ABSTRACT

The rapid growth of social media users has a huge impact on business development. Consumer spending patterns, especially purchase decision behaviors are influenced by the strong influence of brand on social media. One form of product reviews that has a strong influence on consumer purchase intention is the Social Media Word of Mouth. The purpose of this study is to determine the antecedent of eWOM on social media and its consequences on purchase intention. The quantitative method is used to test the cause-and-effect relationship of the variables that create a structural equation model. A survey with five Likert scales is used in primary data collection. Convenience Sampling with non-probability sampling technique is used to collect 410 respondents by distributing questionnaires online via Google Form to Garuda Indonesia airline passengers. The collected data are validated using Structural Equation Modeling (SEM) with LISREL 8.8 software. The results of this study conclude that 1) Perceived Quality has a positive and significant effect on Social Value, Personal Value, and Functional Value. 2), Personal Value and Functional Value have a positive and significant effect on the Social Media Word of Mouth. 3) Social Media Word of Mouth has a very positive and significant effect on Purchase Intention.

Keyword : perceived quality, social value, personal value, functional value, social media word of mouth, purchase intention