monotrait-heteromethod correlations is represented by this ratio (Henseler et al., 2016). Every tested variable attained discriminant validity, as shown in Table 3. Regarding the initial criterion (Fornell & Bookstein, 1982), every correlation was less than the ones (AVE) in the major diagonal and in (HTMT), where the ratio was less than 0.90.

Table 3: Measurement model and discriminant validity.

	Fornell-Larcker					Heterotrait-Monotrait Ratio (HTMT)				
	CCI	CS	EV	OFI	ONI	CCI	CS	EV	OFI	ONI
CCI	0,870									
Customer Satisfaction (CS)	0,509	0,722				0,575				
Experience Value (EV)	0,428	0,717	0,729			0,466	0,765			
OFI	0,224	0,112	0,060	0,823		0,265	0,147	0,077		
ONI	0,416	0,482	0,395	0,108	0,830	0,514	0,576	0,457	0,153	
Note: CCI = Cross Channel Interaction; OFI = Offline Interaction; ONI= Online Interaction; CS = Customer Satisfaction; EV= Experience Value;										

Source: author's work.

Table 4: Hypotheses testing

		Path coeff (b)	Statistics t (b/STDEV)	p	f^2	Supported
H1	Online Channel Interaction → Experience Value	0,263	4,816	0,000	0.075	Yes
H2	Online Channel Interaction → Customer Satisfaction	0,178	3,847	0,000	0.059	Yes
H3	Cross Channel Interaction → Experience Value	0,328	7,075	0,000	0.113	Yes
H4	Cross Channel Interaction → Customer Satisfaction	0,190	4,067	0,000	0.063	Yes
H5	Offline Channel Interaction → Experience Value	-0,041	0,434	0,665	0.002	No (N.s)
H6	Offline Channel Interaction → Customer Satisfaction	0,016	0,721	0,471	0.001	No (N.s)
H7	Experience Value berpengaruh signifikan terhadap Customer Satisfaction	0,565	10,147	0,000	0.589	Yes
	R^2 : Customer Satisfaction :0.589; Experience Value ; 0.242					
	R^2 adjs: Customer Satisfaction:0.586; Experience Value; 0.237 Note: For n=452 ; n.s = Not significant					

Source: author's work

The effect size (f2) measures how much an exogenous variable contributes to the R2 explanation of a given endogenous component (Cohen, 1998). The following metrics are used by Cohen's (1988) heuristic guidelines to categorize such effects: small effects are defined as those between 0.02 and 0.15, moderate effects as those between 0.15 and 0.35, and big effects as those over 0.35. The study shows that the effect is considerable for H1, H2, H3, H4, and H7 but small for H5 and H6. Fig. 2 depicts a summary of the research model's outcomes.

This study examines the impact of several interactions that customers engage in online, offline, and across many channels when making purchase transactions. Additionally, the study aims to identify the direct effect of these interactions on satisfaction and their indirect effect through the value of the overall experience. Due to the absence of prior scholarly discourse, the impact of extended contact channels still needs to be explored. The results of our study greatly enhance the existing body of knowledge on this matter. The data analysis confirms the validity of five of the seven assumptions stated in the model (Table 4). The hypothesis is confirmed based on the data presented in the table. Our findings indicate a significant relationship between online interaction and experience value (H1) and customer satisfaction (H2) during purchase transactions.

Communication and effective control of the communication process in online channels. While online programs may not wholly alleviate boredom during transactions, they provide a sense of satisfaction and pride through their usability. This discovery aligns with prior studies showing that channel contact can enhance the value of experience (Zhao et al., 2023) and satisfaction (Tri Atmojo & Widodo, 2022).

Furthermore, our findings indicate that the correlation between cross-channel retail interactions has a noteworthy and favorable impact on both experience value (H3) and customer satisfaction (H4). This is because cross-channel interactions are deemed more advantageous and favorable for consumers. The integration of cross-channel contact is believed to enhance the efficiency of the shopping process. This finding further corroborates the findings of prior studies that highlight the significance of cross-channel interactions in delivering a favorable user experience (Affairs, 2014) and enhancing satisfaction (Chung et al.,

2022). However, there is still ample room for improvement in terms of application service quality, usability, and data security.

The association we observed between offline interactions and experience value (H5) does not substantially impact customer satisfaction (H6). Furthermore, the relationship between offline interactions and experience value is negative. Consequently, the greater the number of in-person encounters a store has, the lower the perceived value of the experience. This discovery contradicts earlier studies that suggested offline interactivity can enhance the worth of an experience (Cui et al., 2022) and that the generation of experience value is affected by offline interactivity (Zhao et al., 2023). This is because customers perceive offline channel engagement to be superior to other channels, or

it fails to meet their expectations regarding channel performance. Offline channels have a limited impact because, based on customer perception, online interactions are much better and more satisfying than offline interactions. This is because the process is more efficient in terms of time, costs, and prices, which are very open so that consumers can choose MSMEs to buy goods/services. Apart from that, the ease of using e-commerce applications and internet infrastructure, which is getting better from year to year, makes consumers more comfortable using e-commerce applications, and this can be proven by the decline in retail spending, especially offline, which has caused many retail companies to reduce their shopping space offline or even the offline shop is closed.
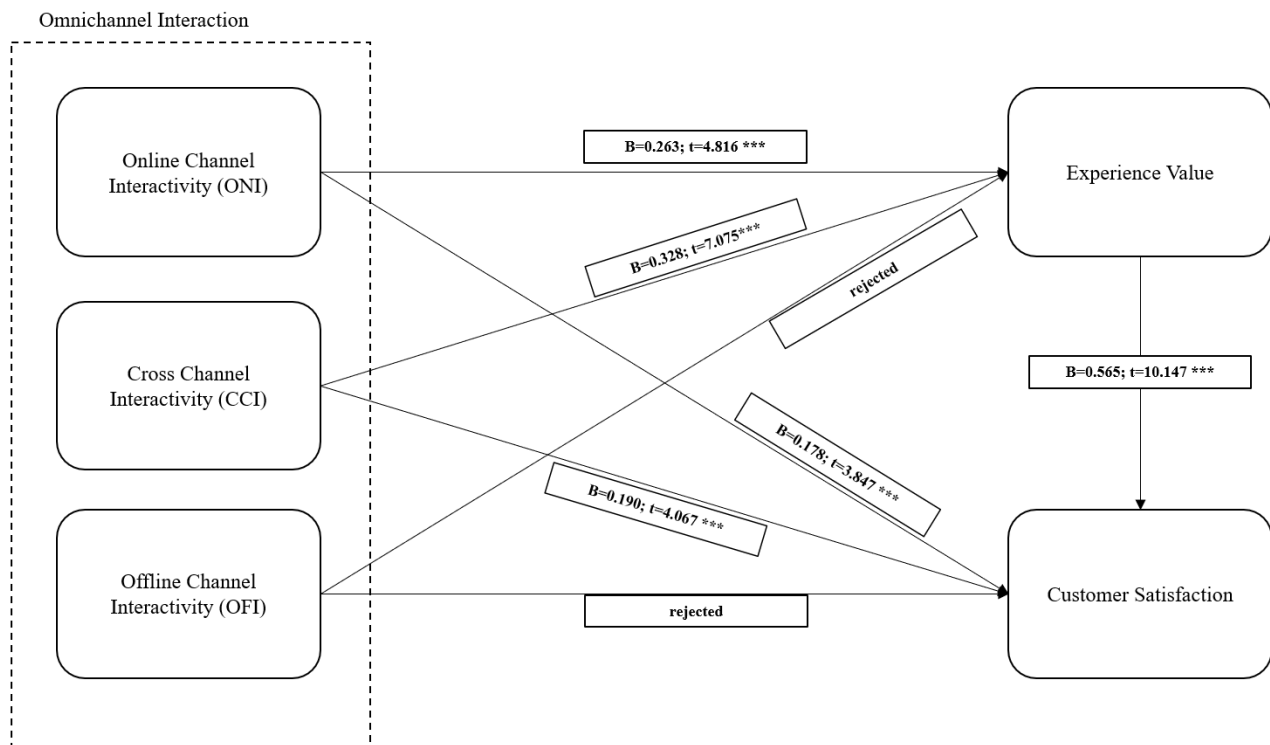

Fig. 2: Research Model Result
Source: author's work.

Moreover, our research reveals a robust and statistically significant correlation between the value of experience and consumer satisfaction (H7). This is due to the pleasurable, comfortable, and convenient interactions facilitated through multiple channels, ultimately resulting in satisfaction. Consequently, this satisfaction

drives behaviors like the inclination to reuse the channels and share positive experiences. However, it is worth noting that the experience value and customer satisfaction levels are moderately good rather than excellent. This could be attributed to the decreased demand for specific offline interaction channels at present.

The results of this study corroborate other studies indicating that the perceived value of an experience might influence satisfaction and, therefore, impact future behavior (Castellanos-Verdugo et al., 2016., Kim et al., 2022). Guidelines that should be implemented to balance online and offline interactions as input from researchers from research results where MSMEs must also consider customer segmentation starting from demographics, consumer habits, desired marketing behavior, and other things to determine the proportion of omnichannel interactions provided because even though the research results show that offline interactions do not have a good effect on experience value and customer satisfaction, in previous research the existence of conventional stores also influences customer trust in these MSMEs.

CONCLUSION AND RECOMMENDATION

The findings of this study have theoretical implications regarding the individual impact of each omnichannel interaction channel. While previous studies have focused on the overall role of omnichannel interactions, this study reveals that not all channel interactions are equally influential or contribute to the value of the consumer experience. Furthermore, not all interaction channels result in satisfaction. For instance, offline channel interactions were found not to affect satisfaction and even had a negative impact on the overall consumer experience. This could be attributed to the diminishing relevance of offline channel interactions in light of advancing technology and concerns regarding health risks associated with conducting offline interactions amidst the global COVID-19 pandemic, which has prompted widespread avoidance of face-to-face meetings. However, this assertion still needs substantiation through additional research.

Recently, the Indonesian government implemented a regulation that the researcher deems unsuitable. This policy involves granting conventional MSMEs requests to cease sales services on the TikTok store application. If this research is the basis for the policy, then it is undoubtedly inappropriate. The decision to terminate sales activities on the TikTok social media platform is based on the observation that the traditional market is once again saturated with customers and small and medium-sized enterprises (SMEs). This measure aims to revive profitability, like the previous year.

Despite implementing the policy for several months, the growth of traditional markets remains stagnant. There has been no notable activity in these markets, which aligns with the findings of this study. It confirms that the traditional method of consumers physically interacting in offline settings to make product purchases is no longer popular. This method has been replaced by other channels that are considered more convenient and practical. However, it is essential to note that this shift primarily applies to products rather than services. For instance, services like hair shaving require the direct presence of consumers as their involvement in the service process is necessary. Undoubtedly, the outcomes will vary.

This research has limitations regarding the research period, the analysis methodology used, and the potential for further development of theory or variables to increase the accuracy and scope of the desired report. In addition, the research object can be expanded to cover several cities, resulting in varying conclusions due to variations in infrastructure, norms, habits, or the addition of new features due to the impact of technological developments such as chatbots, voice assistants, image scanning, etc., which differentiate each city or town regency.

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