

## CHAPTER II

### THEORITICAL FOUNDATION

#### 2.1 Previous Research

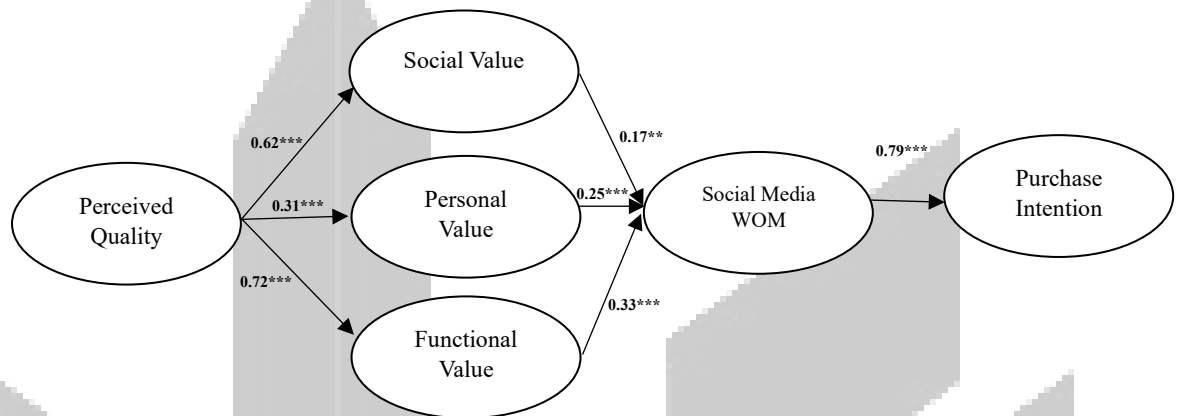
This research has previous research that can strengthen and improve the results of this research. Some of the previous studies used are as follows:

##### 2.1.1 Park J, Hyun H, Thavisay T (2021)

This research was conducted by Park J, Hyun H, Thavisay T (2021). The aim is to understand and provide extensive knowledge of social media WOM that can increase purchase intention in luxury brands. This study uses primary data and distributes through questionnaires. The number of samples of this research is 282 respondents. The results of this study have seven findings. Firstly, perceived quality has a significant positive influence on social value.

Secondly, perceived quality has a significant positive influence on personal value. Thirdly, perceived quality has a significant positive influence on functional value. Fourthly, social value has a significant positive influence on social media WOM. Fifthly, personal value has a significant positive influence on social media WOM. Sixthly, functional value has a significant positive influence on social media WOM. Seventhly, social media WOM significantly has a positive influence on purchase intention.

The following is a research framework by Park J, Hyun N, Thavisay T (2021):



**Figure 2.1**  
**Research Model of Park J et al**

Similarity:

1. Sampling using an online survey.
2. The variables of social value, personal value, social media WOM, and purchase intention are the same as the current study.
3. The data analysis technique uses structural equation modeling (SEM).

Differences:

1. The population in previous studies used consumers who owned luxury goods.
2. Previous research used luxury goods objects, while current research uses Zangrandi objects.
3. Previous research did not test social value variables on personal value.
4. Previous research used the AMOS application, while current research uses the SEM-PLS application.

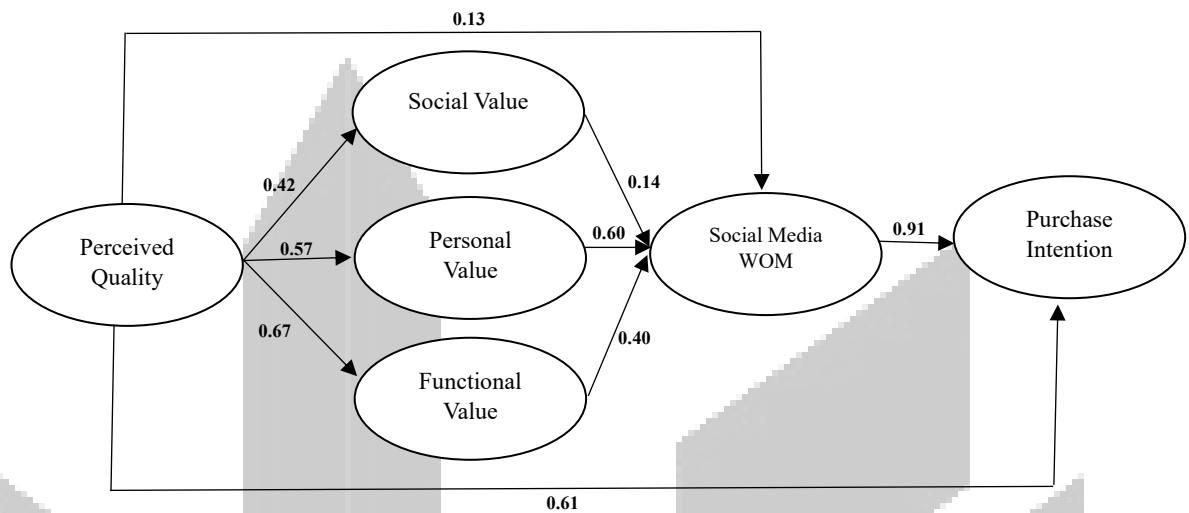
### 2.1.2 Teguh Widodo dan Ni Luh Putu Krisma Maylina (2022)

This research was conducted by Teguh Widodo and Ni Luh Putu Krisma Maylina (2022). The aim is to determine the influence of perceived quality on

purchase intention which is mediated by perceived value and social media WOM. The data used in this study are primary data and the distribution uses a questionnaire. The sample of this study was 410 respondents. The results of this study have nine findings. Firstly, perceived quality has a significant positive influence on social value. Secondly, perceived quality has a significant positive influence on personal value.

Thirdly, perceived quality has a significant positive influence on functional value. Fourthly, perceived quality has a significant positive influence on social media WOM. Fifthly, perceived quality has a significant positive influence on purchase intention. Sixthly, social value has a significant positive influence on social media WOM. Seventhly, personal value has a significant positive influence on social media WOM. Eighthly, functional value significantly has a positive influence on social media WOM. Ninthly, social media WOM significantly has a positive influence on purchase intention.

The following is a research framework by Teguh Widodo and Ni Luh Putu Krisma Maylina (2022):



**Figure 2.2**  
**Research Model of Widodo & Maylani**

Similarity:

1. Sampling using an online questionnaire.
2. The variables of social value, personal value, social media WOM and purchase intention are the same as the current study.
3. The data analysis technique uses structural equation modeling (SEM).

Differences:

1. The population in previous studies used Garuda Indonesia airline passengers.
2. The object in previous research focused on airlines, while now it is an authentic shop.
3. Previous research did not test social value variables on personal value.
4. Previous research used the LISREL 8.80 application, while the current study used the SEM-PLS application.

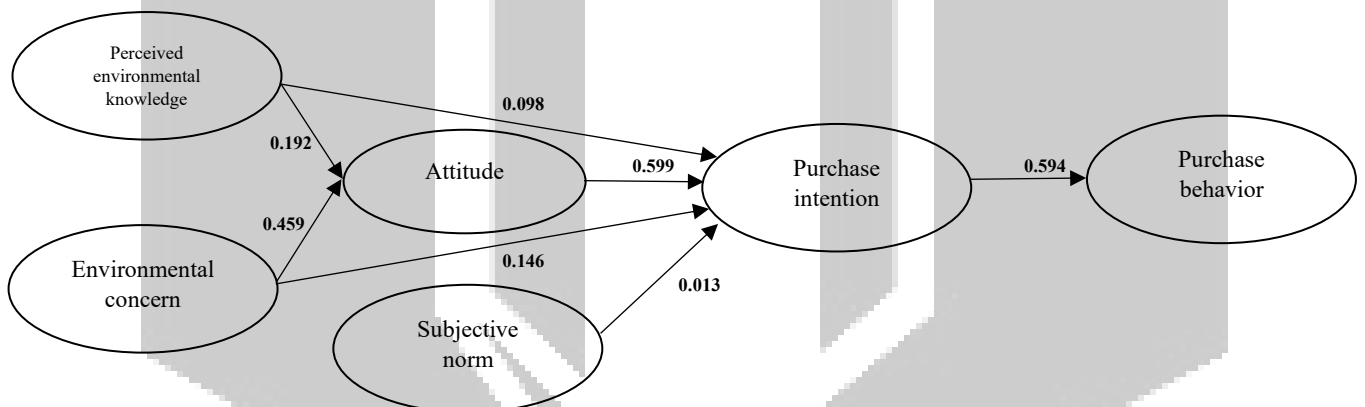
### 2.1.3 Theresa Maria Rausch dan Cristopher Siegfried Kopplin (2021)

This research was conducted by Theresa Maria Rausch and Cristopher Siegfried Kopplin (2021). The aim is to find out that attitude towards

environmentally friendly clothing has an influence on purchase intention. The data used in this study are primary data and the distribution uses a questionnaire. The sample of this study was 464 respondents. The results of this study have seven findings. Firstly, perceived environmental knowledge has a significant positive influence on purchase intention.

Secondly, perceived environmental knowledge has a significant positive influence on attitude. Thirdly, environmental concern significantly has a positive influence on attitude. Fourthly, environmental concern significantly has a positive influence on purchase intention. Fifthly, attitude has a significant positive influence on purchase intention. Sixthly, subjective norm significantly has a positive influence on purchase intention. Seventhly, purchase intention significantly has a positive influence on purchase behavior.

The following is a research framework by Theresa Maria Rausch and Cristopher Siegfried Kopplin (2021):



**Figure 2.3**  
**Research Model of Rausch & Kopplin**

Similarity:

1. The purchase intention and purchase behavior variables are the same as the current study.
2. The data analysis technique uses structural equation modeling (SEM).
3. The application used is the same as the current research, namely PLS.

Differences:

1. The population in previous studies used consumers who used environmentally friendly clothes.
2. The object in previous research focused on environmentally friendly fashion, while now it is an authentic shop.
3. Previous research did not test social value, personal value, and social media WOM variables.

**Table 2.1**  
**Mapping Previous Research**

No	Research	Research Topic	Research Variables	Sample	Analysis Technique	Research Results
1	Park J, Hyun N, Thavisay T (2021)	<i>“A Study of Antecedents and Outcomes of Social Media WOM Towards Luxury Brand Purchase Intention”</i>	<ol style="list-style-type: none"> <li>1. Perceived Quality</li> <li>2. Social Value</li> <li>3. Personal Value</li> <li>4. Functional Value</li> <li>5. Social Media WOM</li> <li>6. Purchase Intention</li> </ol>	282 luxury consumer respondents.	Structural Equation Modeling (SEM)-AMOS	<ol style="list-style-type: none"> <li>1. Perceived quality has a significant positive influence on social value.</li> <li>2. Perceived quality has a significant positive influence on personal value.</li> <li>3. Perceived quality has a significant positive influence on functional value.</li> <li>4. Social value has a significant positive influence on social media WOM.</li> <li>5. Personal value has a significant positive influence on social media WOM.</li> <li>6. Functional value has a significant positive influence on social media WOM.</li> </ol>

No	Research	Research Topic	Research Variables	Sample	Analysis Technique	Research Results
						7. Social media WOM significantly has a positive influence on purchase intention.
2	Teguh Widodo dan Ni Luh Putu Krisma Maylina (2022)	“The mediating role of perceived value and social media word-of-mouth in the relationship between perceived quality and purchase intention”	<ol style="list-style-type: none"> <li>1. Perceived Quality</li> <li>2. Social Value</li> <li>3. Personal Value</li> <li>4. Functional Value</li> <li>5. Social Media WOM</li> <li>6. Purchase Intention</li> </ol>	410 Garuda Indonesia airline passenger respondents.	Structural Equation Modeling (SEM)-LISREL 8.80	<ol style="list-style-type: none"> <li>1. Perceived quality has a significant positive influence on social value.</li> <li>2. Perceived quality has a significant positive influence on personal value.</li> <li>3. Perceived quality has a significant positive influence on functional value.</li> <li>4. Perceived quality has a significant positive influence on social media WOM.</li> <li>5. Perceived quality has a significant positive influence on purchase intention.</li> <li>6. Social value has a significant positive influence on social media WOM.</li> <li>7. Personal value has a</li> </ol>



No	Research	Research Topic	Research Variables	Sample	Analysis Technique	Research Results
						<p>significant positive influence on social media WOM.</p> <p>8. Functional value significantly has a positive influence on social media WOM.</p> <p>9. Social media WOM significantly has a positive influence on purchase intention.</p>
3	Theresa Maria Rausch dan Cristopher Siegfried Kopplin (2021)	Bridge the Gap: Consumers' purchase intention and behavior regarding sustainable clothing	<ol style="list-style-type: none"> <li>1. Perceived environmental knowledge</li> <li>2. Environmental concern</li> <li>3. Attitude</li> <li>4. Subjective norm</li> <li>5. Purchase intention</li> <li>6. Purchase behavior</li> </ol>	464 eco-friendly clothing consumer respondents.	Structural Equation Modeling (SEM)-PLS	<ol style="list-style-type: none"> <li>1. Perceived environmental knowledge has a significant positive influence on purchase intention.</li> <li>2. Perceived environmental knowledge has a significant positive influence on attitude.</li> <li>3. Environmental concern significantly has a positive influence on attitude.</li> <li>4. Environmental concern significantly has a positive influence on purchase intention.</li> <li>5. Attitude has a significant</li> </ol>

No	Research	Research Topic	Research Variables	Sample	Analysis Technique	Research Results
						positive influence on purchase intention. 6. Subjective norm significantly has a positive influence on purchase intention. 7. Purchase intention significantly has a positive influence on purchase behavior.

## **2.2 Theoretical Foundation**

### **2.2.1 Social Value**

Social value has an important meaning for marketers in maintaining relationships with consumers. Social value is defined as the extent to which consumers have a level of trust and can establish positive relationships (Akram et al., 2021). Social value can be obtained from consumer perceptions of a brand, which then forms an image of the consumer. Social value comes from the urge to motivate consumers to buy a product and help consumers gain recognition on social media platforms (Lou & Xie, 2021). Consumers who feel high social value will think that making purchases is important.

Social value can be felt when consumers consume a product. Social value can be defined as the usefulness of products that can increase status or value to consumers such as recognition from others (Zhang et al., 2020). Social value can come from branded product content that can help consumers gain popularity on social media. Ratten (2022) defined social value which refers to the benefits received by a group of individuals. Social value as a research topic is interesting to be researched further.

Social value has been the subject of previous research. Akram et al (2021) explored how social value essentially stems from consumer motivation, which ultimately leads to brand purchase. Park et al (2021) also examined that social value can be experienced by consumers who adhere to social norms. Previte et al (2019) explain that social value can recognize each individual in accepting certain groups. Research on social value mainly focuses on specific brands (Lou & Xie,

2021), previous researchers have not explored its implications in the context of authentic stores.

### **2.2.2 Personal Value**

Personal value has an important role in shaping consumer behavior. Personal value is defined as beliefs about desires based on a person's interests (M. Kim, 2020). Personal value is demonstrated by a select group of individuals who align their attitudes and behaviors. Wu & Lau (2022) state that personal value can explain consumer decision making. Personal value can also be a valuable factor in consumer life or culture (Games et al., 2021).

For marketers, understanding personal value is very important in increasing consumer satisfaction. Personal values can refer to the beliefs or principles held by each individual. Personal values can be defined as individual goals that have a function as a guide in life (Obikane et al., 2020). Personal values that are considered important for each individual, the more motivated they will be to rely on these values (Arieli et al., 2020). Personal value is an interesting subject that requires further research.

Personal value has been a topic of discussion in previous research. Games et al (2021) examined how personal value can help consumers in their social interactions or survival in society. In addition, Kim (2020) explored potential opportunities related to personal value in the hospitality and tourism sector. Widodo & Maylina (2022) explained that personal value can be associated with consumer products. Personal value is still being researched around the field of

hospitality and tourism. Previous research has not examined personal value in the context of authentic stores.

### **2.2.3 Social Media WOM**

Social media WOM has an important meaning in the current era. Social media can be defined as online platforms or applications designed for promotional or communicative purposes (Dabbous & Barakat, 2020). Word of mouth (WOM) refers to the way consumers share information about products or other subjects (Moradi & Zihagh, 2022). Social media WOM can be described as an application or online platform used by consumers to promote or spread information about a product. Social media WOM is the most effective source of information that can encourage potential buyers (Widodo & Maylina, 2022).

Social media WOM can make it easier for consumers to provide reviews of a product or service. Word of mouth is the daily communication between sellers and buyers of a product or service (Tsai & Bui, 2021). Word of mouth is also important in shaping consumer behavior and attitudes. Ahmed et al (2019) defined social media as a group of applications that use the internet and can exchange content by its users. Social media WOM can be defined as an internet-based application used by everyday consumers in exchanging information. Social media WOM is interesting to be researched further.

Social media WOM has been the subject of previous research. Tsai & Bui (2021) examined how social media WOM can improve the tourism industry and increase consumers' propensity to visit certain destinations. Pérez et al (2021) examined how social media WOM can influence consumer awareness or

perceptions of purchases in offline stores and online stores. Social media WOM has been discussed in the context of airlines (Tarkang et al., 2022). Social media WOM can be a collection of reviews for consumers who have used certain products (Simay et al., 2023). Research on the topic of social media WOM still revolves around the tourism industry, online or offline stores and airlines, but in the context of authentic stores has not been done by previous researchers (Pérez et al., 2021; Tsai & Bui, 2021).

#### **2.2.4 Purchase Intention**

Purchase intention has an important meaning in increasing consumer value. Purchase intention can be defined as the tendency or intention of consumers to purchase certain products in the future (Dabbous & Barakat, 2020). Purchase intention comes from the desire or willingness of consumers to acquire certain products in the future (Chetioui et al., 2020). Purchase intention arises from consumers who are willing to buy a product and can contribute to increasing their own value. Purchase intention is defined as behavior related to the consumption of a particular product (Amin & Tarun, 2021).

Purchase intention is important for marketers to understand. Purchase intention can be driven by the needs desired by consumers. Purchase intention can refer to consumers' willingness to buy a product (Kay et al., 2020). Purchase intention can be defined as a way that can increase consumers' desire to fully purchase a product or service (Zhuang et al., 2021). This topic will be interesting if researched further.

Purchase intention has often been the subject of discussion in previous research. Meng et al (2021) examined how celebrity or artist performance can stimulate consumers to increase purchase intention for recommended products. Dabbous & Barakat (2020) explain that purchase intention is part of consumer behavior that hopes to buy a particular brand. Purchase intention can be formed from consumers' desire to buy certain products and create value for these consumers (Khan et al., 2021). Previous research on purchase intention has mainly focused on brands, cosmetics, and the aviation industry (Dabbous & Barakat, 2020; Khan et al., 2021; Widodo & Maylina, 2022).

### **2.2.5 Purchase Behavior**

Purchase behavior is important in understanding purchasing decisions. Purchase behavior is defined as the actions of consumers in deciding to purchase a particular product (Emami-Naeini et al., 2019). Purchase behavior can refer to purchasing patterns and factors that encourage consumers to buy a product. Purchase behavior can be defined as consumer actions that can refer to the buying process in online media (Chaudhuri et al., 2021). Purchase behavior can be assessed from purchasing decisions, purchase frequency, and consumer behavior that can encourage product purchases.

Purchase behavior refers to the process of purchasing a product or service. Emami-Naeini et al (2019) explain that consumer purchase behavior can be formed through information on digital media or social media. Purchase behavior can be formed through social or digital media. Chaudhuri et al (2021) explain that

e-commerce can see customer involvement regarding purchase behavior. Purchase behavior is interesting if researched further.

Purchase behavior has been discussed further in previous research. Purchase behavior has been discussed in previous research in the context of purchasing environmentally friendly products (Sharma et al., 2023). Jain (2019) explains that understanding purchase behavior in sustainable luxury products will make it easier for marketers. Purchase behavior has been discussed in previous research in the context of environmentally friendly clothing (Rausch & Kopplin, 2021). Previous research on purchase behavior has not yet discussed authentic stores.

## **2.3 Hypotheses**

### **2.3.1 The Influence of Social Value on Personal Value**

It is important for marketers to understand the influence of social value on personal value. Consumers consider that social recognition can increase the personal value of individuals (Ko et al., 2019). Social value can improve self-image, and personal value refers to the behavior of each individual (Ajitha & Sivakumar, 2017; Lou & Xie, 2021). Consumers who are proud to use products that match their social group tend to feel pride. Social value can encourage consumers to form a social image and generate personal satisfaction (Shukla, 2012).

This study states that social value significantly affects personal value. Ajitha & Sivakumar (2017) argued that social value, such as social perception, can shape consumers' personal value and provide pleasure for individuals and



social groups. Ratts et al (2016) argued that strength in social group members can provide pleasure for individuals. (Koo et al., 2008) dan (Hsu & Lin, 2015) argued that social value can increase personal value, such as self-concept, and influence consumers' evaluation of certain products. This happens when social groups encourage consumers' personal values, making them feel proud or happy when using or consuming a product.

### **2.3.2 The Influence of Social Value on Social Media WOM**

Marketers must understand the influence of social value on social media WOM. The influence of social value on social media WOM has been discussed previously in the context of altruistic services (Previte et al., 2019). Social value can create strong interactions with certain brand groups on social media (Kaplan & Haenlein, 2010). Social value can generate a positive response to social media WOM and encourage consumers to recommend more brands to their social groups. Consumers who have social value tend to be associated with social media WOM communication (Wang et al., 2021).

This research argued that social value influence social media WOM. Wang et al (2021) argued that social value refers to consumers' social relationships with brand communities on social media. Akram et al (2021) also argued that consumer social value, which is driven by hedonic shopping motivations, and leads to the expansion of information shared on social media. Consumer perceptions driven by social value are likely to play an important role in social media WOM (Previte et al., 2019). This can occur when the social value perceived by consumers influences the information shared on social media.

### **2.3.3 The Influence of Personal Value on Social Media WOM**

It is important for marketers to understand the influence of personal value on social media WOM communication. The influence of personal value on social media WOM has been discussed previously in the context of airlines (Widodo & Maylina, 2022). Consumers' perceptions of personal value play an important role in their involvement in WOM activities on social media (Pang, 2021). Good personal value can also lead to positive social media WOM usage (Widodo & Maylina, 2022). In addition, Ryu & Park (2020) explain that personal value provides benefits to consumers and shows that involvement in social media WOM can affect consumer perceptions and trust.

This study states that personal value has an influence on social media WOM. Park et al (2021) argued that consumers who understand personal value can feel the benefits when using services on social media. Pang (2021) argued that consumers' perceptions of personal value, including their attitudes and satisfaction, can influence WOM engagement on social media. The social media that each individual uses will make them feel connected, but this connection depends on their emotional perception (Lee, 2016). Personal value can motivate consumers to share recommendations or information using social media.

### **2.3.4 The Influence of Social Media WOM on Purchase Intention**

The influence of social media WOM on purchase intention is very important for marketers to understand. Promotion through social media WOM in the form of advertising can increase consumer purchase intention (Tarkang et al.,

2022). Consumers who seek product information through social media WOM are more likely to have purchase intention and evaluate certain products. The usefulness of social media WOM can influence consumer purchase intention for certain products (Tsai & Bui, 2021). Information received on social media is likely to be a factor in consumer purchase intention for certain products (Leong et al., 2022). The influence of the social media WOM relationship on purchase intention has been discussed previously in the context of luxury goods but has not been explored in the context of authentic stores.

This research confirms that social media WOM influences purchase intention. Park et al (2021) argued that consumers who enjoy expressing themselves by recommending luxury goods to groups on social media will drive future purchase intention. Tsai & Bui (2021) also argued that consumers consider purchase intention on certain products more by seeking information through WOM on social media which can motivate consumers. Content generated by consumers on social media often influences future purchase intention (Kunja & GVRK, 2020). This can happen when consumers share information on social media that encourages future purchase intentions.

### **2.3.5 The Influence of Social Value on Purchase Intention Through Mediation of Social Media WOM**

Understanding the influence of social value on purchase intention through social media WOM is very important. Posting reviews on social media is one method of consumer communication that can increase the desire to buy (Prasad et al., 2019). The behavior of online consumers who perceive social value can

effectively stimulate purchase intention for a brand (Peng et al., 2019). Consumer social value, such as social image, can influence consumer engagement and purchase intention (Park et al., 2021). Consumers often share information that can have a major influence on other consumers' purchase intention for a brand through social media WOM (Peng et al., 2019). The relationship between social value and purchase intention, mediated by social media WOM, has not been previously discussed in the context of authentic stores.

This study suggests that social value has a significant impact on purchase intention through the mediation of social media WOM. Chen & Zhang (2021) argued that social value perceived significantly by consumers can influence their purchase intention for environmentally friendly products. Social value perceived by consumers has a positive influence on their purchase intention for certain brands (Peng et al., 2019). Social media WOM greatly influences purchase intention, because consumers tend to seek information before making product purchases (Prasad et al., 2019). This can occur when consumers assess the social value of a product and actively seek reviews on social media WOM and provide a strong impetus for them to form purchase intention.

### **2.3.6 The Influence of Personal Value on Purchase Intention Through Mediation of Social Media WOM**

It is important to understand the influence of personal value on purchase intention mediated by social media WOM. Consumers can provide individual value benefits to social media WOM, which can provide results related to the influence of brands on purchase intention (Tsai & Bui, 2021). Some consumers

prefer to buy luxury brands because they are influenced by personal value (Ko et al., 2019). Personal value is one of the consumer characteristic factors that can influence purchase intention on a product (Mohseni et al., 2018). The relationship between personal value and purchase intention, mediated by social media WOM, has not been explored in the context of authentic stores.

This study states that purchase intention has an influence on purchase intention, with social media WOM as a mediating variable. Personal value has a significant impact on purchase intention with respect to foreign luxury brands (Ko et al., 2019). Stringer et al (2020) argued that personal value can encourage consumer understanding of purchase intention in fashion products. Social media WOM can shape consumer attitudes towards certain brands and influence purchase intention (McClure & Seock, 2020). This can happen when personal value and social media WOM can encourage consumers to form purchase intentions for certain brands.

### **2.3.7 The Influence of Personal Value and Social Media WOM Serially Mediate The Influence of Social Value on Purchase Intention**

It is important for marketers to understand the influence of social value on purchase intention serially through personal value and social media WOM. To be accepted in the social environment, consumers will tend to prefer to achieve personal satisfaction, which can generate individual pleasure (Park et al., 2021). Consumers feel important when recommending products to their social groups using social media WOM (Widodo & Maylina, 2022). Social media WOM can increase the dissemination of information, such as consumer experiences or

opinions, thereby increasing purchase intention (Leong et al., 2022). This research is important to discuss further because there has been no research in the context of authentic stores.

This study states that personal value and social media WOM function as serial mediators in the relationship between social value and purchase intention. Ajitha & Sivakumar (2017) argued that conspicuous consumer behavior in social groups can improve the self-image of each individual. Ryu & Park (2020) argued that personal value can bring benefits to individuals when using social media WOM. Yuan et al (2020) assert that utilizing social media WOM as a promotional medium greatly influences purchase intention. This happens because consumers feel recognized by their social group when using the same product, resulting in increased happiness, positive information dissemination, and encouragement of purchase intention.

### **2.3.8 The Influence of Purchase Intention on Purchase Behavior**

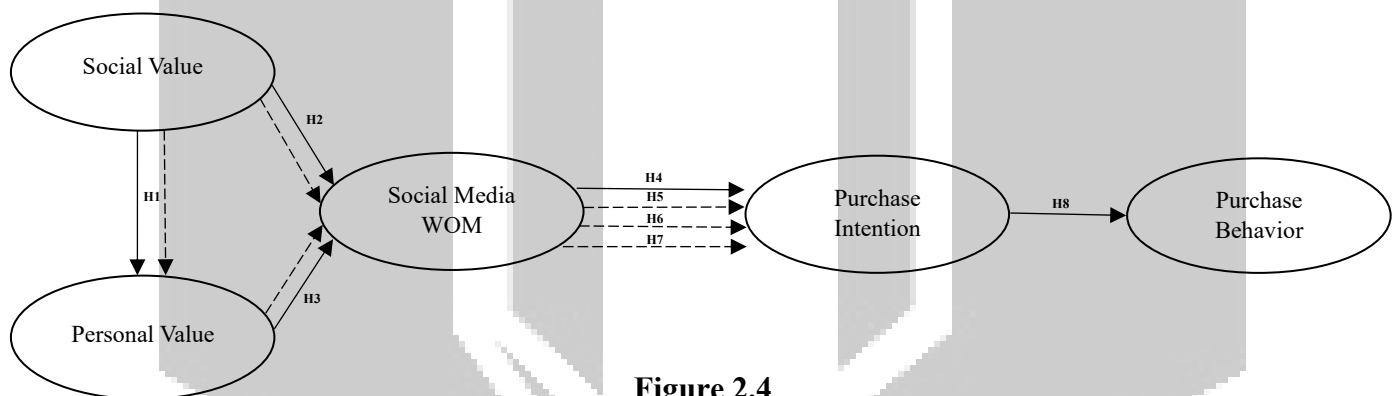
It is important for marketers to understand the influence of purchase intention on purchase behavior. The influence of purchase intention on purchase behavior has been discussed by previous research in the context of environmentally friendly clothing (Rausch & Kopplin, 2021). Purchase intention becomes a motivation and shapes consumer purchase behavior in buying a product (Chaudhary & Bisai, 2018). Purchase intention can measure the extent to which consumers are based on their behavior in an online purchase (Peña-García et al., 2020). The influence of purchase intention's relationship to purchase

behavior has been discussed previously in the context of eco-friendly clothing but has not been explored in the context of authentic stores.

This research states that purchase intention affects purchase behavior. Rausch & Kopplin (2021) argued that purchase intention can influence purchase behavior which can be predicted through consumer actions or behavior. Rehman et al (2019) also argued that purchase intention affects purchase behavior in purchasing a product online. Consumer purchase intention can be formed if the consumer has strong motivation so that it can influence purchase behavior (Peña-García et al., 2020). This can happen if consumers have a purchase intention on a product, it tends to form behavior or action when deciding to purchase a product.

## 2.4 Research Model

The framework is a description of a variable relationship that will be studied and is based on previous research referred to by the researcher. The framework in this study is as follows:



**Figure 2.4**  
**Research Model of Ditia Putri Gampur**

## 2.5 Research Hypothesis

This sub chapter describes the research hypothesis that refers to the problem formulation and objectives of this study.

H1 : Social value has a significant influence on personal value

H2 : Social value has a significant influence on social media WOM

H3 : Personal value has a significant influence on social media WOM

H4 : Social media WOM has a significant influence on purchase intention

H5 : Social value has a significant influence on purchase intention through mediation of social media WOM

H6 : Personal value has a significant influence on purchase intention through mediation of social media WOM

H7 : Social value has a significant influence on purchase intention through serial mediation of the influence of personal value and social media WOM

H8 : Purchase intention has a significant influence on purchase behavior