

Proceeding of The First International Annual Conference on Economics, Management, Business and Accounting

Millennial E-Wom Decisions: Investigation Of The Roles Of Partners, Internet, and Gender

Siti Asriah Immawati¹, Arief Bowo Prayoga Kasm^{2*}

¹ Management Department, Universitas Muhammadiyah, Tangerang, Indonesia

² Management Department, Universitas Mercu Buana, Jakarta, Indonesia

Article Info:

Abstract

Keywords:

Consumer Purchasing
Intentions;
E-Wom;
Gender;
Internet;
Peer Roles;

The aim of this paper is to find out the influence of the millennials in deciding their purchases through the eWom platform based on the role of peers, the duration of internet use, and gender. The research design is cross-sectional. Around 300 respondents from Indonesia participated in a self-managed survey who had experience using eWom in e-commerce buying local fashion clothes brands online. The study applied PLS-SEM to test the proposed model. Information from peers has been found to have a positive influence on the use of e-WOM. Internet usage positively affects consumer purchasing intentions. Usability perceived by consumers affects the use and purchasing intent of consumers. Gender also influences consumer purchasing intentions.

Article DOI :

<http://dx.doi.org/>

(*) Corresponden Author: Arief Bowo Prayoga Kasm

✉ Universitas Mercu Buana, Jakarta, Indonesia.

Email: ariefbowo@mercubuana.ac.id

INTRODUCTION

Consumer behaviour has changed significantly as a result of new communication channels and information technology advancements. The company's business and marketing approach have shifted as a result of these modifications. This has led to an incredible amount of content development, which, when combined with the rise of social media and the Internet, has expanded the options available to traditional offline word-of-mouth (Wom) consumers for interacting with geographically dispersed populations through electronic word-of-mouth. (eWom) (Yang, 2017). Through a variety of channels, including blogs, e-newsletter services, forums, online communities, and review websites, consumers actively cooperate and spread eWom.

In addition, the COVID-19 pandemic crisis is causing a transition in culture and way of life towards digital. According to the Indonesian Internet Service Organisers Association (APJII), there will be 25.5 million more Internet users in Indonesia by 2020, an increase of 8.9 percent. This growth is attributed in part to a significant digital change brought about by online learning and assignment policies

(apjii.or.id, 2020). This indicates that 202 million, or 73.7%, of Indonesians have access to the Internet (Kompas.com, 2021a) moreover, 170 million of them use social media (Kompas.com, 2021b). Particularly the 57% of Gen Y, often known as Millennials, who are the majority of Internet users in the nation and range in age from 20 to 34 (Ade, 2021).

Based on a 2020 Iprice survey with 1,000 participants, it was found that most transactions are completed online through four main payment channels: bank transfers (30%), e-wallets (26%), Cash on Delivery (COD) (25%), and credit and debit cards (19%) (faspay.co.id, 2020).

By shifting to content-making or content-creation, artists and the general public can take advantage of these occurrences and continue to be active during the epidemic (infopublik.id, 2021). Because interactive information can give users a distinctive experience, it is simpler to recall. They will have a sense of immersion in the narrative, which will imbue the marketing campaign with a more intimate quality.

The advice or experience of another person that is featured in a testimonial on a forum or online review site is one of the sources of information or support that a person is currently considering when making a decision, one in the case of a purchase transaction (Palese & Usai, 2018). When making an online purchase, the customer will first assess the quality of the service according to his or her own perception. Client satisfaction can result from a positive client perception of the service. Customer satisfaction will also lead to favourable attitudes, judgements, and ways of thinking about the experience they had making the purchase (Firza Rizqulloh, 2015). This is the aspect that will subsequently influence consumer beliefs, particularly those that are personal and come from within the individual self, and cause reinforcement in the consumer. If one feels that the service they received was satisfactory overall, they might decide to buy the same online product or business in the future.

E-Wom is one type of marketing communication; it has various advantages over traditional Wom, but both aim to gauge the influence of customers' remarks on others and discover what drives customers to share their thoughts online (Serra Cantalops & Salvi, 2014). Sharing customer feedback about a good or service (eWom) turns into an element outside the company's control, though (Yang, 2017). To respond to the demand for more control over online customer reviews by establishing a website that serves as a virtual community where customers may express their thoughts and make comments regarding company goods and services (Vallejo et al., 2015). Selain itu melalui saluran komunikasi tertentu telah mengubah cara pelanggan mengevaluasi informasi yang diserap dari komunitas yang berpusat pada konsumen dengan memungkinkan mereka untuk berbagi pengalaman (Zhang et al., 2015).

Most technology experts and stakeholders maintain the belief that Generation Y or Millennials will be at the forefront of guiding society into a new era by willingly sharing personal information through social media and mobile technology (Khal et al., 2013). It is predicted that the communication pattern involving the use of social networking technology, applications, and mobile devices will persist as millennials mature, start families, and take on their responsibilities. This pattern will also include the widespread sharing of information, including electronic word-of-mouth (eWom). The Generation Y demographic is a crucial market sector that business professionals must not overlook. Moreover, in the majority of advanced nations, generation Y is an inherent or engaged consumer of social media, as well as mobile devices and applications that enable them to maintain connections with their friends and families (Lazarevic & Lazarevic, 2012). The millennial generation embraces technology as an essential ally in virtually all aspects of their lives, be it at home, in the workplace, or during their leisure activities (Liu et al., 2018).

The objective of this study is to determine the impact of millennials on their purchasing decisions using the eWom platform, taking into account the effect of peers, the length of internet usage, and gender.

RESEARCH METHODS

This study employs a quantitative survey methodology. The study included a sample of 300 participants. The purposive sampling approach is employed for data collection. The participants in this study consisted of both male and female individuals aged between 28 and 35 years. It was observed that subjects within the millennial age group were more acquainted with e-Wom, had greater familiarity with using the Internet for information retrieval, and exhibited five times faster information processing abilities on web platforms compared to older individuals. (Muda et al., 2016) The selected consumer is someone who has purchased e-Wom-based products on at least three occasions during the past year. This ensures that the individual can easily envision and remember the procedure they have undergone. Variables and instruments this study examines three variables: purchasing outcomes through e-Wom as the dependent variable, and internet usage positively, informative internet, and online normative as the independent variables. peer information, perceived usage, and gender are factors that influence moderation.

Customers must authenticate the accuracy of information obtained through online media. If the information is confirmed to be legitimate, customers will have confidence in its utility (Yusuf et al., 2018). Prior studies assert that the quality of information is considered a highly significant construct (Aghakhani & Karimi, 2013). The website's favourable information quality directly impacts buying intention (Soto et al. 2015; Gunawan and Huarng 2015). The hypothesis can be inferred from this explanation:

H1 : Internet usage positively affects e-Wom usage

H2 : Internet use positively affects consumer purchasing intentions

H3 : Internet information affects e-Wom usage

Higher duration of internet usage is likely to find marketing content about products, brands, consumer reviews or recommendations. It can inspire millennials to volunteer or not to join and engage in eWom activities. (Mishra et al., 2017). Therefore, the theory is proposed:

H4 : Internet regulations affect e-Wom usage

H5 : Information from peers affects e-Wom usage

Relevance, timeliness, and completeness are key features of the message delivered by eWom that will positively affect consumer perception of perceived usefulness. (Cheung & Lee, 2012). The persuasive power of messages in social media is crucial to shaping consumer attitudes to information and its usefulness. So it is logical that a message is considered more valuable and practical, because it can convince consumers (Gunawan & Huarng, 2015). From this description, the hypothesis is formulated:

H6 : Perceived usability may affect e-Wom usage

H7 : Perceived usage affects purchasing intentions

In making purchasing decisions, millennials tend to look for previous customer reviews, rather than relying on advertising for a product. The fact that they believe more in e-Wom, even influences their friends to buy or avoid a product or service (Sa'ait, Kanyan, and Nazrin 2016 ; Shantanu Prasad, Arushi Garg 2019). Hence the hypothesis raised:

H8 : e-Wom use can affect consumer purchasing intentions.

The initial experience of utilising a product can have a significant impact on consumer purchasing intent. This can create a good attitude towards the product

and decrease the perceived risk associated with it. This focuses mostly on female consumers, as they have the potential to engage in more thorough product examination to inform their purchasing decision-making (Lin et al., 2019). The hypothesis developed:

H9 : Gender affects consumer purchasing intentions.

RESULT

Data collection

The primary vaporized questionnaire data was distributed to 300 millineals (young people aged 28-35 living in Tangerang City).

Table 1. Discriptive Statistics Profile Respond

Demographic Information	Total 300	
	Frekuensi	%
Gender		
- Male	131	44%
- Female	169	56%
Educational level		
SMA	70	24%
Diploma	139	46%
Bachelor	91	30%
Job		
Student	158	53%
Private Employees	84	28%
Businessman	58	19%
Used e-commerce sites		
Tokopedia	126	42%
Bukalapak	72	24%
Sopee	62	20%
Lazada	23	8%
Blibi	17	6%
Internet usage duration per day		
< 3 hours	12	4%
3 - 4,9 hours	27	9%
5 - 6,9 hours	57	19%
7- 8,9 hours	99	33%
> 9 hours	105	35%

Duration of e-WOM access per week

< 4 hours	2	1%
4 - 6,9 hours	11	4%
7 - 8,9 hours	145	48%
9 - 10,9 hours	71	24%
> 11 hours	71	24%

Share or search for information

Always	66	22%
Often	91	30%
Sometimes	114	38%
Never	29	10%

Validity and Reliability Scale

The results of the questionnaire examination and some modifications in some items given to 30 millineals in Tangerang City then obtained results.

Table 2. Validity and Reliability Table

Measurement	loading faktor
Purchase Intention	
I intend to buy a particular product/brand	0.788
I look forward to doing more business with specific products/brands in the next few years	0.912
I'm willing to recommend someone else to buy a particular product/brand	0.621
I'm hoping to do more transactions with specific products/brands that I buy	0.773
Whenever I need to re-purchase a product/brand, most likely I'll buy the same brand	0,814
e-Wom	
I take great pride in openly endorsing a specific product/brand to fellow web users.	0.84
I often read online about the product/brand	0.921
Positive use of the Internet	
Gives a positive impact on the user	0.852
Control and trust in usage	0.777

Duration of responsible internet usage 0.869

Internet Information

I often consult the Internet to find the best product or service. 0.943

I often see ads online for information about things 0.866

There's good advice about products and services on the Internet 0.692

Internet Regulations

The Internet determines which brands I should buy. 0.739

I only bought a product/brand from the Internet that my friend bought 0.811

I keep buying the same brand as long as my favorite actor/actress or other entertainment star approves it on the Internet 0.792

Peer Information

If I have a little experience with something, I often ask my friends about me 0.883

I often consult with my friends to help me in choosing what I should do 0.915

I often collect information from my friends before I do anything 0.841

Usage felt

Affects everyday life 0.795

To have personal rights in life 0.819

I'm so confident in myself. 0.857

Get unlimited information 0.736

Can communicate well with friends 0.782

DISCUSSION

The study revealed a positive correlation between internet usage and e-WOM (H1) usage. The findings aligned with prior eWom marketing research, indicating that the perceived quality of a website had a crucial role in driving eWom adoption (Filleri et al., 2015). Alternatively, individuals may possess substantial knowledge of information acquired through internet usage. This research highlights the significance of incorporating technical variables. Consumer desire to innovate plays a vital role in promoting engagement with electronic word-of-mouth (H4). Participating in electronic word-of-mouth (eWom) demonstrates the customers'

inclination to explore novel concepts or act as trailblazers in any undertaking. This validates our assertion that forward-thinking consumers are consistently eager to seek out and exchange experiences. Specifically, these activities have the potential to prompt other consumers to communicate their encounters with products and services. Furthermore, it provides firms with the chance to engage inventive customers in the process of generating value. Moreover, when consumers see information as trustworthy, they are more likely to participate in electronic word-of-mouth (such as sharing or seeking information). Companies should enhance their efforts in promoting customers to include crucial insights while sharing their experiences, in order to bolster the credibility of the message for other consumers. The perception of electronic word-of-mouth (eWom) has a notable impact on both eWom participation and customer buying intentions. The coordinates are (H6, H7). Furthermore, our findings demonstrate that electronic word-of-mouth (eWom) engagement has an impact on consumer's intentions to make purchases in social commerce (H8). Furthermore, this aligns with prior marketing literature, which emphasises the significance of eWom in stimulating purchasing intention (Balakrishnan et al., 2014). Consumers who exhibit high levels of engagement with electronic word-of-mouth (eWom) typically have a greater inclination to make a purchase. Nevertheless, there is no substantial correlation between the calibre of information and social support and the level of engagement in electronic word-of-mouth (H1, H5). The correlation between the quality of information and eWom engagement is likely attributed to the characteristics of the study population and its setting. The lack of support for the association between social support and eWom engagement may be attributed to the specific research and sample circumstances. In the realm of e-commerce, clients frequent these websites with the primary objective of acquiring reliable information regarding intriguing items and services, rather than cultivating connections with other customers. There is a decrease in social engagement in this situation. This may elucidate the rationale behind the lack of support for this relationship. The findings of this study provide significant contributions in various domains pertaining to electronic word-of-mouth (eWom) and electronic commerce.

CONCLUSION

The primary goal of this study is to develop a comprehension of the key characteristics that determine eWom involvement and its impact on customer purchasing intentions in the realm of e-commerce. The study provides valuable insights into the theoretical and practical aspects of consumer interaction with electronic word-of-mouth (eWo) and its influence on consumer purchase intentions. This was accomplished by incorporating the use of the Internet, the influence of peers, and gender to elucidate the phenomena. Previous study mostly examined consumer information and behaviour traits. However, it is crucial to incorporate technological and social elements into a comprehensive model, particularly in the setting of e-commerce.

Our empirical investigations have shown that attitudes towards electronic word-of-mouth (eWom), the trustworthiness of information, innovation, and the quality of the website are significant factors that influence eWom involvement, which in turn impacts purchasing intent.

REFERENCE

Ade, S. (2021). 57 Persen Pengguna Internet di Indonesia Adalah Generasi Milenial. *Indobalnews*.

- Aghakhani, N., & Karimi, J. (2013). Acceptance of implicit and explicit eWOM: A factor based study of social networking sites. *19th Americas Conference on Information Systems, AMCIS 2013 - Hyperconnected World: Anything, Anywhere, Anytime*, 1, 245–250.
- apjii.or.id. (2020). *Survey Pengguna Internet APJII 2020*.
- Cheung, C. M. K., & Lee, M. K. O. (2012). What drives consumers to spread electronic word of mouth in online consumer-opinion platforms. *Decision Support Systems*, 53(1), 218–225. <https://doi.org/10.1016/j.dss.2012.01.015>
- faspay.co.id. (2020). Tren Perilaku Belanja Online Konsumen Indonesia Selama Tahun 2020. *Faspay*.
- Firza Rizqulloh. (2015). Pengaruh Kualitas Pelayanan, Word Of Mouth, Dan Loyalitas Pelanggan Terhadap Niat Pembelian Kembali Pada Bukalapak.Com. *Jurnal Ilmiah Ekonomi Bisnis*, 20(2), 113–120.
- Gunawan, D. D., & Huarng, K. H. (2015). Viral effects of social network and media on consumers' purchase intention. *Journal of Business Research*, 68(11), 2237–2241. <https://doi.org/10.1016/j.jbusres.2015.06.004>
- infopublik.id. (2021, April). "Content Creator" sebagai Pilihan Karir Baru bagi Milenial. *Portal Berita Info Publik*.
- Khal, K., Bilgihan, A., Okumus, F., & Cobanoglu, C. (2013). Generation Y travelers' commitment to online social network websites. *Tourism Management*, 35, 13–22. <https://doi.org/10.1016/j.tourman.2012.05.005>
- Kompas.com. (2021a). Jumlah Pengguna Internet Indonesia 2021 Tembus 202 Juta. *Tekno.Kompas.Com*.
- Kompas.com. (2021b). Riset Ungkap Lebih dari Separuh Penduduk Indonesia "Melek" Media Sosial. *Tekno.Kompas.Com*.
- Lazarevic, V., & Lazarevic, V. (2012). Encouraging brand loyalty in fickle generation Y consumers. *Young Consumers*, 13(1), 45–61. <https://doi.org/10.1108/17473611211203939>
- Lin, X., Featherman, M., Brooks, S. L., & Hajli, N. (2019). Exploring Gender Differences in Online Consumer Purchase Decision Making: An Online Product Presentation Perspective. *Information Systems Frontiers*, 21(5), 1187–1201. <https://doi.org/10.1007/s10796-018-9831-1>
- Liu, H., Wu, L., & Li, X. R. (2018). *Social Media Envy : How Experience Sharing on Social Networking Sites Drives Millennials' Aspirational Tourism Consumption*. <https://doi.org/10.1177/0047287518761615>
- Mishra, A., Maheswarappa, S. S., Maity, M., & Samu, S. (2017). Adolescent's eWOM intentions : An investigation into the roles of peers, the Internet and gender. *Journal of Business Research*, April, 1–12. <https://doi.org/10.1016/j.jbusres.2017.04.005>
- Muda, M., Mohd, R., & Hassan, S. (2016). Online Purchase Behavior of Generation Y in Malaysia. *Procedia Economics and Finance*, 37(16), 292–298.

[https://doi.org/10.1016/s2212-5671\(16\)30127-7](https://doi.org/10.1016/s2212-5671(16)30127-7)

- Palese, B., & Usai, A. (2018). International Journal of Information Management The relative importance of service quality dimensions in E-commerce experiences. *International Journal of Information Management*, 40(August 2017), 132–140. <https://doi.org/10.1016/j.ijinfomgt.2018.02.001>
- Sa'ait, N., Kanyan, A., & Nazrin, M. F. (2016). The Effect of E-WOM on Customer Purchase Intention. *International Academic Research Journal of Social Science*, 2(1), 73–80.
- Serra Cantallops, A., & Salvi, F. (2014). New consumer behavior: A review of research on eWOM and hotels. *International Journal of Hospitality Management*, 36, 41–51. <https://doi.org/10.1016/j.ijhm.2013.08.007>
- Shantanu Prasad, Arushi Garg, S. P. (2019). Purchase decision of generation Y in an online environment. *Marketing Intelligence & Planning*. <https://doi.org/10.1108/MIP-02-2018-0070>
- Soto, P., Monila, A. F. ose, Lopez, C. C., & Colomo, N. R. (2015). The effect of information overload and disorganisation on intention to purchase online. *Online Information Review*, 38(4), 543–561.
- Vallejo, M. A., Ortega, J., Rivera, J., Comeche, M. I., & Vallejo-Slocker, L. (2015). Internet versus face-to-face group cognitive-behavioral therapy for fibromyalgia: A randomized control trial. *Journal of Psychiatric Research*, 68, 106–113. <https://doi.org/10.1016/j.jpsychires.2015.06.006>
- Yang, F. X. (2017). Effects of Restaurant Satisfaction and Knowledge Sharing Motivation on eWOM Intentions: The Moderating Role of Technology Acceptance Factors. *Journal of Hospitality and Tourism Research*, 41(1), 93–127. <https://doi.org/10.1177/1096348013515918>
- Yusuf, A. S., Razak, A., Hussin, C., Busalim, A. H., Yusuf, A. S., Razak, A., Hussin, C., & Busalim, A. H. (2018). *Influence of e-WOM engagement on consumer purchase intention in social commerce*. <https://doi.org/10.1108/JSM-01-2017-0031>
- Zhang, T. (Christina), Kandampully, J., & Bilgihan, A. (2015). Motivations for customer engagement in online co-innovation communities (OCCs): A conceptual framework. *Journal of Hospitality and Tourism Technology*, 6(3), 311–328. <https://doi.org/10.1108/JHTT-10-2014-0062>