INFLUENCE OF ELECTRONIC WORD OF MOUTH AND BRAND AWARENESS ON PURCHASING DECISIONS
(Study on Kafe Samcir Nganjuk)

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Abstract

This research has three main objectives: (1) identifying the impact of Electronic Word Of Mouth (eWOM) on purchasing decisions at the Samcir Nganjuk Cafe, (2) assessing the impact of Brand Awareness on decisions when purchasing at the same cafe, and (3) evaluating the effect a combination of e WOM and Brand Awareness when making purchasing decisions at the Samcir Nganjuk Cafe. Researchers used quantitative research and data collection techniques including probability sampling and simple random sampling, involving 100 respondents. The data were analyzed using SPSS 27, by carrying out validity tests, classical assumption tests, hypothesis tests, reliability tests, and multiple linear regression tests. This research explains that Electronic Word of Mouth (X1) have a positive and significant impact when making Purchase Decisions (Y), in the form of a calculated t test value that exceeds the t table (4.450 > 1.985) and a significance value of less than 0.05 (0.01 < 0.05). Likewise, Brand Awareness (X2) has a positive and significant influence when making Purchase Decisions (Y), the t test calculated values exceed the t table (5.113 > 1.985) and the significance value is below 0.05 (0.01 < 0.05). Overall, Electronic Word of Mouth and Brand Awareness have an impact when purchasing decisions simultaneously, the calculated F test value exceeds F table (35.287 > 3.09) and the F significance value is below 0.05 (0.01 < 0.05).

Keywords: *Word of Mouth, Brand Awareness, Purchasing Decisions*

INTRODUCTION

Developments in the current millennial era, the world of food and beverages commonly called Food and Beverage is growing rapidly with new innovations and some of its own characteristics. With the rapid development of the food and beverage industry, especially in cafes, competition has become very tight. Many consumers are willing to queue for hours to taste the dishes served at the cafe. In this era, there are also many cafes that have collaborated with online motorbike taxi companies and E-Commerce companies by providing several discounts and even free shipping that make consumers interested in buying them.

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In food and beverage, especially in the field of cafes, it is currently growing, this can be seen from the significant increase in the number of cafes in Indonesia that have developed in the last 3 years. Although cafes are classified as a middle-up field, the majority of cafes are favourite and most of the cafe lovers here are students, not only men but women also like it. Café trends will continue to grow and this growth is supported by several factors, such as habit.

The main role of communication in Electronic Word of Mouth (E-WoM) is quite important in order to achieve optimal communication. These communicators are individuals who have used or have knowledge of the product and share this information with others, which can then influence their behaviour and attitudes during the purchase decision-making process. The experiences shared through E-WoM include not only positive aspects, but also about product weaknesses or unsatisfactory experiences. Information about good or bad reviews can affect sales levels. Therefore, the seller has the responsibility to provide the best results to consumers.

According to Keller (2013) the importance of consumers to brand awareness in brand equity is proportional to the revenue from brand awareness. Brand awareness increases as the level of awareness increases. According to Keller (2013) According to consumers, knowing a brand is a key factor in choosing that brand over less popular brands. The two components of brand awareness are memory and recognition.

The purchase decision is the final stage when a person has collected a lot of information related to the product he wants to buy, then considers several factors before making a purchase decision. However, the purchase decision that has been taken will also be an evaluation for a repurchase or repeat order. This study aims to determine: 1) Does Electronic Word of Mouth have a significant impact on purchasing decisions at Samcir Nganjuk Cafe? 2) Does Brand Awareness have a significant impact on purchasing decisions at Kafe Samcir Nganjuk? 3) Do Electronic Word of Mouth and Brand Awareness have a significant impact on purchasing decisions at Kafe Samcir Nganjuk?

LITERATURE REVIEW

Electronic Word of Mouth

According to Hennig-Thurau et al. (2004) Electronic Word of Mouth is an example of customer reviews or opinions aboust a company or product, both positive and negative. These reviews are widely accessible and can be shared on social media.

Brand Awareness

Brand awareness, as defined by Kotler & Wasana (1994), refers to the consumer's capacity to distinguish and acknowledge a specific brand by means of mental processes commonly referred to as brand awareness. This cognitive aspect plays a crucial role in influencing consumer behavior and purchase decisions.

Moreover, brand awareness encompasses not only the ability to differentiate one brand from another but also extends to the familiarity and association consumers have with a given brand. This familiarity can be attributed to various factors such as marketing efforts, product quality, and overall brand reputation.

Purchase decision

According to Peter & Olson (2013) suggested that when individuals make purchasing decisions, they engage in a process that requires utilizing their knowledge to carefully assess different options and ultimately select one to act upon. This decision-making process involves considering the pros and cons of each alternative before making a choice.
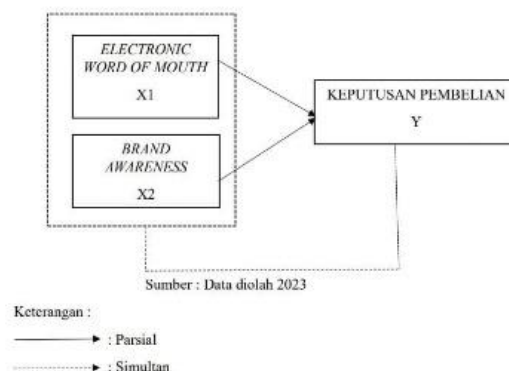

Figure 1. Hypothesis Framework

RESEARCH METHODS

Type of Research

Quantitative research is used by researchers when conducting research. According to Sugiono (2013) 'Surveys are quantitative beasts. The survey asks many people (call respondents) about their belief opinions, characteristics, and past or present behaviour. Surveys are appropriate for research questions about self-reported belief or behaviour'.

Research Location

The location was Samcir Cafe Jln. Ploso, Nganjuk District, Nganjuk Regency, East Java 64417.

Research Variables

Independent variables include (Electronic Word Of Mouth) X1, (Brand Awareness) X2, and the dependent variable (purchase decision), namely Y.

Population and Sample

This study uses probability sampling because the population in this study is already known, namely samcir cafe visitor data from January - August 2023. According to Sugiyono (2019: 146) the sample is 'part of the number and characteristics possessed by the population'.

Data Source

The collection of primary type data sources came directly from the interviews with sources or company owners. Secondary data was collected for this research from various sources, including literature, previous research, and various social media.

RESULTS AND DISCUSSION

Validity Test

Research is valid when the r value exceeds the r table. For a sample of n = 100 and a significance level of 5% / 0.05, the r table value is calculated by the formula DF = n-3 or 100-3 = 97, namely 0.1975. The results of the validity test can be obtained from the table below.

Table 1. Validity Test Result

Variabel	Item	r hitung	r tabel	Keterangan
Electronic Word Of Mouth (X1)	X1.1	0,524	0,1975	Valid
	X1.2	0,506	0,1975	Valid
	X1.3	0,391	0,1975	Valid
	X1.4	0,527	0,1975	Valid
	X1.5	0,353	0,1975	Valid
	X1.6	0,534	0,1975	Valid
	X1.7	0,464	0,1975	Valid
	X1.8	0,530	0,1975	Valid
	X1.9	0,471	0,1975	Valid
	X1.10	0,524	0,1975	Valid
	X1.11	0,444	0,1975	Valid
	X1.12	0,531	0,1975	Valid
	X1.13	0,568	0,1975	Valid
	X1.14	0,588	0,1975	Valid
	X1.15	0,462	0,1975	Valid
Brand Awareness (X2)	X2.1	0,672	0,1975	Valid
	X2.2	0,699	0,1975	Valid
	X2.3	0,691	0,1975	Valid
	X2.4	0,849	0,1975	Valid
	X2.5	0,866	0,1975	Valid
	X2.6	0,882	0,1975	Valid
	X2.7	0,812	0,1975	Valid
	X2.8	0,779	0,1975	Valid
	X2.9	0,851	0,1975	Valid
	X2.10	0,846	0,1975	Valid
Keputusan Pembelian (Y)	Y.1	0,229	0,1975	Valid
	Y.2	0,212	0,1975	Valid
	Y.3	0,396	0,1975	Valid
	Y.4	0,405	0,1975	Valid
	Y.5	0,520	0,1975	Valid
	Y.6	0,731	0,1975	Valid
	Y.7	0,580	0,1975	Valid
	Y.8	0,685	0,1975	Valid
	Y.9	0,460	0,1975	Valid
	Y.10	0,574	0,1975	Valid
	Y.11	0,506	0,1975	Valid

Variabel	Item	r hitung	r tabel	Keterangan
	Y.12	0,648	0,1975	Valid
	Y.13	0,694	0,1975	Valid
	Y.14	0,557	0,1975	Valid

Table 2. Reliability Test Result

Variable	*Cronbach Alpha*	Reliable Standard	Description
Electronic Word Of Mouth (X1)	0,772	0,60	Reliable
Brand Awareness (X2)	0,936	0,60	Reliable
Purchase Decision (Y)	0,792	0,60	Reliable

The reliability coefficient for the Electronic Word of Mouth variable is 0.772, for the Brand Awareness variable is 0.936, and the Purchasing Decision is 0.792. This data shows that the variables have a Cronbach Alpha coefficient greater than 0.60, meaning that all questions in these variables can be considered reliable.

Multicollinearity Test

Table 3. Multicollinearity Test Result

No.	Variable	Sig.	Description
1.	*Electronic Word Of Mouth* (X1)	0,499	No Multicollinearity
2.	*Brand Awareness* (X2)	0,06	No Multicollinearity

Based on the column above, it appears that the VIF value in all independent variables is below 10, and the tolerance value exceeds 0.10. Because it refers the regression model does not experience multicollinearity problems.

Heteroscedasticity Test

Table 4. Heteroscedasticity Test Result

No.	Variabel	Sig.	Description
1.	*Electronic Word Of Mouth* (X1)	0,499	No Heteroscedasticity
2.	*Brand Awareness* (X2)	0,06	No Heteroscedasticity

Based on the table of heteroscedasticity test results using Glejser, it shows that the significance value of the variable (X1) or the significance value for Electronic Word Of Mouth is 0.499, which is greater than 0.05, while the significance value for Brand Awareness is 0.006, also greater than 0.05. Thus, it can be analysed that there is no heteroscedasticity case in the Electronic Word Of Mouth (X1) and Brand Awareness (X2) variables.

Normality Test

<p align="center">**Table 5. Normality Test Result**</p>

One-Sample Kolmogorov-Smirnov Test			Unstandardized Residual
N			100
Normal Parameters[a,b]	Mean		.0000000
	Std. Deviation		4,58534209
Most Extreme Differences	Absolute		.061
	Positive		.061
	Negative		-.058
Test Statistic			.061
Asymp. Sig. (2-tailed)			.200[c,d]
Monte Carlo Sig. (2-tailed)	Sig.		.481
	99% Confidence Interval	Lower Bound	.469
		Upper Bound	.494

Looking at the table above, the significance value of the normality test sig. (2-tailed) is 0.200, exceeding 0.05. This shows the values have a normal distribution.

Multiple Linear Regression Analysis

<p align="center">**Table 6. Multiple Linear Regression Analysis Result**</p>

Coefficients[a]		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	t	Sig.
1	(Constant)	18,524	5,041		3,674	<,001
	E-WOM	.391	.088	.367	4,450	<,001
	Brand Awareness	.356	.070	.422	5,113	<,001
a. Dependent Variable: Keputusan Pembelian						

The constant value obtained is 18.524. The regression coefficient for variable X1, namely Electronic Word Of Mouth, is positive (+) having a spread of 0.391, while the regression coefficient for variable X2, namely Brand Awareness, is positive (+) of 0.356.

Partial Test (t Test)

Table 7. T Test Result

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	18.524	5.041		3.674	<.001
	E-WOM	.391	.088	.367	4.450	<.001
	Brand Awareness	.356	.070	.422	5.113	<.001

a. Dependent Variable: Keputusan pembelian

In the column above, it is known that the E-WOM variable has a $t_{statistic}$ score of 4.450 < t_{table} 1.985. The Brand Awareness variable has a $t_{statistic}$ score of 5.113 < t_{table} 1.985.

Simultaneous Test (F test)

Table 8. Simultaneous Test (F test) Result

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1514.449	2	757.225	35.287	<.001 b
	Residual	2081.511	97	21.459		
	Total	3595.960	99			

a. Dependent Variable: Keputusan Pembelian

b. Predictors: (Constant), Electronic Word Of Mouth, Brand Awareness.

In the above, the Fstatistic value has a magnitude of 35.287, which is greater than the F table which has a magnitude of 3.09. Thus, it can be concluded that the Electronic Word of Mouth and Brand Awareness variables have a considerable impact on purchasing decisions.

Determination Coefficient Test (R^2)

Table 9. Determination Coefficient Test (R^2) Result

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.649a	.421	.409	4.63237

a. Predictors : (Constant), (X1), (X2)

Looking at the table above, the R Square value has a magnitude of 0.421 close to one, indicating that there is a strong presence in the independent variable (X) and the dependent variable (Y).

CONCLUSIONS

The partial tests (t-tests) show that the Electronic Word of Mouth (E-WOM) subscore has a significant influence on purchasing decisions, as the E-WOM variable has been proven to impact these decisions. Similarly, the partial test (t-test) also reveals that the Brand Awareness subscore has a substantial impact on purchasing decisions, indicating that this variable plays a crucial role in influencing consumer behavior. Meanwhile, the simultaneous test (F-test) demonstrates that both E-WOM and Brand Awareness together affect purchasing decisions, highlighting the combined influence of these two variables. Furthermore, the coefficient of determination (R^2) test confirms that the relationship between Brand Awareness, E-WOM, and purchasing decisions is strong, illustrating a significant bond between the independent variables and the dependent variable.

As for recommendations, for the company, the findings regarding E-WOM and Brand Awareness are promising as they have both partial and simultaneous impacts on purchasing decisions. However, improvements in service, brand image, taste quality, and cleanliness can further enhance consumer purchasing decisions at Samcir cafes. Additionally, the company can implement effective strategies such as digital marketing campaigns, customer loyalty programs, and more interaction on social media to boost brand awareness and encourage positive E-WOM. For future researchers, it is suggested to explore additional variables such as product quality, price, and customer experience for a more comprehensive analysis. Moreover, using different research methods, such as qualitative approaches like in-depth interviews or focus groups, could provide deeper insights into consumer motivations and perceptions regarding E-WOM.

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