The Influence of Electronic Word of Mouth, Trust and Product Quality on Purchase Decision of Fashion Product Through Online Shop

(Case Study : SME's House of Sabrina in Surabaya)

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Abstract. The purpose of this research to analyze the effect of electronic word of mouth, trust and product quality on purchasing decisions fashion products towards online shop at the House of Sabrina. This study design using quantitative methods the hypotheses by using SPSS version 20.0 with multiple linear regression analysis. The population this study were consumers of House of Sabrina. The sampling technique used was random sampling with the total 131 respondents who had purchased products by online. The results of this study show that electronic word of mouth variables, trust and product quality have an effect on simultaneously and significantly on purchasing decisions. Partially electronic word of mouth variables, trust and product quality have a significant effect on purchasing decisions. The Determination Coefficient value is 57.7% while the rest is influenced by other variables.

Keywords: Electronic word of mouth, Trust, Product quality, Purchase Decision.

1 INTRODUCTION

Micro, small and medium enterprises (MSME) have a very important role in development and economic growth. The growth of small and medium enterprises is not only developing countries like Indonesia but also in developed countries. House of Sabrina MSME which started its business since 2014, namely heels shoes, fur sandals, accessories and other fashion products. Along with the development of increasingly sophisticated technology has changed in terms of product marketing, including MSME products. With various developments, technology encourages various kinds of system changes in the world.

The internet has become a vast global market place for trading goods and services. Based on the research of We Are Social and Hootsuite 2017, internet users in Indonesia grew 51 percent in one year. The high growth of internet users is an opportunity for online businesses or called e-commerce. The Ministry of Communication and Information said that e-commerce transactions in 2014 had reached 140 trillion rupiahs, a fantastic figure considering that only about 7% of internet users in Indonesia had ever been shopping online, based on data from McKinsey (www.Imersmuda.com).

The development of e-commerce in Indonesia has increased dramatically as a global trend in e-commerce. One example of e-commerce is an online fashion shop. The fashion industry is one of the important things for society because they need to create a good appearance. Every online store has its own way of selling their products. To attract customers to make a purchase, it is necessary to develop a strategy to promote their products. One of them communicates their products to customers through the internet or social media.

Social media is a medium used by consumers to share text, images, sound, and video information both with other people and companies and vice versa [1]. Communication made on the internet media is also called electronic word of mouth, which has become a very effective marketing tool this time. Regarding the online shop business, the trust factor is very important to attract consumer buying interest because of the many frauds in online stores. Small and medium businesses in general are also related to the quality of products produced to satisfy their customers so they are not inferior to their competitors. This effort of House of Sabrina online shop utilizes social media Instagram to carry out its promotion.

Based on the description above, the purpose of this study is as follows:

1. To analyze the effect of simultaneous electronic word of mouth, trust and product quality on purchase decision of fashion products through online shop
2. To analyze the effect partially of electronic word of mouth on purchase decision of fashion products through online shop.
3. To analyze the effect partially trust on purchase decision of fashion products through online shop
4. To analyze the effect product quality on purchase decision of fashion products through online shop.

2 LITERATURE REVIEW

Electronic Word of Mouth

Electronic Word Of Mouth is a positive or negative statement made by a potential customer or ex-customer about a product or company aimed at many people or institutions through the internet or online [2]

Trust

Trust to online shop is willingness to accept weaknesses in online transactions based on positive expectations regarding the future behavior of the online shop [3]

Product quality

Product quality is the overall characteristic of a product or service to satisfy the stated / implied needs [4].

Purchase decision

Purchase decision is the choice of two or more alternative choices that exist, meaning that if the condition of someone can make a decision there must be several alternative choices available [5].

Research conducted by [6] entitled "The Effect of E-WOM on Instagram Against Purchase Decision"(Case Study of Tio Kingdom Sablon Consumer in Bandung). the results of this study E-Wom on Instagram have a significant effect on purchase decision. Koefisien determinasi value 0,325 or 32,5% while the rest is influenced by other variables. Research conducted by [7] with the title "The Effect of electronic word of mouth on Consumer Buying decision in Lazada ". The results of this study are simultaneously electronic word of mouth have significantly influence on Buying decision, and value koefisien determinasi 0,166 or 16,6 %.

3 CONCEPTUAL FRAMEWORK

Fig 1. Conceptual Framework

4 HYPOTHESIS

Based on the theoretical basis and the framework of thinking that has been described above, the hypothesis of this study are:

- H1: Simultaneously there is a significant effect of electronic word of mouth (E-WOM), trust and product quality on purchase decision of fashion products through online at SME's House of Sabrina
- H2: Partially there is a significant effect of electronic word of mouth (E-WOM) variables on purchase decision of fashion products online at the SME's House of Sabrina
- H3: Partially there is a significant effect of trust variable on purchase decision of fashion products online at the SME's House of Sabrina
- H4: Partially there is a significant effect of product quality variables on purchase decision of fashion products online at the SME's House of Sabrina

5 RESEARCH METHOD

This study uses a quantitative approach. Quantitative research as the name implies is required to use numbers, starting from data collection, interpretation of the data, and the appearance of the results [8]. The population is a generation region consisting of objects that have certain characteristics and qualities set by researchers to be studied and also drawn to conclusions [9].

The population of this study is all consumers SME's House of Sabrina.

The sample is part of the number and characteristics of the population [9]. The method in this study uses probability sampling with a random sampling technique that is sampling that gives equal opportunity to each member of the population to be chosen as a member of the sample regardless of the level that exists in the population [9]. The sample size of this study using the method [10] with the sample size depending on the number of all indicators multiplied by a minimum of 5 to a maximum of 10, for the appropriate sample size between 100 to 200. The number of all indicators in this study 19, and size the minimum sample used in this study was $19 \times 5 = 95$ samples. In this study the sample used 131 respondents, which exceeded the recommended minimum.

The type of data in this study uses quantitative. The data collection technique uses online questionnaire information that is distributed to MSME consumers of House of Sabrina through Whatsapp social media

6 TECHNIQUE DATA ANALYSIS

In this quantitative research using data analysis techniques of Multiple Linear Regression, and in the calculation of data analysis using SPSS version 20. Before the data obtained (Primary) in the form of ordinal likert scale (qualitative) then transformed into interval data (quantitative) as multiple linear regression requirements.

7 RESULT AND DISCUSSION

7.1 Reliability and Validity Test

Reliability test is used to determine the reliability or consistency of respondents in answering questions for each indicator. The reliability test in this study used SPSS version 20.0 with the Cronbach's Alpha statistical test. The questionnaire was declared reliable if the Cronbach's Alpha value was > 0.60 . This study had Cronbach's Alpha 0.947 and greater than 0.60.

This validity test uses SPSS version 20.0 which aims to measure the validity of whether or not the questions asked to respondents. the results of testing the indicator validity of all independent and dependent variables are valid, because the value of $r_{count} > r_{table}$. The rabel value is 0.1443. Thus it can be stated that all statements on variable instruments in this study are valid.

7.2 Normal Distribution Test

Table 1. Distribusi Normal Test
One-Sample Kolmogorov-Smirnov Test

		X1	X2	X3	y
N		131	131	131	131
Normal Parameters ^{a,b}	Mean	3.6711	3.8146	3.6610	3.9060
	Std. Deviation	.76440	.76976	.78361	.67189
	Absolute	.110	.118	.100	.116
	Positive	.097	.118	.100	.111
Most Extreme Differences	Negative	-.110	-.101	-.083	-.116
Kolmogorov-Smirnov Z		1.257	1.345	1.145	1.325
Asymp. Sig. (2-tailed)		.085	.054	.145	.060

a. Test distribution is Normal.

b. Calculated from data.

Based on the results of the Kolmogorov Smirnov test the normality test shows that the results of testing data are normally distributed. Data will be said to be normal, if the significant value is greater than 0.05 at ($p > 0.05$).

7.3 Multiple Linear Regression

Table 2. Koefisien Regresi Test

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.273	.239		1.143	.255
1 X1	.164	.076	.161	2.160	.033
X2	.164	.075	.167	2.185	.031
X3	.546	.084	.534	6.519	.000

a. Dependent Variable: y

Based on multiple linear regression test, the regression equation can be obtained as follows:

$$Y = 0,273 + 0,164 (X_1) + 0,164 (X_2) + 0,546 (X_3) + e$$

Value e is a disturbing factor outside the model studied.

To find the value of e, the formulation can be used as follows:

$$\begin{aligned}
 e &= t_{\text{tabel}} \times \text{Std. Error of the Estimate} \\
 &= 1,97882 \times 0,502487 \\
 &= 0,994
 \end{aligned}$$

**Table 3. F Test
ANOVA^a**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	45.554	3	15.185	60.139	.000 ^b
Residual	32.067	127	.252		
Total	77.620	130			

a. Dependent Variable: y

b. Predictors: (Constant), X3, X1, X2

Based on the F Test the magnitude of the Fcount of 60.139 is greater than Ftable = 2.68 with a significant level of 0.00 (lower than 0.05) in accordance with the stipulated provisions, so that it is concluded that the independent variable is electronic word of mouth (X1), trust (X2), Product quality (X3) simultaneously has a significant effect on dependent variable Y (purchase decision).

**Table 4. T Test
Coefficients^a**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.273	.239		1.143	.255
X1	.164	.076	.161	2.160	.033
X2	.164	.075	.167	2.185	.031
X3	.546	.084	.534	6.519	.000

a. Dependent Variable: y

Based on the table above the results of electronic word of mouth analysis obtained tcount of 2.160 > ttable for 1978 or significant results of 0.033 (smaller than 0.05), according to the provisions that have been determined, then this means that electronic word of mouth (X1) partially significant effect on purchasing decisions (Y). The trust variable is obtained by the results of tcount of 2.185 > t table of 1.978 or significant at 0.031 (smaller than 0.05), according to the stipulated provisions, then this means that trust (X2) partially has a significant effect on purchasing decisions. (Y). Product quality variables obtained by tcount of 6.519 > ttable of 1.978 or significant at 0.000 (smaller than 0.05), in accordance with predetermined provisions, then this means that product quality (X3) partially has a significant effect on purchasing decisions (Y)

7.4 Coefficient of determination

Table 5. R Test

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.766 ^a	.587	.577	.502487

a. Predictors: (Constant), X3, X1, X2

Based on the table above shows that all independent variables have a significant effect on the dependent variable with Adjusted R Square value of 0.577 or 57.7% and the remaining 42.3% is influenced by other variables not examined in this study. While the value of the correlation coefficient (R) in this study shows greater than 0.5 which is equal to 0.766 this means that the electronic variable word of mouth (E-WOM), trust and product quality have a strong or strong influence on purchase decision.

7.5 Classical assumption

Table 6. Multikolonieritas Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	X1	.588	1.700
	X2	.556	1.798
	X3	.486	2.060

a. Dependent Variable: y

Based on the above table there are no independent variables that have tolerance values greater than > 0.1 and VIF smaller than <10. These results indicate that the regression model has no symptoms of multicollinearity

Heteroskedastisitas

Fig 2. Heteroskedastisitas

Based on the test results seen in the above plot that there is no heterocedasticity because the points in the graph area spread either above or below the zero on the Y axis and did not form a clear pattern.

Normalitas

Fig 3. Normalitas test

Based on the graph above shows that the graph of dots spreads around the diagonal line and follows the direction of the diagonal line, it can be concluded that the data is normal.

H1: Simultaneously there are significant effects of electronic word of mouth (E-WOM) variables, trust, and product quality on purchase decision of fasion products online at the SME's House of Sabrina Simultaneous test results (F) for electronic word of mouth (E-WOM) variables, trust and product quality obtained a calculated F value of 60.139 with a significant level of 0.000. Because the significance level is smaller than 0.05 and Fcount > Ftable (60.139 > 2.68), it can be concluded that simultaneously there is a

significant influence between the independent variables namely electronic word of mouth, trust and product quality on the dependent variable namely product purchase decisions of fashion online at the SME's House of Sabrina

H2: Partially there is a significant effect of electronic word of mouth (E-WOM) variables on purchase decision of fashion products online at SME's House of Sabrina

The relationship between electronic word of mouth with purchase decision

The results of the t test contained in table 4.18 obtained tcount of 2.160 greater than ttable of 1.978 and a significant value of 0.033 smaller than 0.05, there is a significant effect on the independent variable electronic word of mouth on the dependent variable purchase decision of fashion products online at the SME's House of Sabrina.

H3: Partially there is a significant effect of the trust on purchase decision of fashion products online at the SME's House of Sabrina.

Relationship between trust variables with purchase decision.

The results of the t test contained in table 4.18 obtained by tcount of 2.185 greater than ttable 1.978 and the significance value of 0.031 smaller than 0.05, there is a significant effect on the trust variable on the dependent variable purchase decision of fashion products online at SME's House of Sabrina

H4: Partially there is a significant effect of product quality variables on purchase decision of fashion products online at the SME's House of Sabrina.

The relationship between product quality variables with purchase decision.

The results of the t test contained in table 4.18 obtained tcount of 6.519 greater than ttable 1.978 and a significant value of 0.000 smaller than 0.05, there is a significant effect on the independent variable of product quality on the dependent variable on purchase decision of fashion products online at SME's House of Sabrina.

8 CONCLUSION

Based on the analysis and discussion described in the previous chapter, it can be concluded with the results of the study as follows:

1. Electronic word of mouth, trust and product quality have a significant simultaneous effect on purchase decision of fashion products online at the SME's House of Sabrina. With the value of $R^2 = 0.577$ or 57.7% and the remainder is influenced by other variables not examined in this study.
2. Electronic word of mouth (E-WOM) partially have a significant effect on purchase decision of fashion products online at the SME's House of Sabrina. Significance value of 0.033 means smaller than 0.05.
3. Variables of trust have a significant effect partially on purchase decision of fashion products online at the SME's House of Sabrina. Significance value of 0.031 means smaller than 0.05.
4. Product quality variables partially have a significant effect on purchase decision of fashion products online at the SME's House of Sabrina. Significance value of 0.000 means smaller than 0.05.

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