THE INFLUENCE OF ELECTRONIC WORD OF MOUTH TOWARDS BRAND IMAGE AND ITS IMPACT ON PURCHASE DECISION (Study on Followers Official Account Instagram @strudelmalang)

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ABSTRAK
Word of Mouth memiliki pengaruh yang lebih besar dibandingkan dengan pemasaran tradisional lainnya karena secara komparatif memberikan informasi yang lebih akurat dan dapat diandalkan berdasarkan pengalaman langsung menggunakan product atau service. Pertumbuhan Internet saat ini telah mengubah Word of Mouth menjadi Electronic Word of Mouth. Implementasi Electronic Word of Mouth di Account Instagram @strudelmalang dapat dikatakan berhasil karena memiliki jumlah followers berjumlah 133.000 dengan total jumlah 5.512 posting. Tujuan dari penelitian ini adalah menjelaskan pengaruh dari Electronic Word of Mouth terhadap Citra Merek dan dampaknya terhadap Keputusan Pembelian. Jenis Penelitian ini adalah explanatory research dengan pendekatan kuantitatif yang menggunakan purposive sampling dan menyebarkan kuesioner online kepada 116 responden. Analisis deskriptif dan analisis jalur digunakan dalam penelitian ini untuk menggambarkan data yang telah dikumpulkan sebagai kesimpulan yang dapat digunakan dan juga menjelaskan pengaruh dari masing masing variabel. Kesimpulan dari penelitian ini adalah bahwa setiap ulasan di Instagram akan membentuk Citra Merek perusahaan berdasarkan tinjauan pengalaman konsumen yang secara tidak langsung akan mempengaruhi konsumen lain untuk membuat keputusan pembelian.

Kata Kunci: Electronic Word of Mouth, Citra Merek, Keputusan Pembelian, Oleh oleh Kota Malang

ABSTRACT
Word of mouth has greater influence compared to any other traditional marketing because it comparatively provides more accurate and reliable information based on first hand experience of product or service. The growth of Internet today has changed Word of Mouth into Electronic Word of Mouth. The implementation of Electronic Word of Mouth on Account Instagram @strudelmalang is said to be successful because of the number of followers which is 133000 Followers with a total number of 5512 posts. The Purpose of this research is to explain the effect of Electronic Word of Mouth towards Brand Image and its impact on Purchase Decision. The type of this research is explanatory research with a quantitative approach by using purposive sampling and distribution of online questionnaire to 116 respondents. The descriptive analysis and path analysis was used in this research to describe data that has been collected as the conclusions applicable to the public and also explaining the influence of each variable. The conclusion of this research is that every review in Instagram will form a brand image of a company based on the review of a former consumer that will indirectly influence consumers to make a purchase decision.

Keywords: Electronic Word of Mouth, Brand Image, Purchase Decision, Malang Food Gift
INTRODUCTION

Word of Mouth (WOM) define as oral person-to-person communication between a receiver and a sender, which involves a product, service or brand (Wu and Wang, 2011). WOM considered as potential mean of shaping consumer attitudes and perception about a brand and it has greater influence on product adoption as compared to any other form of traditional marketing, because it comparatively provides more accurate and reliable information which is based on first-hand experience of product or service (Charo, et al. 2015). The rise of the Internet has changed Word of Mouth into an entirely new form of communication namely Electronic Word of Mouth (eWOM). Word of Mouth which was originally interpreted as a form of non-commercial communication between individuals, has been developed into a new form of communication by utilizing electronic media that produces a new form that is Electronic Word of Mouth. According to a survey that was conducted by the Asosiasi Penyelenggara Jasa Internet Indonesia (APJII) on 2017, which states that the growth of internet users in Indonesia has increased as much as 143.25 Billion and 87.13% uses the internet in the field of lifestyle for social media. Social media technology is accelerating and will have a significant impact on businesses. These statistics illustrate the information the high usage of the internet especially in social media has expanded the ways in which eWOM can establish consumer purchase decisions. eWOM has become one of stable marketing strategies for several companies and brands.

According to Bashar, et al. (2012) said consumers today want to be informed about product before they make the purchase, social media are extremely capable of informing and influencing purchase decision, as many users now trust their opinion more than marketing strategist. Electronic Word of Mouth (eWOM) communication as any positive or negative statement made by potential, actual, or former customers about a product or company, which is made available to a multitude of people and institutions via the Internet (Hennig-Thurau, et al. 2004). Following that, Jeong and Jang (2011) said that Positive WOM and eWOM play an important role in increasing customer’s purchase intentions, creating a favorable image of the company and its brand, and reducing promotional expenditures. Besides being a platform for ask and recommend, social media can also become a media for the building of brand image. Where consumers provide a number of reviews and recommendations about their satisfaction in consuming a product, then a perspective of consumers will represent the image of the product or services brand as a positive brand image.

Ekosistem DNA (Device, Network & Application) dan Awareness conducted by Masyarakat Telematika Indonesia (MASTEL) and Asosiasi Penyelenggara Jasa Internet Indonesia (APII) said that Instagram was the most used social media by 82.6 percent of respondents. Instagram is used by many companies for the implementation for one of their marketing strategies, one of brand among them is Malang Strudel. Malang Strudel is a company that offers Popular Food Gift from Malang that has been established since 24 December 2014. Strudel is a layered cake, made from pastry and filled with various fruits. This cake is a popular food in the Hasburg Empira (1278-1780) in Austria. The origins of this pastry was founded by the Greeks and Turks as Backlava. Due to its increase in popularity, this pastry dish is now a delicacy for the people of Austria, Germany and other European Countries. In Europe, the most well-known and favorite strudels are containing apples. In Germany, this pastry dish is also referred as apfel strudel. When the owner of Malang Strudel, Teuku Wisnu and Shireen, departed for Europe a few years ago, both of them really liked Strudel and decided to bring this delicacy as a gift for family and friends in Indonesia. Several years later, since Wisnu often comes to Malang, he thought that it might be suitable to create a typical Strudel and create it as a Food Gift from Malang, because Malang is also famous for its high quality apple. The original Austrian strudel is modified to suit local taste through a professional chef. (https://malangstrudel.com).

Malang Strudel utilizes different social media as platform for promotion and as an interface to interact with their customer. The implementation of Electronic Word of Mouth on @strudelmalang Instagram account can be said successful. This can be seen from the number of followers @strudelmalang account up until the 13th of March 2018 at 5PM that were 133,000 followers and the number of posts were 4722. Followers of @strudelmalang actively review, provide experience and recommendations through comments or post photos and tag to @strudelmalang, that can encourage the occurrence of Electronic Word of Mouth on social media Instagram. Previous studies have been discussing about eWOM between Brand Image and
Purchase Decision in recent years (e.g Hennig-Thurau, et al (2004); Bashar, et al. (2012); Ioanăs and Stoica (2014); Torlak, et al. (2014); Jalilvand and Samiei (2012); Charo, et al. (2015); Themba and Mulala (2013; Alexandra, et al. (2013); and Kim, et al. (2008)). There are some similarities and differences between this research and the previous research. The result of the previous research and models might have different conclusions in order to implement it to the latest condition in Indonesia. If we compare the previous research and this research, the differences are in location, object, subject, time, method, or analysis, and generally conducted in foreign countries that have different economic, law, and cultural environment from Indonesia.

LITERATURE REVIEW

Electronic Word of Mouth

According to Wu and Wang (2011) define WOM as oral person-to-person communication between a receiver and a sender, which involves a product, service or brand. Word of Mouth is product information that transmitted from individual to someone else and conventional Word of Mouth has been appeared to have a noteworthy part in the purchasing decision of consumers by influencing consumer choice. The Introduction of Internet technologies in recent years a shift a paradigm in the Word of Mouth into a new and more dynamic form Electronic word of mouth or eWOM. Word of mouth which was originally defined as a person to person communication about a product or services of company that can be effect on their intention and its impact on decision to buy the product has evolved into a new form of communication that is Electronic Word of Mouth. The Internet has enable the emergence of new forms of communication platforms that has been empowered between customer and company. It’s allowing them to share information and opinion about the products itself.

Hennig-Thurau, et al. (2004) refers Electronic word of mouth through eight dimensions as follows:

1) Platform Assistance
2) Venting Negative Feelings
3) Concern for Other Consumers
4) Extraversion / Positive Self-Enhancement
5) Social Benefits
6) Economic Incentives
7) Helping the Company
8) Advice Seeking

Brand Image

According to Kotler and Amstrong (2012:231) define brand is a name, term, sign, symbol or design, or combination of these, that identifies the maker or seller of a product or service. Following that statement Saifullah, et al. (2014) also state brand is not simply the name or the logo, it is a creation of how the brand effects and implies the image as well as the communication of the image in such a way that it can reach all the concerned groups that are associated to the brand and thus products pertaining to the brand are sold through these associations. Moreover, according to Aaker (1996) conceptualization while Keller (1998) framework on Saifullah et al. (2014) give more cognition and roots the focus on how consumers think during the brand selection process, keeping this in mind the view related to the equity of a brand is a follows: Brands add value for the organizations as well as for the customer purchasing the product the way a brand adds value is via the productions of value for the end-user; how a customer associates with the brand is the key element for building brand equity while making the final decision to purchase the brand. Moreover, Keller (1993) on Jalilvand and Samiei (2012) states Brand Image is the perceptions about a brand as reflected by the brand associations held in consumer memory. For that statement, we can conclude that Brand Image is one of aspects that can effect customer’s belief and attitude toward the brand preferences

One vitally important aspect of the brand is its image itself, as reflected by the affiliations that consumers hold for it. Brand Image is a representation of the customer perception of the brand that can influence perception of the company’s product that can affect customer’s belief and attitude toward a brand preference. Keller (2013:77) creating a positive brand image takes marketing program that link strong, namely:

1) Strength of Brand Associations
2) Favorability of Brand Associations
3) Uniqueness of Brand Associations

Purchase Decision

According to Kotler and Keller (2012:170) Purchase Decision is define as the consumer forms preferences among the brands in the choice set and may also form an intention to buy the most preferred brand, the buyer’s decision about. According to Kotler and Keller (2012:170) Purchase Decision is define as the consumer forms preferences among the brands in the choice set and may also form an intention to buy the most
preferred brand, the buyer’s decision about. According to Kotler and Keller (2012:170) in the evaluation stage, the consumer forms preferences among the brands in the choice set and may also form an intention to buy the most preferred brand. In executing a purchase intention, the consumer may make up to five subdecisions:

1) Brand
2) Dealer
3) Quantity
4) Timing
5) Payment Method

Hypothesis

![Figure 1. Hypothesis model](image)

\[ H_1 : \text{Electronic Word of Mouth (X)} \text{ has significant effect on Brand Image (Y)} \]

\[ H_2 : \text{Electronic Word of Mouth (X)} \text{ has significant effect on Purchase Decision (Y)} \]

\[ H_3 : \text{Brand Image (Y)} \text{ has significant effect on Purchase Decision (Y)} \]

**RESEARCH METHOD**

This research uses explanatory research with quantitative approach. This research was conducted on official account Instagram of Malang Strudel @strudelmalang. The sample amounted to 116 respondents. The characteristics of the population in this study are:

a. Respondents with minimum age of 18 years.

b. Respondents are followers from the Official Instagram Account of @strudelmalang.

c. Respondents that have been read the review about Malang Strudel from other consumers in Instagram.

d. Respondents that have purchased Malang Strudel products.

**RESEARCH RESULTS AND DISCUSSION**

**Table 1. The Result of Path Coefficient Testing of Consumer Satisfaction**

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Beta</th>
<th>t</th>
<th>p value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Word of Mouth</td>
<td>Brand Image</td>
<td>0.506</td>
<td>6.256</td>
<td>0.000</td>
<td>Sig</td>
</tr>
</tbody>
</table>

R square (R²) : 0.256
N : 116

Source: Processed Data (2018)

**Table 2. The Result of Path Coefficient Testing of Purchase Intention**

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Beta</th>
<th>t</th>
<th>p value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic Word of Mouth</td>
<td>Purchase Decision</td>
<td>0.190</td>
<td>2.085</td>
<td>0.039</td>
<td>Sig</td>
</tr>
</tbody>
</table>

R square (R²) : 0.301
N : 116

Source: Processed Data (2018)

**Table 3. The Result of Path Coefficient Testing on Purchase Intention**

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Beta</th>
<th>t</th>
<th>p value</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Image</td>
<td>Purchase Decision</td>
<td>0.428</td>
<td>4.695</td>
<td>0.000</td>
<td>Sig</td>
</tr>
</tbody>
</table>

R square (R²) : 0.301
N : 116

Source: Processed Data (2018)

It is known that the direct effect of Electronic Word of Mouth on Brand Image is 0.506, the direct effect of Electronic Word of Mouth on Purchase Decision is 0.190, and the direct effect of Brand Image on Purchase Decision is 0.428. These are the description of the result calculation:

\[
\text{Indirect Effect (IE)} = \text{PY}_1 \times \text{PY}_1 \times \text{Y}_2
\]

\[
= 0.506 \times 0.428
\]

\[
= 0.217
\]

\[
\text{Total Effect (TE)} = \text{PY}_2 + (\text{PY}_1 \times \text{PY}_1 \times \text{PY}_1)
\]

\[
= 0.190 + 0.217
\]

\[
= 0.407
\]

It shows the effect of total Electronic Word of Mouth on Purchase Decision through intervening variable Brand Image is 0.407. Based on the calculations, it shows that the indirect effect of Electronic Word of Mouth on Purchase Decision through Brand Image is greater than the direct effect of Electronic Word of Mouth on Purchase Decision (0.217>0.190).
The hypothesis model determination of this research data is measured from the correlation coefficient of determination ($R^2$) in both equations. The model results as follows:

$$R^2_{\text{model}} = 1 - (1 - R^2_1)(1 - R^2_2)$$
$$= 1 - (1 - 0.256)(1 - 0.301)$$
$$= 1 - 0.744(0.699)$$
$$= 1 - 0.520$$
$$= 0.480 \text{ or } 48.0\%$$

The calculation of assessment model hypothesis shows a result of 0.480 or 48.0% which means explaining that the model’s contribution to explain the structural relationship of Electronic Word of Mouth on Brand Image and Its Effect on Purchase Decision is 0.480 or 48.0%. While the rest of 0.520 or 52.0% is explained by other variables that are not contained in this research model.

The Influence of Electronic Word of Mouth (X₁) and Brand Image (Y₁)

Based on analysis result, the calculation result of the influence of Electronic Word of Mouth on Brand Image show the significant influence. This can be proved by beta coefficient of 0.506 and the probability of (0.000<0.05). From the hypothesis states that Electronic Word of Mouth has significant influence and a positive sign on Brand Image is accepted. The significant influence means, if the level of eWOM increase of, the Brand Image of Malang Strudel will be increase as well.

According to $X_{1.4.2}$, $X_{1.7.1}$ and $X_{1.8.1}$ that explain about review, comment or opinion on Official Instagram Account of Malang Strudel can form consumer perception about company Brand Image. It can be see by the mean for each item are above 4.2 that indicates Electronic Word of Mouth has significant influence on Brand Image. This finding also supported by previous research by Torlak, et al. (2014) that found Electronic Word of Mouth has significant influence on Brand Image. It strengthens also with research that conducted by Jalilvand and Samiei (2012) that also found Electronic Word of Mouth has significant influence on Brand Image. Similar research conducted by Charo, et al. (2015) found that Electronic Word of Mouth has significant impact on Brand Image.

Based on finding, it can be concluded the more often consumer to find information on the official Instagram of Malang Strudel then their perception of brand will change based on the review come from other consumer’s experience. According to analysis result, the description of respondents based on their first impression of Malang Strudel, it shows 52.29% respondents state that the brand image of Malang Strudel itself as gift originally from Malang. It accordance with Malang Strudel Slogan “Belum ke Malang, Kalau Belum ke Malang Strudel!” which means company want to create their brand image in consumer mind as gift originally from Malang.

The Influence of Electronic Word of Mouth (X₁) and Purchase Decision (Y₂)

Based on analysis result the calculation result of the influence of Electronic Word of Mouth on Purchase Decision show the significant influence. This can be proved by beta coefficient of 0.190 and the probability of (0.039<0.05). From the hypothesis states that Electronic Word of Mouth has significant influence and a positive sign on Purchase Decision is accepted. This significant influence means, if the level of eWOM increase of, the Purchase Decision will be increase as well.

According to analysis result, the description of respondents based on reason for making a product purchase decision explain that 55.17% respondents state the occurrence of Electronic Word of Mouth on social media Instagram can affect consumer to making a product Purchase Decision. Moreover, based on analysis result it can be seen that all respondents had read reviews about Malang Strudel product on Instagram that strengthen the influence of Electronic Word of Mouth on Purchase Decision. This finding supported by Bashar, et al. (2012) that explained Consumers today want to be informed about product before they make the purchase, social networks are extremely capable of informing and influencing purchase decision, as many users now trust their peer opinion more than the marketing strategists. In addition, Jalilvand and Samiei (2012) said through mobile internet, which is becoming increasingly popular, customer can read online recommendations for the product they are interested in directly at the point of purchase, which might have strong effect on their purchase decision.

This finding strengthened by previous research, Thamba and Mulala (2013) found eWOM have positive effect on purchase decision. Alexandra, et al. (2013) who also found that eWOM has a significant effect on Purchase Decision. It can be concluded, the more often consumer do searching information on the official Instagram of Malang Strudel, it can affect consumer to buy a product of Malang Strudel.
The Influence of Brand Image(Y₁) and Purchase Decision (Y₂)

Based on analysis result, the calculation result of the influence of Electronic Word of Mouth on Purchase Decision show the significant influence. This can be proved by beta coefficient of 0.428 and the probability of (0.000<0.05). From the hypothesis states that Electronic Word of Mouth has significant influence and a positive sign on Purchase Decision is accepted. This significant influence means, if the level of Brand Image increase of, the Purchase Decision will be increase as well.

According to Y₂.1.1 and Y₂.1.4 that explain consumer who have a positive brand image perception towards company can lead consumer to make a Purchase Decision because the Brand Image company have already a place in consumer mind. It can be see by the mean of each item are above 4.2 in that indicates Brand Image have significant Influence on Purchase Decision. The result of the relationship between Brand Image and Purchase Decision variables are also strengthened by Keller (1993, 1998) on Saifullah, et al (2014) said brands add value for the organizations as well as for the customer purchasing the product, the way a brand adds value is via the productions of value for the end users, how customer/consumer associates with the brand is they key element for building brand equity while making the final decision to purchase the brand. The findings of this study were supported by the research of Saifullah, et al. (2014) and Onigbinde and Odunlami (2015) that states Brand Image have a significant impact on Purchase Decision and that is in accordance with the result of the research. It can be concluded, consumer’s who have a positive image toward company, would be more like lead consumer to making purchase decision.

Based on the overall finding, it can be concluded that Electronic Word of Mouth have significant influence on Brand Image and its indirectly impact on Purchase Decision. This means that the higher the Electronic Word of Mouth, the bigger it influences a company’s Brand Image and it also indirectly increases impact on consumer purchase decision of Malang Strudel’s product. In this research model, the influence of Electronic Word of Mouth on Brand Image has the highest beta coefficient rather than the others variables. The result indicates Brand Image has an important role in this research. Every comment and review in Instagram will form a brand image of a company. A good or bad image of the company will form based on the review of former consumer that will indirectly influence consumer to make a purchase decision. This finding is proven true by the answer of all respondent that state Electronic Word of Mouth activity influences a company’s brand image which indirectly impact’s consumer purchase decision. This statement also supported by the previous research which says that consumer will consider to accepting review and comment in forming brand image perception that make them believe to make purchase decision (Tolrak, et al. (2014), Jalilvand and Samiei (2012), and Charo, et al. (2015)).

CONCLUSION & SUGGESTIONS

Conclusions
1. The more often consumer to find information on the Official Account Instagram company then their perception of company Brand Image will change based on the review, comment or opinion from other consumer’s experiences.
2. The more often consumer do searching information on the Official Account Instagram company, it can affect consumer to making a product Purchase Decision.
3. The consumer who have positive image perception towards company that have a place in consumer’s heart, would more likely lead consumers to making a product Purchase Decision.
4. Brand Image have an important role to be intervening variable in this research. It means the existance of Electronic Word of Mouth through former consumer reviews on Instagram will forming the company Brand Image whether it positive or negative that affect the consumer in making Purchase Decision.

Suggestions
Practical Suggestion
a. Malang Strudel’s consumer using Instagram for looking a reviews, comment directly about product that they want to buy and the information of product. Therefore, Company should facilitate the information properly about product information in order to facilitate and provide the convenience of the consumers when they visited company Official Account Instagram.
b. Most of consumer before they bought the products, they would find out the information about prices, brand image, and reviews both traditional and online word of mouth. Moreover, company can make an event to try
some product or a product promotion. It can lead to create a good impression about products and encourage consumer write a review or comment after the event. A positive comments and reviews from consumer would spread widely on internet. That makes Brand Image of company have a place in consumer’s heart.

c. Company should be aware about negative reviews and comment that come from consumer’s bad experiences. Company should pay attention to handle negative comment and reviews immediately in order to avoid bad effects on Brand Image as well as consumer to making a Purchase Decision. Therefore, company should directly response negative feedback from consumer about they feeling then examining the information. Company should have an immediate action to gain customers satisfaction through sending apology letters which including supports service in the future.

d. Company should promote brand image continually through articles, promotion campaigns and events in order to persuade customer to accept the company brand images to keeping the company Brand Image in their heart. In other hand, company also should to invest more in product quality, product variety, and providing after sale services based on gaining consumer thought from feedbacks. That are a marketing strategies for company to running business in long term and improves reputation to customers.

Academic Suggestion

a. For further research expected can develop the influence of each indicator or conduct research with different variables such as price and quality of products since there was 52% explained by other variables that are not contained in this research, so for further researcher can obtain more varied result that are possible from Electronic Word of Mouth, Brand Image and Purchase Decision.

b. For further research can also do similar research, but using different social media platforms (for example Facebook, Twitter, Website and other platforms), so it can be see different possible outcomes with this research.

c. For further research is expected to include preliminary questions with the form of open questions that relate to the variables in order to make respondents fell free in answering and help researcher to get a deeper explanation in the discussion of research and research suggestion.

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