# The Impact Of Product Quality, Service Quality, And Store Atmosphere On Purchase Decisions And Their Effect On Customer Satisfaction For Santri Packaged Drinking Water At Basmalah Store, Sumenep

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| Article Info | ABSTRACT |
|---|---|
| **Keywords:**<br>Product Quality,<br>Service Quality,<br>Store Atmosphere,<br>Purchasing Decisions,<br>Customer Satisfaction. | This study aims to determine and analyze the effect of product quality, service quality and store atmosphere on purchasing decisions and their impact on customer satisfaction for santri bottled drinking water products at the Basmalah Sumenep store. The population used is 100 respondents who live in Sumenep and consume santri bottled drinking water. The sampling technique uses purposive sampling, namely making the entire population as a sample, namely 100 customers. While this study uses the Structural Equation Modeling (SEM) model analysis tool. Testing the structural model in PLS was carried out with the help of SmartPLS Ver software. 3.29. The results showed that the Product Quality variable has a positive and significant effect on Purchasing Decisions, the service quality variable has a positive and significant effect on Purchasing Decisions, the Store Atmosphere variable has a positive and significant effect on Purchasing Decisions and the Purchasing Decision variable has a positive and significant effect on Customer Satisfaction. |
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## INTRODUCTION

The economic development of Indonesia has begun to recover post-COVID-19, as evidenced by the growth of various types of businesses, including MSMEs, department stores, and other modern retail formats. The expansion of modern retail stores in Indonesia has intensified business competition, with the opening of new stores. Various types of modern stores emerging in villages are owned by community groups and pesantren (Islamic boarding schools), and even companies are involved in this competition. Modern retail stores are competing healthily using various strategies, including producing the best products, offering the best services, and providing comfortable store facilities. These efforts are aimed at achieving each company's targets and goals.

Competition has existed since ancient times and will continue indefinitely in the business world, ranging from small enterprises to large-scale businesses. Competition enlivens the business world, with companies striving to implement various strategies to

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outperform their rivals. Companies endeavor to attract and capture as many customers as possible.

When making purchasing decisions, customers typically consider various factors, including product quality, service quality, and store location/atmosphere. According to Kotler and Armstrong (2018: 230), product quality is the characteristic of a product or service that supports its ability to satisfy customer needs, affecting purchasing decisions. Consistently improving product quality can influence customer purchase decisions. The impact of high product quality on customer satisfaction is significant; conversely, if the product quality falls short of customer expectations, it leads to dissatisfaction and disappointment, which affects sales levels.

The next consideration factor is service quality, which is secondary to the attractiveness of the store. Good and responsive service provides a new experience that meets the expected satisfaction, adhering to the popular concept that "The Customer is King." Thus, customers are considered kings, and we must serve them well. They will pay for what meets their needs, and without customers, our business will not endure.

Store atmosphere is the primary factor in making customers want to visit, purchase their favorite products, and experience available facilities and services. In the modern retail sector, store atmosphere is associated with wall colors, music, product layout, lighting, and even adequate parking facilities, all of which contribute to customer satisfaction. The development of retail is a crucial determinant of Indonesia's economic resilience. Bank Indonesia (BI) forecasts that retail sales will remain strong in March 2024, as reflected in the March 2024 Real Sales Index (IPR) of 222.8, growing 3.5 percent year on year (yoy). The increase in sales from the retail food sector provides opportunities for the growth of "Basmalah" stores, which are expanding to various rural areas. Basmalah Store is one of the business units of the Sidogiri Islamic Boarding School Cooperative, operating in the retail sector. Basmalah represents the concepts of Barakah, Sharia, and Maslahah. As of now, the distribution of Basmalah Stores in East Java, particularly on Madura Island, is increasing, with around 57 stores on Madura Island in 2023.

Santri water production reaches 64,860 liters per day or 7,000 cartons, in line with the production capacity of the cup machine, which has a capacity of 450-460 per hour, the gallon machine has a capacity of 335 per hour, and the bottle machine has a capacity of 430 per hour, with a machine operating time of 7 hours per day. Santri water has achieved ISO 9001:2008 quality management system certification and SNI certification. Water quality is monitored in the laboratory and tested in the accredited Sucofindo laboratory. Santri drinking water is available in various packaging, including 250 ml cups, 600 ml bottles, and 1,500 ml bottles.

## METHODS

This research is categorized as descriptive quantitative research, which aims to describe or illustrate the characteristics of a state or object of study through the collection and analysis of quantitative data and statistical testing. According to Ferdinand (2020:168), a population

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is a combination of all elements, such as events, things, or people with similar characteristics that are the focus of study. The population for this research consists of customers of Santri packaged drinking water from several stores in Sumenep Regency, including Basmalah Store Branch in Ganding, Basmalah Store Branch in Prenduan, and another Basmalah Store Branch, totaling 100 individuals.

To determine the response scores for primary data, a Likert scale with intervals from 1 to 5 is used. According to Hair et al. (2014) & Ferdinand (2020:173), this measurement involves using questions, and in responding to these questions, subjects choose one of five alternatives corresponding to their situation. The alternatives include: strongly agree, agree, neutral, disagree, and strongly disagree, with scores ranging from 1 (strongly disagree) to 5 (strongly agree). The selected data constitutes the research sample for the 2023 study period. Partial Least Squares (PLS) is an alternative data processing method from covariance-based Structural Equation Modeling (SEM) to variance-based. Structural model testing in PLS is conducted with the assistance of SmartPLS software, version 3.29.

## RESULTS AND DISCUSSION

### Validity Test with Convergent Validity
The criteria commonly used to assess construct reliability are that composite reliability should be greater than 0.7 for confirmatory research, while a value between 0.6 and 0.7 is still acceptable for exploratory research (Ghozali & Latan, 2015:75).



**Figure 1.** Outer Model
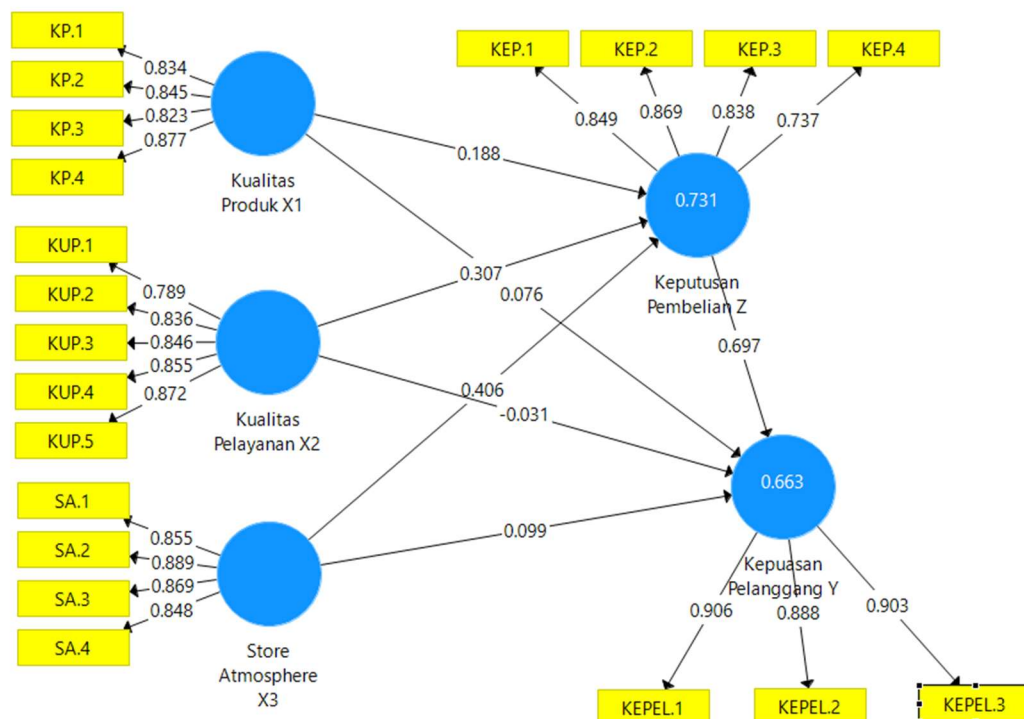
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**Table 1.** Outer Loading

| | Kepuasan Pelanggang Y | Keputusan Pembelian Z | Kualitas Pelayanan X2 | Kualitas Produk X1 | Store Atmosphere X3 |
|---|---|---|---|---|---|
| SA.2 | | | | | 0.889 |
| SA.3 | | | | | 0.869 |
| SA.1 | | | | | 0.855 |
| SA.4 | | | | | 0.848 |
| KEP.1 | | 0.849 | | | |
| KEP.2 | | 0.869 | | | |
| KEP.3 | | 0.838 | | | |
| KEP.4 | | 0.737 | | | |
| KEPEL.1 | 0.906 | | | | |
| KEPEL.2 | 0.888 | | | | |
| KEPEL.3 | 0.903 | | | | |
| KP.1 | | | | 0.834 | |
| KP.2 | | | | 0.845 | |
| KP.3 | | | | 0.823 | |
| KP.4 | | | | 0.877 | |
| KUP.1 | | | 0.789 | | |
| KUP.2 | | | 0.836 | | |
| KUP.3 | | | 0.846 | | |
| KUP.4 | | | 0.855 | | |
| KUP.5 | | | 0.872 | | |

*) SPSS Output

It can be seen from the table above that the correlation values of the customer satisfaction indicators with their construct are 0.906, 0.888, and 0.903. Therefore, the model's outer values or the correlations between the construct and the variables meet Convergent Validity, as all factor loading values are above 0.7.

### Validity Test with Discriminant Validity

To measure validity, it is necessary to test the relationships between variables, including discriminant validity and average variance extracted (AVE). The expected value of AVE should be greater than 0.5 (Andreas Wijaya, 2019).

**Table 2.** Cross Loading

**Discriminant Validity**

| | Kepuasan Pelanggang Y | Keputusan Pembelian Z | Kualitas Pelayanan X2 | Kualitas Produk X1 | Store Atmosphere X3 |
|---|---|---|---|---|---|
| KEP.1 | 0.795 | 0.849 | 0.677 | 0.560 | 0.667 |
| KEP.2 | 0.732 | 0.869 | 0.672 | 0.622 | 0.661 |
| KEP.3 | 0.646 | 0.838 | 0.748 | 0.707 | 0.733 |
| KEP.4 | 0.468 | 0.737 | 0.631 | 0.588 | 0.677 |
| KEPEL.1 | 0.906 | 0.768 | 0.631 | 0.636 | 0.672 |
| KEPEL.2 | 0.888 | 0.684 | 0.605 | 0.582 | 0.600 |
| KEPEL.3 | 0.903 | 0.730 | 0.643 | 0.530 | 0.629 |
| KP.1 | 0.483 | 0.589 | 0.596 | 0.834 | 0.569 |
| KP.2 | 0.440 | 0.533 | 0.595 | 0.845 | 0.543 |
| KP.3 | 0.647 | 0.682 | 0.769 | 0.823 | 0.716 |
| KP.4 | 0.585 | 0.695 | 0.752 | 0.877 | 0.722 |
| KUP.1 | 0.611 | 0.630 | 0.789 | 0.751 | 0.733 |
| KUP.2 | 0.549 | 0.651 | 0.836 | 0.592 | 0.742 |
| KUP.3 | 0.588 | 0.700 | 0.846 | 0.668 | 0.746 |
| KUP.4 | 0.581 | 0.755 | 0.855 | 0.686 | 0.790 |
| KUP.5 | 0.596 | 0.728 | 0.872 | 0.719 | 0.776 |
| SA.1 | 0.608 | 0.714 | 0.783 | 0.736 | 0.855 |
| SA.2 | 0.610 | 0.750 | 0.812 | 0.663 | 0.889 |
| SA.3 | 0.594 | 0.682 | 0.747 | 0.636 | 0.869 |
| SA.4 | 0.631 | 0.715 | 0.778 | 0.617 | 0.848 |

*) SPSS Output

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It can be observed from the table that the correlation values between constructs and their indicators are greater than the correlation values between different constructs. This indicates that all constructs or latent variables have good discriminant validity, meaning the indicators within each construct are more strongly related to their own construct than to indicators of other constructs. According to Fornell and Larcker (1981) as cited in Ghozali (2006), this measurement can be used to assess the reliability of component scores for latent variables, and the results are more conservative compared to composite reliability (PC). It is recommended that the AVE value should be greater than 0.50.

Table 3. Measurement using Average Variance Extracted criteria (AVE)

| Variable | Average Variance Extracted (AVE) | Validity |
|---|---|---|
| Product Quality X1 | 0,714 | Valid |
| Servise Quality X2 | 0.706 | Valid |
| Store Atmosphere X3 | 0,749 | Valid |
| Buying Decision Z | 0,680 | Valid |
| Customer Satisfaction Y | 0,808 | Valid |

Source: Data processed using SmartPLS (2024)

From the table above it can be seen that the AVE value is above 0.5, this means that all latent variables used in this research are valid because they have met the recommended AVE value (>0.5).

**Test reliability with Composite Reliability and Cronbach's Alpha"**

In addition to construct validity testing, construct reliability testing was also conducted, measured using Composite Reliability and Cronbach's Alpha for the indicator blocks that assess the construct. The following are the results of the Composite Reliability and Cronbach's Alpha tests from SmartPLS:

Table 4. Measurement with Composite Reliability and Cronbach's Alpha

| Variable | Cronbach's Alpha | Composite Reliability | Validity |
|---|---|---|---|
| Product Quality X1 | 0,867 | 0,909 | Reliable |
| Servise Quality X2 | 0.895 | 0,923 | Reliable |
| Store Atmosphere X3 | 0,888 | 0,923 | Reliable |
| Buying Decision Z | 0,842 | 0,895 | Reliable |
| Customer Satisfaction Y | 0,881 | 0,927 | Reliable |

Source: Data processed using SmartPLS (2024)

A construct is considered reliable if the Composite Reliability value is above 0.70 and Cronbach's Alpha is above 0.70. The results shown in the table above indicate that all constructs have Composite Reliability values above 0.70 and Cronbach's Alpha values above 0.70. Therefore, it can be concluded that the constructs have good reliability.

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## Designing the Inner Model

After the outlier model testing has been satisfied, the next step is to evaluate the inner model (structural model). The structural model is assessed using R-square for dependent variables and path coefficients for independent variables, which are then evaluated for significance based on the t-statistic values of each path. A higher R-square indicates a better predictive model of the proposed research model. Path coefficients show the significance level in hypothesis testing. The purpose of the inner model is to examine the relationships between the indicators that make up the variables (Wijaya, 2019).

## Variance Analysis (R²) or Determination Test

Changes in R-square values can be used to explain the influence of specific exogenous latent variables on endogenous latent variables to determine whether they have a substantial impact (Ghozali & Latan, 2015: 78). According to Chin (as cited in Ghozali & Latan, 2015: 81).

**Table 5.** R-Square

| Variable | R-Square | R-Square Adjusted |
|---|---|---|
| Buying Decision Z | 0,663 | 0,651 |
| Customer Satisfaction Y | 0,731 | 0,724 |

Source: Data processed using SmartPLS (2024)

Based on the table above, the adjusted R-squared values for each equation are above 30 percent (0.3).

1. An R-squared value of 0.663 means that the independent variables (Product Quality X1, Service Quality X2, Store Atmosphere X3) can explain 66.3% of the variance in the mediating variable Purchase Decision, with the remaining variance explained by variables outside the model.
2. An R-squared value of 0.731 means that the independent variables (Product Quality X1, Service Quality X2, Store Atmosphere X3) along with the mediating variable Purchase Decision can explain 73.1% of the variance in the dependent variable Customer Satisfaction, with the remaining variance explained by variables outside the model.
3. Stone-Geisser Q-Square Test (Predictive Relevance) To calculate.
   $Q_2 = 1-(1-R1^2)(1-R2^2)$
   $Q_2 = 1-(1-0,663)(1-0,731) = 0,932$
   $Q_2 = 0,932$
   A Q-Square value greater than 0 indicates that the model has predictive relevance.
4. *Good Of Fit (Gof)*
   Suatu model dikatakan baik jika nilai *gof* diatas 0,38 dan diatas 0,25 moderat fit.
   $Gof = \sqrt{AVE \times R^2}$
   $Gof = \sqrt{0,731 \times 1^2}$
   $Gof = 0,731$

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Based on the Goodness of Fit (GoF) calculation, it can be seen that the model has a good observation value, as the GoF value is high, exceeding 0.25.

## F Square

Table 6. F-Square

| Variable | Buying Decision Z | Customer Satisfaction Y |
|---|---|---|
| Buying Decision Z | | 0,389 |
| Product Quality X1 | 0,043 | 0,005 |
| Servise Quality X2 | 0,112 | 0,005 |
| Store Atmosphere X3 | 0,052 | 0,000 |

Source: Data processed using SmartPLS (2024)

Based on the table above, it can be concluded that:
1. The effect size of Y on Z and X2 on Y is large.
2. The effect size of X1 on Z, X3 on Z, X1 on Y, and X2 on Y is moderate.
3. The effect size of X3 on Y is small.

## VIF



| | VIF |
|---|---|
| KEP.1 | 2.191 |
| KEP.2 | 2.418 |
| KEP.3 | 1.945 |
| KEP.4 | 1.547 |
| KEPEL.1 | 2.466 |
| KEPEL.2 | 2.376 |
| KEPEL.3 | 2.544 |
| KP.1 | 2.356 |
| KP.2 | 2.399 |
| KP.3 | 1.815 |
| KP.4 | 2.332 |
| KUP.1 | 1.898 |
| KUP.2 | 2.268 |
| KUP.3 | 2.356 |
| KUP.4 | 2.457 |
| KUP.5 | 2.684 |
| SA.1 | 2.297 |
| SA.2 | 2.702 |
| SA.3 | 2.501 |
| SA.4 | 2.205 |

Figure 2. VIF

Based on the VIF values in the table above, there are no VIF values greater than 5, indicating that there is no multicollinearity issue.
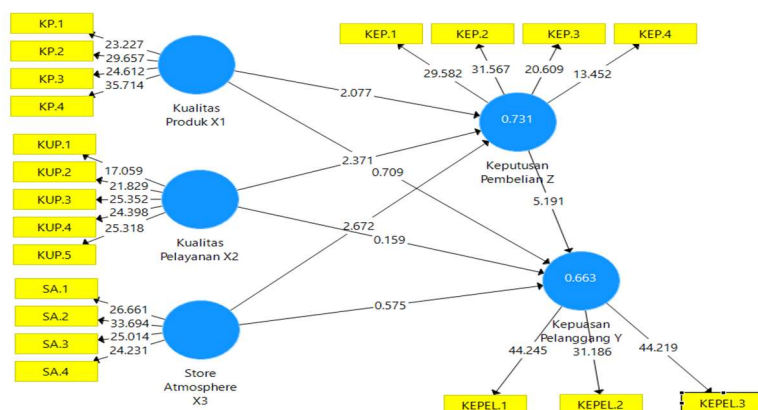
## Hypotesis Testing



Figure 3. Hypothesis Testing

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**Table 7.** Path Coefficients Results

| Direct Effect Relationships | Koefisien | (STDEV) | T Statistics | P Values | Conclusion |
|---|---|---|---|---|---|
| Buying Decision Z -> Customer Satisfaction Y | 0,709 | 0,134 | 5,191 | 0,000 | $H_o$ Rejected $H_1$ Accepted |
| *Store Atmosphere* X3 -> Buying Decision Z | 0,410 | 0,152 | 2,672 | 0,004 | $H_o$ Rejected $H_1$ Accepted |
| Servise Quality X2 -> Buying Decision Z | 0,310 | 0,130 | 2,371 | 0,009 | $H_o$ Rejected $H_1$ Accepted |
| Product Quality X1-> Buying Decision Z | 0,182 | 0,090 | 2,077 | 0,019 | $H_o$ Rejected $H_1$ Accepted |
| *Store Atmosphere* X3 -> Customer Satisfaction Y | 0,090 | 0,172 | 0,575 | 0,575 | $H_o$ Rejected $H_1$ Accepted |
| Product Quality X1-> Customer Satisfaction Y | 0,070 | 0,108 | 0,709 | 0,709 | $H_o$ Rejected $H_1$ Accepted |
| Servise Quality X2 -> Customer Satisfaction Y | -0,027 | 0,193 | 0,159 | 0,159 | $H_o$ Rejected $H_1$ Accepted |

Source: Data processed using SmartPLS (2024)

In SmartPLS, statistical testing of each hypothesized relationship is conducted through simulations. The results of the analysis from SmartPLS are as follows:

**Direct Effect Hypothesis Testing**

1. Hypothesis Testing 1: Product Quality has a positive and significant effect on Purchase Decision. Coefficient value: 0.182, t-statistic = 2.077 > t-table = 1.96, p-value = 0.019 < alpha = 0.05. Based on these results, Hypothesis 1 is accepted.
2. Hypothesis Testing 2: Service Quality has a positive and significant effect on Purchase Decision. Coefficient value: 0.310, t-statistic = 2.371 > t-table = 1.96, p-value = 0.009 < alpha = 0.05, Based on these results, Hypothesis 2 is accepted.
3. Hypothesis Testing 3: Store Atmosphere has a positive and significant effect on Purchase Decision. Coefficient value: 0.410, t-statistic = 2.672 > t-table = 1.96, p-value = 0.004 < alpha = 0.05. Based on these results, Hypothesis 3 is accepted.
4. Hypothesis Testing 4: Product Quality has a positive but non-significant effect on Customer Satisfaction.
   With a coefficient value of 0.070, a t-statistic of 0.709 < t-table = 1.96, and a p-value of 0.709 > alpha = 0.05, it can be concluded that Hypothesis 4 is rejected.
1. Hypothesis Testing 5: Service Quality has a negative and non-significant effect on Customer Satisfaction. Coefficient value: -0.027, t-statistic = 0.159 < t-table = 1.96, p-value = 0.159 > alpha = 0.05. Based on these results, Hypothesis 5 is rejected.
2. Hypothesis Testing 6: Store Atmosphere has a positive but non-significant effect on Customer Satisfaction. Coefficient value: 0.090, t-statistic = 0.575 < t-table = 1.9, p-value = 0.575 > alpha = 0.05, Based on these results, Hypothesis 6 is rejected.

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3. Hypothesis Testing 7: Purchase Decision has a positive and significant effect on Customer Satisfaction. Coefficient value: 0.709, t-statistic = 5.191 > t-table = 1.96, p-value = 0.000 < alpha = 0.05. Based on these results, Hypothesis 7 is accepted.

## Pengujian Hipotesis Pengaruh Tidak Langsung

The results of the hypothesis testing for indirect effects through commitment as an intervening variable, by examining the specific indirect effect, are presented in the following table:

**Table 8.** Specific Indirect Results

| Indirect Effect Relationships | Koefisien | T Statistics | P Values | Conclusion |
|---|---|---|---|---|
| Product Quality X1 -> Buying Decision Z -> Customer Satisfaction Y | 0,131 | 1,862 | 0,032 | $H_{o\ Rejected}$ $H_{1\ Accepted}$ |
| Servise Quality X2 -> Buying Decision Z -> Customer Satisfaction Y | 0,214 | 2,033 | 0,021 | $H_{o\ Rejected}$ $H_{1\ Accepted}$ |
| Store Atmosphere X3 -> Buying Decision Z -> Customer Satisfaction Y | 0,283 | 2,261 | 0,012 | $H_{o\ Rejected}$ $H_{1\ Accepted}$ |

Source: Data processed using SmartPLS (2024)

1. Hypothesis Testing 8: Product Quality indirectly has a positive and significant effect on Purchase Decision through Customer Satisfaction. Coefficient value: 0.131, t-statistic = 1.862 > t-table = 1.96, p-value = 0.032 < alpha = 0.05. Based on these results, Hypothesis 8 is accepted.
2. Hypothesis Testing 9: Service Quality indirectly has a positive and significant effect on Purchase Decision through Customer Satisfaction. Coefficient value: 0.214, t-statistic = 2.033 > t-table = 1.96, p-value = 0.021 < alpha = 0.05. Based on these results, Hypothesis 9 is accepted.
3. Hypothesis Testing 10: Store Atmosphere indirectly has a positive and significant effect on Purchase Decision through Customer Satisfaction. Coefficient value: -0.283. t-statistic = 2.261 > t-table = 1.96, p-value = 0.012 < alpha = 0.05. Based on these results, Hypothesis 10 is accepted.

## Discussion

**Table 9.** Summary of Research Hypotheses Results

| | Variable | Conclusion |
|---|---|---|
| $H_1$ | Product Quality X1 -> Customer Satisfaction Y | Positive and insignificant |
| $H_2$ | Product Quality X1 -> Buying Decision Z | Positive and Significant |
| $H_3$ | Servise Quality X2 -> Customer Satisfaction Y | Positive and insignificant |

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| | Variable | Conclusion |
|---|---|---|
| $H_4$ | | Positive and |
| | Servise Quality X2 -> Buying Decision Z | Significant |
| $H_5$ | | Positive and |
| | Store Atmosphere X3 -> Customer Satisfaction Y | insignificant |
| $H_6$ | | Positive and |
| | Store Atmosphere X3 -> Buying Decision Z | Significant |
| $H_7$ | | Positive and |
| | Keputusan Pembelian Z -> Customer Satisfaction Y | Significant |
| $H_8$ | Product Quality X1 -> | Positive and |
| | Buying Decision Z -> Customer Satisfaction Y | Significant |
| $H_9$ | Servise Quality X2 -> Buying Decision Z -> | Positive and |
| | Customer Satisfaction Y | Significant |
| $H_{10}$ | Store Atmosphere X3 -> Buying Decision Z -> Customer | Positive and |
| | Satisfaction Y | Significant |

This study aims to examine the effects of product quality, service quality, and store atmosphere on purchase decisions through customer satisfaction. Based on the analysis results, the discussion of the research findings includes the following:

## Impact of Product Quality on Customer Satisfaction

With a coefficient value of 0.070, t-statistic = 0.709 (less than t-table value of 1.96), and p-value = 0.709 (greater than alpha level of 0.05), it can be concluded that the effect of product quality on customer satisfaction for Santri bottled water at Basmalah store in Sumenep is positive but not significant. In reality, the Santri bottled water product has a positive but non-significant impact on customers. This is attributed to suboptimal sales regulations. The analysis indicates that there are few distributors in the Sumenep area, relying mainly on sales through a few Basmalah stores. Consequently, this leads to an accumulation of unsold Santri bottled water in storage, which adversely affects the quality of the product at Basmalah store in Sumenep. This is similar to the study by Mugi Widya Ningsih (2022) titled "The Effect of Product Quality on Satisfaction as an Intervening Variable (among Unhar Students of Online Marketplace Customers)," which found that product quality has a negative and insignificant effect on customer satisfaction. This suggests that customer satisfaction is highly dependent on the quality level of the products offered.

## Impact of Product Quality on Purchase Decisions

Product quality has a positive and significant effect on purchase decisions. With a coefficient value of 0.182, a t-statistic of 2.077 (greater than the t-table value of 1.96), and a p-value of 0.019 (less than the alpha level of 0.05), it can be concluded that the quality of Santri bottled water at Basmalah store has a positive and significant impact on purchase decisions. However, the impact of product quality at Basmalah store in Sumenep is minimal in measuring purchase decisions. This suggests that there are other factors with a more direct influence on purchase decisions. This finding aligns with previous research, such as studies

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by Nurul A., Haris H., Ahmad I. (2022), and Fera & Pramuditha (2021), which also indicate that product quality positively and significantly affects purchase decisions. This supports the research hypothesis and economic theories stating that better product quality positively influences purchase decisions. Based on this analysis, it is advisable to expand the network of distributors and Santri bottled water kiosks in Sumenep and to maximize sales at Basmalah store in Sumenep. This recommendation is based on the increasing presence of new competitors who are reaching remote village shops in Sumenep.

### The Impact of Service Quality on Customer Satisfaction

With a coefficient value of -0.027, a t-statistic of 0.159 (less than the t-table value of 1.96), and a p-value of 0.159 (greater than the alpha level of 0.05), it can be concluded that the quality of Santri bottled water at Basmalah store in Sumenep has a positive but not significant impact on customer satisfaction. This finding is consistent with previous research, such as Budiarno (2022) in the study titled "The Impact of Service Quality and Product Quality on Customer Satisfaction in Shaping Customer Loyalty," which found that service quality has a negative and non-significant effect on customer satisfaction. It is also aligned with the study by Muhammad R., Jeni K., & Mapparenta (2021) titled "The Impact of Price, Promotion, and Service Quality on Consumer Satisfaction. The overall service quality of Santri bottled water at Basmalah store in Sumenep does not meet customer expectations perfectly. Notable factors include issues with cleanliness and organization, such as dusty cartons of Santri bottled water and dimly lit interiors. Customer satisfaction largely depends on the quality of service provided. High-quality service leads to customer satisfaction, which, in turn, influences how customers compare the service they receive to their expectations.

### The Impact of Service Quality on Purchase Decisions

Service quality has a positive and significant effect on purchase decisions. With a coefficient value of 0.310, a t-statistic of 2.371 (greater than the t-table value of 1.96), and a p-value of 0.009 (less than the alpha level of 0.05), it can be concluded that the quality of Santri bottled water service at Basmalah store in Sumenep significantly influences purchase decisions. This result is consistent with the study by Novita D., Irwan Y., Sudirman, Raflin H., & Roy H. (2023), which found a positive impact of service quality on purchase decisions. At Basmalah store in Sumenep, purchase decisions are influenced positively by service quality, though customers may perceive these decisions as relatively ordinary or standard. High service quality, such as friendly employee attitudes and prompt service, enhances customer comfort and strengthens the likelihood of making a purchase. Good service quality helps address customer problems or needs, which may arise from internal or external factors.

### The Impact of Store Atmosphere on Customer Satisfaction

With a coefficient value of 0.090, a t-statistic of 0.575 (less than the t-table value of 1.96), and a p-value of 0.575 (greater than the alpha level of 0.05), it can be concluded that the store atmosphere of Santri bottled water at Basmalah store in Sumenep has a positive but non-significant impact on customer satisfaction. This finding aligns with the research by Lina Y. & Muhammad B. (2023) and Nadi Fikri Rijali (2022), which examined the impact of store atmosphere and service quality on customer satisfaction. These studies suggest that

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store atmosphere alone does not significantly influence customer satisfaction. Customer satisfaction is not directly experienced without a purchase decision. It is through the act of purchasing that customers experience the store atmosphere, which ultimately contributes to their satisfaction.

### The Impact of Store Atmosphere on Purchase Decisions

Store atmosphere has a positive and significant effect on purchase decisions. With a coefficient value of 0.410, a t-statistic of 2.672 (greater than the t-table value of 1.96), and a p-value of 0.004 (less than the alpha level of 0.05), it can be concluded that the store atmosphere of Santri bottled water at Basmalah store in Sumenep has a positive and significant impact on purchase decisions. This result indicates that store atmosphere significantly influences purchase decisions. Customers visiting Basmalah store in Sumenep prioritize comfort and enjoy the ambiance within the store. These findings are consistent with previous research by Nurdin (2017), Waha et al. (2023), and Wardhani & Dwijayanti (2021), which show that store atmosphere has a positive and significant effect on customer satisfaction. This suggests that an appealing store environment plays a crucial role in influencing customers' decisions to purchase.

### The Impact of Purchase Decisions on Customer Satisfaction

With a coefficient value of 0.709, a t-statistic of 5.191 (greater than the t-table value of 1.96), and a p-value of 0.000 (less than the alpha level of 0.05), it can be concluded that the purchase decision for Santri bottled water at Basmalah store in Sumenep has a positive and significant impact on customer satisfaction. This finding is supported by Salman P. & Siti N. (2021), who reported that purchase decisions have a positive and significant direct effect on customer satisfaction. According to Stanton (2004), in the consumer purchasing process, there is what is known as a protective buying motive. This protective buying motive refers to the reasons consumers choose to make a purchase at a specific location. Some of these motives include factors such as product quality, service quality, and store atmosphere. This indicates that product quality, service quality, store atmosphere, and purchase decisions together have a significant direct influence on customer satisfaction. This is consistent with prior research conducted by Mohammad Rafi (2018), which found that price, product quality, and service quality have a significant simultaneous impact on purchase decisions.

### The Impact of Product Quality on Customer Satisfaction Through Purchase Decisions

With a coefficient value of 0.131, a t-statistic of 1.862 (greater than the t-table value of 1.96), and a p-value of 0.032 (less than the alpha level of 0.05), it can be concluded that the product quality of Santri bottled water at Basmalah store in Sumenep has a positive and significant impact on customer satisfaction through purchase decisions. This finding aligns with research conducted by Hidayat et al. (2020) and Bahar & Sjaharuddin (2015), which indicates that product quality significantly influences purchase decisions, with customer satisfaction serving as a mediating variable.

### The Impact of Service Quality on Customer Satisfaction Through Purchase Decisions

With a coefficient value of 0.214, a t-statistic of 2.033 (greater than the t-table value of 1.96), and a p-value of 0.021 (less than the alpha level of 0.05), it can be concluded that the

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service quality of Santri bottled water at Basmalah store in Sumenep has a positive and significant impact on customer satisfaction through purchase decisions. This result is consistent with the research conducted by Ridha N., Ami P., & Indra F. (2022), which found a positive and significant effect of e-service quality on purchase decisions.

**The Impact of Store Atmosphere on Customer Satisfaction Through Purchase Decisions**

With a coefficient value of -0.283, a t-statistic of 2.261 (greater than the t-table value of 1.96), and a p-value of 0.012 (less than the alpha level of 0.05), it can be concluded that the store atmosphere of Santri bottled water at Basmalah store in Sumenep has a significant impact on customer satisfaction through purchase decisions. This analysis aligns with research by Soebandhi et al. (2020) and Puspita AP, Natalia RN, & Anindita IB (2021), which indicates that store atmosphere and service quality significantly affect customer satisfaction. Compared to service quality, store atmosphere has a stronger effect on customer satisfaction. This study can help business practitioners gain a better understanding of the crucial role that store atmosphere and service quality play in competing in a competitive industry.

# CONCLUSION

Based on the analysis and discussion of the research findings regarding the impact of Product Quality, Service Quality, and Store Atmosphere on Purchase Decisions and their effects on Customer Satisfaction for Santri bottled water at Basmalah store in Sumenep, the following conclusions can be drawn:

1. Product Quality has a positive and significant effect on Purchase Decisions.
2. Service Quality has a positive and significant effect on Purchase Decisions.
3. Store Atmosphere has a positive and significant effect on Purchase Decisions.
4. Product Quality has a positive but insignificant effect on Customer Satisfaction directly.
5. Service Quality has a positive but insignificant effect on Customer Satisfaction directly.
6. Store Atmosphere has a positive but insignificant effect on Customer Satisfaction directly.
7. Product Quality has a positive and significant indirect effect on Purchase Decisions through Customer Satisfaction.
8. Service Quality has a positive and significant indirect effect on Purchase Decisions through Customer Satisfaction.
9. Store Atmosphere has a positive and significant indirect effect on Purchase Decisions through Customer Satisfaction.
10. Purchase Decisions have a positive and significant effect on Customer Satisfaction..

Impact of Product Quality, Service Quality, and Store Atmosphere on Purchase Decisions and Their Effect on Customer Satisfaction for Santri Bottled Water at Basmalah Store in Sumenep. To optimize the sales of Santri bottled water at Basmalah Store, it is crucial to develop partnerships with stores and small shops that are outside the reach of the current distribution network and Basmalah's regular customers. This strategy can help minimize the risks of stockpile accumulation in the warehouse and expiration dates. From a service perspective, it is important to focus on improving cleanliness, including both outdoor and

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indoor glass surfaces, as well as the cleanliness and presentation of products arranged neatly on shelves according to their specific categories. Addressing these issues can enhance sales performance and foster healthy competition in rural areas.

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