THE LINK OF SOCIAL MEDIA AND BRAND IMAGE ON CONSUMER PURCHASE INTENTION THE MEDIATING ROLE E-WOM

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ABSTRAK

Electronic Word of Mouth (E-WOM) adalah bentuk pemasaran di mana orang memberikan informasi dan memberikan rekomendasi jujur kepada orang lain tentang merek, produk, dan layanan. E-WOM adalah konsep baru dari WOM yang menyediakan transparansi dan akses mudah ke informasi melalui internet. Tujuan dari penelitian ini adalah untuk menentukan peran e-WOM dalam memediasi pengaruh media sosial dan citra merek terhadap niat beli konsumen pada usaha mikro, kecil, dan menengah (UMKM). Responden penelitian adalah pelanggan sektor kuliner UMKM di Denpasar. Ukuran responden adalah 100 pelanggan kuliner, dipilih dengan metode accidental sampling atau responden dipilih secara acak di area tersebut dan dianggap sesuai sebagai sumber informasi. Dalam survei tersebut, terdapat lima pilihan skor untuk setiap pertanyaan yang dapat dipilih sesuai dengan situasi nyata yang dirasakan oleh responden. Data dianalisis dengan menggunakan SmartPLS 3.0. Penelitian ini mengungkapkan bahwa media sosial dan citra merek memiliki efek positif dan signifikan baik secara langsung maupun dimediasi oleh E-WOM terhadap niat beli konsumen. Hasil penelitian ini dapat dijadikan referensi bagi UMKM bahwa media sosial, citra merek, dan E-WOM positif adalah faktor-faktor penting untuk meningkatkan niat beli.
Kata Kunci: Electronic Word of Mouth (E-WOM), Pengaruh Media Sosial, Niat Beli Konsumen

ABSTRACT

Electronic Word of Mouth (E-WOM) is a form of marketing, where people provide information and make honest recommendations to other people about brands, products and services. E-WOM is a new concept from WOM which provides transparency and easy access to information via the internet. The aims of this research was to determine the role of e-WOM in mediating the influence of social media and brand image on consumer purchase intention on micro, small and medium enterprises (MSMEs). The research respondents were customers of MSMEs culinary sector in Denpasar. The size of respondents were 100 culinary customers, chosen by accidental sampling or the respondents were chosen by chance at the area and was considered appropriate as a information source. Within the survey, there were five choices of scores for each question that can be chosen concurring to the real circumstance felt by the respondent. The data were analyzed with the SmartPLS 3.0. The research revealed social media and brand image has a positive and significant both direct effect as well mediated by E-WOM on customer purchase intention. The results of this research can be as reference for MSMEs that social media, brand image, positive e-WOM are important factors to increased purchase intention.
Keywords: Electronic Word of Mouth (E-WOM), Social Media Influence, Consumer Purchase Intention

INTRODUCTION

The Covid-19 pandemic has had a tremendous impact on the existence of companies, especially those classified as MSMEs. Companies must carry out various innovations to avoid bankruptcy. Suka Franchise also experienced a drastic decline in sales during the Covid-19 pandemic, namely 65%. Suka Franchaise operates in the ready-to-eat food sector. During the Covid-19 pandemic, Suka Franchise carried out various strategies to avoid bankruptcy, one of which was by utilizing social media. With adayane-whomThis can increase consumers' purchase intention in franchised shops, not only to buy the products but also to run their business. Suka franchise has experienced an increase in sales from year to year by 15-20%, but since the pandemic occurred in mid-2020, Suka franchise has experienced a quite drastic decline in sales, namely around 65%. However, franchises can still be on the market and sales will start to increase in 2020 with the help ofe-whomand social media. The purpose of this research is 1) to find out the role of social media in

increasing buyer interest, 2) To determine the role of E-WOM in mediating the influence of social media on consumer purchase intention.

Social media has a positive and significant influence on the purchase intention of Suka Franchise customers. Brand Image has a positive and significant effect on *E-WOM.* Brand image has a positive and significant effect on Suka Franchise customers' purchase intention. *E-WOM* has a positive and significant effect on the purchase intention of Suka Franchise customers. *E-WOM* significantly mediates the influence of social media on Suka Franchaise customers' purchase intention. *E-WOM* significantly mediates the influence of brand image on the purchase intention of Suka Franchise customers. Furthermore, the aim of this research is to determine the influence of social media and brand image on *E-WOM*, influence of Social Media and Brand Image on customer Purchase Interest Like Franchise, influence *E-WOM* to the Purchase Interest of customers Like the Franchise, influence *E-WOM* in mediating Social Media on Franchise Likes customers' purchase intention and influence *E-WOM* in mediating Brand Image on Purchase Interest of Franchise Like customers.

METHODS

This research is associative in the form of a cause and effect relationship or causality which aims to determine the influence or relationship between the independent and dependent variables. The population in this research is consumers of franchise products, with a sample size of 100 respondents. The criteria for respondents were that they had previously shopped at Suka Franchise. Data collection methods in this research are document study, interviews, questionnaires and observation. Next, the statistical analysis that will be used is *Stuctural Equation Modelling (SEM)*.

RESULT AND DISCUSSION

Inferential Analysis Results

Measurement Model Evaluation (*Measurement Model/Outer Model*) Measurement results *outer model*, regarding the calculation results *outer loading* The indicators forming the latent variable, in this study, are shown in table 1 below:

Table 1. The calculation results *Outer Loading* Indicators for Social Media, Brand Image, E-WOM and Purchase Interest Variables

Variable	Indicator	Coefficient *Outer Loading*	*P values*
Social media	MS1	0.841	0,000
	MS2	0.777	0,000
	MS3	0.822	0,000
	MS4	0.714	0,000
	MS5	0.846	0,000
Brand image	CM1	0.764	0,000
	CM2	0.728	0,000
	CM3	0.804	0,000
	CM4	0.792	0,000
	CM5	0.861	0,000
E-WOM	E2	0.721	0,000
	E3	0.909	0,000
	E4	0.903	0,000
Interest in Buying	MB1	0.89	0,000
	MB4	0.922	0,000

Source: Data processed

Table 1 shows that the coefficient *outer loading* E1, E5, MB2 and MB5 are less of 0.7, so some of the indicator items were deleted. Apart from that, each of the remaining indicators ranges from 0.714 to 0.922, so all the research indicators that form the research variables are valid all indicators are able to measure variables. Plus, value *p-values* that is 0.000 which is significant on the level *alpha* 0.05. This proves that

the indicators that form the latent variable are valid and significant ***Discriminant Validity***

Reflective indicators also need to be tested*discriminant validity* with*cross loading* An indicator is declared valid if it has*loading factor* highest to the targeted construct compared*loading factor* to other constructs.

Table 2. Calculation Results*Cross Loading*

	CM	EWOM	MB	MS
MS1	0.49	0.67	0.635	**0.84**
MS2	0.554	0.543	0.561	**0.78**
MS3	0.716	0.551	0.558	**0.82**
MS4	0.632	0.44	0.445	**0.71**
MS5	0.6	0.659	0.646	**0.85**
CM1	**0.76**	0.597	0.575	0.587
CM2	**0.73**	0.481	0.571	0.534
CM3	**0.8**	0.605	0.511	0.574
CM4	**0.79**	0.447	0.525	0.604
CM5	**0.86**	0.469	0.586	0.609
E2	0.558	**0.721**	0.516	0.494
E3	0.529	**0.909**	0.609	0.649
E4	0.604	**0.903**	0.724	0.684
MB1	0.651	0.568	**0.89**	0.583
MB4	0.625	0.75	**0.92**	0.709

Source: Data processed

The calculation results*composite reliability* and*cronbach alpha*, shows that value*composite reliability* range between 0.885 - 0.902, and value*cronbach alpha* ranged from 0.784 - 0.861. Good*compisite reliability* nor*cronbach alpha* shows a value above 0.70, this means that the variables in This research model is reliable.

Structural Model Evaluation (Structural Model/Inner Model) Through*R-Square (R2)*

Table 4. Calculation Results*R-Square dan AVE*

Variable	*R-Square*	*AVE*
E-WOM (E)	0.581	0.82
Purchase intention (MB)	0.643	0.64

Source: Data processed

MarkR^2 for social media (MS), brand image (CM) and*E-WOM* to interest purchase (MB) is 0.643, which means that 64.3% of purchasing interest is influenced by social media, brand (CM) and*E-WOM*, while the remaining 35.7% is other factors outside the research model. MarkR^2 of 0.643 is considered strong. MarkR^2 of 0.581, indicated by the influence of social media and brand image on*A WOMAN*. This means 58.1%*E-WOM* influenced by social media and image brand, the remaining 41.9% is other factors outside the research model. MarkR^2 of 0.552, including the medium category.

Through*Q-Square Predictive Relevance* (Q2)

Calculation formula*Q-Square Predictive Relevance (Q²),* Latan and Ghozali (2015: 80) are:

$Q^2 = 1 – (1 – R^2 1) (1 – R^2 2)$

= 1- (1- 0,643)(1- 0,581)

= 1- (0,357)(0,419)

= 1- (0,149)

=0,851

The calculation results*Q²* of 0.851 indicates that 85.1% of the models can explained through the relationship between variables in the research model, whereas the remaining 14.9% are other factors outside the research model. Refers to the criteria strengths and weaknesses of the model based on values*Q-Square Predictive Relevance (Q²),* as stated by Latan and Ghozali (2015: 80), then this model classified as a strong model.

Hypothesis Testing

In the case of testing hypotheses, the results of data processing are displayed *SmartPLS 3.0* in the form of a picture, as shown in Figure 1 below.

Direct Influence

Based on the results*processing* data carried by the program*SmartPLS 3.0* as shown in Figure 1, a table can be made regarding relationship between variables, as shown in table 5.

Table 5. Direct relationship between social media variables, brand image, and Interested in buying

Relationship Between Variables	Path Coefficient	T Statistics	P values	Information
Social Media (MS)→ E-WOM (E)	5,264	5.798	0	Significant
Social Media (MS) → Purchase Interest (MB)	2,108	2.1	0.036	Significant
E-WOM (E)→ Minat Beli (MB)	3,372	3.462	0.001	Significant

Source: Data processed

Based on Table 5, the relationship testing between variables can be described as follows:

The influence of social media on*Electronic Word of Mouth*

Testing the influence of social media on*Electronic Word of Mouth* shows that social media has a positive and significant influence to*Electronic Word of Mouth*. This is shown from the value between the media social to*Electronic Word of Mouth* amounting to 5.264 with a t-statistical coefficient of 5.798 and a significance value of 0.000 <0.05. The results of this test prove hypothesis 1 (H1), which states that social media is influential positive and significant towards*Electronic Word of Mouth* acceptable.

The influence of social media on purchasing interest

The influence of social media on purchasing interest shows that social media has a positive and significant effect on purchase intention as indicated by value from the social media variable to purchase interest of 2.108, with a t-statistical value of 2.100, and a significance value of 0.036 <0.05. This means that hypothesis 2 (H2), which states that social media has a positive influence and significant impact on purchasing interest can be proven.

The influence of brand image on*Electronic Word of Mouth*.

The influence of brand image on*Electronic Word of Mouth*, show that Brand image has a positive and significant influence on*Electronic Word of Mouth,* which is shown through the value of the brand image towards*Electronic Word of Mouth* amounting to 2.672, with a t-statistic value of 2.964 and value significance is 0.003 <0.05. This means that hypothesis 3 (H3), Which states that brand image has a positive and significant effect on *Electronic Word of Mouth* acceptable.

Influence*Electronic Word of Mouth* to purchase intention.

Influence*Electronic Word of Mouth* on purchase intention, shows that *Electronic Word of Mouth* has a positive and significant influence

to purchase intention*,* which is shown through the value of*Electronic Word of Mouth* towards purchase intention of 3.372, with a t-statistic value of 3.462 and value significance is 0.001 < 0.05. This means that hypothesis 5 (H5), Which States that*Electronic Word of Mouth* positive and significant effect against purchase intention can be accepted.

Indirect Influence

Table 6. Total Calculation Results*Indirect Effect*

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics	P Values
Social Media (MS)→ E WOM (E) → Minat Beli (MB)	0.194	0.197	0.068	2.862	0.004

Source: Data processed

Based on Table 6, the indirect relationship test can be described between variables as follows:

The influence of social media on purchase intention through*Electronic Word of Mouth* as a mediating variable.

The influence of social media on purchase intention through*Electronic Word of Mouth* as a mediating variable, shows a t-statistic coefficient of 2.862 and a significant of 0.004 < 0.05, so it can be concluded that hypothesis 6 (H6), that state*Electronic Word of Mouth* significantly mediating the influence of social media on purchasing interest is acceptable.

DISCUSSION

Social media has a positive and significant influence on*Electronic Word of Mouth*. This means that social media is able to create opportunities for EWOM. This is what makes the existence of social media very important in supporting its creation*eWOM*(Lomi, PhD, 2016).

The influence of social media on purchasing interest

Social media has a positive and significant effect on purchase intention. This is meaningful that the more social media is used, the higher the interest buy consumers. Apart from being able to be used to establish social interaction with other people, the presence of social media can also search for various products needed because many sales use social media for offers a variety of products. The results of this research are in line with research from Ningsih and Hidayat (2016) stated that social media has an influence positive and significant on purchase intention.

Influence*Electronic Word of Mouth* to purchase intention

Electronic Word of Mouth has a positive and significant influence on purchase intention. This means that in the world of marketing*electronic word*

of mouth can play an important role in influencing activity purchase, due to the influence of*eWOM*very strong consumer purchase intention if consumers get information from reliable sources and good quality (Elseidi and El-Baz, 2016). The results of this research are supported by research from Faza (2018) which states that*Electronic Word of Mouth* has a positive and significant influence on purchase intention.

The influence of social media on purchase intention through*Electronic Word of Mouth* as a mediating variable

Electronic Word of Mouth significantly mediate the influence of social media on purchase intention. This means that the development of this technology make*social media* not only to interact with other users, but also become a business opportunity for business people. As is*eWOM*, the company benefits from having*consumer advocacy"* arising from as a result of consumer interactions on electronic media

CONCLUSION

Based on the research findings, several key conclusions emerge:

Social media exerts a positive and significant impact on Electronic Word of Mouth (E-WOM), indicating its ability to facilitate E-WOM opportunities. Product reviews on social media play a crucial role in addressing consumer interests, thereby influencing their decision-making process.

The use of social media positively and significantly correlates with the purchase intention of Suka Franchise customers. Increased social media presence leads to broader market outreach, consequently boosting consumer purchase intent.

E-WOM demonstrates a positive and significant influence on the purchase intention of franchise-liking customers. Its role in marketing is pivotal, as it can strongly influence purchasing behavior when consumers receive information from credible and high-quality sources.

E-WOM acts as a significant mediator in the relationship between social media usage and purchase intention among Suka Franchise customers. This underscores the evolving nature of social media from mere interaction platforms to lucrative business avenues for entrepreneurs..

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