The Role of Brand Image Mediates the Effect of Electronic Word of Mouth on NMAX Purchase Intention in Tabanan City

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ABSTRACT: Transportation is a useful tool to move goods or people in a certain quantity, to a certain place. One of the most widely used means of transportation for Indonesians is private transportation, which is motorcycle. PT Yamaha Indonesia Motor Manufacturing launches the latest 155 cc NMAX scooter product in 2018. Based on the release of Yamaha, many NMAX scooters have sophisticated and new features. The purpose of this study was to determine the effect of eWOM on purchase intentions on Yamaha NMAX products in Tabanan City, to determine the effect of eWOM on brand image on Yamaha NMAX products in Tabanan City, to find out the influence of brand image on purchase intentions on Yamaha NMAX products in Tabanan City, and to find out the role of brand image in mediating the effect of eWOM on purchase intention on Yamaha NMAX products in Tabanan City.

Keywords: Brand Image, eWOM, Purchase Intention

I. INTRODUCTION

The growth of the motorcycle industry in Indonesia is influenced by the influx of a number of motorcycle manufacturers from outside, which mostly come from Japan. The motorcycle brands that have been bought are Honda, Yamaha, Suzuki, Kawasaki and TVS, and there are also motorcycle brands from Italy, India, America and China which are marketed in Indonesia. Motorcycle companies are competing to offer products that compete with the various models offered, competitive prices are very tight and other uniqueness that is a hallmark of motorcycles on the market to attract consumer buying intentions. This research was conducted in Tabanan City because the growth of motor vehicle density from the last three years has increased, namely in 2015 it reached 351,829, in 2016 it reached 370,487 and in 2017 it reached 386,821 (http://bali.bps.go.id, 2019), and when viewed from the data according to (Putrawan and Nindya, 2014) Tabanan has the highest value in the percentage of workers who carry out non-permanent mobility between regencies / cities in Sarbagita according to travel time. This phenomenon is the reason why this research was conducted in Tabanan, because Tabanan has a promising market share for the motorcycle industry.

One type of motorcycle that is popular with people in this era is the automatic motorcycle. People prefer automatic motorcycles because it is more practical. It is undeniable, everyone likes something practical. Motor matic comes with practicality in the automatic transmission. Driving with an automatic motorbike is also much easier because there is no need to think about clutching and passing gears. In addition, automatic motorcycles also have more sophisticated technology than manual motors.

PT Yamaha Indonesia Motor Manufacturing launched the latest NMAX 155 cc scooter product in 2018. Based on the release of Yamaha, many NMAX scooters have sophisticated and new features, such as: (1). 155 VVA blue core engine that is efficient, powerful & reliable, (2). Combination between MAXI Style and compact scooter, (3). Maximum comfort combination between MAXI Style (big body size) and compact scooter (easy access), (4). New - Inverted LCD Digital Speedometer is said to have modern and practical features that make motorists easier and more comfortable. (5). Wide Tubeles Tire uses wide tread tubeless tire wheels, making the motor more stable when maneuvering. (6). MAXI style design with lamp, Led headlamps, brighter and more durable. Spacious footrest so that driving is more comfortable and relaxed for driving short distances and long distances (www.yamaha-motor.co.id, 2019), judging from the phenomena on the ground quoted from Nusa Bali, NMAX has indeed become excellent in the market motorcycles, NMAX sales in Bali reach 4000-4500 units per month (www.nusabali.com, 2019) This phenomenon is in line with the article cited by DetikOto
which states Local PCX has not been able to pursue NMAX sales, based on wholesales sales data (from factory to factory) dealership released by the Indonesian Motorcycle Industry Association (AISI), NMAX sales are still superior to PCX. During January 2018, NMAX sold 199,862 units, while in the same period PCX sold 72,411 units (www.otodetik.com, 2019).

The internet is the main driver in shaping consumer attitudes and directing them to one's behavioral intentions (Jalilvand & Samiei, 2012). According to Jalilvand and Samiei (2012) with increasingly advanced technology, most users browse through the Internet to dig up information about products or companies and eWOM (electronic word of mouth) has emerged as a result. Therefore eWOM influences consumer product reviews and consumer purchase intentions (Bambuer-Sachse and Mangold, 2011). Research conducted by Jalilvand (2012) found that there is a positive influence between eWOM and purchase intentions. Research conducted by Eriza (2017) also states that eWOM has a positive and significant influence on buying intentions on cosmetics e-commerce consumers in Solo Raya.

The eWOM message is a message that is very important for consumers when they want to get information about the quality of products, services and brand image which will be an important reference in the decision making process (Chevalier and Mayzlin, 2006). The results of the study according to Charo et al. (2015) states that eWOM can have a positive impact on one's opinion in social networks. Research conducted by Setiawan (2014) states that eWOM has a direct effect on destination image, and an indirect effect on satisfaction and loyalty mediated by destination image.

Brand image is vision and trust inherent in the minds of consumers. Thus, a strong brand image in the minds of consumers, can easily obtain greater appeal to the product, thereby triggering consumers to buy, this is also strengthened by research conducted by Gadhafi (2015) which found brand image has a significant positive effect on purchase intention. The role of brand image is important because it contributes to consumers in deciding the choice of a particular brand. A good brand is also the basis for building a positive corporate image and influencing consumers in making purchase choices (Maunaza, 2012).

The eWOM phenomenon mediated by the brand image of Yamaha NMAX products has a significant role in influencing consumer purchase intentions for Yamaha NMAX products, the stronger the brand image of a product will further encourage the emergence of consumer purchase intentions, this is reinforced by research conducted by Iswara and Jatra (2017) which found that the strength of brand image also influences and determines the effectiveness of the influence of eWOM on purchase intentions. Research conducted by Eriza (2017) found that brand image partially mediates the relationship between eWOM and purchase intentions.

Based on the description above, the purpose of this study is to determine the effect of eWOM on purchase intentions on Yamaha NMAX products in Tabanan City, to know the effect of eWOM on brand image on Yamaha NMAX products in Tabanan City, to determine the effect of brand image on purchase intentions on Yamaha NMAX products in Tabanan City, To find out the role of brand image in mediating the effect of eWOM on purchase intentions on Yamaha NMAX products in Tabanan City.

Arndt (2004) shows that consumers who are exposed to positive word of mouth are more likely to make purchase decisions, and conversely consumers who are exposed to negative words from word of mouth are less likely to make purchase decisions. Riyandika (2013) obtained the same result, that eWOM had a direct and indirect influence on consumer purchase intentions.

This research is supported by research conducted by Jalilvand (2012); Eriza (2017); Iswara and Jatra (2017) which states that there is a positive influence between eWOM and purchase intentions, research conducted by Gadhafi (2015) also states that eWOM has a positive effect on purchase intentions. Another study conducted by Bataineh (2015) revealed that eWOM had a positive effect on purchase intention.

H1: Electronic word of mouth has a positive and significant effect of purchase intentions

More positive word of mouth also leads to higher quality perceptions, and vice versa leads to decreased quality perceptions, (Herr et al. 1991). eWOM can be described as a way of communication that provides information to consumers about the sale and use of products and services through internet-based technology (Toljak et al. 2014). According to Bambuer-Sachse and Mangold (2011) product reviews on the internet before buying are the most important aspects of word of mouth communication. Therefore, eWOM critically influences consumer product reviews and their purchase intentions.

This research is supported by research conducted by Jalilvand (2012); Eriza (2017); Iswara and Jatra (2017) which states that eWOM has a positive and significant influence on Brand Image. According to Lin et al., (2013) product involvement and has a moderate effect in the relationship between eWOM and purchase intention. According to LoveLock et al. (2010) positive word of mouth is a very important thing for service companies, where service companies usually have high trust and experience so that it is associated with high risk also by prospective buyers. According to Febriana and Rumyeni (2016) found the results that communication caused by word of mouth had a positive effect on brand image.

H2: Electronic Word of Mouth has a positive and significant effect on brand image
Brand image influences consumer purchasing decisions and is one of the key factors considered. This has shown that brand image is an extrinsic signal for evaluating product quality, and brand image is better if it has a high quality perception (Grewal et al., 2013). When consumers' intrinsic cues or other attributes of a product cannot help consumers assess product quality, brand image is usually used as the basis for evaluation. According to Aaker and Keller (2012), a good brand image can increase brand consumer loyalty, trust, and also the intention to buy products from brands that they trust.

This research is supported by research conducted by Jalilvand (2012); Eriza (2017); Iswara and Jatra (2017) which states that there is a positive influence between brand image and purchase intention. Research conducted by Maunaza (2012) found that brand image has a positive and significant influence on consumer purchase intentions. This is also supported by research Ambarwati, et al. (2015) who argue that brand image has a significant effect on consumer purchase intentions.

H3: Brand image has a positive and significant effect on purchase intentions

The stronger the brand image, the higher the consumer's desire to depend on the brand based on the beliefs or expectations that result from the brand’s credibility, virtue, and ability related to its environmental performance (Chen, 2010). The creation of an image in a brand is considered as the first step that helps consumers to be trusted and makes it easier for consumers to remember the name, logo, and value of the use of products related to environmentally friendly brands (Dewi, 2014). Empirical study conducted by Samuel (2014) entitled "Analysis of eWOM, Brand Image, Brand Trust and Intention to Buy Smartphone Products in Surabaya" shows that there is a significant relationship between eWOM and product purchase intentions.

Previous research conducted by Wang and Yang (2011) investigated the impact of brand credibility on brand purchase intentions for consumers focused on China's automotive industry. They proposed that brand awareness and brand image play a moderate role. Eriza (2017) brand image partially mediates the relationship between eWOM and purchase intentions. In addition, research conducted by Iswara and Jatra (2017) states that the strength of brand image on Samsung smartphone products also influences and determines the effectiveness of the influence of eWOM on purchase intentions.

H4: Brand image has a positive and significant effect in mediating electronic word of mouth with purchase intentions

II. RESEARCH METHOD

This research is classified as associative research conducted on consumers of internet users who have not used or want to use Yamaha NMAX products in the city of Tabanan. The choice of Tabanan City as a research location is due to the consideration of the intensity of internet users and the population of Tabanan City which can be said to have started to be high like other cities. The object of this research is eWOM and brand image associated with buying intentions on Yamaha NMAX products in Tabanan City.

Purchase intention (Y) is the motivation of someone to buy an item that matches the criteria and needs of the consumer. Measurement of purchase intention variables uses 3 indicators presented by Calvin & Hatane, 2014. Interest in products, Interest in trying and owning products and intending to buy the product.

eWOM (X) is a communication suggestion in the form of negative or positive suggestions that occur on the Internet that are received by Yamaha NMAX consumers which can later influence consumers in making a purchase decision by Yamaha NMAX customers. The eWOM indicator was adopted from Hennig - Thurau (2004), namely caring for other consumers. (Concern for other consumers), Extraversion / positive self-enhancement, Social benefits and helping the company.

Brand Image (M) is the impression felt by consumers towards a brand based on their experience in using a product from a particular brand. Measurement of brand image variables uses 4 indicators presented by Pernana (2013), namely strong brands from Yamaha companies, Yamaha Corporate Image, Yamaha Product Image, and the best designs from Yamaha products. The population in this study is the internet user community who do not yet have and intend to buy NMAX in Tabanan City. The population in this study is infinite.

This research uses path analysis technique to answer the hypothesis formulation that has been made.

III. RESULT AND DISCUSSION

The classic assumption test is conducted with the aim of ensuring the results obtained meet the basic assumptions in the regression analysis. The test results indicate that the structure 1 regression equation model is
normally distributed because of the Asymp value. Sig. (2-tailed) is greater than the alpha value of 0.05. The test results also indicate that the structure 2 regression equation model is normally distributed because of the Asymp value. Sig. (2-tailed) is greater than the alpha value of 0.05. Multicollinearity test results are free from the multicollinearity regression model. In the heteroscedasticity test, models 1 and 2 made did not contain symptoms of heteroscedasticity.

Path coefficient calculation is done by regression analysis through SPSS 18.0 for Windows software, the results shown in Table 1. are obtained below.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.418</td>
<td>0.198</td>
<td>2.110</td>
<td>0.037</td>
</tr>
<tr>
<td>Electronic Word of Mouth</td>
<td>0.890</td>
<td>0.049</td>
<td>18.264</td>
<td>0.000</td>
</tr>
</tbody>
</table>

Table 1. Results of Path Analysis 1

The regression coefficient of the eWOM variable is positive with a significance value of the t test less than 0.05. This shows that the eWOM variable has a significant positive effect on the brand image variable. The magnitude of the effect of independent variables on the dependent variable shown by the total determination value (R Square) of 0.755 means that 75.5 percent of brand image variations are influenced by eWOM variations, while the remaining 25.5 percent is explained by other factors not included in the model.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.335</td>
<td>0.244</td>
<td>1.372</td>
<td>0.173</td>
</tr>
<tr>
<td>Electronic Word of Mouth</td>
<td>0.498</td>
<td>0.119</td>
<td>4.175</td>
<td>0.000</td>
</tr>
<tr>
<td>Brand image</td>
<td>0.396</td>
<td>0.116</td>
<td>3.401</td>
<td>0.001</td>
</tr>
</tbody>
</table>

Table 2. Results of Path Analysis 2

The significance value of each independent variable is less than 0.050. This shows that all independent variables have a significant effect on the dependent variable. The magnitude of the effect of independent variables on the dependent variable shown by the total determination value (R Square) of 0.672 means that 67.2 percent of the variation in purchase intention is influenced by variations of Electronic Word of Mouth and Brand image, while the remaining 32.8 percent is explained by other factors not included in the model.

The path coefficient results on the research hypothesis can be illustrated in Figure 1.
Based on the path diagram in Figure 1, it can be calculated the magnitude of direct and indirect effects as well as the total effect between variables. The calculation of influence between variables is summarized in the following Table.

<table>
<thead>
<tr>
<th>Relationship between Variables</th>
<th>Direct Effect</th>
<th>Indirect Effect Through Brand image ($\beta_2$+$\beta_1$ x $\beta_3$)</th>
<th>Total Effect</th>
</tr>
</thead>
<tbody>
<tr>
<td>X → Y</td>
<td>0.467</td>
<td>0.331</td>
<td>0.798</td>
</tr>
<tr>
<td>X → M</td>
<td>0.869</td>
<td>-</td>
<td>0.869</td>
</tr>
<tr>
<td>M → Y</td>
<td>0.381</td>
<td>-</td>
<td>0.381</td>
</tr>
</tbody>
</table>

Based on Table 3, the direct effect of eWOM on Brand image is 0.869. The direct effect of the Electronic Word of Mouth variable on purchase intent is 0.467. The direct effect of the Brand image variable on purchase intention was 0.381. This means that the variable purchase intention is more influenced by Electronic Word of Mouth than brand image. While the indirect effect of Electronic Word of Mouth variables on purchase intentions through Brand image is 0.331. So the total effect of Electronic Word of Mouth variables on purchase intentions through Brand image is 0.798.

Reviewing products on the internet before buying is the most important aspect of communication from mouth to mouth. Therefore, eWOM critically influences consumer product reviews and consumer purchase intentions (Sachse and Mangold, 2011). Significant influence of eWOM on purchase intentions is formed by two indicators, namely recommendations from social media and information through social media, this greatly affects consumer purchase intentions regarding Yamaha products, especially Yamaha NMAX. The results of the analysis in this study indicate that eWOM has a positive and significant effect on purchase intentions. This means that the better the consumer’s review of Yamaha NMAX products through the internet media, it can affect the increasing consumer purchase intention of Yamaha NMAX products. And vice versa, the worse the consumer’s review of Yamaha NMAX products through the internet media, then it can affect consumer purchase intentions on Yamaha NMAX products. This significant result is influenced by consumer interactions on social media to find out information about Yamaha NMAX, besides that recommendations and assistance among NMAX users through social media also contribute to significant results on the effect of eWOM on purchase intentions.

This study develops the findings of Armdt (2004) who obtain the result that consumers who are exposed to positive word of mouth are more likely to make purchase decisions, and conversely consumers who are exposed to negative words from word of mouth tend not to make purchasing decisions. The results of this study are also developed by several previous research results and are consistent with the results of the research of Jalilvand (2012), Gadhafi (2015), Bataineh (2015), Eriza (2017), and Iswara and Jatra (2017) who found that eWOM had a positive effect and significant to consumer purchase intentions, meaning that the higher the eWOM that occurs among consumers, the consumer purchase intention will increase.

The influence of eWOM is a very important message for consumers when they want to get information about the quality of products or services and will be an important reference in the decision making process (Chevalier and Mayzlin 2006). The results of the analysis in this study indicate that eWOM has a positive and significant effect on brand image. This has the meaning that the better eWOM that occurs among consumers in the internet media, the brand image formed in the minds of consumers the better. This significant result is caused by interactions in social media, recommendations from social media, product information and other customer brands. This indicates that information about Yamaha NMAX is very important for customers to interact with users and companies of Yamaha NMAX, due to user reviews. will greatly affect the Yamaha company going forward.

This study develops some of the results of previous studies and is consistent with the results of the study of Jalilvand (2012), Lin et al. (2013), Torlak et al. (2014), Eriza (2017) as well as Iswara and Jatra (2017), which have shown that eWOM has a positive and significant effect on brand image. The research explained that positive word of mouth made through internet media will cause a better perception of the brand image in the minds of consumers.

Brand image is one of the key factors that need to be considered by marketers because it can influence consumer purchasing decisions. A good brand image can increase consumer loyalty, trust, and also the intention to buy products from brands that are trusted (Aaker and Keller, 2012). The results of the analysis in this study indicate that brand image has a positive and significant effect on purchase intentions. Significant influence of brand image on purchase intentions is influenced by respondents’ perceptions which state that the Yamaha brand is a strong brand in their minds, this greatly influences the consumer’s purchase intention towards Yamaha products, especially Yamaha NMAX. This has the meaning that the better the brand image product, the higher
the consumer's intention to buy the product. Vice versa, the worse the brand image of a product, the lower the consumer's intention to buy the product. This significant result is dominated by consumers' perception that a strong brand image and good NMAX products will increase consumer purchase intentions for Yamaha NMAX.

This research is in line with the results of Jalilvand's (2012) study which states that there is a positive influence between brand image and purchase intention, if a product has a high brand image, then the consumer's purchase intention on the product will increasingly increase. The results of the study were also supported by research by Maunaza (2012), Ambarwati et al. (2015), Eriza (2017), and Iswara and Jatra (2017) who found that brand image had a positive and significant effect on purchase intentions.

If Yamaha is able to form a positive eWOM among consumers, the eWOM will be able to improve its brand image and in the end the consumer's intention to Yamaha NMAX products in Tabanan City will increase. Based on the sobel test results, a positive effect was found between the WOM variable on purchase intentions through the brand image variable. The stronger the brand image, the higher the consumer's desire to depend on the brand based on the beliefs or expectations resulting from the brand's credibility, virtue, and ability, so that it will be able to increase the consumer's purchase intention. The results of this significant mediation can be concluded that eWOM has a significant effect on purchase intentions, but it would be better if eWOM influenced buying intentions through brand image.

The results of this study are supported by research by Eriza (2017) which states that brand image partially mediates the relationship between eWOM and purchase intentions. Similar research conducted by Iswara and Jatra (2017) also found that the strength of brand image on a product also influences and determines the effectiveness of the influence of eWOM on purchase intentions. Brand image positively and significantly mediates the influence of eWOM on consumer purchase intentions, meaning that positive eWOM that has been formed among Yamaha NMAX customers can increase consumer purchase intentions directly and indirectly through the brand image.

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**IV. CONCLUSION**

eWOM has a positive and significant effect on brand image. This means that the better eWOM communication happens, the better the brand image that is created. Brand image has a positive and significant effect on purchase intention. This means that the better brand image a product or company has, the higher the desire or purchase intention of consumers. eWOM has a positive and significant effect on purchase intentions. This means that the higher the intensity of eWOM communication that occurs will increase consumer curiosity about things that are communicated so that it will cause buying intentions over time. Brand image is able to mediate the influence of eWOM on purchase intentions. This means that brand image is able to have a greater impact on eWOM communications that occur on purchase intentions.

Yamaha management needs to pay attention to eWOM which occurs more in the nature of positive communication such as communication about the benefits of Yamaha NMAX on the features brought by MAX. And the appearance of Yamaha NMAX is more desirable than its competitors and must build a good opinion to the public about Yamaha NMAX to make it easier to bring up purchase intentions. Yamaha's management must further enhance the company's brand image in the minds of consumers and must act responsively to bad reporting when something goes wrong with a product that can cause harm to consumers. One of them can be
done by giving compensation to consumers regarding Yamaha product errors that are attributed to company mistakes so as to harm consumers, this is done so that Yamaha companies do not lose consumer confidence in Yamaha NMAX products. Yamaha should more often carry out promotional activities regarding the superiority of its products to further enhance the buying intentions of the public or create something new that is not owned by Yamaha's competing companies, given the increasing number of new motorcycle manufacturers that are starting to rival Yamaha companies. For further researchers to improve the quality of research, it is better to expand the scope of research and add a number of variables such as price perception, product quality, and lifestyle. In addition, the use of moderation analysis and discriminant analysis techniques will be able to develop existing research models.

REFERENCES


