

The Influence of Electronic Word of Mouth on Purchase Intention of Compass Shoe Customers in Padang City with Brand Image as a Mediating Variable

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Abstract

The aim of this research is to analyze: (1) The influence of E-WOM on Purchase Intention for Compass Shoes in Padang City. (2) The influence of E-WOM on the Brand Image of Compass Shoes in Padang City. (3) Influence of Brand Image on Purchase Intention for Compass Shoes in Padang City. (4) Influence of E-WOM on Purchase Intention for Compass Shoes in Padang City with Brand Image as a mediating variable. The type of data in this research is quantitative, the data source is primary data through distributing questionnaires via Google Form, the sampling technique is purposive sampling technique, the data analysis tool is SEM analysis using the Smart PLS VERSION 4 application. Research Results: (1) There is a significant influence between E-WOM on Purchase Intention for Compass Shoes in Padang City. 2) There is a significant influence between E-WOM on the Brand Image of Compass Shoes in Padang City. 3) There is a significant influence between Brand Image on Purchase Intention for Compass Shoes in Padang City. 4) There is a significant influence between E-WOM on Purchase Intention for Compass Shoes in Padang City through brand image

Keywords: Purchase Intention, Brand Image, E-WOM

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INTRODUCTION

The rapid development of the world of fashion in Indonesia, especially shoes, has caused various kinds of local shoe brands to become known and in demand among young people, especially with the viral hashtag #localpride adding to the premium impression of the local shoe industry. This is an opportunity for manufacturers to produce shoes. The competitive local shoe industry is shown in the various product choices available on the market. Several large companies produce Compass, Converse, Vans, Nike, Puma shoes and others. Among the products that researchers want to discuss at this time, one of the research objects discussed is the Compass shoe product.

Table1. Comparative Data on Local Brand Shoe Sales

Brand	Shoes Sold	Time
Ventella	60,083	16 Months
Well Project	2,646	14 months
Compass	392	29 Months
Brodo	12,692	4 years

Source: www.shopee.com /2023

Purchase intention will continue to become a purchasing decision when customers feel they have confidence in an item. The Purchase Intention problem experienced by Brand Compass is that there is still low buying interest compared to other products listed in the data and image above. According to Mohammed T. Nuseir (2019), the factors that influence Purchase Intention are Electronic Word Of Mouth and Brand Image as variables mediation. (Nuseir, 2019)

Electronic word of mouth (eWOM) also encourages people to collect information about desired products and services which is not only collected through people they know but also from other people in a large circle who have used the product or service and can collectively encourage this intention. consumer buying (Tariq et al, 2017).

Brand image is consumers' understanding of the brand as a whole, consumers' trust in the brand and how consumers view the brand. A brand is something unique and attractive that every product must have and is also a characteristic of the product and what differentiates it from other products. The importance of brand image is that a product has a value, which will later be used as a perception by consumers. This is why the Brand Image must be maintained.

RESEARCH METHODS

The type of research is quantitative descriptive research, the data source is primary data, the data collection technique is via a questionnaire distributed via Google Form, the research was conducted in January 2024.

RESULTS AND DISCUSSION

A. Data Results

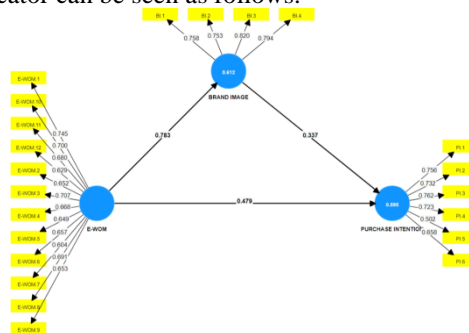
1. Outer Model Evaluation

Data The questionnaires were collected and filled in completely by 189 respondents which were then processed using PLS-SEM with smart PLS 4 software.

a. Validity Test

1. Convergent Validity before removing several indicators

According to JF Hair (2014:45), "Validity testing in This research uses two methods of measurement, namely convergent validity and discriminant validity. "The convergent validity criteria are the average variance extracted (AVE) value > 0.5 and outer loading > 0.6." The path diagram of the causal relationship between constructs and the loading factor values for each indicator can be seen as follows.



The image shows the initial form of the indicator validity measurement model on its parent variable. For more details, see the initial outer loading structure output table below:

Outer Loading table before removing several indicators or variables

Indicator	E-WOM	Brand Image	Purchase Intention	Information	Information
E-WOM.X1	0.745			Valid	
E-WOM.X10	0.7			Valid	Deleted
E-WOM.X11	0.68			Valid	
E-WOM.X12	0.629			Valid	
E-WOM.X2	0.652			Valid	Deleted
E-WOM.X3	0.707			Valid	Deleted
E-WOM.X4	0.668			Valid	Deleted
E-WOM.X5	0.649			Valid	
E-WOM.X6	0.657			Valid	
E-WOM.X7	0.604			Valid	
E-WOM.X8	0.691			Valid	
E-WOM.X9	0.653			Valid	Deleted
BI.Z1		0.758		Valid	
BI.Z2		0.753		Valid	
BI.Z3		0.82		Valid	

BI.Z4	0.794	Valid	
PI.Y1	0.756	Valid	
PI.Y2	0.732	Valid	
PI.Y3	0.762	Valid	
P1.Y4	0.723	Valid	
P1.Y5	0.502	Valid	Deleted
P1.Y6	0.658	Valid	

Source: Processed Smart PLS 4 (2023)

Based on Table 12 above, each variable shows an outer loading value above 0,6 then the conclusion is that the data is valid. The following is a table of AVE values for each variable.

AVE Value Table

Variable	Average variance extracted(AVE)
<i>E-WOM</i>	0.450
<i>Purchase Intention</i>	0.482
<i>Brand Image</i>	0.611

Source: Processed Smart PLS 4 (2023)

2. Reliability Test

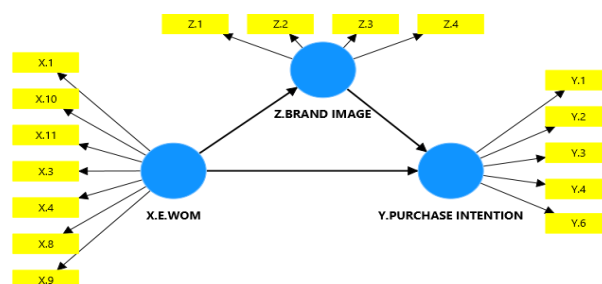
Reliability testing is used to measure the consistency of measuring instruments in measuring concepts, and can also be used to measure the consistency of respondents in answering questions in questionnaires or research instruments. Reliability, while Composite reliability measures the true value of the reliability of a construct. Rule of thumb alpha or composite reliability value is > 0.7, although a value of 0.6 is still acceptable (Hair et al., 2018). can demonstrate accuracy.

Cronbach Alpha Table

Variable	Cronbach Alpha
<i>E-WOM</i>	0.888
<i>Purchase Intention</i>	0.783
<i>Brand Image</i>	0.788

2. Convergent Validity After removing several indicators

According to JF Hair (2014:45), "Validity testing in This research uses two methods of measurement, namely convergent validity and discriminant validity. "The convergent validity criteria are the average variance extracted (AVE) value > 0.5 and outer loading > 0.6." Draw a path diagram of the causal relationship between constructs and the loading factor values after removing several indicators or questions. The reason is because we want the data to be valid because previously there was a problem with the AVE value.



Picture1Image of Outer Model
Source: Processed Smart PLS 4 (2023)

The figure shows the initial form of the indicator validity measurement model on its parent variable. For more details, see the outer loading output table for the initial structure below

Table Outer Loading

Indicator	<i>E-WOM</i>	<i>Brand Image</i>	<i>Purchase Intention</i>	Information
E-WOM.X1	0.764			Valid
E-WOM.X10	0.72			Valid
E-WOM.X11	0.713			Valid
E-WOM.X2	0.748			Valid
E-WOM.X3	0.694			Valid
E-WOM.X4	0.729			Valid
E-WOM.X5	0.692			Valid
BI.Z1		0.758		Valid
BI.Z2		0.753		Valid
BI.Z3		0.819		Valid
BI.Z4		0.795		Valid
PI.Y1			0.777	Valid
PI.Y2			0.75	Valid
PI.Y3			0.767	Valid
PI.Y4			0.717	Valid
PI.Y6			0.651	Valid

Source: Processed Smart PLS 4 (2023)

Based on Table 12 above, each variable shows an outer loading value above 0,6 then the conclusion is that the data is valid. The following is a table of AVE values for each variable. This is in accordance with according to JF Hair (2014:45), "Validity testing in this research uses two measurement methods, namely convergent validity and discriminant validity. "The convergent validity criteria are the average variance extracted (AVE) value > 0.5 and outer loading > 0.6." The path diagram of the causal relationship between constructs and the loading factor values for each indicator can be seen as follows.

AVE Value Table

Variable	Average variance extracted(AVE)
<i>E-WOM</i>	0.523
<i>Purchase Intention</i>	0.538
<i>Brand Image</i>	0.611

Source: Processed Smart PLS 4 (2023)

Based on Table 15 above, each variable shows an AVE value above 0.5, so the conclusion is that the data is valid.

3. Reliability Test

Reliability testing is used to measure the consistency of measuring instruments in measuring concepts, and can also be used to measure the consistency of respondents in answering questions in questionnaires or research instruments. Reliability, while Composite reliability measures the true value of the reliability of a construct. Rule of thumb alpha or composite reliability value is > 0.7, although a value of 0.6 is still acceptable (Hair et al., 2018). can demonstrate accuracy

Reliability Test Table

Variable	Cronbach Alpha
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<i>E-WOM</i>	0.848
<i>Purchase Intention</i>	0.785
<i>Brand Image</i>	0.788

Source: Processed Smart PLS 4 (2023)

Based on Table 16 above, each variable shows a Cronbach Alpha value above 0.6 and an AVE value above 0.5, so the conclusion is that the data is reliable.

2. Inner Model Evaluation

The Structural Model Test or (inner model) aims to predict causal relationships (cause-effect relationships) between latent variables or variables that cannot be measured directly. In testing the structural model (inner model) using the help of the Bootstrapping procedure in SMARTPLS. Tests on the structural model were carried out by testing the relationship between latent constructs using R-Square for the dependent construct and the significance of the structural path parameter coefficients. The following are the results of R-Square estimation using SMARTPLS version 4.

R-Square Test Table

Variable	R-Square
<i>Brand Image</i>	0.544
<i>Purchase Intention</i>	0.592

Source: Smart PLS 4 Data Processing (2023)

Based on table 17, the R-square value can only be found in endogenous constructs. It can be seen that the R-square value for Purchase Intention is 0.592, this result shows that 59.2% means that the E-WOM variable contributes to the Purchase Intention variable while the rest is influenced by variables outside this research. Furthermore, the R-square value for Brand Image is 0.544. This result shows that 54.4% means that the E-WOM variable contributes to the Brand Image variable while the rest is influenced by variables outside this research.

3. Hypothesis test

Hypothesis testing is carried out if the data meets the measurement requirements using the bootstrapping method in SmartPLS 4 software. Bootstrapping is a re-sampling method that allows freely distributed data to be applied so that it does not require the assumption of a normal distribution and a large sample size (Ghozali&Laten, 2012). In this study, a re-sample of 189 respondents was used using the No sign change scheme. Hypothesis testing can be seen from the results of the significance test, where the level of significance in this study is 5%. At a significance level of 5% or 0.05, it is considered "significant" and the hypothesis can be accepted if the T-statistic value is greater than 1.96 (Hair, 2013).

The direct influence hypothesis test was carried out by looking at the statistics produced by the structural model (Inner Model). The hypothesis can be accepted if the T-statistic is >1.96. The following are the results of the direct influence hypothesis test. The following is a direct hypothesis using SEM (Structural Evaluation Model) analysis using the Smart PLS 4 application which is in the following table.

Total Effect Table

Hypothesis	Original Sample	T-Statistics	P-Value	Information
<i>E-WOM > Purchase Intention</i>	0.718	11,389	0,000	Accepted
<i>E=WOM > Brand Image</i>	0.737	17,066	0,000	Accepted
<i>Brand Image > Purchase Intention</i>	0.409	4,135	0,000	Accepted

Source: Smart PLS 4 Data Processing (2023)

Based on table 16, the output path coefficient value shows that E-WOM has an effect on Purchase Intention with a parameter coefficient of 0.718 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 11,389 which has a value greater than the t table value (t count 11,389 > t table 1.96).

Furthermore, the output path coefficient value shows that E-WOM has an effect on Brand Image with a parameter coefficient of 0.737 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 17,066 which has a value greater than the t table value ($t_{count} 22,176 > t_{table} 1.96$).

Furthermore, the output path coefficient value shows that Brand Image influences Purchase Intention with a parameter coefficient of 0.409 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 4,139 which has a value greater than the t table value ($t_{count} 4,139 > t_{table} 1.96$).

Indirect Effect Table

Hypothesis	Original Sample	T-Statistics	P-Value	Information
<i>E-WOM > Brand Image > Purchase Intention</i>	0.302	4,060	0,000	Accepted

Source: Smart PLS 4 Data Processing (2023)

Based on table 17, the output path coefficient value shows that E-WOM influences Purchase Intention through Brand Image with a parameter coefficient of 0.302 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 4,060 which has a value greater than the t table value ($t_{count} 4,060 > t_{table} 1.96$).

B. Discussion

1. The Influence of E-WOM on Purchase Intention

Based on table 16, the output path coefficient value shows that E-WOM has an effect on Purchase Intention with a parameter coefficient of 0.718 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 11,389 which has a value greater than the t table value ($t_{count} 11,389 > t_{table} 1.96$). This means that if the communication carried out by Compass is by word of mouth, it will increase the intention to buy Compass shoe products.

Based on Faza Research, (2019) that electronic word of mouth has a positive influence on purchase intention. This research shows consistent results according to research conducted by Kumar & Kudeshia (2017) that electronic word of mouth has a positive influence on purchase intention by shaping consumer behavior and ultimately creating purchase intention in consumers. (Zhao et al., 2020)

This research is also supported by the results of research by Jalivland, (2012) which shows that electronic word of mouth has a very strong direct influence on purchase intention, because electronic word of mouth has a role in increasing popularity and consumers can read product recommendations online and will creating Purchase intention (Gede et al., 2018).

2. The Influence of E-WOM on Brand Image

Furthermore, the output path coefficient value shows that E-WOM has an effect on Brand Image with a parameter coefficient of 0.737 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 17,066 which has a value greater than the t table value ($t_{count} 17,066 > t_{table} 1.96$).

E-WOM is closely related to brand image. e-WOM can have a very strong influence on consumer perceptions of a product. Research conducted by Dosti et al. 2016) shows that the e-WOM variable has a significant effect on the brand image variable. This opinion is in line with Torlak et al. (2012) which shows that consumers consider reviews obtained from e-WOM channels and use these reviews to form perceptions regarding brand image. (Chu & Chen, 2019)

This opinion is supported by research that Bataineh (2012) found that e-WOM has an influence on brand image. The above opinion is supported by Simamora (2011) who states that brand image is an interpretation of the accumulation of various information received by consumers. Interpretation of the accumulated various information received by consumers. Interpretations of information created by consumers can easily be found by potential consumers via the internet, or what is called electronic word of mouth. (Putri & Sukawati, 2019)

3. The Influence of Brand Image on Purchase Intention

The output path coefficient value shows that Brand Image influences Purchase Intention with a parameter coefficient of 0.409 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 4,135 which has a value greater than the t table value (t count 4,135 > t table 1.96).

According to Kudeshia and Kumar (2017), positive e-WOM generated from social networking sites significantly influences brand image and purchase intention among consumers. Furthermore, according to Torlak et al. (2012) there is purchase intention. He also added that brand image can reflect the quality of a product or service that consumers will buy (Laksmi & Oktafani, 2016).

This research is supported by research conducted by Charo et al. (2015) stated that brand image has a significant effect on purchase intention. When a brand image is positive and strong in the minds of consumers, the brand will be remembered and consumers' intention to make purchases will be even greater. (Nuseir, 2019)

4. The influence of E-WOM onPurchase Intention through Brand Image

Based on table 17, the output path coefficient value shows that E-WOM influences Purchase Intention through Brand Image with a parameter coefficient of 0.302 and is significant at 0.000 (P Values 0.000). This can be proven by looking at the t statistic of 4,060 which has a value greater than the t table value (t count 4,060 > able 1.96).

According to Dosti et al. (2016) e-WOM has a direct and significant effect on attitude toward a tourism city, city image and intention to visit the city. Furthermore, it was stated that e-WOM influences the intention to visit the city and towards the city. This opinion is also supported by research from Bataineh (2015) which states that the quality, credibility and quantity of e-WOM have a significant effect on purchase intention and corporate image plays an important role in the mediating influence(Shehzadi et al., 2021)

CONCLUSION

Based on the analysis and discussion in the previous section, the following conclusions can be drawn:

1. Based on the research results above, the E-WOM variable has a significant effect on the Purchase Intention of Compass shoe customers in Padang City.
2. Based on the research results above, the E-WOM variable has a significant effect on the Brand Image of Compass shoes in Padang City.
3. Based on the research results above, the Brand Image variable has a significant effect on Purchase Intention for Compass shoes in Padang City.
4. Based on the research results above, the E-WOM variable has a significant effect on Purchase Intention through the brand image of Compass shoes in Padang City.

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