Analysis of The Effect of Electronic Word of Mouth (E-Wom), Brand Image, Perceived Quality, And Customer Satisfaction in The Millennial Generation (Study in Finpay Money in Pt Finned Indonesia)

Indira Rachmawati
A Associate Professor of Marketing & Consumer Studies
Faculty of Economy & Business
Telkom University
Bandung, Indonesia
indirarachmawati@telkomuniversity.ac.id

Nabila Zoraidha Damayanti
A student Faculty of Economics and Business, Telkom University
Faculty of Economics and Business
Telkom University
Bandung, Indonesia
nabilazora@student.telkomuniversity.ac.id

Abstract

This research is a quantitative descriptive study undertaken at PT. In this study, research was conducted on the phenomena of users' attitudes in delivering replies, perceptions, and satisfaction, as well as how users were able to have an influence on growing the usage of the Finpay Money Application, which was developed by PT.Finnet Indonesia. This research's demographic and samples consist of active Finpay Money Application users belonging to the millennial generation. This study employs descriptive analysis and multivariate analytic methodologies, with data processing performed using SEM-PLS. In addition to the effect of E-WOM on repurchase intention and the influence of perceived quality on customer satisfaction, this study's findings indicate that brand image influences repurchase intent, customer satisfaction influences repurchase intention, and E-WOM influences brand image. The results had no substantial impact on the perceived quality of repurchase intention.

Keywords
E-WOM (Electronic Word of Mout 1, Brand Image 2, Perceived Quality 3, Customer Satisfaction 4

1. Introduction
Recent corporate advancements have resulted in the industrial revolution, which in turn has resulted in the digitalization of markets, which has altered the structure of human existence. Infrastructure and information technology networks, particularly the Internet, facilitate the expansion of the fourth industrial revolution. Massive Internet access enables human mobility that is no longer restricted by place or time. Beginning with the exchange of information, the internet can maintain consumer loyalty (brand loyalty), anticipate future needs (forecasting), respond to consumer concerns (customer care), and improve customer service (service recovery) in two directions, as well as solve problems more quickly and precisely (Lee et al. al., 2013). The internet has been successful in promoting the establishment of new enterprises, new hopes, and new business habits that contribute significantly to the company's continued existence.

The internet enables Electronic Commerce (E-Commerce) applications that can be utilized on a global network and are typically equipped with online order processing applications (Google apps or App stores), Electronic Data Interchange (EDI) for sending business documents, and payment system security Electronic Funds Transfer (EFT) (Oviliani Yuliana, 2000).Industry participants in Indonesia exploit the growth and diffusion of the internet to construct a digital ecosystem and electronic commerce (e-commerce).From 2017 to 2022, the e-commerce market in Indonesia is projected to increase eightfold, from $5 billion to $425 billion in total transactions (Katadata, 2019a).To ensure company viability in the era of e-commerce, there are a growing number of online payment options. E-emergence wallets as an alternative to online payments is evidence of the rise of cashless transactions. Digital wallets (e-wallet) will become the most used digital payment platform in 2021, according to statistics from financial technology firm (fintech) Xendit in tempo.co. 43 percent of the additional 150 million digital transactions completed by Xendit include e-wallets. This percentage rose from 24 percent in 2020. Finpay Money is an application developed by PT. Finnet Indonesia to facilitate non-cash financial transactions. The adoption of the Finpay Money application is one of the steps PT. Finnet Indonesia has taken to reach closer to its customers. The Finpay Money application includes e-money, e-wallet, and digital remittance functions. Despite Finpay Money's comprehensive capabilities, it is not a viable alternative for consumers' online payment requirements. Although the total downloads of Finpay Money from both the Appstore and Playstore indicate that the monthly number of people who download apps has grown, it can be observed that the total downloads of Finpay Money have decreased. However, based on the statistics shown below, the rate of buyback or repurchase from Finpay Money is quite low. This is one of the writers' worries when seeing the relationship between the number of downloads, the increasing number of new users, and the increasing number of transactions, but the extremely low rate of repeat purchases. This decline may also be impacted by electronic word-of-mouth (E-WOM), brand image, perceived quality, and user happiness (customer satisfaction), as well as if the application has an effect on repurchase intention of application Finpay Money

1.1 Objectives
This research aims to:

1. To find out and test the level of electronic word of mouth (E-WOM) from Finpay Money
2. To find out and test the brand image level of Finpay Money
3. To find out and test the level of perceived quality of Finpay Money
4. To find out and test the level of customer satisfaction from Finpay Money
5. To find out and test the level of repurchase intention of Finpay Money
6. To find out and test the relationship between E-WOM and brand image in Finpay Money
7. To find out and test the relationship between perceived quality and customer satisfaction at Finpay Money
8. To find out and test the relationship between E-WOM and repurchase intention in Finpay Money
9. To find out and test the relationship between brand image and repurchase intention in Finpay Money
10. To find out and test the relationship between perceived quality and repurchase intention at Finpay Money
11. To find out and test the relationship between customer satisfaction and repurchase intention at Finpay Money

2. Literature Review

E-WOM
According to Sernovitz (2006), what is meant by Word-of-Mouth Marketing is an action that can provide reasons so that it is easier for everyone to talk about your product. There are four things that get other people talking about a product or service in Word-of-Mouth Marketing, namely:

1. Be Interesting, creating an attractive product or service that has differences, sometimes even though companies create similar products they will have their own or different characteristics to make it interesting to talk about such as packaging, guarantees for the product or service.

2. Make People Happy, create amazing products, create excellent service, fix problems that occur, and ensure a good job. companies do can make them energized, excited and eager to talk to their friends. When consumers like the products or services that we provide, they will share their experiences with their friends. They will help for the company; support our company's business and he will invite friends or those closest to them to enjoy or try the products or services offered. Word of mouth will easily happen if the company can make the consumer feel happy.

3. Earn Trust and Respect, companies must earn the trust and respect of customers. Without trust, people are reluctant to recommend products or services that the company provides because this will harm their self-esteem image. Commitment to the information provided and make them sure to talk about the products or services that we have provided to everyone they know.

4. Make it Easy, companies must make it easy for other people to talk about the products being offered, that is, find a way to make them convey information about the product or service briefly, such as a short message so that everyone can easily remember it.

Brand Image
According to Hawkins & Mothersbaugh (2010) said "brand image refers to the schematic memory of a brand" (brand image refers to the memory schema of a brand). (it contains the target market's interpretation of the product's attributes, benefits usage situations, users, and manufacturer/marketer characteristics. It is what people think of and fell when they hear or see a brand name). The memory contains the product's interpretation of the attributes, benefits, uses, usage situations, users, and manufacturer characteristics. That's why people think and feel what they hear or see from a brand name.

Perceived Quality
According to David A. Aaker (1997) in the book Durianto, et al (2004b, p15). Perceived quality is an assessment given by consumers on a product. According to Hellier et al (2003) perceived quality is a consumer's overall assessment of the standard product process accepted by consumers.

Customer Satisfaction
According to Kotler (2001) customer satisfaction is a person's feeling of pleasure or disappointment that arises after comparing his perceptions or impressions of performance that is below expectations, customers are not satisfied. However, if the performance exceeds expectations, the customer is very satisfied and happy. If the perceived performance is below expectations, the customer will feel disappointed, if the performance meets customer expectations, the customer will feel satisfied, whereas if the performance exceeds expectations, the customer will feel very satisfied. This satisfaction will certainly be felt after the customer concerned consumes the product. Alternatively, it is backed by other professional perspectives. Repurchase intention is described by Ahmed and Zahid (2014) as an individual's evaluation of the repurchase of services or services from the same organization, considering the individual's present circumstances and positive mood.

3. Methods
This Research is a quantitative descriptive investigation. Based on research aims, this research conducts a definitive study or may be referred to as causality research, with surveying respondents to obtain data. To evaluate the relationship between variables and test hypotheses, the obtained data in this study is analyzed using the Smart-PLS application.

4. Data Collection
Primary and secondary data were used to acquire information for this investigation. Using a Googledocs-created online questionnaire, this study's core data were collected directly from participants. Then, secondary data sources consist of firm records or documents, government publications, media industry analysis, websites, the internet, and others.

5. Results and Discussion

5.1 Numerical Results
Validity and Reliability Analysis
Convergent Validity
- **Outer Loading (Factor Loading)**

The relationship between question items (indicators) and latent variables in terms of convergent validity. The standard measurement is > 0.70. We may conclude, based on the sample, that each question has a high correlation with its associated variable. (Table 1)

Table 1 Outer Loading (Factor Loading)

	BI	CS	EW	PQ	RI
BI1	0.902				
BI2	0.818				
BI3	0.810				
BI4	0.743				
BI5	0.807				
CS1		0.782			
CS2		0.771			
CS3		0.902			
CS4		0.765			
CS5		0.736			
EW1			0.722		
EW2			0.958		
EW3			0.848		
EW4			0.882		
EW5			0.820		
PQ1				0.850	
PQ2				0.780	
PQ3				0.748	
PQ4				0.939	
PQ5				0.858	
RI1					0.958
RI2					0.850
RI3					0.750
RI4					0.883
RI5					0.884

Average Variance Extracted (AVE)

This value shows how big the variance of the indicator extracted by the Latent Variable. The general size is > 0.5 (Table 2)

Table 2 Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
BI	0.668
CS	0.630
EW	0.721
PQ	0.702
RI	0.753

Discriminant Validity
- **Fornell Larcker**

Describing the measure of validity through the correlation between latent variables. The benchmark is self-correlation, must be greater than with other variables (Table 3)

Table 3 Discriminant Validity (Fornell Larcker)

	BI	CS	EW	PQ	RI
BI	0.817				
CS	0.552	0.793			
EW	0.741	0.486	0.849		
PQ	0.546	0.240	0.379	0.838	
RI	0.733	0.575	0.817	0.390	0.868

- **Cross Loading**

It's the same as Fornell Larcker, only with a slightly different method. The benchmark concept is the same. The correlation of each indicator on the variable must be greater than that of the other variables. (Table 4)

Table 4 Discriminant Validity (Cross Loading)

	BI	CS	EW	PQ	RI
BI1	0.902	0.475	0.584	0.602	0.576
BI2	0.818	0.497	0.511	0.367	0.602
BI3	0.810	0.305	0.517	0.424	0.481
BI4	0.743	0.342	0.585	0.386	0.363
BI5	0.807	0.560	0.758	0.438	0.831
CS1	0.442	0.782	0.366	0.055	0.528
CS2	0.496	0.771	0.443	0.286	0.457
CS3	0.565	0.902	0.440	0.188	0.486
CS4	0.320	0.765	0.307	0.321	0.423
CS5	0.338	0.736	0.366	0.058	0.367
EW1	0.554	0.212	0.722	0.351	0.518
EW2	0.688	0.474	0.958	0.290	0.794
EW3	0.567	0.406	0.848	0.127	0.657
EW4	0.595	0.368	0.882	0.271	0.749
EW5	0.724	0.553	0.820	0.556	0.715
PQ1	0.502	0.256	0.437	0.850	0.416
PQ2	0.364	0.156	0.211	0.780	0.284
PQ3	0.283	0.072	0.108	0.748	0.120
PQ4	0.484	0.240	0.326	0.939	0.315
PQ5	0.543	0.190	0.344	0.858	0.357
RI1	0.723	0.569	0.777	0.394	0.958
RI2	0.634	0.339	0.795	0.239	0.850
RI3	0.623	0.448	0.647	0.459	0.750
RI4	0.592	0.494	0.691	0.301	0.883
RI5	0.598	0.650	0.619	0.301	0.884

Variables Analysis

Because 40 lines were used to test the questionnaire, the total number of data utilized is 360. The Inner Model, which explains the link between latent variables, is the focus of our attention.

- **R Square**

Explanation of how much variance in endogenous variables can be accounted for by exogenous variables in a model. BI, CS, and RI are the three endogenous variables. Exogenous variables can explain variations in RI variables in the model to the extent of 0.784, or 78.4%. The remainder is explained by factors not included in the model. (Table 5)

Table 5 R Square

	R Square	R Square Adjusted	
BI	0.662	0.661	
CS	0.711	0.710	
RI	0.786	0.784	

- **Coefficient Path**

This analysis result illustrates the magnitude of a variable's effect or influence on other variables without the need of intermediaries. Example: EW has a direct and positive influence on BI by 0.814, which indicates that for every 1-point increase in EW, BI will increase by 0.814. Additionally, the value reveals the direction of the association. (Table 6)

Table 6 Coefficient Path

	BI	CS	EW	PQ	RI
BI					0.177
CS					0.493
EW	0.814				0.258
PQ		0.843			0.009
RI					

- **Indirect Effect**

Specifying the magnitude of a variable's indirect influence on other variables through an intermediary variable. Example: the effect of EW on RI through BI is 0.144, which is a strong positive indirect effect. (Table 7)

Table 7 Indirect Effect

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
EW -> BI -> RI	0.144	0.143	0.047	3.088	0.002
PQ -> CS -> RI	0.416	0.421	0.057	7.353	0.000

- **t-statistics**

t-statistics is a measure that indicates the significance of a variable's influence on other variables. If the T statistic exceeds 1.96, it is deemed significant or has a p value less than 0.05. Except for the influence of PQ on RI, all exogenous variables have a substantial effect on endogenous variables. Original Sample (O) demonstrates the overall effect or the direction of the effect, so that just one hypothesis has failed to reject H0: PQ does not significantly affect RI. (Table 8)

Table 8 t-statistics

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (|O/STDEV|)	P Values
BI -> RI	0.177	0.175	0.056	3.142	0.002
CS -> RI	0.493	0.498	0.066	7.499	0.000
EW -> BI	0.814	0.813	0.026	31.611	0.000
EW -> RI	0.258	0.250	0.064	4.001	0.000
PQ -> CS	0.843	0.844	0.019	45.561	0.000
PQ -> RI	0.009	0.012	0.055	0.166	0.868

- **Predictive Significance**

This analysis result demonstrates how well the model fits the observed data. Using the model, estimated figures are compared to the original data, and the difference is then measured. If the disparity is significant, it is claimed that the model does not correspond. A model that fits the observation data means that the model can be applied to the data and the ensuing conclusions can be justified. If Q2 is greater than zero, it is fit. (Table 9)

Table 9 Predictive Significance

	SSO	SSE	Q^2 (=1-SSE/SSO)
BI	1.800.000	1.004.071	0.442
CS	1.800.000	865.514	0.519
EW	1.800.000	1.800.000	
PQ	1.800.000	1.800.000	
RI	1.800.000	754.275	0.581

- **Model fit**

Similar to predictive relevance, there are other measures that can be considered in this instance, including NFI. A NFI value of 0.831 indicates that around 83% of the model's estimation outputs are comparable to the observed data. (Table 10)

Table 10 Model fit

	Saturated Model	Estimated Model
SRMR	0.055	0.094
d_ULS	0.995	2.872
d_G	0.559	0.735
Chi-Square	1.104.106	1.263.507
NFI	0.852	0.831

6. Conclusion

Considering the findings presented above in the research, one can draw the following conclusions, E-word-of-mouth has a beneficial impact on the brand image of Finpay Money, according to Hypothesis 1a. At Finpay Money, the level of perceived quality has a beneficial impact on customers' levels of satisfaction. E-word-of-mouth has a favorable impact on consumers' intentions to repurchase Finpay Money, according to Hypothesis 3a. Finpay

Money's repurchase intention is positively influenced by the brand image, according to Hypothesis 4a. Hypothesis 5a states that the perceived quality does not have a positive effect on the intention to repurchase Finpay Money.repurchase intention on Finpay Money is positively correlated with customer satisfaction, according to Hypothesis 6a.

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Biographies

Indira Rachmawati is Associate Professor of Marketing and Consumer Studies. She has been a lecturer at Telkom University for thirteen years. In 2003, she received a Bandung Bachelor of Engineering - BE, environmental/Environmental Health Engineering Bachelor of Engineering - BE from the Bandung Institute of Technology. In 2016, she continued his studies at the same university, the Bandung Institute of Technology, by pursuing a master's degree in management with a marketing concentration and graduated in 2018. Prior to obtaining his master's degree in 2015, she continued his education at the University of Science Malaysia, namely at the Faculty of the Graduate School of Business, by earning a Doctor of Philosophy (PhD) and graduating in 2019. She has produced several papers and publications based on his own study, one of which was published in a 2021 issue of the International Journal of Science and Management Studies (IJSMS). Then, in 2020, she will publish a book titled The Effect of brand image and brand personality on brand loyalty, with brand trust serving as a mediator.

Nabila Zoraidha Damayanti is student at the Faculty of Economics and Business at Telkom University. Prior to enrolling at the Faculty of Economics and Business at Telkom University, she attended Bina Nusantara University's Faculty of Engineering for four years, from 2015 to 2019. In addition to being a student at Telkom University and Bina Nusantara University in 2015, Nabila Zoraidha worked for a leading technology company in Jakarta called PT. Finnet Indonesia beginning in 2015 as a Junior Provisioning Engineer. After three years, she was promoted to a senior engineering database position and has continued to work for the company to the present day. In general, she is responsible for handling databases of application users and other Finnet Indonesia technological products. Nabila Zoraidha also participated in the Conference: 2021 3rd (ICRACOS) International Conference on Research and Academic Community Services in 2021, which is another accomplishment she has accomplished.