

## Social Media Influence on Word of Mouth Mediated by Brand Awareness Online Retails

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### Abstract

This research aims to: 1. analyse social media that directly affects word of mouth, 2. Social media influence word of mouth mediated by brand awareness. The data analysis technique uses Structural Equation Model (SEM) with PLS 3.0. The results of this research prove 1. Social media has influenced on word of mouth, 2 Social media has influenced on word of mouth mediated by brand awareness. The novelty of this research is that brand awareness can increase word of mouth. The findings of this study may contribute to consumer behavior models, at online retails and Tripple duties.

**Keywords:** *Social media; brand awareness; and word of mouth*

### I. Introduction

Word of mouth communication is a process of communication consisting of individuals of products or services that provide personal information (Kotler & Keller 2014); Assael, H. (1998); (Peter & Olson, 1944) Schiffman, Leon G. & Kanuk, Leslie L. (2008). People used to talk face to face now can shift through video calls, telephone WatshAp, and others (Stojanovic, Andreu, & Curras-Perez, 2018) explains in his research that there are two forms of word of mouth that formed in consumers, namely traditional communication by word of mouth (WOM) and electronic communication by word of mouth (eWOM)

Advances in communication technology between individuals, groups with organizations or retail. These technological advancements will shift consumer communication from traditional communication to electronic communication. Word of mouth customers can be delivered through social media so that customers can comment on social networks about online stores, comment positively about online stores on the network posting positive reviews about online stores on their websites.

Consumer's word of mouth can be positive and negative, depending on each individual's comments on the product or service they consume. Positive word of mouth benefits the company, but negative word of mouth harms the company. The phenomenon that is discussed in online stores is that there are still consumers who convey negative communication in online stores. Things like this are considered by online stores because these reviews will be a reference for other consumers.

Early research explains brand awareness influences (Jung & Seock, 2016). (Moslehpour, Wong, Van Pham, & Aulia, 2017) proves that Word of mouth influences Repurchase Intention. become a company about word of mouth consumers who are not revealed to other parties.

The phenomenon that exists among consumers expresses verbally to other parties who are not through social media. This is a consideration for online shops to only see reviews or reviews in online stores, that is precisely what scientific research is needed.

### Research question

1. What is perceived by social media that directly affects word of mouth,
2. What Is perceived social media influence word of mouth mediated by brand awareness?

The benefits of this research contribute to the development of the theory of consumer behavior, developing strategies for online stores and subsequent research.

## II. Literature review

(Wang, 2015) explains WOM's intention with word-of-mouth indicators is the knowledge that will come, distributed knowledge, as the main goal of choosing a product or for friends.

(Yen, 2010) explain Loyalty will divert the website, will encourage friends and relatives to do business with the website, will do more business with the website in the next few years, will give positive comments about the website for others, will consider this as an option my first time to buy a service on this web site

### Relationship of Perceived Social media to Word of Mouth

Social media is very important in communicating a product or service to target consumers. information in online stores, trust the contents of the information in online stores and search for information at online stores (Stojanovic et al., 2018); (Ismail, 2017) Effects of social media intensity on brand awareness. Previous studies were empirical. Evidence that marketing communications can reinforce brand awareness (Aaker, 1996). Previous research shows the influence of perceived social media on word of mouth (Stojanovic et al., 2018) ;(Ismail, 2017).

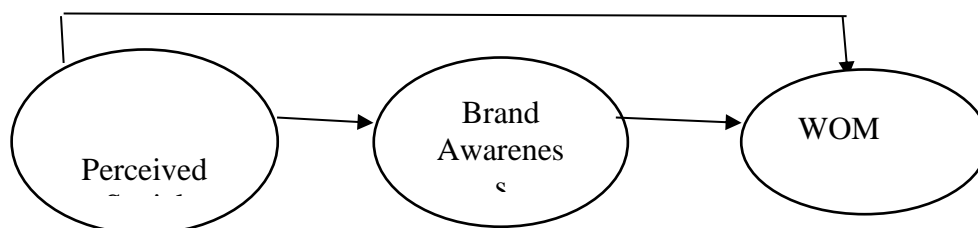
### Relationship between Perceived Social to Brand Awareness

Brand Awareness with online stores has a name and a good reputation, online stores are well-known social media, the characteristics of online shop structures appear quickly in the minds of consumers and many users about online stores. previous research shows the influence of perceived social media on brand awareness (Stojanovic et al., 2018); (Chaffey, 2006)

### The Relationship of Brand Awareness to Word of Mouth

Word of Mouth deals with consumers commenting on social networks about online stores, commenting positively about this online store on the network, and posting positive reviews about this online store on its website (Stojanovic et al., 2018); (Serra-Cantalops, Ramon-Cardona, & Salvi, 2018); (Giovanis & Athanasopoulou, 2018). Previous research shows that there is an influence of brand awareness on word of mouth (Stojanovic et al., 2018); (Lau & Ng, 2009); (Moslehpour et al., 2017)

### Conceptual model and hypotheses



### Hypothesis

H1. Perceived social media use positively influences word of mouth.

H2. Perceived social media influence word of mouth mediated by brand awareness.

## III. Material and Methods

The populations in this study were all consumers of four retails online; Shopee.com, Bukalapak.com, Lazada.com, Blibli.com. The samples are some consumers in four retails online; Shopee.com, Bukalapak.com, Lazada.com, Blibli.com. The sample amount in this research is 75 respondents. The sampling technique is using accidental.

In this research, instrument testing is done with validity and reliability testing. Validity testing is done by using 1. Convergent Validity test, the score is expected > 0,7, (2) Discriminant Validity Test is done by

comparing loading value on target value must be bigger than loading value with other variables, (3) Average Variance Extracted (AVE), the score is expected  $> 0,5$ . The reliability test in research is done by the composite reliability test, it is said to be reliable if the composite reliability score is  $\geq 0,7$ .

Descriptive processed results show that consumer word of mouth is still low in online stores. can be seen in table 1

**Table 1. Loading Factor**

Statement item	Loading Factor
<b>Perceived Social media marketing (<math>\bar{X}_1</math>)</b>	
1. Trust information in online stores	<b>0,803</b>
2. Trust the contents of the information in online stores.	<b>0,838</b>
3. Search for information at online stores.	<b>0,802</b>
<b>Brand Awareness (Z1)</b>	
1. The online store has a name and a good reputation	<b>0,743</b>
2. Online stores are famous social media	<b>0,820</b>
3. The characteristics of the online shop structure appear quickly in my mind	<b>0,830</b>
4. See lots of users about online stores	<b>0,664</b>
<b>Word of mouth</b>	
1. Comment on social networks about this online store	<b>0,892</b>
2. Positive comments about this online store on social networks	<b>0,934</b>
3. Postpositive reviews about this online store on its website	<b>0,841</b>

The result of the validity and reliability test in research is all of the indicators valid and reliable. The data analysis technique uses Structural Equational Model (SEM) with Smart PLS 3.0 Program.

#### IV. Result and Discussion

##### Description Result

The descriptive results of this study indicate the average of each indicator, namely the trustworthiness of online store information,

**Table 4.1. Loading Factor**

Statement item	Mean
<b>Perceived Social media marketing (<math>\bar{X}_1</math>)</b>	
1. Trust information in online stores	<b>3,5600</b>
2. Trust the contents of the information in online stores.	<b>3,6400</b>
3. Search for information at online stores.	<b>3,7400</b>
<b>Brand Awareness (Z1)</b>	
1. The online store has a name and a good reputation	<b>4,3500</b>
2. Online stores are famous social media	<b>4,4600</b>
3. The characteristics of the online shop structure appear quickly in my mind	<b>4,3800</b>
4. See lots of users about online stores	<b>4,2100</b>
<b>Word of mouth</b>	
1. Comment on social networks about this online store	<b>3,9300</b>
2. Positive comments about this online store on social networks	<b>3,9800</b>
3. Postpositive reviews about this online store on its website	<b>4,0500</b>

The data analysis technique uses Structural Equational Model (SEM) with Smart PLS 3.0 Program.

### Model 1

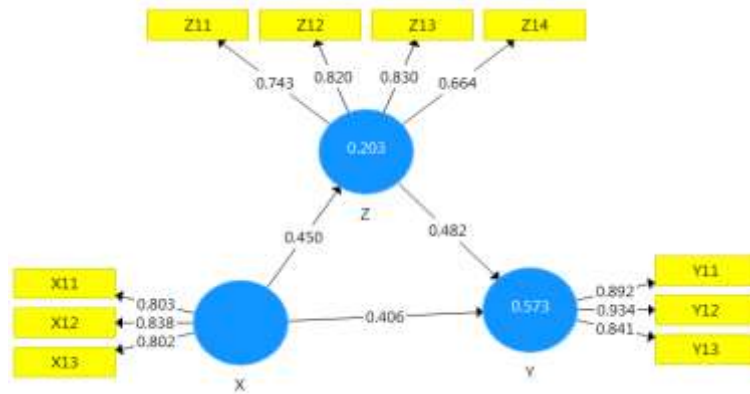


Figure 4.1

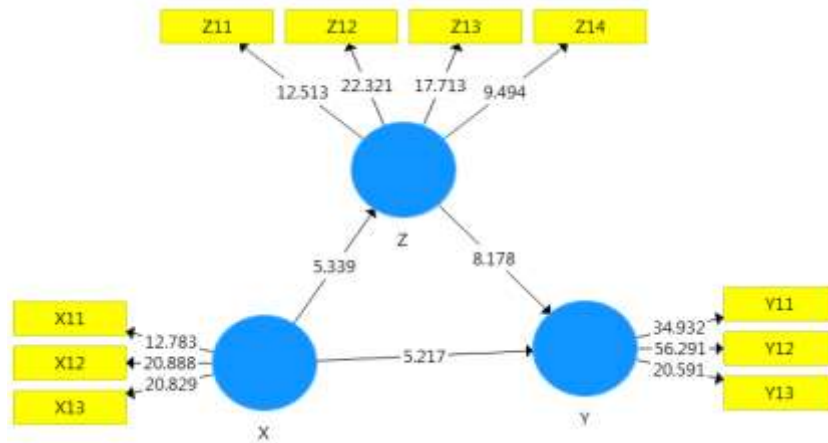


Figure 4.2

## 4.1 Hypothesis Test

### 4.1.1 The test; The influence of antecedent word of mouth variable. path coefficient tests as follows:

#### Hypothesis Test 1

Based on figure 1 can be seen that the perceived social media effect directly to word of mouth is 0,406 (P-value =0.000). It is said that the perceived social media has a positive effect on word of mouth (H1 is proven/ H1 is accepted).

Perceived Social media marketing (X<sub>1</sub>) relating to the trust of information on online stores, trust the contents of information on online stores and always look for information on online stores. If trust is built well on online stores on social media, it can increase consumer word of mouth. The results of the study support the research (Stojanovic et al., 2018)

### 4.1.2 Brand awareness as Mediation to word of mouth in online stores

#### Hypothesis Test 2

The processed data shows all significant paths

X → Y , path coefficient 0,406 probability value 0.000 (sig)

X → Z , path coefficient 0,450 probability value 0.000 (sig)

Z → Y , path coefficient 0,482 probability value 0.000 (sig)

All paths are significant so that it is necessary to determine whether brand awareness is full mediation or partial mediation, then processing again is as follows.

### Model 2



Figure 4.3

The processed data shows the second processed path coefficient shows the coefficient

$X \rightarrow Y$  the first model is smaller than the second model  $X \rightarrow Y$  ( $0,406 < 0,622$ ) then stated brand awareness is partial mediation. Meaning besides the perceived social media improve word of mouth, if added brand awareness variable, it will increase consumer word of mouth that is positive for the general public. In this case, you need to pay attention to brand awareness. The results of the study support the research (Stojanovic et al., 2018)

#### Determination Coefficient (R square)

Brand Awareness ( $R^2_1$ ) = 0,203

Word of Mouth ( $R^2_2$ ) = 0,573

$Q^2$  predictive relevance

$$Q^2 = 1 - (1 - R^2_1)(1 - R^2_2)$$

$$= 1 - (1 - 0,203)(1 - 0,573)$$

$$= 1 - (0,797)(0,427)$$

$$= 0,65,97$$

$Q^2 = 65,97\%$  which the perceived social and brand Awareness contribute 65,97% towards the *word of mouth* consumers. The rest which is 34,03% is affected by the others variable.

#### 5. Conclusions

The results of this study contribute to online stores that must understand consumer behavior because consumers will speak positively when online store brands have a name and good reputation, online stores are well-known social media, the characteristics of online store structures appear quickly in the minds of consumers. The online store is expected to be able to maintain brand awareness that has been embedded in the minds of consumers not to be lost in their minds or unthinkable, the brand is. The limitation of this study is the filling of questionnaires that cannot be interposed and controlling the filling of unfavorable questionnaires.

Future lines of research: Based on the results of processed data that the PLS model can detect or fit the model quite well, this model can be applied to other online stores, however, for the future researcher can add other variables besides this research variable.

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