





The Effect of Acceptance Electronic Word-of-Mouth Information on Intention to Purchase Local Skincare: A Gender Perspective

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Abstract. The beauty industry in Indonesia is flourishing, especially in the cosmetics and skincare categories. The main reason for this flourishing industry is the generational shift with young consumers entering the market. Also, it is supported by social media platforms that introduce a new issue, i.e. electronic word of mouth (e-WOM). Electronic word of mouth is a strategic form of marketing communication that can help businesses increase their intention to purchase products. This study aims to examine the effect of acceptance of electronic word-of-mouth information on intention to purchase skincare products on social media with the brand awareness variable as the mediator. Furthermore, we applied the adoption model from the previous study, the perspective of gender differences as a moderator. The research method used in this study is a quantitative method with partial least square structural equation modeling (PLS-SEM) analysis techniques. We distributed a questionnaire via Google form to 400 respondents in Indonesia who are following the skincare account on social media. We found that electronic word-of-mouth information through brand awareness positively and significantly affects purchase intention. In addition, from the gender perspective, there is no effect between males and females of acceptance of electronic word-of-mouth information on purchase intention skincare products in social media. This study is unique in understanding the behavior of males and females regarding online e-WOM on intention to purchase the products.

Keywords: Electronic Word-of-Mouth (e-WOM), Brand Awareness, Purchase Intention, Gender.

1 Introduction

Nowadays, cosmetics have become a necessity for everyone. It can be seen from the growth of the beauty industry every year. These beauty products are not just makeup products but include skincare, body care, and hair care [13]. Based on the Statista report, the beauty market in Indonesia is expected to grow annually by 4.59% (from 2023 to 2028) [26]. In 2022, this market will already account for 15.8% of the total revenue generated from online sales. The high income from this market is due to changes in people's lifestyles who are aware of how important it is to maintain healthy skin. There

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are three fundamental factors that have the potential to encourage the growth of the beauty industry in Indonesia. First is a large young population, then good economic growth and a big contribution of social media such as Facebook, Instagram, Twitter, or even online application in line with the development of technology [22].

In the past, skincare was considered only a need for females, but now it has become a basic need for males. Various terms on social media are starting to appear, such as "gender neutral", "genderless beauty", also the hashtag #BeautyHasNoGender. Based on a survey conducted by Jakpat with the theme "Beauty Trends 2022", 64% of male respondents claimed that they use skincare products [2]. The results of a survey from Populix entitled "Unveiling Indonesian Beauty & Dietary Lifestyle" stated that out of 500 respondents, 54% chose local brands over international brands. Many local skincare brands create products to achieve the skin needs of Indonesian people. The brands include Somethinc, Scarlett, Ms. Glow, Avoskin, Whitelab, Azarine, Wardah, Erha, and Emina [8].

Avoskin is the main focus of this research because they have a green and clean beauty concept, was the first brand to appear in the local skincare category in 2014, and also received a lot of awards from Female Daily (a media platform related to beauty). In 2019, they won best face serum/essence and exfoliating toner. In 2020, they won best in local skincare. Nevertheless, in 2021 and 2022, the award was won by other competitors. Fig 1. shows that in 2021 and 2022, Avoskin's sales are in fourth place by other competitors. This data is considered an important tool used to measure consumer buying interest. In other words, consumer buying interest in Avoskin products is still not as optimal as other competitors like Somethinc.

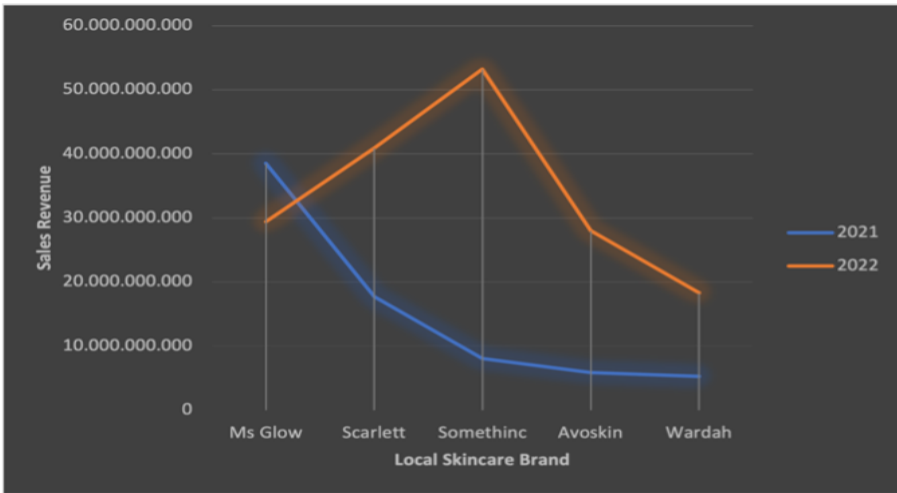


Fig. 1. Best Selling Local Skincare in 2021 and 2022

Furthermore, we did a pre-questionnaire of 30 active users on social media to see the condition of consumer buying interest in Avoskin products. Respondents were given some information related to the product on social media. The results showed that 13 out of 30 people were not interested in buying the product. Based on the 2023 omnichannel digital consumption report, 59% of the population said that before purchasing a product, they actively look for information related to product reviews via smartphone. The information most sought by the public is product information, testimonials from other buyers, and prices [1]. Based on the data, we can see how important the social media factor is in running an online business. As technology and information develop, products become increasingly diverse and competition between companies emerges. Companies are required to continue to innovate in their business. One action that companies can take to attract attention and increase consumer buying interest is creating electronic word-of-mouth (e-WOM). In addition, companies need to convince consumers to know more about the brands and products they offer [5]. When people share their experiences via social media, people who receive the information will become more knowledgeable and aware of the brand. If the information received is positive, it will increase consumers' buying interest in the product. Whereas, if the information received is negative, consumers will lose interest in buying the product. Therefore, companies need to ensure that consumers receive positive information as the main consideration when buying their products.

We adopted several previous studies which were adapted to existing phenomena and problems. Previous studies stated that e-WOM significantly directly affects purchase intentions [11,18]. Electronic word-of-mouth also significantly affects brand awareness [15]. Brand awareness also significantly affects purchase intentions [12,17]. Furthermore, e-WOM significantly indirectly affects purchase intention with brand awareness as a mediating variable [23]. Other research states that gender perspective as a moderator variable can influence the acceptance of e-WOM information on purchase intention [25]. Gender is a factor that must be considered in developing online marketing strategies because of differences in the use of opinions from males and females [6].

This research has two main objectives. The first is to examine the effect of e-WOM acceptance on purchase intention with brand awareness as a mediating variable and to determine whether there is a moderating influence of the gender variable. We did this research because the cosmetic industry in Indonesia has great potential to continue to grow, and not many studies have discussed the effect of brand awareness as a mediating variable and gender as a moderator in accepting e-WOM information on the purchase intention of the products on social media.

2 Hypotheses Background

2.1 Electronic Word-of-Mouth and Brand Awareness

E-WOM significantly affects brand awareness [24]. The results explain that accurate, informative, and reliable e-WOM on social media can make consumers and potential consumers remember and recognize the brand. Other research from [15] also proves that e-WOM significantly affects brand awareness. When other people share positive

reviews about a brand or product through an e-WOM platform, this increases brand awareness. Consumers who have received this positive information from e-WOM may become more knowledgeable about the brand and products.

H1: Electronic word-of-mouth significantly affects brand awareness.

2.2 Brand Awareness and Purchase Intention

The higher the brand awareness, the higher the consumer's buying interest [10]. Another study from [12,17] states that brand awareness significantly affects purchase intention. Brand awareness can influence purchase intention because consumers tend to choose products or services from brands they know or trust. If consumers are aware of a brand, they will most likely be interested in buying the product.

H2: Brand awareness significantly affects purchase intention.

2.3 Electronic Word-of-Mouth and Purchase Intention

Previous research stated that e-WOM significantly affects the intention to buy a product [3,11,15]. When people share their positive experiences with products or brands on social media, it can increase consumer buying interest. In fact, consumers trust peer reviews more than advertised products.

H3: Electronic word-of-mouth significantly affects purchase intention.

2.4 Electronic Word-of-Mouth, Brand Awareness and Purchase Intention

Previous research found that e-WOM influences buying interest through brand awareness by 35%. However, the contribution of e-WOM influence is higher on buying interest by 32.3% [23]. Consumers are aware of a brand when they get a lot of positive exposure, one of which is through information shared by other people. Furthermore, information sources from e-WOM are believed to have the most influence compared to other information sources. When brand awareness increases, it will increase the probability of consumers buying the product.

H4: Electronic word-of-mouth significantly affects purchase intention through brand awareness.

2.5 Gender as a Moderator Variable

Fig 2. shows that Males and females have different preferences when searching for information online. Male tends to think that these activities provide a pleasant experience, while female thinks that activities such as chat rooms can create better personal relationships and thus become more valuable [7]. Hence, when accepting e-WOM

information, women tend to place more importance on this type of information than men. It is also stated that there are significant differences from a gender perspective in the acceptance of e-WOM information on purchase intention [25].

H5: Gender has a moderating effect on electronic word-of-mouth and purchase intention.

Based on the explanation of the phenomenon, theory, and previous research that supports it, the research model used is:

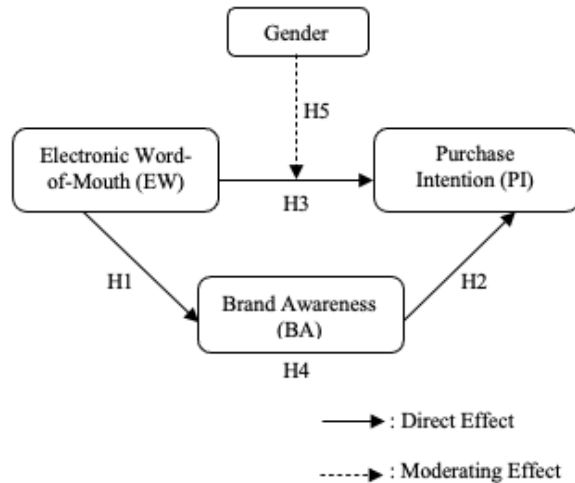


Fig. 2. Research Framework

3 Methodology

This research uses journal literature by adapting two frameworks of [23,25]. We use a structural equation model (SEM) to calculate the measurement structure of the variables and the relationships between them. In order to estimate the model, we performed latent variable regression analysis using the Partial Least Squares (PLS) technique, using Smart PLS 4 software [26]. There are three fundamental assessment criteria needed in evaluating a reflective measurement model. These three assessments include internal consistency reliability, convergent validity, and discriminant validity [16].

Questionnaires were distributed using a Likert scale of 1 (strongly disagree) to 5 (strongly agree). The total number of items used for the electronic word-of-mouth construct, brand awareness, and purchase intention is 23 items [23]. In addition, gender as a moderator variable uses a nominal scale.

Respondents in this study were active users of social media in Indonesia with additional criteria, namely men and women aged 18 to 34 years who like to seek information about beauty products. The data collection method chosen was an online survey

because this is an information collection tool that has been validated in other studies for this type of research. 400 respondents were collected and declared valid for further analysis. About 59.6% are women and 40.4% are men. In terms of education, 47.2% of them are students and 35.6% are employees.

4 Results and Discussion

In this study, construct validity consists of convergent validity and discriminant validity. Construct validity proves how well the results obtained from using the measure correspond to the theory on which the test was designed, which is assessed through convergent and discriminant validity [19]. There are several factors that we must consider in evaluating the convergent validity of reflective constructs, including factor loadings, composite reliability (CR), and average variance extracted (AVE) [9].

Table 1. The Convergent Validity and Reliability Results

Constructs	Items	Loading	CR	AVE	Cronbach's Alpha
EW	EW1	0.774	0.886	0.660	0.829
	EW7	0.803			
	EW8	0.828			
	EW9	0.843			
BA	BA4	0.883	0.919	0.792	0.869
	BA5	0.910			
	BA6	0.877			
	PI2	0.781			
PI	PI3	0.778	0.897	0.593	0.862
	PI4	0.783			
	PI5	0.817			
	PI6	0.744			
	PI7	0.711			

The results of convergent validity can be seen in Table I. The loading of all items exceeds the recommended value of 0.5. The CR value exceeds the best value of 0.708, and the AVE value exceeds the recommended value of 0.5. However, before getting the results of Table I, there were ten items whose values were below the recommended value, so we deleted these items. The items are from EW2, EW3, EW4, EW5, EW6, BA1, BA2, BA3, PI1 and PI8.

Table 2. The Discriminant Validity Results

	BA	EW	PI
BA	0.890		
EW	0.522	0.813	
PI	0.756	0.697	0.770

Furthermore, we will test the discriminant validity, we can compare the average extracted variance (AVE) of each construct with all the main diagonal AVE values that exceed the squared correlation. The matrix in Table II shows that each variable is more closely related to its items than to the items in the other variables. This can be seen from the value below the diagonal being smaller than the AVE [9] value. In other words, the results of this test are reliable. It also be seen from the Cronbach's alpha value which is above 0.90, so it can be concluded that this is a satisfactory measurement for [9].

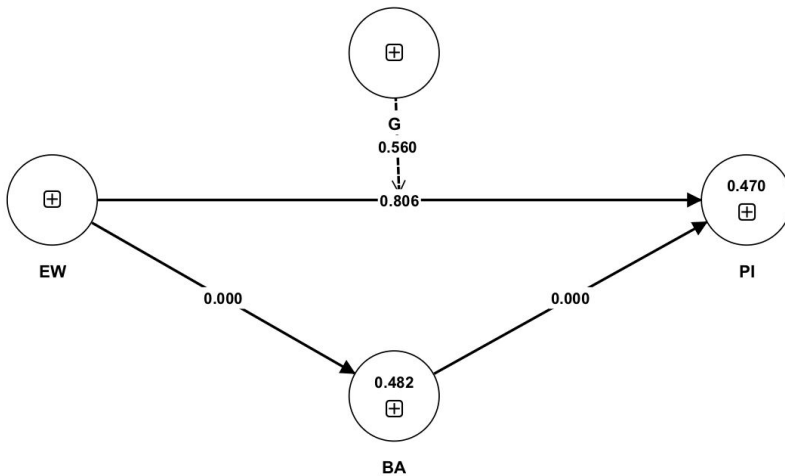


Fig. 3. Beta Values and R-Squared Values of PLS Path Diagram

Analysis of variance or determination test is an analysis technique that aims to determine the magnitude of the influence of the independent variable on the dependent variable. Fig 3. shows that brand awareness (BA) is influenced by e-WOM (EW) by 48.2%, while the remaining 51.8% is influenced by other variables outside the variables in this research. Furthermore, the purchase intention (PI) is influenced by e-WOM (EW) and brand awareness (BA) by 47%, while the remaining 53% is influenced by other variables outside the variables in this research.

Table 3. The Path Coefficients and Hypothesis Testing Results

Hypothesis	Relationship	Coefficient	t-value	p-value	Result
H1	EW → BA	0.522	12.732	0.000	Accepted
H2	BA → PI	0.535	15.154	0.000	Accepted
H3	EW → PI	0.407	8.229	0.000	Accepted
H4	EW → BA → PI	0.280	10.586	0.000	Accepted
H5	Gender*EW → PI	0.021	0.368	0.713	Not Accepted

4.1 Electronic Word-of-Mouth and Brand Awareness

Table 3 shows that the e-WOM variable has a positive and significant relationship to brand awareness. This is following the proposed hypothesis, and thus the H1 hypothesis in this study is accepted. These results are similar with the previous research, which found that e-WOM had a positive and significant effect on brand awareness [15]. These results indicate that the more information or opinions about a product spread through online media, the higher the brand awareness owned by customers. Brands can become popular topics of conversation, and people who previously didn't know about them can start to get to know them. In other words, increasing e-WOM can increase brand awareness [15]. It is possible because the information spread will cause customers to be familiar with the brand in question, which in turn will make the brand more known. E-WOM also has a best impact in building and maintaining brand awareness because it is based on consumers' experiences. This allows the brand to be recalled.

4.2 Brand Awareness and Purchase Intention

Table 3 shows that brand awareness positively and significantly relates to purchase intention. It follows the proposed hypothesis, and thus the H2 hypothesis in this study is accepted. These results are the same as the previous research, which states that brand awareness significantly affects purchase intention [12,17]. These results indicate that the higher of awareness level of a brand, the higher their interest in buying. Consumers tend to underestimate new products. Therefore, before making a purchase, wise consumers will always look for information about the brand and product they want. Consumers will tend to buy products from brands they know well [20]. High awareness of a brand can create a greater sense of trust in that brand, which can ultimately increase purchasing interest.

4.3 Electronic Word-of-Mouth and Purchase Intention

Table 3 shows that the e-WOM positively and significantly relationship to purchase intention. This is following the proposed hypothesis, and thus the H3 hypothesis in this study is accepted. These results are the same as previous research, which found that e-WOM had a positive and significant effect on purchase intention [3,18,21]. These

results indicate that the more information or reviews about a product spread through online media, the higher the consumer's interest in buying the product. People search for and utilize existing e-WOM information to reduce their worries before making a purchase [14]. Someone will be more interested in buying a product after seeing positive e-WOM information circulating on social networks. They tend to believe e-WOM information that comes from people who have previously purchased the product. If positive reviews spread quickly on an e-WOM platform, this can significantly increase consumers purchasing interest. Whereas, if e-WOM contains negative reviews or bad comments, consumers will avoid products or brands that have a bad reputation on the e-WOM platform.

4.4 Electronic Word-of-Mouth, Brand Awareness and Purchase Intention

Table 3 shows that brand awareness mediates the influence of e-WOM on purchase intention. This is following the proposed hypothesis, and thus the H4 hypothesis in this study is accepted. These results are the same as previous research, which stated that e-WOM significantly indirectly affects purchase intention through brand awareness. The same thing also happened in previous tests which stated that e-WOM directly influenced purchase intentions. It means that e-WOM positively and significantly affects purchase intention with or without a mediating role of brand awareness.

4.5 Gender as a Moderator Variable

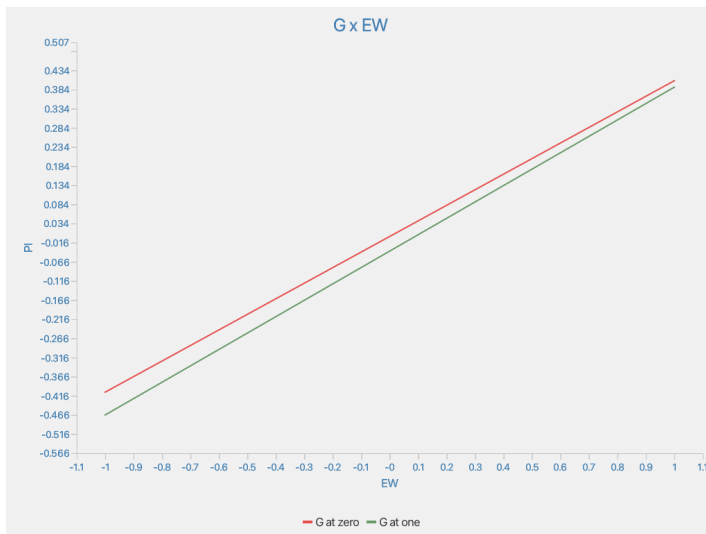


Fig. 4. Moderating Effect of Gender between Electronic Word-of-Mouth and Purchase Intention

Table 3 and Figure 4 show that gender as a moderator variable not significantly difference in the effect of receiving e-WOM information on buying interest in skincare products. These results do not support the proposed hypothesis, so the H5 hypothesis in this

study is not accepted. Skincare in ancient times was often associated with a need for women only, and now it is starting to shift and be recognized as a basic need for men. A survey issued by Jakpat on "Beauty Trends 2022" revealed that 64 percent of male respondents admitted that they used skincare products [2]. In 2022, serum products managed to become the second most used skincare product by male respondents in Indonesia [2]. In addition, Cosmetic Design Europe stated that demand for unisex cosmetic products is increasing. Products that can be used by females and males are called gender-neutral skincare. For cosmetic companies, the gender-neutral skincare trend certainly provides new opportunities for innovation. When consumers need skincare products, they will search the information on social media. Why? because social media is a strategy for marketing their products. When someone shares information about a product on social media, other people will become more familiar with the product and can increase interest in buying the product.

5 Conclusion

This research aims to determine the influence of electronic word of mouth on interest in purchasing skincare products on social media, with brand awareness as a mediating variable. In addition, we want to test whether there are significant differences between men and women in receiving e-WOM information and having effects on their buying interest. The result shows that e-WOM information received by someone can increase brand awareness. Furthermore, when the person is aware and more familiar with the product, it will eventually increase their buying interest. However, from a gender perspective, there is no significant difference between males and females when receiving e-WOM information on interest in buying skincare products. It happens because awareness of using skincare for men tends to increase. This is influenced by the increasing use of social media, which displays the perfection of men's skin in Korea. In addition, the trend of "gender-neutral skincare", "genderless beauty", and also the hashtag #BeautyHasNoGender are starting to appear. Therefore, this can motivate men in Indonesia to use skincare the same as that used by women. Moreover, cosmetic companies have started to innovate in skin care products for men.

This research reveals different theoretical and practical implications. For theoretical implications, we hope that this research can add references regarding the role of gender as a moderator in receiving information from social media. We suggest that if you want to continue this research, you can use moderators besides gender, like culture or income. For practical implications, we hope that the results of this research can assist the beauty industry in developing its social media to increase positive information and reviews that will be received by others.

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