Influence of eWOM and Brand Image on Purchase Decisions of Luxcrime Cosmetic Products in Bandar Lampung

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Abstract

The growth of internet technology continues to increase, accompanied by the increasing population of Indonesia's young population, which encourages public awareness of the importance of maintaining appearance and skin health. The internet makes it easy for consumers to find information, reviews, and product images before buying Luxcrime cosmetic products. This allows companies to pay attention to the influence of electronic word of mouth and brand image on purchasing decisions for Luxcrime cosmetics. This study aims to determine the effect of electronic word of mouth and brand image on purchasing decisions for Luxcrime cosmetic products in Bandar Lampung. This study used a quantitative approach and a questionnaire to sample 110 respondents influenced by electronic word of mouth and brand image when purchasing Luxcrime cosmetics in Bandar Lampung. The results of data analysis using multiple linear regression show that positively and significantly, the electronic word of mouth variable and the brand image variable affect the decision to buy Luxcrime cosmetic products in Bandar Lampung.

Keywords: electronic word of mouth, brand image, purchase decisions

Introduction

The development of globalization is increasingly evident in the rapid advancement of technology, which has significantly transformed various aspects of human activities, particularly in business. The growing technological capabilities have intensified competition in both the service and goods sectors. Over time, businesses have gradually shifted their marketing strategies towards the digital era. The ongoing phenomenon of digitalization has displaced and transformed traditional marketing methods, leading to the emergence of digital marketing. As a key element of technological advancement, the internet has become an essential tool for accessing the vast amount of information that society seeks (Kotler & Keller, 2016).

According to the Indonesian Internet Service Providers Association (APJII), the number of internet users in Indonesia reached 221.56 million in 2024, covering 79.5% of the total population, which marks a 1.4% increase from the previous year. This widespread internet access has made social media more accessible, and data from We Are Social shows a 5.6% increase in social media users over the past year. Consequently, producers of goods and services are increasingly competing through digital platforms to capture the attention and interest of consumers (Kotler & Keller, 2016). The cosmetics industry in Indonesia is experiencing significant growth, fueled by the rising young population and increased awareness about skincare and appearance (Haryo Limanseto, 2024). As a result, many cosmetic brands are driven to innovate by introducing products with the latest technologies and ingredients tailored to meet current consumer demands. The diverse skin needs of the population, ranging from sensitive to oily skin, have encouraged producers to develop formulations suitable for various skin types.

According to a report by Research and Markets, the global cosmetics market is expected to reach USD 363.8 billion by 2030, benefiting from significant product innovations by leading competitors. Additionally, the Indonesian cosmetics industry has witnessed phenomenal growth, with the number of cosmetic companies rising by 21.9%, from 913 companies in 2022 to 1,010 in mid-2023. This industry has also made strides in exports, with a cumulative export value of USD 770.8 million between January and November 2023 (Research and Markets, 2023). The rapid growth of Indonesia's beauty industry and the country's rich natural resources for cosmetic ingredients present a substantial opportunity for local cosmetics brands to compete in both domestic and international markets.

Luxcrime is a local Indonesian cosmetic brand founded in 2015 by PT. Luxury Cantika Indonesia, has gained significant consumer interest due to its use of natural ingredients and cutting-edge technology in its products. Luxcrime offers a variety of cosmetic products, including setting sprays, primers, eyebrow products, lip liners, and foundations, which have become popular among consumers for their quality and performance. One of the brand's best-selling products, the Blur & Cover Two Way Cake, has seen increased sales, prompting Luxcrime to introduce an updated formula and packaging with the Silk Glow and Oil Control versions. The growing competition among local cosmetic brands to continuously innovate has motivated Luxcrime to strengthen its marketing efforts through social media. This strategy aims to build consumer trust and influence purchasing decisions by showcasing product reviews from content creators.

Electronic word of mouth (eWOM), defined as the dynamic and ongoing exchange of consumer information about brands, products, or services, is crucial in influencing consumer decisions. Positive reviews and testimonials shared on digital platforms can serve as recommendations, while negative feedback may lead to complaints or deter potential customers (Sultana Vasantha, 2019; Cheung & Lee, 2014). As digital marketing continues to evolve, eWOM has become vital in shaping consumer perceptions and guiding purchasing decisions.

The brand image also significantly influences consumer choices. According to Kotler and Keller (2016), brand image refers to consumers' perceptions and beliefs about a product or service. Luxcrime's success in building a positive brand image, supported by awards from

various beauty organizations, has helped solidify its reputation in the market. The company's tagline, "I, Makeup, Skin, Happy :)," further reinforces its brand identity by emphasizing the joy and satisfaction that customers experience when using its products. Given the importance of digital marketing, eWOM, and brand image in influencing consumer decisions, this study aims to investigate how these factors affect the purchasing decisions of Luxcrime's cosmetics in Bandar Lampung, a region with a high internet penetration rate (78.14%) (BPS, 2025). This research is intended to provide valuable insights into the effectiveness of digital marketing strategies in the cosmetics industry and contribute to the growing body of literature on eWOM and brand image.

Literature Review

Marketing

According to Kotler and Keller (2016), marketing is a company activity that provides value to consumers to receive value in return. The American Marketing Association (AMA) defines marketing as a series of activities, institutions, and processes to create, communicate, deliver, and exchange valuable offerings for customers, clients, partners, and society at large. Kotler and Armstrong (2018) describe it as a process in which companies engage with customers, build strong relationships, and create value to receive value in return. Kotler et al. (2019) further define marketing as the science and art of profitably exploring, creating, and delivering value to meet target market needs. Tjiptono and Diana (2020) emphasize that marketing involves creating, distributing, promoting, and pricing goods and services to facilitate satisfying exchange relationships and maintain positive stakeholder relationships in dynamic environments. The goal of marketing is to understand and meet customer needs effectively.

Consumer Behavior

As defined by the American Marketing Association (Peter & Olson, 2010), consumer behavior is the dynamic interaction between influences, awareness, behavior, and the environment where individuals engage in exchange aspects of their lives. In other words, it encompasses the thoughts, feelings, and actions experienced by individuals during consumption. Solomon (2007) describes it as the process by which individuals or groups select, purchase, use, or dispose of products, services, experiences, and ideas to satisfy their needs. Factors influencing consumer behavior include cultural, social, personal, and psychological elements (Kotler & Keller, 2010). Schiffman and Wisenblit (2019) define it as the study of consumer choices in seeking, evaluating, purchasing, and using products or services to fulfill their needs.

Purchase Decision

Purchase decision, as defined by Tjiptono (2012), is a process where consumers recognize a problem, search for information about a specific brand or product, and evaluate whether alternatives address their issue. Kotler and Keller (2016) describe it as the final

decision made by individual or household consumers to purchase goods and services for personal use. According to Peter and Olson (2010), it is the process of integrating information to evaluate two or more alternatives and select one. Hanaysha (2022) notes that a purchase decision involves selecting a product or service offered by a company over its competitors. Petcharat and Leelasantitham (2021) emphasize the role of sales personnel in influencing purchase decisions. The process includes five dimensions: need recognition, information search, evaluation of alternatives, purchase decision, and post-purchase behavior (Kotler & Keller, 2016).

Electronic Word-Of-Mouth

Electronic Word-of-Mouth (eWOM) is defined as a dynamic and continuous exchange of information regarding brands, products, services, or companies among past, present, and potential consumers, shared via the internet and accessible to all (Sultana Vasantha, 2019; Al Qaimari et al., 2021). Hennig and Thurau et al. (2004) describe eWOM as positive or negative statements from consumers about a product or company, available online for a wide audience (Alrwashdeh et al., 2019). eWOM influences brand image, brand attitudes, and consumer decision-making, impacting both purchase behavior and customer satisfaction (Filieri et al., 2021; Hua et al., 2024). It can be measured through three dimensions: intensity, valence of opinion, and content (Goyyete et al., 2010; Andriana, 2024).

Brand Image

Brand image refers to the perceptions or beliefs consumers hold about a product or service, forming a mental memory based on their experiences, marketing activities, and opinions from other consumers (Kotler & Keller, 2016; Alzate et al., 2022). Keller and Armstrong (2012) define it as a set of beliefs about a brand, where the combination of these beliefs creates its image. He et al. (2013) suggest that brand image is the overall perception of a brand, shaped by consumer understanding of relevant information. Tjiptono (2011) explains that brand image influences consumer decision-making by evoking positive responses and offering reasons to choose a product (Religia et al., 2022). Brand image includes three components: corporate image, user image, and product image (Annisawati & Suarsa, 2023).

Research Method

Population and Sample

According to Sekaran & Bougie (2016), the population refers to the entire group of people, events, or objects of interest that the researcher seeks to investigate and draw conclusions from. This study's population consists of Luxcrime cosmetic consumers in Bandar Lampung, although the exact population size is unknown. Sampling, as defined by Sekaran & Bougie (2016), involves selecting a subset of the population to obtain a representative sample. The study employs probability sampling, targeting respondents who have used or actively use Luxcrime cosmetics and are active on social media or e-commerce platforms. Based on Hair Jr. et al. (2019), the required sample size is calculated by multiplying the number of indicators by 5 to 10, yielding a minimum of 110 respondents.

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Data Sources

According to Sekaran & Bougie (2016), primary data refers to information directly gathered by the researcher from the source, such as through questionnaires distributed to consumers who have purchased and actively used Luxcrime products in Bandar Lampung. Secondary data, on the other hand, is defined as information previously collected and published by others, such as articles, journals, and relevant literature. Data collection methods are essential in research design, as they are employed to acquire the necessary information to test hypotheses and achieve the research objectives (Sekaran & Bougie, 2016).

Data Analysis Techniques

According to Sekaran & Bougie (2016), data analysis techniques in quantitative research are used to address research questions or test hypotheses. This study utilizes SPSS version 27.0 for data processing and analysis. Descriptive analysis summarizes the data without generalizing it (Sekaran & Bougie, 2016). Multiple linear regression analysis examines the impact of electronic word-of-mouth and brand image on purchase decisions. Hypothesis testing includes partial tests (t-test) to analyze the individual effects of independent variables (Ghozali, 2018), and F-tests to assess their joint influence on the dependent variable. The coefficient of determination (R^2) measures the model's explanatory power (Ghozali, 2011).

Variable Operational

According to Sekaran & Bougie (2016), independent variables influence dependent variables, either positively or negatively. This study's independent variables are Electronic Word-of-Mouth (eWOM) and Brand Image. The dependent variable, also defined by Sekaran & Bougie (2016), is the main factor under investigation, which is influenced by the independent variables. In this research, the dependent variable is Purchase Decision. A Likert scale is employed to measure respondent agreement on a range of statements regarding eWOM, Brand Image, and Purchase Decision, with responses ranging from "Strongly Disagree" to "Strongly Agree" (Sekaran & Bougie, 2016).

Result

Respondent Characteristics Results

The respondents of this study are active users of Luxcrime cosmetics in Bandar Lampung, totaling 110 participants who completed the questionnaire distributed via Google Forms. The respondents' characteristics were analyzed based on gender, age, income, occupation, district, and product type purchased. Regarding gender, all respondents were female (100%). The age distribution shows that the majority (93.6%) are between 17-25 years old, a segment closely associated with Generation Z, known for its active social media engagement and quick adaptation to digital trends (Kristyani, 2023). In terms of spending, most respondents (53.6%) spent under IDR 1,000,000, indicating a preference for affordable cosmetics.

The dominant occupation group was students (88.2%), reflecting the accessibility and affordability of Luxcrime products for this demographic. Geographically, respondents were mostly from Kedaton (24.5%) and Rajabasa (20.9%) districts. The product most frequently purchased was the "Blur and Cover Two Way Cake" (55%), followed by Lip Velvet (12.2%) and Cushion (17.6%). For social media and e-commerce usage, Instagram, YouTube, and WhatsApp were the most utilized platforms for product information, while Shopee and Tokopedia were the primary online shopping platforms (Shopee, 13.4%; Tokopedia, 5.8%). These findings emphasize the influence of digital platforms on purchasing decisions and product preferences.

Respondents' Response Frequency Distribution

The data collected on the impact of electronic word of mouth (eWOM) and brand image on purchase decisions for Luxcrime cosmetics in Bandar Lampung presents significant insights. The respondents generally demonstrated strong agreement with statements related to eWOM. Specifically, the highest mean of 4.49 was observed for the statement regarding considering both positive and negative comments on social media before making a purchase decision. This indicates that consumers carefully evaluate the opinions of previous users before purchasing Luxcrime products. Furthermore, the mean of 4.44 for the statement about receiving substantial information on Luxcrime via social media and e-commerce highlights the importance of information in the decision-making process. Respondents also agreed (mean = 4.39) that they often review numerous product reviews on e-commerce platforms and social media before completing a transaction.

Regarding brand image, the statement with the highest mean of 4.36 was related to whether the product's function aligns with consumer needs. This implies that Luxcrime products are perceived as solutions to consumer needs, making them highly valued. Additionally, the statement concerning product reliability scored 4.16, suggesting consumers' trust in the consistency and quality of Luxcrime cosmetics. Finally, purchase decisions were strongly influenced by information-seeking behavior. The statement with the highest mean (4.52) was related to consumers making independent purchase decisions based on their needs. This underlines the importance of informed choices in the consumer decision-making process.

Multiple Linear Regression Analysis

Multiple linear regression analysis was employed to examine the influence of electronic word of mouth (eWOM) and brand image on purchase decisions for Luxcrime cosmetics in Bandar Lampung.

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Table 1. Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	7.046	1.277		5.517	.000
	EWOM	.142	.039	.316	3.603	.000
	BRAND_IMAGE	.289	.051	.498	5.675	.000

a. Dependent Variable: KEPUTUSAN_PEMBELIAN

The data analysis, conducted using SPSS 27, yielded the following regression equation:

$$Y = 7.046 + 0.316 \, X1 + 0.498 \, X2$$

The regression analysis results, as presented in Table 4.13, indicate that both the eWOM (X1) and brand image (X2) variables have positive and significant coefficients. This suggests that an improvement in eWOM, where consumers engage in favorable discussions about Luxcrime, along with a stronger brand image associated with the company, positively influences the purchase decisions (Y) for Luxcrime cosmetics in Bandar Lampung. Specifically, the positive coefficients of 0.316 for eWOM and 0.498 for brand image imply that both factors contribute to enhancing the likelihood of consumers making a purchase. This finding underscores the importance of consumer-generated content and the brand's perception in shaping consumer behavior, thereby highlighting their critical roles in influencing purchasing decisions.

Partial Hypothesis Test

The t-test was conducted to analyze the partial impact of each independent variable on the dependent variable. When the t-statistic is greater than the t-table value and the significance level (p-value) is less than 5% ($\alpha = 0.05$), the null hypothesis (H0) is rejected, indicating a significant influence of the independent variable on the dependent variable. The results of the partial hypothesis testing (t-test) are shown in Table below:

Table 2. Results of Hypothesis Testing

Variable	t-statistic	t-table	Sig.	Conclusion
H1: eWOM significantly influences purchase decisions	3.603	1.982173	0.000	H$_a$ accepted
H2: Brand image significantly influences purchase decisions	5.675	1.982173	0.000	H$_a$ accepted

(Source: Primary data processed, 2025)

Based on the results from Table above, it can be concluded that Electronic Word of Mouth (eWOM) and Brand Image significantly affect purchase decisions. In Hypothesis Testing 1, the t-statistic for eWOM is 3.603, which is greater than the t-table value of 1.982173,

with a significant p-value of 0.000 (less than 0.05), indicating that eWOM significantly influences purchase decisions, thus accepting the alternative hypothesis (H_a). Similarly, in Hypothesis Testing 2, the t-statistic for Brand Image is 5.675, which is also greater than the t-table value of 1.982173, with a significant p-value of 0.000 (less than 0.05), showing that Brand Image significantly affects purchase decisions, and the alternative hypothesis (H_a) is accepted.

Simultaneous Test

The F-test is used to assess whether all independent variables collectively have an impact on the dependent variable. According to the results, the calculated F-value is 69.701, with a significance value of 0.000, which is less than the 0.05 threshold. This indicates that the independent variables, Electronic Word of Mouth and Brand Image, simultaneously affect the purchase decision of Luxcrime cosmetics in Bandar Lampung. Therefore, the alternative hypothesis (H_a) is accepted, confirming that both eWOM and brand image jointly influence purchase decisions.

Coefficient of Determination Test

The coefficient of determination is used to measure how well the model explains the dependent variable. The coefficient of determination (R^2) value ranges from zero to one. A small or near-zero R^2 indicates that the dependent variable's variation is limited, while a large R^2, close to one, suggests that the model explains almost all the information needed to predict the dependent variable. According to the results, the adjusted R^2 value is 0.566, which means that 56.6% of the purchase decision for Luxcrime cosmetics in Bandar Lampung is influenced by electronic word of mouth and brand image, while the remaining 43.4% is influenced by other factors not covered in this study.

Discussion

The Influence of Electronic Word of Mouth on Luxcrime Cosmetics Purchasing Decisions in Bandar Lampung

The results from the data analysis indicate a positive and significant influence of Electronic Word of Mouth (eWOM) on purchase decisions for Luxcrime cosmetics in Bandar Lampung, as shown by the t-test results with a t-statistic of 3.603 (greater than the t-table value of 1.982173) and a significance level of 0.000 (less than 0.05). These findings confirm that eWOM substantially impacts consumer decisions regarding Luxcrime cosmetics, supporting the acceptance of the alternative hypothesis (H_a). This indicates that eWOM significantly influences consumers when making their purchase decisions.

The presence of eWOM facilitates consumers in selecting the most suitable cosmetic products by providing valuable information through reviews, ratings, or discussion forums. This exchange of experiences, both positive and negative, offers crucial insights to potential buyers, helping them make informed decisions. Furthermore, consumers can compare product prices and quality based on social media feedback, which is essential in reducing the risk of dissatisfaction post-purchase. These findings align with previous studies, such as Annisawati

and Suarsa (2023), which suggested that recommendations from other consumers are a key factor in the decision-making process for purchasing products.

The Influence of Brand Image on Luxcrime Cosmetics Purchasing Decisions in Bandar Lampung

The hypothesis testing results demonstrate a positive and significant effect of brand image on purchase decisions for Luxcrime cosmetics in Bandar Lampung, as evidenced by a t-statistic of 5.675 (greater than the t-table value of 1.982173) and a significance level of 0.000 (less than 0.05). This supports the acceptance of the alternative hypothesis (H_a), indicating that brand image is crucial in influencing consumer purchase decisions for Luxcrime cosmetics. The positive association between brand image and purchase decisions highlights the importance of strong and favorable brand perception in shaping consumer choices.

A positive brand image leads consumers to develop a favorable view of the Luxcrime brand, increasing the likelihood of purchasing its products. Consumers tend to prefer products from well-known brands with a positive image, and Luxcrime has successfully garnered recognition through multiple awards, signifying its widespread presence in the market. Consumers also seek products that meet their needs, and when Luxcrime products align with these needs, they are perceived as valuable and trustworthy. A strong brand image enhances consumer trust in the product's quality and safety, further influencing their purchasing decisions. This finding is consistent with previous research by Rufaida (2021), which identified brand image as a key determinant in consumer purchasing decisions, with a positive brand image significantly enhancing consumer perceptions and influencing their buying behavior.

Conclusion

Based on the analysis and discussion, the study concludes that the initial hypothesis, which posits that electronic word-of-mouth and brand image positively and significantly affect purchase decisions for Luxcrime cosmetics in Bandar Lampung, is supported. Specifically, electronic word-of-mouth significantly influences consumer purchasing decisions, as prior reviews and ratings serve as crucial factors in decision-making. Similarly, a positive brand image also significantly affects consumer purchase decisions. The study suggests that the company should foster consumer interaction via social media platforms, align its products with modern beauty trends, and improve product quality to maintain consumer preference.

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