

The Effect of Electronic Word-of-mouth Perception on Purchase Intention Mediated by Brand Image

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Abstract

The purpose of this study was to examine the effect of electronic word-of-mouth on purchase intention, mediated by the brand image of Robucca coffee shop in Malang City. Using a quantitative approach, the population used in this study were Instagram followers @robucca.id, with a total sample of 100 respondents analyzed using path analysis. The research results show that perceptions of e-word-of-mouth have a significant effect on consumer purchase intentions. The perception of electronic word-of-mouth has a significant impact on brand image. Brand image has a large influence on consumer purchase intentions. That is, the better the brand image, the more likely consumers are to buy. Brand image has been proven to be an intervening variable in the relationship between e-word-of-mouth perceptions and consumer intentions to buy. This means that the better the brand image, the greater the perceived impact of electronic word-of-mouth on purchase intention.

Keywords: *Electronic Word-of-mouth, Brand Image, Purchase Intention*

Abstrak

Tujuan penelitian ini adalah untuk menguji pengaruh *electronic word-of-mouth* terhadap niat pembelian yang dimediasi oleh brand image kedai kopi Robucca di Kota Malang. Dengan menggunakan pendekatan kuantitatif, populasi yang digunakan dalam penelitian ini adalah follower Instagram @robucca.id, dengan jumlah sampel sebanyak 100 responden yang dianalisis menggunakan analisis jalur. Hasil penelitian menunjukkan bahwa persepsi *e-word-of-mouth* berpengaruh signifikan terhadap niat beli konsumen. Persepsi *Electronic Word-of-mouth* mempunyai pengaruh yang signifikan terhadap citra merek. Citra merek mempunyai pengaruh yang besar terhadap niat beli konsumen. Artinya, semakin baik citra merek, maka semakin besar kemungkinan konsumen untuk membeli. Citra merek telah terbukti menjadi variabel intervening dalam hubungan antara persepsi *e-word-of-mouth* dan niat membeli konsumen. Artinya, semakin baik citra merek, semakin besar pula dampak yang dirasakan dari promosi mulut ke mulut terhadap niat membeli.

Kata Kunci: *Electronic Word-of-mouth, Citra Merek, Minat Beli*

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INTRODUCTION

Purchase intention is part of the behavioral component of consumer attitudes. Purchase intention is basically the desire to buy a product, and the willingness to buy arises when consumers are influenced by product quality, product quality, and product information (Duriyanto, 2016). Purchase intention is important in the business world because consumer product purchasing decisions are based on interest and interest arises as a result of positive stimuli that motivate consumers to buy products and services in the future (Jalilvand, 2013), so it is important to research purchase intention. Analysis of consumer interest can measure the likelihood of consumers buying a product: the higher the interest, the higher the consumer's desire to buy (Saqib, et al., 2015). Purchase intention has a significant impact on consumer buying habits. Purchase intention is important in the business world because consumer product purchasing decisions are based on interest and interest arises as a result of positive stimuli that motivate consumers to buy products and services in the future (Jalilvand, 2013), so increased buying interest drives product purchase decisions.

There are several factors that influence the desire of consumers to buy a product. Juhriatum (2021) conducted research on the effect of word-of-mouth on purchase intentions and found that word-of-mouth had a significant positive impact on consumer purchase intentions. Word-of-mouth, formerly known as word-of-mouth, has now developed into electronic word-of-mouth, and we are looking at the method of promoting the products that consumers themselves like on the Internet. In the 21st century, using the internet as a marketing channel is one of the marketing techniques used by business people. The form of delivering electronic word-of-mouth (e-WOM) messages via social media is presented in the form of references. This means that people can leave reviews about products and services to other people and viewers, and even asking people to do reviews can offer recommendations or simply share experiences. Electronic word-of-mouth (e-WOM) is the evolution of word-of-mouth communication that harnesses the persuasive power of digital consumers about products (Pedersen, et al., 2014). Reviews or information posted by someone becomes knowledge that can be used as input by anyone who sees the information later. Knowledge gained from social media can be effective in reducing the risks and uncertainties experienced by consumers in the future. Reviews build public opinion about the company's image. The more positive previous reviews a company has, the better its public image will be, and vice versa.

Word-of-mouth has a fairly strong influence on consumer behavior. Consumer behavior cannot be separated from purchase intention. This is because purchase intention arises from positive stimuli about objects that influence consumer behavior to fulfill needs. Consumers often compare and choose products based on a better product brand image. This is because consumers feel more comfortable and can be trusted with products that have a strong brand reputation. Currently, one of the more popular information communication technologies, social media Instagram, has surpassed the previously popular social media Twitter due to its fast trend of usage. Indonesia has 60 million Instagram users, three levels below the 116 million Instagram users in the United States. Nearly a quarter of Indonesia's population actively uses social media Instagram. NapoleonCat, a social media marketing analyst firm based in Warsaw, Poland, notes that Indonesia has 61.61 billion Instagram users as of November 2019. (www.tagar.id). The cafe business in Malang City presents a very competitive environment, as seen from the many cafe businesses in the Malang City area, including cafes around the Ijen Nirwana residential area. Café names are shown in Table 1 below.

Table 1. Names of Cafés around the Ijen Nirwana Housing Complex, Malang City

No.	Name	Address
1	Robucca <i>Coffe Shop</i>	Jl. Raya Bareng No. IA
2	Kafe Tengah Kota	Jl. Ijen Nirwana Residence
3	Nakoa Café Bondowoso	Jl. Bondowoso No.14
4	Kopi Koopen Ijen	Jl. Ijen No.90-92
5	Bohemian Café	Jl. Manggis No.2
6	Sivaraja's Secret Garden	Jl. Ijen No.79

Source: Data processed (2023)

Robukka Coffee Shop is the only coffee shop located inside Ijen Nirwana Estate. The Robucca Coffee Shop is strategic because it is located in a settlement that requires more access to the Robucca Coffee Shop, it is also located in a settlement that cannot. With the rise of social media, Robucca coffee shops have become social media conscious. Therefore, the purpose of this study was to examine the effect of electronic word-of-mouth on purchase intention, mediated by the brand image of Robucca coffee shop in Malang City.

LITERATURE REVIEW

Purchase intention (willingness to buy) is part of the behavioral component of consumer attitudes. Consumer willingness to buy refers to the stage where consumers make choices among several brands in a series of choices and finally buy with the most preferred alternative or the stage where consumers buy products or services. This is the process that goes through before buying. Based on various considerations (Pramono, 2012). The definition of buying interest by Kotler & Killer (2016) states that "buying interest is a behavior that appears in response to an object that indicates a consumer's willingness to buy". According to Durianti & Liana (2014), "Purchasing intentions are related to consumer plans to buy certain products and how many units of products they need during a certain period of time". Based on the description above, it can be concluded that willingness to buy is a psychological statement of consumers who reflect their plans to buy a large number of products from a particular brand. A product is said to be consumed by a consumer when it is determined that the product is purchased by a consumer. The consumer's personal characteristics that are used to process stimuli are very complex, one of which is the consumer's incentive or motivation to buy.

Word-of-mouth electronic messages are not purely interpersonal communication as they are accessible to many people. However, not all mass communication is because it is only addressed to certain people. Hasan (2010) marketing word-of-mouth is the oldest form of advertising in which people provide information and honestly recommend brands, products, services, and services to others. Word-of-mouth marketing is primarily "influencer" driven. That is, the influence of people who have successfully used products and services are naturally inspired to speak positively, both online and offline. In another definition, word-of-mouth electronic communication is a positive or negative statement (Hennig-Thurau, et al., 2009). Schiffman & Kanuk (2010) define E-WOM as word-of-mouth that occurs online. According to Wijaya & Paramitha (2014), E-WOM is similar to WOM, but with different ways of exchanging information, many of which are anonymous or covert. This was done to provide geographic and temporal independence, and also to survive, at least in part, in E-WOM in written form.

Brand image is a guide used to evaluate a product when consumers do not have sufficient knowledge about the product. Consumers tend to choose well-known products based on their experiences with these products and the information they get from various sources. According to Kotler & Keller (2016), brand image is a consumer's perception of a brand that reflects the associations that exist in the minds of consumers. Brand image is an association that appears in the minds of consumers when consumers remember a particular brand. This association may only manifest in the form of certain thoughts or images associated with the brand. The brand image consists of brand associations, namely everything related to brand memory. Brand associations have a certain degree of strength, which grows stronger as the experience of consuming or extracting information increases, and even stronger when supported by other networks. Therefore, brand image is important when consumers buy products. Based on the results of research conducted by Andini & Haeri (2020), and Nurdin and Wildiansyah (2021), show that electronic word-of-mouth perceptions influence buying interest. Moreover, electronic word-of-mouth significantly affects brand image (Andini & Haeri, 2020; Nurdin and Wildiansyah, 2021). Brand image significantly affects purchase intention (Andini & Haeri, 2020; Nurdin and Wildiansyah, 2021). Therefore, the hypotheses proposed were:

H1: Electronic word-of-mouth significantly affects purchase intention

H2: Electronic word-of-mouth significantly affects brand image

H3: Brand image significantly affects purchase intention

H4: Electronic word-of-mouth significantly affects purchase intention mediated by brand image

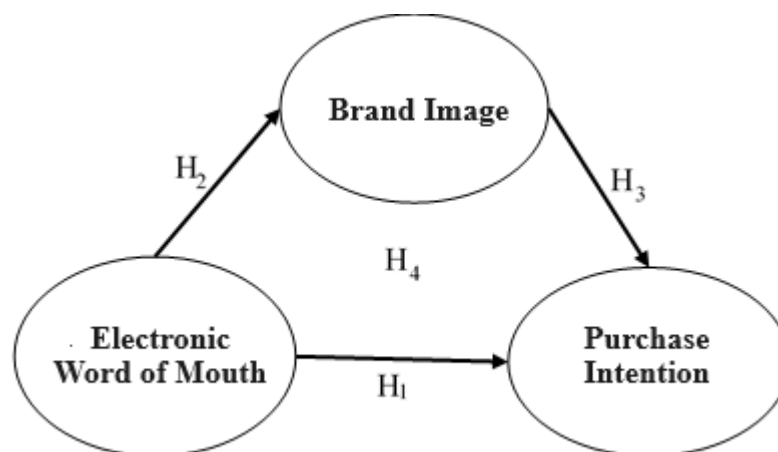


Figure 1. Research Framework

RESEARCH METHODS

The type of data used in this study is primary data with a quantitative approach. Primary data is data that comes directly from the source without intermediaries. Data collection techniques use surveys, or techniques commonly known as survey techniques. The population used in this study is Instagram followers @robucca.id. Researchers chose to use followers @robucca,id because the number of followers @robucca.id reached 6,538 and the sample size was 100 respondents on Instagram because we often update and promote stories using purposive sampling. Methods of data analysis using path analysis.

RESULTS AND DISCUSSION

The research was conducted on 100 respondents, the majority of the respondent's dominant by men, and 50% of respondents were aged 21-30 years. The characteristics are based on gender, level of education, age, and length of work presented in table 2 below:

Table 2. Characteristics of respondents

Information	Items	Amount (N=100)	Percentage (%)
Gender	Man	57	0%
	Woman	43	100%
Age	21-30 Years	50	50%
	31-40 Years	38	38%
	41-50 Years	11	11%
	>51 Years	1	1%
Education	High School	52	52%
	Diploma	12	12%
	Bachelor	34	34%
	Master	2	2%

Source: Data processed (2023)

Table 2. Validity Test

Variable	Items	r_{count}	r_{table}	Explanation
Electronic Word-of- mouth	X1	0.605	0.000	Valid
	X2	0.587	0.000	Valid
	X3	0.608	0.000	Valid
	X4	0.597	0.000	Valid
	X5	0.494	0.000	Valid
	X6	0.427	0.000	Valid
Brand Image	X7	0.335	0.000	Valid
	Z1	0.515	0.000	Valid
	Z2	0.708	0.000	Valid
	Z3	0.699	0.000	Valid
Purchase Intention	Z4	0.601	0.000	Valid
	Y1	0.508	0.000	Valid
	Y2	0.430	0.000	Valid
	Y3	0.612	0.000	Valid
	Y4	0.510	0.000	Valid
	Y5	0.249	0.000	Valid

Source: Data processed (2023)

Based on the results of the validity test that has been carried out, it is concluded that all statement items of electronic word-of-mouth, brand image, and purchase intention variables have r-counts greater than the bigger than r-table (0.000). Thus, all statement items from the three variables in this study can be said to be valid and appropriate to be used as instruments for research data collection.

Table 3. Reliability Test Result

Variable	Cronbach Alpha (0,60)	Explanation
Electronic word-of-mouth	0.855	Reliable
Brand Image	0.749	Reliable
Purchase Intention	0.811	Reliable

Source: Data processed (2023)

Based on the results of the reliability test on the research variables, it can be concluded that all research variables have a Cronbach Alpha coefficient value greater than the comparison coefficient of 0.6 so it can be said that all of the questionnaire statement items used in this study are reliable.

Table 4. Kolmogorov-Smirnov test

Unstandardized Residual	
Asymp. Sig. (2-tailed)	0.067

Source: Data processed (2023)

In the classical assumption test, based on the results of the Kolmogorov-Smirnov test, it shows asymp sig. (2-tailed) of 0.067 which means that the value is greater than 0.05, it can be said that the data is normally distributed. This shows that the regression model meets the normality assumption and is feasible to use.

Table 5. Multicollinearity Test

Variable	Tolerance	VIF	Information
Electronic Word-of-mouth	0.987	1.045	There are no symptoms of multicollinearity
Brand Image	0.887	1.045	There are no symptoms of multicollinearity

Source: Data processed (2023)

Based on the results of the multicollinearity test, the VIF value of electronic word-of-mouth and brand image data does not have multicollinearity.

Table 6. Heteroscedasticity Test

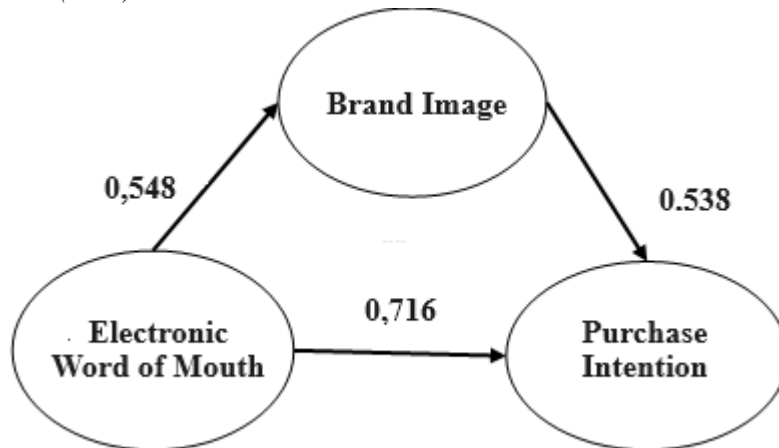
Variable	SIG	Information
Electronic Word-of-mouth	0.617	There are no symptoms of heteroscedasticity
Brand Image	0.301	There are no symptoms of heteroscedasticity

Source: Data processed (2023)

Table 7. Multiple Linear Regression Test

Variable	Direct Effect	Indirect Effect	Total Effect	t	Sig.	Dec.
Electronic Word-of-mouth→ Purchase Intention	0,716	0	0,716	10,151	0,000	Significant
Electronic Word-of-mouth→ Brand Image	0,548	0	0,538	6,311	0,000	Significant
Brand Image→ Purchase Intention	0,538	(0,716x0,538) =0,385	1,101	10,151	0,000	Significant

Source: Data processed (2023)

**Figure 2.** Path Analysis Result

This calculation shows that satisfaction is proven to be an intervening variable in the relationship between perceptions of e-word-of-mouth and consumer intentions to buy. Calculations show that the total effect is greater than the direct effect. This is evidenced by the indirect effect (IE) calculated at 0.716, while electronic word-of-mouth perceptions influence consumer intentions to buy through brand image equivalent to a value of 1.101. The calculated model accuracy of 65.91% explains the contribution of the model by 65.91% to explain the structural relationship of the three variables studied. While the remaining 34.09% is explained by other variables not included in this research model.

The results of the analysis show that there is a significant influence between electronic word-of-mouth perceptions on consumer buying interest. This means that as the perception of electronic word-of-mouth improves, consumer buying interest will increase. The existence of a significant influence shows that the better the perception of electronic word-of-mouth, in this case regarding consumers having confidence in the platform used, consumers having confidence in expressing dissatisfaction with the products offered and consumers providing recommendations to other consumers regarding the existence of the coffee shop, the interest in buying coffee will increase. shop Robucca shows an increase. The results of the analysis also show that consumers have a desire to share experiences regarding the existence of the products offered, consumers desire to share information interacting with consumers, consumers have a desire to help Robucca Coffee Shop in marketing its products and consumers seek advice and recommendations from other consumers Regarding the existence of the Robucca Coffee Shop, buying interest shows an increase. The results of this research support the results of previous research conducted by Andini & Haeri (2020), and Wildiansyah (2021) which showed that electronic word-of-mouth perceptions influence buying interest.

The results of the analysis show that there is a significant influence between electronic word-of-mouth perceptions on brand image. This means that with better electronic word-of-mouth perception, the brand image will increase, in this case, consumers have confidence in the platform used, consumers have the confidence to express dissatisfaction with the product, provide recommendations to other consumers regarding the existence of coffee and consumers have the desire to share the experience of the existence of the products offered, the brand image of the Robucca coffee shop shows an increase. Apart from that, with consumers wanting to share information and interact with consumers, consumers having a desire to help coffee in marketing its products, and consumers trying to seek advice and recommendations from other consumers regarding the existence of the Robucca Coffee Shop, the brand image of the Robucca coffee shop shows an increase. The results of this research support the results of previous research conducted by Andini & Haeri (2020) and Nurdin and Wildiansyah (2021) which showed that electronic word-of-mouth perceptions influence brand image.

Based on the results of the analysis, it shows that there is a significant influence between brand image on consumer buying interest. This means that as the brand image improves, consumer buying interest will increase. The results of the analysis show that if the Coffee Shop Robucca brand or product is easy to recognize (friendly), the Coffee Shop Robucca product or brand is familiar in the minds of consumers (popular), the Coffee Shop Robucca product or brand always follows consumer demand and the Coffee Shop Robucca product or brand is useful good for consumers (useful), interest in buying at the Robucca coffee shop shows an increase. The results of this research support the results of previous research conducted by Andini & Haeri (2020) and Nurdin and Wildiansyah (2021) showing that brand image influences buying interest.

The results of the analysis show that brand image is proven to be an intervening variable in the relationship between electronic word-of-mouth perceptions and consumer buying interest. This means that a better brand image can increase the influence of electronic word-of-mouth perceptions on purchasing interest. The better the brand image, it can be shown that if the Coffee Shop Robucca brand or product is easy to recognize (friendly), the Coffee Shop Robucca product brand is familiar in the minds of consumers (popular), the Coffee Shop Robucca product brand always follows consumer demand and the Coffee Shop product or brand Shop Robucca is beneficial for consumers (useful). The results of the analysis show that if the brand image increases, it can increase the influence of electronic word-of-mouth perceptions on purchasing interest. The results of this research support the results of previous research conducted by Andini & Haeri (2020) and Nurdin and Wildiansyah (2021) showing that brand image mediates the influence of electronic word-of-mouth perceptions on purchase intention.

CONCLUSION

Based on the results of the research and discussion conducted, we can conclude that: The perception of electronic word-of-mouth has a significant impact on consumer purchase intentions. That is the more awareness of e-word-of-mouth, the more consumers are willing to buy. The perception of electronic word-of-mouth has a significant impact on brand image. This means that the more awareness e-word-of-mouth has, the better the brand image. Brand image has a large influence on consumer purchase intentions. That is, the better the brand image, the more likely consumers are to buy. Brand image has been proven to be an intervening variable in the relationship between perceptions of e-word-of-mouth and consumer intentions to buy. This means that the better the brand image, the greater the perceived impact of electronic word-of-mouth on purchase intention.

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