

Influence of Word of Mouth Communication Towards Indonesian Online Shopper Purchase Intention

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Abstract

Word-of-mouth (WOM) gives the consumer perceptions to engage in retail online shopping can include both utilitarian and hedonic shopping dimensions. To cater to these consumers, online retailers can create a cognitively and esthetically rich shopping environment, through sophisticated levels of communication, as the personal influence, online community, and also by sharing they experience. Since the effect of word of mouth communications on marketing and has proven to stimulate online consumer's perceptions, 374 person of House of Taaj Facebookers in all over Indonesia, in which 280 female (75%) and 94 male (25%) has expressed their perceptions toward online purchase intention, and word of mouth. This research presumes that word of mouth from another online consumers, share information and features can influence online shopping intention and entice them to modify or even transform their original shopping predispositions by providing them with attractive and enhanced interactive features and controls of buying. To achieve the research objectives and the test hypotheses, factor analysis, and linear regression are used to analyze the significant level of each variable indicator of this study. The result of the test may conclude that the Facebookers perceived more intention to search information by online, caused of the effectiveness of time using online community to search information and review the other experience. A more positive online shopping experience led to consumers' positive perceptions for online purchase intention. Thus, this study may conclude that indicator variable of perception that really influence the Facebookers online purchase intentions are their perception towards the effectiveness of time that they can be used to evaluate, and find information by online, and the best indicator is their online community that can deliver and influence Facebookers online purchase intention.

Keywords: Word Of Mouth, Perception, Purchase Intention, Online Purchase Intention

1. Research Background

Online transactions constitute now a significant part of commercial activity. The growth of Facebook users in Indonesia is the third fastest in the world. According to www.facebookers.com, Indonesia ranks third in the list of countries with most Facebook users. As seen in Table 1.1 Top Ten countries with the growth of Facebook users, Update March 2010.

Rank	Country	Number of Facebook Users March 2009	Number of Facebook Users March 2010	12 Month Growth (%)
1	United States of America	56.796.060	114.190.780	101 %
2	United Kingdom	17.866.140	24.378.040	36,5 %
3	Indonesia	2.325.840	20.775.320	793 %
4	Turkey	9.759.780	20.538.740	110 %
5	France	8.946.140	17.317.460	93,6 %
6	Italy	8.260.300	15.486.480	87,5 %
7	Canada	11.597.420	13.952.740	20,3 %
8	Philippines	1.026.300	11.561.740	1027 %
9	Spain	4.228.220	9.292.380	120 %
10	Mexico	2.142.080	9.208.560	330 %

*Figures are taken from Nick Burcher : Personal Thoughts on The Evolution of Media and Advertising.

Updated by the end of May 2010, House of Taaj friendship connection in social networks like Facebook and Twitter has quite large number of fans online around 107.717 people for Facebook and about 4500 people for Twitter. House of Taaj Bandung has friendship connection on Facebook about 6611 people. In addition, the number of 6611 is enough to invite them as the respondent of this research to do this research on how they share information and influence one to another about the House of Taaj product that offering through Facebook and Website.

Research Question

- (1) How word of mouth influence Facebookers perception?
- (2) How the Facebookers perceptions influence their purchase intention?
- (3) How the Facebookers perceptions influence their online purchase intention?
- (4) What is the difference between purchase intention and online purchase intention?

Research Objectives

The overall situation directed a piece of summary around the objectives of conducting this research:

- (1) To know the influence of word of mouth toward Facebookers perception
- (2) To know the influence of Facebookers perception towards purchase intention
- (3) To know the influence of Facebookers perception towards online purchase intention
- (4) To know the difference between purchase intention and online purchase intention

Research Limitation

Due to the width of the study area, this research limited the coverage by discussing prominent point relevantly, such as:

- (1) Research focus on the adolescence online consumer (Range age: 20 – 60) as the unit of analysis and it used case study as the research strategy to stick with holistic characteristic of online consumer in reality.
- (2) The respondents selected based on experience in purchasing, discussing, sharing, collaborating, and valuing the needed knowledge of online consumer purchase intention.
- (3) This research had chosen the quantitative method and observation as qualitative method as possible research methodology.

Research Original Contribution

- (1) Research provides knowledge for business, whether small business enterprise to larger. The positive relationship of this research will drive so many good ideas to develop the strategy of business communication to their customer.
- (2) The finding will produce a prelude framework for further research. It opens repair and development to build the knowledge. In general, it possibly enriches the knowledge, especially for online business and strategy marketing management knowledge in academic area and may be sustain a relevant theory on creating the strategy of business communication.
- (3) Some notes of finding direct this study to propose several strategies for enterprise in order to build a new method by using internet technology to influence their customer purchase intention based on positive perception to their product or services.

2. Literature Review

The advent of Internet has provided a competitive platform for online trading and marketing. It is estimated that the number of Internet users exceeds 900 million around the world while the information traffic doubles every 1 1.5 years (Kaynar and Amichai-Hamburger, 2008). The use of the internet as a venue for expressing opinions on products has become an important marketing tool to compete for consumer attention and visits (Chatterjee, 2001). Providing consumers a platform to voice their opinions and monitoring its electronic word-of-mouth (WOM) activity has become a business (Tedeschi 1999).

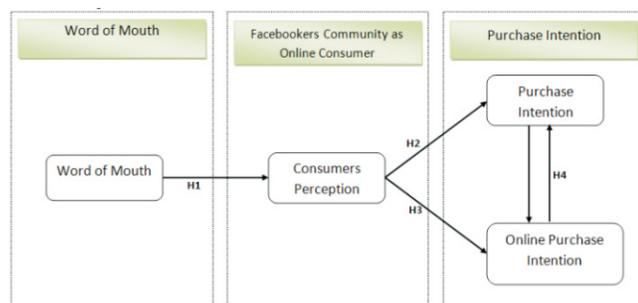
The study of personal influence and the idea that there are certain people who are especially influential over others has fascinated researchers, practitioners, and the general public for more than 60 years. Various names in academic and popular circles, these people have been called *opinion leaders* (Katz & Lazarsfeld, 1955), *early adopters* (Rogers, 1962/2003), *influential* (Weimann, 1994), and *Influential Americans* (Keller & Berry, 2003). This section identifies two potential antecedents to WOM behavior in a services marketing setting: service quality and customer commitment to the service provider. Service quality is best conceptualized as an attitude that is defined by an individual's importance-weighted evaluation of the performance of the specific dimensions of a service (Cronin and Taylor 1992; see also Cohen, Fishbein, and Ahtola 1972).

The conceptualization and measurement of WOM from the sender's perspective presented in the current study offers several significant advantages over existing approaches. First, the conceptualization captures several aspects of WOM communication including the relative frequency of the WOM communication, the relative number of people to whom the WOM sender communicates, the relative quantity of information provided by the sender to the receiver, and favorableness of the WOM communication. Although the focus of existing research is primarily on the favorableness of the WOM communication (Arndt 1968; Bone 1995; Burzynski and Bayer 1977; Herr, Kardes, and Kim 1991; Swan and Oliver 1989), recent studies indicate the importance of considering WOM as a networking process involving multiple recipients (Brown and Reingen 1987; Heskett, Sasser, and Schlesinger 1997; Reingen and Kernan 1986).

In many product-marketing situations, the impact of product promotion and advertising efforts is enhanced by word-of-mouth effect-that is, by the recommendation of the product by current adopters to potential adopters. The importance of the word-of-mouth effect in the development of marketing strategies is well documented in marketing (Robertson 1971). In fact, the word-of-mouth effect has served as the primary underlying behavior rationale in the development of innovation diffusion models of new product acceptance (Mahajan and Muller 1979). Most existing innovation diffusion models, however, assume that individual experience with the product is always communicated positively through word-of-mouth.

Word-of-Mouth (WOM) is a concept with a long history. Electronic WOM (e-WOM) or word-of-mouth is basically the extension of traditional WOM on the Internet. e-WOM is found more trustworthy and credible than advertising and other marketer dominated sources. Receivers and senders in the WOM process both gain from the exchange. WOM gives receivers more information about choices they have, which may serve as valuable input in their decision process. Thus, information and communication within online communities can trigger members to engage in consumption activities related to the community's topic of interest, e.g., fashion, music, food, and many other experiences.

Information processing related to both the ways in which consumers differentiate between alternatives and the effort they are prepared to invest in the decision task. Communication effectiveness (like e-WOM) can be overseen by increasing individuals' levels of motivation, opportunity and ability. Information search activity is entered into with the intent of lowering the consumer's overall perceived risk level. The important resources that influence consumer perceived risk are the following (Berthon, Hulbert and Pitt, 1999; Foxall, Goldsmith and Stephen, 1998; Harris et al., 1999; Jarvenpaa and Todd, 1997):



Their own experience with a product or brand; recommendation from family, friends, colleagues, virtual community (i.e., e-WOM); Hoffman (1998) concludes that consumers have characteristics that recognize optimal information and consumers act depending on their own given situation. Consumers are able to collect product information and compare the products online. Because of the possibility to do this across national and currency boundaries shopping on the Internet has a big advantage.

Consumers' intention to shop online refers to their willingness to make purchases in an Internet store. Commonly, consumers measure this factor. The latter also contributes to customer loyalty. Jarvenpaa and colleagues (2000) assess consumers. Intention to shop online by asking a series of questions assessing the likelihood of returning to a stores website, the likelihood of purchasing from the store within the next three months, the likelihood of purchasing within the next year, and general the likelihood of ever purchasing from a particular store again. Consumers' intention to shop online is positively associated with attitude towards Internet buying, and influences their decision-making and purchasing behavior. In addition, there is evidence of reciprocal influence between intention to shop online and customer satisfaction.

3. Research Hypothesis

H1	Word of mouth influence Facebookers perception.
H2	The perception of Facebookers influence their purchase intention.
H3	The perception of Facebookers influence their online purchase intention.
H4	The difference between Facebookers purchase intention and online purchase intention

4. Research Conceptual Model Research Paradigm

Formulated by some previous research and combine the characteristics of Facebookers as the network consumers buying Moslems fashion. Based on persuasive theory, this research put forward a model about the influence of online word of mouth towards online consumer purchase intention. According to Neumann (2006), there are several research paradigms in social research, namely: positivist social science, interpretive social science, and critical social science. Positivist social science leads to an empirical test of and confirmation for the laws of social life as outlined in a theory and test hypothesis by carefully analyzing numbers, thus it usually use experiments, survey, and statistics. Whereas interpretive social science is concerned with how people interact and get along with each other, and getting to know a particular social setting and seeing it from the point of view of those in it.

Research Design

Within the interpretative perspective adopted, the majority of the data will be collect by questionnaire. Regarding to the purpose of this research , this study desired to merely examining the influence of word of mouth towards online purchase intention at the online marketing experience besides controlling other variables that would also influencing the prediction of independent variable such as demographic factor (age, gender, work, level of education), price factor and availability. Thus selecting experimental approach would be the appropriate tool for this study.

5. Data Collection Methods

An online survey was conducted to examine the empirical distribution of the external factor (i.e. web sites reviews and interaction between the consumer) and the individual and situational moderating influences factors (i.e. social demographic and personality factors) influencing consumer behavior and their purchase intention.

One important aspect in a research is unit of analysis in data collection. The unit of analysis refers to the level of aggregation of the data collected during the subsequent data analysis stage (Sekaran, 2003). Since the research will discuss about the influence of word of mouth toward purchase decision on online marketing, unit of analysis in this research is individuals.

Sampling Technique

The population of this research is House of Taaj Bandung community in Facebook (5000 female friends). Those populations consist user from different age, education background, and work occupation, such as: student, bachelor degree, master degree, housewife, business owner/entrepreneur, and etc.

Equation from Slovin, assumed that the population has normal distribution. Based on equation above, researcher use sampling error 5% for the sample and from the equation resulted number of sample:

$$n = N / (1 + N \times e^2)$$

$$n = 5000 / (1 + (5000 * (0,05)^2))$$

$$n = 5000 / (1 + (5000 * 0,0025))$$

$$n = 5000 / (1 + 12,5)$$

$$n = 5000 / 13,5$$

$$n = 370,37 \text{ 371 sample}$$

Result from the equation mention that minimal sample required in this research with population 5000 is 371 sample of House of Taaj Bandung Facebook friends. For determine the sample, this study use simple random sampling method by select the respondents randomly from the House of Taaj Facebook friends.

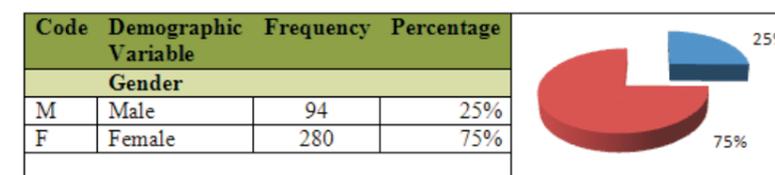
Table IV.1 List of Indicator Variable of Questionnaire in This Research

Variable	Indicator
Purchase Intention	- Intention to buy
Purchase Intention Online	- Online purchase intention
Perception	- Time effectiveness - Online Community - Search information by online
Word of Mouth	- Communication - Monitoring - Personal Influence - Experience

6. Descriptive Analysis

Descriptive statistics used to describe the basic features of the data in a study. They provide simple summaries about the sample and the measures. Together with simple graphics analysis, they form the basis of virtually every quantitative analysis of data. The distribution is a summary of the frequency of individual of respondent values or ranges of values for a variable. The simplest distribution would list every value of a variable, the percentage and the number of persons who had each value. For instance, a typical way to describe the distribution of online customer who joined as the respondent of this research is listing the number or percent of each variable.

Alternatively, describe gender by listing the number or percent of males and females. In these cases, the variable has few enough values that can be listed each one and summarize how many sample cases had the value. How do researchers do for a variable like income or online experience? With these variables, there can be a large number of possible values, with relatively few respondents having each one. In this case, the researchers need to group the raw scores into categories according to ranges of values.



The total number of respondents 280 were women (75%) and 94 other people were male (25%), although at the beginning of the research was conducted specifically for women, in the fact customers who do online shopping were also a group of men.

Table V.1 Independent Variable (Predictors)

Predictor Name	Description	Type	Code	Scales
Socio-Economic Variable				
Gender	Consumer Gender	Nominal	M	Male
			F	Female
Marriage	Consumer Marriage	Nominal	S	Single
			MR	Married
Age	Age of the respondents grouped in six Cohorts.	Nominal	KU-1	17-26
			KU-2	27-36
			KU-3	37-46
			KU-4	47-56
			KU-5	57-66
Work	Work status	Nominal	KP-1	Housewife
			KP-2	Business Owner
			KP-3	Trader
			KP-4	Teacher / Lecturer
			KP-5	Student
			KP-6	Company Employee
			KP-7	PNS/TNI/POLISI
			KP-8	Retired
Education	Educational level of respondent	Ordinal	KE-1	SMA/SMK
			KE-2	D1-D3
			KE-3	S1
			KE-4	S2
			KE-5	Doctoral
			KE-6	Professional
			KE-7	Military Academy
			KE-8	Others
Income	Income level of respondent	Ordinal	KG-1	<Rp 1000.000
			KG-2	Rp 1 to 5 Million
			KG-3	Rp 5 to 10 Million
			KG-4	Rp 10 to 15 Million
			KG-5	Rp 15 to 20 Million
			KG-6	Rp 20 to 25 Million
			KG-7	>Rp 25 Million
			KG-8	Others

Table V.2 Dependent Variable

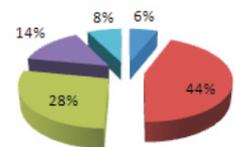
Predictor Name	Description	Type	Code	Scales
Socio-Economic Variable				
Online Budget	Personal budget expense for online purchase per month	Ordinal	DO-1	<Rp 500.000
			DO-2	Rp 1 to 5 Million
			DO-3	Rp 5 to 10 Million
			DO-4	Rp 15 to 20 Million
			DO-5	Rp 20 to 25 Million
			DO-6	Others
Experience Purchase	Online purchase experience of respondent	Ordinal	PB-1	Never
			PB-2	Once
			PB-3	2 to 5 times
			PB-4	6 to 10 times
			PB-5	11 to 15 times
			PB-6	16 to 20 times
			PB-7	21 to 25 times
			PB-8	>25 times
Online Purchase Customer Intention	Customer online purchase intention to buy on internet (Type of product and services)	Ordinal	IB-1	Fashion
			IB-2	Accessories
			IB-3	Prayer Stuff
			IB-4	Book
			IB-5	Computer Hardware
			IB-6	Cosmetic
			IB-7	Shoes
			IB-8	Software
			IB-9	Film
			IB-10	Travel Ticket
			IB-11	Electronic Appliance
			IB-12	Medicine
			IB-13	Bag
			IB-14	Perfume

Code	Demographic Variable	Frequency	Percentage
Marriage			
S	Single	103	28%
MR	Married	271	72%



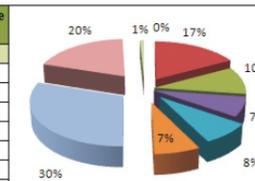
Between groups of respondents, who are single 103 persons (28%) and married 271 persons (72%), from the two of groups are the potential online customers for Facebookers of House of Taaj Bandung

Code	Demographic Variable	Frequency	Percentage
Age			
KU-1	17-26	23	6%
KU-2	27-36	165	44%
KU-3	37-46	104	28%
KU-4	47-56	54	14%
KU-5	57-66	28	7%



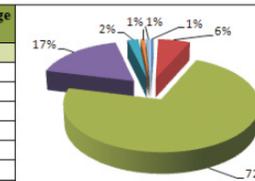
The respondents at 27-36 year old demographic contribute 165 persons (44%) are more likely to use Facebook for online shopping than other demographics (the 37-46 year old demographic represents 28% of total users respectively) but all respondent are potential to be online consumer.

Code	Demographic Variable	Frequency	Percentage
Work Group			
KP-1	Housewife	64	17%
KP-2	Business Owner	38	10%
KP-3	Trader	27	7%
KP-4	Teacher / Lecturer	30	8%
KP-5	Student	27	7%
KP-6	Company Employee	113	30%
KP-7	PNS/TNI/POLISI	72	19%
KP-8	Pension	3	1%



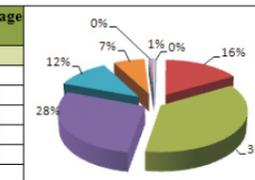
There are many groups of jobs that become part of online consumers of House of Taaj Bandung. The most dominant number from the company employee: 113 people (30%), 72 government employee (19%), and 64 housewives (17%). There are also respondents with the type of jobs as teachers / lecturers, and traders, business owners and students and pensioners, they are all have a portion and the role of online customers at House of Taaj Bandung Facebookers.

Code	Demographic Variable	Frequency	Percentage
Education Level			
KE-1	SMA/SMK	2	1%
KE-2	D1-D3	23	6%
KE-3	SI	270	72%
KE-4	S2	65	17%
KE-5	Doctoral	8	2%
KE-6	Professional	3	1%
KE-7	Military Academy	3	1%
KE-8	Others	0	0%



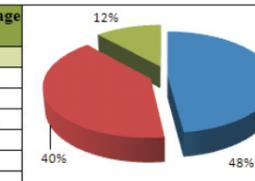
Customers with S1 education level represents the largest portion of the 374 respondents, this group has 270 (72%) of people who participated in this study as well as in education level D1-D3, S2, and other Doctoral. By this chart can be assumed that the higher education level, the higher the Facebookers opportunity to shop through online sales and share the information as the word of mouth communication.

Code	Demographic Variable	Frequency	Percentage
Income Level			
KG-1	<Rp 1000.000	1	0%
KG-2	Rp 1 to 5 Million	61	16%
KG-3	Rp 5 to 10 Million	135	36%
KG-4	Rp 10 to 15 Million	105	28%
KG-5	Rp 15 to 20 Million	43	11%
KG-6	Rp 20 to 25 Million	25	7%
KG-7	> Rp 25 Million	1	0%
KG-8	Others	3	1%



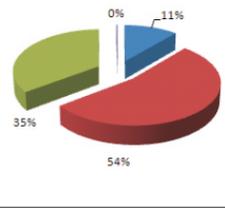
Similarly, based on income data respondents, all levels contribute in this research. The largest quantity is the income group of 50-10 million, 135 people (36%), 10-15 million, 105 people (28%), groups of 1-5 million, 61 people (16%). Almost can be sure of this data, respondents with high income one million to 25 million, according to research needs of these restrictions is a group of potential respondents to the online consumers Facebook House of Taaj Bandung

Code	Demographic Variable	Frequency	Percentage
Online Purchase Budget			
DO-1	<Rp 500.000	179	48%
DO-2	Rp 1 to 5 Million	151	40%
DO-3	Rp 5 to 10 Million	44	12%
DO-4	Rp 15 to 20 Million	0	0%
DO-5	Rp 20 to 25 Million	0	0%
DO-6	Others	0	0%



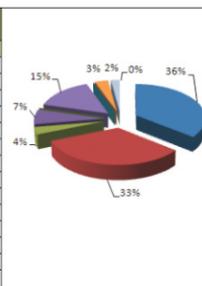
There are 179 people from 374 respondents in this study whose spend at least <Rp 500,000 for shopping online through Facebook House of Taaj Bandung, and there were 44 people who can spend their money through online registration up to 5 to 10 million per month, almost certainly value of their spending is composed of various types of products sold by online marketing.

Code	Demographic Variable	Frequency	Percentage
Online Purchase Experience			
DB-1	Never	42	11%
DB-2	Once	200	53%
DB-3	2 to 5 times	131	35%
DB-4	6 to 10 times	1	0%
DB-5	11 to 15 times	0	0%
DB-6	16 to 20 times	0	0%
DB-7	21 to 25 times	0	0%
DB-8	> 25 times	0	0%



At least there are 42 people (11%) of respondents in this study that have never made a purchase through online and 200 people (53%) of 374 had at least once time ever-shopping experience through the internet. There are 131 people (35%) had shopped 2-5 times on Facebook House of Taaj Bandung.

Code	Demographic Variable	Frequency	Percentage
Online Purchase Intention			
IB-1	Fashion	296	36%
IB-2	Accessories	276	33%
IB-3	Prayer Stuff	29	3%
IB-4	Book	58	7%
IB-5	Computer Hardware	0	0%
IB-6	Cosmetic	0	0%
IB-7	Shoes	0	0%
IB-8	Software	0	0%
IB-9	Film	0	0%
IB-10	Travel Ticket	125	15%
IB-11	Electronic Appliance	0	0%
IB-12	Medicine	28	3%
IB-13	Bag	18	2%
IB-14	Perfume	0	0%



In this study, can be assumed at least about 14 types of products are sold through online, and from the results of existing demographic data, 296 people from 374 people were ever bought fashion products through the Internet. Two hundred seventy six of them ever bought accessories through online, 58 people ever bought books via online, drugs 28 people, bags 18 people, and the second largest number is 125 people had bought tickets through online travel. More in-depth analysis of the data above is, the chances of a purchase via online for the above product types may be due to the impulsive behavior of online buyers, and they can easily be share their experiences of information from various online transactions on their social network, and community.

In this type of consumer interest in buying a particular product cannot be seen, as the computer hardware products, cosmetic, shoes, software, movies, electronic equipment, and perfume, it is not impossible in selling via online. This study exploring the internet and found so many websites sells these products, the opportunities will be very little because the types of products must be viewed in more detail, the product material specifications, sizes for shoes, for color of the cosmetic with consumers' skin, and fragrant perfume that cannot be smell around by a prospective buyer.

7. Data Processing

Test result for the appropriateness of factor analysis, the Kaiser-Maier-Olkin (KMO) measure of sample adequacy and Bartlett's test of sphericity were conducted. The KMO in this case was 0.704 and the Bartlett's test of sphericity reveals a significant level of 0.000 (Approx chi-square = 2145.406 and df = 561), hence these values confirm the sufficiency of the sample for factor analysis. The constructs generated from the factor analysis were then renamed to better identify the dimensions to be used for the next stages of this study.

Table V.13 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.704
Bartlett's Test of Sphericity	Approx. Chi-Square	2145.406
	Df	561
	Sig.	.000

Factor Analysis

The data collection using an online questionnaire made accessible via electronic mail from researchers personal e-mail address. Most of the participants are the customer of House of Taaj Bandung. During survey administration, each participant was instructed to first read the instructions and agreed with the consent form, and then he/she completed the whole questionnaire. The questionnaire is shown in Appendix B. The final sample consisted on 374 respondents and was used to conduct the analysis using SPSS 18.0 for Microsoft Windows. Table V.3 to Table V.11, summarizes the demographics as the descriptive statistics of the sample.

This sample was composed mostly 44% of 27 – 36 years old adult (88.7% between the ages of 16 and 27). Most of the subjects in the sample are female, 280 persons (75%), 94 persons male (25%) all of them living in Indonesia. Factor analysis allows the researcher to identify and separate dimensions of the structure. In addition, it determines the extent of which each variable explained by each dimension. Once each dimension is determined, factor analysis allows synthesizing and reducing the amount of data used. By synthesizing the data, factor analysis extracts dimensions that describe the characteristics of the original data. The dimensions generated, can replace the original variables if factor analysis is well-execute.

In factor analysis, all variables relate to one another to form factors that maximize the explanation of all variables identifying the structures existing between them. Since the study was exploratory in nature, a principal components analysis carried out. Varimax rotation selected to maximize the loading of each variable on one of the extracted factors while minimizing the loading on all other factors. The objective of the rotation of factors is to redistribute the variance to obtain a pattern of factors with a greater meaning. In addition, the interest of the Varimax rotation is that it allows having an easier interpretation of the factors. Varimax rotation indicates a clear positive or negative association between the variable and the factor (or lack of association if the value is close to zero).

This empirical study has shown that the resulting seven factors are consistent with previous studies and also adjusted very well to the variables defined in the conceptual model. The constructs generated from the factor analysis were then renamed to better identify the dimensions to be used for the next stages of this thesis.

- (1). Construct 1 : Search Information by Online (PRC-2; PRC-3; PRC-11, PRC-12, PRC-13, WOM-8)
- (2). Construct 2 : Time Effectiveness (PRC-1, PRC-10; WOM-7)
- (3). Construct 3 : Service Online (PRC-6; PRC-8)
- (4). Construct 4 : Monitoring (WOM-2; WOM-3; WOM-4)
- (5). Construct 5 : Communication (PRC-9; WOM-1; WOM-5; WOM-6)
- (6). Construct 6 : Online Community (PRC-4)
- (7). Construct 7 : Experience (PRC-5; PRC-7)

Table V.15 Test Result of Linier Regression for Hypothesis H1a

Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.001	.049		-.027	.962
	Communication	.103	.049	.103	2.061	.040
	Monitoring	.256	.049	.256	5.207	.001

a. Dependent Variable: Time Effectiveness

Test result of this hypothesis is shown the significant value of Communication is 0,04 and significant value of Monitoring is 0,001, which means the hypothesis H1a "Monitoring of word of mouth influence Facebookers perception toward Time effectiveness " and H1d "Communication of word of mouth influence Facebookers perception toward Time effectiveness " are accepted.

Table V.15 Test Result of Linier Regression for Hypothesis H1b

Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.001	.049		-.027	.962
	Communication	.101	.049	.101	5.220	.000
	Monitoring	.256	.049	.256	5.207	.001

a. Dependent Variable: Online Community

Test result of this hypothesis is shown the significant value of Communication is 0,000 and significant value of Monitoring is 0,001, which means this hypothesis H1b "Monitoring of word of mouth influence Facebookers perception toward Online Community" and H1e "Communication of word of mouth influence Facebookers perception toward Online Community" are accepted.

Table V.15 Test Result of Linier Regression for Hypothesis H1c

Coefficients(a)						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.001	.049		-.027	.962
	Communication	.105	.049	.105	2.067	.028
	Monitoring	.252	.049	.252	5.207	.000

a. Dependent Variable: Search_Info_By_OL

Test result of this hypothesis is shown the significant value of Communication is 0,028 and significant value of Monitoring is 0,000, which means this hypothesis H1c "Monitoring of word of mouth influence Facebookers perception toward Search Information by Online" and H1f "Communication of word of mouth influence Facebookers perception toward Search Information by Online " are accepted.

Table V.16 Test Result Hypothesis H1

Hypothesis	Significant Value
H1a Monitoring of word of mouth influence Facebookers perception toward Time effectiveness	0,040
H1b Monitoring of word of mouth influence Facebookers perception toward Online Community	0,000
H1c Monitoring of word of mouth influence Facebookers perception toward Search Information by Online	0,028
H1d Communication of word of mouth influence Facebookers perception toward Time effectiveness	0,001
H1e Communication of word of mouth influence Facebookers perception toward Online Community	0,001
H1f Communication of word of mouth influence Facebookers perception toward Search Information by Online	0,000

Thus, the conclusion of this analyze based on test result is word of mouth with variable indicator of monitoring and communication really have influence the Facebookers toward their perceptions of time effectiveness, online community, and the way they search information by online. Hypothesis of H1: Word of mouth influence Facebookers perception is accepted.

Test Result Hypothesis H2

Test Hypothesis of this study is using SPSS Statistics Data Analysis software. Table V.20 is the result that can be analyze to answer the research question of H2: The perception of Facebookers influence their online purchase intention.

Table V.21 Test Result of Linier Regression for Hypothesis H2

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.001	.051		.011	.991
	Searc_info	-.041	.051	-.041	-.807	.420
	T_Effectiveness	.176	.051	.176	3.449	.001
	Online_Comm	-.017	.051	-.017	-.341	.733
	Experience	.126	.051	.125	2.125	.014

a. Dependent Variable: Purchase_Int

Based on test result, it shown from Table V.21 that the indicator value supported the research questions are "Time Effectiveness" with significant value 0,001, and "Experience" with significant value 0,14. For two other indicator Search information by Online, Online Community, and Experience are not have good significant value, as it shown the correlation coefficient value are negative. It conclude that the best indicator variable that influence Facebooker perceptions toward purchase intentions are : "Time Effectiveness" and "Service Online"

Test Result Hypothesis H3

Test Hypothesis of this study is using SPSS Statistics Data Analysis software. Table V.20 is the result that can be analyze to answer the research question of H3: The perception of Facebookers influence their online purchase intention.

Table V.20 Test Result of Linier Regression for Hypothesis H3

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	-.001	.049		-.027	.978
	Searc_Info	.102	.049	.102	2.061	.040
	T_Effectiveness	.158	.049	.158	3.201	.001
	Online_Comm	.256	.049	.256	5.207	.000
	Experience	.021	.049	.021	.432	.666

a. Dependent Variable: PI_Online

Based on the test result of linier regression, it shown that three of indicator factor of Perception variable that really influence Facebookers Online Purchase Intention is shown with the sinificant value of indicator "Search Information by Online" with value 0,04, "Time Effectiveness" with value 0,001, and the best indicator is "Online Community" with significant value 0.000, which can conclude that all of three indicator of variable represent the number of prior indicator that the highest factor to influence Facebookers online purchase intention is their perceptions toward "Search Information by Online", "Time Effectiveness", and "Online Community". Thus, the hypothesis H3 :The perception of consumer/Facebookers influence their online purchase intention is accepted.

Test Result Hypothesis H4

The research question of Hypothesis H4 is want to know the difference between Facebookers purchase intention and online purchase intention. This study evaluate the test result of Hypothesis H2 and Hypothesis H3 to compare the difference between Facebooker Purchase Intention and Online Purchase Intention

Table V.21 The Difference Between Purchase Intention and Online Purchase Intention

Variable Indicator	Purchase Intention Significant Value	Online Purchase Intention Significant Value
Search Information by On Line	0,420	0,040
Time Effectiveness	0,001	0,001
Online Community	0,733	0,000
Experience	0,014	0,666

As the result analysis shown the differences between variable Purchase Intention and Online Purchase Intention, it show by the significant level of four variable indicator result test using Linear Regressions.

This study conclude that the best predictors of variable indicator that really influence Facebookers perceptions towards their "Purchase Intentions" are "Time Effectiveness and Experience", but the it is different with the best predictors of variable indicator that really influence Facebookers toward their "Online Purchase Intentions" are "Search Information by Online, Time Effectiveness and Online Community"

8. Discussion

This study examined the influence of word of mouth toward Indonesian online consumer purchase intention and their online purchase intention. Finding the research hypotheses supported and fully indicated that word of mouth influencing online Facebookers perception, and purchase intention via online or not online.

Influence is the outcome of a complex combination of properties about people, contexts and networks, and social community as well as the question whether certain people can be more influential than others outside their immediate in social network. However, the data also suggested that there are also some influences of intention to buy on online shop. Because the ability to access any information through online will makes consumer more sensitive and need more evaluation for decision process. The information that spread by word of mouth using social network on the consumer will be the best way how they influence each other.

Word of mouth are often focused in marketing to share information about product and services, but better pay attention not only to opinion leaders for positive or negative word of mouth would be share in any community but also to the innovators of online business, to build the "better" opinion in every chance of online consumer's insight. Word-of-mouth (WOM) marketing develops market share by encouraging people to talk about a particular product and service or brand. A successful campaign targets influential individuals according to demographic, imbues them with a developed message, and these influencers spread the word to others in their community. Although WOM efforts are not limited to the internet, the web is a great place to run a program and gauge its success.

Implication

Social Network Market Share

Doing this research, the fact of social community through the internet is very wide and large; it is good opportunity for business owner & enterprise to have market share on the internet social network. Also in this research, produce many things that can be discussed about consumer purchase intention via online and the opportunities to conduct reviews and that these reviews become the power a positive of word of mouth on their relationship network. From some previous research also have the same opinion with this study, that the decision to buy through online also influenced by the results of reviews from online forums, as is shown by Deloitte, 2009, 62% of consumers read consumer-written product reviews on the Internet. Of these, 82% say their purchase decisions are influenced by these reviews, either influencing them to buy a different product than the one they were initially considering or confirming the original purchase intention. In addition 69% of consumers who read reviews share them with friends, family or colleagues, thus amplifying their impact beyond online.

Individual Influences

The manner in which the individual consumer influences the decision-making process is central to an understanding of consumer behaviour. Following Kotler (1997), these influences can be broadly categorised into psychological and personal factors. Psychological factors operating within individuals partly determine people's general behaviour and thus influence their behaviour as consumers. The primary influences on consumer behaviour are : (1) personality and self-concept,(2) motivation, (3) learning, (4) perception and (5) the impact of attitudes.

Personality and self-concept provide the consumer with a central theme. That is, they provide a structure for the individual so that a consistent pattern of behaviour can be developed (Kotler et al., 1996; Brassington and Pettitt, 1997; Kotler, 1997; Dibb et al., 1997).

Motives are internal factors that energise behaviour and provide guidance to direct the activated behaviour. They will affect which needs a consumer regards as important and therefore the priority in which they should be satisfied. Maslow's theory of motivation, for example, suggests that needs are arranged in a hierarchy, from the most pressing to the least pressing. According to this theory, a consumer would seek to satisfy lower needs (e.g. physiological needs) before progressing to higher needs such as self-esteem or status (Feldman, 1989).

Online Purchase Intention

Online purchase intentions refer to the degree of perceptual conviction of an online customer. The implicit assumption made by those who gather and analyze consumer intentions data is that they will reflect future sales behaviors. Research in social psychology suggests that intentions are the best predictor of an individual's behavior because they allow each individual to independently incorporate all relevant factors that may influence the actual behavior. Armstrong, Morwitz, & Kumar (2000) compared buying intentions with other sales forecasting tools. They found that purchase intentions represent an accurate measure of future sales and that it provides better forecasts than an extrapolation of past sales trends.

Research Finding

Research questions about the influence of word of mouth toward Indonesia online purchase intention context has been answered from the research findings. The aim of this study also has been accomplished, that is investigating how the online consumers' perceived of fit of online shopping behavior and share the information as the result of review as word of mouth to influence online consumers' attitude toward online marketing experience and to find out if consumers' attitude correlates with their purchase intention.

Research Question 1

How word of mouth influence Facebookers perception?

The test result in Chapter V can be concluding that word of mouth with the best predictor monitoring and communication. It can influence the Facebookers perceptions toward indicator variable of time effectiveness and search information by online, as they can get information by online before they want to but something without spending a lot of their time to get information. And then online community is also the best indicator variable that can be one of reason for the Facebookers perception, as it shown on Table 1.1, Indonesian Facebookers growth is very high, updated by March 2010, there are 20.775.320 people had join to Facebook community, and the percentage growth is 793% for the last 12 month.

Research Question 2

How the Facebookers perceptions influence their purchase intention?

The purchase intention can be influenced by Facebookers perceptions itself. The significant value can be the reference of the best indicator variable that supported the Facebookers perception. The best indicator variable in this study is time effectiveness of Facebookers, and then their perception towards their experience. Another person's experience can be a good or bad results opinion of Facebookers, which can be seen as the next valued customer for House of Taaj Bandung.

Research Question 3

How the Facebookers perceptions influence their online purchase intention?

For the case of "Online Purchase Intention" this study may conclude that indicator variable of perception that really influence the Facebookers online purchase intentions are their perception towards the effectiveness of time that they can be used to evaluate, and find information by online, and the best indicator is their online community. Which mean online community can deliver and influence Facebookers online purchase intention.

Research Question 4

What is the difference between purchase intention and online purchase intention?

The difference of Facebookers purchase intention and Facebookers online purchase intention is not too large, it is almost the same, whereas the effectiveness of time that they have to spend if they want to purchase whether online or offline for direct selling in the store is the best indicator variable for this research question. But the preference of online consumer is most significantly to the way they can get more information by online and online community, and for Facebookers purchase intention, beside the effectiveness of time they are also influenced by the experience of other people that can give information such as recommendation called word of mouth about House of Taaj Bandung.

Research Original Contribution

- (1) Results from this research are expected to be useful to the business owners of online to see and evaluate, whether through online marketing they have done is an effective way of selling and offering products and services. Especially for an online business that sells fashion and accessories, such as clothing, ability to visually display the well was not enough for the customers, but could be more specific with the details of price, cost and size, colors, fabric, shipping procedure, payment method, and etc., that adjusts interest in buying online customers' needs.
- (2) The measurement of WOM communications has addressed this issue from three perspectives: data collection, construct decomposition the best indicator for framing the market opportunity. Each perspective represents a potentially significant contribution to managerial practice. The existence of a publicly accessible reservoir of observable person-to-person communications is unprecedented. The analysis demonstrates that there are information in these communications and that it can be accessed at minimal cost. Compared with the costly methods typically employed, this data source is significantly more efficient. We have also specified a dimension of WOM that is critical for the manager to measure: dispersion. Positive WOM in circulation must be used as steps to have good relationships with customers, but if found negative WOM corrective action from the product quality, service, website design, product design, after sales service should also be noticed.
- (3) This study considers the online consumer as the influence of WOM. We test constructs from consumer online in an integrated theoretical framework of online consumer behavior. Specifically, the examinations about the variable of word of mouth, how emotional and cognitive responses to visiting a Web-based store for the first time can influence online consumers' intention to return and their likelihood to make unplanned purchases.

The instrumentation shows reasonable good measurement properties and the constructs are validated as a homological network. A questionnaire-based empirical study used to test this homological network. Results confirm the double identity of the online consumer as a shopper and a computer user because both shopping enjoyment and perceived usefulness of the site strongly predict intention to return.

The results on unplanned purchases are not conclusive. It was also test some individual and Web site factors that can affect the consumer's emotional and cognitive responses. Product involvement, Web skills, challenges, and use of value-added search mechanisms all have a significant impact on the Web consumer. The study provides a more rounded, albeit partial, view of the online consumer and it is a significant step towards a better understanding of consumer behavior on the Web.

Recommendation for further research

After the analysis for the empirical data of Online Purchase Intention of Facebooker in Indonesia, the influence of marketing efforts on Word of Mouth shown obviously. This provides a new opportunity for produce provider to promote their product or service to the potential users. In addition of this research, online customer segmentation is also included predicted and examined as the mediating variable from marketing to WOM. This creates a new chance for firms or enterprise to consider their marketing strategy, which could build up more positive WOM among its customers in online or offline to recommend their product and services.

Based on the result of this study, several implications could be valuable for managing WOM from companies' point of view:

- (1) Firstly, Customer Satisfaction is the basement of Word of Mouth. WOMMA (Word of Mouth Marketing Association) states "Word of Mouth is a both side communication based on customers' satisfaction". From the analysis in Chapter 5, the Satisfaction is not only the direct factor to increase positive WOM or prevent from the negative WOM, the positive side of negative WOM, the firms can develop many things due to their strategy and also amplifies the influence of Marketing Efforts. So all of marketing strategy which aims to WOM should take the Customer Satisfaction area to measure.
- (2) Secondly, companies can manage the Word of Mouth on the internet via organizing their marketing activities. The increasing or decreasing of the frequency and quantity of marketing activities could be used to manage WOM. The raise of marketing activities can drive more attention from customers and then active their information to share on their forums and social networks. On the contrast, when more negative WOM appeared, company still can use marketing activities to provide correction or explanation. Not only increasing of marketing can help WOM to influence the consumer, but decreasing also. For instance, when a new product will be on board on the website or on the Facebook, company reduce its public marketing activities, then customer will turn to look for information via WOM. Therefore, the special characteristic will help potential online customer's purchase intention.
- (3) There are limitations of this study and need to recommend that future researcher could fill the gap of this study. Suggestion regard with the design of research context. According to some subject's feedback in the exploratory study, it will be better to use a large number of online consumers as the respondents of the research, than only using House of Taaj Bandung Community in Facebook.

- a) Controlling variable of word of mouth should be describe and let the respondents gives their quotes.
- b) We suggest future research to repeat this study in the other product not only for fashion and accessories category, but also in any kind of product such as book, travel tickets, online university, hotels, online medical store, and etc.
- c) Since this study conducts the researchby online, indeed all subjects involved in the experiment lived in Indonesia, and only people which connect with House of Taaj Bandung in Facebook, suggest for future researcher to involve subjects all segment of online consumer from another region such as South East Asia, Asia, America, Australia, Europe, and Africa in order to provide generalization of this research findings.

There are many ways to execute a WOM campaign, and many ways to measure its success on the web. Go where users go, and understand what they are talking about, how they define it, and whom they share it with. Blogs and any other social network forums allows the user to review on the conversation, tags provide insight on associations, and viral content sheds light on global reach. With some old-fashioned analysis and innovative software, the internet can provide detailed feedback on the success of a word-of-mouth campaign.

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