

## The Influence of E-WOM, E-Promotion, Location, And Price on Consumer Satisfaction Mediated by Purchasing Decisions In Jepara Carved Furniture Consumers in Indonesian

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### Abstract

This study aims to determine direct influence between e-wom, e-promotion, location and price on consumer satisfaction mediated purchasing decisions in consumers Jepara carved furniture. Types of research this is a quantitative approach with numbers sample of 123 respondents using survey method through distributing questionnaires as a data collection method. Method used for analysis is SEM with the Smart PLS tool version 3.0. Test that used are outer model, inner model, and mediation test. The research results show that variables e-wom, e-promotion, location, and price have a positive effect and significant to consumer satisfaction. It can also be concluded that the e-promotion, location, and price positive and significant effect on purchasing decision. Meanwhile, the e-wom has a negative and significant effect on purchasing decisions. Connection the purchasing decision variable has an effect negative and significant on satisfaction consumer. In the e-WOM variable mediation and e-promotion on satisfaction consumer mediated purchasing decisions is said to be Partial Mediation. Location variables and price on satisfaction consumer mediated purchasing decisions is said to be No Mediation.

**Keywords:** E-WOM, E-Promotion, Location, Price on Consumer Satisfaction, Purchasing Decisions

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### Introduction

Many industrial companies in Indonesia have strategies to outperform their products or their efforts. One of them is the furniture industry, although business competition is now getting tougher. The furniture industry contributes greatly to the Indonesian economy and has great economic value strategic. For example, Jepara carved furniture business in Indonesian. Because of competition in the marketing business, especially in the furniture industry, there is also a lot new competitor. As well as today's increasingly sophisticated technology such as online or digital marketing, and e-commerce platforms that make it easier for entrepreneurs to market with easy. In this research I used previous research as a reference conducting research with new results.

Research Kartika et al., (2019) which explains that e-wom has a positive effect and significant to consumer satisfaction. Putro, C.H & Adi N. (2020), who explains that e-promotion has a positive effect and significant impact on customer satisfaction, whereas in other research conducted by Siregar, Nurafrina, et al (2022), with research results that e-promotion has a negative effect and significant to consumer satisfaction. Research has been carried out by Akbar, Nico Fa'al (2020), with research results that location has a significant effect on consumer satisfaction. while in other research conducted by Ardiansyah, R. A., & Wibowo, T. S. (2020), with research results that location has no effect on satisfaction consumer credit card users. Research on prices has been carried out by Putro, C.H & Adi N. (2020), price has a positive and significant effect on customer satisfaction, meanwhile in another research conducted by Akbar, Nico Fa'al (2020), with research results namely Price has a negative and significant effect on consumer satisfaction. Due to differences in research results on e-promotion variables on consumer satisfaction, then this makes it unclear. So in this study the researchers included the mediating variable is the purchasing decision, because in research conducted by Tirtayasa, Satria, et al (2021) show the results that purchasing decisions have a positive effect and significant to consumer satisfaction.

## Literature review

### E-WOM to Consumer Satisfaction

Gruen (2006). e-WOM is a communication media used to share information about a product or service consumed between consumers who do not know each other but have met before. Kotler & Keller (2017) Consumer satisfaction is a person's feeling of happiness or disappointment that arises after comparing the estimated product performance (results) with the expected performance (or results). Kartika, Mela & Raden L.G (2019) explains that e-wom has a positive and significant effect on consumer satisfaction. Therefore, the following hypothesis can be obtained:

*H1. It is suspected that e-WOM has a positive and significant effect on consumer satisfaction*

### E-Promotin to Consumer Satisfaction

Daryanto (2011), promotion is a one-way flow of information or persuasion designed to direct individuals or organizations to take action that creates communication in marketing. Research by Widodo, Aris & Murwatiningsih (2019) explains that e-promotion has a positive and significant effect on consumer satisfaction. Therefore, the following hypothesis can be obtained:

*H2. It is suspected that e-promotion has a positive and significant effect on consumer satisfaction*

### **Location to Consumer Satisfaction**

Heizer & Render (2015) location is a driver of costs and income, so location often has the power to create a company's business strategy. Efnita's research, Titik (2017) explains that location has a positive and significant effect on consumer satisfaction. Therefore, the following hypothesis can be obtained:  
*H3. It is suspected that location has a positive and significant effect on consumer satisfaction*

### **Price to Consumer Satisfaction**

Kotler and Keller (2016), price is the amount of money set for the product to be purchased by customers which functions in several aspects including production, distribution and sales costs. Research by Putro, C.H, & Adi Nurahmadi (2020) explains that price has a positive and significant effect on consumer satisfaction. Therefore, the following hypothesis can be obtained:  
*H4. It is suspected that price has a positive and significant effect on consumer satisfaction*

### **Purchasing Decisions on consumer satisfaction**

Research by Tirtayasa, Satria, et al (2021) explains that purchasing decisions have a positive and significant effect on consumer satisfaction. Therefore, the following hypothesis can be obtained:  
*H5. It is suspected that purchasing decisions have a positive and significant effect on consumer satisfaction*

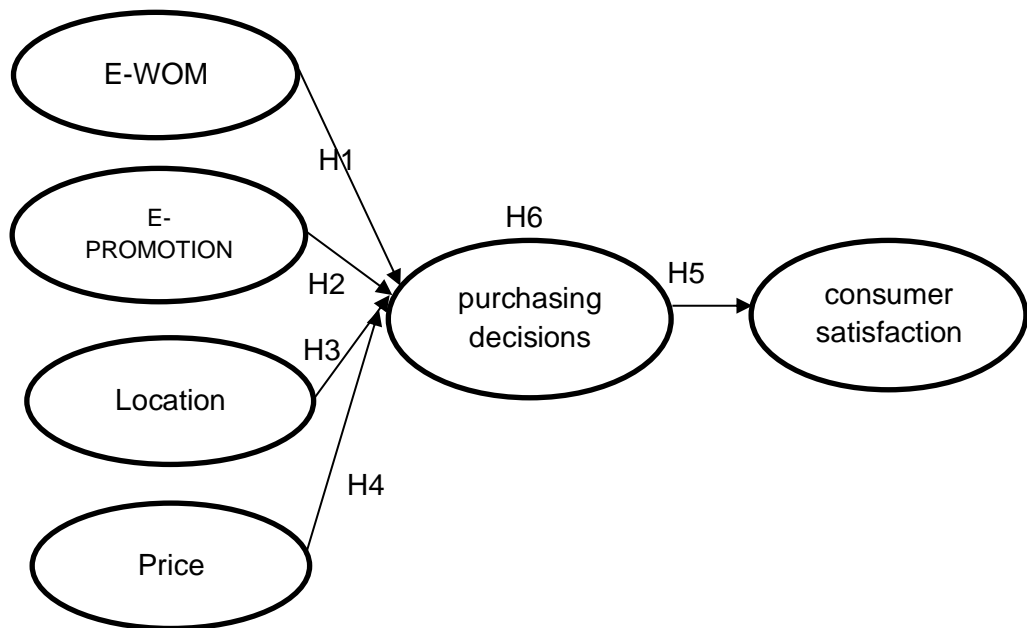
### **Mediated by Purchasing Decisions**

Pasaribu & Yuliawati (2019), in research by Kadi, Dian C.A, et al (2021), it is explained that there is a positive and significant influence between e-wom variables and consumer satisfaction through purchasing decisions. Susilo (2018), in research by Kadi, Dian C.A, et al (2021), it is explained that there is a positive and significant influence between the e-promotion variable and consumer satisfaction through purchasing decisions. Kadi, Dian C.A, et al (2021) that there is a significant influence between location variables and consumer satisfaction through purchasing decisions. Trenggana, Arlin. F.M, et al (2021) that there is a significant influence between price variables and consumer satisfaction through purchasing decisions. Therefore, the following hypothesis can be obtained:

### **Figure 1**

#### *Conceptual Framework*

*H6. purchasing decisions significantly mediate the relationship between E-WOM, E-Promotion, location and price on consumer satisfaction*



## Research method

This type of research is quantitative research with as many samples as possible 123 respondents who are customers of Jepara Carved Furniture. Method used to analyze is SEM (Structural Equation Modeling) with tools Smart PLS version 3.0. The Snowball sampling technique in which samples were obtained through a rolling process from one respondent to another (Djamba and Neuman 2002) using SmartPLS version 3 software. PLS (Hair 2019a). Based on this technique, the samples in this study were 123 respondents (Hair 2019b). However, 123 respondents filled out the questionnaire via e-mail.

## Data analysis and result

In the E-WOMI variable, the Composite Reliability value is 0.874 and the Cronbach's Alpha value is 0.783, which is declared Reliabel. In the E-Promotion variable, the Composite Reliability value is 0.909 and the Cronbach's Alpha value is 0.850, which is said to be Reliable. In the location variable, the Composite Reliability value is 0.858 and the Cronbach's Alpha value is 0.795, which is declared Reliable. In the price variable, the Composite Reliability value of 0.853 and the Cronbach's Alpha value of 0.788 are declared Reliable. In the Consumer Satisfaction variable, the Composite Reliability value is 0.929 and the Cronbach's Alpha value is 0.883, which is declared Reliable. In the purchasing decision variable, the Composite Reliability value

is 0.952 and the Cronbach's Alpha value is 0.923, which is declared Reliable because it is  $>0.7$ .

**Table 1.**

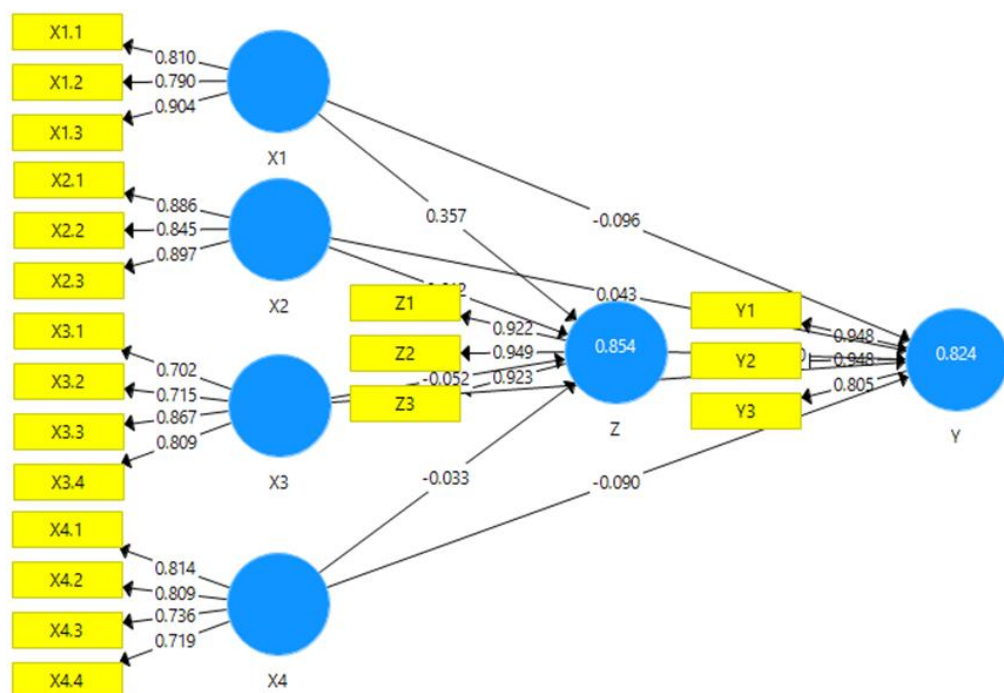
*Composite Reliability and Cronbach's Alpha*

Variabel	Composite Reliability	Cronbach's Alpha	Keterangan
<i>E-WOM</i>	0.874	0.783	Reliabel
<i>E-Promotion</i>	0.909	0.850	Reliabel
Lokation	0.858	0.795	Reliabel
Price	0.853	0.788	Reliabel
Consumer Satisfaction	0.929	0.883	Reliabel
purchasing decision	0.952	0.923	Reliabel

Sumber : *Smart PLS Versi 3.0 diolah* (2023)

**Figure 2.**

*Structural Model*



**Tabel 2.**

*Specific Indirect Effect*

Variabel	Original Sampel	Sampel Mean	Standart Deviation	T Statistik	P Value
e-wom => purchasing decision => Consumer Satisfaction	0.246	0.239	0.090	2.743	0.006
e-promotion => purchasing decision => Consumer Satisfaction	0.422	0.402	0.133	3.162	0.002
location => purchasing decision => Consumer Satisfaction	-0.036	-0.036	0.050	0.716	0.474
Price => purchasing decision => Consumer Satisfaction	-0.023	-0.026	0.030	0.773	0.440
<i>e-wom</i> - Consumer Satisfaction	-0.096	-0.066	0.189	0.507	0.612
<i>e-promotion</i> - Consumer Satisfaction	0.043	0.036	0.153	0.283	0.778
Location - Consumer Satisfaction	0.340	0.345	0.071	4.791	0.000
Price - Consumer Satisfaction	-0.090	-0.083	0.045	1.976	0.049
purchasing decision - Consumer Satisfaction	0.690	0.661	0.162	4.267	0.000

Sumber : *Smart PLS Versi 3.0* diolah (2023)

The e-wom variable on consumer satisfaction shows that the coefficient value is  $-0.096 < 0.000$  with T-statistics  $< T$ -table ( $0.507 < 1.657$ ) and P-value  $0.612 > 0.05$ , meaning there is a negative and insignificant influence. This happened because respondents considered that the owner did not post enough information on the internet about Jepara carved furniture products. And these factors also cause consumers to be less confident about making purchases online. And make more purchases offline. In contrast to research conducted by Kartika, Mela & Raden L.G (2019) which explains that e-WOM has a positive and significant effect on consumer satisfaction. So hypothesis 1 is not Supported.

The e-promotion variable on consumer satisfaction shows that the coefficient value is  $0.043 > 0.000$  with T-statistics  $< T$ -table ( $0.283 < 1.657$ ) and P-value  $0.778 > 0.05$ , meaning there is a positive and insignificant influence. This happened because respondents assessed that the owner had carried out e-promotion well, but the information provided was still poorly understood and consumers preferred to buy products by coming directly to the Jepara Ibrahim Jaya carved furniture shop. In contrast to research conducted by Widodo, Aris & Murwatiningsih (2019) explained that e-promotion has a positive and significant effect on consumer satisfaction. So hypothesis 2 is not supported.

The variable influence of location on consumer satisfaction shows that the coefficient value is  $0.340 > 0.000$  with T-statistics  $> T$ -table ( $4,791 > 1.657$ ) and P-value  $0.000 < 0.05$ , meaning there is a positive and significant influence. This happened because respondents considered the location of Jepara Ibrahim



Jaya carved furniture to be very easy to reach and easy to find. This is supported by research conducted by Efnita, Titik (2017) explaining that location has a positive and significant effect on consumer satisfaction. So hypothesis 3 is Supported.

The variable influence of price on consumer satisfaction shows that the coefficient value is  $-0.090 < 0.000$  with T-statistics  $> T$ -table ( $1.976 > 1.657$ ) and P-value  $0.049 < 0.05$ , meaning there is a negative and significant influence. This happened because respondents thought that the suitability of the price of the furniture being sold would affect the quality of the goods. Ibrahim Jaya's Jepara carved furniture provides lower prices than competitors so that consumers think that the quality of this product is not good. Thus, consumers do not feel satisfaction but will even feel the opposite. The price offered by the business owner is in accordance with the price quality, but consumer satisfaction decreases. In contrast to research conducted by Putro, C.H, & Adi Nurahmadi (2020) explains that price has a positive and significant effect on consumer satisfaction. So hypothesis 4 is not supported.

The purchasing decision variable on consumer satisfaction shows that the coefficient value is  $0.690 > 0.000$  with T-statistics  $> T$ -table ( $4,267 > 1.657$ ) and P-value  $0.000 < 0.05$ , meaning there is a positive and significant influence. This happens because the level of consumer satisfaction is determined by the size of the gap between consumer expectations and the reality received by consumers. The greater the gap between expectations and reality received by consumers, the greater the consumer's dissatisfaction with the product or service. If consumers feel satisfied, it is likely that consumers will make purchasing decisions in the future. This is supported by research conducted by Tirtayasa, Satria, et al (2021) explaining that purchasing decisions have a positive and significant effect on consumer satisfaction. So hypothesis 5 is Supported.

In table the Path Coefficient of the e-wom variable on consumer satisfaction shows a negative relationship because P Value =  $0.612 > 0.05$ , and in table 5.15 Specific Indirect Effect The e-wom variable on consumer satisfaction is mediated by purchasing decisions, there is a positive relationship because P Value =  $0.006$  which is meaning  $< 0.05$ . So this relationship can be called Full Mediation. The Path Coefficient of the e-promotion variable on consumer satisfaction shows a negative relationship because P Value =  $0.778 > 0.05$ , and in table 5.15 Specific Indirect Effect The e-promotion variable on consumer satisfaction is mediated by purchasing decisions, there is a positive relationship because P Value =  $0.002$  which means  $< 0.05$ . So this relationship can be called Full Mediation. Path Coefficient of location variables on consumer satisfaction shows a positive relationship because P Value =  $0.000 < 0.05$ , and in table 5.15 Specific Indirect Effect Location variables on consumer satisfaction are mediated by purchasing decisions, there is a negative relationship because P Value =  $0.474$  which means  $> 0.05$ . So this relationship can be called Non Mediation. The Path Coefficient of the price variable on consumer satisfaction shows a positive relationship because P Value =  $0.049 < 0.05$ , and in table 5.15 Specific Indirect Effect of the price variable on consumer satisfaction, there is a negative relationship because P Value =  $0.440$ ,

which means  $> 0.05$ . So this relationship can be called Non Mediation. hypothesis 6 is supported.

### Conclusion

The relationship between e-WOM and consumer satisfaction has a negative and insignificant effect. even though e-wom at Jepara Carved Furniture is good or bad, it still has nothing to do with consumer satisfaction. And maybe there are other variables that can influence consumer satisfaction. For example, product quality. The relationship between e-promotion and consumer satisfaction has a positive and insignificant effect. The relationship between location and consumer satisfaction has a positive and significant effect. The relationship between price and consumer satisfaction has a negative and significant effect. Purchasing decisions significantly mediate the relationship between E-WOM, E-Promotion, location and price on consumer satisfaction. Future research can use innovative work variables to increase customer satisfaction. Innovative work behavior is intentional individual behavior for the introduction and application, in a role, group or organization of ideas, processes, products or procedures, is something new for the unit concerned, designed to significantly benefit individuals, groups, organizations or society wider (Nurcholidah et al. 2023).

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