

Consumer Behavior Model and Economic Space Characteristics in Explaining the Dynamics of MSMEs in the Sampit Urban Area

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Abstract.

This study aims to analyze the influence of economic space characteristics on the dynamics of MSMEs through consumer behavior in the Sampit urban area. The background of the study is based on the development of MSMEs which is not always followed by equal business success, even though business actors are in relatively similar economic spaces. The study uses a quantitative approach with an explanatory design. Primary data were obtained through questionnaires to 65 MSME actors in the trade and service sectors selected using purposive sampling. Data analysis was carried out using Structural Equation Modeling based on Partial Least Square (SEM-PLS) using SmartPLS 4. The results showed that economic space characteristics have a positive and significant effect on consumer behavior (path coefficient = 0.723; p-value = 0.000), economic space characteristics have a positive and significant effect on MSME dynamics (path coefficient = 0.479; p-value = 0.001), and consumer behavior has a positive and significant effect on MSME dynamics (path coefficient = 0.304; p-value = 0.034). However, consumer behavior was not shown to significantly mediate the relationship between economic space characteristics and MSME dynamics (indirect effect = 0.219; p-value = 0.064). This finding confirms that MSME dynamics in the Sampit urban area are more dominantly influenced directly by the structure of economic space rather than through consumer behavior mechanisms. This study contributes to the development of an integrative model of economic space and consumer behavior in explaining urban MSME dynamics.

Keywords: characteristics of economic space, consumer behavior, dynamics of MSMEs, SEM-PLS and Sampit.

I. INTRODUCTION

Micro, Small, and Medium Enterprises (MSMEs) play a strategic role in the local economic structure as they serve as sources of trade and services, employment, and strengthening the community's economic resilience. In the Sampit urban area, MSME development is increasingly dynamic, driven by increasing population mobility, concentration of trade activities, and changes in consumer consumption patterns. However, the growth in the number of MSMEs does not always correlate with business success. Some businesses are able to grow progressively, while others experience stagnation, even within relatively similar areas.

This phenomenon demonstrates that the dynamics of MSMEs cannot be explained solely through internal factors such as product quality, price, capital availability, and promotional strategies. In urban areas, business activity is also influenced by the characteristics of the economic space, which shape consumer flows, crowd levels, accessibility, and the intensity of social interaction. Economic space is understood not only as a physical location but also as an ecosystem that facilitates interactions between businesses and consumers. Therefore, spatial characteristics are a crucial factor in explaining why MSMEs in a given area can have varying levels of development.

In addition to spatial characteristics, consumer behavior is also a crucial factor because purchasing decisions are a key driver of MSME economic activity. Consumers make purchases not only based on functional needs but also on experience, convenience, social influences, and the spatial context in which consumption occurs. In urban contexts, consumer behavior is often situationally shaped by environmental stimuli such as crowds, ease of access, the atmosphere of the area, and the presence of social activities around the business location.

Previous research on MSMEs has focused heavily on internal business aspects, digital marketing, adaptability, and managerial innovation. Studies specifically integrating economic spatial characteristics and consumer behavior to explain MSME dynamics, particularly in developing cities like Sampit, are relatively

limited. This gap is significant because mid-sized cities have distinct socioeconomic characteristics from metropolitan areas. Consumption patterns in mid-sized cities are often more influenced by proximity, social customs, and the intensity of regional activities.

Based on this background, this study aims to analyze the influence of economic space characteristics on consumer behavior, the influence of consumer behavior on the dynamics of MSMEs, the direct influence of economic space characteristics on the dynamics of MSMEs, and the mediating role of consumer behavior in the relationship between economic space characteristics and MSME dynamics. This study is expected to provide theoretical contributions in the development of an integrative model of economic space and consumer behavior, as well as practical contributions for MSME actors and local governments in designing strategies for developing urban economic areas.

II. LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT

2.1 Characteristics of Economic Space

The characteristics of economic space refer to the business environment that allows for economic interaction between businesses and consumers. From an urban economic perspective, space is no longer understood as a passive place, but rather as a medium that shapes mobility, social interaction, and transaction opportunities. Economic spaces with strategic locations, high levels of traffic, good accessibility, and intense social activity tend to create greater market opportunities for MSMEs.

The four main dimensions used in this study are business location, traffic volume, accessibility, and social activity. Business location reflects the business's position in relation to community activity centers. Traffic volume reflects the intensity of human traffic, potentially attracting customers. Accessibility indicates the ease with which consumers can reach the business location. Social activity reflects the intensity of community activities that can shape the attractiveness of an area.

2.2 Consumer Behavior

Consumer behavior is the response of individuals or groups to marketing and environmental stimuli in the process of selecting, purchasing, using, and evaluating products or services. In modern marketing, consumer behavior is not entirely rational but is also shaped by experience, emotions, social interactions, and the spatial conditions in which consumption occurs. Therefore, consumer behavior in the context of urban MSMEs is strongly influenced by the atmosphere of the area, ease of access, and social interactions that occur around the business location.

In this study, consumer behavior is measured through consumption motivation, experiential consumption, purchasing decisions, impulse buying, and the influence of the social environment. These five indicators illustrate that consumption is not only an economic activity but also a social experience that occurs within a specific space.

2.3 Dynamics of MSMEs

The dynamics of MSMEs reflect changes in business activity, including business development, consumer traffic levels, economic activity, and business sustainability. In the context of an urban economy, MSME dynamics are influenced by the ability of business actors to adapt to environmental changes, consumer behavior, and the intensity of competition. MSMEs that effectively utilize the characteristics of the economic space will have a greater opportunity to increase visibility, traffic, transactions, and business sustainability.

Thus, MSME dynamics are the result of the interaction between internal business factors and external regional factors. This study positions the characteristics of the economic space as the primary external factor, consumer behavior as the market mechanism, and MSME dynamics as the outcome of business activity.

2.4 Hypothesis Development

Karakteristik ruang ekonomi diduga berpengaruh terhadap perilaku konsumen karena ruang yang strategis, ramai, mudah diakses, dan memiliki aktivitas sosial tinggi akan menciptakan stimulus yang mendorong konsumen untuk datang dan membeli. Oleh karena itu, hipotesis pertama dirumuskan: H1: Karakteristik ruang ekonomi berpengaruh positif terhadap perilaku konsumen.

Perilaku konsumen diduga berpengaruh terhadap dinamika UMKM karena keputusan pembelian, pengalaman konsumsi, pembelian spontan, dan pengaruh sosial dapat meningkatkan kunjungan, transaksi, dan keberlanjutan usaha. Oleh karena itu, hipotesis kedua dirumuskan: H2: Perilaku konsumen berpengaruh positif terhadap dinamika UMKM.

Karakteristik ruang ekonomi juga diduga berpengaruh langsung terhadap dinamika UMKM. Lokasi strategis, keramaian, aksesibilitas, dan aktivitas sosial dapat meningkatkan peluang transaksi tanpa harus selalu melalui perubahan perilaku konsumen yang kompleks. Oleh karena itu, hipotesis ketiga dirumuskan: H3: Karakteristik ruang ekonomi berpengaruh positif terhadap dinamika UMKM.

Selain pengaruh langsung, perilaku konsumen diduga memediasi pengaruh karakteristik ruang ekonomi terhadap dinamika UMKM. Ruang ekonomi menciptakan stimulus yang membentuk perilaku konsumen, kemudian perilaku tersebut memengaruhi aktivitas usaha. Oleh karena itu, hipotesis keempat dirumuskan: H4: Perilaku konsumen memediasi pengaruh karakteristik ruang ekonomi terhadap dinamika UMKM.

III. METHOD

Penelitian ini menggunakan pendekatan kuantitatif dengan desain eksplanatori. Pendekatan ini dipilih karena penelitian bertujuan menguji hubungan kausal antar variabel laten, yaitu karakteristik ruang ekonomi, perilaku konsumen, dan dinamika UMKM. Analisis data dilakukan menggunakan Structural Equation Modeling berbasis Partial Least Square (SEM-PLS) dengan bantuan SmartPLS 4. SEM-PLS dipilih karena sesuai untuk model prediktif, mampu menguji hubungan langsung dan tidak langsung, serta dapat digunakan pada ukuran sampel moderat.

Populasi penelitian adalah pelaku UMKM sektor perdagangan dan jasa di kawasan perkotaan Sampit. Sampel penelitian sebanyak 65 responden yang dipilih menggunakan purposive sampling. Kriteria responden meliputi UMKM yang telah beroperasi minimal satu tahun, memiliki aktivitas penjualan aktif, dan berlokasi pada kawasan perkotaan Sampit. Data dikumpulkan melalui kuesioner dengan skala Likert empat poin, observasi lapangan, dan dokumentasi.

Variabel karakteristik ruang ekonomi diukur melalui indikator lokasi usaha, tingkat keramaian, aksesibilitas, dan aktivitas sosial. Variabel perilaku konsumen diukur melalui motivasi konsumsi, experiential consumption, keputusan pembelian, impulse buying, dan pengaruh lingkungan sosial. Variabel dinamika UMKM diukur melalui perkembangan usaha, tingkat kunjungan konsumen, aktivitas ekonomi, dan keberlanjutan usaha.

The measurement model was evaluated using outer loading, Average Variance Extracted (AVE), discriminant validity, Cronbach's Alpha, and Composite Reliability. The structural model was evaluated using R-Square, path coefficient, f-square, Q-square, and hypothesis testing using bootstrapping. A hypothesis is considered significant if the T-statistic is greater than 1.96 and the p-value is less than 0.05.

IV. RESEARCH RESULTS

4.1. Respondent Characteristics

The research respondents consisted of 65 MSMEs in the trade and service sectors in the urban area of Sampit. The majority of respondents were male (36 people or 55.4%), while 29 were female (44.6%). Based on age, the majority of respondents were in the 25-35 age group (27 people or 41.5%), followed by the 36-45 age group (23 people or 35.4%). In terms of education, the majority of respondents had a bachelor's degree (32 people or 49.2%). The most dominant type of business was culinary (30 respondents or 46.2%), followed by retail (27.7%) and services (21.5%).

Table 1. Characteristics of Main Respondents

Characteristics	Dominant Category	Amount	Percentage
Gender	Man	36	55.4%
Age	25-35 years	27	41.5%
Education	Bachelor	32	49.2%
Type of business	Culinary	30	46.2%
Number of workers	3-5 people	25	38.5%
Business location	City center	21	32.3%

Business premises status	One's own	34	52.3%
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Source: Processed primary data, 2026.

The profile shows that respondents are predominantly business owners of productive age, relatively well-educated, and operate in sectors closely linked to consumer activity. The dominance of the culinary sector strengthens the research's relevance, as this sector is heavily influenced by location, crowds, consumption experiences, and social interactions.

4.2 Variable Description

The variable description results show that all constructs have average values in the very high category. Economic space characteristics obtained an average of 3.706, consumer behavior obtained an average of 3.742, and MSME dynamics obtained an average of 3.669. These findings indicate that respondents assessed the business area in urban Sampit as having strong economic space support, active consumption behavior, and positive business dynamics.

Table 2. Summary of Variable Descriptions

Variables	Average	Category
Characteristics of Economic Space	3,706	Very high
Consumer Behavior	3,742	Very high
Dynamics of MSMEs	3,669	Very high

Source: Processed primary data, 2026.

4.3 Evaluation of Measurement Model

An outer model evaluation was conducted to ensure that the indicators adequately represent the research constructs. The outer loading results showed that most indicators had values above 0.70, while several indicators were in the 0.50-0.70 range and were retained because they met the minimum threshold and were still theoretically relevant. The AVE values for all variables were above 0.50, namely economic space characteristics (0.554), consumer behavior (0.571), and MSME dynamics (0.548). Thus, all constructs met convergent validity.

Table 3. Construct Validity and Reliability

Construct	AVE	Cronbach's Alpha	Composite Reliability	Information
Characteristics of Economic Space	0.554	0.812	0.887	Valid and reliable
Consumer Behavior	0.571	0.815	0.901	Valid and reliable
Dynamics of MSMEs	0.548	0.884	0.908	Valid and reliable

Source: Processed primary data, 2026.

The Cronbach's Alpha and Composite Reliability values for all constructs were greater than 0.70, indicating that the research instrument has good internal consistency. Overall, the measurement model meets validity and reliability criteria, making it suitable for further evaluation of the structural model.

4.4 Structural Model Evaluation

An inner model evaluation was conducted to determine the ability of exogenous variables to explain endogenous variables. The R-square value for consumer behavior of 0.523 indicates that economic space characteristics can explain 52.3% of the variation in consumer behavior. Meanwhile, the R-square value for MSME dynamics of 0.532 indicates that economic space characteristics and consumer behavior can explain 53.2% of the variation in MSME dynamics. Both values are in the moderate category.

Table 4. R-Square Results

Endogenous Variables	R-Square	Adjusted R-Square	Category
Consumer Behavior	0.523	0.515	Moderate
Dynamics of MSMEs	0.532	0.516	Moderate

Source: Processed primary data, 2026.

The f-square value shows that the influence of economic space characteristics on consumer behavior has a large effect size (1.094), the influence of economic space characteristics on MSME dynamics is in the medium category (0.234), and the influence of consumer behavior on MSME dynamics is in the small category (0.094). These results show that economic space characteristics are the most dominant variable in the research model.

Table 5. f-Square Results

Connection	f-square	Category
Characteristics of Economic Space -> Consumer Behavior	1,094	Big
Characteristics of Economic Space -> Dynamics of MSMEs	0.234	Currently
Consumer Behavior -> MSME Dynamics	0.094	Small

Source: Processed primary data, 2026.

4.5 Hypothesis Testing

Hypothesis testing was conducted using a bootstrapping procedure. The results of the direct effect test indicate that all direct relationships have a p-value less than 0.05, thus H1, H2, and H3 are accepted. The characteristics of the economic space have a positive and significant effect on consumer behavior with a coefficient of 0.723. Consumer behavior has a positive and significant effect on MSME dynamics with a coefficient of 0.304. The characteristics of the economic space also have a positive and significant effect on MSME dynamics with a coefficient of 0.479.

Table 6. Results of Direct Hypothesis Testing

Hypothesis	Connection	Coefficient	T-statistic	P-value	Decision
H1	KRE -> PK	0.723	10,228	0,000	Accepted
H2	PK -> DUMKM	0.304	2,117	0.034	Accepted
H3	KRE -> DUMKM	0.479	3,452	0.001	Accepted

Source: Processed primary data, 2026.

The indirect effect test showed that consumer behavior was unable to significantly mediate the influence of economic space characteristics on MSME dynamics. The indirect effect value of 0.219, with a T-statistic of 1.851 and a p-value of 0.064, did not meet the significance criteria. Therefore, H4 was rejected.

Table 7. Mediation Test Results

Hypothesis	Mediation Relationship	Indirect Effect	T-statistic	P-value	Decision
H4	KRE -> PK -> DUMKM	0.219	1,851	0.064	Rejected

Source: Processed primary data, 2026.

V. DISCUSSION

5.1 The Influence of Economic Space Characteristics on Consumer Behavior

The results of the study indicate that the characteristics of economic space have a positive and significant influence on consumer behavior. A coefficient value of 0.723 and a p-value of 0.000 indicate that economic space is a strong factor in shaping consumer behavior in the Sampit urban area. This means that the more strategic the business location, the higher the level of traffic, the easier the accessibility, and the more intense the social activity around the business, the higher the consumer's tendency to engage in consumption activities.

These findings confirm that economic space serves not only as a physical location for transactions but also as a stimulus that shapes consumer perceptions, experiences, and decisions. In the urban area of Sampit, consumers tend to respond to easily accessible and busy locations because they offer convenience, a sense of security, and opportunities for social interaction. Thus, economic space is an integral part of marketing strategy and is inseparable from market behavior.

5.2 The Influence of Consumer Behavior on the Dynamics of MSMEs

Consumer behavior has been shown to have a positive and significant impact on MSME dynamics. A coefficient value of 0.304 indicates that consumer behavior contributes to increased business activity.

Consumption motivation, consumption experience, purchasing decisions, impulse buying, and social environmental influences drive consumer visits, transactions, and business sustainability.

While significant, the influence of consumer behavior on MSME dynamics is relatively smaller compared to the influence of economic spatial characteristics. This suggests that consumer behavior in Sampit is still heavily influenced by spatial context. While consumers play a role in driving business activity, this behavior is often driven by regional stimuli such as crowds, road access, and proximity.

5.3 The Influence of Economic Space Characteristics on the Dynamics of MSMEs

The characteristics of economic space have a positive and significant effect on MSME dynamics, with a coefficient of 0.479 and a p-value of 0.001. These results indicate that economic space has a fairly strong direct influence on business development. MSMEs located in strategic locations, busy areas, and easy access have a greater opportunity to attract customer visits, increase transactions, and maintain business sustainability.

This finding is significant because it demonstrates that the success of MSMEs is determined not only by internal strategies but also by the ability of entrepreneurs to select and utilize economic spaces. In the urban context of Sampit, spaces with high social and economic intensity are a crucial asset for MSMEs. These spaces provide visibility, increase opportunities for interaction, and increase the likelihood of direct transactions.

5.4 The Mediating Role of Consumer Behavior

The results of the mediation test indicate that consumer behavior does not significantly mediate the influence of economic space characteristics on MSME dynamics. The indirect effect value of 0.219 with a p-value of 0.064 indicates that although there is an indirect effect in the direction of the coefficient, this effect is not statistically strong enough. Thus, the influence of economic space characteristics on MSME dynamics is predominantly direct.

These findings have important academic implications. In the urban area of Sampit, economic spatial factors appear to operate as structural forces that directly influence MSME activity. Strategic location, crowding, accessibility, and social activities can immediately increase business opportunities without first requiring complex consumer behavior patterns. In other words, local economic spatial factors exert a direct influence on business dynamics.

The insignificant mediation also indicates that consumer behavior tends to be situational and pragmatic. Consumers make purchases based on ease of access, proximity, and intensity of activity in the area, rather than solely on loyalty or deep consumer experience. This research is novel because it shows that in a mid-sized city like Sampit, the structure of the economic space can be more dominant than the mediating mechanism of consumer behavior.

VI. CONCLUSION AND IMPLICATIONS

This study concludes that economic spatial characteristics have a positive and significant influence on consumer behavior and MSME dynamics. Consumer behavior also has a positive and significant influence on MSME dynamics. However, consumer behavior was not shown to significantly mediate the relationship between economic spatial characteristics and MSME dynamics. Thus, MSME dynamics in the Sampit urban area are predominantly explained by the direct influence of economic spatial characteristics.

Theoretically, this research reinforces the understanding that economic space is not simply a physical location, but a structural factor that shapes economic interactions and business activities. Empirically, this research shows that business location, crowding, accessibility, and social activities are important factors in the development of urban MSMEs. Practically, MSMEs need to consider spatial characteristics when selecting locations and designing business strategies. Local governments can also use these findings as a basis for developing MSME areas, structuring economic activity centers, and improving the accessibility of trade areas.

This study is limited by its relatively moderate number of respondents and limited coverage to the urban area of Sampit. Future research could expand the sample size, compare several economic regions, and include other variables such as business innovation, digital strategy, social capital, and competitive intensity.

These findings could also serve as the initial basis for fundamental grant research with a more complex model of integrating consumer behavior, economic space, and MSME survival in urban market saturation.

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