

THE IMPACT OF WOM (WORD OF MOUTH) ON THE BUYING PROCESS OF ONLINE COSMETICS AMONG FEMALE COLLEGE STUDENTS IN YOGYAKARTA

Yuni Retnowati

STIKOM Yogyakarta

Email : yuniwati67@gmail.com

Abstract

Word of Mouth Communication (WOM) is a way of communication that delivers personal information and product recommendations. This study seeks to: (1) describe how word-of-mouth influences the decision-making process of Yogyakarta female students to purchase cosmetics online; and (2) determine what criteria lead Yogyakarta female students to purchase cosmetics online. Determine which direction WOM or e-WOM has a greater impact on Yogyakarta female students when purchasing cosmetics online; and (3) identify the characteristics that lead Yogyakarta female students to purchase cosmetics online. This sort of qualitative research collects data by observation, surveys of up to 160 individuals, and interviews with up to 30 individuals. Purposive sampling was used to identify informants, and descriptive analysis was performed on the data. The findings of this study demonstrate that WOM effects purchasers' cognition and emotion, resulting in product purchasing behavior. The experience of a satisfied friend (51 percent), discounted prices (24 percent), online consumer testimonials (17 percent), and attractive marketing are the variables that impact the online purchase of cosmetic items by students in Yogyakarta (8 percent). WOM has a direct impact on female students' online cosmetic purchase decisions. Word-of-mouth influences the online purchase of cosmetics, therefore consumer satisfaction plays a significant role in cosmetics purchasing decisions.

Keywords: word-of-mouth communication, the buying process, cosmetics, online

INTRODUCTION

Alongside the rise of internet marketing, there's also a growing public interest in online transactions. The majority of Indonesians have begun to develop a habit of shopping online. In this digital age, the Indonesian consumer's awareness of internet buying has expanded. Beauty and personal care items, gadgets and accessories, apparel, and baby equipment were the most sought-after online product categories at the end of the 2016 shopping season (*Masyarakat Indonesia Gemar Belanja On Line.*, n.d.).

Some female students frequently shop online as it is more convenient. According to Liang et.al (2009) and Katawetawaraks & Wang (2011), online shopping is the process of acquiring goods or services online. Business-to-business (B2B) and business-to-consumer (B2C) activities comprise online buying. Online shopping is related with business-to-consumer transactions because the target consumers are consumers themselves, not resellers. Online

shopping entails retail transactions with individual consumers, hence online purchasing decisions are made on an individual basis.

Online purchasing decisions are impacted by (1) search efficiency (quickness, usability, and low search effort), (2) value (competitive pricing and high quality), and (3) interaction (information, security, load time, and navigation) (Devaraj et al., 2003). If the arrangement is sufficiently clear, the time required for searching can be reduced. How and where components are positioned influences user navigation and interaction with the web page. The load time is affected by the size of the website's content and visual elements (Liao & Cheung, 2001). There are three advantages of internet buying for purchasers or consumers: (1) convenience, (2) information regarding price, quality, performance, and availability, and (3) reduced pressure to buy (Ollie, 2008).

Clothing is the most popular item to purchase online because to its visually appealing images and lovely show models. In addition to fashion, the majority of cosmetics sales are conducted online, albeit at a higher risk. Drug and Food Control Agency of the Republic of Indonesia (2015) defines cosmetics as substances or preparations intended for use on the external parts of the human body (epidermis, hair, nails, lips, and external genital organs) or the teeth and oral mucosa, particularly to clean, perfume, change appearance and/or improve body odor, or to protect or maintain the body in good condition.

Cosmetics are classified as high-involvement products that reflect the personality, status, and lifestyle of the consumer. It demands careful thinking and deliberation prior to purchase because it poses a risk to the buyer. Others can actively affect these factors by their suggestions, thoughts, and comments, or through social media used as an online store. WOM is the process of human communication that delivers positive or negative product or service recommendations (word of mouth). According to (Alire, 2007, p. 89), word-of-mouth (WOM) communication is interpersonal communication that occurs between individuals based on their experiences with a company or product. Hughes (2005, p. 201) asserts that word-of-mouth (WOM) communication is an efficient kind of interpersonal communication for influencing an individual's attitude, such as when providing information about products and services.

After consuming or utilizing a product, word-of-mouth is frequently an unintentional display of emotional satisfaction. Thus, word-of-mouth communication is highly correlated with brand usage experience. This form of communication will be extremely hazardous for low-quality products. Otherwise, it will be quite advantageous for quality products. Iput (2007) differentiates between favorable and unfavorable WOM. An outstanding consumer experience will generate positive WOM since the consumer will feel happy and satisfied. Consumers will become loyal and share favorable word of mouth to the company's expectations. He shared his experiences with people closest to him without being asked. Negative WOM, on the other hand, is a situation in which consumers have a low degree of satisfaction and, as a result, engage in emotional discourse with others, not just their immediate circle.

WOM can be viewed as a sort of marketing communication carried out by talkers with non-commercial, informational, or educational messages for other message recipients. Although conveyed for non-commercial purposes, word of mouth might raise a person's desire to purchase particular goods or services. Some

people tend to believe and be interested in attempting anything when informed or advised by those closest to them, such as their friends, best friends, family members, or other relatives. Indicators of Word-of-Mouth Communication include: (1) speaking positively about the quality of a product to others, (2) suggesting the product to others, and (3) urging friends and family to purchase the product (Babin et al., 1994).

In addition to direct word of mouth, which is conveyed face-to-face to friends or the closest individuals, it is also known as e-WOM or electronic word of mouth, which refers to online word of mouth. Jalilvand & Samiei (2012) suggest that e-WOM inspires customers to construct their view of a product's brand image, hence generating purchase intent. Reading indications for e-WOM product reviews, talking with other consumers, and gathering information from product reviews are all components of measuring the influence of electronic word of mouth. They are concerned about the risk of purchasing a product if they do not read product reviews, but after reading reviews, they feel confident purchasing things.

Multiple studies indicate that online Word of Mouth is more effective than offline Word of Mouth due to its wider accessibility (Jalilvand & Samiei, 2012). One of the most essential types of online Word-of-Mouth communication is consumer product reviews posted on the internet via social media. Typically, buyers gather product information prior to making a purchase. This knowledge will assist him in evaluating different product possibilities.

The purchasing decision is a problem-solving process that includes identifying requirements and desires, acquiring information, analyzing sources of selection of purchasing alternatives, making purchasing decisions, and engaging in post-purchase behavior (Kotler & Keller, 2009). Each phase of acquiring a cosmetic product online necessitates both individual and expert guidance. Friends, family, and other relatives can make individualized recommendations based on the product's experience and observations of the outcomes of the product's use by others they know. Expert cosmetologists provide expert recommendations. These two organizations can provide product reviews to prospective purchasers either online or in person.

Lutfiah & Dewi (2016) conducted research on the effect of e-WOM behavior on online purchase intent for online store products. Khayna (fashion) demonstrates that electronic word of mouth has a considerable impact on online buy intent, whereas offline WOM has no effect on the desire to make online purchases. This study explains how word-of-mouth influences the decision to purchase cosmetic products online, identifies which direct WOM and e-WOM are more influential in the online cosmetic purchasing process, and describes the factors that lead female college students in Yogyakarta to purchase cosmetics online.

METHODOLOGY

The research employed is qualitative and descriptive in nature. This sort of research is a case study concentrating on the impact of word-of-mouth on the online purchase of cosmetics. This investigation was carried out in Yogyakarta.

This study's participants were university students in Yogyakarta. The selection of informants was conducted using the technique of purposive sampling based on the following criteria:

The informant is an engaged student at both public and private Yogyakarta institutions.

Respondents utilize online shop services to fulfill their cosmetic wants. Targeted research informants comprised 30 of the 160 respondents to the questionnaire.

Data collection techniques are carried out by:

1. Observation

Researchers observe phenomena pertinent to their research concerns in the field (Suyanto & Sutinah, 2011, p. 59). Researchers observed the behavior of female students who use Online Shop services, including the process of purchasing cosmetic needs, the types of goods always purchased, and the influence of online and offline word-of-mouth on online cosmetic purchasing decisions among female students in Yogyakarta.

2. Questionnaire

Female college students in Yogyakarta were given open-ended and closed-ended questionnaires to examine their online purchase behavior and the influence of word of mouth on their purchasing decisions. This questionnaire is also a factor in selecting informants for in-depth interviews.

3. Interview

Researchers ask informants questions about the behavior of online shop customers. Interview results were the primary data source for this investigation, according to the researchers. Using interview standards, informant interviews were done in an organized manner.

The data analysis of the study's findings was performed descriptively. According to Miles and Huberman, data analysis is conducted interactively and continues until completion, resulting in the saturation of the data. Data analysis activities consist of data reduction, data display, conclusion formulation, and verification (Sugiyono, 2009, p. 246)

RESULT AND DISCUSSION

Online shopping is common in the age of online marketing, particularly among young people and women. Clothing and household goods make up the majority of online purchases. In addition to the need to be attractive, however, many well-known and new cosmetic brands are sold on the Internet. Typically, they are followed by testimonials from satisfied product users and promotions in the form of price discounts or attractive prizes. Respondents to this survey were asked about their frequency of online buying.

Table 1 Frequency of Online Shopping for Yogyakarta Female College Students

| Frequency (times) | Annual Online shopping (times) | Annual Online Cosmetic Shopping |
|-------------------|--------------------------------|---------------------------------|
| >10 | 24 | 9 |
| 3-5 | 46 | 33 |

| | | |
|--------|-----|-----|
| 1 – 3 | 36 | 33 |
| < 3 | 54 | 85 |
| Amount | 160 | 160 |

Source: Processed from the tabulation of the results of the study on the answers to the questionnaire

Students in Yogyakarta shop online an average of three to five times per year. 46 female students shop online 3-5 times per year, whereas 33 female students shop online for cosmetics 1-3 times and 3-5 times per year, respectively.

The increased use of social media to conduct online transactions is modifying shopping practices. From shopping at conventional stores with physical buildings and salespeople to shopping on websites, which can be done easily, quickly, and from anywhere, online shopping has replaced conventional shopping. According to Ollie (2008), one of the benefits of online shopping for consumers is the convenience it provides.

As depicted in the diagram below, this study's respondents cited the following motives for online shopping.

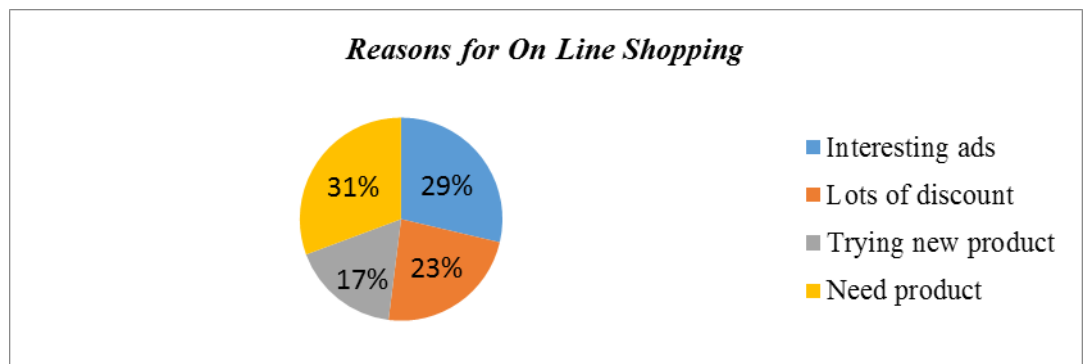


Diagram 1: Reasons for Online Shopping

The need to explore new things is frequently stimulated by attractive marketing and discounts. However, the majority of respondents shop online because they require items.

According to the purchasing decision process described by (Kotler & Keller, 2005, p. 86) the acquisition of a product begins with the expression of wants, followed by the search for relevant information. In addition to personal sources such as family and friends, advertising is a commercial resource that provides information about a product. Furthermore, prior to making a purchase, a number of different products are evaluated. The following diagram illustrates the factors that affect buying choices.

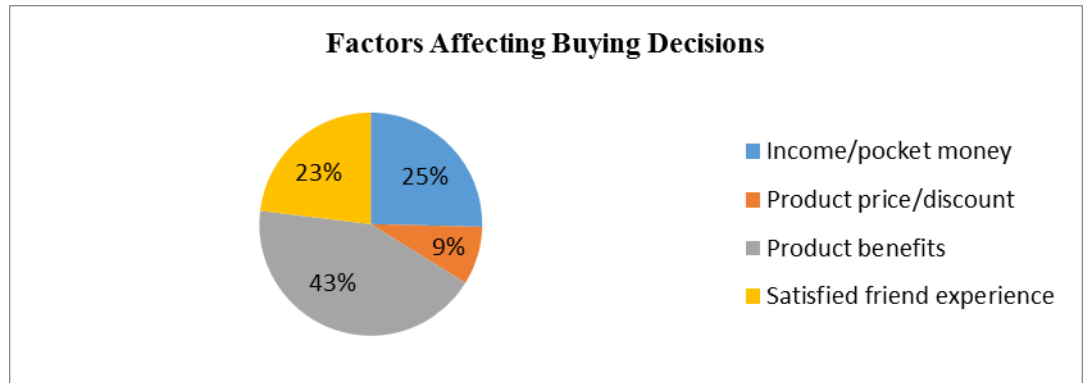


Diagram 2. Factors Affecting Buying Decisions

The following chart illustrates that female college students base the majority of their buying decisions (43 percent) on the product's benefits. This indicates that the majority of female students are rational buyers. They are not pressured to make purchases by constant advertising and discount offers.

The respondent's monthly income or pocket money is the second factor that influences the choice to make a purchase. In addition to assessing the product's merits, the female students were also economically prudent. Purchasing a thing requires both emotional maturity and economic insight. This is conceivable due to the informant's relatively mature age, which ranges between 19 and 26 years.

In order to demonstrate rational purchasing decisions, one must evaluate different products to be purchased by acquiring knowledge about them. A personal source of knowledge may consist of the thoughts or experiences of friends or family members who have used similar products. It can be seen that the experience of satisfied friends who have used the product is the third element in deciding to purchase it.

The price or discount of a product is not the deciding factor when buying a product. Price is regarded less significant than product benefits. If financial or revenue resources permit the purchase of a product, the product is acquired. Additionally, the opinion of friends based on their use of a product can stimulate product purchases. Positive word-of-mouth consists of product satisfaction claims. Friends can be trusted on because they are believed to accurately describe their consumption experience.

Ways of WOM (Word of Mouth) Influencing Female College Students' Online Cosmetic Purchase Decisions in Yogyakarta

A consumer's level of satisfaction or dissatisfaction with a product will influence his or her subsequent behavior. Therefore, it is essential to take note of the consumer's behavior after making a purchase. Satisfied consumers behave differently than disappointed consumers. Customers who are pleased will encourage their friends and acquaintances to make a purchase. In contrast, dissatisfied consumers would discourage their friends and acquaintances from purchasing the goods due to a negative experience with the product or an unfriendly salesperson. Some consumers intentionally share their negative experiences on social media in order to help others avoid losses.

After gaining experience with the product, there are typically multiple reactions, as represented in the following diagram.

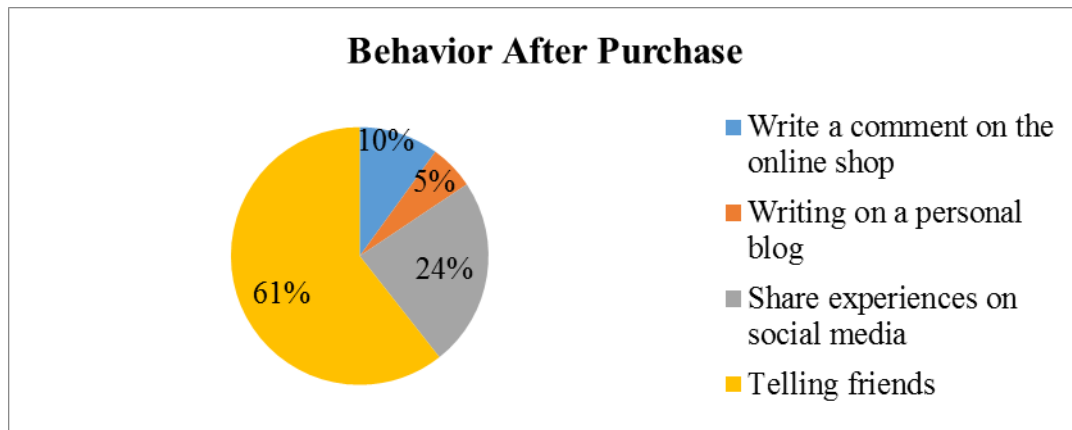


Diagram 3 : Behavior After Purchase

Post-purchase behavior is indicated by sharing one's knowledge of the product with others. Naturally, the action takes the form of interpersonal communication conveyed directly and face-to-face to recognized individuals. Sixty-one percent of those surveyed share their product experiences with their friends following purchase. This is referred to as direct WOM. In contrast, e-WOM is accomplished by sharing experiences on social media (24%), writing comments on online shops (10%), and writing personal blogs (6%). (5 percent).

WOM influences the decision to purchase cosmetics online by disseminating information about the product, either directly to friends and acquaintances or via social media, blogs, and online stores. Interested prospective buyers will typically seek additional information about a product. Sources of WOM-obtained information, including direct and e-WOM. Direct WOM is a source of personal information because it is generated by friends, acquaintances, neighbors, and family members. In the meantime, e-WOM can be regarded as a source of public information if prospective customers actively seek information from the internet by examining consumer product ratings. According to Jalilvand and Samiei (2012), e-WOM encourages consumers to form their own opinion of a product's brand image, thereby increasing their desire to make a purchase. The behavior of consumers when reading product reviews, interacting with other consumers, and gathering information from product reviews demonstrates this. They avoid purchasing risk by reading product reviews prior to making a purchase.

Online cosmetics purchases take greater deliberation. Information from WOM is factored into the evaluation of alternative cosmetic items for purchase. WOM is information about a product that is based on a user's experience with that product. The information will be transformed into knowledge and retained in one's memory. The perception of whether cosmetic products are good or bad is derived from this knowledge. Perception will increase attachment, namely certain sentiments and emotions that, in the case of acquiring cosmetics, determine whether a consumer is interested in making a purchase. Students in Yogyakarta are influenced by word-of-mouth to purchase cosmetics online in the following manner:

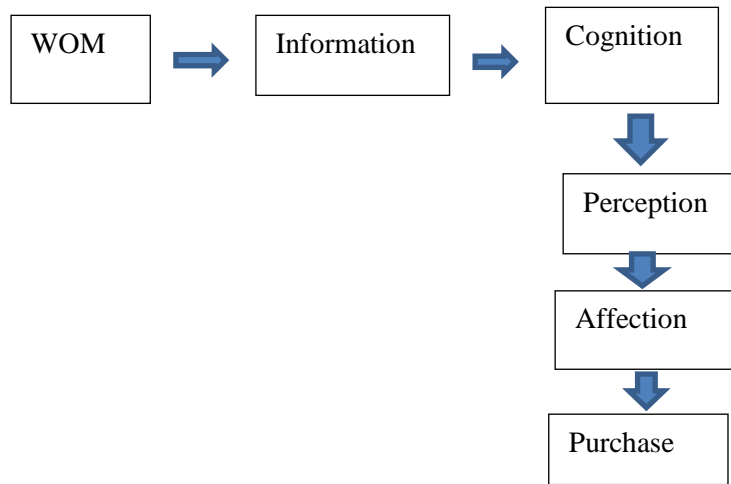


Chart 1. The WOM Process Influences Online Cosmetic Buying

College Women's Online Cosmetics Purchases in Yogyakarta: Determining Factors

Below is a diagram displaying the elements that motivate female college students in Yogyakarta to purchase cosmetics online.

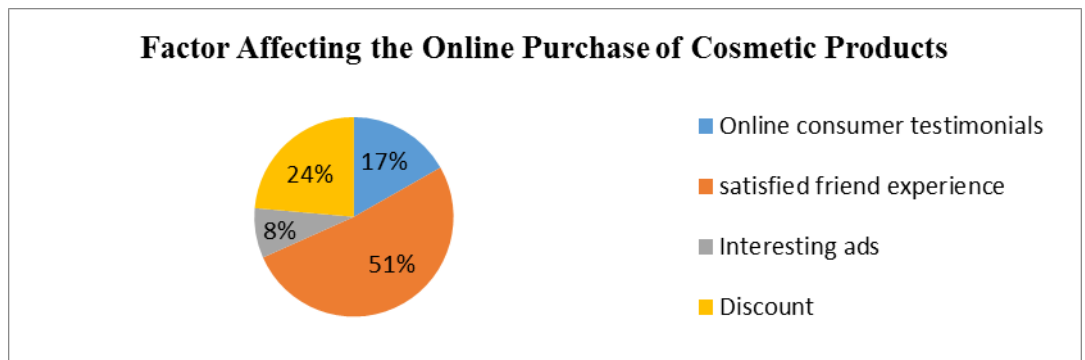


Diagram 4. Factors Affecting the Online Purchase of Cosmetic Products

The diagram demonstrates that the experience of friends with a product influences online cosmetic purchases. This demonstrates that WOM is a reliable and trustworthy source of information for comparing various brands of equivalent cosmetic products prior to purchase. Sources of information gained from this experience are significantly more influential than price discounts and advertisements. Meanwhile, online consumer testimonials or e-WOM do not greatly affect the purchase of online-sold cosmetic products. The experiences of others in the form of online testimonials like comments on an online store are ignored in favor of the experiences of friends. The primary purpose of online testimonials is to compare them to those from close friends.

In addition to improvements, the following are also considered before buying cosmetics online:

1. Product benefits

Product benefits are the product's utility in resolving issues faced by consumers. The purpose of cosmetics is to fix faults, improve the appearance, or eliminate obstacles to the appearance. Here, people purchase

because of the product's benefits, and not because of incentives, discounts, or the chance to win rewards.

2. Online store condition

Reputation is shown by a distinct address and a store rating or buyer rating. In addition to online sales, buyers will be more persuaded if there is a physical store selling the same things. The possibility of fraud will be eliminated from purchases, and quality products will be delivered.

3. Product quality

Typically, quality is more important than cost. However, a high price does not necessarily indicate that a product is of great quality. It is somewhat difficult to ensure product quality when purchasing online. Typically, customers rely on both online and direct recommendations from friends who have tried comparable products.

4. Budget

Online cosmetics shopping is only possible if a budget is available. Due to the unpredictability of monthly spending, not everyone can calculate the ideal budget for purchasing cosmetics. Purchases of cosmetics are also influenced by factors like requirements and discounts.

The Effect of WOM (Word of Mouth) on the Online Purchase of Cosmetics

By communicating product or subscription information, WOM is successful at influencing the attitude. Word-of-mouth communication is closely tied to the experience of using a product brand, thus it may be classified into two categories: positive WOM as a statement of satisfied consumers and negative WOM if consumers are not satisfied.

For purchasing cosmetics online, satisfied friends' testimonials and use experiences are also considered (positive WOM). Online or in person, testimonials can be favorable or negative based on the user's experience with the product. Generally, WOM refers to product-related content, such as product reviews on a website or in an online store, or the sharing of product-related experiences among friends. WOM can encourage others to purchase a product. In other words, word-of-mouth plays a part in the buying decision process.

The influence of testimonials on the choice to purchase cosmetics online is 17%. Here, the testimonies are e-WOM or WOM on the Internet from public consumers, not friends or acquaintances. In contrast, the experience of a satisfied friend or word-of-mouth has a greater impact on online cosmetic purchase decisions, account for 51%.

Direct WOM conveyed verbally by a close friend who is well-known and trusted by consumers has a greater impact on online cosmetic sales. In contrast, the effect of e-WOM is not as significant as direct WOM. Those closest to them, such as relatives and family, are viewed as more honest and reliable than strangers when it comes to sharing their experiences with the usage of cosmetic items. Online testimonials as a kind of e-WOM are less accountable for their accuracy or genuineness, therefore their influence on the decision to buy cosmetics online is diminished.

CONCLUSIONS & RECOMMENDATIONS

WOM aims to affect the cognition and affection of buyers so that consumers purchase the advertised product. WOM provides Cognition with trustworthy

information. Affection is the appearance of feelings of fondness or desire towards a thing. Following that, it is conative in the form of purchasing activity. Thus, WOM influences cognitive, emotional, and conative processes, thereby boosting online cosmetics purchases.

The experience of a satisfied friend (51%), discounted prices (24%), online customer testimonials (17%), and attractive marketing are the elements that impact the online purchase of cosmetic items by students in Yogyakarta (8 percent).

Increasingly, WOM has a direct impact on the purchasing decisions of online cosmetics. This is because he has faith in his friends, family, and acquaintances who profess WOM. The most trustworthy individuals are those that are closest to you since they are seen to be the most trustworthy and therefore the most honest individuals. Before selecting to purchase cosmetics online, internet word-of-mouth is a primary source of information, according to WOM. Compared to e-WOM, direct word-of-mouth in the form of product use experience or online cosmetic purchasing experience from friends, acquaintances, and family increases the propensity to make a purchase.

The research implication for the business world is that online cosmetic shop owners must pay close attention to product quality and price in order to generate favorable WOM from consumers and hence increase product sales. The act of analyzing the content of WOM that influences the online purchase of cosmetic products is a limitation of this study, so there is need for additional research.

REFERENCES

- Alire, C. A. (2007). Word-of-mouth marketing: Abandoning the academic library ivory tower. *New Library World*, 108(11–12), 545–551. <https://doi.org/10.1108/03074800710838272>
- Babin, B. J., Darden, W. R., & Griffin, M. (1994). Utilitarian shopping value. *Journal of Consumer Research*, 20(4), 644–657.
- Devaraj, S., Fang, M., Kohli, R., Babin, B. J., Darden, W. R., & Griffin, M. (2003). E-loyalty - Elusive ideal or competitive edge? *Communications-of-the-ACM-0001-0782*, 46(9), 184–191. <https://doi.org/http://dx.doi.org/10.1145/903893.903936>
- Drug and Food Control Agency of the Republic of Indonesia. (2015). *No Title*.
- Hughes, M. (2005). *Buzz Marketing*. Gramedia Pustaka Utama.
- Iput. (2007). *Word of Mouth, Kalahkan Pengaruh Iklan ATL*. <http://nero.com/link.php>
- Jalilvand, M. R., & Samiei, N. (2012). The effect of electronic word of mouth on brand image and purchase intention: An empirical study in the automobile industry in Iran. *Marketing Intelligence and Planning*, 30(4), 460–476. <https://doi.org/10.1108/02634501211231946>
- Katawetawaraks, C., & Wang, C. L. (2011). *SSRN-id2345198*. 1(2).
- Kotler, P., & Keller, K. L. (2005). *Marketing Management: Analysis, Planning, Implementation and Control*. (12th ed.). Prentice Hall International Editions.
- Kotler, P., & Keller, K. L. (2009). *Marketing Management* (13th ed). Upper Saddle River, Pearson Prentice Hal.
- Liang, T.-P., Turban, E., King, D., & Jae, K. L. (2009). *Electronic Commerce : A Managerial Perspective* (E. Turban (Ed.); 6th Editio). Prentice Hall.



- Liao, Z., & Cheung, M. T. (2001). Internet-based e-shopping and consumer attitudes: An empirical study. *Information & Management*, 38(5), 299–306. [https://doi.org/10.1016/S0378-7206\(00\)00072-0](https://doi.org/10.1016/S0378-7206(00)00072-0)
- Lutfiah, Q., & Dewi, C. K. (2016). *Pengaruh Perilaku E-Wom Terhadap Online Purchase Intention Pada Produk Online Shop Khayna Influence the Behavior of E-Wom Toward Online Purchase Intention At Online Shop Khayna*. 3(2), 1932–1939.
- Masyarakat Indonesia Gemar Belanja On line*. (n.d.). Retrieved July 25, 2017, from <https://www.beritasatu.com>
- Ollie. (2008). *Membuat Toko Online dengan Multiply (I)*. Media Kita.
- Sugiyono. (2009). *Metode Penelitian Kuantitatif, Kualitatif dan R&D*. alfabeta.
- Suyanto, B., & Sutinah. (2011). *Metode Penelitian Sosial Berbagai Alternatif Pendekatan (Revisi)*. Kencana Prenada Media.