The Influence of Word of Mouth on The Decision to Purchase Handphone Case at Devi Phone Store

Yomeini Margareth S

Sekolah Tinggi Ilmu Ekonomi Bina Karya, Tebing Tinggi, Sumatera Utara, Indonesia

Email : sagalayomeini@gmail.com

ARTICLE INFO

This study aims to determine how the influence of word of mouth on purchasing decisions. The population in this study are consumers of Devi Mobile per month, amounting to 180 people. Samples were taken as many as 65 respondents using the Slovin formula. Regression analysis method used is simple linear regression and to test the hypothesis used t test and f test at a significant level or alpha = 5%. The research data were analyzed or processed using the SPSS version 25 program. Based on the research results, it was 0.382 or 38.2%. This shows that the word of mouth variable (X) can explain the purchasing decision variable (Y) by 38.2%, the remaining 61.8% (100% - 38.2%) is explained by other variables outside this research model. In the simple linear regression test results obtained the following regression equation: Y = 8.978 + 0.869X + e. The results of the hypothesis test state that: H1 is accepted, it can be seen from the tcount value is 6.246 >ttable 1.997 and with a significance value of 0.000 <0.05 then word of mouth has an effect on purchasing decisions.

1. Introduction

Word of mouth is said to be more effective in marketing activities because word of mouth activities are based on one's experience in consuming a product or service of a company. Satisfied and dissatisfied a consumer is very influential on the impact of word of mouth both positive and negative that will arise, thus affecting the company.

Word of mouth is a form of marketing where consumers are in control and participate as marketers to influence and accelerate marketing messages (Hasan, 2011:13). Furthermore, according to Lupiyoadi (2012:238), word of mouth is a form of promotion in the form of word of mouth recommendations about the goodness in a product. Word of mouth promotion strategy is a tool used by companies to market their products, because it has a very strong influence. to someone because the information obtained is considered real and honest and someone tends to trust product information they hear from friends, relatives or closest people who have experience with a product compared to information from advertisements. In addition, this promotion does not require large costs and can even be free if consumers are satisfied with the products and services that the company offers.

Devi Mobile uses word of mouth as one of the promotional media. According to Šernovitz (2012:14) word of mouth is a communication that produces a good conversation. Someone will ask others about the quality of an item or service before they decide to buy it, therefore the word of mouth can influence a person's purchase decision in making a purchase.

Purchasing decision According to FandyTjiptono (2011) is the selection of one action from two or more alternative choices.

2. Literature Review

2.1 Purchase Decision

Understanding Purchase Decisions According to FandyTjiptono (2011) is "suggested that consumer purchasing decisions are the selection of one action from two or more alternative choices".
Purchasing Decision Indicators According to Kotler (2012:36) there are indicators of purchasing decisions including:

a. The purpose of buying a product, what is the purpose of potential consumers to buy the product.

b. Information processing to get to the brand selection. Where the information received by potential consumers, can come from anywhere.

c. Stability in a product. How do consumers respond after buying the product?

d. Provide recommendations to others. When the consumer is satisfied, he will convey his satisfaction to other people he knows.

e. Make repeat purchases. Consumers will make repeat purchases when they are satisfied with a product.

2.2 Word Of Mouth (WOM)

According to Kotler and Keller (2012:512), word of mouth is a marketing activity through person-to-person intermediaries either orally, in writing, or through internet-connected electronic communication tools based on experience with products or services. When viewed from the definition above, word of mouth can be interpreted in general as an activity to provide assessment information or views on a product, goods and services to the people closest to whether the product or service is suitable for consumption or not for other potential consumers.

Word of mouth indicators According to Babin, Barry (2014:133) word of mouth indicators are as follows:

a. The willingness of consumers to talk about positive things about the quality of services and products to others.

b. Recommendation of the company’s services and products to others.

c. Encouragement of friends or relatives to make purchases of company products and services.

According to Sernovitz (2012:31), there are 5 (five) dimensions or basic indicators of word of mouth known as 5T, namely: Talkers (speakers), Topics (topics), Tools (tools), Talkingpart (participation) and Tracking (supervision).

3. Research Methods

3.1 Research Design

This study was designed using several variables, including: word of mouth and purchasing decisions. Based on the objectives to be achieved in this research, this research includes the type of hypothesis testing research / survey research. Although the description also contains a description, as a relational research the main focus lies in explaining the relationship between variables.

3.2 Research sites

The research location is in Devi Mobile which is located in Pasar IV, PayaLombang Village, Kec. High cliff.

3.3 Population and Sample

The population in this study were all Devi Mobile consumers per month as many as 180 people. In this study, the researchers used simple random sampling, according to Sugiyono (2017: 82) Simple Random Sampling is the taking of sample members from the population that is carried out randomly without regard to the strata that exist in the population.

In determining the number of samples used sampling technique using the Slovin formula, namely:

\[
N = \frac{(1 + N(e)^2)}{180}
\]

\[
n = \frac{(1 + 180(0.1)^2)}{180}
\]

\[
n = \frac{(1 + 180(0.01))}{180}
\]

\[
n = \frac{(1 + 1.8)}{180}
\]
From the results of the study, the majority of respondents were female, as many as 42 people (65%), while the respondents were male as many as 23 people (35%).

4.1 Instrument Test

a. Validity Test

Validity testing using SPSS version 25 with criteria based on the calculated r value as follows:
1) If \( r_{\text{count}} > r_{\text{table}} \) or \( -r_{\text{count}} < -r_{\text{table}} \) then the statement is declared valid.
2) If \( r_{\text{count}} < r_{\text{table}} \) or \( -r_{\text{count}} > -r_{\text{table}} \) then the statement is declared invalid.

This test was carried out on 30 respondents, then \( (df = nk) = 30 - 1 = 29 \) with \( \alpha = 5\% \) then the \( r_{\text{table}} \) value was 0.3550 (Ghozali, 2016:463), then the calculated \( r \) value will be compared with the value of \( r_{\text{table}} \) as in Table 1 below:

<table>
<thead>
<tr>
<th>Statement</th>
<th>( r_{\text{hitung}} )</th>
<th>( r_{\text{table}} )</th>
<th>Validity</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>0.626</td>
<td>0.3550</td>
<td>Valid</td>
</tr>
<tr>
<td>P2</td>
<td>0.713</td>
<td>0.3550</td>
<td>Valid</td>
</tr>
<tr>
<td>P3</td>
<td>0.757</td>
<td>0.3550</td>
<td>Valid</td>
</tr>
<tr>
<td>P4</td>
<td>0.791</td>
<td>0.3550</td>
<td>Valid</td>
</tr>
<tr>
<td>P5</td>
<td>0.791</td>
<td>0.3550</td>
<td>Valid</td>
</tr>
</tbody>
</table>

Table 1 shows that all statement points for both the purchasing decision variables (Y) and word of mouth (X) have a greater \( r \) value than the table \( r \) values, so it can be concluded that all statements of each variable are declared valid.

b. Reliability Test

Reliability is an index that shows the extent to which a measuring instrument can be trusted or reliable. According to Sugiyono (2013:64) a factor is declared reliable if the Cronbach Alpha is greater than 0.6.

Based on the results of data processing using SPSS version 25, the following results were obtained:

<table>
<thead>
<tr>
<th>Variable</th>
<th>Cronbach Alpha</th>
<th>Constant</th>
<th>Reliability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchase Decision Variable (Y)</td>
<td>0.788</td>
<td>0.6</td>
<td>0.6 Reliable</td>
</tr>
<tr>
<td>Word Of Mouth Variable (X)</td>
<td>0.835</td>
<td>0.6</td>
<td>0.6 Reliable</td>
</tr>
</tbody>
</table>

Based on the reliability test using Cronbach Alpha, all research variables are reliable/reliable because Cronbach Alpha is greater than 0.6, so the results of this study indicate that the measurement tool in this study has met the reliability test (reliable and can be used as a measuring instrument).
4.2 Classic assumption test

The testing of classical assumptions with the SPSS version 25 program carried out in this study includes:

a. Normality Test

Normality test aims to test whether in the regression model, the confounding or residual variables have a normal distribution (Ghozali, 2016:154). Testing the normality of the data can be done using two methods, graphs and statistics.

The normality test of the graph method uses a normal probability plot, while the statistical method normality test uses the one sample Kolmogorov Smirnov Test.

Normality test using the graphical method can be seen in the following Fig:

![Normal P Plot](image)

Data that is normally distributed will form a straight diagonal line and plotting the residual data will be compared with a diagonal line, if the distribution of residual data is normal, the line that describes the actual data will follow the diagonal line (Ghozali, 2016:154).

The test results using SPSS version 25 are as follows:

Table 3. One Sample Kolmogorov Smirnov Test

<table>
<thead>
<tr>
<th>Normal Parameters&lt;sup&gt;a,b&lt;/sup&gt;</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>N</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>Normal Parameters&lt;sup&gt;a,b&lt;/sup&gt;</td>
<td>.0000000</td>
<td>2.72030394</td>
</tr>
<tr>
<td>Most Extreme Differences</td>
<td>Absolute</td>
<td>.061</td>
</tr>
<tr>
<td></td>
<td>Positive</td>
<td>.061</td>
</tr>
<tr>
<td></td>
<td>Negative</td>
<td>-.053</td>
</tr>
<tr>
<td>Test Statistic</td>
<td>.061</td>
<td>.200&lt;sup&gt;c,d&lt;/sup&gt;</td>
</tr>
<tr>
<td>Asymp. Sig. (2-tailed)</td>
<td>.969&lt;sup&gt;e&lt;/sup&gt;</td>
<td>.914</td>
</tr>
<tr>
<td>Monte Carlo Sig. (2-tailed)</td>
<td>99% Confidence Interval</td>
<td>Lower Bound</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.914</td>
</tr>
</tbody>
</table>

From the output in table 3 it can be seen that the significance value (Monte Carlo Sig.) of all variables is 0.969. If the significance is greater than 0.05, then the residual value is normal, so it can be concluded that all variables are normally distributed.

b. Simple Linear Regression Test

Simple linear regression testing explains the magnitude of the role of the word of mouth variable (X) on the purchasing decision variable (Y). Data analysis in this study used simple linear regression analysis using SPSS version 25. The analysis of each variable is described in the following description:
Table 4.
Simple Linear Regression Results

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>(Constant)</td>
<td>8.978</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Word Of Mouth</td>
<td>.869</td>
</tr>
</tbody>
</table>

Source: Data processed from attachment 4 (2020)

Based on these results, a simple linear regression equation has the formulation: Y = a + bX+, so that the equation is obtained:

Y = 8.978 + 0.869X

The description of the simple linear regression equation above is as follows:
1) The constant value (a) of 8.978 indicates the magnitude of the purchasing decision variable (Y) if the word of mouth variable (X) is equal to zero.
2) The value of the regression coefficient of word of mouth (X) (b) of 0.869 indicates the magnitude of the role of the variable word of mouth (X) on the purchasing decision variable (Y). This means that if the word of mouth factor (X) increases by 1 unit value, it is predicted that the purchasing decision variable (Y) will increase by 0.869 unit value.

2.3 Coefficient of Determination (R2)

The coefficient of determination is used to see how much the independent variable contributes to the dependent variable. The greater the value of the coefficient of determination, the better the ability of the independent variable to explain the dependent variable. If the determination (R2) is getting bigger (closer to 1), it can be said that the influence of the X variable is large on the purchasing decision variable (Y).

The value used to see the coefficient of determination in this study is in the adjusted R square column. This is because the adjusted R square value is not susceptible to the addition of independent variables. The value of the coefficient of determination can be seen in Table 5.9 below:

Table 5. Coefficient of Determination

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Squar e</th>
<th>Adjuste d R Squar e</th>
<th>Std. Error of the Estimate</th>
<th>Change Statistics</th>
<th>Sig. F Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.618a</td>
<td>.382</td>
<td>.373</td>
<td>2.742</td>
<td>.383</td>
<td>39.010</td>
</tr>
</tbody>
</table>

Source: Data processed from attachment 4 (2020)

Based on table 5, it can be seen that the adjusted R square value is 0.373 or 37.3%. This shows that the word of mouth variable (X) can explain the purchasing decision variable (Y) by 37.3%, the remaining 61.8% (100% - 37.3%) is explained by other variables outside this research model such as price, product quality and service quality.

2.4 Hypothesis Test

a. t test (Partial)

The t statistic test is also known as the individual significance test. This test shows how far the influence of the independent variable partially on the dependent variable.

Table 6

<table>
<thead>
<tr>
<th>Coefficientsa</th>
<th>Model</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>6.284</td>
<td>.000</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6.246</td>
<td>.000</td>
</tr>
</tbody>
</table>

Source: Data processed from attachment 4 (2020)

a. Hypothesis test of the influence of word of mouth variable (X) on purchasing decision variable (Y)

The form of hypothesis testing based on statistics can be described as follows:
Decision making criteria:
1) The hypothesis is rejected if t_count < t_table or -t_count > -t_table or Sig. > 0.05
2) The hypothesis is accepted if t_count > t_table or t_count < -t_table or Sig. < 0.05

From table 6, the t_count value is 6.246, with = 5%, t_table (5%; nk = 64) the t_table value is 1.997. From the description it can be seen that t_count (6.246) > t_table (1.997), as well as the significance value. of 0.000 < 0.05, it can be concluded that the first hypothesis is accepted, meaning that the word of mouth variable (X) affects the purchasing decision variable (Y).

This research is in accordance with that carried out by Berta Hannafi (2010), a student of the Management S1 study program, Faculty of Economics, Padjadjaran University, Bandung with the title "The Effect of Word Of Mouth Communication on Consumer Purchase Decision Making Processes on Mobile Cases in Bandung City (a survey of consumers of Central Ponsel, JalanCisarantenKulon, Bandung)". The results of this study indicate that some consumers state that opinion leaders are involved in the buying process while some other consumers state that opinion leaders are less involved in the buying process, especially at the evaluation and selection stage. And from the results of data processing, it can be seen that word of mouth communication affects the consumer purchasing decision process by 53.9%, while the remaining 46.1% is influenced by other variables outside the variables studied.

5. Conclusion
a. The word of mouth variable has an effect on purchasing decisions seen from the t-test value which is greater than t-table.
b. The value of the coefficient of determination R2 is seen from the value of the adjusted R square of 0.373 or 37.3%. This shows that the word of mouth variable (X) can explain the purchasing decision variable (Y) by 37.3%, the remaining 61.8% (100% - 37.3%) is explained by other variables outside this research model.
c. The word of mouth variable has an influence of 0.869 or 86.9% on purchasing decisions, which means that if word of mouth is increased, purchasing decisions will also increase by 0.869 or about 86.9%

6. Reference