The Effect of Brand Image and Electronic Word of Mouth on Purchase Intention

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Abstract: *Technological developments and efficient ways to obtain information for students and lecturers, namely with smartphones The rapid development of communication technology makes smartphones increasingly have an impact on society. In 2021, smartphone users in Indonesia have reached 76% of the population and are expected to continue to increase every year until 2025 of 89.1% of the population in Indonesia have used smartphones. The purpose of this research was to examine the effect of brand image and electronic word of mouth on purchase intentions at Xiaomi smartphones. The population in this study are people in Semarang City who are users of the Xiaomi smartphones with a sampling of 100 people and data collection using a questionnaire. The sampling technique used is non-probability sampling with purposive sampling method. The analysis technique used was multiple linear regression analysis. The result of the study state that the brand image and electronic word of mouth variable has a positive and significant effect on purchase intentions.*
Keywords: Brand Image, Electronic Word of Mouth, Purchase Intention.

Abstrak: Perkembangan teknologi dan kemudahan akses dalam mendapatkan informasi bagi mahasiswa dan dosen salah satunya yaitu dengan smartphone. Perkembangan teknologi yang semakin pesat membuat smartphone semakin memberikan dampak bagi Masyarakat. Pada tahun 2021, pengguna smartphone di Indonesia telah mencapai angka 76% dari populasi dan diperkirakan akan terus meningkat setiap tahunnya hingga diproyeksikan pada tahun 2025 mencapai 89,1% populasi di Indonesia telah menggunakan smartphone. Tujuan dari penelitian ini adalah untuk menguji pengaruh citra merek dan electronic word of mouth terhadap Keputusan pembelian pada smartphone Xiaomi. Populasi dalam penelitian ini yaitu masyarakat di kota Semarang yang menggunakan smartphone Xiaomi dan jumlah sampel yang digunakan sebanya 100 orang dengan pengumpulan data menggunakan kuesioner. Teknik pengambilan sampel yang digunakan adalah non-probability sampling dengan metode purposive sampling. Teknik analisis yang digunakan yaitu analisis regresi linear berganda. Hasil dari penelitian ini menyatakan bahwa variabel citra merek dan electronic word of mouth berpengaruh positif dan signifikan terhadap keputusan pembelian.
Kata Kunci: Citra Merek, Electronic Word of Mouth, Keputusan Pembelian.

INTRODUCTION

Technological developments and efficient ways to obtain information for students and lecturers, namely with smartphones The rapid development of communication technology makes smartphones increasingly have an impact on society. In 2021, smartphone users in Indonesia have reached 76% of the population and are expected to continue to increase every year until 2025 of 89.1% of the population in Indonesia have used smartphones (Ahmad and Tias, 2022). Xiaomi smartphones are new products that have only been marketed in international markets in 2014, including Indonesia and especially the city of Semarang. Even though the Xiaomi smartphone is a new product, the reality is that Xiaomi smartphones can be in the top five in the world, which is in second place. Seeing the increasingly fierce competition in the smartphone industry, Xiaomi smartphones may be pursued by other smartphone industries. To maintain and even

increase its sales, the Xiaomi company must pay attention to matters that are closely related to consumer decisions in purchasing Xiaomi smartphones.

The need for communication devices such as mobile phones or smartphones has always increased from year to year, especially for types of mobile phones or smartphones with certain brands. This is due to consumer consumption patterns at this time who always want an ease of communication that can support their daily activities both at work and other things. Therefore, the choice of consumers to use cell phones or smartphones is currently very high, such as one Xiaomi smartphone. The data on the report on cellphone sales in Indonesia in 2021 shows a fact that is quite surprising because it can be proof that Indonesians like to change cell phones.

According to the data from Kumparan in 2018 Mi Fans Members in Indonesia are experiencing rapid growth. The number registered in the Mi Community application has reached 989,194 members. This number, called Xiaomi, is the fastest-growing figure compared to Mi Fans in other countries. The Mi Fans community is claimed to exist in 31 cities in Indonesia. Based on this data, Semarang City is included in the top ranks in the data on the distribution of the Mi Fans community in Indonesia. Technological advances have rearranged company goals from profit to sustainable profitability. This can be achieved by maintaining and increasing consumer Purchase Intention (Treiblmaier & Garaus, 2023).

According to (Barta, 2023) Purchase Intention is an integration process that combines knowledge to evaluate two or more alternative behaviors and choose one of them. If consumers have no experience with a product, they tend to trust a preferred or well-known brand. This is the reason that encourages companies to strengthen their brand position to create a positive Brand Image that is firmly embedded in the minds of consumers because, through Brand Image, consumers can recognize a product, evaluate quality, reduce purchase risk, and gain experience and satisfaction from differentiation certain products (Barta, 2023)

The emergence of Electronic Word Of Mouth in the world of marketing cannot be separated from the development of the Internet in the world. Word of mouth communication strategies are recognised to play a considerable role in influencing and shaping consumer attitudes and potential consumer behaviour (Bifkovics, 2024). Some studies show that word of mouth communication strategies are more influential than other communication sources, such as advertising (Fadhillah and Azhar, 2024). With the development of internet technology, the spread of word of mouth is not only limited to face-to-face communication, but has developed into electronic word of mouth (Nugraha, 2023). The concept of electronic word of mouth itself is the idea of a product or company that is actually expressed by potential consumers through social networks (Shiddiqui, et al, 2021). Word of mouth using electronic media is more effective than conventional word of mouth communication, this is due to greater accessibility and wider reach. Online word of mouth communication posted on social and interactive media such as the internet may have a strong impact on brand image and influence purchase intention.

The Internet itself is the main key to Electronic Word of Mouth because without the Internet it would not be possible to have Electronic Word of Mouth. The country of Indonesia itself is one of the largest internet users in the world which is number 3. Currently, consumers are increasingly critical and increasingly selective in their behavior to consume the products they need. Before making a purchase, consumers will often look for information about the product they are going to buy. This will affect the consumer's attitude which will continue to the existence of Purchase Intention.

THEORETICAL FRAMEWORK AND HYPOTHESIS
Brand Image

According to the American Marketing Association (AMA), a brand is a name, symbol, term, sign, or design, or a combination of all that serves to identify the source or manufacturer of a product or service to consumers and to distinguish it from its competitors (Keller, 2013). According to Ismayanti & Santika. (2017), will make it easier for consumers to recognize a product and create a good perception of product quality and allow consumers to make purchase intentions for the product. Meanwhile, Putri (2019), defines Brand Image as everything related to the brand that is in the perception of consumers. The brand image represents all consumer perceptions of a brand that are formed by information and consumer experience of a brand.

However, according to Kotler and Keller (2009), brand image is a collection of consumer understanding and beliefs as a reason for determining consumer interest in making purchases. This is because consumers tend to be confused when facing similar products on the market, so consumers use the

brand image of a product or company as the basis for someone to buy (Tulipa and Muljani, 2015). Therefore, consumers will collect brand information on a product from various sources around them, such as colleagues, friends and family and will finally decide on a choice of product to buy (Ling, et al., 2014).

According to research conducted by Tulipa and Muljani (2015), it shows that brand image has a positive effect on purchase intention, with a brand image on consumers of a product, purchase interest will increase. The same thing was stated by Torlak et al. (2014) in their research that brand image has a positive and significant effect on consumer buying interest in mobile phone products in Turkey. The dimensions used in this research according to Ismayanti & Santika. (2017), namely: Product Quality, Owned Brand Image, and Product Capability.

H1: Brand Image has a positive and significant effect on Purchase Intention at Xiaomi smartphone in Semarang

Electronic Word Of Mouth

Before the internet, consumers shared experiences about a product through traditional word of mouth. With the public awareness of the internet, a new perspective was formed in the word of mouth communication strategy called electronic word of mouth. E-WOM is one or two-way communication that is carried out online without meeting face to face. E-WOM contains positive or negative expressions which are a form of marketing communication to potential or former customers. customers/consumers through social media (Indra, 2021). whereas according to Are & Setyorini. (2019), opinions from Electronic Word Of Mouth are positive or negative statements made by potential customers or previous customers regarding products or companies that are provided to many people and institutions via the Internet. According to Shiddiqui, et al, (2021) electronic word of mouth is a positive or negative opinion expressed by previous consumers about a product or company that is general in nature through internet media. Positive word of mouth information will be much more often remembered by consumers and produce a positive brand image, on the other hand, it will be less remembered and cause a negative brand image if the information is negative (Herr, Kardes and Kim, 1991). In addition, product information will be much more effective when expressed through social media than word of mouth communication with its wide reach and easier accessibility so that electronic word of mouth can be a strategy for marketers to build consumer loyalty to marketed brands (Nugraha, 2023).

When a consumer is going to make a purchase, they usually look for information about the product they are going to buy first (Kotler and Keller, 2009). This information can make consumers feel more confident about their decision to make a purchase. According to Litvin, Aravindan (2023) electronic word of mouth is logical, persuasive and based on facts about the product, it will have a positive impact on purchase interest, besides that the quantity of electronic word of mouth also has a positive relationship to consumer buying interest. This is reinforced by research conducted by Cynthiadewi and Hatammimi (2014) which obtained the results of the mediating effect of brand partners having a positive influence on electronic word of mouth variables and purchase interest.

This means that for potential consumers, electronic word of mouth has an important impact before making a purchase through the information they get from electronic word of mouth, it will make it easier for them to buy future products and by utiliszing this visual information can increase the overall understanding of the benefits of the product. Something similar is also found in the results of research conducted by Aravindan (2023), it is known that the electronic word of mouth variable has a significant effect on brand image and indirectly towards interest in buying in the automotive industry, where through the electronic word of mouth effectively make consumers get information for a product to be interested in making a purchase and increase brand reputation on the product being reviewed. The dimensions used according to Qirana et al. (2021), namely: E – WOM Quality, E – WOM Quantity, and Sender's Expertise.

H2: E-WOM has a positive and significant effect on Purchase Intention at Xiaomi Smartphone in Semarang

Purchase Intention

Word of mouth communication strategies have a strong enough influence on consumer behaviour. Consumer behaviour cannot be separated from purchase intention, this is because buying interest arises from a positive stimulus about an object that influences consumer behaviour in an effort to fulfil a need. Kotler and Keller (2009) state that the definition of purchase interest is a response that arises to an object that shows a

person's desire to make a purchase. Purchase intention is also defined as consumer behaviour towards products which consists of consumer trust in brands and brand evaluation, where from these two stages comes the intention to buy (Ali and Sherwani, 2021).

Meanwhile, according to Gaberamos and Pasaribu, (2022), Purchase Intention is the beginning of a person's desire to want service in the future, if the customer is happy and satisfied shopping for a product or service, then this is what is called shopping intention. The dimensions used according to Rafita. (2020), namely: Transactional Interest, Referential Interest, and Explorative Interest.
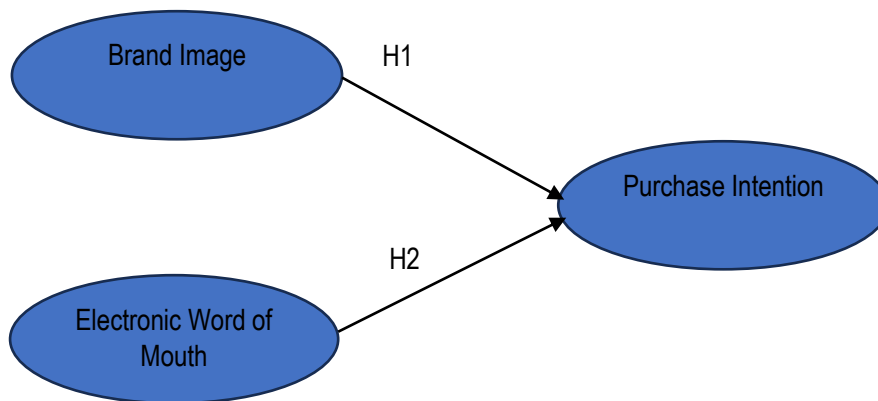
Figure 1. Theoretical Framework

RESEARCH METHODOLOGY

The research method used in this research is quantitative, which is to find the relationship between the independent variable and the dependent variable. The type of research used is quantitative descriptive research, which is a type of research that aims to describe systematically, factually, and accurately about the facts and characteristics of certain populations, or try to describe phenomena in detail.

The population in this study were people in Semarang City who were Xiaomi brand users with a sample size of 100 people and data collection using a questionnaire. The sampling technique used was non probability sampling with purposive sampling method. In collecting data, researchers used a written questionnaire that would be given to respondents. The questionnaire contains statements regarding the indicators of each variable that will be tested by the researcher. The scale used in this study is a Likert scale. The Likert scale uses a scale of 1-5 to represent the respondent's opinion.

RESULTS AND DISCUSSION
F Test

The F test is conducted to determine whether all independent variables used in the regression model analysis together have an effect on the dependent variable (Ghozali, 2018). The results of F Test it can be seen in table 1.

Table 1. 1 Test Results

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	102.780	3	51.390	55.554	0.000[b]
Residual	89.730	97	0.925		
Total	192.510	99			

a. Dependent Variable: Purchase Intention

b. Predictors: (Constant), Brand Image, E-WOM, Purchase Intention

Source: Primary data processed

The results of this F test in table 7. obtained the value of F count is 55.554, where the value is greater than F table 2.70 and a significance value of 0.000 which is much smaller than 0.05. From this research it can be interpreted that there is a significant effect between brand image, and E-WOM on purchase intention.

R Test

Coefficient of determination (R^2) test is conducted to measure the ability of the independent variable on the dependent variable and to explain the variation of dependent variables (Ghozali, 2018). The results of R test are as follows:

Tabel 2. R Test Results

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.731[a]	0.534	0.524	0.962

a. Predictors: (Constant), Internet Banking, Product Advantages, Customer Relationship Management (CRM)

b. Dependent Variable: Customer Loyalty

Sources: Primary data processed

According to the test results above, adjusted R Square value of 0.524 or 52.4% is generated. This means that the variables of brand image, and E-WOM contributed or affected customer loyalty by 52.4%. While the remaining 47.6% are affected by other variables not included in this research.

T Test

Generally, the T test is used to show how far the effect of one independent variable partially explains the dependent variable (Ghozali, 2018). The results of the T test can be seen in table 3.

Table 3. T Test Results

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	4.442	0.780		5.695	0.000
Brand Image	0.148	0.075	0.181	1.994	0.000
E-WOM	0.495	0.075	0.600	6.592	0.000

a. Dependent Variable: Purchase Intention

Sources: Primary data processed

From the results, it is known that the t-value of the brand image variable is 1.994. which is greater than the t-table value of 1.984 and the significance value is 0.000 < 0.05. Based on these results, it can be stated that there is a significant effect between brand image on purchase intention at Xiaomi smartphone in Semarang. So that hypothesis 1, brand image has a positive and significant effect on Purchase Intention at Xiaomi smartphone in Semarang is accepted.

It is known that the t-value of the E-WOM variable is 6.592 which is greater than the t-table value of

1.984 and the significance value is 0.000 < 0.05. Based on these results, it can be stated that there is a significant effect between E-WOM on purchase intention at Xiaomi smartphone in Semarang. So that hypothesis 2, E-WOM has a positive and significant effect on Purchase Intention at Xiaomi Smartphone in Semarang is accepted.

Effect of Brand Image on Purchase Intention

Based on the partial significance test data (t test) the result is that the first hypothesis states Brand Image has a positive and significant effect on Purchase Intention at Xiaomi smartphone in Semarang is accepted, with a significance value of 0.000 <0.05. So it can be said that there is a positive and significant influence between Brand Image on Purchase Intention at Xiaomi smartphone in Semarang.

This shows from the findings of this study that brand image is a factor that must be considered. By building a good Brand Image, it will create a good perception and reputation in the minds of customers. Where in improving Brand Image it is necessary to pay attention to several aspects, namely building a different image from competitors, building a clean image, building a strong position in the market and increasing high brand competitiveness.

Based on respondent's responses to the dimensions of product excellence with the statement "In my opinion, Xiaomi is a smartphone at an affordable price" and Ease of Products with the statement "Xiaomi smartphone brand is easy to find in stores or online" is the highest Brand Image variable dimension compared to other dimensions other. This shows that price and ease of finding a product can affect brand image. And on the same dimension as the statement "In my opinion, Xiaomi is a superior smartphone compared to other brands" is the lowest dimension on the Brand Image variable compared to other dimensions.

The results of this study are in line with the results of previous studies, namely based on research (Bayu & Sulistyawati, 2019; Septiani et al., 2022; Wayan & Nurcaya, 2022; Yogi Arta Wiguna & Santika, 2020). In this study explained that brand image has a positive and significant influence on Purchase Intention for Brand Xiaomi. This means that the higher the image of a brand, especially the Xiaomi cellphone, the higher the consumer 's Purchase Intention.

Effect of Electronic Word of Mouth on Purchase Intention

Based on the partial significance test data (t test) the result is that the second hypothesis states electronic word of mouth has a positive and significant effect on Purchase Intention at Xiaomi Smartphone in Semarang is accepted, with a significance value of 0.000 <0.05. So it can be said that there is a positive and significant influence between electronic word of mouth on Purchase Intention at xiaomi smartphone in Semarang.This shows from the findings of this study that Electronic Word of Mouth is a factor that must be considered. With a good Electronic Word of Mouth will create a good perception and reputation in the minds of customers. Negative marketing communications will reduce consumer Purchase Intention on the product.

Based on respondent's responses to the E-WOM Quality dimension with the statement "In my opinion, the message conveyed regarding Xiaomi products via the web or online is very clear" is the highest Electronic Word of Mouth variable dimension compared to the other dimensions. This shows that the message conveyed clearly and completely by a brand can influence the Electronic Word of Mouth. And on the Sender's Expertise dimension with the statement "In my opinion, people who deliver messages regarding Xiaomi products on the internet understand the company that manufactures these products" is the dimension on the Electronic Word of Mouth variable that is the lowest compared to other dimensions. This shows that someone conveying a product-related message on the internet does not have to understand the company that manufactures the product to influence Electronic Word of Mouth.

The results of this study are in line with the results of previous research, namely based on Sindunata and Wahyudi (2018), Yulindasari and Fikriyah (2022), Apriliani and Setyawati (2023). In this study it was

explained that Electronic Word of Mouth has a positive and significant effect on Purchase Intention.

CONCLUSION

Based on the results of the analysis and discussion of the effect of brand image, E-WOM on purchasing decisions on the xiaomi brand in Semarang City with 100 respondents processed through multiple linear regression analysis, it is concluded that brand image, E-WOM have a positive and significant effect on purchasing decisions. Thus, each of these variables is equally capable of increasing customer loyalty. However, the R2 value in the study is still not high enough, where the effect of the independent variable on the dependent is 52.4% and the remaining 47.6% is influenced by other variables. Therefore, future researchers should consider other variables not included in this study, such as product literacy, trust, or customer relationship marketing.

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