



SOCIAL MEDIA USAGE; INVESTIGATION OF E-WOM, TRUST, ON PURCHASE INTENTION INVOLVEMENT OF RENAN STORE CONSUMERS IN BANDUNG CITY

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ABSTRACT

Known as one of the cities with the most smartphone users in Indonesia, Bandung is a good market for smartphone sellers in Indonesia, one of them is Renan Store, an online store that sells iPhone smartphones. Renan Store uses social media as a means of marketing and sales, in its development there are negative statements that tremble in online media relating to Renan Store. So that how negative statements (e-WoM) can affect consumers' Purchase Intention mediated by Trust.

The method used in this study is quantitative with the type of descriptive and causal analysis research. The types of data needed for this study are primary data and secondary data. Sampling is done by non-probability sampling method type of purposive sampling. The sample in this study were 400 respondents who lived or settled in the city of Bandung, who knew, and followed the Renan Store account on Instagram. Data analysis used Structural Equation Modeling-Partial Least Square (SEM-PLS) analysis and data processing using SmartPLS software version 3.2.8.

Based on the results of the descriptive analysis it is known that e-WoM, Trust, and Purchase Intention variables have a good effect on Renan Store consumers, from the hypothesis test results it is known that e-WoM has a significant effect on Trust, e-WoM has a significant effect on Purchase Intention, and influential e-WoM significant to Purchase Intention mediated by Trusts on consumers Renan Store in the city of Bandung.

Keywords: e-WoM, Trust, Purchase Intention, Renan Store

INTRODUCTION

Today, technology that has rapidly developed its use has become a separate need, because technology has become a support for all activities carried out by humans today. In the development of technology, the internet distribution itself is getting higher, every human being can access the internet today. The development of this technology fosters a new niche market, which we discuss as an online business.

In running an online business, it is known that a method called digital marketing, according to id.techinasia (2017), channel effectiveness from digital marketing is social media. According to the Global Digital Reports in 2018 from Wearesocial.com it is known that in Indonesia, many people access social media such as Youtube, Facebook and Instagram. Social media itself is easily accessible because of developments in gadget products, which we currently know are smartphones. Known by id.techinasia (2018) there are 103 million smartphone users in Indonesia in 2018, and according to bandung.pojoksatu.id (2017) 5 million people in the city of Bandung are actively using smartphones.



With this, it is known that Bandung as one of the cities with the most smartphone population, is a good online shop market that sells smartphones, it is known that Renan Store sells a variety of Apple brand smartphone products with quality product conditions and a large quantity of products, so it successfully attracted the interest of Indonesian consumers from various segmentation circles. Renan Store, uses the Website and Instagram social media as its sales platform.

It is known that the use of social media as a means of promotion and sales of Renan Store can foster positive and negative statements from consumers that are disseminated through online media, where these positive and negative statements are forms of e-WoM. Lin et al. (2013) define e-WoM as positive or negative statements about products or companies made by potential consumers, current consumers and former consumers that are available to many people via the internet. In the case of Renan Store having several negative statements from consumers, the statement was in the form of e-WoM because it was spread on the Internet in the form of articles or comments.

With this statement, it will certainly affect the level of consumer trust Renan Store. Trust is a psychological part of consumers in forming attitudes and behaviors, according to Gunawan (2013) trust is defined as a form of attitude that shows feelings of liking and persist to use a product or brand, where trust will arise in the minds of consumers if the product purchased is able to provide benefits or the value desired and felt when consumers consume a product.

Furthermore, both e-WoM and Trust both influence each other on the growth of consumer purchasing intention. Consumer interest is an important foundation for the purchase of Renan Store products, because interest is something personal and related to attitude, individuals who are interested in an object will have the strength or encouragement to do a series of behaviors to approach or obtain the object. Nugroho (2013) explains buying interest is a process of integration that combines knowledge to evaluate two or more alternative behaviors and choose one of them.

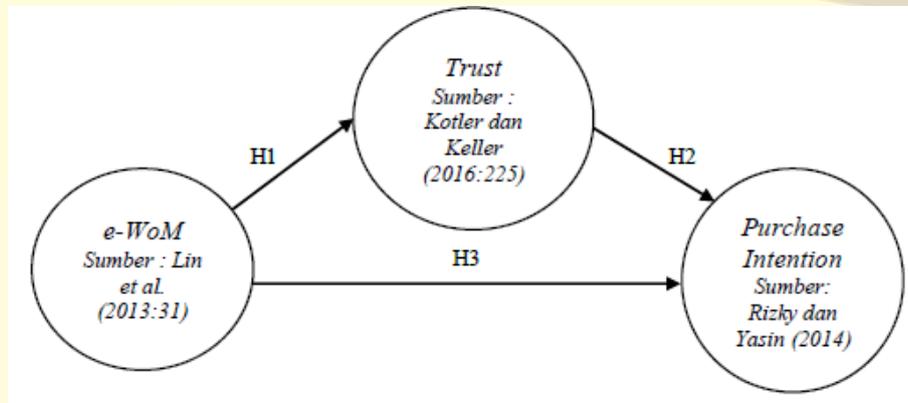
Of all the data above that the author has described, the title in this study is "The Influence of E-WoM on Purchase Intention Affected by Trust as Mediators (Study on Renan Store Consumers in Bandung City)"

The objectives of this study are:

1. To find out the effect of e-WoM on Consumer Renan Store.
2. To find out the influence of Trust on Consumer Renan Store.
3. To find out the effect of Purchase Intention on Consumer Renan Store.
4. To find out the influence of e-WoM on Trusts in Consumer Renan Store.
5. To find out the influence of e-WoM on Purchase Intention on Consumer Renan Store.
6. To find out the influence of e-WoM on Purchase Intention on Consumer Renan Store mediated by the Trust.

LITERATURE REVIEW

Electronic Word of Mouth



Picture 1

Framework

Lin et al. (2013) define e-WoM as positive or negative statements about products or companies made by potential consumers, current consumers and former consumers that are available to many people via the internet. Lin et al. (2013) electronic word of mouth can be seen from three dimensions, including eWOM quality, eWOM quantity, and sending expertise.

Trust

Siagian and Cahyono (2014) trust is a belief from one of the parties regarding the intent and behavior that is addressed to the other party, thus consumer trust is defined as a consumer expectation that service providers can be trusted or relied upon in fulfilling their promises. Kotler and Keller (2016) define trust as the willingness of companies to rely on business partners. Trust depends on a number of interpersonal and inter-organizational factors. Like Ability, Integrity, and Benevolence.

Purchase Intention

Nugroho (2013) explains buying interest is a process of integration that combines knowledge to evaluate two or more alternative behaviors and choose one of them. Rizky and Yasin (2014) suggested the dimensions of buying interest, namely: Awareness, Interest, Desire, and Action.

Research Framework and Hypothesis

From several theories that have been presented above, the author connects these three variables into a framework that is used as a guide in research. Here is an overview of the framework:



The hypothesis in this study is as follows:

"There is the influence of e-WoM on Purchase Intention with Trust as a mediating variable for consumers of Renan Store".

METHODS

This research uses descriptive-causality type with quantitative methods. According to Sugiyono (2014) descriptive research is a study used to determine the value of independent variables, either a variable or more (independent) without making comparisons, or connecting between variables one with another variable. While the causal relationship according to Sugiyono (2014) is a causal relationship. So here there are independent variables (variables that influence) and dependent (influenced).

Quantitative research methods can be interpreted as research methods that are based on positivist philosophy, used to examine certain populations or samples, sampling techniques are generally done randomly, data collection uses research instruments, data analysis is quantitative / statistical in order to test hypotheses that has been determined (Sugiyono, 2014). In the formulation of research problems, researchers want to know the relationship between Price Perception and Quality Perception of Purchasing Decisions.

The population in this study were consumers of Renan Store in Bandung who knew and followed Renan Store's Instagram account with an unknown number. Researchers used a sample of 400 respondents, namely consumers Renan Store in the city of Bandung. The sampling technique uses non-probability sampling with a purposive sampling technique.

RESEARCH RESULT

Descriptive Analysis

1. Respondents' Response Regarding e-WoM

Based on the results of tests conducted it can be seen that e-WoM variables are included in the good category with a percentage value of 71.9%.

2. Respondents' Response Regarding Trust

Based on the results of tests conducted it can be seen that the Trust variable is included in the good category with a percentage value of 76.8%.

3. Respondent's Response Regarding Purchase Intention

Based on the results of the tests conducted it can be seen that the Quality Perception variable is included in the good category with a percentage value of 78.16%.

VALIDITY AND RELIABILITY TEST

Based on the results of the validity test, the following results are obtained:

Tabel 1 Validity Test

Variabel	AVE	Critical Value	Model Evaluation
<i>e-WoM</i> (X)	0.610	≥ 0,5	Valid
<i>Trust</i> (Z)	0.606		Valid
<i>Purchase Intention</i> (Y)	0.626		Valid



Based on the results of the table above, it shows that the AVE values in each construct are e-WoM, Trust, and Purchase Intention above 0.5 so it can be concluded that these indicators are declared valid and can be accepted as a measure of the latent variables of the study.

Based on the reliability test results obtained the following results:

Table 2 Reliability Test

Variabel	Composite Reliability	Critical Value	Model Evaluation
<i>e-WoM (X)</i>	0.926	≥ 0,7	Reliabel
<i>Trust (Z)</i>	0.929		Reliabel
<i>Purchase Intention (Y)</i>	0.934		Reliabel

Based on the results of the table above, it shows that the e-WoM construct, Trust, and Purchase Intention have a reliability composite value of ,70.7. It can be said that the construct of Price Perception, Quality Perception, and Purchasing Decision have good reliability.

The influence of e-WoM on Trusts

Table 3 Pengaruh e-WoM terhadap Trust

<i>Effect</i>	<i>T-Statistics</i>	<i>T-Table</i>
<i>e-WoM → Trust</i>	45.355	1.649

Source: SmartPLS Data Processing 3.2.8

Based on the table above, the T-Statistics value is 45,355. Because the value of the T-Statistic is greater than the t-table which is 1,649, so H₀ is rejected. This means that there is a significant influence from e-WoM on the Trust.

Effect of Trust on Purchase Intention

Table 4 Effects of Trust on Purchase Intention

<i>Effect</i>	<i>T-Statistics</i>	<i>T-Table</i>
<i>Trust → Purchase Intention</i>	38.280	1.649

Source: SmartPLS Data Processing 3.2.8

Based on the table above, the T-Statistics value is 38,280. Because the T-Statistics value is greater than the t-table which is 1,649, so H₀ is rejected. This means that there is a significant influence from the Trust on Purchase Intention.

Effect of e-WoM on Purchase Intention

Table 5 Effects of e-WoM on Purchase Intention

<i>Effect</i>	<i>T-Statistics</i>	<i>T-Table</i>
<i>e-WoM → Purchase Intention</i>	25.283	1.649

Source: SmartPLS Data Processing 3.2.8



Based on the table above, the T-Statistics value is 38,280. Because the T-Statistics value is greater than the t-table which is 1,649, so H_0 is rejected. This means that there is a significant influence from the Trust on Purchase Intention.

The effect of e-WoM on Purchase Intention mediated by the Trust in Renan Store

Table 6 Effects of e-WoM on Purchase Intention mediated by the Trust in the Renan Store

<i>Effect</i>	<i>T-Statistics</i>	<i>T-Table</i>
<i>e-WoM → Trust → Purchase Intention</i>	11.109	1.649

Source: SmartPLS Data Processing 3.2.8

Based on the table above, the T-Statistics value is 11.109. Because the T-Statistics value is greater than the t-table which is 1,649, so H_0 is rejected. This means that there is a significant influence from e-WoM on Purchase Intention mediated by the Trust in Renan Store.

Hypothesis testing

H1: It is known that the value of is 45,355 and the value of $t\alpha$ is 1,649 thus $t\text{-statistic} \geq t\text{-table}$, which indicates H_0 is rejected and H1 is accepted. Thus the dependent variable e-WoM has a significant effect on Trust mediation variables.

H2: It is known that the value of is 38.280 and the value of $t\alpha$ is 1.649, thus $t\text{-statistic} \geq t\text{-table}$, which indicates H_0 is rejected and H2 is accepted. Thus the Trust mediation variable has a significant effect on the independent variable Purchase Intention.

H3: It is known that the value of is 25,283 and the value of $t\alpha$ is 1,649, thus $t\text{-statistic} \geq t\text{-table}$, which indicates H_0 is rejected and H3 is accepted. Thus the dependent variable e-WoM has a significant effect on the independent variable Purchase Intention.

H4: It is known that the value of equals to 11.109 and the value of $t\alpha$ is 1,649 thus $t\text{-statistic} \geq t\text{-table}$, which indicates H_0 is rejected and H4 is accepted. Thus the dependent variable e-WoM has a significant effect on the independent variable Purchase Intention mediated by the Trust variable.

CONCLUSION

Based on the results of research and SEM-PLS analysis that has been carried out regarding the use of social media; e-WoM investigations, Trusts, and the involvement of Purchase Intention to consumers of Renan Store in the city of Bandung, conclusions can be drawn that are expected to provide problems regarding the formulated in this study as follows:

1. Based on the results of descriptive analysis, e-WoM in the eyes of respondents as a whole is in the good category.
2. Based on the results of the descriptive analysis, trust in the eyes of respondents as a whole is in the good category.



3. Based on the results of the descriptive analysis, Purchase Intention in the eyes of respondents as a whole is in a good category.
4. Based on the results of SEM-PLS analysis, it is known that in table 3 obtained a t-statistic value of 45,355 and from the results of the hypothesis test it is known that the t-statistic is greater than the t-table which is 1,649. So that it is known that there is a significant effect of e-WoM on Trust.
5. Based on the results of the SEM-PLS analysis, it is known that in table 4 obtained a t-statistic value of 25,283 and from the results of the hypothesis test it is known that the t-statistic is greater than the t-table which is 1,649. So it is known that there is a significant influence from e-WoM on Purchase Intention.
6. Based on the results of the SEM-PLS analysis, it is known that in table 5 obtained a t-statistic value of 11.109 and from the results of the hypothesis test it is known that the t-statistic is greater than the t-table which is 1,649. So it is known that there is a significant influence from e-WoM on Purchase Intention mediated by the Trust.

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