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Exploring the Relationship between Omnichannel Integration and Buying Intentions Among Gen Z Consumers in FMCG Retailing

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Abstract

The retail industry has seen a significant paradigm shift due to the quick development of internet technology, making omnichannel retailing the new norm. This strategy makes it possible for businesses to provide a smooth customer experience, which is especially crucial when it comes to digital entrepreneurship and comprehending Gen Z's purchasing habits. 384 Gen Z customers (ages 18 to 25) from Telangana and AP who buy FMCG products through a variety of outlets were polled for this study. Path analysis, confirmatory methods, and structural equation modeling (PLS-SEM) were used to analyze the data. The findings showed that customer satisfaction was positively improved by integrated order fulfillment, integrated information access, integrated customer service, and integrated product pricing. Furthermore, integrated order fulfillment and customer support lower perceived risk, which has a significant impact on customer satisfaction and buying intention. The findings emphasize the necessity for businesses to give improving customer experiences top priority since they show how crucial customer satisfaction is as a major factor influencing consumer purchasing decisions. Effective risk mitigation techniques should also be a strategic focus for businesses looking to build consumer trust and influence purchase decisions, given the substantial impact that perceived risk has on both customer satisfaction and buy intention.

Keywords: Channel Integration; FMCG; Gen Z; Omnichannel Retailing; Purchase Intention

1. Introduction

Rapid technological improvements and changing consumer expectations have played a major role in the recent evolution of the retail scene. Omnichannel retailing, which combines digital and physical channels to provide a unified, smooth, and customized consumer experience, has been adopted by numerous retailers as a strategic response (Lee et al., 2019; Cummins et al., 2016). According to research, omnichannel techniques can boost average order values by roughly 13% and improve customer retention by up to 90% when compared to singlechannel models (Gao et al., 2021). Generation Z, typically defined as individuals born between 1996 and 2010, has emerged as a key demographic in the

contemporary market landscape. Shaped by the digital revolution, environmental concerns, financial instability, and the COVID-19 pandemic, this cohort exhibits distinct consumer behaviors and values. As digital natives, Gen Z demands authenticity, inclusivity, and innovation from brands, making them a critical focus for modern marketing strategies (McKinsey & Company, 2024). The traits of an omnichannel consumer group are best represented by Generation Z, who base their purchases more on convenience than preferred channels. This generation exhibits a flexible shopping style, using online and physical channels interchangeably based on which provides the most accessibility or instant value at the



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time (Rizk et al., 2024). Generation Z exhibits elevated expectations, limited brand loyalty, and places significant emphasis on the overall consumer experience. Compared to previous generations, this cohort demonstrates markedly lower levels of brand allegiance. To effectively address and understand this phenomenon, it is essential to conduct comprehensive analysis of Generation Z's purchasing behavior and the underlying factors that influence their loyalty dynamics (Schlossberg, 2016). Although earlier studies have examined several operational and technological facets of omnichannel retailing, less focus has been placed on how this group views and reacts to channel integration, especially in the fast-moving consumer goods (FMCG) industry. While consumer-centered research has just recently started to look at engagement and empowerment outcomes, previous studies have mostly concentrated on the retailer's point of view, stressing logistics, service quality, and promotional integration (Cao et al., 2015; Bell et al., 2014). (Lee et al., 2019; Zhang et al., 2018). The psychological and experiential aspects of omnichannel strategies are still not well understood, though, particularly about how they affect Gen Z customers' pleasure, perceptions of risk, and inclinations to buy. By utilizing the Stimulus-Organism-Response (S-O-R) framework to examine the relationship between Generation Z customers' purchase intentions and their perceptions of omnichannel integration in the FMCG industry, this study seeks to bridge this gap. In particular, it seeks to:

- Examine how Generation Z views channel integration in retail settings for fast-moving consumer goods. [1-3]
- Analyze how perceived channel integration affects customer satisfaction and perceived risk.

By doing this, this study provides fresh perspectives on how companies may convert omnichannel integration into effective engagement plans for Generation Z, a group that is becoming more and more significant in the age of digital retail.

2. Literature Review

2.1. The Stimulus-Organism-Response (S-O-R) Framework

The cognitive and affective processes that result in omnichannel purchasing habits are commonly explained by the Stimulus-Organism-Response (S-O-R) framework (Parise et al., 2016; Zhang et al., 2018). The external stimulus in this paradigm is channel integration; the internal states of the organism are represented by perceived risk and satisfaction; and the behavioral reaction that results is the purchase intention to purchase. Based on this concept, empirical research has confirmed how important user empowerment and channel consistency are in influencing omnichannel purchasing intentions, especially for digital native cohorts (Lee et al., 2019; Gao & Su, 2022). The study looks at how these cues affect customer satisfaction as the primary organism variable influencing decisionmaking, turning its attention to the Indian Generation Z population in the FMCG industry. Perceived risk is also incorporated into the organism stage to acknowledge the possible uncertainty that customers may experience when interacting with new channels. Purchase intention is evaluated as the response variable in the end, providing information on how consumer behavior is impacted by channel integration in emerging market environments. [4-6]

2.2. Omnichannel Integration

With its smooth integration of digital and physical touchpoints to improve consumer experience and engagement, omnichannel shopping has become the most prevalent approach in modern commerce (Verhoef et al., 2015; Piotrowicz & Cuthbertson, 2014).

2.2.1.Integrated Product and Price (IPP)

Product and price unification are important stimuli in omnichannel shopping, influencing how customers perceive value, equity, and consistency across channels (Verhoef et al., 2015; Zhang et al., 2018).

- **H1a:** Perceived risk is positively impacted by integrated product and price
- **H1b:** Consumer satisfaction is positively impacted by integrated product and price.



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2.2.2.Integrated Promotion (IP)

The consistency and coordination of marketing campaigns, offers, and messaging across all channels of sale is known as integrated promotion. Promotional consistency improves customer trust and value perception, lowers misunderstandings, and increases brand credibility, according to earlier research (Herhausen et al., 2015; Juaneda-Ayensa et al., 2016). [7-10]

- **H2a:** Perceived risk is positively impacted by integrated promotion
- **H2b:** Consumer satisfaction is positively impacted by integrated promotion

2.2.3. Integrated Transaction Information (ITI)

Giving customers uptodate, accurate, and easily accessible information about their past purchases, payment status, and order tracking across all channels is known as integrated transaction information. According to Saghiri et al. (2017), seamless transaction visibility greatly lowers uncertainty and improves openness, which in turn promotes confidence and lessens post-purchase dissonance.

- **H3a:** Perceived risks are positively impacted by integrated transaction information.
- **H3b:** Customer satisfaction is positively impacted by integrated transaction data.

2.2.4. Integrated Information Access (IIA)

Irrespective of the medium, integrated information access improves user convenience and lowers search effort by empowering consumers to make educated choices (Piotrowicz & Cuthbertson, 2014).

- **H4a:** Perceived risks are positively impacted by integrated information access [11-13]
- **H4b:** Consumer satisfaction is positively impacted by integrated information access

2.2.5. Integrated Order Fulfillment (IOF)

One of the main drivers of omnichannel commerce is effective, crosschannel order fulfillment, such as buyonline-pick-up-in-store (BOPIS), home delivery, or return-to-store. According to research, efficient fulfillment improves the perception of store dependability and minimizes complexity in the post-purchase phase (Herhausen et al., 2015).

- **H5a:** Perceived risk is positively impacted by integrated order fulfillment [14-16]
- **H5b:** Consumer satisfaction is positively impacted by integrated order fulfillment

2.2.6. Integrated Customer Service (ICS)

Whether through chatbots, in-store assistance, call centers, or social media, integrated customer care ensures that customers receive consistent support across all channels. According to Ailawadi and Farris (2017),unified customer service enhances satisfaction and perceived responsiveness by alleviating the psychological and practical strain associated with requesting assistance. Zhang et al. (2018) showed that, particularly in intricate omnichannel journeys, integrated service delivery is crucial to bolstering client trust. [17-20]

- **H6a:** Perceived risk is positively impacted by integrated customer service
- **H6b:** Consumer satisfaction is positively impacted by integrated customer service

2.3. Perceived Risk (PR)

Perceived risk indicates the client's psychological estimate of the possible losses or ambiguity linked with a transaction (Pappas, 2016). On the other hand, seamless systems enhance perception procedural security and decrease choice uncertainty (Lin, 2021). According to Quach et al. (2022), businesses that implement an omnichannel approach may lower the perceived risk of their customers by providing consistent product and service information as well as data about transaction integration, which may also boost customer happiness. [21-23]

- **H7:** Perceived risk has a positive influence on customer satisfaction.
- **H8:** Perceived risk has a positive influence on purchase intention.

2.4. Customer Satisfaction (CS)

Consumer satisfaction, according to Anderson and Srinivasan (2003), is a continuous assessment of the element of surprise connected to the acquisition and use of a commodity or service. This situation occurs when the consumer experience is at least partially fulfilled (Oliver, 2010).

• **H9:** Customer satisfaction has a positive



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influence on purchase intention

3. Method

3.1. Sampling and Data Collection

The current study used judgmental samplingas it allows the researcher to collect data from respondents who have previously made Omnichannel purchases from FMCG retailers. The questions were based on M. Zhang et al. (2018), Li et al. (2018), Lee (2020), and Shi et al. (2020) and were created using a fivepoint Likert scale (1 being strongly disagree and 5 agree).Six elements strongly of omnichannel environment were reflected in the reliability test results. The range of reliability evaluations was 0.704 to 0.865. With a Cronbach's alpha of 0.704, the scale's internal consistency was deemed satisfactory and it satisfied the requirements for exploratory study (George & Mallery, 2003). Furthermore, Cronbach's alpha was 0.823 > 0.70(Table 1), indicating high reliability. [24-26]

3.2. Demographic Statistics

The primary data for this study were collected from a

sample of 384 members of Generation Z, defined as individuals aged between 18 and 25 years, residing in the states of Andhra Pradesh and Telangana. All participants had prior experience purchasing fast-moving consumer goods (FMCG) from both online and offline platforms of the same retailer. Data were gathered through an online survey in which respondents confirmed that they had previously purchased FMCG products from the same brand both in-store and via digital channels. The sample comprised of 69.5% male and 30.5% female participants. The largest group of the respondents (82.5%) was pursuing their post graduate studies.

3.3. Data Analysis

Data was conducted in three stages using SPSS 23.0. Descriptive statistics were first computed, followed by confirmatory factor analysis (CFA) to validate the measurement model. Structural equation modelling (SEM) was then used to test the hypothesized relationships.

Table 1 Descriptive Statistics

| Construct | Missing Mean | | Median | Min | Max | Standard Deviation |
|-----------|--------------|-------|--------|-----|-----|--------------------|
| IPP | 0 | 3.804 | 4 | 1 | 5 | 0.9915 |
| IP | 0 | 3.382 | 3.5 | 1 | 5 | 0.9504 |
| ITI | 0 | 3.425 | 3.333 | 1 | 5 | 1.0409 |
| IIA | 0 | 3.192 | 3.333 | 1 | 5 | 0.992 |
| IOF | 0 | 3.33 | 3.5 | 1 | 5 | 1.1758 |
| ICS | 0 | 3.892 | 4 | 1 | 5 | 0.915 |
| PR | 0 | 3.555 | 3.667 | 1 | 5 | 1.1122 |
| CS | 0 | 3.495 | 3.667 | 1 | 5 | 1.0807 |
| PI | 0 | 3.425 | 3.5 | 1 | 5 | 1.2264 |

^a **Source(s):** Authors' Own Creation

^bCS = Customer Satisfaction; **ICS** = Integrated Customer Service; **IIA** = Integrated Information Access; **IOF** = Integrated Order Fulfilment; **IP** = Integrated Promotion; **IPP** = Integrated Product Price; **ITI** Integrated Transaction Information; **PI** = Purchase Intention; **PR** = Perceived Risk



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3.4. Tables

Table 2 Kurtosis and Skewness for The Normality Test

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|------------------------------------|-----------------|--------------------|
| Construct | Kurtosis | Skewness |
| Integrated Product Price | -0.234 | -0.57 |
| Integrated Promotion | -0.369 | -0.634 |
| Integrated Transaction Information | -0.644 | -0.412 |
| Integrated Information Access | -0.618 | -0.158 |
| Integrated Order Fulfillment | -0.971 | -0.397 |
| Integrated Customer Service | -0.068 | -0.568 |
| Perceived Risk | -0.817 | -0.31 |
| Customer Satisfaction | -0.495 | -0.609 |
| Purchase Intention | -1.084 | -0.243 |

^a Source(s): Authors' Own Creation

^b CS = Customer Satisfaction; ICS = Integrated Customer Service; IIA = Integrated Information Access; IOF = Integrated Order Fulfilment; IP = Integrated Promotion; IPP = Integrated Product Price; ITI = Integrated Transaction Information; PI = Purchase Intention; PR = Perceived Risk

Table 3 Variable Reliability Criterion Measurement

| Table 5 variable Kenability Criterion Weasti elicit | | | | | | | | |
|---|---------------------|-------|--------------------------|-------------------------------------|--|--|--|--|
| Variable | Cronbach's Alpha | Rho_A | Composite Reliability | Average Variance Extracted (AVE) | | | | |
| IPP | 0.851 | 0.859 | 0.910 | 0.770 | | | | |
| IP | 0.808 | 0.871 | 0.861 | 0.608 | | | | |
| ITI | 0.746 | 0.793 | 0.852 | 0.658 | | | | |
| IIA | 0.704 | 0.853 | 0.818 | 0.606 | | | | |
| IOF | 0.865 | 0.902 | 0.906 | 0.707 | | | | |
| ICS | 0.821 | 0.825 | 0.893 | 0.736 | | | | |
| PR | 0.846 | 0.848 | 0.907 | 0.765 | | | | |
| CS | 0.817 | 0.820 | 0.892 | 0.733 | | | | |
| PI | 0.865 | 0.866 | 0.917 | 0.788 | | | | |

^a **Source(s):** Authors' Own Creation

^b **CS** = Customer Satisfaction; **ICS** = Integrated Customer Service; **IIA** = Integrated Information Access; **IOF** = Integrated Order Fulfilment; **IP** = Integrated Promotion; **IPP** = Integrated Product Price; **ITI** = Integrated Transaction Information; **PI** = Purchase Intention; **PR** = Perceived Risk



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Table 4 Discriminant Validity Assessment Fornell-Larcker Criterion (AVE Square Root)

| Variable | CS | ICS | IIA | IOF | IP | IPP | ITI | PI | PR |
|----------|--------|--------|--------|-------|-------|-------|-------|-------|-------|
| CS | 0.856 | | | | | | | | |
| ICS | 0.283 | 0.858 | | | | | | | |
| IIA | -0.177 | -0.099 | 0.779 | | | | | | |
| IOF | -0.126 | 0.192 | 0.061 | 0.841 | | | | | |
| IP | 0.089 | 0.144 | -0.058 | 0.105 | 0.78 | | | | |
| IPP | 0.225 | 0.259 | -0.02 | 0.037 | 0.118 | 0.878 | | | |
| ITI | 0.159 | 0.124 | -0.021 | 0.051 | 0.095 | 0.444 | 0.811 | | |
| PI | 0.313 | 0.541 | -0.075 | 0.087 | 0.106 | 0.207 | 0.067 | 0.887 | |
| PR | 0.231 | 0.583 | -0.062 | 0.238 | 0.109 | 0.17 | 0.031 | 0.742 | 0.875 |

^a **Source(s):** Authors' Own Creation

^b CS = Customer Satisfaction; ICS = Integrated Customer Service; IIA = Integrated Information Access; IOF = Integrated Order Fulfilment; IP = Integrated Promotion; IPP = Integrated Product Price; ITI = Integrated Transaction Information; PI = Purchase Intention; PR = Perceived Risk

Table 5 Measurement Model

| Items | CS | ICS | IIA | IPP | IP | IQA | ITI | PI | PR | VIF |
|-------|-------|-------|-------|-------|-------|-------|-----|----|----|-------|
| CS1 | 0.849 | | | | | | | | | 2.055 |
| CS2 | 0.900 | | | | | | | | | 2.378 |
| CS3 | 0.818 | | | | | | | | | 1.562 |
| ICS1 | | 0.832 | | | | | | | | 1.711 |
| ICS2 | | 0.869 | | | | | | | | 1.956 |
| ICS3 | | 0.873 | | | | | | | | 1.904 |
| IIA1 | | | 0.732 | | | | | | | 1.389 |
| IIA2 | | | 0.644 | | | | | | | 1.301 |
| IIA3 | | | 0.932 | | | | | | | 1.498 |
| IOF1 | | | | 0.851 | | | | | | 2.131 |
| IOF2 | | | | 0.759 | | | | | | 1.834 |
| IOF3 | | | | 0.879 | | | | | | 2.215 |
| IOF4 | | | | 0.869 | | | | | | 2.098 |
| IP1 | | | | | 0.833 | | | | | 2.159 |
| IP2 | | | | | 0.775 | | | | | 2.234 |
| IP3 | | | | | 0.699 | | | | | 1.801 |
| IP4 | | | | | 0.805 | | | | | 1.281 |
| IPP1 | | | | | | 0.882 | | | | 2.047 |
| IPP2 | | | | | | 0.902 | | | | 2.389 |
| IPP3 | | | | | | 0.848 | | | | 1.965 |



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| ITI1 | | | | 0.75 | | | 1.289 |
|------|--|--|--|-------|-------|-------|-------|
| ITI2 | | | | 0.802 | | | 1.789 |
| ITI3 | | | | 0.877 | | | 1.722 |
| PI1 | | | | | 0.867 | | 1.973 |
| PI2 | | | | | 0.882 | | 2.349 |
| PI3 | | | | | 0.913 | | 2.736 |
| PR1 | | | | | | 0.899 | 2.355 |
| PR2 | | | | | | 0.876 | 2.100 |
| PR3 | | | | | | 0.848 | 1.842 |

^a **Source**(**s**): Authors' Own Creation

^b CS = Customer Satisfaction; ICS = Integrated Customer Service; IIA = Integrated Information Access; IOF = Integrated Order Fulfilment; IP = Integrated Promotion; IPP = Integrated Product Price; ITI = Integrated Transaction Information; PI = Purchase Intention; PR = Perceived Risk

Table 6 Direct Relationship Hypotheses Measurement

| | T | | Tiship 113 pounds | 1 | 1 | 1 | 1 |
|-----------------------|------------------------|----------------------------------|-----------------------------|-------------|--------|--------|----------|
| Hypotheses | Original Sample (O) | Standard Deviation (STDEV) | T Statistics (O/STDEV) | P Values | 2.50% | 97.50% | Result |
| H1a (IPP □ PR) | 0.05 | 0.043 | 1.159 | 0.247 | -0.037 | 0.132 | Rejected |
| H1b (IPP □ CS) | 0.118 | 0.053 | 2.253 | 0.025 | 0.019 | 0.224 | Accepted |
| H2a (IP □ PR) | 0.016 | 0.041 | 0.38 | 0.704 | -0.066 | 0.096 | Rejected |
| $H2b (IP \square CS)$ | 0.039 | 0.05 | 0.783 | 0.434 | -0.055 | 0.141 | Rejected |
| H3a (ITI □ PR) | -0.068 | 0.044 | 1.541 | 0.124 | -0.144 | 0.02 | Rejected |
| H3b (ITI □ CS) | 0.083 | 0.049 | 1.687 | 0.092 | -0.001 | 0.185 | Rejected |
| H4a (IIA □ PR) | -0.015 | 0.041 | 0.359 | 0.719 | -0.097 | 0.061 | Rejected |
| H4b (IIA □ CS) | -0.132 | 0.046 | 2.837 | 0.005 | -0.231 | -0.048 | Accepted |
| H5a (IOF □ PR) | 0.133 | 0.043 | 3.061 | 0.002 | 0.048 | 0.214 | Accepted |
| H5b (IOF □ CS) | -0.198 | 0.059 | 3.341 | 0.001 | -0.301 | -0.079 | Accepted |
| H6a (ICS □ PR) | 0.55 | 0.043 | 12.869 | 0 | 0.461 | 0.628 | Accepted |
| H6b (ICS □ CS) | 0.181 | 0.063 | 2.874 | 0.004 | 0.057 | 0.293 | Accepted |
| H7 (PR □ CS) | 0.138 | 0.057 | 2.399 | 0.017 | 0.017 | 0.242 | Accepted |
| H8 (PR □ PI) | 0.707 | 0.039 | 17.903 | 0 | 0.627 | 0.79 | Accepted |
| H9 (CS □ PI) | 0.149 | 0.037 | 4.010 | 0.000 | 0.075 | 0.221 | Accepted |

^a **Source(s):** Authors' Own Creation

^b CS = Customer Satisfaction; ICS = Integrated Customer Service; IIA = Integrated Information Access; IOF = Integrated Order Fulfilment; IP = Integrated Promotion; IPP = Integrated Product Price; ITI = Integrated Transaction Information; PI = Purchase Intention; PR = Perceived Risk



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Table 7 Indirect Relationship Hypotheses Measurement

| Hypotheses | Original Sample (O) | Standard Deviation (STDEV) | T Statistics (O/STDE V) | P Values | 2.50% | 97.50 % | Result |
|--|---------------------------|----------------------------------|---------------------------------|-------------|--------|------------|----------|
| ICS □ PR □CS | 0.076 | 0.033 | 2.315 | 0.021 | 0.010 | 0.137 | Accepted |
| IIA □ PR□CS | -0.002 | 0.006 | 0.315 | 0.753 | -0.018 | 0.011 | Rejected |
| IOF □ PR □CS | 0.018 | 0.009 | 2.001 | 0.046 | 0.002 | 0.036 | Accepted |
| $IP \square PR \square CS$ | 0.002 | 0.006 | 0.334 | 0.739 | -0.009 | 0.018 | Rejected |
| $IPP \; \Box \; PR \; \Box \; CS$ | 0.007 | 0.008 | 0.918 | 0.359 | -0.005 | 0.026 | Rejected |
| ITI□PR □ CS | -0.009 | 0.007 | 1.245 | 0.214 | -0.026 | 0.003 | Rejected |
| ICS □ CS □ PI | 0.027 | 0.012 | 2.195 | 0.029 | 0.007 | 0.055 | Accepted |
| IIA □ CS □ PI | -0.02 | 0.008 | 2.342 | 0.02 | -0.040 | -0.006 | Accepted |
| IOF □ CS□PI | -0.03 | 0.013 | 2.352 | 0.019 | -0.057 | -0.008 | Accepted |
| IP □ CS□PI | 0.006 | 0.008 | 0.738 | 0.461 | -0.009 | 0.023 | Rejected |
| IPP □ CS □ PI | 0.018 | 0.009 | 1.866 | 0.063 | 0.002 | 0.038 | Rejected |
| ITI □ CS □ PI | 0.012 | 0.009 | 1.46 | 0.145 | 0.000 | 0.033 | Rejected |
| $ICS \square PR \square CS \square PI$ | 0.011 | 0.005 | 2.068 | 0.039 | 0.001 | 0.023 | Accepted |
| IIA \square PR \square CS \square PI | 0 | 0.001 | 0.321 | 0.748 | -0.002 | 0.002 | Rejected |
| IOF □ PR □ CS□PI | 0.003 | 0.001 | 1.832 | 0.068 | 0.000 | 0.006 | Rejected |
| $IP \square PR \square CS \square PI$ | 0 | 0.001 | 0.318 | 0.75 | -0.001 | 0.003 | Rejected |
| $IPP \square PR \square CS \square PI$ | 0.001 | 0.001 | 0.912 | 0.362 | -0.001 | 0.004 | Rejected |
| PR□CS □ PI | 0.021 | 0.01 | 2.125 | 0.034 | 0.002 | 0.041 | Accepted |
| ITI □ PR □ CS □ PI | -0.001 | 0.001 | 1.224 | 0.221 | -0.004 | 0.000 | Rejected |
| $ICS \square PR \square PI$ | 0.389 | 0.039 | 10.01 | 0 | 0.317 | 0.470 | Accepted |
| IIA □ PR □ PI | -0.01 | 0.029 | 0.356 | 0.722 | -0.069 | 0.041 | Rejected |
| IOF □ PR □PI | 0.094 | 0.032 | 2.98 | 0.003 | 0.032 | 0.154 | Accepted |
| IP □ PR □ PI | 0.011 | 0.029 | 0.38 | 0.704 | -0.044 | 0.069 | Rejected |
| IPP □ PR □PI | 0.035 | 0.031 | 1.154 | 0.249 | -0.027 | 0.094 | Rejected |
| ITI□PR □PI | -0.048 | 0.032 | 1.507 | 0.132 | 0.104 | 0.014 | Rejected |

^a **Source(s):** Authors' Own Creation

^b CS = Customer Satisfaction; ICS = Integrated Customer Service; IIA = Integrated Information Access; IOF
 = Integrated Order Fulfilment; IP = Integrated Promotion; IPP = Integrated Product Price; ITI = Integrated
 Transaction Information; PI = Purchase Intention; PR = Perceived Risk



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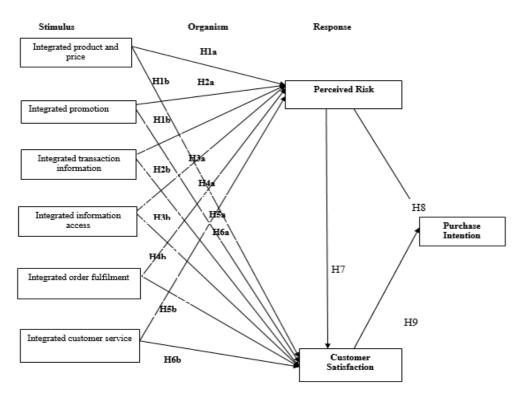


Figure 1 Research Model Source: Cattapan et al., (2022)

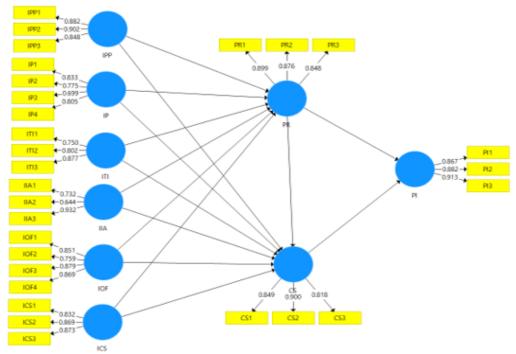


Figure 2 Structural Model for Testing Hypotheses

^a Source(s): Authors' Own Creation

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4. Results

4.1. Descriptive Statistics

Table 1 shows the mean, median, min, max, and standard deviation that were computed using SPSS. The standard deviation ranged from 0.915 to 1.22, the mean ranged from 3.19 to 3.89, the minimum value was 1, the maximum value was 5, and all the constructions reached zero for missing data. Table 2 shows that the data has a normal distribution because the skewness and kurtosis values for each construct range from -0.634 to -0.158 and -1.084 to -0.068, respectively. These values show that the data is roughly normally distributed because they are between the generally recognized thresholds of ± 1 for skewness and ± 2 for kurtosis (George & Mallery, 2010; Kline, 2011; Hair et al., 2014).

4.2. Confirmatory Factor Analysis (CFA)

For validating the proposed model, 3 factors were examined, 1. Internal consistency reliability, 2. Convergent validity and 3. Discriminant validity. From Table 3, it can be observed that Cronbach Alpha ranged from 0.704 to 0.865. From Table 2, Composite Reliability ranged from 0.818 to 0.917 (values between 0.70 and 0.95 for CA and CR are values widely accepted), the AVE values of all the constructs ranged from 0.606 to 0.788 (> than 0.5) indicating a strong validity [26-29]

4.3. Structural Equation Modeling

SmartPLS was incorporated for structural equation modeling. From Table 6 we can notice that the path analysis supports hypothesis H1b (IPP has a positive influence on CS), H4b (IIA has a positive influence on CS), H5a (IOF has a positive influence on PR), H5b (IOF has a positive influence on CS), H6a (ICS has a positive influence on PR), H6b (ICS has a positive influence on CS), H7 (PR has a positive influence on CS), H8 (PR has a positive influence on PI), H9 (CS has a positive influence on PI) and the rest of the relationships are not significant as the P value is greater than 0.05. From Table 8, we can notice that PR mediates the relationship between the ICS and CS, IOF and CS, ITI and CS.CS mediates the relationship between ICS and PI, IIA and PI, IOF and PI, PR and PI. PR mediates the relationship between ICS and PI, IOF and PI. Also, we can notice that both

PR and CS mediate the relationship between ICS and PI. The table 3 provides key reliability metrics for several variables, specifically Cronbach's Alpha, rho_A, Composite Reliability, and Average Variance Extracted (AVE), which are essential indicators of measurement consistency and construct validity in research. Hence, the Cronbach's Alpha values generally range from acceptable to good. Most variables, such as IPP (0.851), IOF (0.865), ICS (.821), CS (0.817) and PR (0.846), exhibit good internal consistency, with values above the commonly accepted threshold of 0.7. A few variables, like IIA (0.704) and ITI (0.746), approach this threshold, indicating marginal but still acceptable internal consistency. The rho A values, which can serve as an alternative reliability coefficient, are above 0.70 indicating good internal consistency reliability. It can also be observed that the Composite Reliability values for all variables are above the 0.7 benchmark threshold, with the highest being PI (0.917) and the lowest being IIA (0.818), further supporting the internal consistency of the constructs. This metric indicates that the variables are measured with a high degree of precision. The Average Variance Extracted (AVE) for most constructs exceeds the threshold of 0.5, suggesting good convergent validity. For example, IPP (0.770), PR (0.765) and PI (0.788) indicate that a significant proportion of the variance in these constructs is explained by their respective indicators. The table 4 presents a discriminant validity assessment using the Fornell-Larcker criterion, where the diagonal elements (in bold) represent the square root of the Average Variance Extracted (AVE) for each variable. At the same time, the off-diagonal values show the correlations between the variables. In this table, the square root of AVE values for each variable is as follows: CS (0.856), ICS (0.858), IIA (0.779), IOF (0.841), IP (0.780), IPP (0.878), ITI (0.811), PI (0.887), and PR (0.875). These diagonal values should be compared to the off-diagonal correlation values in each respective row and column. Sequentially, the AVE square root for most variables exceeds the correlation values, suggesting adequate discriminant validity. For example, the AVE square

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root of CS (0.863) is higher than its correlations with other variables such as ICS (0.283), IPP (-0.225), and PI (0.313). Finally, it can be observed that the discriminant validity is established as the the square root of the AVE for each construct (variable) exceeds the correlations between that construct and the others in the model. From the above table (6), it can be observed that the measurement model assesses various constructs, each represented by multiple constructs include items. These Satisfaction (CS), Integrated Customer Service Integrated Information Access Integrated Product and Price (IPP), Integrated Promotion (IP), Integrated Order Fulfillment (IOF), Integrated Transaction Information (ITI), Purchase Intention (PI), and Perceived Risk (PR). Each item is associated with a loading factor, representing the strength of its correlation with the corresponding construct, and a Variance Inflation Factor (VIF), which measures potential multicollinearity among the indicators. Each items measuring Customer Satisfaction (CS) show strong factor loadings, with CS 1 at 0.825, CS 2 at 0.884, and CS 3 at 0.878, and VIF values ranging from 1.562 to 2.055, indicating that there is no significant multicollinearity issue. Similarly, items in the Integrated Customer Service (ICS) construct exhibit moderate loadings (ICS_1 at 1.711, ICS_2 at 1.956, and ICS_3 at 1.904) with relatively low VIF values, reflecting stability in the measurement. However, constructs like Integrated Information Access (IIA) & Integrated promotion show loadings of IIA_2 at 0.644, IP_3 at 0.699. According to Asadullah (2018), factor loadings greater than 0.60 are accepted as the Composite Reliability and AVE of these constructs are above the threshold range of 0.70 and 0.50. Constructs like Purchase Intention (PI) & Customer Satisfaction (CS) show similarly high loadings, particularly PI 2, which has a factor loading of 0.913, the highest in the table, with a corresponding VIF of 2.736. The VIF values across all constructs are generally below the critical threshold of 3, implying that multicollinearity is not a concern for this model. The table 6 presents the results of hypothesis testing related to the direct relationships between several constructs, where each

hypothesis is evaluated through key statistical measures: Beta value of the relationship, SD, T-statistics, P-values, and confidence intervals (2.5% and 97.5%). The significance of relationships is determined primarily by T-statistics (values >1.96 suggest significance) and P-values (values <0.05 indicate statistical significance).

4.4. Key Findings Include

- Customer Satisfaction (CS) positively impacts Purchase Intention (PI), with a substantial and significant effect (O = 0.149, T = 4.010, P = 0.000), indicating that customer satisfaction is a significant determinant of purchase intention.
- Perceived Risk (PR) significantly influences both CS (O = 0.138, T = 2.399, P = 0.017) and PI (O = 0.707, T = 17.903, P = 0.000), showing that risk perception affects satisfaction and future purchase intent.
- Integrated Customer Service (ICS) significantly influences both PR (O = 0.550, T = 12.869, P = 0.000) and CS (O = 0.181, T = 2.874, P = 0.004) suggesting that consistent customer services across all channels in an omnichannel environment reduce perceived risk, thereby enhancing customer satisfaction.
- Integrated product and price (IPP) positively and significantly affects CS (O = 0.210, T = 2.402, P = 0.016) but not PR, implying that consistent information shared of product and price on both the channels, online and offline, enhance customer satisfaction but not perceived risk.
- Integrated order fulfilment (IOF) significantly influences both PR (O = 0.133, T = 3.061, P = 0.002) and CS (O = 0.181, T = 2.874, P = 0.004) suggesting that consistent order fulfilment information and services across all channels in an omnichannel environment reduce perceived risk, thereby enhancing customer satisfaction
- Several relationships, such as between IPP and PR, Integrated Promotion (IP) on both CS and PR, Integrated Transaction Information



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(ITI) on both CS and PR were found to be insignificant, suggesting weaker or no direct influence in these areas. The results highlight customer satisfaction, perceived risk, integrated customer service and integrated order fulfilment as key drivers of purchase intention and consumer satisfaction.

The table 8 presents the results of hypotheses testing for indirect relationships between several variables, with a focus on mediation effects, such as how perceived risk (PR), customer satisfaction (CS), and purchase intention (PI) influence one another. The results are expressed through key metrics including the original sample (O), standard deviation (STDEV), T-statistics, p-values, and confidence intervals (2.5% and 97.5%). Several hypotheses show significant indirect effects; likewise, ICS

PR CS has a statistically significant relationship, indicated by a high T-statistic (2.315) and a low p-value (0.021), meaning that improved integrated customer service (ICS) positively impacts customer satisfaction (CS) through PR. Similarly, IOF \square PR \square CS also shows a significant indirect effect (T-statistic: 2.001, p-value: 0.046), suggesting that consistent integrated order fulfilment activities (IOF) on both the channels improve customer satisfaction via PR. While, some relationships, such as IIA \square PR \square CS (T-statistic: 0.315, p-value: 0.753) and IP \square PR \square CS (T-statistic: 0.369, p-value: 0.712), do not show significant indirect effects. This suggests that these variables, integrated information access (IIA) and integrated promotion (IP) do not significantly impact customer satisfaction through PR. Moreover, the relationships between customer satisfaction and purchase intention (CS \square PI) are significant for some variables, such as ICS \square CS \square PI (T-statistic: 2.195, p-value: 0.029), IIA \square CS \square PI (T-statistic: 2.342, p-value: 0.020), IOF \square CS \square PI (T-statistic: 2.352, p-value: 0.019), indicating that integrated customer service (ICS), integrated information access, integrated order fulfilment positively influences purchase intention through customer satisfaction. Also, it can be observed that the relationships between perceived risk and purchase intention (PR□ PI)) are significant for some variables IOF \square PR \square PI (T-statistic: 2.980,

| p-value: 0.003), ICS \square PR \square PI (T-statistic: 10.01, p- |
|--|
| value: 0.000) Finally, the indirect mediation effects, |
| such as ICS □ PR □ CS □ PI (T-statistic: 2.068, p- |
| value: 0.039), suggest a significant overall impact |
| from internal customer service to purchase intention |
| via PR and CS. Some indirect relationships, such as |
| ITI □ PR □ CS □ PI, are insignificant (T-statistic: |
| 1.224, p-value: 2.221), showing no meaningful |
| effect. The bootstrapping research reveals that while |
| some internal activities have a strong indirect |
| influence on customer satisfaction and purchase |
| intention through PR and CS, others do not show |
| significant relationships. |
| |

5. Discussion

The results of the study provide several insights into the relationships between customer satisfaction (CS), perceived risk (PR), purchase intention (PI), and various information-related constructs. The analysis reveals that customer satisfaction is the most influential predictor of purchase intention, showing a strong and significant relationship (O = 0.149, T =4.010, P = 0.000). This confirms the well-established notion that satisfied customers are more likely to make future purchases. Perceived risk also plays a pivotal role, affecting both customer satisfaction (O = 0.138, T = 2.399, P = 0.017) and purchase intention (O = 0.707, T = 17.903, P = 0.000). This aligns with previous research, suggesting that when customers perceive higher risk, they are less satisfied and less inclined to make purchases. Companies must, therefore, address risk perceptions to maintain customer satisfaction and encourage purchasing behavior. The study highlights the importance of Service Integrated Customer (ICS), significantly reduce perceived risk (O = 0.550, T =12.869, P = 0.000) as well as influences customer satisfaction (O=0.181, T=2.874, P=0.004). This underscores the value of consistent services across different touch points in an omnichannel in alleviating customer concerns. Additionally, Integrated Order Fulfillment (IOF) positively influences customer satisfaction (O = -0.198, T = 3.341, P = 0.001), suggesting that customers are more likely to be satisfied when the customers receive efficient support and reliable, a customized



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thereby experience, which enhances loyalty encouraging customers to purchase again. Integrated Order Fulfilment (IOF) also significantly lowers risk P=0.002) by (O=0.133,T=3.061, providing customers transparency, good customer support regarding their purchases on both online and offline Perceived Risk (PR) significantly influences PI (O = 0.707, T = 17.903, P = 0), suggesting that if perceived risk is reduced it increases future purchase intentions. The indirect relationship findings further reinforce the mediation roles of perceived risk and customer satisfaction. For example, the indirect path from ICS \square CS \square PI, IIA \square CS \square PI has a statistically significant relationship, indicated by a high T-statistic (2.195) and a very low p-value (0.029), T-statistic (2.342), p-value (0.020) indicating that higher customer satisfaction is a direct result of better integrated customer service (ICS), integrated order fulfilment (IOF). Similarly, there is a substantial indirect relationship between ICS \square PR \square PI by a high T-statistic (10.01) and a very low p value (0.000) indicating that more integrated customer services promote and enhance purchase intention through PR.

Conclusion

This study emphasizes how important integrated order fulfillment (IOF) and integrated customer service (ICS) are in influencing customer sentiment in an omnichannel setting. By providing consistent, transparent, and individualized service, ICS and IOF lower perceived risk and increase satisfaction, which eventually increases loyalty and the likelihood that customers would make additional purchases. The results highlight the strategic importance of smooth channel integration in building longterm customer satisfaction and trust.

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