

ELECTRONIC WORD OF MOUTH AND CONSUMER TRUST ON PURCHASE INTEREST

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ABSTRACT

Introduction: The spread of Covid-19 requires all activities to be carried out completely online, including shopping activities that utilize the marketplace, one of which is Bukalapak. This study is useful in knowing the influence of E-WOM and consumer confidence in purchase interest in the Bukalapak marketplace.

Methods: This study uses a quantitative approach. The study population is visitors of Bukalapak marketplace from Surabaya. The sampling technique used non-probability sampling and the respondent sampling technique through accidental sampling, in order to obtain 77 respondents. Information collection is done by distributing questionnaires to respondents using Google Forms with a Likert scale from a score range of 1 to 5. Then the data is processed using Partial Least Square (PLS) data analysis techniques using validity tests, reliability tests, structural model tests and hypothesis testing.

Results The results of the study show that E-WOM and consumer trust have a positive and significant influence on buyer interest in the Bukalapak marketplace. This means that E-WOM and consumer confidence contribute to the purchase interest of visitors in the Bukalapak Marketplace in Surabaya.

Conclusion and suggestion: This study is conducted to build interest in buying as measured by electronic word of mouth and consumer trust in Bukalapak, it is hoped that sellers in Bukalapak will pay more attention to every comment and review that comes in and then give a good response so that in the future trust and buying interest from other consumers will increase. Thus, Bukalapak can develop its marketing strategy based on the results of this study, so that it becomes a marketplace that consumers always rely on.

INTRODUCTION

The spread of Covid-19 entered Indonesia starting in March 2020. The government announced that would implement PSBB (Large-Scale Social Restrictions) which requires activities to be carried out through social networks, including shopping and purchasing activities. This is supported by technological advances that are increasingly developing at this time. One of the advances of technology in the field of marketing is the existence of a marketplace.

A marketplace is a place to buy and sell online. A simple description of the Marketplace is that the concept is the same as a traditional market, a place that provides facilities and stalls for sellers and buyers to meet online to make transactions via the internet. Therefore, the existence of a marketplace in today's society greatly influences consumer purchase interest, which is supported by the E-WOM factor and consumer trust.

Purchase interest is the sense of interest felt by consumers for goods or services with the influence of the external and internal attitudes of these consumers, (Ashari, 2012 in Rosdiana & Haris, 2018). Meanwhile, E-WOM is a medium for sharing user experiences about products that have been used or purchased previously through online media or websites (Aisyah & Engriani, 2019). Meanwhile, consumer trust is the knowledge that customers have and a summary of the attributes, objects, and benefits. Because building trust with clients or prospective clients is a foundation, so that companies can be relied on or trusted (Picaulty, 2018).

Bukalapak is used as an object in this study. Bukalapak is an example of a marketplace in Indonesia that aims to provide a platform for SMEs in Indonesia. Based on observations from the 2019-2021 Top Brand data (TOP BRAND AWARD, n.d.) it was found that there was a phenomenon related to the record position of Bukalapak on the TO Brand Index of sites for selling and buying online in Indonesia, which has fluctuated in the past 3 years. Bukalapak's percentage in 2019 got 12.7%. Then in 2020, it increased by only 0.2% to 12.9%. In 2021, it decreased to 9.5%.

This is supported by the mapping of marketplace visitor data (Iprice Insights, 2019 - 2021) regarding the problem of a decline in Bukalapak visitors in 2019-2021. In 2019, the first quarter of Bukalapak's visitor data was 115,256,600. During 2019 from the first quarter to the fourth quarter the visitor data decreased. Then in 2020, the visitor data decreased until the 4th quarter, then increased by 7,173,900 to 38,583,100. Not long after, it decreased again in 2021 right in the first and second quarters, but in the third quarter, it increased by 666,700 to 30,126,700. The decrease in the number of visitor data from 2019 – 2021 can be assumed that buying interest by Bukalapak marketplace users has decreased. Based on previous research (Putri & Amalia, 2018) it was found that the Electronic Word Of Mouth (E-WOM) variable had a positive and significant influence on purchase intention. Several other studies show the same results, that the E-WOM variable

had a positive and significant influence on purchase interest (Rachmawan, et.al, 2018; Muhammad, et.al, 2021). On the other hand, a study by (Maskuri, et.al, 2019) examined the variables of trust, ease of use, and E-WOM on purchase interest where the E-WOM variable studied had no effect on the purchase interest. Based on the description above, this study is useful in examining the influence of the E-WOM variable and consumer confidence in the purchase interest in the Bukalapak marketplace.

LITERATURE REVIEW

Purchase Interest

Purchase Interest is an inner explanation by users in describing plans to make product purchases based on the product brand, Haryosongko Fajar (2015) in Utami (2020). Interest from buyers arises when a user has been influenced by the quality and description of the product. The purchase intention is the user's sense of a product or service and is influenced by the external and internal attitudes of the users themselves. Schiffman & Kanuk (2008) in (Picaulty, 2018) explained that there are several indicators of interest from buyers, namely:

- a. Interest in looking up the data about products or services.
- b. Make considerations on making a purchase or using the product.
- c. Have an interest in trying the product.
- d. Desire to own or use the product.

Electronic Word of Mouth (E-WOM)

E-WOM is a medium to share user experiences about products that have previously been purchased or used through online media or websites (Aisyah & Engriani, 2019). E-WOM is a positive or negative statement about the experience of using or buying a product through the marketplace which aims as a reference for other users who want to make purchases of products in the future (Ardiansyah, 2018). This means that when the E-WOM created is positive, the more it affects buying interest. If E-WOM is negative, it cannot influence the purchase intention. In accordance with a study conducted by (Permadi & Suryadi, 2019) which showed the E-WOM and trust variables have a positive and significant influence on the interest of users to purchase products on the Tokopedia marketplace. According to Jalilvand and Saimei (2012) in (Maskuri et. al., 2019), E-WOM is measured through indicators:

- a. Read reviews online.
- b. Collecting data through user product reviews from the internet.
- c. Increased trust when reading online reviews.

H1: E-WOM has a positive influence on purchase interest in Bukalapak.

Consumer Trust

User trust is the willingness of a party to take the risk of treatment from another party based on the desire of the other party to carry out an important treatment for the trusting party, including the ability to supervise and control the treatment of a trusted party (Rosdiana, et.al, 2010). 2019). The trust of the user is the entire understanding that the user has and the overall determination of the attributes, objects, and benefits (Mowen, 2012) within (Solihin, 2020). In line with Rizkiawan's study (2020) which showed that the user trust variable has a significant and positive influence on the interest in buying online users among the Sangatta community, the results of this study showed that the high level of trust by users will certainly have an impact on the higher purchase intention performed by the user. The study by Rosdiana et al. (2019) also showed that there is a positive influence on the user's trust variable on online purchase intentions. According to Ling Chai & Piew (2010) in (Picaulty, 2018), there are two dimensions of consumer trust, namely the Security dimension with the following indicators:

- a. Entrusting companies to provide their personal information.
- b. Believing that the company provides a protection system for the personal information provided.

And dimensions of Company Reliability with the following indicators:

- c. The company has a positive reputation.
- d. Reliable company.

H2: Consumer trust has a positive influence on purchase interest in Bukalapak.

RESEARCH METHODS

This study is a study with a quantitative approach. This study analyzes the visitor data and Bukalapak's TOP Brand for the 2019-2021 period, this study uses three variables, namely E-WOM, consumer trust, and buying interest in the Bukalapak marketplace. The population in this study is Bukalapak marketplace visitors from Surabaya. The sampling technique uses a non-probability sampling technique by collecting respondents through accidental sampling, with the overall sample consisting of indicators with 5-10 estimated parameters. So the total for indicators is 11 and parameter 7. Thus, the sample used is $11 \times 7 = 77$ respondents. The measurement ratio uses a Likert scale and a score of respondents' answer choices from 1 to 5. The primary data was obtained from questionnaires distributed to respondents in the form of answers to statements given related to research variables. Secondary data was obtained through literature, journals, books, and through the internet tailored to the needs of the study. The analytical

technique used is Partial Least Square (PLS). The order in analyzing the data consists of testing the validity, reliability, structural model, and testing hypothesis. The software used is Smart PLS.

RESULT AND ANALYSIS

Research is considered fulfilled its validity if the results of the loading factor of each indicator in its own concept, with a value of more than 0.5 and/or a higher T-Statistic value of 1.96 (Z value of $\alpha = 0.05$). Factor Loading is the relationship between indicators and variables, if it is higher than 0.5 then it can be considered that the validity result is fulfilled. If the T-Statistic value is higher than 1.96, it can be concluded that the significant value is fulfilled.

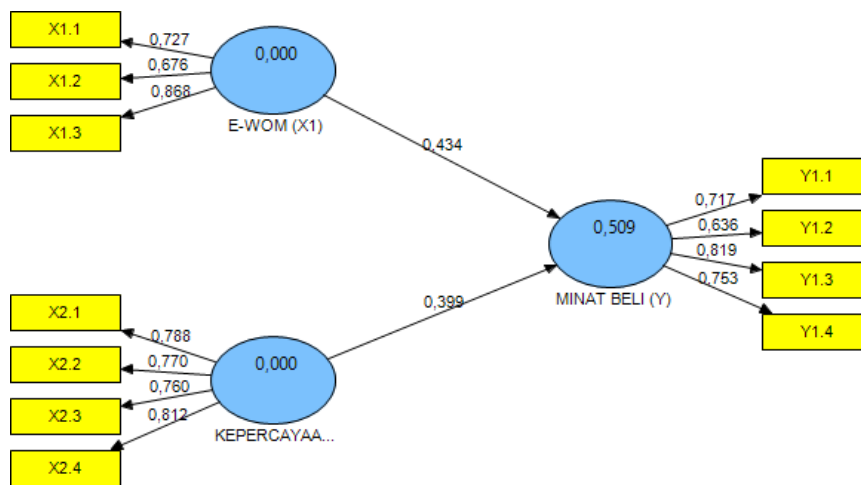


Figure 1. Outer Model

Based on the image of the outer model above, it is known that the total reflective indicators for the variables E-WOM (X1), Consumer Trust (X2), and Purchase Interest (Y) display factor loading or original samples with a higher value of 0.5 or significance (Value T-Statistic is more than $(Z = 0.05 (5\%) = 1.96)$, it can be concluded that the results of the estimated total indicators can meet good validity or convergent validity.

The ratio for the next measurement is Average Variance Extracted (AVE), which is a value that displays the magnitude of the variety of indicators contained in the latent variable. The AVE convergence higher than 0.5 indicates good validity for the latent variable.

Table 1. Average Variance Extracted

	AVE
E-WOM (X₁)	0,579299
Consumer Trust (X₂)	0,612712
Purchase Interest (Y₁)	0,539150

It can be seen in the reflective indicator variable that the value of the AVE for each variable or construct with the results of the AVE test for the E-WOM variable (X₁) is 0.579299, the Consumer Trust variable (X₂) is 0.612712, and purchase interest (Y) is 0.539150, from the three variables show the value above 0.5 so that the total variables for this study can be concluded to have a good validity value.

The measurement of construct reliability uses composite reliability, with a higher composite reliability value of 0.70 it can be concluded that the indicator is stable to calculate latent variables.

Table 2. Composite Reliability

	Composite Reliability
E-WOM (X₁)	0,803309
Consumer Trust (X₂)	0,863468
Purchase Interest (Y₁)	0,822761

The results with the Composite Reliability test show the value of the E-WOM variable (X₁) as much as 0.803309, the Consumer Trust variable (X₂) as much as 0.863468, and Purchase Interest (Y) as much as 0.822761. From the value of three variables, it can be seen that the value of Composite Reliability is higher than 0.70, it can be said that all variables in this study are reliable.

Table 3. Latent Variable Correlations

	E-WOM (X₁)	Consumer Trust (X₂)	Purchase Interest (Y₁)
E-WOM (X₁)	1,000000		
Consumer Trust (X₂)	0,466426	1,000000	
Purchase Interest (Y₁)	0,620220	0,701794	1,000000

Based on the table of latent variable correlations, the value of the relationship between variables shows a moderate correlation value. The value with the greatest correlation is in the consumer trust variable (X₂) and purchase interest (Y) as much as 0.701794, it can be said that the relationship between the consumer trust variable (X₂)

and purchase interest (Y) shows a closer relationship than the relationship of other variables. This can be explained in this study that the high and purchase interest is more influenced by the consumer trust variable than the E-WOM variable.

Table 4. R-Square

	Composite Reliability
E-WOM (X₁)	
Consumer Trust (X₂)	
Purchase Interest (Y₁)	0,509487

In Table 4, it can be seen that the value of $R^2 = 0.509487$. This can be interpreted by the model if the model can explain the problem of purchase interest that can be influenced by the independent variable, namely E-WOM and consumer trust with a variant of 50.94%, meanwhile, the remaining 49.06% stated other variables outside the study (besides E-WOM and Consumer Trust).

Apart from the R^2 value, the Goodness of Fit study model can be found from the Q^2 value or Q-Square predictive relevance for structural types, which are used as a measurement of how good the value for the type of observation is and the estimation of the parameters. The value of Q-square > 0 shows the type that has predictive relevance; inversely if the value of Q-Square ≤ 0 shows that the type has less predictive relevance. Q-Square measurement using the formula: $Q^2 = 1 - (1 - R^2_1) (1 - R^2_2) \dots (1 - R^2_p)$ where $R^2_1, R^2_2 \dots R^2_p$ is the R-square of the endogenous variable in the equation type. The amount of Q^2 has a value range of $0 < Q^2 < 1$, a value that is closer to 1 indicates a better value. The value of Q^2 shows that the closer to 1 the model, the better. Quantity of Q^2 and the coefficient for determination with the overall path analysis. This study with the total value of Q^2 is as much as $Q^2 = 1 - (1 - 0,509487) = 0,509487$.

The results of the Q^2 measurement show a value of 0.509487, it can be concluded that the study model can complete predictive relevance. Furthermore, for hypothesis testing, it can be seen through the results of the coefficients and the T-statistic value by the inner model from the table below:

Table 5. Path Coefficients

	Path Coefficients (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STERR)	P Values
E-WOM (X₁) >					
Purchase	0,433930	0,445639	0,068719	6,314531	0,000
Interest (Y₁)					
Consumer					
Trust (X₂) >					
Purchase	0,399398	0,396291	0,078441	5,091692	0,000
Interest (Y₁)					

Based on the table, it can be concluded that the hypothesis is set as follows:

1. Hypothesis 1: Allegedly E-WOM (X₁) has a positive influence on purchase interest in Bukalapak is acceptable, the path coefficients value is 0.433930 and the value of T-statistic is 6.314531 > 1.96 (table value Z α = 0.05) or P-Value 0.000 < 0.05 with a significant (positive) result.
2. Hypothesis 2: It is suspected that consumer trust (X₂) has a positive influence on purchase interest in Bukalapak is acceptable, the path coefficients value is 0.399398 and the value of the T-statistic is 5.091692 > 1.96 (table value Z α = 0.05) or P-Value 0.000 < 0.05 with a significant (positive) result.

Discussion

The Impact of E-WOM on Purchase Interest

From the results of the studies that have been carried out, it can be seen that E-WOM has a positive influence on purchase interest in the Bukalapak marketplace, and the hypothesis is accepted. It concluded that the E-WOM communication formed is getting better, the buying interest will increase/have a positive effect. The results of the descriptive analysis of the E-WOM variable show that the most influential indicator of buying interest is the increase in trust when reading online reviews. The consumer before buying will certainly look for data or information about the target object, by reading online reviews which then generate trust. Therefore, it fosters interest in buying a product. In the study conducted by Rachmawan, et.al, (2018) Electronic Word of Mouth has a significant influence on purchase intention in shopee with a case study of FEB UNISMA students majoring in Management. Supported by a study (Aprianty & Hidajat, 2021) which stated that there is a positive influence between E-WOM on purchase intention.

The Impact of Consumer Trust on Purchase Interest

From the results of the study conducted, it can be seen that consumer trust has a positive influence on buying interest in the Bukalapak marketplace, and the hypothesis is accepted. The higher consumer trust, the better and more positive the purchase intention of a product. Consumer trust shows that the most influential indicator of purchase interest is a reliable company. Therefore, if the company is reliable, the interest in buying a product/object will increase. A study by Rizkiawan (2020) shows that consumer trust has a positive and significant influence on online purchase interest in the Sangatta community. Supported by research conducted by Picaulty (2018), where consumer trust affects the purchase intention of gadget products at Shopee.

CONCLUSION

E-WOM and consumer trust contribute to purchase interest in the Bukalapak Marketplace for Bukalapak marketplace visitors in Surabaya. This means that the better and higher the E-WOM communication and the trust formed by consumers towards a product, the higher their buying interest as well.

The suggestions that can be given regarding E-WOM communication by the Bukalapak marketplace is expected to give more attention to the reviews and hence that will increase consumer trust and purchase interest. The Bukalapak marketplace must be able to improve the services which are expected to increase consumer purchase interest and becomes a marketplace that consumers can always rely on.

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