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The model of influencer and customer reviews impact on customer's purchase intention in the context of sustainable development

Abstract. In this research, we seeks to replicate and build upon prior study models. Influencer reviews carry more weight than customer reviews when it comes to purchase intention due to trust, statistics, and perceived value, as suggested by a recent study. However, statistics on customer reviews do not appear to make much of an impact. Generally, before making a purchase, prospective buyers shop around and gather information to make informed decisions. eWOM (electronic word-of-mouth) is a go-to source of trustworthy information. Both influencer reviews and customer reviews are categorized as eWOM. Our study is conducted to determine more influential reviews, examining the opinions of 100 respondents. Split into two groups of fifty (50), the participants are either influencer or customer reviewers. All aged between 17-40 and students by occupation. Data analysis has been performed using SEM-SmartPLS 3.0. Sample selection was based on purposive random sampling.

In analyzing variables such as eWOM, trust, statistics, perceived value and purchase intentions for sustainable development, this research aimed to identify the more impactful reviews - those from customers or influencers. Ultimately, the data value from influencer reviews proved higher than customer reviews, indicating their dominance in this area.

Keywords: Influencer Review; Customer Review; Perceived Value; Purchase Intention; Sustainable Development; Word-of-Mouth; eWOM

1. Introduction and Brief Literature Review

Green technology refers to the development and application of products, equipment and systems that preserve the environment and natural resources and minimize the negative impact on it. Making purchase decisions these days involves relying on various sources of information. One such source is social media, which not only informs but also plays a vital part in influencing purchasing intention. Analyzing feedback and reviews from electronic word-of-mouth (eWOM) is a critical step in gathering valuable information for potential customers according to a study by Dwidienawati et al. (2020). Influencer support and the reviews left by customers online are prime examples of eWOM. Essentially, they're a reflection of a customer's personal experiences and are shared with other potential buyers. This leads to them jotting down their thoughts about the service or product online - they take on the role of recommenders and informants. Therefore, customer reviews online are informative and crucial in influencing the decisions of other consumers. Electronic word-of-mouth is seen as a helpful way to gather informative input when possible customers are comparing options prior to making a purchase. Positive reviews penned by customers suggest a product, but negative reviews deter people from purchasing. Purchase intention is greatly influenced by informative content. In fact, useful information is collected and scrutinized before any final decisions are made (Chakraborty, 2019). Dwidienawati et al. (2020) suggest that eWOM, consisting of customer reviews and influencer support, holds a powerful sway over purchase decisions. This is because it reflects the evaluations of individuals who have already had the opportunity to experience a product or service and seek to share their thoughts with other potential buyers. Through the internet, Yang et al. (2020) note that consumers can act as informants and recommenders, crafting online reviews that can impact the decisions of others in search of insight. Product recommendations are the intention of positive reviews while negative reviews aim to dissuade potential buyers.

In the world of Instagram, there exist certain individuals who are called opinion leaders (Casaló et al., 2020), but you might know them better as influencers. These influencers are individuals who accrue followers by sharing textual and visual stories of their daily lives, including advertorials which appear as personal opinions about products and services (Van Driel & Dumitrica, 2021; Tightiz & Yoo, 2022). However, limited research has been conducted on whether influencer support actually increases purchase intention (Surjaatmadja & Saputra, 2020). Nonetheless, despite the lack of evidence supporting influencer marketing, many organizations still plan to heavily rely on them (Ariffin et al., 2018). By collaborating with influencers and incentivizing them to share their experiences with their followers via social media, these companies hope to establish consumer-to-consumer interaction over digital platforms, in order to influence consumer behavior positively. While it is true that eWOM - or electronic word of mouth - has been proven to have a significant effect on purchase intention, not all eWOM has a positive impact as indicated by the previous research conducted by (Mortazavi et al., 2014). It showed that only influencer reviews manage to have significant impact on consumer purchase intention. In another study conducted by (Yang et al., 2020), it was found that online reviews played a significant role in purchase intention as well. However, the scope of research conducted by (Imane et al., 2023) is general and doesn't focus on a particular object. Thus, this study is committed to focusing on just one brand and re-establishing the role of trust directly affecting purchase intention, as suggested by previous research.

According to Yang et al. (2020) study on customer satisfaction, trust in online reviews has a positive influence on overall satisfaction. This trust is often earned through customer interactions in social settings, and can help companies build lasting relationships with their consumers. Additionally, perceived benefits and risks play a significant role in consumers' overall assessments of product usefulness, as highlighted by Soares et al. (2012) research. Ngarmwongnoi et al. (2020) study confirms that high-level product information boosts purchase probability among customers, indicating that improving satisfaction with online reviews can positively affect consumer perceived value. To test this, Hsu & Lin (2015) research on mobile phones, as well as their study on mobile

applications, both found perceived value to have a positive effect on purchase intentions. Therefore, the study's proposed hypotheses are as follows:

H1:
a) Influencer Reviews, or electronic word-of-mouth, have an impact on Purchase Intentions (initially, it has been formulated with regard to the study findings by Ngarmwongnoi et al. (2020)).
b) Customer Reviews, or electronic word-of-mouth, have an impact on Purchase Intentions.

H2:
a) Influencer Reviews, or electronic word-of-mouth, have an impact on accepted Trust of their audience (initially, which has been revealed in a work by Dwidienawati et al. (2020)).
b) Customer Reviews, or electronic word-of-mouth, have an impact on accepted Trust among would-be consumers.

H3:
a) The trust in Influencer Reviews impacts Satisfaction received by the customers while consuming the product, acting as a complete mediator (which has been formulated based on findings of research by Zhu et al. (2019)).
b) The trust in Customer Reviews impacts Satisfaction received by the customers while consuming the product.

H4:
a) Satisfaction on the basis of Influencer Reviews affects customer Perceived Value which means that consumers who are content with information that is relevant to their needs consider it sufficient and consistent with their expectations.
b) Satisfaction on the basis of Customer Reviews affects customer Perceived Value.

H5:
a) Perceived Value has an impact on Purchase Intentions as consumers tend to agree with and recognize the value of the information presented in Influencer Reviews after making an overall evaluation (based at studies by Hsu & Lin, 2015; Surjaatmadja & Saputra, 2020)).
b) Perceived Value has an impact on Purchase Intentions as consumers tend to agree with and recognize the value of the information presented in Customer Reviews after making an overall evaluation.

2. Methodology

The study was done to evaluate the eWOM and influencer's impact in costumer (English learners) attraction which were intended English language educational services. Conducted through Google Forms, this investigation delves into two distinct forms of electronic word-of-mouth: the customer review and influencer review, with 50 respondents each. The participants, aged between 17 and 40, were selected through purposive sampling residing in Greater Jakarta in 2022. Customer reviews were sourced from Instagram, website, and Google reviews. The study employs a cross-sectional methodology, examining a single point in time.

We conducted an assessment of Hajli et al. (2017), a noteworthy figure in the world of influencer marketing and an esteemed educator at English Today Jakarta. The initial methodology dictated that the class where Mr. D (Dennis) (English Today's Brand Ambassador), a noteworthy figure in the world of influencer marketing and an esteemed educator at English Today Jakarta, taught would receive surveys either via the WhatsApp application or through Google Chat after their session. Additionally, respondents would submit reviews on WhatsApp. Subsequently, the second method called for those who obtained a hyperlink to give truthful answers to a set of inquiries. Starting with the preliminary page, participants will be queried about their personal traits including name, age, education, and gender, among others. Subsequently, on the following page, each variable's query will be addressed. A seven-point Likert scale that ranges from strongly disagreeing to strongly agreeing with the statement was incorporated for respondents to utilize. The accumulated data underwent descriptive analysis and PLS via SmartPLS. The entire analysis consisted of two phases. Each research indicator undergoes validation and reliability testing in the initial stage, known as the outer model. The subsequent stage, called the inner model, is focused on the correlation between the hidden factors.

3. Results and Discussion

Comparing two groups in this study, *Influencer Reviews* (the results are shown in Figure 1 with regards to the statements marked (a) for each Hypothesis) versus *Customer Reviews* (the results are shown in Figure 2 with regards to the statements marked (b) for each Hypothesis), a hundred

people participated with 50 people in each group. The respondents mostly consisted of those in the Generation Z age range, born from 1997 to 2002, and held a Bachelor's degree. All participants were from the Greater Jakarta area of Indonesia.

On purchasing power, an influencer's number of followers can hold significant sway due to the wide reach of their message, as proven by the hypotheses H1 (a): EWOM (Influencer Review) has an impact on Purchase Intentions. Furthermore, the likeability of the influencer can also be affected by the size of their follower count. The opinions of other followers in a group are influenced by the number of «likes» a post receives (Ngarmwongnoi et al., 2020), leading to increased similarity among members. H2 (a) of Dwidienawati et al. (2020) research reveals that Influencer Reviews, or electronic word-of-mouth, have an impact on accepted trust due to the perceived leadership role of influencers in fostering trust among their audience. Influencers are expected to endorse quality products as followers believe that they have a solid rapport with them and the influencer's reputation is on the line. This is well-known among followers, as they understand that influencers are compensated for these product promotions (Dwidienawati et al., 2020). Zhu et al. (2019) discovered that trust holds a significant impact on satisfaction received (H3 (b)), acting as a complete mediator. If consumers come across highly factual reviews, their trust in the online reviews improves, which consequently prompts positive emotions like satisfaction and delight towards the mentioned products and merchants. It has been demonstrated that Satisfaction affects Perceived Value which means that consumers who are content with information that is relevant to their needs will deem it sufficient and consistent with their expectations. Additionally, Perceived Value has an impact on purchase intentions, as consumers tend to agree with and recognize the value of the information presented in reviews after making an overall evaluation. To gauge a potential buyer's intentions, it is helpful to consider how they perceive the value of a product (Hsu & Lin, 2015; Surjaatmadja & Saputra, 2020).
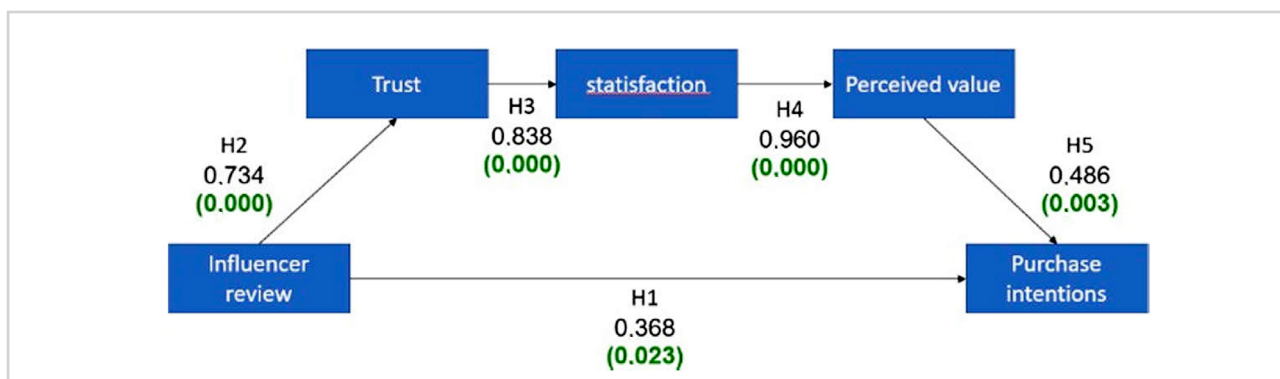

Figure 1:
Hypotheses (a) testing results regarding the impact
of Influencer Reviews on consumer decision-making
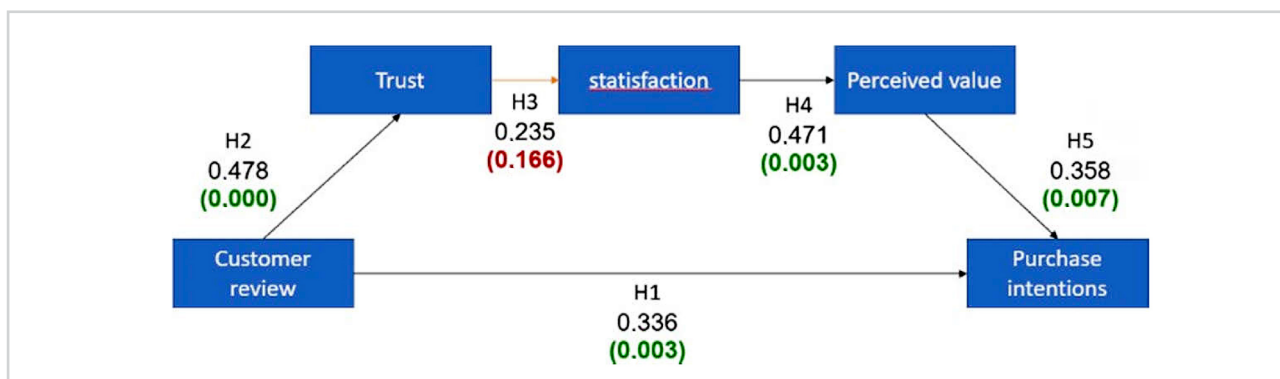Source: Data analysis made by the authors using PLS SEM in 2022

Figure 2:
Hypotheses (b) testing results regarding the impact
of Customer Reviews on consumer decision-making
Source: Data analysis made by the authors using PLS SEM in 2022

Customer reviews play a vital role in consumer decision-making, as reflected by the first hypothesis, H1 (b). This suggests that EWOM, or electronic word of mouth, specifically in the form of customer reviews, has the ability to influence purchase intentions. The significance of customer reviews in driving sales has been reported in research conducted by Dwidienawati et al. (2020). The second hypothesis, H2 (b), supports the notion that customer reviews also have an impact on the level of trust received from consumers. Would-be buyers have been observed to place more trust in products with positive reviews from fellow customers. The actual user experience with a product or service is what gives online reviews credibility, as shown by research conducted by Dwidienawati et al. (2020). These reviews are trustworthy because the users who write them have no vested interest in deceiving readers. Interestingly, contrary to H3 (b), the impact of trust on satisfaction is not significant. To be truly useful, information must be of high quality, providing customers with a better understanding of products and helping them make informed decisions. Customer reviews on the internet often face issues with regards to quality. The reviews that customers provide are usually short and lack specificity. In some cases, people simply give a rating or «like» without elaborating any further, as pointed out by Dwidienawati et al. (2020). Satisfaction has an impact on the perceived value, as evidenced by H4 (b). This indicates that despite the dissatisfaction with the reviews, there is a wealth of information and alternatives for consumers to scour through in their quest for the perfect product. Making decisions can become simpler and more trustworthy with the guidance of customer reviews (Dwidienawati et al., 2020). An accepted theory, H5 (b), concludes that the perceived value of a product significantly influences purchase intentions (satisfaction). This highlights how consumers deduce value from their overall experience of review-based information. Moreover, perceived value becomes a vital predictor of product usage or buying decisions (Hsu & Lin, 2015).

4. Conclusions

In analyzing the variables eWOM, trust, statistics, perceived value and purchase intentions for sustainable development, a study was performed to determine the predominant influence between customer and influencer reviews. Interestingly, it was discovered that Influencer Reviews held a higher data value than Customer Reviews, indicating their greater impact on the aforementioned variables.

a) Reviews Left by Customers
- On English Today, Purchase Intentions are positively impacted by eWOM through Customer Reviews.
- Customer Reviews have a positive effect on Trust when it comes to eWOM and influencers.
- Online reviews can be impacted by trust, leading to decreased satisfaction.
- Perceived value is positively influenced by online reviews that are influential as well as satisfying.
- Purchase Intentions can be positively influenced by Perceived Value towards sustainable development.

b) Influencer Reviews
- Purchase Intentions are positively influenced by eWOM paired with Influencer Review.
- Influencer reviews have a positive impact on eWOM and the trust consumers place in them.
- Online reviews are positively impacted by trusts, leading to greater satisfaction.

Reviews from social media Influencers can be a powerful tool when it comes to promoting products or services. By teaming up with an Influencer whose brand aligns well with the product or service being offered, companies can reach a specific target audience and potentially gain more followers or customers. Influencer Reviews often contain personal experiences and candid opinions, which can provide a level of authenticity and trustworthiness that traditional advertising may not be able to achieve. Nonetheless, companies should carefully select the right Influencer to partner with, as credibility and transparency are key factors in maintaining a strong reputation.

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