Influence of Electronic Word of Mouth (E-WOM) and Brand Image on Semangat Coffee Purchase Intentions

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Abstract: This study examines the influence of Electronic Word of Mouth (E-WOM) and Brand Image on Purchase Intention in the context of coffee shops in Bekasi, Indonesia. The rising trend of coffee culture among Generation Z has shifted consumer behavior towards frequenting coffee shops over opting for instant coffee. E-WOM has emerged as a key source of information for prospective customers, shaping trust and decision-making through reviews on platforms like Google and social media. Brand Image is another critical factor, shaping consumer perceptions and fostering loyalty through positive brand associations. A quantitative approach with Structural Equation Modeling (SEM) was used to analyze data from a sample of Generation Z consumers. The findings reveal that E-WOM significantly impacts both Brand Image and Purchase Intention, highlighting the role of online reviews in influencing consumers' decisions to visit coffee shops. Additionally, Brand Image positively affects Purchase Intention, underscoring importance in driving consumer loyalty and repeat visits. This study extends previous research by focusing on a different cultural and geographical context, contributing to our understanding of how E-WOM and Brand Image shape consumer behavior in the Indonesian coffee shop industry.

INTRODUCTION

Recently, numerous coffee shops have opened due to Generation Z's lifestyle, which often involves enjoying coffee with friends. This trend has motivated people to frequent coffee shops rather than opt for instant coffee. Electronic Word of Mouth (E-WOM) plays a crucial role in influencing consumers' experiences and recommendations to others who may be unfamiliar with a coffee shop. Through E-WOM, potential customers learn about coffee shops as social spaces for enjoying coffee with friends (Nuseir, 2019). Prospective customers often rely on reviews from Google or social media before deciding to visit, as these reviews shape their choices (Kietzmann & Canhoto, 2019). E-WOM is seen as a valuable information source that helps potential

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customers gather and compare useful details before visiting a coffee shop (Indrawati et al., 2023). This information shapes consumer trust and their decision to visit or purchase coffee, influenced by the credibility of reviews and shared experiences (Al Qaimari et al., 2021).

Brand Image is also critical, shaping how consumers perceive and connect with a product. A strong Brand Image can foster loyalty, especially among consumers who enjoy coffee (Nuseir, 2019). Brand Image is a vital construct within the consumer-based brand equity framework, defined as a collection of brand associations that are usually meaningful and stored in memory (Kim & Chao, 2019). It serves as a reference for consumers when deciding to visit a coffee shop or buy coffee, creating a unique product appeal based on the overall perception, impression, and beliefs associated with a brand. This perception impacts customer attitudes, preferences, and brand loyalty, as positive impressions encourage consumers to remember and revisit the brand (Maddinsyah, 2022). Brand Image, therefore, becomes a significant factor influencing consumer purchase decisions. On social media platforms, a positive Brand Image strengthens emotional bonds, increasing the likelihood that consumers will buy the coffee (Syah & Olivia, 2022).

Purchase Intention reflects a consumer's motivation and conscious decision-making toward making a purchase. It indicates a consumer's awareness and effort in planning to buy coffee (Nosita & Lestari, 2019). Online reviews or E-WOM have proven critical in shaping business performance, influencing consumer tendencies to recommend a brand, and predicting Purchase Intention (Indrawati et al., 2023). Purchase Intention is a key stage where consumers choose between brands, influenced by various factors such as brand reputation, promotions, and purchasing processes (Kindangen et al., 2021). It is a core concept studied in marketing literature, where consumers' interest in a product often stems from their relationship with Purchase Intention (Tsiotsou, 2019).

However, the primary difference between this study and previous research lies in the research object. Prior studies examined the impact of Electronic Word of Mouth and Brand Image on Purchase Intention with a focus on Islamic countries, particularly the United Arab Emirates (UAE), while this study focuses on coffee shops in Bekasi, Indonesia. Based on the issues and research gap highlighted, this study aims to determine the influence of Electronic Word of Mouth on Brand Image and Purchase Intention, as well as the impact of Brand Image on Purchase Intention.

METHOD

This study employs a quantitative, associative causal research design to investigate the relationships between key variables. The exogenous variables are Electronic Word of Mouth (E-WOM) and Brand Image, while the endogenous variable is Purchase Intention. Measurement items were adapted from prior research (Song et al., 2018), with each variable measured using five indicators, resulting in a total of 15 statements. Responses were collected on a five-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5).

The population consists of consumers in Bekasi who have considered, but not yet purchased, Semangat Coffee, though the exact population size is unknown. We used non-probability sampling with a purposive sampling technique, targeting Generation Z consumers aged 19–27 who have not previously purchased Semangat Coffee, are located in Bekasi, and have encountered online reviews of Semangat Coffee on platforms such as Instagram, Facebook, or Twitter. Screening statements in the questionnaire ensured respondents met these criteria. Background information, including gender, age, education, and occupation, was also collected.

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The sample size was calculated based on Hair & Brunsveld (2019), which suggests a minimum of five times the number of statements; thus, a minimum of 75 respondents was required, but 100 were targeted to strengthen reliability (15 items x 5).

A pre-test with 30 respondents was conducted to detect any potential misunderstandings in the measurement items. Validity was assessed using the Kaiser-Meyer-Olkin (KMO) and Measure of Sampling Adequacy (MSA) tests, with a threshold value of 0.5 or higher for each variable required to proceed (Hair & Brunsveld, 2019). Indicators not meeting this threshold were removed as invalid (Hair & Brunsveld, 2019). Reliability was checked using Cronbach's Alpha, with a minimum acceptable value of $\alpha \ge 0.6$ (Hair & Brunsveld, 2019).

For the main analysis, Structural Equation Modeling (SEM) with Partial Least Squares (PLS) was used, utilizing statistical software to evaluate the measurement and structural models. The measurement model included tests for convergent validity (with a loading factor > 0.7 and AVE > 0.5), discriminant validity (using Fornell-Larcker Criterion, Cross Loadings, and HTMT < 0.9), reliability (Composite Reliability > 0.70 and Cronbach's Alpha > 0.60), and collinearity (VIF < 5.00). The Adjusted R² value indicated the strength of influence of the exogenous variables on the endogenous variable, with values interpreted as strong (0.75), moderate (0.50), or weak (0.25) (Hair & Brunsveld, 2019). The structural model was tested using p-value criteria (p < 0.05) and t-value thresholds (one-tailed t > 1.65) to assess significance (Hair & Brunsveld, 2019).

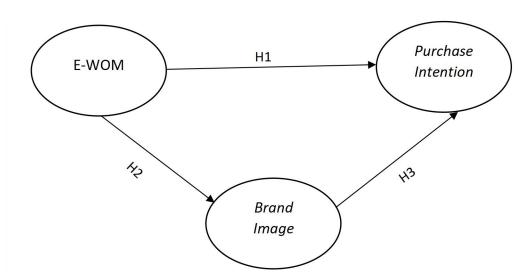


Figure 1. Research Model

Hypotesis Developmen

E-Wom and Purchase Intention

Reviews play a critical role in digital marketing. Positive reviews not only provide additional information on products that consumers need or desire but also enhance their trust and purchase intention toward the product (Schouten et al., 2020). Research by Nuseir (2019) and Indrawati et al. (2023) indicates that E-WOM has a significant effect on purchase intention, consistent with studies by Pentury et al. (2019) and Larasati & Rahyuda (2021), which found a positive and

significant influence of E-WOM on purchase intention. This suggests that higher-quality E-WOM leads to increased purchase intention; in other words, the more people speak positively about a product online or on social media, the more consumer purchase intention rises (Akbar et al., 2019). Based on the above, the following hypothesis is proposed:

H1: E-WOM positiviely affects purchase intention

E-Wom and Brand Image

In today's digital age, online reviews and recommendations strongly influence consumer perceptions. The more E-WOM activities and positive information about a product are shared, the stronger the brand image consumers hold of that product (Larasati & Rahyuda, 2021). Research by Nuseir (2019) shows that E-WOM has a significant impact on brand image, aligning with studies by Pentury et al. (2019), Larasati & Rahyuda (2021), and Akbar et al. (2019), which also reported a positive and significant effect of E-WOM on brand image. This indicates that higher-quality E-WOM enhances brand image; in other words, the more positive feedback appears online or on social media, the stronger and more favorable the brand image becomes (Akbar et al., 2019). Therefore, the following hypothesis is proposed:

H2: E-WOM positively affects brand image

Brand Imgae and Purchase Intention

To achieve optimal marketing outcomes, management should focus on managing brand image, as an optimized brand image plays a key role in driving purchase intention. A strong, positive brand image significantly influences consumer trust and boosts their intent to purchase. Effective brand image management can improve consumer perceptions and encourage better purchasing decisions (Larasati & Rahyuda, 2021). Research by Nuseir (2019) confirms that brand image significantly impacts purchase intention, consistent with findings by Pentury et al. (2019), Larasati & Rahyuda (2021), and Akbar et al. (2019), which show a positive and significant effect of brand image on purchase intention. This indicates that the stronger the brand image, the higher the purchase intention. A strong brand image tends to become a priority for customers (Akbar et al., 2019). Accordingly, the following hypothesis is proposed:

H3: Brand image positively affects purchase intention

RESULT AND DISCUSSION

Results

Based on the results of a questionnaire distributed to 130 respondents, it was found that the majority of those who have not yet purchased or intend to purchase Semangat coffee are male, with 71 male respondents (54.6%) compared to 59 female respondents (45.4%). In terms of age range, all respondents are Generation Z, aged 19 to 27 years, totaling 130 individuals (100%). Regarding educational background, most respondents hold a bachelor's degree (60.8%), followed by high school graduates (35.4%) and postgraduate degree holders (3.8%).

When examining employment status, the majority of respondents work in the private sector (44.6%), followed by students (30%), other occupations (12.3%), entrepreneurs (10%), and civil servants (3.1%). In terms of monthly expenditures, respondents primarily fall into two large groups: those with expenses under IDR 2,000,000 (38.5%) and those with expenses over IDR 3,500,000 (38.5%). The group with monthly expenses between IDR 2,000,001 and IDR

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3,500,000 comprises the remaining 23.1%.

The initial data analysis confirms that the indicators meet the necessary validity and reliability requirements. Convergent validity was achieved with all loading factor values exceeding the minimum threshold of 0.70, ranging from 0.967 to 1.000 (Hair & Brunsveld, 2019). Additionally, the AVE values, ranging from 0.969 to 0.975, were well above the required threshold of 0.5, further validating the constructs. Reliability was established as all latent constructs surpassed the criteria, with Cronbach's alpha values between 0.992 and 0.993 and composite reliability values ranging from 0.994 to 0.995, satisfying the thresholds of > 0.7 and > 0.6, respectively (Hair & Brunsveld, 2019).

Discriminant validity was assessed using the Fornell-Larcker criterion, where the square root of each construct's AVE was greater than its correlations with other constructs, and all constructs met this criterion. Cross-loading analysis also confirmed that each indicator's correlation with its respective construct was higher than with other constructs, further supporting discriminant validity. HTMT values ranged between 0.337 and 0.499, below the threshold of 0.9, indicating acceptable discriminant validity (Hair & Brunsveld, 2019).

The multicollinearity test confirmed no collinearity issues, with all VIF values below the threshold of 5.00. The results indicate that the VIF values, ranging from -162382 to 5410830, were within acceptable limits (Hair & Brunsveld, 2019). The adjusted R² value for purchase intention was 0.139, indicating that E-WOM and Brand Image collectively explain 13.9% of the variance in purchase intention, with the remaining 86.1% accounted for by other factors outside the model.

Variable **Outer Loading Composite** Cronbach's AVE Indicator Reliability **Alpha** Electronic EWOM1 0.975 Worth of EWOM2 0.993 Mouth EWOM3 1.000 0.995 0.993 0.894 EWOM4 0.974 0.994 EWOM5 Price BI1 0.969 Fairness 0.993 BI2 0.994 0.993 0.971 BI3 0.973 BI4 1.000 BI5 0.993 0.969 Customer PI1 PI2 0.993 satisfaction 0.994 0.969 0.992 PI3 1.000 PI4 0.967 P15 0.991

Table 1. Outer Model

In the inner model test, the one-tailed bootstrapping method was used to calculate t-statistics and p-values. For the hypotheses to be accepted, t-statistics must be greater than 1.65 and p-values must be below 0.05 (Hair & Brunsveld, 2019). The data analysis shows that all constructs meet these criteria, meaning all hypotheses are accepted.

For H1, which tests the effect of E-WOM on Purchase Intention, the t-statistic is 2.466, p-value is 0.014, and the original sample value is 0.230, indicating a positive effect. Thus, H1 is accepted. For H2, the effect of E-WOM on Brand Image, the t-statistic is 6.941, p-value is 0.000, and the original sample value is 0.495, showing a positive effect. Therefore, H2 is accepted. For H3, which tests the effect of Brand Image on Purchase Intention, the t-statistic is 2.855, p-value is 0.004, and the original sample value is 0.221, indicating a positive effect. Thus, H3 is accepted.

	Original	Hypotesis	<i>T</i> -	P-	Remarks
	Sample		statistics	value	
E-WOM positiviely affects purchase intention	0.230	H1	2.466	0.014	Accepted
E-WOM positively affects brand image	0.495	H2	6.941	0.000	Accepted
Brand image positively affects purchase intention	0.221	НЗ	2.855	0.004	Accepted

Table 3 Hypotesis Testing Results

Discussion

The first finding of this study shows a positive impact of Electronic Word of Mouth (E-WOM) on Purchase Intention. Factors such as price and quality influence consumer decisions to visit or make a purchase at a coffee shop. Additionally, reviews play a critical role in digital marketing, as positive reviews provide consumers with valuable information about the products they need or desire, while also enhancing their trust and purchase intention (Schouten et al., 2020). This indicates that higher quality E-WOM leads to greater purchase intention. In other words, as more people share positive feedback about a product online and on social media, purchase intention also increases (Akbar et al., 2019). Empirical evidence in this study suggests a positive relationship between E-WOM and Purchase Intention at coffee shops (Haemoon Oh, 2019). Consequently, customer purchase intention is likely to rise when they perceive the coffee as being of high quality.

The second finding demonstrates that E-WOM has a direct positive effect on Brand Image. Positive reviews of a coffee shop indicate a strong, quality brand image, which can also influence consumers' emotional connection and willingness to buy, as customers often feel satisfied with the coffee shop experience (Larasati & Rahyuda, 2021). Their study states that the more E-WOM is generated and the more positive information is shared about a product, the better the brand image perceived by consumers. This suggests that high-quality E-WOM also enhances Brand Image. In other words, as more people leave positive comments online and on social media about a coffee shop, the stronger and better the brand image becomes (Akbar et al., 2019).

The final finding indicates that Brand Image positively influences Purchase Intention. This means that as Brand Image strengthens, consumers' Purchase Intention also increases. When consumers feel confident in making a purchase at a coffee shop, they are likely to experience satisfaction and form an emotional connection with the brand. This finding underscores that a higher Brand Image can drive increased Purchase Intention; in other words, a strong Brand Image becomes a priority for consumers, thereby boosting their willingness to buy (Akbar et al., 2019).

CONCLUSION

This study identifies key factors influencing customer satisfaction, focusing on customer

^{*}T-statistics expected > 1,96, P-value expected < 0,0

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orientation The study highlights that Electronic Word of Mouth (E-WOM) and Brand Image significantly impact Purchase Intention, with a focus on a coffee shop in Bekasi. Demographic analysis reveals that most respondents are Generation Z, and those who have not yet purchased from Semangat coffee are primarily male. These insights suggest that targeting Generation Z with strategies emphasizing product quality, service, and brand reputation, while reducing perceived risks, could boost consumer trust and purchase intention.

E-WOM emerged as the most influential factor, significantly affecting both Purchase Intention and Brand Image. This indicates that strong E-WOM and a positive Brand Image emotionally motivate consumers' intentions to purchase. Given the study's focus on Bekasi, broader geographic research is recommended for more generalizable insights. Additionally, incorporating more variables, such as mediating and moderating factors, could provide a fuller understanding of Purchase Intention. Expanding the study to different generational groups would also clarify how responses vary by age.

To enhance purchase intention, Semangat coffee should focus on both Brand Image and E-WOM. Strengthening Brand Image through quality products, unique branding, and consistent reliability would position the brand as a leading choice. Boosting E-WOM could involve actively engaging with online reviews and updating customers about offerings. In a competitive coffee shop industry, building a strong brand image and fostering positive customer feedback would solidify the brand's presence and drive long-term consumer loyalty.

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