

Vol. 03, No. 08, August 2023

e-ISSN: 2807-8691 | **p-ISSN:** 2807-839X

THE INFLUENCE OF WORD OF MOUTH AND BRAND IMAGE ON CONSUMERS' DECISIONS TO CHOOSE UMRAH TOUR AND TRAVEL SERVICES AT PT. AL-SHAFWAH INDEPENDENT TOURISM SMARTS UMRAH PALEMBANG

Widra Rahayu Farka, Sulastri, Muchsin Saggaff Shihab, Marlina Widiyanti

Master of Management Study Program, Universitas Sriwijaya, Palembang, Indonesia Email: Widrafr@gmail.com, sulastri@unsri.ac.id, muchsinsaggaffshihab@fe.unsri.ac.id, marlinawidiyanti68@yahoo.co.id

Keywords

Word of Mouth, Brand Image, Consumer Decision

ABSTRACT

This study aims to determine the influence of word of mouth and brand image on consumer decisions to choose Umrah tour and travel services at PT. Alshafwah Wisata Mandiri Smarts Umrah Palembang. The population in this study is all pilgrims who depart with Smarts Umrah Palembang travel. The sampling technique used in this study was a random sampling method with inclusion criteria with a sample of 130 respondents. The results of multiple linear analysis show that word of mouth and brand image have a positive and significant influence on the consumer decisions of Smarts Umrah Palembang pilgrims. Word of mouth, want to promote sustainably by rewarding pilgrims who want to become agents by promoting Smarts Umrah travel service programs and following promotional trends in order to expand consumer reach. Brand Image, it is expected that Smarts Umrah will give coupons for Umrah fee discounts or even give gifts of Umrah service products for free at an event, especially religious events so that Smarts Umrah travel is increasingly discussed by consumers and potential customers.

INTRODUCTION

Indonesia is a country with a diverse society and upholds diversity not uniformity considering a society full of many cultures, races and religions. Indonesia is also a country that has the largest Muslim population in the world. According to a report by *The Royal Islamic Strategic* Studies Centre (RISSC), the Muslim population in Indonesia is estimated at 237.56 million. The number of Muslim population is equivalent to 86.7% of the population in the country. When compared globally, the number is equivalent to 12.30% of the world's Muslim population of 1.93 billion people (Rizaty, 2022).

This situation causes community activities related to Islamic religious worship to be quite large, such as Hajj and Umrah. In addition, the public's desire to travel for Hajj and Umrah is also getting bigger along with the increase in people's purchasing power, so that the demand for worship travel services accompanied by religious tourism has increased.

The Umrah and Hajj travel service business has good prospects in the present, the mushrooming of the Umrah and Hajj travel business in Indonesia, companies must be able to determine the right marketing strategy in order to be able to compete. With fierce competition, there are more choices for consumers to choose travel that suits their needs. Not to mention that many trips do not maintain the integrity of companies such as travel fraud and travel whose



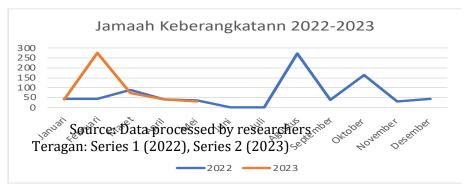
Widra Rahayu Farka, Sulastri, Muchsin Saggaff Shihab, Marlina Widiyanti

management fails, resulting in losses for pilgrims (consumers), namely failing to leave because the money is not deposited as in the case of First Travel (Effendi & Chandra, 2020). This resulted in a crisis of trust (Mayer et al, 1995) for prospective pilgrims so that they were very selective in choosing Umrah travel services.

When making a decision there is a process of selecting actions from two or more alternative options. The selection of alternatives in decision making has the aim of meeting the desired expectations and considering the possibilities that occur. If alternative choices do not exist, then the action cannot be said to make a decision (Schiffman & Kanuk, 2010). Likewise, consumers in making a decision, consumers can decide by buying or not buying Niken &; Widianingtanti, 2014

PT. Al Shafwah Wisata Mandiri or Smarts Umrah is one of the products of a large company, namely Dream Group. Dream Group was initiated by Mr. Halid Umar Bakadam in December 2013 in its establishment he was assisted by a professional team, Mr. Halid Umar himself is an experienced in the tourism and MICE industry. Until now Dream Group continues to grow and has several members such as Dream Tour, DTT Umroh, Smarts Umrah, and Dream Creations. With high commitment and dedication to provide excellent and superior service quality, Dream Group hopes to continue to grow and become the best in Indonesia.

Smarts Umrah from PT. Al Shafwah Wisata Mandiri based in Central Jakarta has been established since 2017 and has several branches, one of which is in Palembang. Although it is relatively new, Umrah smarts is a travel that has been licensed by PPIU with registration number 735 in 2016 and is also a visa travel provider and ticket provider, which means that the travel has authority issue visas and sell certain cooking tickets. According umrohcerdas.kemenag.co.id data, there are 33 licensed Umrah travel in Palembang and one of them is Umrah smarts. Smarts umrah Palembang itself is a fairly new travel as mentioned above established in 2017, but smarts umrah Palembang can compete with other big travel because smarts umrah has departures every month and has dispatched more than 1000 pilgrims from January 2022 to May 2023.



Graph 1 Pilgrim Departure Data

The graphic data above shows that the departure of Umrah smarts pilgrims has an unstable graph which is a very significant decrease and increase in certain months. It is necessary to know what causes the decline and increase in sales of service products at smarts umrah and what factors influence consumers in choosing smarts umrah service products.

Purchasing decisions will occur when consumers purchase products with a view to the benefits after buying and using the product. Before purchasing a service product, consumers will undergo a series of processes to the stage of deciding to choose the product. Before reaching a purchase decision, the consumer will also undergo a series of processes until he decides to choose a product (Evita & Farochi, 2017). One such process is the process of finding information. At this stage consumers will look for information from various sources, one of which is personal sources, namely family, friends, neighbors and acquaintances. This triggers an exchange of information or communication between consumers called word of mouth.

Word of mouth is one strategy that greatly influences a person in making decisions as consumers to use products or services. Word of mouth is a promotional strategy that in its marketing activities uses person to person with the aim of increasing product selection and

generating a certain level of sales (Rembon et al., 2018). *Word of mouth* has a very large influence as an indirect promotional tool carried out by consumers to convey impressions about products that have been used.

A good quality product will certainly instill satisfaction in the minds of consumers. Satisfied consumers will definitely make repeat purchases. A positive consumer attitude towards the brand will be an asset of the company because a very deep positive attitude helps consumers to forget various mistakes that may be made by the company accidentally and this will form a good brand image for the company (Qomariah, N. 2020). Brand image and *word of mouth* are closely related to purchasing decisions, where brand image is one aspect of consumer consideration in triggering purchases. This is shown by findings regarding the difference and influence of *word of mouth* and brand image on purchasing decisions.

Previous research examining the influence of *word of mouth* on purchasing decisions. Research (Arsyalan & Ariyanti, 2019; Jamilah & Hadi, 2018; Ruhamak & Rahayu, 2017; Aditya & Wardana, 2017; Paramesthin & Pramono, 2019; Wedari & Yasa, 2022) Showing the results that *Word of Mouth* has a positive and significant influence on purchasing decisions. Different research results are shown in research conducted by (Wijaya and Paramita, 2014) showing the results that *word of mouth* has a positive and insignificant effect on purchasing decisions. While the results of research from (Sindunata & Wahyudi, 2018) show the results that *word of mouth* has a negative and insignificant effect on purchasing decisions.

Previous research examining the influence of brand image on purchasing decisions. Research (Yuvita et al., 2019; Lingceng et all. 2022; Nisa & Puspitadewi, 2022; Yulianty, 2021). Shows the results that brand image has a positive and significant effect on purchasing decisions. Different research results are shown in research conducted by (Fauzi and Asri, 2020; Irana & Hidayat, 2019) show the results that brand image has a positive and insignificant effect on purchasing decisions. Meanwhile, the results of research from (Setyani & Prabowo, 2020) show that brand image has a negative and insignificant effect on purchasing decisions.

METHODS

The population in this study is all pilgrims who have departed with Smarts Umrah Palembang travel. The sample in this study is Umrah pilgrims Smarts travel departure for the period 2022-2023 using a random sampling method of 130 people.

RESULTS AND DISCUSSION

Multiple linear regression analysis is used to determine how much influence the independent variable (*word of mouth* and brand image) has on the dependent variable (purchase decision on Palembang Smarts umrah service products).

Table 1. Multiple Linear Regression Results

Coefficientsa						
				Standardiz		
				ed		
	Unstandardized			Coefficient		
		Coe	efficients	S		
Type		В	Std. Error	Beta	t	Sig.
1	(Constant)	3.425	1.632		2.099	.038
	Word oF Mouth	.520	.071	.541	7.373	.000
	Brand Image	.309	.067	.335	4.573	.000
a. D	ependent Variable	e: Purcha	ase Decision	(Y)		

Based on the table above obtained from IBM SPSS Statistics Version 26 obtained the following equation:

$$Y = a + b1 X1 + b2 X2 + e$$

Y = dependent variable = constanttab = coefficient of determinationX = independent variable = error term

$$Y = 3.425 + 0.520X1 + 0.309X2 + e$$

Widra Rahayu Farka, Sulastri, Muchsin Saggaff Shihab, Marlina Widiyanti

From the results of the multiple linear regression equation, each variable can be interpreted as follows:

- 1. The constant value (α) is 3.425 (the value of Y when X1 and X2 are 0). if word of mouth and brand image are 0 (zero), then the Purchase Decision of Umrah service products at Smarts Umrah travel has increased by 3,425.
- 2. β1 (word of mouth regression coefficient) of 0.520. if the variable brand image is fixed value and word of mouth has increased by one unit X1, then the decision to purchase Umrah service products at Smarts Umrah travel has increased by 0.520. The coefficient is positive which means there is a positive relationship between X1 and Y, so that the more frequent the word of mouth process regarding Umrah service products at Smarts Umrah travel, the higher the decision to purchase Umrah service products at Smarts Umrah travel, assuming a constant brand image.
- 3. β2 (brand image regression coefficient) of 0.309. If the word of mouth variable has a fixed value and the brand image has increased by one unit X2, then the decision to purchase Umrah service products at Smarts Umrah travel has increased by 0.309. The coefficient is positive which means there is a positive relationship between X2 and Y, so the better the brand image of travel Smarts Umrah, the higher the decision to purchase Umrah service products at travel Smarts Umrah, assuming word of mouth is constant.

DISCUSSION OF RESEARCH RESULTS

A. The Influence of Word of Mouth on Purchasing Decisions

Based on the results of the research above, it is known that *Word of Mouth* has a significant positive effect on purchasing decisions on the sale of Umrah service products at PT. Alshafwah Wisata Mandiri Smarts Umrah Palembang. Then the results of the questionnaire data that have been distributed to respondents for the *word of mouth* variable contained an average score result of 4.28 out of 8 statements with an Excellent score scale. The highest value is 4.37 in statement number 7 which states that the experience of good Smarts travel pilgrims with this travel makes me have a good perception of this travel, meaning that the experience that has been told or in the form of testimonials of Smarts Umrah pilgrims makes prospective buyers of Smarts Travel service products considered to have a very good perception, so that it has a good impact on Smarts Travel service companies.

Based on the research findings, the author strengthens the theory found by (Kotler & Keller (2012) which states word *of mouth marketing* is communication from person to person orally, in writing, or electronically related to the benefits and experiences of buying or using goods and services.

The results of this study are in line with previous research, namely the research on the Influence of *Word* of Mouth and Brand Image on Purchasing Decisions by Paramesthin &; Pramono, 2019 and the research *The Role of Brand image to Mediate the Effect of Word of Mouth on the Intention of Using Wicitra Wedding Salon Services in the City of Denpasar* by (Wedari, & Yasa, 2022) which states that *word of mouth* has a positive and significant effect on purchasing decisions.

B. The influence of brand image on purchasing decisions

Based on the results of the research above, it is known that Brand Image has a significant positive effect on Purchasing Decisions on the sale of Umrah service products at PT. Alshafwah Wisata Mandiri Smarts Umrah Palembang. Then the results of questionnaire data that have been distributed to respondents for brand image variables have an average score result of 4.21 out of 9 statements with a Very Good score scale. The highest value is 4.42 in statement number 6 which states that I am happy because this travel uses red as their travel symbol which makes this travel striking and easy to recognize, This means that consumers feel satisfied and happy regarding the company logo from Smarts Umrah because it is easily recognizable and the color combination of the company logo is very attractive

Based on the research findings, the author strengthens the theory found by (Kotler, 2012) explaining the overall brand image of public or consumer perceptions of a product because of various information obtained by consumers from companies and outside the company that makes the product brand embedded and embedded in the minds of consumers.

The results of this study are in line with previous research, namely research on the Influence of Brand Image on Laptop Purchase Decisions by (Lincheng et all. 2022) and research on the Relationship Between Brand Image and Purcha

Decision on Sheriz Product Consumers by (Nisa & Puspitadewi, 2022) which states that brand image has a positive and significant effect on purchasing decisions.

CONCLUSION

Word of Mouth has a significant positive effect on Purchasing Decisions at PT. Alshafwah Wisata Mandiri or travel Smarts Umrah Palembang. Mouth's brand image has a significant positive influence on the Purchasing Decision at PT. Alshafwah Wisata Mandiri or travel Smarts Umrah Palembang. Word of Mouth and Brand Image simultaneously have a significant positive influence on Purchasing Decisions at PT. Alshafwah Wisata Mandiri or travel Smarts Umrah Palembang

REFERENCES

- Aditya, K. Y. & Wardana, I. M. (2017). The role of brand equity in mediating the influence of word of mouth on purchase intent. *E-Journal of Management Unud*, 6(2), 830-856.
- Arsyalan, A. G., & Ariyanti, M. (2019). Influence Of Electronic Word Of Mouth (Ewom) Against purchasing decisions at Shopee by the people of Bandung. *eProceedings of Management*, 6(3).
- Effendi, A. Z., & Chandra, R. (2020). Influence of promotion and service quality To consumer satisfaction through purchasing decisions on Umrah and Hajj Plus travel PT. Inyong Travel Barokah/The Effect Of Promotion And Quality Of Service On Consumer Satisfaction Through Purchasing Decisions On Umrah Travel And Haji Plus PT. Inyong Travel Barokah.
- Evita, N., & Farochi, C. (2017). Pengaruh Citra Merek Terhadap Keputusan Pembelian (Studi Kasus Pada Bakso Boedjangan Cabang Burangrang Bandung Tahun 2017). *eProceedings of Applied Science*, 3 (2).
- Sindunata, I., & Wahyudi, B. A. (2018). Pengaruh e-wom (Electronic-word-of-mouth) terhadap keputusan pembelian di agoda. com. *Jurnal Hospitality dan Manajemen Jasa*, *6*(1).
- Jamilah, Z., &; Hadi, M. (2018). The Influence Of Word Of Mouth And Brand Image On The decision to use services at Spencer Salon Soekarno Hattalang branch. *Journal of Business Applications*, 3(1), 171-176.
- Kotler, Philip and Kevin Lane Keller. 2016. Marketing Management 15.
- Kotler, P., Keller, K. L., Ang, S. H., Tan, C. T., &; Leong, S. M. (2018). *Marketing management: an Asian perspective*. London: Pearson.
- Lingceng, W. U., Yi, Q. U., Shuo, Z. H. A. O., & Shu, Z. H. O. U. (2022). The impact of brand image on laptop purchasing intention—the moderating role of consumer ethnocentrism. *International Journal of Business, Economics and Management*, 9(1), 1-19.
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). An integrative model of organizational trust. *Academy of Management Review*, 20(3), 709–734.
- Niken, C.A, &; Widianingtanti, L. T. (2014). Decision Making to Buy Daily Living Needs in terms of Value Minded Lifestyle in Soegijapranata Catholic University Boarding School Students in Semarang. *Psychodimensions*, 13(1),22
- Nisa, E. Q. C., & Puspitadewi, N. W. S. The Relationship Between Brand Image and Purchasing Decision in Sheriz Product Consumers.
- Paramesthin, R. M., &; Pramono, J. (2019). The influence of word of mouth on purchase intent mediated by brand image at Escalier Bali. *In National Scientific Seminar on Technology, Science, and Social Humanities (SINTESA)* (Vol. 2).
- Rembon, A., Mananeke, L., &; Gunawan, E. (2018). The Influence Of Word Of Mouth And Product Quality On Purchasing Decisions At Pt.Kangzen Kenko Indonesia In Manado. *EMBA Journal: Journal of Economic, Management, Business and Accounting Research, 5(3)*. https://doi.org/10.35794/emba.v5i3.18675
- Rizaty, M, A. (2022). Article; The Largest Number of Indonesian Muslims in the World in 2022. Indonesia Data. https://dataindonesia.id/ragam/detail/populasi-muslim-indonesia-terbesar-di-dunia-pada-2022

Widra Rahayu Farka, Sulastri, Muchsin Saggaff Shihab, Marlina Widiyanti

- Ruhamak, M. D., &; Rahayu, B. (2016). The influence of word of mouth on purchase intention through brand image at Dynamic English Course Pare English Course Institute. *Ekonika: Economic journal of Kadiri University*, 1(2).
- Schiffman, L. G., &; L. L. Kanuk. (2010). Consumer Behaviour. 10th Ed. Pearson Prentice Hall. New Jersey
- Prabowo, R. E., Indriyaningrum, K., &; Setyani, A. D. (2020). The influence of brand image, price perception, and product quality on the purchase decision of Adidas brand sports shoes (study in Semarang City). *Solution*, 18(4).
- Qomariah, N. (2020). The Influence of Word of Mouth and Brand Image on Purchasing Decisions at Running Korean Street Food Restaurant at Plaza Mulia Mall Samarinda. *Journal of Business Administration*, 8(1), 35-45.
- Wijaya, T., &; Paramita, L. (2014). The influence of electronic word of mouth (ewom) on DSLR camera purchase decisions. *Econimics and Business, 9 (Sancall)*, 12–19.
- Wedari, C. I. A., & Yasa, N. N. K. (2022). The Role of Brand Image to Mediate the Effect of Word of Mouth on the Intention of Using Wicitra Wedding Salon Services in the City of Denpasar. *European Journal of Business and Management Research*, 7(2), 1-6.
- Yulianty, Y., Setyawan, O., &; Indrastuti, S. (2021). The influence of product quality, price, promotion and brand image on the purchase decision of Wardah brand lipstick cosmetics in Pekanbaru City. *Exchange Rate: Journal of Accounting, Entrepreneurship and Business*, 6(2), 142-155.
- Yuvita, H., Wahab, Z., &; Sulastri, S. (2019). The influence of brand image and sales promotion on purchasing decisions through brand equity (survey of Bank BNI Syariah customers in Palembang City). MIX: Scientific Journal of Management, 9(3), 293235.