


The Effect of EWOM, Price Perception and Risk Perception on Purchase Intention: Study on Users of Kahf Care Products

Irfan Syahputra 

Master of Management Science, Faculty of Economics and Business,
Universitas Sumatera Utara, Indonesia

Keywords: Ewom, Price Perception, Risk Perception, Purchase Intention.

Abstract: This study aims to analyze the effect of ewom, price perception, and risk perception on purchase intention kahf care products. The research method used is a method with a quantitative approach used to examine certain populations or samples, namely consumers who use kahf care products. Sampling was done by non-probability sampling method with the number of respondents as many as 100 respondents and the data used was primary data in the form of a questionnaire. The data analysis method used is multiple regression analysis. The results of this study indicate that (1) ewom has a positive and significant effect on purchase intention in kahf care products. (2) price perception has a positive and significant effect on purchase intention in kahf care products. (3) the perception of risk has a positive and significant effect on purchase intention in kahf care products.

1 INTRODUCTION

With the spread of the internet around the world, interpersonal communication has been reshaped from traditional face-to-face communication to a more virtual way of communication called electronic word of mouth, consumers are getting more opportunities excellent for sharing information about their consumption experiences and for disseminating advice on products and brands using social networking platforms and consumer review sites (Godes and Mayzlin, 2004; Brown et al., 2007; Xia and Bechwati, 2008).

It will have a good impact on the development of product marketing. EWOM communication makes consumers not only limited to getting information about related products from people they know, but also from a group of people from different areas who have experience with the product in question (Christy, 2010).

In addition, eWOM can also provide encouragement to consumers to make purchases on the product in question if the product is good. Consumers will be interested in the product and want to have the product that was talked about earlier. Schiffman and Kanuk (2007: 201) say that psychological activity that arises due to feelings and

thoughts about a desired product or service is called purchase intention. Finally, purchase intention can arise when there is eWOM in it.



Figure 1: Use of Social Media.

Source: Digital GWI (2021 & 2021).

From Figure 1 above, it can be seen that the most rapidly increasing social media is TikTok, which in

2020 was 25 percent, while in 2021 it increased by 40 percent. This shows that market share has grown from social media such as Instagram and Facebook to the TikTok application which can be seen in several product reviews and recommendations.

The problem that often occurs today is that some consumers see a product, especially a care product based on low prices and instant results. Most consumers pay less attention to the brand image or brand of a product. They prefer products that are sold freely at low prices and offer instant results. With this phenomenon, it is necessary to have information about a product that can be trusted to assist in choosing quality and safe care products for skin health.

The selection of Kahf's care products as the object of research was because Kahf issued several products consisting of five categories, namely facial wash, beard care, deodorant, hair & body wash, and eau de toilette (EDT). All of Kahf's products are categorized as halal, non-comedogenic and non-acnegenic and have been clinically tested for health. Along with the times, men are also required to maintain and care for skin and facial health in order to create high self-confidence and look good looking.

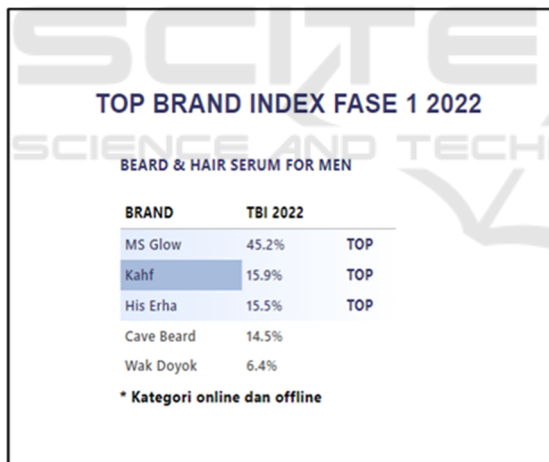


Figure 2: Sales of Men's Skincare.
Source: Top Brand Award (2022).

Top Brand Index describes its data on users of special male care products who use certain brands. As a result, MS Glow occupies the top position with 45.2% of users, followed by Kahf with 15.9%, then His Erha, Cave Beard and finally Wak Doyok with a total user percentage of 6.4% of the total users. This also proves that Kahf is in the Top 3 Brand Index for online and offline categories that are able to compete in the Indonesian market.

Based on the phenomena that occurred above, several problems can be formulated, namely as follows:

- 1) Does ewom affect purchase intention on Kahf's care products?
- 2) Does price perception affect the purchase intention of Kahf's care products?
- 3) Does risk perception affect purchase intention on Kahf's care products?

2 LITERATURE REVIEW

2.1 EWOM

According to Henning-Thurau et al., (2004), eWOM is a positive or negative communication between potential, customers or former customers about a product or company that is publicly available on the internet (Wibowo, 2015). eWOM has become a "venue" or a very important place for consumers to give their opinions and is considered more effective than WOM because of the level of accessibility and wider reach than traditional WOM with offline media (Jalilvand, 2012).

According to Goyette et al., (2010) said that there are dimensions that can be used to measure electronic word of mouth (eWOM), namely:

1) Intensity

Intensity in eWOM is the number of opinions written by consumers on a social networking site. Indicators of intensity are:

- a) Frequency of accessing information from social networking sites
- b) Frequency of interaction with users of social networking sites
- c) Number of reviews written by users of social networking sites

2) Valence of Opinion

Is consumer's opinion either positive or negative about products, services and brands. Indicators in the valence of opinion include:

- a) Positive comments from social networking site users
- b) Recommendations from social networking site users:

3) Content

Is the information content of social networking sites related to products and services. Indicators of content include.

2.2 Price Perception

Zeithaml in Kusdyah (2012) states that price perception becomes a consumer's assessment of the comparison of the amount of sacrifice with what will be obtained from a product. or services. Xia et al. in Lee and Lawson Body (2011: 532) argues that price perception is a consumer judgment and an associated emotional form regarding whether the price offered by the seller and the price compared to other parties is reasonable, acceptable or justifiable. According to Gourville and Moon in Toncuret al. (2010:297), consumer price perceptions are influenced by the prices offered by other stores with the same goods. Price perception in this study is the amount of money charged for the number and value of products exchanged by consumers for the benefits they have that can be compared with other purchasing methods.

Indicators of price perception according to Hermann, et. al.(2007:54) (1) Affordable prices (2) Attractive price promotions such as discounts, free shipping (3) Price compatibility with quality (4) Payment methods.

2.3 Risk Perception

Perception can be defined as consumer subjectivity regarding perceived losses. consumers, which means that every action taken by consumers will have consequences that cannot be seen by them, and some of them tend to be unpleasant (Dursun, 2011). Bauer (1960) first proposed perceived risk to include two dimensions: uncertainty and adverse consequences. Naiyi (2004) defines perceived risk to include five components: financial, performance, social, psychological, and physical risk. Perceived risk increases as the probability of one or more negative outcomes increases (Dowling and Staelin, 1994).

Risk perception is defined as the uncertainty faced by consumers when they cannot predict the consequences when making a purchase decision. There are two dimensions of the important points in the definition of this risk perception, namely uncertainty and consequences. This definition emphasizes that consumers are influenced by their risk perception, regardless of whether the risk actually exists or not. Risks that do not exist in consumer perceptions will not affect consumer behavior (Schiffman and Kanuk, 2010).

Perceptions of risk arise from different types of potential losses (Hoyer et al. MacInnis, and Pieters, 2013). There are 6 types of potential losses which then become a risk, namely physical risk (there is a risk that threatens the physical condition or security).

consumers, for example: it is possible that a mobile phone emits radiation harmful), performance risk (risks related to product/services that do not meet expectations, for example: there is a possibility that the car is fueled gas will consume more fuel), psychological risk (risk of emergence negative emotions, for example: there is a possibility that consumers will feel embarrassed to invite his friends listen to songs using a 5 old stereo years), financial risk (there is a risk of financial loss, for example: there is a possibility that a new plasma TV appears with better performance but cheaper price in the next few months), time-loss risk (there is a risk of wasted time, for example: there is a possibility that consumers have to repeat all the online shopping processes from initial), and social risk (risk due to the purchase of products/services that are considered bad by consumer's social environment, for example: there is a possibility that the consumer's friends will laughing at his purple mohawk haircut).

2.4 Purchase Intention

Schiffman and Kanuk (2007:201) suggest that purchase intention is a psychic activity that arises because of feelings and thoughts about a desired product or service. Durianto, et al (2003:109) defines Purchase Intention as behavior that arises in response to an object that shows the customer's desire to make a purchase. Based on the explanations of several experts, purchase intention is defined as a thought that has been thought by the buyer due to a positive desire for the product.

This purchase intention appears as a consumer consideration for make a purchase. Purchase intention is the most appropriate predictor of buying behavior (Morwitz and Schmittlein, 1992). According to Engel et al., (1995) there are five stages of decision making to make a purchase, namely problem recognition, information search, evaluation of alternatives, choices and results.

Buying interest by consumers is the first step for consumers to decide to buy a particular product. The greater the consumer's interest, the greater the opportunity to buy a certain brand product. Purchase intention is the evaluation and attitude of consumers towards products with external factors so that it has an impact on consumers' willingness to buy products (Wen and Li, 2013).

According to Augusty Ferdinand (2002:129) buying interest can be identified through the following indicators:

1. Transactional interest
Namely the tendency of a person to buy a product.

2. Referential Interest

That is a person's tendency to refer products to others.

3. Preferential Interest

That is an interest that describes the behavior of someone who has a primary preference for the product. These preferences can only be overridden if something happens to the product of their preferences.

4. Exploratory Interest

This interest describes the behavior of someone who is always looking for information about the product he is interested in and looking for information to support the positive characteristics of the product.

3 RESEARCH METHOD

This research is an explanatory research with a quantitative approach. This research was conducted online, namely by distributing questionnaires to the intended respondents using the google form. Respondents in this study included users of kahf care products seen from social media that marked or tagged posts to kahf accounts as well as users who provided comments and reviews on posts on kahf accounts. Obtained a sample of 100 respondents and analyzed using multiple linear regression analysis.

3.1 Conceptual Framework

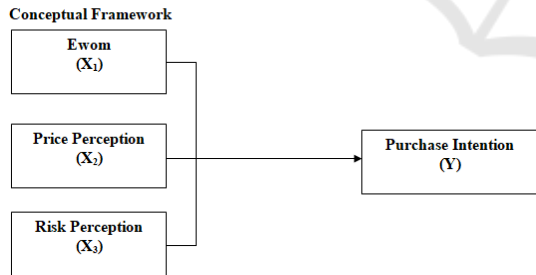


Figure 3. Conceptual Framework

Figure 3: Conceptual Framework.

3.2 Research Hypothesis

H1: Ewom has a positive and significant effect on buying interest in Kahf's care products.

H2: Price perception has a positive and significant effect on buying interest in Kahf's care products.

H3: Risk perception has a positive and significant effect on buying interest in Kahf's care products.

4 RESULTS AND DISCUSSION

Table 1: Characteristics of Respondents.

Characteristics of Respondents	Total
Age	
< 20 Years	25
21 – 30 Years	60
> 31 Years	15
Education	
Senior High School	20
Bachelor Degree	70
Level 2	10
Work	
Student	20
College Student	50
Employee	30

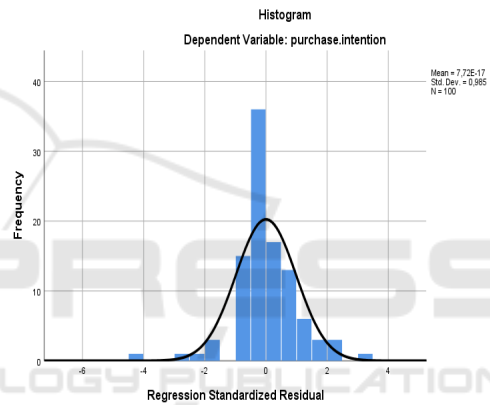


Figure 4: Normality Test Results.

From the results of the histogram graph, it can be seen that the variables are normally distributed, this is indicated by the distribution of the data not skewed to the left or skewed to the right. Normality test on multivariate is actually very complex, because it is only done on all variables together

Table 2: Multicollinearity Test Results.

	VIF	A	Ket
Ewom	1,190	10	There is no multicollinearity
price.perception	1,215	10	There is no multicollinearity
risk.perception	1,100	10	There is no multicollinearity

From the table above, it can be seen that $VIF < 10$, Ewom = 1.190, Price Perception = 1.215 and Risk Perception = 1.100 so there is no multicollinearity.

Table 3: Reliability Test Results.

	Cronbach's alpha	Ket
Ewom	0,808	Reliable
price.perception	0,836	Reliable
risk.perception	0,811	Reliable
purchase.intention	0,727	Reliable

Table 3 shows that all latent variables in the study have a reliable value above 0,6, so it can be concluded that all variables have a high level of internal consistency reliability.

Table 4: Autocorrelation Test Results.

Std. Error of the Estimate	Durbin-Watson
1,203	2,095

In the output results, it can be seen that the Durbin Watson value is 2.095 with a total of 100 respondents and cases = 4, so the value of $du = 1.715$. Because $du < d < 4 - du = 1.715 < 2.095 < 2.285$, the decision has no autocorrelation.

Table 5: Multiple Linear Regression Analysis.

	B	t	Sig.	Ket
(Constant)	5,548	4,536	,000	
Ewom	,213	4,034	,000	H ₁ accepted
price.perception	,208	4,083	,000	H ₂ accepted
risk.perception	,308	5,663	,000	H ₃ accepted

Based on the output above, the following results are obtained:

$$Y = 5.548 + 0.213 X_1 + 0.208 X_2 + 0.308 X_3 + e$$

Based on the regression equation above, the interpretation of the coefficients of each variable is as follows:

- a = The constant of 5.548 states that if the ewom variable (X_1), the price perception variable (X_2), and the risk perception variable (X_3) are considered constant, the purchase intention of consumers of kahf care products will increase.
- b₁ = 0.213, the ewom regression coefficient (X_1) is 0.213, which means that if price perception (X_2) and risk perception (X_3) are constant, then the increase in ewom results in an increase in the purchase intention of

consumers for kahf care products by 0.213.

- b₂ = 0.208, the regression coefficient of price perception (X_2) 0.208, which means that if ewom (X_1) and risk perception (X_3) are constant, then an increase in price perception will result in an increase in the purchase intention of consumers for kahf care products by 0.208.
- b₃ = 0.308, the regression coefficient of risk perception (X_3), ewom (X_1) and price perception (X_2) are constant, then with the affordability of risk perception, the purchase intention of consumers of kahf care products increases by 0.308.

4.1 F Test

Table 6: F test Results

Sum of Squares	Df	F	Sig.
Regression	168,105	38,719	,000b
Residual	138,935		
Total	307,040		

From the calculation results, the Fcount value is 38.719, this figure means that Fcount is greater than Ftable so that the three independent variables significantly affect the purchase intention of consumers of kahf care products simultaneously. This proves that "ewom, price perception, and risk perception have a significant effect on purchase intention".

4.2 R² Test (coefficient of determination)

Table 7: R2 test Results.

R Square	Adjusted R Square
,548	,533

From the calculation results, the adjusted coefficient of determination (R^2) is 0.533 and the coefficient of determination (R^2) is 0.548, this means that the independent variables in the model (Ewom, Price Perception and Risk Perception) explain variations in the Purchase Intention of consumers of kahf care products of 54.8 % and 45.2% are explained by other factors or variables outside the model.

4.3 The Effect of EWOM on Purchase Intention

Ewom is a positive or negative statement made by potential, actual, former customers about a product or company that is available to most people and institutions via the internet. Some of the advantages that the internet has, especially in terms of efficiency, are able to change the way of selling and buying (Nofri & Hafifah, 2018). One of the phenomena that occurs today is that consumers use online media in their shopping activities. Online media users can easily participate, share, and create content about products through social media.

Social media has strong content power as a consumer reference in getting information about a product. The power of content and conversations that occur on social media drives many companies to use it as their communication and marketing tool, so producers need to understand consumer behavior towards products on the market. Furthermore, it is necessary to do various ways to make consumers interested in the products produced. Social media creates a positive response through internet reviews so that this can be one of the factors that influence buying interest. Research conducted by Dwi et al. (2015) states that ewom has a positive effect on consumer buying interest. Another study conducted by Bataineh (2015) also revealed that ewom had a positive and significant effect on consumers' purchase intentions.

4.4 The Effect of Price on Purchase Intention

Price is the exchange rate of goods or services and various other benefits related to goods or services (Sutojo, 1983). Price is one of the determining factors in brand selection related to consumer buying decisions. Swastha (1994) defines price as the amount of money (plus some products) required to obtain a number of combinations of products and services. When choosing among existing brands, consumers will evaluate prices in absolute terms but by comparing several price standards as a reference for making purchases.

Price is a determining part of the selection of a product that will affect the purchase intention. If a product requires consumers to incur costs that are greater than the benefits received, then what happens is that the product has a negative value. Otherwise, If consumers perceive that the benefits received are greater, then what happens is that the product has a positive value.

The results of research conducted by Lutfiani (2016) which show the results of research that price perception has a positive and significant effect on purchase intention of a product and Khairul Amal & Hafasnuddin (2017) also show the results of research that price perception has a positive and significant effect on purchase intention. This is confirmed by the results of research conducted by Natalia with the title "Analysis of Perception Factors Affecting Consumer Interest to Shop at Giant Hypermarket Bekasi" shows that price has an effect on purchase intention.

4.5 The Effect of Risk on Purchase Intention

When consumers cannot predict the outcome of a purchase and feel uncertain, the perceived risk is in their decision-making process in the decision-making process (McKnight et al., 2002). The results of research by Jono Mintarto Munandar et al., (2016) show that risk perception does not have a significant effect on purchase intention. These findings are different from the findings of Arslan et al., (2013) and Liljander et al., (2009) which state that risk perception affects consumer buying interest. Ristiyani and John (2005:81) state that the perceived risk is the risk that affects consumer behavior. Research conducted by Zhu et al., (2011) found that empirical research supports the observation that the risk of consumers being perceived as negatively affects their attitudes towards certain websites and towards purchase intentions.

5 CONCLUSION

Based on the results of data analysis and discussion, it was concluded that the results showed that ewom had an effect on Purchase Intention of kahf care products. Price Perception has an effect on Purchase Intention of kahf care products. Risk Perception has an effect on Purchase Intention of kahf care products.

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