

Instagram Electronic Word of Mouth's Effect Towards Purchasing Decision Arromanis Corner Store, Bandung, Indonesia

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Abstract:

The phenomenon of *word of mouth* has believed to encourage the purchase by consumers in addition is also more efficient because it does not require a large budget *Word of Mouth* many used in *social media*. *Social media* has developed from just the container to deal with family and friends, now become the container for the consumer to get company information and products. This can trigger the process *electronic word of mouth* how someone talking, recommends, share informations and experiences about a product that uses. One of the business who used the *electronic word of mouth* as promotion strategy is Arromanis Corner Store, this is shown by the *followers* Instagram Arromanis Corner Store that have increased each year. Data analysis techniques used in this research is quantitative kausal with double linier regression method. Independent variable is *Electronic Word of Mouth* with the indicators *Platform Assistance*, *Concern for Other Consumers*, *Extraversion/Positive Self-Enhancement*, and *Helping Company*. Dependent variable is Purchase Decision Process. Data collection is done with the dispersion of questionnaire to consumers Arromanis Corner Store Bandung. Using descriptive analysis techniques, the percentage of each variable are in good category. The results of calculation that *electronicword of mouth* with *social media* Instagram influence simultaneously to product purchase decision process Arromanis Corner Store Bandung.

Keywords: *Electronic Word of Mouth, Marketing Management, Purchase Decision Process, Consumer Behavior*

1. Introduction

Along with the development of increasingly sophisticated technology, the current Internet use is no stranger to market a product giving rise to increasingly fierce competition in today's business world. In an effort to maintain the viability of the company, one issue that is important in a company is a marketing aspect, namely how to order goods or services can be sold and give satisfaction to the consumer. Each company will follow a marketing system that varies depending on the needs and size of the company.

A consumer will try to look for more information on the product to be bought. The number and influence of sources of information about a product most from commercial sources, such as advertising and other promotional forms issued by the company. But the most effective sources come from private sources, among others such as family, friends, neighbors, and others. (Kotler and Armstrong, 2012: 226).

The phenomenon of word of mouth is believed to encourage purchases by consumers but it is also more efficient because it does not require a big budget (low cost) because it does not need to spend your advertising budget on a wide range of promotional media there.

The social media has evolved from just a container to get in touch with family and friends, has now become a place for consumers to get information of companies and products sold (Shanker in Paquette, 2013). One of its social media is increasing Instagram. Figures Instagram users today successfully surpassed the Twitter app users who are in the range of 316 million users. According to data from eMarketer, Instagram income in 2016 is estimated to reach US \$ 1.5 billion and US \$ 2.8 billion in 2017. eMarketer's own estimates Instagram revenue this year will reach US \$ 600 million. As many as 75% of Instagram users are from outside the United States. With the majority coming from Europe and Asia. Noted Brazil, Japan, and Indonesia contributed greatly to the growth of Instagram users. Instagram has recently also launched its advertising services to help businesses to market their products through Instagram.

With the social media phenomenon that more and more users, especially social media like Instagram photo sharing utility which can trigger the process of electronic word of mouth is how people talk about, recommend, share information and experiences about a product they are using. One of the efforts that establishes electronic word of mouth as a promotional strategy is Arromanis Corner Store, it is proved by the number of Instagram followers Arromanis Corner Store which has increased each year.

After conducting interviews according Armita, owner Arromanis Corner Store Bandung with their social media Instagram Arromanis help introduce products to consumers and make it easier to market their products. Electronic word of mouth into a marketing strategy used by Arromanis Corner Store, because the business is initially only run online course so that market their products through social media Instagram. Form of word of mouth conducted by Arromanis is handing where Arromanis plans each post / update the photos in either the product of Arromanis Corner Store as well as information about

the product Arromanis Corner Store and event followed by Arromanis Corner Store may cause the word of mouth is how consumers discuss, engage and inform the people about Arromanis closest Corner Store. Besides the electronic word of mouth happens when consumers who have tried the product and they recommend the product Arromanis Arromanis by post / update the photos on Instagram or social media recounted his experience during trying products Arromanis Corner Store. Initially Arromanis only sell products online, but the increasing consumer demand then Arromanis Corner Store decided to open a shop and sell their products online and offline. In Indonesia the awareness of consumers to purchase products online is still insufficient, especially for food products such as cake and dessert. Consumers usually buy directly came to the shop because it must consider some purchase decision process such as: the tasting was great, saw its original form, and choose which product to meet their needs. Based on these descriptions, the researchers are interested to analyze the "Influence of Electronic Word of Mouth Through Social Media Instagram Against Buying Decision Process Products Arromanis Corner Store Bandung".

1) The problems of this study are as follows:

- How is the word of mouth going on Arromanis Corner Store Bandung?
- How is the consumer buying decision process of the product Arromanis Corner Store Bandung?
- How does electronic word of mouth through social media Instagram the product purchase decision process Arromanis Corner Store Bandung?

This study aims to identify and analyze:

- Word of mouth is happening in Arromanis Corner Store Bandung.
- The process of consumer purchasing decisions on products Arromanis Corner Store Bandung.
- Effect of electronic word of mouth through social media Instagram the product purchase decision process Arromanis Corner Store Bandung.

2. Discussion

2.1 *Electronic Word of Mouth*

Word of mouth marketing can also be in the form of online and offline. Spreading word of mouth is not limited to face-to-face communication, but word of mouth can occur in the form online through social media. It is called the electronic word of mouth. Hennig-Thurau et. al., (2004) suggested that the electronic word of mouth is positive or negative statements made by potential customers or former customers about the products or companies devoted to many people or institutions via the Internet. Electronic word of mouth has differences with traditional word of mouth. The difference can be seen from: First, the traditional word of mouth information exchange occurs directly (face-to-face). But word of mouth on the electronic exchange of information naturally occur electronically (without communication face-to-face). Second, the traditional word of mouth, information providing information to recipients who find out about the information that is needed and have the attention on such information (to be solicited). But in electronic word of mouth, referrals are usually unsolicited information providers, the point is they give or send to recipients who do not find the information, and have no interest in such information.

In his research, (Hennig-Thuraun et. Al., 2004) reflecting the electronic word of mouth through 8 dimensions:

1) Platform Assistance

In his research, (Hennig-Thuraun et. Al., 2004) operationalized the behavior of electronic word of mouth by two ways: (a) the frequency of customer visits to the opinion platform and (b) the number of written comments by consumers on platforms opinion.

2) Venting Negative Feelings

To prevent others from experiencing the problem that they have. This effort is usually found on the electronic word of mouth negative. That is, if the customer experience something unpleasant or negative for them. Sharing experiences of negative consumption by publishing comments online can help consumers to reduce dissatisfaction associated with their negative emotions.

3) Concern for Other Consumers

A sincere desire to help a friend or relative to make better buying decisions.

4) Extraversion / Positive Self-Enhancement

This motive includes communicators focus on the psychological benefits of electronic word of mouth - to integrate category original motif to express positive feelings and self improvement.

5) Social Benefits

Affiliation with a virtual community can represent a social benefit to consumers for reasons of identification and social integration, and is therefore presumed that consumers engage in electronic word of mouth to participate.

6) Economic Incentives

The economic benefits have been designated as an important driver of human behavior in general and considered as a sign of respect for the recipient's behavior, for example by giving gifts.

7) Helping the Company

Helping the company is the result of consumer satisfaction with the product and subsequent desire to help the company. Customers are motivated to engage in electronic communication word of mouth to talk about the company as a reward based on the good experience.

8) Seeking Advice

Consumption occurs when individuals read product reviews and comments written by others, which also motivate consumers to write a comment.

In this study, researchers did not use the dimensions Venting Negative Feelings for this study focused on the electronic word of mouth that is positive, the researchers also do not use dimension Social Benefits for the indicator largely discusses the advantages of the use of social media and it is less relevant to this study. Dimensions of Economic Incentives are also not used because there are no awards received by the informants. In addition, researchers also do not use dimension Seeking Advice for the study of electronic word of mouth in question is electronic word of mouth is spontaneous, not sought or wanted to be known in advance by the respondent.

2.2 Purchase Decision Process

Consumer purchasing decisions is the stage where consumers form the intention to buy the most preferred product, where the consumer's decision to modify, suspend, or dodge greatly influenced the perceived risk (Kotler & Keller, 2012: 188). While the purchase decision process is an activity of the consumer before making the final decision. Consumers will pass through five stages in the purchase decision process that problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behavior (Kotler & Keller, 2012: 184).

The hypothesis in this study are:

H_p: There is no significant effect between electronic word of mouth through social media Instagram the product purchase decision process arromanis corner store Bandung.

H_a: There is a significant relationship between electronic word of mouth through social media Instagram the product purchase decision process arromanis corner store Bandung.

The main hypothesis of the above it is revealed to be hypotheses derived as follows:

H_{o1}: There is no effect of variable dimensions Assistance Platform electronic word of mouth to the purchase decision process

H_{a1}: There is the influence of variable dimensions Assistance Platform electronic word of mouth to the purchase decision process

H_{o2}: There is no effect of Concern for Other Consumer dimension of the variable electronic word of mouth to the purchase decision process

H_{a2}: influences of Concern for Other Consumer dimension of the variable electronic word of mouth to the purchase decision process

H_{o3}: There is no effect of the dimensions Extraversion / Positive Self-Enhancement of variable electronic word of mouth to the purchase decision process

H_{A3}: There is the influence of the dimensions Extraversion / Positive Self-Enhancement of variable electronic word of mouth to the purchase decision process

H_{o4}: There is no effect of the Company's Helping dimension of variable electronic word of mouth to the purchase decision process

Ha4: Helping dimension influences of the Company of the variable electronic word of mouth to the purchase decision process

3 Result and Discussion

This type of research used in this research is descriptive and causal research for this study aimed to analyze the relationship between variables and describing the research results. According Sugiyono (2012: 21), descriptive research is research that describe or analyze the results of the study but not used to make broader conclusions. Meanwhile, according Sugiyono causal research (2012: 30) is a study that aims to analyze the causal relationship between the independent variables (variables that affect) and the dependent variable (the variable that is affected). This study uses quantitative research is research that uses statistical analysis to obtain findings.

The sample in this study was 100 followers of @Arromanis ever buy products Arromanis Corner Store online or offline, sampling using purposive sampling technique sampling technique with a certain considerations. Data collection techniques based on primary data obtained from interviews, questionnaires, and observations. While secondary data obtained from books, the Internet, research results, and other information sources that are considered relevant to the research topic. The analysis technique used is multiple linear regression analysis. Sekaran (2011: 299), explained that the multiple regression analysis conducted to examine the simultaneous effect of several independent variables on an internal scale of the dependent variable. Multiple linear regression analysis done when the minimum number of independent variables 2. multiple linear regression equation is:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Y = purchase decision

α = konstanta

X_1 = Platform Assistance

X_2 = Concern for Other Consumers

X_3 = Extraversion/Self-Enhancement

X_4 = Helping the Company

β_1, \dots, β_4 = regression coefficient

e = error term

Descriptive analysis showed that of the 100 respondents in this study there were 79% female and 21% were male. Most respondents were in the age of 17-25 years, with a majority of 80% of the work as a student or students, and 65% know about Arromanis Corner Store of social media Instagram. Based on descriptive analysis of respondents regarding Electronic Word of Mouth (X) with the indicator, namely: Platform Assistance (X1), Concern for Other Consumers (X2), Extraversion / Positive Self-Enhancement (X3), Helping the Company (X4) and Decision Process Purchase (Y) are in either category. Based on test results simultaneously can be seen that the value of F arithmetic amounted to 23.647 leboh greater than F table by 3.019 (23.647 > 3.019) and the level of significance 0.000 < 0.05. This shows that the H0 is rejected and Ha accepted, which means independent variables consisting Platform Assistance, Concern for Other Consumers, Extraversion / Positive Self-Enhancement, and Helping the Company jointly (simultaneously) significantly affects the dependent variable is the Process Purchase decision Arromanis products Corner Store Bandung.

Table 1. Simultaneous Effect Analysis (Uji F)
ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	539.060	4	134.765	23.647	.000 ^b
	Residual	541.405	95	5.699		
	Total	1080.465	99			

a. Dependent Variable: Y

b. Predictors: (Constant), X4, X3, X1, X2

Based on hypothesis testing partially (t test) variable Assistance Platform (X1) has a t value of 3.794 is greater than t table of 1.985 then the variable Assistance Platform partial effect on the Buying Decision Process. Concern for Other Consumers (X2) has a t value of (-0.303) is smaller than t table of 1.985 then the variable Concern for Other Consumers no effect partially on the Purchase Decision Process. Extraversion / Positive Self-Enhancement (X3) has a t value of 2.649 is greater than t table of 1.985 then the variable extraversion / Positive Self-Enhancement partial effect on the Buying Decision Process. Helping the Company (X4) has a t value of 2.973 is greater than t table of 1.985 then the Company Helping variable partial effect on the Buying Decision Process.

Tabel 2. Partial Hypothesis Analysis (Uji t) Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	1.707	1.487		1.148	.254
1 X1	.691	.182	.391	3.794	.000
X2	-.043	.144	-.034	-.303	.763
X3	.417	.157	.240	2.649	.009
X4	.615	.207	.274	2.973	.004

a. Dependent Variable: Y

Multiple regression equation:

The value of R square (Koefisien Determinasi) is 0,499 shows that the value of the effects of Platform Assistance (X₁), Concern for Other Consumers (X₂), Extraversion/Positive Self-Enhancement (X₃), Helping the Company (X₄) into purchasing decision of the products at Arromanis Corner Store Bandung is 49,9%.

Tabel 3. Determination Coefficient Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.706 ^a	.499	.478	2.387257

a. Predictors: (Constant), X₄, X₃, X₁, X₂

b. Dependent Variable: Y

4 Conclusion

Based on the results of research and analysis that has been done on the Effect of Electronic Word of Mouth Through Social Media Instagram Against Buying Decision Process Products Arromanis Corner Store Bandung, we can conclude some of the following:

Word of Mouth is happening in Arromanis Corner Store Instagram Bandung through social media, so this form of online word of mouth is known as an electronic word of mouth. Electronic Word of Mouth conducted by Arromanis Corner Store Bandung eyes of the respondents as a whole earned a total score of 79.8%, based on the calculation of descriptive analysis are in either category. This shows that Arromanis Corner Store has managed to create electronic word of mouth.

Consumer Purchase Decision Process to product Arromanis Corner Store as a whole got a percentage of the value of 78.92 and entered into either category. This shows Arromanis Corner Store can already trigger consumers to pass through the stages of the purchase decision process to utilize social media Instagram to know and compare products Arromanis with other products until the respondent decided to buy the product Arromanis and feel satisfied with the product Arromanis had bought. Electronic word of mouth through social media Instagram simultaneously influence the purchase decision process Arromanis products Corner Store Bandung. It is seen by simultaneous test or F test that variable Platform Assistance (X₁), Concern for Other Consumers (X₂), Extraversion / Positive Self-Enhancement (X₃), Helping the Company (X₄) is jointly or simultaneously significant effect on Buying Decision process (Y) product Arromanis Corner Store Bandung. The magnitude of the effect of electronic word of mouth through social media Instagram the product purchase decision process Arromanis Corner Store Bandung amounted to 49.9%. While the remaining 50.1% is influenced by other factors not examined in this study

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