



## THE INFLUENCE OF eWOM AND PERCEPTION OF PRICE ON PURCHASE INTENTION WITH BRAND IMAGE AS AN INTERVENING VARIABLE IN KAHF CARE PRODUCTS

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### Abstract

eWOM is a form of electronic word-of-mouth communication that includes reviews and recommendations. Price perception is the consumer's evaluation of a product's value in relation to its price. Brand image refers to consumers' perception of a product brand that is embedded in their minds. The sales percentage of Kahf Care products fluctuated between the years 2021 and 2022. This is due to the emergence of many local brands offering similar specialized grooming products for men. This study aims to analyze the influence of eWOM and the perception of price on purchase intention with brand image in Kahf Care products. The study examines 380 respondents who use Kahf Care products, selected through purposive sampling technique, and is tested using the statistical analysis method of path analysis. The results of the first substructure indicate that eWOM and price perception have a positive and significant impact on brand image. The results of the second substructure indicate that eWOM, price perception, and brand image have a positive and significant influence on purchase intention. There is a direct positive and significant influence of eWOM and perception of price on purchase intention. This research also shows that eWOM and price perception have an indirect positive and significant influence on purchase intention through brand image. Brand image acts as an intervening variable based on the Sobel test. and brand image has a positive and significant influence on purchase intention. There is a direct positive and significant influence of eWOM and perception of price on purchase intention. This research also shows that eWOM and price perception have an indirect positive and significant influence on purchase intention through brand image. Brand image acts as an intervening variable based on the Sobel test. and brand image has a positive and significant influence on purchase intention. There is a direct positive and significant influence of eWOM and perception of price on purchase intention. This research also shows that eWOM and price perception have an indirect positive and significant influence on purchase intention through brand image. Brand image acts as an intervening variable based on the Sobel test.

Keywords: *eWOM, Perception of Price, Purchase Intention, Brand Image*

### 1. INTRODUCTION

Competition in the world of beauty and care business is now getting tougher, this is shown by the increasing growth of the care industry, especially the average skin care clinic that is experiencing growth. In the modern era, skin care is no longer synonymous with women, but its meaning has shifted to men. A shift in understanding in consuming a product which is no longer a means of fulfilling human needs but has shifted into a means of satisfying desires in increasing social status, lifestyle, prestige, and an image to be shown to the general public through the consumption of a product that exhibits buying behavior. People's purchasing power for skincare products in Indonesia has a tendency to continue to increase so it is predicted in the following years. To remain competitive and maintain the care business with this increasingly fierce competition, companies communicate their products precisely and accurately in conveying information about a product properly to consumers, so that consumers respond positively and positively to the products offered which will have an impact on increasing consumer purchase

intention for advertised products.

Things that are interrelated with prices are motivated by consumers to choose a product to buy. The product because they really want to feel the value of the product, see the opportunity to have the product at a lower price than usual so that it becomes more economical, because there is also an opportunity to get a price discount from buying the product, or they also want to be considered by consumers that knows a lot about the information on one of the products and immediately wants to buy and own that product. Consumers in choosing prices have a role in the decision-making process for buyers, namely the role of allocation and the role of information (Ginting, 2014). The role of price allocation is to assist buyers in deciding how to obtain the expected benefits based on their strength or purchasing power. Thus the existence of prices can help buyers to be able to decide how to allocate their purchasing power to the various types of goods they want. eWOM is very helpful in communicating messages in a product to attract consumer attention, which can then increase consumer buying interest in the advertised product. Purchase intention will increase if consumers have obtained greater benefits than what consumers pay for a product.

## **2. LITERATURE REVIEW**

### **2.1. eWOM**

The phenomenon of the development of the internet which gave rise to a new change in direct communication and this was the beginning of the emergence of the term electronic word of mouth (eWOM). This phenomenon is considered as a change from face to face interpersonal communication towards a new, modern generation. Advances in information technology have caused more and more consumers to seek information on social media for a product before making a purchase, such as through Tokopedia, Shopee, Lazada, Websites, Facebook, Instagram, TikTok, and others. eWOM activities can lead to negative or positive statements made by actual consumers or previous direct experiences by consumers regarding a product where this information will later be made available to all groups reached via online media or the internet. eWOM is a positive or negative communication between potential, customers or former customers about a product or company that is available to the general public on the internet (Wibowo, 2015). eWOM becomes a venue or a place that is very important for consumers to provide their views and opinions and is considered more effective than WOM because of the level of access and its very broad scope of traditional WOM which is in offline media (Thurau, 2004).

### **2.2. Perception Of Price**

Perceived price is a consumer's judgment and undirected emotional form regarding whether the price offered by the seller and prices compared to other parties is logically reasonable, acceptable or justifiable. Perceived price as a form of representation of consumer perceptions or subjective perceptions of the price of a product. In today's increasingly competitive competition, price differences are felt to be an important factor in purchasing decisions where generally consumers will choose the most affordable price for a product or service offered by the seller. The perception of price fairness as an assessment of the results achieved and how a process can later obtain an acceptable result and certainly within reasonable limits, in other words, makes sense that can be accepted with good reason (Amryyanti, 2012).

### **2.3 Purchase Intentions**

Purchase intention is defined as the tendency of consumers to buy a brand or take an action related to purchases that can be measured through the level of the number of product purchases made by consumers. Buying interest is obtained from the learning process and thought processes that will form a perception. Buying interest is able to create an impulse that continues to be embedded in his mind and becomes a very big necessity which in the end when a consumer has to



fulfill his needs will implement what is in his mind. Purchase intention is closely related to several aspects,

Purchase intention is a behavior that appears in response to objects that indicate a consumer's desire to carry out purchasing activities. Consumer buying interest is consumer behavior that wants to have a desire in determining and consuming a product (Kotler, 2016).

## 2.4 Brand Image

A brand is a name, term, sign, symbol, image, design, or a combination of these that identifies a company that will sell a product. Consumers see brands as the most important part of a product, and brands can generate added value for consumers. Brand is an asset to create strategy. The concept of the brand as an asset generates a stream of significant change and has a large influence on changing marketing perceptions and brand image, how brands should be managed and measured properly (Aaker, 2015).

## 3. RESEARCH METHOD

This research is a quantitative research because this research is presented in the form of numbers. This research was conducted on respondents who had purchased and reviewed kahf care products through stores and social media such as the official website, Instagram, Facebook and TikTok. Kahf care products are a company engaged in the field of care or skincare for men, research activities from data collection to writing the final research will be carried out from January 2023 to March 2023 obtained from online purchases, the kahf brotherhood community and at the jm store field denai and supply store johor field. The population in this study were male consumers who had purchased and reviewed kahf care products through stores and social media such as the official website, Instagram, Facebook and Tiktok. Kahf care products are a company engaged in the field of care or skincare for men. In this study, data analysis used the Eviews analysis tool.

## 4. RESULTS AND DISCUSSION

### 4.1. Descriptive statistics

Based on the characteristics of respondents based on the eWOM variable on Kahf's care products, they are in the strongly agree category, especially in the statement of interacting with other users of Kahf's care products on social media, seeing all the reviews written by users of Kahf's care products on social media and seeing positive or negative comments on Kahf care products on social media are very clear with an average score of 4.21–5.00. However, several statements are in the agree category such as accessing information on kahf care products on social media sites, providing recommendations for Kahf care products on social media, viewing information on variants of kahf care products on social media,

Based on the perception of price, Kahf's care products are in the agree category, covering all statements such as the price of Kahf's care products that can be reached by consumers, the price of Kahf's care products is in accordance with the quality of their products, the prices of Kahf's care products are cheaper than other products and the prices of Kahf's care products are in accordance with the perceived benefits are very clear with an average value of 3.41–4.20. Based on the purchase intention for Kahf's care products, it is in the strongly agree category, including statements such as I tend to buy only Kahf's care products compared to buying other similar products which are very clear with an average value of 4.21–5.00. However, several other questions are in the agree category, including statements that I seek information in advance about Kahf's care products in deciding to buy their products and my statement that I make Kahf's care products the main choice which is very clear with an average value of 3.41–4.20.

Based on *brand image* towards Kahf's care products are in the category of strongly agree, especially in the statement that I am safe to use Kahf's care products which are in accordance with the sensitivity of skin types and the current statement of the brand image of Kahf's care products has nourish and care for healthy skin looks very clear with an average rating of 4.21–5.00.

However, several statements are in the agree category such as Kahf care products have hydrobalance technology, Kahf care products have proven product quality, Kahf care products do not contain non-acnegenic, Kahf care products have the characteristics of halal products, Kahf care products have product variations various,

**Table 2. Path Analysis**

Model	R	R Square	Adjusted R Square	std. Error of the Estimate	Durbin-Watson
1	,918a	,842	,841	2,463	1,906

Source: PLS Outputs (2023)

Table 2 explains that Adjusted R Square value (coefficient of determination) is 0.841 (84.1%). This shows that the variables eWOM and perception of price have a large influence on brand image by 84.1% and the rest (100% - 84.1% = 15.9%) are influenced by other variables ( $\epsilon$ ) outside this model which are not examined, for example purchasing decisions, promotions, lifestyle, and so on.

**Table 3. Multicollinearity Test**

	Coefficients Model	Collinearity Statistics	
		tolerance	VIF
1	(Constant)		
	eWOM	,161	6,221
	Perception Of Price	,235	4,248
	Brand Image	,158	6,328

Source: PLS Outputs (2023)

Table 3 explains that the eWOM Tolerance value is 0.161, the perception of price is 0.235 and the brand image is 0.158 so this shows a value  $> 0.1$  and the Variance Inflation Factor (VIF) value for each variable respectively is 6.221, 4.248 and 6.328 then this shows the value  $< 10$ . So the conclusion is that there is no multicollinearity problem between each variable in this second sub-structural regression model.

**DISCUSSION**

The results of the analysis show that the effect of the eWOM variable on purchase intention can be categorized as quite large. The magnitude of the effect can be seen from the standardized beta coefficient of 0.336, this means that if there is an increase of 1 times of the eWOM variable, it will increase purchase intention for users of Kahf care products by 0.336 or 33.6%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 5.061 > t \text{ table} = 1.6538$  on the eWOM variable with a significance level of  $0.000 < 0.05$  so it can be concluded that eWOM has a positive and significant effect on purchase intention in users of Kahf care products . Therefore, the first hypothesis is acceptable.

The variable perception of price on purchase intention can be categorized as quite small. The magnitude of the effect can be seen from the value of the standardized coefficients beta which is 0.133, this means that if there is an increase of 1 times in the perception of price variable, it will increase the purchase intention of users of Kahf care products by 0.133 or 13.3%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 2.421 > t \text{ table} = 1.6538$  in the perception of price variable with a significance level of  $0.016 < 0.05$  so it can be concluded that the



perception of price has a positive and significant effect on purchase intention at users of Kahf care products. Therefore, the second hypothesis is feasible to accept.

The eWOM variable on brand image can be categorized as quite large. The magnitude of the effect can be seen from the value of the standardized coefficients beta which is 0.639, this means that if there is an increase of 1 times of the eWOM variable, it will increase the brand image of users of Kahf care products by 0.639 or 63.9%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 16,357 > t \text{ table} = 1.6538$  on the eWOM variable with a significance level of  $0.000 < 0.05$  so it can be concluded that eWOM has a positive and significant effect on brand image in users of Kahf care products. Therefore, the third hypothesis is feasible to accept. The perception of price variable on brand image can be categorized as quite large. The magnitude of the effect can be seen from the standardized beta coefficient which is 0.310, this means that if there is an increase of 1 time in the perception of price variable, it will increase the brand image of users of Kahf care products by 0.310 or 31.0%. Based on the results of hypothesis testing that has been done,  $t \text{ count} = 7,946 > t \text{ table} = 1.6538$  in the perception of price variable with a significance level of  $0.000 < 0.05$  so it can be concluded that perception of price has a positive and significant effect on brand image in users of Kahf care products. Therefore, the fourth hypothesis is feasible to accept.

The brand image variable on purchase intention can be categorized as quite large. The magnitude of the effect can be seen from the standardized beta coefficient of 0.421, this means that if there is a 1-fold increase in the brand image variable, it will increase purchase intention for users of Kahf care products by 0.421 or 42.1%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 6.290 > t \text{ table value} = 1.6538$  in the brand image variable with a significance level of  $0.000 < 0.05$  so it can be concluded that brand image has a positive and significant effect on purchase intention of product users kahf care. Therefore, the fifth hypothesis is feasible to accept. The eWOM variable on purchase intention can be categorized as quite large. The magnitude of the effect can be seen from the standardized beta coefficient of 0.336, this means that if there is an increase of 1 times of the eWOM variable, it will increase purchase intention for users of Kahf care products by 0.336 or 33.6%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 5.061 > t \text{ table} = 1.6538$  on the eWOM variable with a significance level of  $0.000 < 0.05$  while the indirect effect of the eWOM variable on purchase intention through brand image with a beta value of  $0.336 \times 0.421 = 0.141$ . The total effect generated by the eWOM variable on purchase intention through brand image is 0.780 or 78.0%. Based on the Sobel test, the value of  $t \text{ count} = 11,338$  is greater than  $t \text{ table} = 1, 6538$  with a significance level of  $0.000 < 0.05$ , this means that brand image acts as an intervening variable, so it can be concluded that eWOM has a positive and significant effect on purchase intention through brand image in users of Kahf care products. Therefore, the sixth hypothesis is feasible to accept.

The variable perception of price on purchase intention can be categorized as quite small. The magnitude of the effect can be seen from the value of the standardized coefficients beta which is 0.133, this means that if there is an increase of 1 times of the eWOM variable, it will increase purchase intention for users of Kahf care products by 0.133 or 13.3%. Based on the results of the hypothesis testing that has been done,  $t \text{ count} = 2.421 > t \text{ table} = 1.6538$  in the perception of price variable with a significance level of  $0.016 < 0.05$  while the indirect effect of the perception of price variable on purchase intention through brand image with beta value of  $0.133 \times 0.421 = 0.055$ . The total effect generated by the perception of price variable on purchase intention through brand image is 0.365 or 36.5%. Based on the Sobel test, the value of  $t \text{ count} = 3.653$  is greater than  $t \text{ table} = 1.6538$  with a significance level of  $0.000 < 0.05$ , this means that brand image plays a role as an intervening variable, so it can be concluded that perception of price has a positive and significant effect on purchase intention through the brand image of users of Kahf care products. Therefore, the seventh hypothesis is feasible to accept.

## 5. CONCLUSION

Based on the research results above, it can be concluded that eWOM has a positive and significant effect on purchase intention among users of Kahf care products. Perception of price has a positive and significant effect on purchase intention for users of Kahf care products. eWOM has a positive and significant effect on brand image among users of Kahf care products. Perception of price has a positive and significant effect on brand image among users of Kahf care products. Brand image has a positive and significant effect on purchase intention of users of Kahf care products. eWOM indirectly has a positive and significant effect on purchase intention through brand image among users of Kahf care products.

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