The Effect of Word of Mouth on Purchase Intention

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Abstract. Public talk about the educational product or service that is being communicated is very important. If the educational product or service produced is good, the sense of trust will increase and make purchase intention very significant. This study aims to inspect the effect of this word-of-mouth (WOM) on purchase intention, which was conducted by MI Roudhotul Ilmi as an educational service provider, and to clarify the hypothesis that there was a positive connection between WOM and purchase intention. The research methods used were quantitative, and the data were analyzed using simple linear regression. The sampling technique used was random sampling with a directed sampling as the sampling technique. The sample size was 100 people who lived in Cimahi and have never sent their children to MI Roudhotul Ilmi. The results of this study showed that WOM had a partial or simultaneous positive and significant impact on consumer purchase intentions for MI Roudhotul Ilmi Education services.

Keywords: Purchase Intention · Word of Mouth

1 Introduction

Word-of-mouth (WOM) is one of the main strategies of marketing schools, in which based on its term, WOM is communication in the form of discussions and testimonials from people talking about products and services [1]. From this understanding, it can be interpreted that public conversation about the product or service that is being communicated is very important. If the product or service produced is good, then the sense of trust increases and makes the purchase intention very significant. This is in line with the idea from [2] which states that the WOM variable affected consumer purchase intention, where purchase intention could arise due to word of mouth as measured by reference group indicators (family, close friends, and acquaintances).

It is known that there is an issue of lack of interest among parents in sending their children to MI Roudhotul Ilmi due to the lack of school promotions that are disseminated only through leaflets. In addition, the trust of parents in public schools is still high, so the issue of whether private Islamic schools are good is still low. The existence of a very rapid technological development is used by certain layers of society to create new technological innovations, especially in the field of promotion [3]. In addition to promotion through social media, promotion can be done through communication, namely word of mouth.

This research is strengthened by previous research written by Agnelia and Wardhana, which examined the influence of WOM on purchase intention in the Travel Pool service business in Buah Batu. From the results of the coefficient of determination, it was found that the enormity of the influence of the word-of-mouth variable (X) on purchase intention (Y) was 32.9%. The remaining 67.1% were affected by other factors that were not examined in the study. The research written by Agnelia and Wardhana is subject to the travel service business, when viewed in more detail, schools are also service businesses, only in the field of education, and this can use the variables used by previous studies. The difference is that the subject chosen in this study is the elementary school-based education service, while the research written by Agnelia is based on the travel service business.

The aim of this study is to investigate how the WOM variable affects the purchase intention of potential consumers of the MI Roudhotul Ilmi school. Referring to [4], it was stated that WOM is a powerful marketing tool and it is also one of the most effective sales drivers. According to previous studies, WOM was seen as more reliable and trustworthy information than the advertisements and messages generated by marketers [5, 6]. For this reason, this research tried to focus on word-of-mouth (WOM) that can influence purchase intention in the context of parents who decide to send their children to MI Roudhotul Ilmi.

1.1 Literature Review

WOM (Word of Mouth)
WOM is one part of the promotion. According to WOMMA (Word of mouth Marketing Association) [7], word of mouth is a marketing activity that encourages buyers to talk about, promote, offer, and sell your product or service to others.

According to [8], word of mouth is an action where the company provides interesting comments so that people talk about the products it sells, and makes it easier for the conversation to take place. Word of mouth can be done intentionally or unintentionally.

Related research shows that WOM functionality effectively pushes more consumers to distribute their opinion about services and product. This information is considered more objective and trustworthy than the propaganda provided by marketers [9–11].

Word of Mouth Indicator
The indicators of word of mouth [12] are:

1 Interaction
2 Continuous effect
3 Dissemination of knowledge
4 Cause and effect

Purchase Intention
Mowen [13] argues that "Purchase intention is produced from the learning and thinking processes that shape perceptions". This purchase intention creates a memorable motivation for the consumer and ultimately becomes a very strong desire when the consumer meets their needs.

Purchase Intention Indicator

Purchase intention indicators are described in the consumer reaction micromodel components [14], including:

1 Consciousness
2 Science
3 Likes
4 Preferences
5 Belief
6 Purpose to Purchase.

1.2 Framework of Thinking

The Effect of WOM on Purchase Intention

According to [2], it was pointed out that WOM variables affected consumers' purchase intention, where purchase intention may be caused by word-of-mouth measured by reference group indicators (family, close friends, and acquaintances).

On the other side, consumers can discuss WOM with other consumers who have similar interests. This will change or reinforce consumers' attitudes towards the brand/product during conversations and help consumers decide whether to buy or decline the brand/product [15]. Positive word of mouth can increase consumer confidence, help shape positive expectations about product quality, and reduce perceived uncertainty, all of which lead to greater purchase intentions [16].

Negative word of mouth will decrease consumers' interest in brands/products and scare consumers with possible losses [17], which in turn reduces purchase intentions. Besides that, some scholars have noticed that negative WOM got a positive impact on purchase intention by increasing brand/product awareness [18] or providing various information when WOM spreads are high [19].

2 Method

This research used a quantitative method. The population was taken from all parents of students in Cimahi, and the sample acquired was 100 people. The sampling technique used was random sampling, with intentional sampling as the sampling technique. Primary data were collected through an online questionnaire. In addition, secondary data were collected from books, literature, journals, e-books, and other sources. The respondents were the parents of RA Roudhotul Ilmi and other kindergartens in Cimahi and Bandung. The data collection technique used was distributed through social media Whatsapp, then the sampling technique was based on opportunity [20].

3   Result and Discussion

Results of the validity test shown in Table 1.

Based on the results of the validity test above, it can be seen that all indicators have R. Count greater than R. Table so that it can be declared valid.

The results of the reliability test shown in Table 2.

Based on the results of the reliability test, it was obtained Cronbach's alpha (α) 0.928 > 0.60, so it can be said that the data is reliable.

3.1   Discussion

Description of Research Result
Simple Linier Regression Test
The result of simple linear regression test shown in Table 3.

Based on the results of simple linear regression analysis, the regression equation model can be obtained as follows:

$Y = 10{,}269 + 0{,}784X$.

Table 1. Validity Test.

Variable	Indicator	R. Count	R. Table	Statistics test
WOM (Word of Mouth) (X)	X1	721	0.195	VALID
	X2	837	0.195	VALID
	X3	738	0.195	VALID
	X4	845	0.195	VALID
	X5	834	0.195	VALID
Purchasing Intention (Y)	Y1	785	0.195	VALID
	Y2	820	0.195	VALID
	Y3	881	0.195	VALID
	Y4	886	0.195	VALID
	Y5	857	0.195	VALID
	Y6	824	0.195	VALID

Table 2. Reliability Test.

Reliability Statistics	
Cronbach's Alpha	N of Items
,928	11

Table 3. Simple Linear Regression Test.

Coefficients						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	10,269	1,365		7.525	,000
	Word of Mouth	,784	,061	,792	12,863	,000
a. Dependent Variable: Purchase Intention						

1 Constant of 10,269 states that when the WOM (Word of Mouth) variable is 0 then purchase intention is 0.784 units.
2 The regression coefficient for WOM (Word of Mouth) is 0.784, meaning that when WOM (Word of Mouth) increases by one unit, purchase intention increases by 0.784 units.
3 With a p value = 0.000 then all the effects between these variables are statistically significant.

Hypothesis Testing
Result of hypothesis testing shown in Table 4.

Hypothesis testing was performed using the t-test method from the results of simple linear regression analysis with the values of degrees of freedom (df) $= 100 - 2 = 98$ and the values of the t-count are in the t-table. If the t-count is greater than the t-table, H0 is eliminated and Ha is accepted. A simple linear regression analysis shows a value of t-count $12,863 >$ t-table 1.98447 and a significance value of $0.000 <$ probability value of 0.05. Of these results, H0 is rejected and Ha is accepted. In this study, it can be concluded that WOM has a significantly positive effect on purchase intention.

The result of ANOVA test shown in Table 5.

The Table 5 shows that the F-count value is 174.360. This is greater than the F-table with a value of 3.09 ($165,457 > 3.09$), indicating a significance value of 0.000 for Model 1 and less than 0.05. From this, it can be concluded that H0 is rejected and H1 is

Table 4. Hypothesis Testing.

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	Word of Mouth	,784	,061	,792	12,863	,000
a. Dependent Variable: Purchase Intention						

Table 5. ANOVA.

ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	432,707	1	432,707	165,457	,000b
	Residual	256,293	98	2,615		
	Total	689,000	99			
a. Dependent Variable: Purchase Intention						
b. Predictors: (Constant), Word of Mouth						

accepted. If F-count > F-table, this means that purchase intention at MI Roudhotul Ilmi had a significant impact from WOM (word of mouth) media.

Coefficient of Determination
Coefficient of determination shown in Table 6.

The coefficient of determination is used to determine the degree of effect of the independent variable on the dependent variable [21]. The R Square value of 0.628 indicates that the effect of WOM on purchase intention is 62.8%, and the rest are affected by different variables outside this research model.

Discussion
The results showed that WOM had a significant positive effect on the purchase intention of prospective MI Roudhotul Ilmi students. This fact means that the better the WOM, the higher the possibility for consumers to enroll at the MI Roudhotul Ilmi school. This is in line with research [5] and [22] which state that WOM had a positive effect on purchase intention.

From the results of the coefficient of determination, the R Square value of 0.628 means that the influence of the WOM (Word of Mouth) variable on purchase intention was 62.8% and the rest were affected by different variables outside this research model. These different variables can be perceived product, perceived location, website quality, expected price, etc.

The above positive results contradict the findings in [23] that e-WOM, the WOM of the online world, negatively affected purchase intentions. The regression produces showed that e-WOM (-0.009) had a negative impact on purchase intention, while price

Table 6. Coefficient of Determination.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,792a	,628	,624	1,617
a. Predictors: (Constant), Word of Mouth				

(0.295) had a positive impact on purchase intention. The t-test showed that the e-WOM score (0.923) did not have a large impact on purchase intention, while price (0.001) did have a large effect on purchase intention.

4   Conclusion

The results of the research revealed that the effect of WOM variable on purchase intention was 62.9%, and the rest was affected by different variables outside this research model, such as perceived product, perceived location, preferred price, etc.

In conclusion, there was a positive effect of WOM on consumer purchase intention, implying that customer preference depends on effective school planning, implementation, and image control.

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