Word of Mouth in Digital Business

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Abstract. The purpose of this study is to determine changes in information technology marked by the presence of social media that changed the process of delivering information. WOM is usually limited to conventional and now many are switching to e-WOM through social media Instagram. This research was conducted using a qualitative descriptive method that aims to determine the effect produced by Electronic Word of Mouth on the company's brand image. The result shows that that social media helps businessman to promote their services and products using celebrity to convey the messages related to products or services.

1. Introduction

Business practices cannot be separated from the process of production and marketing. In a company's marketing strategy, it aims to promote the goods or services produced by the company to the consumer so that consumers want to use the products or services produced by the company. Promotion is done with creative and interesting way, it can be advertising in conventional media or print media. If the marketing strategy is done properly then it will have an impact on high sales figures. Therefore, marketing plays an important role in a company. The marketing strategy is not only done through advertising. As for the other strategies that can be done to support the sales growth is the strategy of word of mouth. Strategy word of mouth is considered as an effective strategy to convince potential customers so they want to use or purchase products or services. This strategy is one of business tools that are chosen by most businessesmen to increase sales of the company. Word of mouth is one of the marketing strategies that is not complicated and does not cost a lot, but it gives a fairly effective impact on the company's sales figures. Word of mouth is a strategy that is not directly compiled companies because of word of mouth occurs because of a review that consumer disclosed to any other party either personally or groups regarding satisfaction with the service or a product and service that he use of a company. The review disclosed is usually positive, this strategy is not intentionally done firm but provide the benefits quite effective in increasing sales figures. Although it is unintentional, a company must keep doing the attention and monitoring. If the review given the consumer in the form of negative things it will affect negatively for the company, which is to reduce the company's image and lower sales figures. To achieve a positive word of mouth from customers is done by providing the best service for the satisfaction of a consumer is very important for the development of an enterprise. Factors that can determine customer satisfaction is the friendly service, value, speed of service, and products or services with good quality. If consumers are satisfied it is not impossible that consumers will become permanent customers. Consumers still will usually recommend products and services that he uses to those that exist in their environment such as family, siblings, relatives, and friends.

Strategy word of mouth is very advantageous, because no large capitalization process but it gives a real effect. Because the perpetrators of promotion are direct consumers who are not forced to tell the truth and provide references and referrals to the public. The presence of social media so that digitization raises Word of mouth strategy unconventional but already digital, for many the emergence of a review of the consumer being done online. Up comes the term e-WOM or electronic word of mouth. Previous research stated that the use of word of mouth can increase and promote the product or services that the company provided [1]. Therefore, there are things that distinguish between e-WOM WOM namely: 1) communications that do not face to face; 2) The information sent to the recipient without going through the process of inquiry or request [2].

The purpose of this study is to analyze and identify changes in information technology marked by the presence of social media that has changed the process of delivering information. WOM is usually limited to conventional and now many are switching to e-WOM through social media Instagram. This research was conducted using a qualitative descriptive method that aims to determine the effect produced by Electronic Word of Mouth on the company's brand image.

2. Method

The method used in this study is a qualitative, which is used to explore and understand the meaning of a humanitarian issue or social problem using a descriptive study. Data collected through literature study, internet searching, and peer discussion.

3. Results and Discussion

The company now considers e-WOM as one of the dominant factors in influencing the decision for a consumer to make a purchase [3]. E-WOM in practice information easier to spread and spread more widely because of social media especially Internet users are huge numbers. Of social media users in Indonesia in January 2019 accounted for 150 million users or 56% of the total population of Indonesia as a whole (Figures 1 and 2).
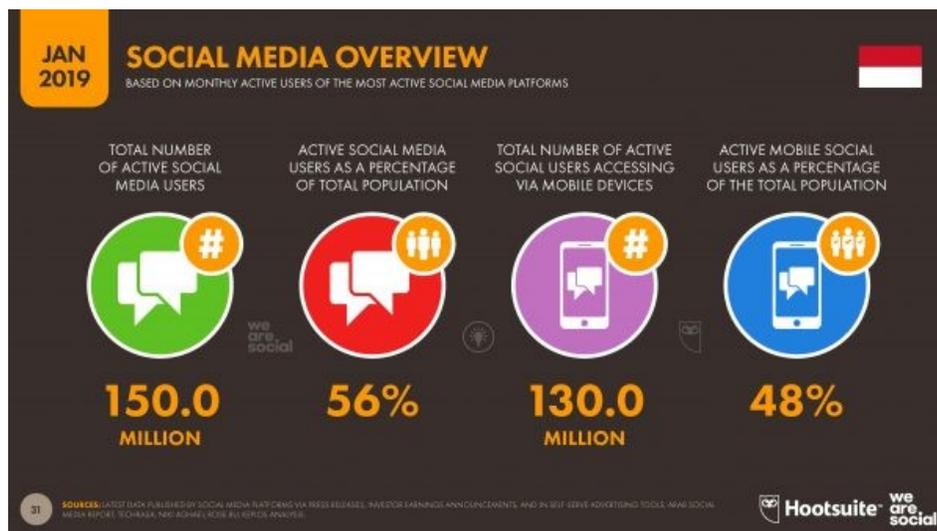
Figure 1. Social Media User in Indonesia

One of the most desirable social media this year is recorded Instagram users in January 2019 were 62 million active accounts. Ranked fourth after Youtube, Whatsapp, and facebook.
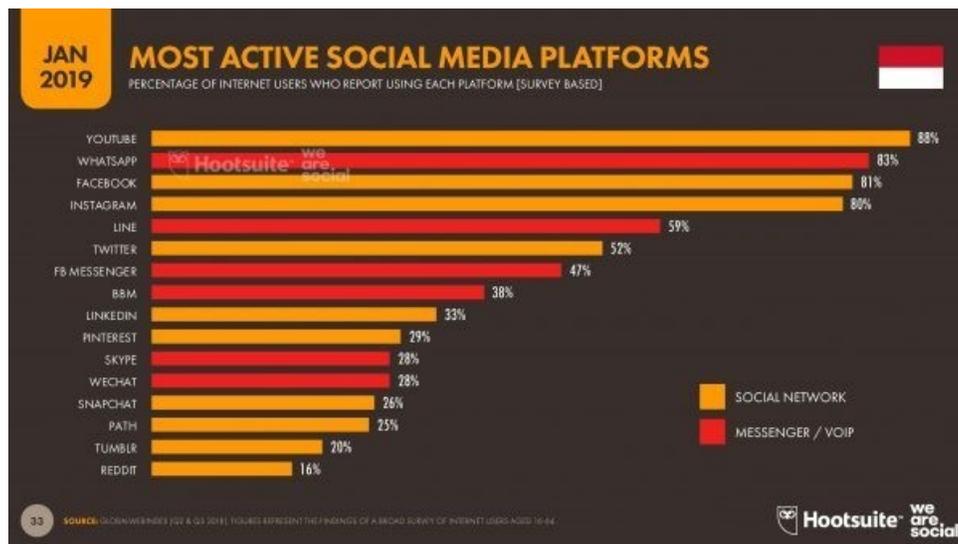
Figure 2. Percentage of Internet Users

Instagram is a photo sharing application and a short video, first appeared on 6 October 2010, or about ten years ago. Since its emergence instagram never lost its luster, instagram users is increasing every year. Each account holder will upload a photo or video content of exciting to be the center of attention. The phenomenon eventually triggers micro celebrity commonly referred to as a celebrity Instagram [4,5]. A celebrity Instagram usually have dependencies and many of those who shared their daily via instagram features, including a wide range of matters relating to the experience of use of the product and services of a company.

E-WOM is a positive or negative statement made from actual and potential by consumers who have used products or services from a company and can be accessed by many people via the internet [6]. E-WOM is divided into three dimensions, namely e-WOM quality, e-WOM quantity, and sender expertise [7]. Practice e-WOM influenced sophisticated technology provides convenience and efficiency in terms of power, promotional fees, as well as the procedures that need to be passed. The factors that influence a consumer do e-WOM namely: 1) social capital which is a blend of resources on social interaction, such as emotional support, confidence, ideas, information and cooperation for consumers. Social capital is divided into two, the first bridging social capital of the people who build the relationship between the social network but has a different background is often the relationship is only temporary. While both the bonding social capital that occurs when people are connected in the bonds of family or close friends then provide emotional and substantive support among each other so that the relationship was quite private and well. 2) Trust as a consumer would normally use the existing reviews on SNS or personal social networking sites that can be trusted for making a decision. This encourages a person to share and promote their product via the SNS. Thus the perceived confidence helped the spread of information in social networks so as to improve the communication of e-WOM. 3) Identification is described as a sense of belonging which turned out to have a major impact on consumers in the hold of an e-WOM. Search is a great way to obtain opinions and provide suggestions or information an online community. Through this online community of consumers are motivated to participate in giving advice or information. 4) Interpersonal influences or people who provide its own influence to other people. Because not a few people who decide things after securing influence or encouragement from influential people in his life. Interpersonal influences becoming divided into two namely informational influences the effect that is informative, as well as provide adaptive and quick response. The second normative influences that effect is ambiguous but aims to improve the social acceptance [8].

Consumers who do e-WOM will express their opinions regarding the products or services of a company. The information includes a company's brand image. Image or the image is a view or perception of the public about a company or its products and services. Positive image of the company will bring benefits to the company, because it inadvertently consumers will promote the product to others. And vice versa if the negative image then the consumer will spread bad information and hurt the company. That the brand image or brand image is the perception about a brand associated with brand associations attached to the memory of consumers. Marketing tool that is used to create a brand image is the product, brand, logo or symbol, the packaging, the color chosen, the price, the owner of the brand, the target market, advertising and all other forms of promotion. How that can be done to build a brand image done in three ways: 1) Putting the right positioning, position the company specifically in the minds of customers. 2) Have the right brand value, brand value reflected form a brand personality that rapid changes in consumer tastes. 3) Determine the appropriate concept which involved changes according to the product concerned [9].

At this time, everyone will rely on the gadget that has a connection to the Internet, including to obtain information related to something. In the past five years all people rely on newspapers and television as a source of information, very different from the present [10]. Conventional media such as newspapers and television began to be abandoned and switch on digital media. Gadget with an internet connection with social media mainstay. Through social media everyone will easily obtain the information. Social media becoming an idol for rapid dissemination of information and real time making it easier for all parties. Because the distribution process simply using the Internet network, whereas the conventional media will go through many processes such as editing and published schedule. The rise of the use of digital media makes everyone dependent on digital media, including the process of finding relevant information of a product or service or to share experiences related to the use of the product or service. Without realizing communications made by consumers and consumers in the digital media is the practice of electronic word of mouth.

The electronic word of mouth is communication or exchange of information from old customers to new customers by using new technologies such as online discussion forums, newsgroups, blogs, bulletin board electronics, review sites, or social media provide facilities for the exchange of information among communicators. Instagram social media appropriately used as a medium to introduce products and services of the company when compared to other social media. Instagram is a social media application that does not pay that emphasizes visual when compared to other social media. Instagram requires users to upload photos or short videos to be shared, and can be linked on other social media such as facebook and twitter. So via instagram can reach a wider target market. Promotions on Instagram speed up time when compared to other conventional media because when the content is uploaded then at the same time the public can see. This opportunity is utilized businesses to sell goods and services in social media to build instagram account with ads or instagram features advertising that allows a business to monitor the movements of their business. Differences with instagram ordinary ads lies in monitoring feature whereby a user is able to see the ads instagram number of visitors, and instagram will help to steer us in the audience that account in accordance with the qualification of products and services that we spend. The products or services that are sold in instagram is a fashion product (Figure 3).
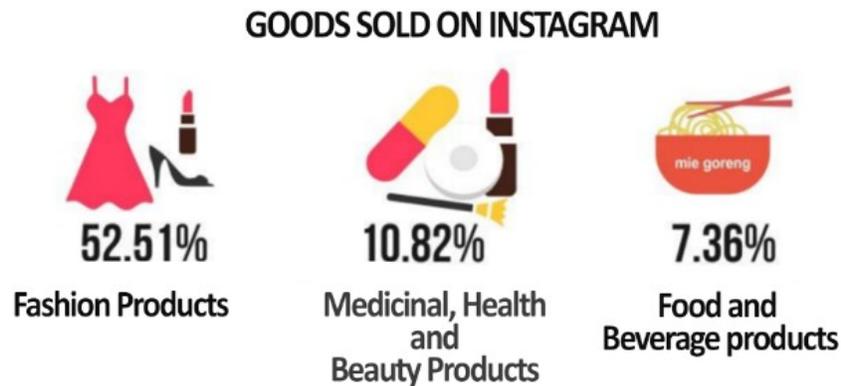
Figure 3. The goods sold in Instagram.

Each instagram users will try to show the best side in him that made interesting content, so as to become the center of attention. In the communication process needs to be known to the feedback in order to do the evaluation process, to determine Feedback on Instagram can be measured by the number of viewers and the likes. If the number of viewers and likes high it can be said that the public gives positive feedback on content that has been created. This phenomenon eventually led selebgram microcelebrity the designation for those celebrities in the world instagram: those who have a number of followers, viewers and likes that a lot. Instagram celebrity used to sell his services to introduce a product and services from a company that will be uploaded to a personal instagram. Selebgram perceived as perpetrators of electronic word of mouth the most powerful because of the number of followers on social media that a lot of the people who have a sense of love, are interested and have the supportive stance towards selebgram. So usually the followers will follow and perform inspired by the selebgram, including using a product. Selebgram selected will be adapted criteria with the brand image to be built by the company. It is because by choosing the right selebgram segmentation and target market would be appropriate so that the results will be maximized. Selebgram considered more effective to introduce goods and services because they will directly use the products and services and will deliver an honest review yet simple and not overdone so unimpressed like ads so easily trusted by consumers. Compared with the conventional advertising that we usually see in conventional media are filled with setting and planning.

Activities of electronic word of mouth in the celebrity instagram performed in addition to being a media campaign has also become an activity to build the brand image of a company. The use of celebrities Instagram services to enhance the company's brand image in the eyes of the public with the public, especially the younger age group, better known as millenials generation. If the practice of electronic word of mouth carried by celebrities Instagram is right it will obtain positive results. The practice of electronic word of mouth carried by celebrities Instagram with instagram account Keanuagl activity of electronic word of mouth to give a review of related products which he uses through a feature story and mark instagram instagram account that sell such products. Because the review was done by positive and engaging Keanuagl ultimately indirectly help spread positive brand image of that seller via Electronic Word of Mouth activity that has been carried out. The positive impact of which was obtained by the seller instagram account is public confidence, positive brand image in the eyes of prospective customers, as well as the number of followers on Instagram is increased.
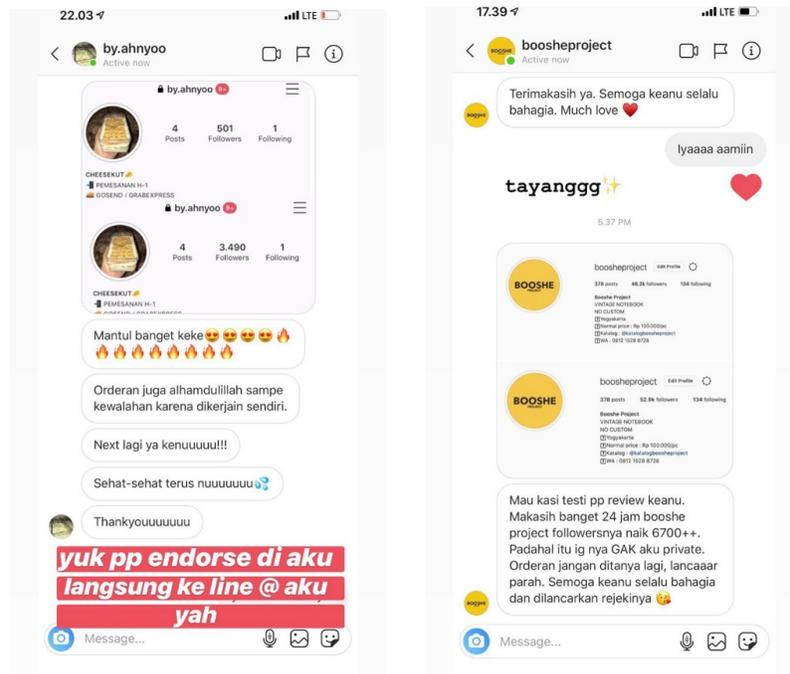
Figure 2. Menu

The quality of word of mouth refers to the strength of the message persuasive information contained in a comment. The strength of the message content related experience using a product or service from a company that is delivered through social media. The strength and quality contained in the message finally able to build a positive brand image in the public mind.

1. *Electronic Word of Mouth Quantity*

The quantity of electronic word of mouth seen from the number of comments posted by consumers. The number of consumers' comments showed the popularity of such products on the market. The more comments someone related products or services in social media then it will make the level of public confidence in the act a product or service will be higher. Moreover, if the comments made positive, the brand image and public confidence related to a product or service from a company that will be formed will be positive. Not a few prospective consumers confused in deciding the use of a product, then he will seek a review of others related product in social media. If potential customers are finding many positive reviews related to a product it is likely he will use the product.

2. *Sender's Expertise of electronic word of mouth*

The ability of the sender when it issued a review of commentary related products have been used, so as to be interesting to see the comments and buy the product. Comment, review or story related to the experience of using a product or service that is packaged using creative strategies will invite the attention of prospective customers. Review submitted via social media needs to be built with a unique and creative way in order to be seen and observed so that the brand image built in the minds of prospective consumers were good and positive.

4. Conclusion

Electronic word of mouth carried on Instagram social media to build positive brand image of the company can be performed using the celebrity instagram micro celebrity services. A celebrity instagram convey a message related experience of the use of a product or service from a company in the form of positive information by considering three dimensions, namely the quality of electronic word of mouth, word of mouth electronics quantity, and the sender's expertise is electronic word of mouth. Celebrity instagram must be selected in accordance with the qualifications and characteristics of the products or services of the company so that the desired goals can be achieved with the maximum, and the message was received well because in accordance with the segmentation.

Acknowledgement

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