The Influence Of Electronic Word Of Mouth On Interest In Saving With Brand Image And Brand Trust As Mediating Variables In Cycle Plus Product Customers In Bank Jatim Surabaya Main Branch

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ABSTRACT

Purpose: This paper aims to analyze the influence of electronic word of mouth against the customer's interest in saving with brand image and brand trust as mediation in customers who buy the cycle plus product in Bank Jatim Surabaya.

Design/methodology/approach: The method used is statistic-descriptive and the design used is cross sectional.

Findings: 3 out of 7 hypotheses are rejected while the other 4 is accepted.

Research limitations/implications: Variables considered in this study are electronic word of mouth, brand image, brand trust, and interest in saving. The samples are 140 respondents from Bank Jatim Surabaya that were chosen using purposive sampling.

Practical implications: Results show that from the 7 hypotheses proposed, only 3 that are rejected.

Originality/value: This paper is original.

Paper type: This paper can be categorized as a case study.

Keyword: brand image; brand trust; electronic word of mouth; saving interest

I. INTRODUCTION

With the advancement of internet technology, the spread of word of mouth is now not limited to face-to-face communication. Electronic word of mouth is more influential on consumer behavior. eWOM becomes a "venue" or a place that is very important for consumers to give opinions and is considered more effective than WOM because of the level of accessibility and wider reach than traditional WOMs that have offline means (Jalilvand and Samiei, 2012). This new form of word of mouth has become an important factor in shaping consumer behavior. With the recommendation or review given by other consumers, for example in a sharing review platform or community which can influence consumer buying interest (Chu and Kim, 2011).

Currently competition in the banking world continues to increase. Specifically, competition in seizing priority customers. Banks are competing to

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target this segment, because customers of this type are usually deep pockets. Banks are willing to provide special services to them, even provided by a special office with facilities that are certainly far different from ordinary customers. To be a priority customer, of course, not arbitrary. There are some specific criteria that must be met, especially those who must at least have a minimum savings of at least 500 million rupiah. Therefore, banking competition in seizing the criteria of priority customers has become very tight in recent years. Because they have the potential to save very large funds in the bank.

Business competition by prioritizing factors such as brand image, electronic word of mouth, and brand trust also occurs in banking products, especially concerning banking products for priority customers. Because priority products are segmented for customers who have adequate financial capacity and the number is relatively large in big cities like Surabaya. Customers who are the target market for priority banking products are those who have put forward the image. Based on the above motives, this study focuses on examining Bank Jatim, as one of the banks that have Cycle Plus priority products, to know the effects of brand image, brand trust and word of mouth on the interest of saving priority customers.

A. Previous Study

Jalilvand and Samiei (2012) examine the effect of eWOM on brand image and purchase intention. The study was conducted on 341 Iranian consumers at Iran's Khodro agency. The analysis technique used is Structural Equation Modeling (SEM). The results showed that eWOM had a significant positive effect on brand image and purchase intention. Brand image also has a positive effect on purchase intention.

Other prior research conducted by Anggitasari and Wijaya (2016) examine the influence of eWOM, brand image, and brand trust and their impact on buying interest. The research respondents were 180 Iphone consumers in Yogyakarta. The analysis technique used is SEM (Structural Equation Modeling). The analysis shows that eWOM has a positive effect on brand image, eWOM has a positive effect on brand trust, brand image has a positive effect on buying interest, brand trust has a positive effect on buying interest, eWOM has a positive effect on buying interest, eWOM has a positive effect on buying interest mediated by brand image, and eWOM have a positive effect on buying interest mediated by brand trust.

B. Hypothesis

H1: Electronic Word of Mouth has a positive effect on Brand Image
H2: Electronic Word of Mouth has a positive effect on Brand Trust
H3: Brand image has a positive effect on buying interest
H4: Brand trust has a positive effect on buying interest
H5: Electronic word of mouth has a positive effect on buying interest

H6: Electronic word of mouth has a positive effect on buying interest through brand
   image
H7: Electronic word of mouth has a positive effect on buying interest through brand
   trust

II. METHODOLOGY

Type of research

The research design used is a cross sectional study, the type of research design in the form of data collection from a particular sample that is only done once. The method used in this study is a quantitative method, which will be examined about the influence between variables using statistical methods. This study is a non-experimental study where the variables studied were not manipulated and controlled by the researcher because the manifestations were already in progress (Kerlinger and Lee, 2000).

Population and Sample

The population in this study is the Bank Jatim Cycle Plus service customers in Surabaya, which currently has a total of 3,568 customers. The sample in this study was a portion of Bank Jatim Cycle Plus service customers located in Surabaya. The technique of determining the minimum sample refers to Hair et al. (2014: 89) about the minimum sample in a multivariate analysis, which used 5 times the number of parameters (indicators), resulting in the 140 respondents obtained (5 x 28 indicators). The sampling technique used in this study is based on the non-probability sampling method, which is a sampling technique that does not provide the same opportunity for each element or population member to be selected as a sample, as a result, this research used a purposive sampling approach.

Data collection was carried out with a research tool in the form of a questionnaire consisting of appropriate questions to measure the research variables that refer to the conceptual framework. The scale value shows the level of agreement and disagreement of respondents to the questions asked. Each variable was measured using Likert scale of 5 in which each number/scale indicates:
1 = Strongly Disagree
2 = Disagree
3 = Quite Agree
4 = Agree
5 = Strongly Agree

Operational Definition of Research variable

X   : Electronic word of mouth (X) variable, which is a positive or negative statement made by potential customers, real consumers, or former consumers about a product or company that can be accessed by many people or institutions through electronic media or the internet. Electronic word mouth indicator adapted from Sari (2012).

Z1   : Brand image variable (Z1), is a description of the extrinsic nature of a product or service, including the way a brand seeks to meet the customer's psychological or social needs. The brand image indicator was adapted from Bastian (2014).

Z2   : Brand trust variable (Z2), which is a brand value that can be created through several aspects that can lead to customer satisfaction, where each individual in consumers connects brand trust with experience on the brand. The brand trust indicator was adapted from Ika and Kustini (2011).

Y   : Variable interest in saving (Y) is the intention that arises from the learning process and solving problems in potential savings customers in determining the decision to choose or use banking services. The indicator of saving interest was adapted from Jalilvand and Samiei (2012)

Data Analysis Method

The analysis technique used is Partial Least Square (PLS), which is a component based predictive model with a variance based or component based approach. Component based models are often called soft modeling, where the data to be analyzed does not have to meet ideal criteria, which are not based on the assumptions of measurement scale, data distribution and number of samples. This means that in the PLS analysis it is not necessary to meet the assumption of a large sample size, the data must be normally distributed multivariate, the indicator must be reflective, and must meet the conditions of determinacy. PLS analysis can avoid two serious problems, namely inadmissible solution and indeterminacy factor (Ghozali, 2018: 4).

Measurement Model or Outer Model

The measurement model is evaluated through convergent validity and discredited validity to test the validity of the indicators. Convergent validity is assessed based on the correlation between item score / component score and construct score. Indicators are said to be good if correlated with or more than 0.7 with the construct to be measured (Ghozali, 2018: 24). Discriminant validity of indicators is assessed based on crossloading measurements with constructs.

Structural Model or Inner Model

The structural model is evaluated using R-Square for the dependent construct, and t test and the significance of the coefficient of structural path parameters (Ghozali, 2018: 26). Changes in the value of R-Squares are used to assess the effect of certain independent latent variables on the dependent latent

variable whether it has a substantive effect. Hypothesis testing is done by comparing the statistical t value with the t table value.
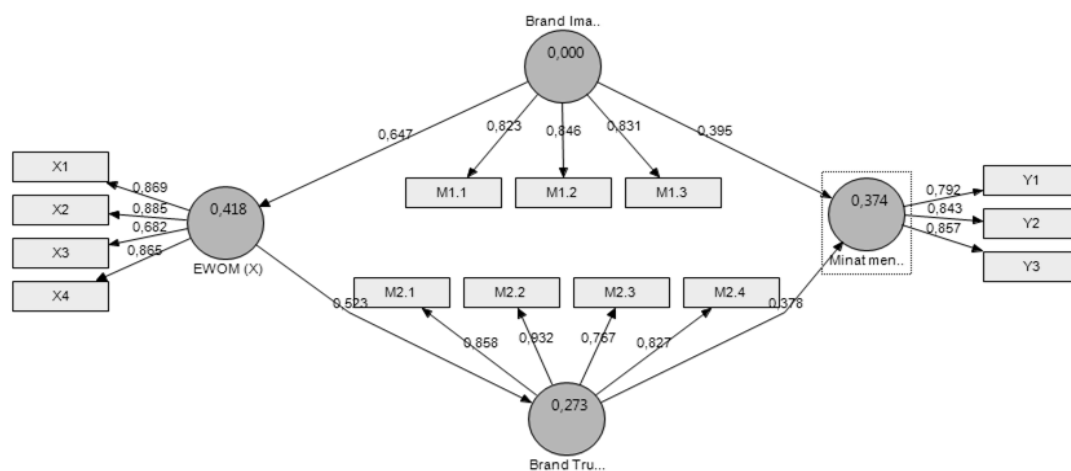
III.   RESULTS AND DISCUSSION

Partial Least Square

Reliability and Validity Test

Convergent Validity Test

Validity test is done by using evaluation measurement (outer) model that is by using convergent validity the amount of loading factor for each> 0.50 towards the intended variable.

Figure 1. Outer Model

Source : PLS

Table 1 Measurement with AVE criteria

	AVE
Brand Image (M1)	0.695
Brand Trust (M2)	0.718
EWOM (X)	0.686
Interest in Saving (Y)	0.690

Source : PLS

Reliability Test using Composite Reliability

To determine composite reliability, if the composite reliability value> 0.8 can be said that the construct has high reliability or> 0.6 is said to be quite reliable. The reliability test results with composite reliability are as follows:

Table 2. Measurement with composite reliability

	Composite Reliability
M1	0.872
M2	0.910
X	0.896
Y	0.870

Source : PLS

Reliability Test using Cronbach Alpha

In PLS, the reliability test is strengthened by the existence of Cronbach alpha where the consistency of each answer is tested. Cronbach alpha is said to be good if $\alpha \geq 0,6$ and said to be sufficient if $\alpha \geq 0,3$. The Cronbach alpha measurements are as follows:

Table 3. Cronbach Alpha measurement

	Cronbachs Alpha
M1	0.782
M2	0.867
X	0.844
Y	0.776

Inner Model

The value of R-square >0 shows model has predictive relevance, however, if it shows ≤0 then it means that the model does not have enough predictive relevance. Below is th table for the inner model using PLS.

Table 4. R Square

	R Square	Adjusted R Square
Y	0.416	0.443

From the R Square table above, the R Square value is 0.416. The R Square results can be explained that the influence of the EWOM (X), brand image (M1), and brand trust (M2) variables give a value of 0.273 which can be interpreted that the dependent latent variable can be explained by the independent latent variable by 41.6%, while 58.4 % is explained by other variables outside the study. In this study, the Adjusted R Square value was 0.443 or 44.3%. So it can be concluded that 55.7% of the variation that occurs in the Y variable can be explained by the independent latent variable, while the rest can be explained by other variables.
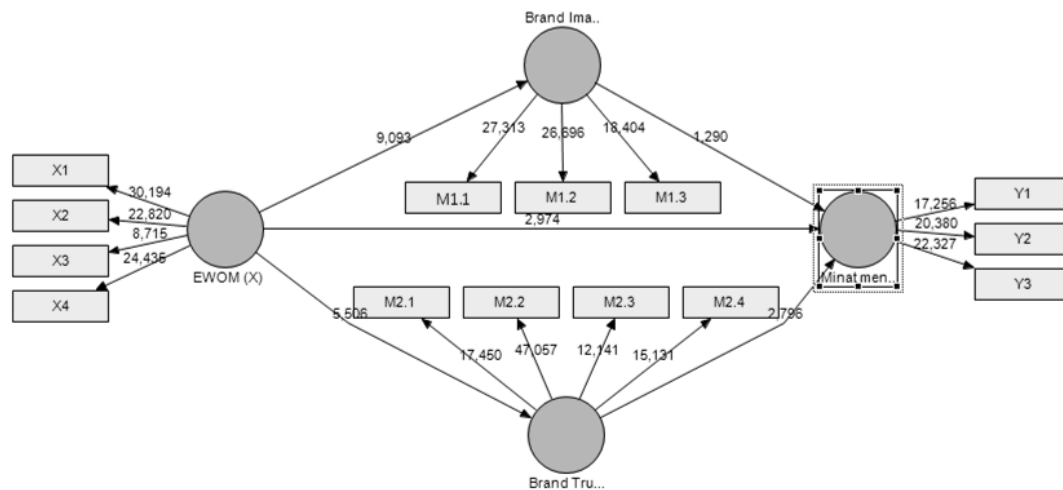
Bootstrapping

Figure 2. Bootsrapping PLS

Hypotheses Testings

The significance level (α) of 5% is included in the criteria for hypthosesis. The conditions are: (1) if the value of t count > t table (1.96), then the hypothesis will be accepted; and (2) if the value of t count < t table (1.96), the hypothesis will be rejected. See below for the tests.

Hypotheses	Variables	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	Statistics (|O/STERR|)
H1	X → M1	0.645	0.649	0.070	0.070	9.093
H2	X2 → M2	0.523	0.537	0.095	0.095	5.505
H3	M1 → Y	0.170	0.178	0.132	0.132	1.289
H4	M2 → Y	0.229	0.241	0.082	0.082	2.795
H5	X → Y	0.398	0.382	0.134	0.134	2.973
H6	X*M1→ Y	-2.860	-2.6742	0.6203	0.620	4.607
H7	X*M2 → Y	-3.630	-3.021	0.915	0.915	3.964

Source: PLS

1. The T-statistic of H1 is higher than the t-table (1.96), which means H1 is accepted.
2. The statistics of H2 is lower than the t-table (5% = 1.96). Therefore, H2 is accepted.
3. The statistics of H3 are both lower than the criteria, thus, H3 is rejected.

4. The T-statistics of H4 is lower than the t-table, thus, H4 is rejected.
5. The T-statistics of H5 is higher than the t-table, H5 is rejected.
6. The T-statistics of H6 is higher than t-table, thus, H6 is accepted.
7. The T-statistics of H7 is higher than t-table, thus, H7 is accepted.

IV. CONCLUSION

From the statistics, it could be concluded that:

1. EWOM has a positive influence on Brand Image.
2. A positive EWOM has a positive influence on Brand Trust.
3. The brand image of Bank Jatim products has not affected customers' interest in saving.
4. Good brand trust in products affects consumer buying interest.
5. EWOM at Bank Jatim has not influenced the interests of customers to save.
6. If a positive brand image is remembered more often by consumers, this brand can become less influential by negative word of mouth.
7. EWOM is an effort to build trust in the brand. EWOM has a role in determining brand trust.

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