

ICMEM

The 8th International Conference on Management in Emerging Markets

The Effect of Electronic Word of Mouth on Purchase Intention through Brand Image as a Mediating Variable (Study on Sherina Torch Bag)

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Abstract: *This study aims to examine the influence of e-WOM quantity, e-WOM credibility, brand image on purchase intention of Sherina Torch bags. In addition, the mediating role of brand image. The relationship between e-WOM quantity and purchase intention, as well as e-WOM credibility and purchase intention is also explored. This study uses a quantitative method with a questionnaire survey with 385 samples and distribute to respondents using Bernoulli method to get respondents, aged 18-35 years, who have shopped online through Shopee and Tokopedia e-commerce. The questionnaire is distributed using Google Form so can be reached by many people. The results of this research indicate that the quantity of e-WOM has the most influence on e-WOM credibility and e-WOM credibility has the least influence to purchase intention.*

Keywords: *e-WOM, e-WOM quantity, e-WOM credibility, brand image, purchase intention*

I. INTRODUCTION

2023 is the year of the return of the "Sherina Adventure" movie after the first film which was launched in 2000. Torch also created a creative collaboration with the movie "Petualangan Sherina 2" by releasing a bag used directly by Sherina in the movie. The Sherina bag makes it the official merchandise of Sherina Adventure 2 that can be purchased by enthusiast of Sherina Adventure 2 movie. Electronic Word of Mouth cited in Ismagilova et al. (2017) is a growing and continuous process of exchanging information about goods, services, brands, and business entities, which can be known to a wide audience via the network. E-WOM (Electronic Word of

Mouth) is an informal online communication about a product, brand, or company whose information is available to the public through internet social media. E-WOM can be also be defined as a review or review provided customers, which include positive or negative reviews about the product or services they have obtained so that other customers who want to buy the product can consider it. Consumers place great importance on the quantity and credibility of e-WOM to be able to determine purchase interest and product purchase decisions today in the digital era. Products with many reviews and various comments make consumers more confident about something they buy online.

The quantity of reviews obtained by Sherina Bags on Tokopedia also reached 201 reviews with a total average rating of 4.9 (2023) which can be conclude that consumers who have bought Sherina Bags are satisfied when they get the goods. The number of reviews based on Shopee and Tokopedia Torch e-commerce is currently very helpful for consumers in deciding their purchase interest in Torch products. These positive reviews can also help Torch in creating a goof brand image to its consumers. A good brand image will certainly further increase buying interest in other Torch items and consumers will be interested in buying them in the future.

The unfavorable review given by customer can be considered credible because it has bought and gained its own experience in owning a Sherina Bag. The review given also has 158 likes which is considered that this review helps potential buyers in the process of determining whether to buy it or not. The number of likes on reviews can reduce consumer buying interest because these likes are believed that many people agree with the review. There are also complains about the poor quality of the Sherina Bag at a relatively high

price. The review can also affect the brand image that Torch has created because Torch explains that their brand has good quality at a price that is not too expensive.

Torch has a brand image as a bag manufacturer that can be used when traveling and as a daily bag for work and school. However, there are also a review with a disappointed tone that this Sherina Bag cannot be used for traveling because the material is very thin. This very thin material makes Agung afraid to carry many items because of the risk of being easily damaged. Agung also stated that if he could feel the material in the offline store, he would not buy the Sherina Bag. This can reduce consumer buying interest in Sherina Bags with an unfavorable review from Agung regarding the materials used by Torch.

A. Hypothesis and Relationship between Variables

H1: The quantity of e-WOM affects the credibility of e-WOM

E-commerce enhances the growth process in the retail market by providing a highly efficient tool for companies to improve their commercial activities and create modern marketing strategies (Goldman et al., 2020). The trend of using the internet around the world between sellers and buyers has a huge influence on virtual business on the internet (Chauhan et al., 2021). Customers create e-WOM to be able to share their experiences, opinions or satisfaction about the process of using a product or service with other virtual communities (Seifert & Kwon, 2019).

H2: Quantity of e-WOM affects Purchase Intention
 The highly developed business on e-commerce platforms makes customers strongly consider e-WOM as a free and easily accessible source of information before making an online purchase (Pappas et al., 2017; Sardar et al., 2021).

H3: e-WOM credibility affects Purchase Intention
 The growing social media helps customers to contact, communicate or just find information about products and services (Agárdi & Alt, 2022).

H4: Brand Image positively mediates the relationship between e-WOM quantity and Purchase Intention.

H5: Brand Image positively mediates the relationship between e-WOM credibility and Purchase Intention

The process of seeking information about a product can not only increase one's purchase interest, but the

process is also to be able to find a brand that matches one's self-concept (Abosag et al., 2020; Lyu & Kim, 2020). In this case, brand image is a specific view of each individual about a brand (Parris & Guzmán, 2023) which can then be formed through e-WOM on social media platforms (Hoang & Tung, 2023; Jalilvand & Samiei, 2012).

H6: Brand Image affects Purchase Intention

A company's marketing and advertising activities and customers' experience with the brand will certainly help to shape and refine the company's brand image (Dash et al., 2021). Previous research shows brand image is an important element in making customers' purchase intentions (Dash et al., 2021; Hoang & Tung, 2023; Jeon, 2022).

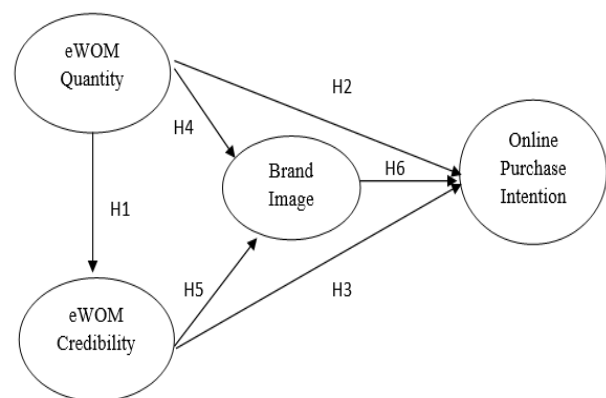


Fig.1 Research Model (Hoang and Tung, 2023)

II. METHODOLOGY

This research uses quantitative methods with descriptive analysis, was conducted in Indonesia from September to July. The technique used is non-probability sampling with purposive sampling. Data collection using a survey by distributing questionnaires to respondents aged 18-35 years, male and female. The sample was determined using the Bernoulli formula so that the sample size is 385. The scale used in this study is a likert scale and uses smart PLS in processing data and to analyze the data, this study used SEM PLS. Variables can be said valid if the resulting AVE values is >0.5 testing reliability using the Composite Reliability and Cronbach's Alpha values. If the Composite Reliability score value is >0.7 and the Cronbach's Alpha score value is >0.7, the variable can be considered reliable or has good reliability (Abdillah, 2018).

III. ANALYSIS AND RESULTS

3.1 Characteristics of Respondents

The results of the study with a sample size of 385 respondents have filled out a questionnaire via google form.

Table 1.
Characteristics of Research Subject

Characteristics	Quality	Percentage (%)
Gender		
Male	144	37,4%
Female	241	62,6%
Age		
18-25 y.o	224	58,2%
26-30 y.o	126	32,7%
31-35 y.o	35	9,1%
Job		
Students	140	36,4%
Entrepreneur	91	23,6%
Employees	154	40%

Source: processed data

241 respondents or 62.6% of the total 385 respondents were female. Other respondents were male as many as 144 people or 37.4%. There are 224 respondents aged 18-25 years or 58.2%, 126 respondents aged 26-30, or 32.7%, and 35 respondents aged 30-35 years, or 9.1%. 140 respondents were students at 36.4%, then 91 respondents with entrepreneurial jobs at 23.6%, and 154 respondents with private employees / BUMN / ASN employees at 40%.

3.2 Outer Model Test

Variables can be said to be valid if the resulting AVE value is >0.5 testing reliability using the Composite Reliability and Cronbach's Alpha values. If the Composite Reliability score value is >0.7 and the Cronbach's Alpha score value is >0.7 , the variable can be considered reliable or has good reliability (Abdillah, 2018). Based from the results of AVE

Table 2.
Validity and Reliability

Variables	Item	Outer Loading	AVE	Cronbach's Alpha	Composite Reliability
e-WOM Quantity	EQ1	0.842	0.632	0.805	0.806
	EQ2	0.767			
	EQ3	0.763			
	EQ4	0.805			
e-WOM Credibility	EC1	0.778	0.594	0.829	0.829
	EC2	0.745			
	EC3	0.778			
	EC4	0.765			
	EC5	0.786			
Brand Image	BI1	0.804	0.623	0.849	0.849
	BI2	0.784			
	BI3	0.769			
	BI4	0.801			
	BI5	0.788			
Online Purchase Intention	PI1	0.789	0.664	0.832	0.832
	PI2	0.800			
	PI3	0.825			
	PI4	0.846			

Source: processed data

Results in Table 2 the AVE value produced by all variables shows a value >0.5 . It can be said that each variable has good convergent validity. Composite Reliability and Cronbach's Alpha are >0.7 , so it can be concluded that each variable can be declared valid and reliable.

3.3 Inner Model Test

Table 3.
Inner Model Test

Path	Path Coefficient	T Statistic	P Value	Hypotesis
eWOM Quantity -> eWOM Credibility	0.856	26.334	0.000	Accepted
eWOM Quantity -> Purchase Intention	0.314	4.861	0.000	Accepted
eWOM Credibility -> Purchase Intention	0.283	4.124	0.000	Accepted
eWOM Quantity -> Brand Image	0.426	7.582	0.000	Accepted
eWOM Credibility -> Brand Image				
Brand Image -> Purchase intention	0.490	9.078	0.000	Accepted
	0.328	5.680	0.000	Accepted

Source: processed data

The first hypothesis tested whether e-WOM quantity has a positive effect on e-WOM credibility. The test results show that the path coefficient value of the e-WOM quantity variable on e-WOM credibility is positive at 0.856 and the t-statistic value is 26.334. The t-statistic result is significant because it is more than 1.96. The resulting P value is 0.000.

The second hypothesis tests whether e-WOM quantity has a positive effect on purchase intention. The test results show that the path coefficient value of the e-WOM quantity variable on purchase intention is positive at 0.314 and the t-statistic value is 4.861. The t-statistic result is declared significant because it is more than 1.96. The resulting P value is 0.000. The third hypothesis tests whether e-WOM credibility has a positive effect on purchase intention. The test results show that the path coefficient value of the e-WOM credibility variable on purchase intention is positive at 0.283 and the t-statistic value is 4.124. The t-statistic

result is declared significant because it is more than 1.96. The resulting P value is 0.000.

The fourth hypothesis tests whether positive brand image mediates the relationship between e-WOM quantity and purchase intention. The test results show that the path coefficient value of the e-WOM quantity and brand image variables is positive at 0.426 and the t-statistic value is 7.582. The t-statistic result is declared significant because it is more than 1.96. The resulting P value is 0.000.

The fifth hypothesis tests whether positive brand image mediates the relationship between e-WOM credibility and purchase intention. The test results show that the path coefficient value of the e-WOM credibility and brand image variables is positive at 0.490 and the t-statistic value is 9.078. The t-statistic result is declared significant because it is more than 1.96. The resulting P value is 0.000.

The sixth hypothesis tests whether brand image has a positive effect on purchase intention. The results of this test show that the path coefficient value of the brand image variable on purchase intention is positive at 0.328 and the t-statistic value is 5.680. The t-statistic result is declared significant because it is more than 1.96. The resulting P value is 0.000.

3.4 Hypothesis Testing of Indirect Effects

Table 4.
Testing Indirect Effects

	Original Sample	Sample Mean	STDEV	T Statistic	P Values
EQ->EC -> BQ	0.419	0.417	0.052	8.082	0.000
EQ->EC ->PI	0.242	0.241	4.008	4.008	0.000
EC->BI->PI	0.161	0.16	4.971	4.971	0.000
EQ->BI->PI	0.140	0.138	4.391	4.391	0.000
EQ->EC ->BI->PI	0.137	0.136	4.784	4.784	0.000

Source: processed data

e-WOM quantity indirectly has an influence on purchase intention through brand image. The magnitude of the effect is 0.140, which means that indirectly the relationship between e-WOM quantity and purchase intention through the mediating variable of brand image has a significant effect. Then, e-WOM credibility indirectly has an influence on purchase

intention through brand image. The magnitude of the effect is 0.161, which means that indirectly the relationship between e-WOM credibility on purchase intention through the mediating variable of brand image has a significant effect.

IV. DISCUSSION

Based on the findings of this study, e-WOM quantity and e-WOM credibility have a positive influence on purchase intention. This is in line with previous research that e-WOM has a positive influence on purchase intention, e-WOM is one of the things used by the wider community so that small things about a product can spread quickly online (Evgeniy et al., 2019). In addition, this study also found that brand image indirectly affects purchase intention based on e-WOM quantity and e-WOM credibility. This was also found in previous research, where brand image fully mediates the relationship between e-WOM and purchase intention. That is, brand image is strongly associated with e-WOM, whether it is a positive or negative comment (Al Qaimari et al., 2021). Marketers must generate e-WOM credibility that can create a brand image so that it can lead consumers to purchase interest (Siddiqui et al., 2021).

V. CONCLUSION

The conclusions are e-WOM quantity, e-WOM credibility, and brand image has significant effect to purchase intention. E-WOM quantity has the most significant effect to e-WOM credibility. E-WOM quantity to online purchase intention has significant effect through brand image with 0.140. e-WOM credibility to online purchase intention has significant indirect effect through brand image with 0.161. torch can use variables and indicators as considerations to be able to improve the company's strategy in providing the needs of its consumers. E-WOM credibility on purchase intention has the smallest influence, namely consumers have the principle of reading Sherina bag reviews before buying online. In the future, Torch can better embrace its customers by always responding to unfavorable reviews in order to increase trust for other customers.

e-WOM quantity has a significant influence on e-WOM credibility, especially regarding reviews of

Sherina bags coming from consumers who are already experienced in owning Sherina bags. So these reviews help in adding to the credibility of the e-WOM owned by Sherina bags. E-WOM quantity has a significant influence on purchase intention, especially for consumers who have the principle to read reviews before buying online. So these reviews can increase consumer buying interest. E-WOM credibility on purchase intention has a positive and significant influence, especially for consumers who have the principle to read review of Sherina bags before buying online. So, these credible reviews can increase consumer buying interest.

Brand image has a significant and positive indirect effect on purchase intention through e-WOM quantity. So that the e-WOM quantity is important to increase consumer buying interest. Brand image has significant and positive indirect effect on purchase intention through e-WOM credibility. So that e-WOM credibility is important to increase consumer buying interest. Brand image has a significant influence on purchase intention, which has a positive and significant influence, especially for consumers who have the principle to read Sherina bag reviews before buying online. So that buying interest can increase because consumers already know the brand that matches their preferences.

5.1 Theoretical Implications

e-WOM serves as a form of social influence where online reviews and recommendations influence purchase decisions. E-WOM, especially coming from sources that are considered trusted and credible, can significantly influence purchase intention. Positive reviews from other consumers provide information that reinforces purchase decisions, whereas negative reviews can reduce purchase intention. This is in line with the results of the study Al-Ja'afreh & Al-Adaileh (2020) that e-WOM quantity is something that is very influential on consumer buying interest. E-WOM, as a form of social influence, serves to shape brand image through reviews and recommendations shared by other consumers. To be successful, marketers must generate e-WOM credibility that can create a brand image so that it can lead its consumers to purchase interest (Siddiqui et al., 2021).

5.2 Practical Implications

The analysis that has been done shows that all variables have a positive and significant influence.

These findings can be utilized by Torch to improve the company's strategy in meeting the needs of its consumers. E-WOM credibility on purchase intention has the smallest influence because people who write reviews about Sherina bags are not honest people. In the future, Torch can better embrace its consumers by always responding to unfavorable reviews in order to increase trust for other consumers.

VI. LIMITATIONS AND FUTURE RESEARCH SUGGESTIONS

This research still has limitations. This study only uses e-WOM as an independent variable and the brand image variable as a mediating variable, in the future it can add other variables to see further links. Conduct research with the same object, but using different variables. The variables used can be selected from variables not discussed in this study, so as to provide a new perspective in research.

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