The Influence of Electronic Word of Mouth (E-Wom) 0n Reuse Intentions with User Trust as a Mediation Variable on OVO Application Users in Semarang City

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ARTICLE INFORMATION

ABSTRACT

This research aims to determine the effect of electronic word of mouth (E-WOM) on reuse intentions with user trust as a mediating variable in OVO application users. For the research population carried out in the city of Semarang, sampling was taken using a purposive sampling technique, namely using criteria such as how long the application has been used and whether or not one has used the application. The data used is primary data in the form of the results of distributing questionnaires to respondents via Google Form on a scale likert of 1-5. The data analysis method in this research uses SmartPLS-SEM (Partial Least Square - Structural Equation Modeling). Testing of this research model was carried out on two measurement models, namely the outer model and the inner model. The results of this research show that Electronic Word of Mouth (E-WOM) has a positive and significant effect on Intention to Reuse which is mediated by user trust, either directly or indirectly. This shows that by increasing positive E-WOM on OVO, this can make consumers use OVO products again.

Keywords: E-Wallet, E-WOM, Reuse Intention, Trust.

INTRODUCTION

One of the fintech innovations that is starting to become popular in Indonesia is electronic wallets (e-wallets). E-wallet is a cashless service that is used as a substitute for physical money. Electronic wallets are divided into two types. One of them is a card-based e-wallet, such as toll payment cards and transportation payment cards. The second type is an electronic or server-based wallet (e-wallet) application which is usually used by people of working age who use smartphones every day. Informational influence is based on assessments of the acceptability of relevant news content and includes factors such as aspects of information quality, whereas normative cues motivate individuals to conform to the opinions and expectations of others. Online consumer reviews or word of mouth is one version (Marliawati & Cahyaningdyah, 2020).

Electronic Word Of Mouth (E-WOM) Also serves as consumer reviews of products on the internet. Reviews of a product can influence potential consumers by increasing interest and trust in the application, thereby generating intentions to reuse it (Kusuma & Wijaya, 2022).

Many users have left complaints and negative reviews about the application, such as failed transactions or OVO balances being withdrawn but not sent to the destination account. Complaints about these reviews are considerations that influence users' reuse intentions and trust. According to (Trivedi & Yadav, 2020), if the reviews are not good then the user's reuse intention will decrease and as a result users will not trust the application because of the large number of negative reviews from users.

Play Store and Instagram customer data shows several reviews regarding Electronic Word of Mouth (E-WOM) on the OVO application, such as users feeling disappointed regarding lost balances in the application, transfers to other banks not coming through but the balance has been deducted and some customers feel dissatisfied with OVO customers communicating E-WOM inconsistently, OVO workers are suspected of misusing user data for personal gain. One netizen created a thread via the Twitter microblogging platform where an officer claiming to work at OVO personally contacted families who wanted to update their OVO accounts to the premier version by asking for a photo of their KTP. OVO's Head of Public Relations, Sinta Setyaningsih, emphasized that this action was a serious violation and the employee concerned had been dismissed. OVO also apologized for this incident, (Antara, 2020) / (accessed 12 May 2024). The case also occurred with PT Visionet Internasional (OVO) commenting on a number of OVO users who made payments to Gopay through its service for pornographic and sexual video transactions with minors amounting to IDR 114.26 billion. This was revealed from the findings of the Financial Transaction Reports and Analysis Center (PPATK) in 2022. OVO emphasized that it was not involved in any illegal transactions. OVO electronic money services are carried out according to the rules. This case involves users abusing the transfer service. OVO is collaborating with PPATK and law enforcement to take action against perpetrators of child porn transactions via electronic money. (Indonesia, 2022) / (Accessed 12 May 2022). This problem needs to be further addressed because otherwise it will have a negative impact on the Company. If reviews from several users regarding the application are negative, this will affect consumers' interest in using the OVO application again (Hendro & Keni, 2020). Reviews about products can influence potential consumers by increasing their intention to reuse, resulting in the intention to reuse OVO application users (Fadzri Kusuma & Wijaya, 2022). Companies also need to increase trust in applications in order to attract consumers' interest in using the application again (Hendro & Keni, 2020). The impact of negative reviews results in decreased trust in application users, so that users have no

intention of using the application again. Therefore, this study aims to examine the influence of Electronic Word of Mouth (E-WOM) on intention to reuse with trust as a mediating variable. For this reason, the aim of this research is to describe the role of OVO user trust in mediating the relationship between E-WOM and intention to reuse.

LITERATURE REVIEW

This research uses the SOR Theory proposed by Hovland et al which was later developed by Mehrabian and Russel in 1974 as a guiding framework in the context of consumer behavior (Jayanti & Tasrim, 2023). In this theory, stimulus (S) is a variable that influences the individual's cognitive and emotional thinking as an organism (O) which as a result will influence reactions in the form of behavior or response (R) (Petra et al., 2021). In the context of research on the influence of Electronic Word of Mouth (E-WOM) on intention to reuse with user trust as a mediating variable, Electronic Word of Mouth (E-WOM) acts as a stimulus, user trust acts as an organism, and intention to reuse acts as a response. individual, namely the user's decision to use or not use the application. Therefore, considering the reviews put forward by Electronic Word of Mouth (E-WOM) will form a feeling of trust which will ultimately encourage users to intend to reuse the application (Firdaus & Mulyanto, 2020)

Electronic Word of Mouth **(E-WOM)**

Electronic Word of Mouth (E-WOM) is a consumer's positive or negative assessment of internet products. One other definition of electronic word of mouth (E-WOM) is the exchange of information with other users via the Internet network about their experiences with certain goods, services and brands. This means there are many different ways for consumers to exchange information online. Internet users can convey E-WOM through various online media, such as product reviews on the Playstore application and comments on social media (Fadzri Kusuma & Wijaya, 2022). In several previous studies on E-WOM, E-WOM was associated with Intention to Reuse as per research by (Fadzri Kusuma & Wijaya, 2022) and (Charvia & Erdiansyah, 2020). (Hendro & Keni, 2020) stated that E-WOM has a positive and significant effect on intention to reuse. From this statement, it can be concluded that H1: E-WOM has a significant positive effect on intention to reuse.

Intention to Reuse

According to (Adriani, 2019), reuse intention is an interest based on past purchasing experiences. When users' desires and expectations are met, this leads to continued use and loyalty. According to (Saraswathi & Wardana, 2021), reuse intention is defined as a consumer's urge to reuse OVO e-wallet services that have been used previously. In several previous studies on Intention to Reuse is associated with User Trust, as research (Padmawati & Mood, 2020) and (Charvia & Erdiansyah, 2020), (Dewi & Sudiksa, 2019) stated that E-WOM has a positive and significant effect on trust. From this statement, it can be concluded that H2: E-WOM has a significant positive effect on the trust of OVO application users.

User Trust

According to (Charvia & Erdiansyah, 2020), consumers who believe in a brand are called brand trust. Brand trust is defined as "a person's willingness to trust a brand's ability to meet their needs." In addition, brand trust is based on honesty, integrity and brand decency, thereby providing consumers with an unforgettable experience. In several

previous studies on User Trust, it was linked to Intention to Reuse, as research (Trivedi & Yadav, 2020) and (Sandy & Firdausy, 2021) stated that trust had a positive and significant effect on intention to reuse. From this statement, a temporary hypothesis can be drawn: H3: User trust has a significant positive effect on intention to reuse.

User Trust in Mediating E-WOM with Reuse Intention

Trust can mediate the relationship between e-WOM and reuse intention. This means that increasing e-WOM communication increases user trust and creates the intention to reuse the application (Padmawati & Mood, 2020). In several previous studies regarding user trust in mediating E-WOM with the intention to reuse as per research (Padmawati & Suasana, 2020) and (Dewi & Sudiksa, 2019). (Trivedi & Yadav, 2020) stated that trust has a significant positive effect on intention to reuse. From this statement, it can be concluded that H4: User Trust mediates the relationship between E-WOM and intention to reuse.

Theoretical Framework

This research model consists of 3 variables, 1 dependent variable, 1 dependent variable and 1 mediating variable; Electronic Word Of Mouth (E-WOM), Reuse Intention, and User Trust. The following is a picture of the proposed research framework:
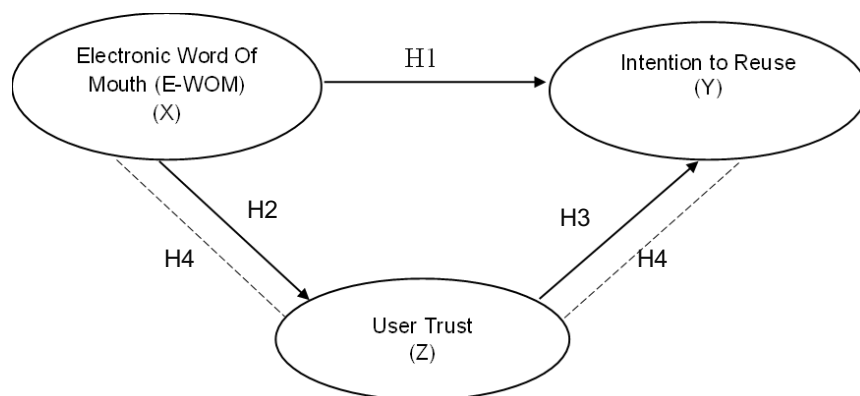
Source: Framework Processed in Research (2024).

RESEARCH METHOD

This research uses a quantitative approach with a survey method, where the author distributes questionnaires for data collection. According to Sugiyono, 2016 in (Pratomo et al., 2018) Quantitative research, based on the philosophy of positivism, is used to research certain populations or samples. In this research, primary data is used. Primary data according to Sugiyono, 2016 in (Agatha, 2018) Data sources that provide data directly to data collectors. The primary data used in this research is the result of distributing questionnaires to respondents via Google Forms. The respondents are customers of the OVO e-wallet application in Semarang City. The population used in this research is OVO e-wallet users in Semarang City, the exact number of which is not yet known. The sample used in this research was also taken using a non-probability sampling method with Purposive Sampling technique, namely with criteria such as how long the application has been used and whether or not you have used the application.

because the number of populations taken is very broad and the exact data is not known. So the minimum sample in this study is in accordance with the Lemeshow (1997) formula in (Setiawan et al., 2022). Based on these calculations, the number of samples that will be used in this research can be obtained, namely 96 respondents, while for the estimation sample as according to (Siregar, 2021) in order to process the data better, an estimation sample is needed, based on this, an estimation sample is determined in the research This is 103. This is intended to avoid poor data processing results in SmartPLS.

RESULTS

To assist in quantitative analysis, this section will provide an overview of the respondents. OVO Application users in the city of Semarang, totaling 103 respondents, were the research sample. With user descriptions including Gender, Age, length of use of the application, monthly income, Domicile.

Table 1. Respondent Data

Item	Category	Percentage (%)
Gender	Man	25
	Women	75
Age	17-25 Years	97
	26-34 Years	3
	>34 Years	0
Length of Application Use	<1 Month	34
	2-6 Months	34
	>7 Months	32
Income per Month	< Rp. 3.000.000	82
	Rp. 3.000.000 – Rp. 5.000.000	10
	Rp. 5.000.000 – Rp.7.000.000	5
	> Rp. 7.000.000	3
Domicile	Central Semarang	15
	North Semarang	9
	East Semarang	60
	West Semarang	4
	South Semarang	12

Source: Primary data processed (2024)

The results of processing the respondent data show that the majority of respondents totaling 62 users or (60.19%) are domiciled in East Semarang (Pedurungan subdistrict, Tembalang subdistrict), followed by 16 respondents or (15.53%) who are domiciled in Central Semarang (Kec. Central Semarang, South Semarang, Kec. respondents or (8.74%) are domiciled in North Semarang (North Semarang subdistrict, East Semarang subdistrict, Gayamsari subdistrict, Genuk subdistrict), and 4 respondents or (3.88%) are domiciled in West Semarang (District. Ngaliyan, Mijen district, Tugu district).

The output results of the semPLS structural equation path diagram were created after the research data was processed using SmartPLS 4.1.0.3, as follows:
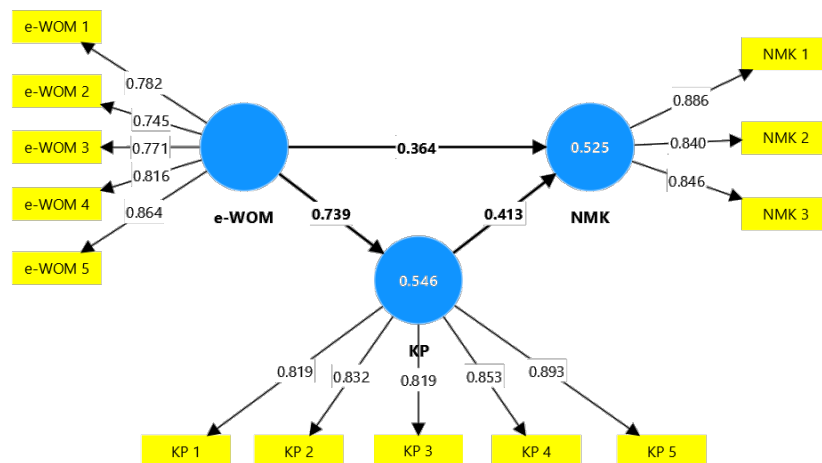
Figure 1. Data processing results

Source: Data Processed by SmartPLS (2024)

Outer Model Analysis

Convergent Validity

The correlation between item or instrument scores and construct scores (Loading Factor) determines the convergent validity of the measurement model. The fill factor for each instrument must be greater than 0.7 Ghozali, 2015 in (Sabilalo et al., 2020). Based on the Electronic Word of Mouth (E-WOM) variable, the statement "Customers obtain information about the quality of OVO on their social media accounts" (X5, 0.864) has the highest Loading Factor value. In the Intention to Reuse variable, the statement "will reuse the OVO E-Wallet service (Y1, 0.886) has the highest Loading Factor value. Furthermore, for the last one, in the User Trust variable, the statement "OVO Customer Service can solve problems experienced by users" (Z5, 0.893) has the highest Loading Factor value.

Discriminant Validity

Based on the discriminant validity test resulting from the Cross Loading value, it shows that the correlation between the User Trust indicator and other indicators is higher than the correlation between the Intention to Reuse and Electronic Word of Mouth indicators. Furthermore, the correlation between the Intention to Reuse indicator and other indicators is also higher than the correlation between user trust and electronic word of mouth. Likewise, the correlation between electronic word of mouth indicators and other indicators is higher than the correlation between user trust and intention to reuse. This shows that each variable has adequate discriminant validity.

Composite Reliability

A construct is considered reliable if the Composite Reliability value is > 0.7 Cooper & Schindler, 2014 in (Hanum et al., 2023). Based on the results of the data processing test, each variable is considered reliable with a value > 0.7 according to the Composite Reliability test results.

Inner Model Analysis

R-Square (R^2)

Ghozali, 2011 in (Abdurrahman, 2021) shows an R2 value of 0.67 (strong), 0.33 (moderate) or (moderate), 0.19 (weak). Based on the results of data processing, the value of the electronic word of mouth (e-WOM) model on intention to reuse is shown to be 0.525, which explains that the variability of the Intention to Reuse construct which can be explained by the variability of the electronic word of mouth (e-WOM) construct is amounted to 52.5% while the remainder (47.5%) was explained by other variables outside this research.

Likewise, the model of the influence of electronic word of mouth (e-WOM) on User Trust gives a value of 0.546, which means that the variability of the User Trust construct that can be explained by the variability of the electronic word of mouth (e-WOM) construct is 54.6. %, while the remainder (45.4%) is explained by other variables outside this research.

Test the Direct Influence Hypothesis via Path Coefficient

It is said to be significant if the T statistics value is more than 1.96 and the p-value is <0.05

Table 2. Results of direct influence hypothesis testing via path coefficient

	Hypothesis	Value Std Coefficient	T-statistic	p-value	Information
H1	**E-WOM → Intention to Reuse**	0,364	2,783	0,005	Significant Positive
H2	**E-WOM → User Trust**	0,739	13,022	0,000	Significant Positive
H3	**User Trust → Intention to Reuse**	0,413	3,189	0,001	Significant Positive

Source: Data Processed by SmartPLS 4.1.0.3 (2024)

Based on data processing in table 2, the results show that the influence of E-WOM on intention to reuse has a path coefficient value of 0.364 with a T statistics value of 2.783 > 1.96 and a p value of 0.005 < 0.05 so it can be concluded that the influence of E-WOM on intention to use Returns are positive and significant.

H1: Electronic Word Of Mouth (E-WOM) positively and significantly influences Reuse Intention.
The influence of E-WOM on user trust has a path coefficient value of 0.739 with a T statistics value of 13.022 > 1.96 and a p value of 0.000 < 0.05 so it can be concluded that the influence of E-WOM on user trust is positive and significant.
H2: Electronic Word Of Mouth (E-WOM) positively and significantly influences User Trust.
User trust in intention to reuse has a path coefficient value of 0.413 with a T statistics value of 3.189 > 1.96 and p value 0.001 < 0.05 so it can be concluded that the influence of user trust on intention to reuse is positive and significant.
H3: User Trust positively and significantly influences Reuse Intention.

Indirect Influence (Intervening/Mediation)

Indirect Effects

Table 3. Results of indirect influence hypothesis testing

	Hypothesis	Value Std Coefficient	T- statistic	p-value	Information
H4	**E-WOM → User Trust → Intention to Reuse**	0,305	3,083	0,002	Significant Positive

Source: Data Processed by SmartPLS 4.1.0.3 (2024)

Based on the data processing results in table 4.3, the influence of E-WOM on intention to reuse through user trust has a coefficient value of 0.305 with a T statistics value of 3.083 > 1.96 and a p value of 0.002 < 0.05, so it can be concluded that the influence of E-WOM on intention to use Returns through user trust are positive and significant. These findings also show that user trust is able to mediate the influence of E-WOM on intention to reuse.
H4: User Trust mediates the relationship between E-WOM and Reuse Intention.

CONCLUSION

The results of the first hypothesis test (H1) show that the E-WOM variable has a significant positive influence on Intention to Reuse among OVO application users in Semarang City. This can be interpreted as a positive E-WOM relationship to increase intention to reuse which is implemented with several indicators such as Customers recommend other people to use OVO, Customers obtain positive information about OVO from the experiences of other users on social networking sites, Customers obtain information about the quality of OVO on their social media accounts.

The results of the second hypothesis test (H2) show that the E-WOM variable has a significant positive influence on User Trust in OVO application users in Semarang City. This can be interpreted as a positive E-WOM relationship to increase User Trust which is implemented with several indicators such as using return E-Wallet service, Recommend E-Wallet service to others, Will likely use E-Wallet service in the future.

The results of the third hypothesis test (H3) show that the User Trust variable has a significant positive influence on Intention to Reuse among OVO application users in Semarang City. This can be interpreted as a positive relationship between User Trust to increase Intention to Reuse which is implemented with several indicators such as Balance users on OVO are proven to be safe and never experience problems, OVO customer service is very fast in handling user problems, OVO customer service can solve problems experienced by users.

From the results of testing the fourth hypothesis (H4), it shows that the E-WOM variable has a significant positive influence on Intention to Reuse through User Trust as a mediating variable for OVO application users in Semarang City. This can be interpreted that the better E-WOM communication will grow User trust will give rise to the intention

to reuse the application which is implemented through several E-WOM indicators, Intention to Reuse and User Trust as mediating variables.

LIMITATION

In the future, it is hoped that future researchers should consider other variable factors that may influence Intention to Reuse, but were not considered in this research. It is hoped that they can better characterize a wider range of respondents, and also recommend that future researchers carry out comparisons with E-Wallet applications. other.

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