

The Mediating Effect of Electronic Word of Mouth (e-Wom) on Purchase Intention through Brand Image on Digital Platform

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ABSTRACT

The aim of this research is to find out how electronic word of mouth (e-WOM) influences purchase intention through brand image as a mediating variable. This research involved 100 respondents who were consumers of skincare X products. This research was conducted using sampling using non-probability sampling technique with purposive sampling type. The analysis technique in this research is path analysis using SmartPLS version 4.0. The results of the analysis show that the electronic word of mouth (e-WOM) variable (X) has a positive and significant effect on purchase intention (Y), the electronic word of mouth (e-WOM) variable (X) has a positive and significant effect on the brand image variable (Z), the brand image variable (Z) has a positive and significant effect on purchase intention (Y), the brand image variable (Z) has a positive and significant effect and is able to mediate the electronic word of mouth (e-WOM) variable (X) on purchase intention (Y).

Keywords: *Electronic Word of Mouth (e-WOM), Purchase intention, Brand Image*

INTRODUCTION

In today's business world, the cosmetics and skincare business is the most promising and leading business in the world that is worth up to multi-billion. Because of this, it is not surprising that the business is experiencing very rapid development (Uyun, et.al, 2023). Skincare is one of the beauty products that is trending and innovating by launching beauty products that can be used by women and men (fellyia & Bilson, 2023).

Currently, skincare products are increasingly emerging and continue to experience growth with new innovations. The number of cosmetic sales continues to increase, especially on digital platforms such as e-commerce and social media (Indriana et al., 2022). One of the reasons why e-commerce is growing in Indonesia is because more and more people are using the internet, which opens up many opportunities to develop businesses on the internet (Oktaviani & Zainurossalamia, 2021). One of the skincare products that can compete is skincare X. skincare X is one of the skincare brands that is popular among teenagers and adults.

To increase competition and grow their business, companies must expand their business strategies, including marketing strategies so that they can attract old customers and attract new customers (Putri & Hidayah, 2023). To ensure that the promoted products are well delivered to customers, companies must create the right marketing strategy. Electronic word of mouth (e-WOM) is one of the most effective and efficient marketing strategies today. It consists of many reviews, comments, and recommendations that are widespread on internet platforms.

Some consumer reviews have several negative statements on skincare X products where this will cause a decrease in consumer buying interest in Skincare X. This is evidenced by a decrease in sales data on Skincare X. This is evidenced by a decrease in sales data in 2021-2022 which resulted in reduced buying interest in skincare X.

Review content created by social media users is more likely to influence consumers as it gives credence to their opinions on products. Understanding your brand image in the minds of the public can help you differentiate when buying other products and services. It is also important to note that a positive brand image can increase interest in making purchases (Abadi, 2022).

This is the main point in the background of this research. Customer judgments that have circulated online and affected the product's brand image may be the reason why consumer interest in skincare X skincare products has declined.

LITERATURE REVIEW

Electronic Word of Mouth (e-WOM)

According to Goyette et.al (2010) in (Sumampouw & Pandowo, 2022) states that e-WOM is Word of Mouth or commonly referred to as word of mouth conducted through social media or online. Hennig-Thurau (2004), cited in Kusuma & Wijaya (2022), defines e-WOM as customer reviews, both positive and negative, posted on the internet via social media platforms. From the above statements, it can be concluded that electronic word of mouth is a positive or negative information or review from consumers from word of mouth through social media. According to Goyette et al 2010 in (Suparman, et al, 2021) indicators and dimensions in measuring e-WOM include:

1. Intensity, The number of reviews written by users indicates intensity. The frequency of data access from social networks, the frequency of user interactions on social

networks, and the number of reviews posted by social media users are additional measures of intensity.

2. Valance of Opinion, which refers to both positive and negative opinions about goods, services, and brands. Comments and suggestions from social network users are indicators of this dimension.

3. Content or information about products and services, is what you find on social media. The content dimension includes things like price, quality, and various information.

Purchase Intention

According to Kotler and Keller (2019) in (Megawati, 2023) purchase intention is a type of consumer behavior that is manifested as a reaction to goods that indicate the buyer's desire to make a purchase. According to Kinner & Taylor (1973), purchase intention is a type of consumer action that shows how committed they are to buying something. There are four main dimensions to determine the level of purchase intention quoted from (Valentino Pentury et al., 2019) as follows:

1. Transactional Interest, Consumers now have a strong desire to buy goods or services regularly.

2. Referential Interest, is the customer's desire to suggest products under a particular brand. Consumer interest in buying a product is determined by the availability of references relating to information from a product.

3. Preferential Interest, refers to customers who have prioritized a particular brand for their upcoming demands.

4. Explorative Interest, This refers to the interest of customers who are always looking for information about items that interest them and information that highlights the benefits of the product.

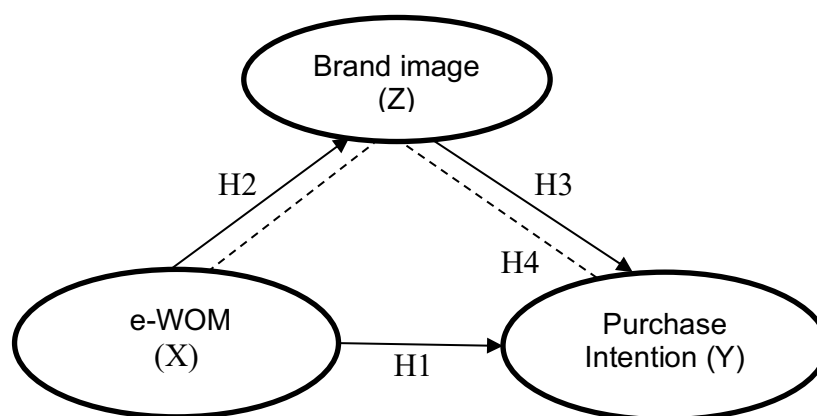
Brand Image

According to Keller in (Syarifudin, 2019) brand image is an assessment that reflects customers' memories of their connection with a particular brand. However, according to Tjiptono 2005 in (Syahrazad & Hanifa, 2019), brand image is defined as a collection of opinions, concepts, and impressions that consumers have about a brand. According to Kotler (2011) in (Syahrazad & Hanifa, 2019), brand image can be defined as a collection of consumer attitudes and actions towards a brand, which are largely influenced by the brand image itself. According to Keller 2003 in (Syarifudin, 2019), brand image consists of three dimensions, which are as follows:

1. Brand strength is The strength of a brand can be measured by how often someone thinks about it or by how consumers process all the information given to them.

2. Brand favorability is the love, trust, and ability of the brand to attract consumers who have shown interest in the brand.

3. Brand uniqueness, which creates a different perception and differentiates the brand from others, leaving consumers with no reason not to choose the brand on the product.



Source: Processed by researchers, 2024

hypothesis in this research:

H1: electronic word of mouth (e-WOM) positively and significantly affects purchase intention

H2: electronic word of mouth (e-WOM) positively and significantly affects brand image

H3: brand image positively and significantly influences purchase intention

H4: electronic word of mouth (e-WOM) positively and significantly influences purchase intention which is mediated by brand image.

RESEARCH METHOD

The population in this study is at least 17 years old, domiciled in the city of Semarang, and knows and is interested in buying skincare X products. while sampling is done by nonprobability sampling using purposive sampling technique. In sampling provides an opportunity for everyone who has the same criteria in a predetermined population to become a respondent. In this study, the sample used was 100 respondents. This study uses a survey method to collect primary data using a questionnaire distributed via google form. Then the data is processed using SmartPLS 4.0

RESULTS

Table 1 characteristics of respondents

Gender	Female	87	87%
	Male	13	13%
Age	17 – 20 years old	12	12%
	21 – 25 years old	73	73%
	> 25 years old	15	15%
Domicile	Central Semarang	16	16%
	North Semarang	20	20%
	East Semarang	35	35%
	West Semarang	18	18%
	South Semarang	11	11%

Validity and reliability

The validity test in this study was carried out through the Loading Factor. Indicators can be said to be valid if the loading factor is ≥ 0.5 (Riyanto & Hatmawan, 2020), and AVE is said to be good if ≥ 0.5 (Riyanto & Hatmawan, 2020). Meanwhile, in the reliability test,

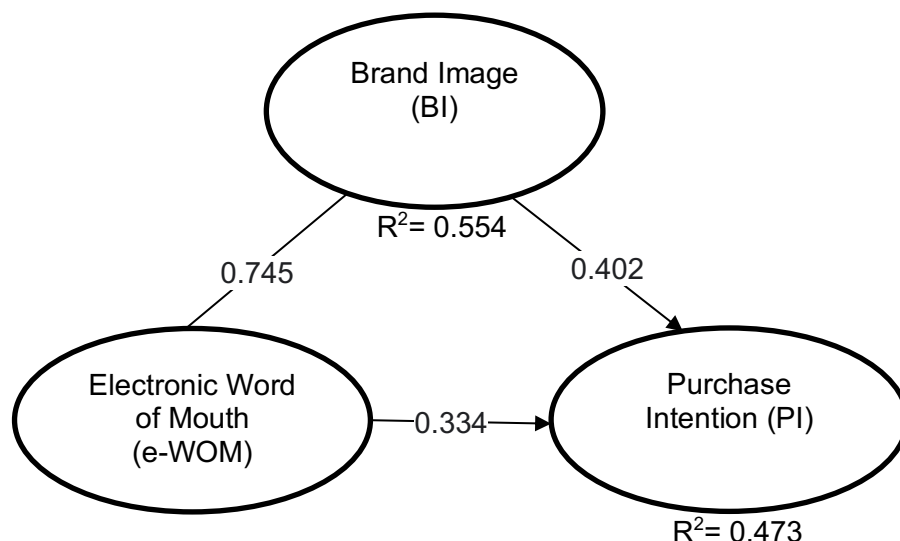
the construct can be declared reliable if it has a composite reliability value ≥ 0.7 (Riyanto & Hatmawan, 2020). Table 2 shows that each indicator of all constructs has a factor loading value and AVE > 0.50 . Then, the value of Cronbach's alpha and Composite Reliability > 0.70 (Riyanto & Hatmawan, 2020). Thus, it can be concluded that the data is valid and obtained from reliable instruments.

Table 2 validity dan reliability

Construct	Indicator	Factor loading	AVE	Cronbach's Alpha	Composite Reliability
Electronic Word of Mouth	EWOM 1	0.791	0.634	0.711	0.838
	EWOM 2	0.784			
	EWOM 3	0.813			
Brand Image	BI 1	0.860	0.748	0.831	0.899
	BI 2	0.901			
	BI 3	0.833			
Purchase Intention	PI 1	0.800	0.610	0.789	0.862
	PI 2	0.806			
	PI 3	0.781			
	PI 4	0.737			

Evaluation of the structural model

Evaluation of the structural model produces an estimated value of the causal relationship between variables. The results of structural model testing will be presented in Figure 1. While the direct effect and indirect effect are presented in Table 3.



In the structural equation, the R^2 value of purchase intention is 0.473, which shows that e-WOM and brand image are able to explain purchase intention by 47.3%, while the remaining 52.7% is explained by other factors not examined in this study. Then the structural equation shows the R^2 value of the brand image variable of 0.554, meaning that electronic word of mouth is able to explain brand image by 55.4%, while the remaining 44.6% is explained by other factors not examined in this study.

Table 3 Direct and Indirect Effect

Variabel	hipotesis	Original sampel (O)	T statistics (O/STDEV)	P values	Result
e-WOM -> Purchase Intention	H ₁	0.334	2.290	0.022	Significant positive
e-WOM -> Brand image	H ₂	0.745	14.717	0.000	Significant positive
Brand Image -> Purchase Intention	H ₃	0.402	2.494	0.013	Significant positive
e-WOM -> Brand Image -> Purchase Intention	H ₄	0.299	2.558	0.011	Significant positive

With a path coefficient value of 0.334, a statistical t value of 2.290 greater than 1.96, and a P value of 0.022 less than 0.05, it can be concluded that the effect of e-WOM (X) on purchase intention (Y) is positive and significant. From the explanation above, the first hypothesis is accepted

H1: Electronic word of mouth (e-WOM) positively and significantly affects purchase intention

With a path coefficient value of 0.745, a statistical t value of 14.717 > 1.96, and a P value of 0.000 < 0.05, it can be concluded that the effect of e-WOM (X) on brand image (Z) is significant and positive. From the explanation above, the second hypothesis is accepted

H2: Electronic word of mouth (e-WOM) positively and significantly affects brand image.

With a path coefficient of 0.402 with a statistical t value of 2.494 > 1.96 and P values of 0.013 < 0.05, it can be concluded that the effect of brand image (Z) on purchase intention (Y) is positive and significant. From the explanation above, the third hypothesis is accepted.

H3 : Brand image positively and significantly affects purchase intention

With a path coefficient value of 0.299, the effect of e-WOM (X) on purchase intention (Y) through brand image (Z) is positive and significant, with a t-statistic value of 2.558 > 1.96, and a P-value of 0.011 < 0.05. This finding also shows that brand image (Z) can mediate between e-WOM variables (X) and purchase intention (Y). from the explanation above, the fourth hypothesis is accepted.

H4 : Electronic word of mouth positively and significantly affects purchase intention mediated by brand image.

DISCUSSION

The effect of Electronic word of mouth (e-WOM) on purchase intention

Electronic word of mouth (e-WOM) is one way to increase purchase intention in a product, especially in Skincare X products. Positive electronic word of mouth (e-WOM) is one of the keys to success in a product to increase consumer buying interest.

Electronic word of mouth (e-WOM) is closely related to consumer purchase intention. electronic word of mouth (e-WOM) or often commonly referred to as electronic

communication can be assumed to be an effective means of attracting consumer attention, generating interest and then driving sales, these things can influence consumers (Chan., et al, 2021).

This research is also in line with the results studied by (Putri & Hidayah, 2023), (Abadi & Fitri, 2022) which state that electronic word of mouth (e-WOM) has a positive and significant effect on purchase intention.

The influence of Electronic word of mouth (e-WOM) on Brand image

Electronic word of mouth (e-WOM) is one of the keys to making a brand image positive or negative about a product. especially in the world of skincare, especially Skincare X products, there will be various information that can be received from both positive and negative. This will affect the image of the brand on Skincare X products.

Electronic word of mouth (e-WOM) is a very important message for potential consumers and consumers who have already bought the product, when they want to get information about a product and then make a reference in making decisions when purchasing a product (Rusiana., et al, 2023).

This research is in line with the results of research from (Rusiana & Iriani, 2023) and (Kusuma & Wijaya, 2022) these results state that the more e-WOM statements or positive reviews from consumers, the brand image of a product will increase.

The influence of Brand image on purchase intention

Brand image is one of the consumer decisions to be attracted to a product. if the brand image or brand image on Skincare X products is positive, the biggest possibility is that consumers will be interested or will be interested in buying it and vice versa.

Brand image is a way for consumers to give a certain feeling impression to a brand, a positive brand image will encourage increased buying interest in consumers. if a product has a good brand image value, it is certain that buying interest in a product will also increase (Putri, 2023).

This study also shows the suitability found by (Oktaviani & Zainurossalamia, 2021), (Kusuma & Wijaya, 2022) which states that brand image has a positive and significant influence on buying interest.

The effect of Electronic word of mouth (e-WOM) on purchase intention mediated by Brand image

Favorable e-WOM will help build a favorable brand image for a product or business, which will trigger buying interest in Skincare X customers in making purchases. Customers will feel interested in buying a product if they read or hear favorable comments about it from other customers.

A good brand image on a product will have a positive impact on consumers, namely the consumer behavior of the emergence of buying interest in the product. If a product has a good brand image or brand image, it will trigger high consumer buying interest, then if the e-WOM is positive from consumers, it will have a positive impact on the product's brand image, which in turn will increase buying interest in the product (Kusuma & Wijaya, 2022). This research is also in line with research from (Rusiana., et al, 2023), (Abadi & Fitri, 2022) which states that the results of this study indicate that electronic word of mouth (e-WOM) has a positive and significant effect on consumer buying interest mediated by brand image.

CONCLUSION

1. From the results of testing the first hypothesis (H1), there is a positive and significant influence between the electronic word of mouth (e-WOM) variable (X) on the purchase intention variable (Y), which means that the better the electronic word of mouth (e-WOM) given by consumers, the more consumers will have an interest in buying Skincare X products. the original sample value is positive 0.334. so it can be stated that the first hypothesis (H1) can be accepted.
2. From the results of testing the second hypothesis (H2), there is a positive and significant influence between the electronic word of mouth (e-WOM) variable (X) on brand image (Z), which means that the better the electronic word of mouth (e-WOM) given by consumers, the better the brand image or brand image obtained on Skincare X products. the original sample value is positive, namely 0.745. so it can be stated that the second hypothesis (H2) can be accepted.
3. From the results of testing the third hypothesis (H3), there is a positive and significant influence between the brand image variable (Z) on purchase intention (Y), which means that the better the brand image or brand image of a product that is accepted by the public, the more consumers will have an interest in buying Skincare X products or purchase interest will also increase. the original sample value has a positive value, namely at 0.402. so it can be stated that the third hypothesis (H3) can be accepted.
4. From the results of testing the fourth hypothesis (H4), electronic word of mouth on purchase intention through brand image has a positive and significant effect of 0.299 So it can be concluded that brand image is able to mediate the electronic word of mouth (e-WOM) variable on purchase intention. So, the fourth hypothesis (H4) can be accepted.

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