Analysis of The Influence of Brand Image and Negative Electronic Word of Mouth on Repurchase Intention of Ice Cream Aice Consumers

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Abstract:
The development of the internet in Indonesia is becoming increasingly widespread. One of the ice cream companies in Indonesia is experiencing negative electronic word of mouth due to internet developments. This study uses brand image as an intervention to examine the impact of unfavorable electronic word of mouth on repurchase intention. Purposive sampling was used to select 100 respondents and distribute questionnaires to them. Path analysis is the data analysis technique employed. The study's findings indicate that negative online reviews have little bearing on a brand's reputation. Negative online reviews affect consumers' intentions to make new purchases. Repurchase intent is influenced by brand perception. Repurchase intentions are impacted by negative brand perception and electronic word of mouth. By using brand image as an intermediary variable, negative electronic word of mouth has no impact on consumers' intentions to make another purchase.

Keywords: ice cream, negative electronic word of mouth, brand image, repurchase intention.

Introduction

At this time, the development of the internet means that information no longer faces significant obstacles; it becomes easier for people to interact and exchange information. From data obtained through We are Social and Hootsuite 2019 (a marketing agency and social media platform that collaborate to develop a research institution that routinely displays data and trends in understanding the internet, social media, and e-commerce behavior), the number of internet users in Indonesia will reach 204.7 million in 2022, and social media users will reach 191.4 million in 2022. As Indonesia's internet infrastructure develops, social media usage grows as well. According to this data,
social media is used by the vast majority of internet users in Indonesia. Data on Indonesia's social media rankings for 2022 have been made public by Hootsuite. According to the data, WhatsApp is the most popular app, followed by Instagram, Facebook, Tiktok, Telegram, and Twitter in that order. Twitter is one of the most well-known social networking platforms. As a social media platform with a strong emphasis on written sharing, or what are known as tweets. It is believed that social media can give individuals quick access to dynamic content. This is because social media users like to share information or their experiences, which are communicated to other users through retweets, likes, and comments. After a topic is widely discussed, it will become a trending topic. A trending topic will position a word that is most tweeted at a certain time in the form of a hashtag (Chiang, 2016).

One example of something shared by social media users is information about forms of disappointment with a product or company. They convey this form of disappointment on social media accounts and make it possible for a trending topic if the keyword involves many people sharing information about this disappointment so that it can attract the attention of the masses to fight against the company or organization. This shows that the way consumers communicate is changing, from initially private to public. Electronic word of mouth, or eWoM, is the sharing of customer opinions on social media. When someone shares information on social media platforms like blogs, Twitter, Facebook, and all online forums, it is referred to as electronic word of mouth. Another viewpoint holds that electronic word of mouth refers to a comment made by potential customers, actual customers, or past customers about a product or business that is extensively disseminated online. Meanwhile, negative electronic word of mouth is a personal opinion among consumers aimed at defamation, a product or company. Electronic word of mouth can increase the effectiveness of a company's marketing if it is positive, but it can damage the company's brand image if there is a mismatch between company activities and expectations. Brand image is the perspective, beliefs, ideas, and impressions of a person, community, or society about a brand. Brand image is a way that customers perceive a brand and is a reflection of the brand associations they have in their minds (Lumingkewas, 2016).

Apart from influencing brand image, electronic word of mouth (word of mouth) has an important role in shaping consumer conduct. Recommendations from those in their immediate vicinity who are familiar with the product or brand are among the factors that affect their desire to make another buy. These endorsements may come through online word-of-mouth from customers. Repurchase intention is the desire to buy something again and relates to the channel used by the store as a result of an internet search. Reviews that accurately describe the product will enable customers to judge a product's suitability for their needs and so further drive repurchase intention. Low levels of electronic word of mouth will not succeed in increasing repurchase intention. In addition to traditional word-of-mouth, brand image also strongly influences how consumers behave. This is because brand image is one thing that is considered before making a repurchase intention. However, there are several characteristics of purchasing goods that make it difficult to create repurchase intentions for the same brand. One of them is impulsive goods, which means goods purchased without planning or with any intention. Impulse purchases are made because consumers are interested in the brand. One example of an impulse item is ice cream. With this phenomenon, it is a challenge for ice cream companies to change ice cream purchases from impulse purchases to repurchase intentions (Lumingkewas et al., 2019).

Even though ice cream is an impulse item, the growth of the ice cream industry in Indonesia has increased in recent times. According to a research platform called Research Forecast, ice cream has experienced fluctuating growth over the years. According to an industry profile report from Marketline quoted from Media Indonesia, the compound annual growth rate (CAGR) of the ice cream industry from 2015 to 2019 experienced a CAGR increase of 10.4%. The compound annual growth rate (CAGR) is the annual growth of a company over several periods, ignoring fluctuations. Growth can also be seen in the volume of market consumption, which has increased with a CAGR value of 6.3% in 2019, reaching 105.3 million kilograms. The growth of the ice cream industry in Indonesia has had an impact on the number of ice cream business actors increasing. Quoted by the Business Economics news website, according to director of the company that we use an object of this study, there was an increase in ice cream business players such as Aice, Joyday, Glico, and Nestle. On the other hand, previously existing brands include Walls, Campina, Diamond, and Indoeskrim. One of the new competitors in the Indonesian ice cream market is Aice, an ice cream company originating from Singapore under PT Alpen Food Industri with an ice cream product called Aice, which has been present in Indonesia since 2015 (Raharjo et al., 2023). Even though it is a newcomer to this industry, it has been able to compete and survive in the Indonesian ice cream market to this day.
Literature Review

Consumer behavior is the science that studies consumer choices as they search for, evaluate, purchase, and use products and services that they believe can meet their needs (Tannady et al., 2022). It can be concluded that the definition of consumer behavior is a science that studies consumer actions when experiencing the purchasing process and making purchases that are influenced by affection, cognition, behavior, and the environment (Raharjo et al., 2023). Through audio, video, or written content posted online, word-of-mouth enables customers to share their experiences after utilizing a product or service created by a business (Meisarah et al., 2023). The online positive and negative reviews that customers provide about a business or product are known as electronic word of mouth. When someone shares information on social media platforms like blogs, Twitter, Facebook, and all online forums, it is referred to as electronic word of mouth (Satyaninrum, 2021). Consumers can communicate their unhappiness with a firm or product through negative electronic word of mouth, which they then use to inform other customers or potential customers not to purchase from that business (Iswara & Jatra, 2017). Repurchase intent refers to a customer’s readiness to buy a product from the business they previously selected (Putri et al., 2021). In addition, repurchase intention is the intended choice to repurchase a particular service, taking into consideration the circumstances and the degree of preference (Sugiyono, 2020). A brand image is a product or brand that has an image and symbolic value for consumers based on the unique benefits it claims (Zhang, 2017).

Methodology

In this study, researchers took a population of all consumers of ice cream products who have purchased the product twice or more and live in Indonesia. Non-probability sampling was utilized in this investigation. In this study, purposive sampling was used. A sampling method known as "purposeful sampling" takes certain factors into account, utilizing a questionnaire as a research tool in this study. Researchers will employ question-research methodologies to gather data through surveys, which will be delivered to customers in Indonesia who make repeat purchases while taking the hashtag for a boycott into consideration. By posing questions or requesting written responses from respondents, questionnaire data gathering techniques are used. Questionnaires can be given to respondents directly, by post, or on the internet, containing open or closed questions. Due of the prevalence of critical remarks or the hashtag #BoycottAice on Twitter, data was gathered by sending out questionnaires via that site. The research's questionnaire includes inquiries based on the indications for each variable. A Likert scale will be used to evaluate this claim. Path analysis and quantitative techniques are used in this study. The information gleaned from the data collection's findings is initially saved in a Microsoft Excel file. Processing the data and the respondents' attributes is the goal. After that, SPSS 25 was used to examine the data.

Case studies

According to the study's findings, there is no connection between bad online reviews and brand perception. The lack of significance between unfavorable online reviews and brand perception could be due to a number of factors. Previous research, which categorizes product levels into five categories, supports this. The service or benefit that the customer really purchases is the first benefit (the core benefit). Second, fundamental goods. Third, the expected product is a collection of characteristics and requirements that customers anticipate when they want to purchase a particular good. Fourth, additional products (augmented products) are products that exceed customer expectations. Fifth, a potential product is a product that includes all possible additions and changes that a product or offering might experience in the future. In the case raised in this research, the issue of employment. When defined in terms of product levels, this also refers to the fourth level, or additional products (augmented products), where consumers ostensibly do not consider additional ice cream products in the form of unfavorable online reviews so as to protect brand image. Other research that claims that bad electronic word of mouth does not alter brand image substantiate this.

According to the study's findings, repurchase intention and unfavorable electronic word of mouth are related. This is consistent with earlier study, which found that online reviews of energy drink items have a negative and
significant impact on consumers' intentions to repurchase them. The likelihood of making another purchase decreases as electronic word-of-mouth becomes more unfavorable. This study demonstrates that even if ice cream is inexpensive and tasty, respondents are less likely to purchase it again when they get unfavorable electronic word-of-mouth information. The study's findings indicate that brand image and repurchase intention have a limited relationship. This is corroborated by earlier study, which showed that a company's active promotion of its brand image will raise product quality and encourage repeat purchases. Results from earlier studies, which show that brand perception by customers will affect product evaluation and choice as well as repurchase intention, also support this. The findings of other studies, which show that brand image significantly affects repurchase intention, further support this research.

The study's findings indicate a significant correlation between bad online reviews, brand perception, and propensity to repurchase. The findings of earlier studies, which assert that customer perceptions of a brand will affect product evaluation, choice, and repurchase intention, are consistent with the findings of the present study. The findings of additional studies, which show that brand image significantly affects repurchase intention, support this study. Other research findings that claim that brand image and electronic word of mouth have an impact on repurchase intention also confirm the research findings. Electronic word of mouth and brand image both had an impact on repurchase intention in this study, but brand image has a stronger impact than electronic word of mouth. It can be said that brand image as an intermediary variable for ice cream does not indirectly influence repurchase intention in a negative way. Previous research, which indicated that brand image cannot mediate the electronic word of mouth variable on repurchase intention, lends support to the findings of the current study.

Conclusion

The brand image of ice cream is not much impacted by negative electronic word of mouth. Ice cream repurchase intentions are significantly impacted by negative electronic word of mouth. Repurchase intention is significantly impacted by brand image. Repurchase intention is significantly impacted by negative brand perception and electronic word of mouth. Negative online word of mouth did not significantly affect consumers' inclination to repurchase ice cream products. According to the research's findings, there is a sizable amount of unfavorable online word of mouth. Therefore, it is recommended to create a strategy to increase positive electronic word of mouth through public relations activities. Public relations can be done by utilizing social media, especially Twitter, to overcome negative electronic word of mouth. You can also create creative content to create positive conversations among netizens. This will have an impact on the company, with the aim of creating a good brand image and company reputation so that it will increase repurchase intention. It is hoped that when unfavorable electronic word of mouth declines, repurchase intention would rise. The corporate image category is seen as having a negative reputation based on the findings of research on the brand image variable. The product brand indicator is quite strong because it received the highest score, or 59%, with a claim about the product and its ongoing product innovation. According to the findings of this study, the repurchase intention variable included the statement, "I still consume ice cream and am not influenced by promotions from other ice cream brands." Respondents answered that 25% strongly disagreed and 24% disagreed. This statement is supported by another statement that has the same meaning, namely: "I don't consume ice cream because there is negative news about ice cream." Respondents answered that 26% agreed and 20% strongly agreed. This shows that due to negative news, respondents did not have repurchase intentions for products. Researchers suggest that companies can reduce the level of negative electronic word of mouth so that consumers have repurchase intentions.

References


