

ANALYSIS OF ELELCTRONIC WORD OF MOUTH (E-WOM) IN SOCIAL MEDIA KASKUS ON PURCHASING INTENTION PREMIUM PLAYER ITEMS (STUDY ON THE GAME LINE LET'S GET RICH).

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Abstract

The development of information technology is going rapidly these days. So does the development of internet technology that let people with high mobility to communicate easily anywhere and anytime. Instant messaging is one of the alternative media that is used by most people to communicate with others that are using internet technology. In the marketing dynamics, consumers are always looking for more reference and trust the opinions of the community about a product. This phenomenon in terms of marketing is often referred to as word-of-mouth (WOM). Despite the rapid growth of internet users during the recent years in Indonesia, Electronic Word of Mouth (EWOM) still not yet popular among gamers. With the advantages given by EWOM, there are still few customers who do not wanted to use this facility with some consideration. The factors which influence purchase intention may vary among any researches. Therefore, this research is intended to analyze the dimensions of EWOM in social media kaskus on purchasing intention, in this case Let's Get Rich in Bandung in 2015.

The purpose of this research is to determine the dimension of EWOM and Purchase Intention applied by Let's Get Rich user, and dimensions of EWOM influence Purchase Intention in Bandung. There are three dimensions being used in this research. The dimensions are Intensity, Valence of Opinion, and Content.

The data were collected using Criterion Sampling by choosing the individuals which met the certain characteristics, in this case let's get rich who ever tried to buy premium items in Bandung. There were 400 respondents were taken in this research, and this research using 28 quetionaire items. The analysis method is by means of descriptive-quantitative analysis and multiple regressions using the program of SPSS ver. 17.

Based on the result, all of the three dimensions of EWOM (Intensity, Valence of Opinion, and Content) are affect Purchase Intention as much as 80.3%, the Valence of Opinion dimension has the greatest positive result. Line Messenger should focus and make an improvement on this dimension especially the "Speak favorably" item because the players feels that Let's Get Rich is not as good as the players thought.

Keywords: EWOM, Social Media Kaskus, Purchase Intention

1. Introduction

Recently, the development of information technology is going rapidly. So does with the development of internet technology that ease people with high mobility to communicate easily anywhere and anytime. Instant messaging is one of alternative media that is use by most of people to communicate with others that using internet technology.

Based on data from that Internet users in the world on June 30 2014 is as much as 3,035,749,340. From all over the world, asia get the highest percentage is about 55, 6% and the rest of the world is just about 44,4%. Approximately 55.6% of the number of users coming from developing countries, including Indonesia, which became one of the most internet users in the world.

According to beritasatu.com site, from 240 million of Indonesia population, the active user is around 8 million. It is will be a chance to attract people to use Kaskus. According data from APJII and beritasatu.com, it can be said numbers of internet user that access social network like facebook, twitter, and Kaskus is quite high and it will be a chance to market product by online and trigger online shopping and E-WOM activity.

In the marketing dynamics, consumers are always looking for more reference and trust the opinions of the community about a product. This phenomenon in terms of marketing is often referred to as word-of-mouth (WOM). With the rapid advances in technology, especially the Internet network capable of providing informed choices about the products allow for a communication word-of-mouth that not only be a form of communication person-to-person on a product, services or brand but is able to be various forms of communication in the global WOM that propagate through online media and is often called the Electronic Word of Mouth.

Communication by e-WOM through electronic media can make consumers not only get information about related products and services from people they know, but also from a group of different people who have experience of the geographical area of the product or service in question. E-WOM become a "venue" or a place that is very important for consumers to give his opinion and is considered more effective than WOM because of the level of accessibility and a wider scope than traditional WOM mediated offline.

With the recommendation or review given another consumer in a sharing platforms or community review is believed to influence consumer purchasing intention. One of the sites that provide various reviews about the product or service is the Kaskus. Kaskus itself is the largest online community in Indonesia.

Goyette et al., (2010) divides e-WOM in three dimensions: Intensity, Valence of Opinion, and Content

Research Question

1. How much is dimension of E-WOM (Intensity, Valence of Opinion, and Content) in social media kaskus applied according to let's get rich users?
2. How much is purchase intention applied according to let's get rich users?
3. How much does the E-WOM influence Purchase Intention with both simultaneously and positive?

Research Objective

1. To determine how much electronic word of mouth is applied by let's get rich users.
2. To determine how much purchase intention applied by on let's get rich users.
3. To determine how far electronic word of mouth affect Purchase Intention simultaneously and positive.

2. Theories and Frameworks

Marketing

Marketing activities are often defined as activity in the marketing a product that is bought and sold by the company and addressed to the consumer. marketing itself is an organizational function and a set of processes for creating, communicating, and providing value to customers and for manage profitable customer relationships by way of profit organization and stakeholders.

The conclusion is marketing aims to achieve the target by identifying the needs and desires of consumers with a more effective way by designing, determining the price promotions and eventually could give satisfaction to the consumer.

WOM (Word Of Mouth)

Kotler and Keller (2007) suggests that the Word of Mouth Communication (WOM) or word of mouth communication is a communication process for the provision of recommendation either individually or in groups to a product or service that aims to provide personal information. Word of Mouth Marketing is driven by the strength of the influence of those who have felt or used a product or service that will make them speak positively, both online and offline. Word of Mouth Marketing occurs when marketers do activities to influence and accelerate the growth of word of mouth marketing.

Hardjana (2003) defines communication interpersonal as face to face interaction between two or more people, so that communicators can deliver messages directly and do communication can receive and respond directly anyway.

Electronic Word of Mouth (Electronic Word Of Mouth)

EWOM is considered as a new evolution of the traditional interpersonal communication towards a new generation of cyberspace. With the advancement of technology today, as if ewom become a new trend for busy consumers find the information needed about a product before they make a purchase of a product or service they want as through OpenRice.com (review sharing platform), OLX.co.id (Online shop), and KASKUS (Online Community) and this produces eWOM activity.

Social Media Marketing

David Evans and Jake McKee (2010) says that the Social media marketing is practiced to engage customers on social sites online where the customer is naturally spend time. For comparison, social business pay attention to what was said consumer and effort conversation between a company or brand to consumers, resulting in customer engagement.

Instant Messaging (IM)

Li, Chau, and Lou (2005) defined Instant Messaging as an Internet-based application that provides close to real-time communication between people. According to Rennecker and Godwin, IM has five unique features: presence awareness, "popup" recipient notification, within-medium polychronic communication (simultaneous involvement in more than one conversation at the same time), silent interactivity, and ephemeral transcript. These features distinguish IM from other communication technologies and, more importantly, also apply face-to-face communication.

Consumer Behaviour

Consumer behavior according to (Schiffman and Kanuk, 2007) is shown the behavior of consumers in search of the purchase, use, evaluation, and replacement products and services are expected to satisfy the needs of consumers.

Purchase Intention

According to (Simamora, 2008: 124) intention is something that is personal interest and is associated with an attitude. Individuals who are interested to something will have the the urge to perform a series of actions to approach or get the object. Buying interest manifested by an act or behavior buy one indicators of the success of a product or service.

Conceptual Framework

Conceptual framework is a model of how theory relates to the various factors that have been identified as an important issue. A good framework will explain the theoretical linkage between the variables been studied. So, theoretically it is necessary to explain the relationship between the independent variables and dependent variables.

Electronic word-of-mouth (eWOM) is closely related to consumer buying. The concept of viral marketing indicates that marketers can harness the power interpersonal networks to promote products or services. This concept assumes that electronic communication peer-to-peer is an effective means to change the communications network (electronic) to the network effect, capturing the attention of the receiver, trigger interest, and ultimately drive sales, and it automatically affects consumer behavior.

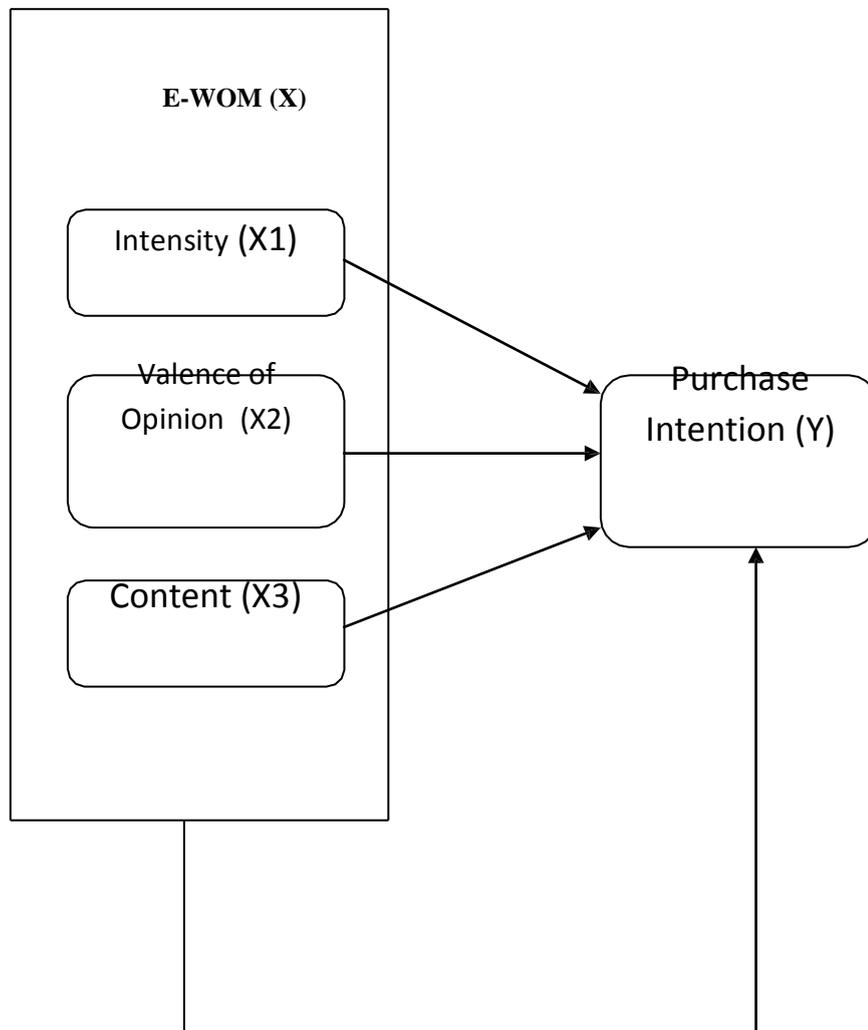


Figure 1: Conceptual Framework
Schematic model by: Goyette et al., (2010)

Hypothesis

H0 : Dimension of eWOM has no positive influence on purchase intention on let's get rich.

H1 : Dimension of eWOM has positive influence on purchase intention on let's get rich.

3. Methodology

Research Type

This research is a causal study using quantitative method. Causal research is a research where the researcher wants to describe the cause of a problem. (Indrawati, 2015) Quantitative method is a research method to accurately measure behaviour, knowledge, opinion or attitude. (Cooper & Schindler, 2011, in Indrawati, 2015).

Operational Variable

Based on Sekaran and Bougie (2010:126), operational variable is done by looking at the behavioural dimensions, facets, or properties denoted by the concept. These are then translated into observable and measurable elements so as to develop an index of measurement of the concept.

Based on the research framework, there are three research variables: Intensity, Valence of Opinion, and Content.

Population and Sample

. In this study, the target population is people who have heard, or experienced directly obtain information on purchasing premium items in Line Let's Get Rich via electronic word-of-mouth (eWOM) on social media KASKUS. In this study, researchers used the unit of analysis and observation units are the same, that is Line users who play LINE Let's Get Rich.

There are 8 million KASKUS users and the percentage of internet user in Bandung is about 45.1%, which means the total user of internet in Bandung is 3,608,000 people. In this case, writer cannot assume that the entire of internet users is using interested in purchasing items. In this research, sampling technique that the researcher used is Non Probability Sampling where not everyone has equal chances to be the sample. The sampling strategy in this study used Criterion Sampling which involves searching for cases or individuals who meet a certain criterion (Palys, 2008).

Data Analysis Technique

This research is using descriptive and multiple regression analysis as its data analysis method. According to Sekaran and Bougie (2010:105), descriptive study is type of study that is undertaken in order to ascertain and be able to describe the characteristic of the variables of interest in a situation. Multiple regression analysis is a general statistical technique used to analyze the relationship between a single dependent variable and several independent variables (Hair, 2010).

4. Data Analysis and Result

The data went and passed all classical assumption test. Hence, a multiple regression analysis can be executed.

Table 1 : Model Summary

Mode	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,896(a)	,803	,801	,273	1,753

It can be seen in table 1 that the adjusted R square in this research is 0.803, it means that 80.3% of Purchase Intention were affected by Intensity, Valence of Opinion, and Content. While the rests 19.7% were influenced by other variables which are not mentioned in this research.

Table 3: Multiple Regression Analysis Result

		Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.365	.088		4,172	.000		
	X1	.036	.032	.040	1,107	.269	.377	2,652
	X2	.509	.046	.498	11,078	.000	.246	4,066
	X3	.409	.046	.400	8,974	.000	.251	3,987

X1 : Intensity

X2 : Valence of Opinion

X3 : Content

Regression model that can be explained from the results in the form of regression equation as follows:

$$Y = 0.365 + 0.040 X1 + 0.498 X2 + 0.400 X3 + 0.088$$

Those equations can explained as follows :

- The regression coefficient of Intensity has positive influence to Purchase Intention.
- The regression coefficient of Valence of Opinion has positive influence to Purchase Intention.
- The regression coefficient of Content has positive influence to Purchase Intention.

5. Conclusion

Based on the multiple regression analysis results, intensity, valence of opinion, and content dimensions affect to purchase intention. Intensity dimension however, of has a negative effect to purchase intention. The results met all the alternatives hypothesis. The value of R-square (R^2) in the table is 0.803, and based on the considerations, it can be concluded the independent variable intensity, valence of opinion, and content presents positively affect to purchase Intention. The value above illustrate that purchase intention is 80.3% security and privacy, word of mouth, good online experience, quality of information, and brand reputation, the rest 19.7% is influenced by other variables not covered by this study.

6. Suggestions

Intensity positively affect purchase intention, Let's Get Rich needs to focus on intensity dimension first. To improve intensity dimension, Let's get rich should intensively take action that make players spoke about them, such as announces about players can buy premium items by website not only buy phone that need credit card, because not each players has credit card and program that providing rewards related to users and intensity in purchasing the products to attract users to sharing the news to others.

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