

Research Article

The Mediating Role of Electronic Word of Mouth in The Effect of Social Media Marketing on Purchase Intention (A Study At Good Karma Warung Tirtagangga, Karangasem Regency)

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Abstract: Social media marketing is a promotional strategy that leverages social media platforms to advertise products, services, or brands by actively engaging with audiences. This approach is effective in capturing consumer attention, encouraging their participation, and plays a critical role in shaping purchase intention through broad reach and direct interaction. This study aims to examine and explain the influence of social media marketing on purchase intention with electronic word of mouth (e-WOM) as a mediating variable, focusing on Good Karma Warung Tirtagangga. The sample consisted of 120 respondents selected using purposive sampling. Data were collected through interviews and online questionnaires. The analytical techniques employed in this study include path analysis, the Sobel test, and the Variance Accounted For (VAF) test, using SPSS version 27. The results reveal that social media marketing has a positive and significant effect on purchase intention, social media marketing positively and significantly affects electronic word of mouth, electronic word of mouth has a positive and significant impact on purchase intention, and electronic word of mouth successfully mediates the relationship between social media marketing and purchase intention.

Keywords: Electronic Word of Mouth, Purchase Intention, Social Media Marketing

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1. INTRODUCTION

In today's business environment, competition is increasingly fierce, compelling entrepreneurs to not only survive but also stand out in the market. The emergence of various technological innovations that enable companies to expand their market reach requires businesses to adapt to global market dynamics, especially in areas such as marketing, distribution, and customer engagement. The growing number of market entrants challenges companies to differentiate themselves from competitors, a concept commonly referred to as the Unique Selling Point (USP). Every business must offer distinct features in its products to create added value in the eyes of consumers (Kusumastuti & Devi, 2022).

Digital technology plays a pivotal role in building competitive advantage. The rapid advancement of technology has fostered the rise of a digital world, increasing human dependence on technology, particularly the internet. Today, the internet is easily accessible anytime and anywhere via smartphones. Purchase decisions in the digital era often occur when

advertisements frequently appear on consumers' smartphones, especially through social media platforms (Narayana & Rahanatha, 2020).

According to the latest Hootsuite (We Are Social) report in January 2024, Indonesia ranks among the countries with the highest average daily usage of social media, reaching approximately 191 minutes (3 hours and 11 minutes) per day. This indicates a shift in Indonesian consumer behavior, where people are more likely to see advertisements on social media than on television (Narayana & Rahanatha, 2020). These ads typically appear across platforms such as TikTok, Instagram, Google, and Facebook.

This transformation significantly affects how companies design their marketing strategies. Today, nearly all businesses utilize digital marketing, which is considered more effective than traditional marketing (Wardhani & Romas, 2022). Social or digital media allows businesses to reach broader audiences and tailor advertisements based on individual demographics such as gender, age, and interests. Moreover, digital marketing is significantly more cost-efficient, reportedly reducing marketing expenses by up to 40% according to the 2019 Gartner Digital Marketing Spend Report (Ayesha et al., 2022).

Hootsuite's survey also highlights that Instagram is the second most-used social media platform in Indonesia after WhatsApp. Instagram, as a visually oriented platform, allows users to share creative photos, videos, and stories. It includes features like filters, direct messaging, and user engagement tools, making it a preferred channel for interaction, personal branding, and product or service promotion. Instagram features such as Stories, Reels, and Shopping are widely used by businesses to promote products in a more interactive manner. The platform also helps build a strong brand image through engaging and consistent visual content. Muflichah & Muslichah (2022) emphasize that high-quality content on social media enhances brand awareness and increases brand recall.

Many local businesses have also embraced social media to raise consumer awareness and reinforce brand image. One such example is Good Karma Warung, a restaurant operating since 1989 in the Tirtagangga tourism area of Karangasem Regency. Specializing in Indonesian, Western, and Indian cuisine, the restaurant is uniquely situated with scenic views of lush rice fields and Mount Agung, offering a visually and gastronomically pleasing dining experience. Good Karma Warung caters to both local and international customers and has adapted to technological developments by utilizing digital platforms, particularly social media, to promote its offerings and engage customers. Despite its solid reputation, the restaurant faces challenges in maintaining stable sales due to emerging competitors offering unique concepts. Based on a December 2024 interview with the owner, Mrs. Nyoman, the restaurant had previously been active on Instagram, posting menu updates, customer testimonials, promotions, and other content. However, these efforts ceased due to her limited knowledge of evolving digital technologies.

Kotler & Keller (2022) define purchase intention as the decision-making process involving the selection of a brand from among several alternatives. This intention arises after consumers go through a series of stages including need recognition, information search, and evaluation. Purchase intention represents a consumer's readiness to buy a product after

evaluating the available information (Deccasari et al., 2022). It also reflects a consumer's decision-making behavior based on their needs and expectations (Lionitan & Firdausy, 2023). Setianingsih (2021) describes purchase intention as a condition in which a person has not yet acted but demonstrates a likelihood of future purchase behavior. Before making a decision, customers often compare products to determine the best option, providing businesses insight into consumer preferences (Ferdiana Fasha et al., 2022). External factors such as advertisements, peer recommendations, and emerging trends influence consumers' desires and intentions to purchase products as they attempt to align themselves with their social environment (Setianingsih, 2021). Therefore, influencing purchase intention requires marketing strategies that align with current technological trends—namely, the application of social media marketing.

Social media marketing is a promotional strategy that uses social platforms to market products, services, brands, or specific issues by engaging actively with online audiences (Dewi et al., 2021). This strategy has grown rapidly worldwide, including in Indonesia (Tinia et al., 2021). Social media marketing enables brands to share information about products and services in ways that attract attention, encourage participation, and foster engagement. It helps build connections between consumers and brands (Emini & Zeqiri, 2021). Leveraging social media to promote products encourages users to talk about and explore the products, indirectly influencing others to seek out more information or make a purchase (Alverina & Syarif, 2022). The evolution of social media marketing has fundamentally transformed promotional strategies by offering a powerful platform to influence consumer behavior and stimulate purchase intentions. Beyond advertising, businesses can use social media to deliver educational and entertaining content, helping build a positive brand image and foster deeper customer relationships (Dewi, 2024).

The effectiveness of social media marketing can be explained through the Stimulus-Organism-Response (S-O-R) theory, which posits that external stimuli—such as marketing messages—affect internal consumer states (perceptions, emotions, and trust), leading to behavioral responses such as purchase intention. Rapid technological advancement presents an opportunity for businesses to utilize social media as an effective marketing tool. This approach has been shown to positively impact consumer purchase intentions, as evidenced by studies from Aziz (2024) and Soefhwan & Kurniawati (2022), both of which confirm the significant positive effect of social media marketing on purchase intention. Conversely, Lumingkewas et al. (2023) found no significant effect.

To address this inconsistency, electronic word of mouth (E-WOM) is introduced as a mediating variable between social media marketing and purchase intention. E-WOM refers to online communication that has evolved from traditional word-of-mouth and is facilitated by the internet (Mahyuzar & Tundo, 2022). Positive online reviews can significantly shape consumer attitudes and influence their buying decisions, as consumer decision-making is heavily affected by the information received (Ismagilova et al., 2017). Favorable reviews about Good Karma Warung can boost consumer confidence in its products. The integration of

strong social media marketing and E-WOM is therefore crucial in influencing consumer purchase decisions.

This is supported by Kamaruddin et al. (2021), who found that E-WOM is positively and significantly affected by social media marketing. However, Azizah (2017) reported otherwise, finding no significant relationship. Consumers often consult online reviews before forming a purchase intention. Studies by Chairy & Setyawati (2021) and Mahyuzar & Tundo (2022) both confirm that E-WOM significantly influences purchase intention. Given this significant relationship, E-WOM is deemed an appropriate mediating variable. Prasad et al. (2017) also assert that social media advertising, when coupled with positive E-WOM, can significantly enhance purchase intention. This background provides the rationale for examining the mediating role of electronic word of mouth in the relationship between social media marketing and purchase intention at Good Karma Warung.

2. RESEARCH METHODS

This study adopts a quantitative approach with an associative-causal method to examine the relationship between social media marketing, electronic word of mouth (E-WOM), and purchase intention among prospective customers of Good Karma Warung in Tirtagangga, Karangasem, Bali. Social media marketing (X) is categorized into aspects of entertainment, interaction, trendiness, and personalization, while E-WOM (M) is measured through influence, recommendation, connectivity, and trust level. Purchase intention (Y) is assessed through consideration, visit probability, willingness to try, and preference. Data were collected through an online questionnaire using a purposive non-probability sampling technique involving 120 respondents, whose responses were deemed valid and reliable based on construct correlation testing and Cronbach's $\alpha \geq 0.60$. [References: Sugiyono, 2021; Zollo et al., 2020; Habib et al., 2021; Naujoks & Benkenstein, 2020.]

Tirtagangga was chosen as the research location due to its high tourist traffic—recorded at 17,386 visitors in 2024—presenting strategic opportunities for culinary businesses such as Good Karma Warung. However, despite being situated in a high-potential area, the restaurant's revenue has remained stagnant. This situation necessitates an investigation into the underlying causes through an analysis of the impact of digital marketing strategies and the mediating role of E-WOM on consumer purchase intention. Descriptive statistics were used to describe data characteristics, while inferential statistics employed classical assumption tests (normality, multicollinearity, and heteroscedasticity), path analysis, the Sobel test, and the Variance Accounted For (VAF) method to test the causal hypotheses between variables. [References: Karangasem Regency Government, 2024; Ghozali, 2018; Riduwan & Kuncoro, 2017.]

The primary instrument used was a Google Forms questionnaire consisting of three sections: screening, respondent identity, and variable indicators measured using a 5-point Likert scale. Distribution was conducted on-site through a QR code. Prior to deployment, the questionnaire underwent validation and reliability testing with a trial sample of 30 respondents.

Data analysis was performed using SPSS version 27 to assess construct validity ($r\text{-count} > r\text{-table} > 0.3$), reliability (Cronbach's $\alpha \geq 0.60$), and inferential statistics to evaluate the significance of both direct and indirect effects, using F-tests, t-tests, and a significance level of $\alpha = 0.05$. [References: Sugiyono, 2021; Ghozali, 2018; Rahyuda, 2020.]

3. RESULTS AND DISCUSSION

Description of Research Variables

Table 1. Variable Description Criteria

Average Score	Criteria			
	Social Marketing	Media	Electronic Mouth	Word of Purchase Intention
1.00 - 1.80	Very bad		Very bad	Very Low
1.81 - 2.60	Bad		Bad	Low
2.61 - 3.40	Enough		Enough	Enough
3.41 - 4.20	Good		Good	Tall
4.21 - 5.00	Very good		Very good	Very high

Social Media Marketing

Table 2. Description of Assessment of Social Media Marketing Variables

No	Statement	Proportion of Respondents' Answers					Amount	Average	Criteria
		(people)							
		1	2	3	4	5			
1	The content displayed on Good Karma Warung's social media looks interesting	0	6	9	43	62	521	4.34	Very good
2	Good Karma Warung's social media allows sharing information with others.	0	10	12	49	49	497	4.14	Good
3	The content displayed on Good Karma Warung's social media is the latest information.	0	10	14	61	35	481	4.01	Good

4	Good Karma Warung's social media provides information that suits customers' needs and interests.	0	3	11	51	55	518	4.32	Very good
Average								4.20	Good

Source: (Processed Data), 2025

Table 2 shows that overall the social media marketing variables fall into the good category, this can be seen from the average score of 4.20 which is in the interval of 3.41 - 4.20. This means that the respondents' assessment of Good Karma Warung's social media marketing is good. The indicator with the highest average value is the statement "The content displayed on Good Karma Warung's social media looks interesting" which is 4.34. This shows that most Good Karma Warung consumers are satisfied with the content displayed on Good Karma Warung's social media. The indicator with the lowest average value is the statement "The content displayed on Good Karma Warung's social media is the latest information" which is 4.01 which is in the good category, but has a low average compared to other statements. This means that in general respondents consider Good Karma Warung's social media to be less updated, so consumers find it difficult to get the latest information related to Good Karma Warung.

Electronic Word of Mouth

Table 3. Description of the Assessment of Electronic Word of Mouth Variables

No	Statement	Proportion of Respondents' Answers (people)					Amount	Average	Criteria
		1	2	3	4	5			
1	Online reviews about Good Karma Warung influence my choices when shopping	1	5	15	44	55	507	4.22	Very good
2	I took recommendations from online reviews into consideration when evaluating Good Karma Warung.	2	14	40	27	37	443	3.69	Good
3	Online reviews can help build a strong relationship with Good Karma Warung	0	5	19	55	41	492	4.10	Good

4	I have confidence in Good Karma Warung which was recommended through online reviews.	0	5	19	62	34	485	4.04	Good
Average								4.01	Good

Source: (Processed Data), 2025

Based on Table 3, overall the electronic word of mouth variable is in the good category, seen from the average score of 4.01 which is in the interval of 3.41 - 4.20. This shows that the respondents' assessment of E-WOM Good Karma Warung is good. The indicator with the highest average value is the statement "Online reviews about Good Karma Warung influence my choices when shopping" which is 4.22. This shows that online reviews are an important factor influencing consumer decisions in choosing Good Karma Warung. The indicator with the lowest average value is the statement "I consider recommendations from online reviews when evaluating Good Karma Warung" which is 3.69 which is in the good category but has a low average compared to other statements. This means that the level of respondents' consideration of recommendations from online reviews in evaluating Good Karma Warung is still relatively lower compared to other aspects. This condition indicates that respondents may be more influenced by other factors in E-WOM such as trust or general social influence than just recommendations conveyed through online reviews.

Purchase Intention

Table 4. Description of Assessment of Purchase Intention Variables

No	Statement	Proportion of Respondents' Answers (people)					Amount	Average	Criteria
		1	2	3	4	5			
1	I am considering visiting Good Karma Warung	0	2	28	55	35	483	4.03	Tall
2	I will most likely plan to visit Good Karma Warung	0	6	20	47	47	495	4.13	Tall
3	I am interested in trying Good Karma Warung products	0	7	21	55	37	482	4.02	Tall
4	I plan to choose Good Karma Warung	1	3	16	48	52	502	4.18	Tall
Average								4.09	Tall

Source: (Processed Data), 2025

Based on Table 4, the overall purchase intention variable is in the high category, seen from the average score of 4.09 which is in the interval of 3.41 - 4.20. This shows that the

respondents' assessment of the purchase intention of Good Karma Warung is high. The indicator with the highest average value is the statement "I plan to choose Good Karma Warung" which is 4.18. This means that most consumers have a strong intention to choose Good Karma Warung, indicating that this restaurant has succeeded in attracting consumer interest. The indicator with the lowest average value is the statement "I am interested in trying Good Karma Warung products" which is 4.02. This indicator is in the high category but has a low average compared to other statements. This means that even though it is in the high category, consumer interest in trying Good Karma Warung products is still relatively lower compared to other indicators, so more active efforts are needed to increase product appeal.

Inferential Statistical Analysis Results

Classical Assumption Test

1) Normality Test

Table 5. Results of the Normality Test for Equation I

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N		120	
Normal Parameters ^{a,b} Mean		.0000000	
		Std. Deviation	1.95751869
Most	Extreme Absolute	.072	
Differences	Positive	.040	
	Negative	-.072	
Asymp. Sig. (2-tailed) ^c		.197	

Source: (Processed Data), 2025

Based on the data in Table 5, it is obtained that the Asymp. Sig coefficient (2 tailed) is 0.197 while the level of significance used is 0.05. The Asymp. Sig value (2 tailed) is greater than α , so it can be concluded that this structural model has a normal distribution ($0.197 > 0.05$).

Table 6. Results of the Normality Test for Equation II

One-Sample Kolmogorov-Smirnov Test			
		Unstandardized Residual	
N		120	
Normal Parameters ^{a,b} Mean		.0000000	
		Std. Deviation	1.54759342
Most	Extreme Absolute	.059	
Differences	Positive	.040	
	Negative	-.059	

Asymp. Sig. (2-tailed)c	.200d
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Source: (Processed Data), 2025

Based on the data in Table 6, it is obtained that the Asymp. Sig coefficient (2 tailed) is 0.200 while the level of significance used is 0.05. The Asymp. Sig value (2 tailed) is greater than α , so it can be concluded that this structural model has a normal distribution ($0.200 > 0.05$).

2) Multicollinearity Test

Table 7. Multicollinearity Test Results

Model	Collinearity Statistics	
	Tolerance	VIF
1 (Constant)		
SMM (X)	.557	1,795
E-WOM (M)	.557	1,795

Source: (Processed Data), 2025

Table 7 shows that the tolerance value and Variance Inflation Factor (VIF) value for the social media marketing and electronic word of mouth variables are within acceptable limits, namely the tolerance value is greater than 0.10 and the VIF is less than 10. Therefore, it can be concluded that the regression model does not have multicollinearity between the variables used in the study.

3) Heteroscedasticity Test

Table 8. Results of Heteroscedasticity Test for Equation I

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	1,501	.630			2.383	.019
SMM(X)	.004	.037	.009		.102	.919

Source: (Processed Data), 2025

Table 8 shows that the significance value of the social media marketing variable is 0.919. This value is greater than 0.05, which means that there is no influence between the independent variables on the absolute residual, so that the model created does not contain symptoms of heteroscedasticity.

Table 9. Results of Heteroscedasticity Test for Equation II

Model	Unstandardized Coefficients		Standardized Coefficients		t	Sig.
	B	Std. Error	Beta			
1 (Constant)	1.201	.603			1,993	.049
SMM (X)	.019	.042	.055		.442	.659

E-WOM (M)	-.020	.047	-.054	-.436	.664
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Source: (Processed Data), 2025

Table 9 shows that the significance value of the social media marketing variable is 0.659 and the electronic word of mouth variable is 0.664. Since both values exceed 0.05, it can be concluded that there is no influence between the independent variable and the mediating variable on the absolute residual. Thus, the model used does not indicate any symptoms of heteroscedasticity.

Path Analysis

This study uses path analysis to see the influence of causal relationships of each variable consisting of social media marketing, electronic word of mouth, and purchase intention. This study also tests the role of mediating variables, namely electronic word of mouth, in mediating the influence of the relationship between social media marketing and purchase intention.

1) Formulating hypotheses and structural equations

The initial stage in path analysis is to formulate a research model hypothesis based on relevant theoretical foundations.

- a) Social media marketing has a positive and significant effect on purchase intention at Good Karma Warung.
- b) Social media marketing has a positive and significant effect on electronic word of mouth at Good Karma Warung.
- c) Electronic word of mouth has a positive and significant effect on purchase intention at Good Karma Warung.
- d) Electronic word of mouth mediating the influence of social media marketing on purchase intention at Good Karma Warung.

Referring to the hypothesis that has been formulated, substructural equation 1 can be arranged as follows:

$$M = \beta_2 X + e_1$$

Meanwhile, the substructural equation 2 can be formulated as follows:

$$Y = \beta_1 X + \beta_3 M + e_2$$

In this study, testing the influence of social media marketing on electronic word of mouth was conducted using the SPSS for Mac version 27 program. The results of the first structure calculation are presented in Table 10.

Table 10. Results of Path Analysis on Structure I

Model	Unstandardized		Standardized	
	Coefficients		Coefficients	t
	B	Std. Error	Beta	Sig.
1 (Constant)	5,990	1,055		5,679 .000

SMM (X)	.599	.062	.666	9,687	.000
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Source: (Processed Data), 2025

Based on the results of the path analysis presented in Table 10, the resulting structural equation can be formulated as follows.

$$M = \beta_2 X + e_1$$

$$M = 0.666X + e_1$$

The structural equation indicates that the social media marketing variable has a positive influence on electronic word of mouth. This means that an increase in social media marketing activities will be followed by an increase in electronic word of mouth.

Furthermore, this study analyzes the influence of social media marketing and electronic word of mouth on purchase intention using the SPSS for Mac version 27 program. The calculation results for the second structure are presented in Table 11 as follows.

Table 11. Results of Path Analysis on Structure II

		Unstandardized		Standardized			
Model		Coefficients		Coefficients	t	Sig.	
		B	Std. Error	Beta			
1	(Constant)	4.111	.945		4,350	.000	
	SMM (X)	.504	.066	.592	7,664	.000	
	EWOM (M)	.237	.073	.251	3.244	.002	

Source: (Processed Data), 2025

Referring to the results of the path analysis in Table 11, the structural equation formed can be formulated as follows.

$$Y = \beta_1 X + \beta_2 M + e_2$$

$$Y = 0.592X + 0.251M + e_2$$

The equation shows that the social media marketing variable has a coefficient of 0.592 which indicates a positive direction of influence on purchase intention. Thus, an increase in social media marketing will be followed by an increase in purchase intention. Meanwhile, the electronic word of mouth variable has a coefficient of 0.251 which also indicates a positive direction of influence on purchase intention, so that the higher the electronic word of mouth, the consumer's purchase intention will tend to increase.

2) Path coefficient diagram form

a) Direct effect

Direct influence will occur if a variable influences another variable without any other mediating variable.

- (1) The influence of the social media marketing variable (X) on the purchase intention variable (Y) is shown by the regression coefficient. $\beta_1 = 0.592$
- (2) The influence of the social media marketing variable (X) on the electronic word of mouth variable (M) is shown by the regression coefficient. $\beta_2 = 0.666$
- (3) The influence of the electronic word of mouth variable (M) on the purchase intention variable (Y) is shown by the regression coefficient $\beta_3 = 0.251$

b) Indirect effect

The influence of social media marketing (X) on purchase intention (Y) with electronic word of mouth (M) as a mediating variable is as follows:

$$\begin{aligned}\text{Indirect effect} &= \beta_2 \times \beta_3 \\ &= 0.666 \times 0.251 \\ &= 0.167\end{aligned}$$

The magnitude of the indirect influence of the social media marketing variable on the purchase intention variable with the electronic word of mouth variable as a mediating variable is 0.167. Social media marketing influences electronic word of mouth and electronic word of mouth influences purchase intention, so indirectly social media marketing has an influence on purchase intention through electronic word of mouth.

c) Total effect

The total influence of the social media marketing variable (X) on purchase intention (Y) through electronic word of mouth (M) is as follows:

$$\begin{aligned}\text{Total effect} &= \beta_1 + (\beta_2 \times \beta_3) \\ &= 0.592 + (0.666 \times 0.251) \\ &= 0.592 + 0.167 \\ &= 0.759\end{aligned}$$

The total influence of social media marketing variables on purchase intention variables with electronic word of mouth variables as mediating variables is 0.759. These results indicate that electronic word of mouth partially mediates the influence of social media marketing on purchase intention.

3) Testing the coefficient of determination (R²) value of the error variable

(e)

Based on the two existing substructural models, namely substructural 1 and substructural 2, the final path diagram model can be compiled. Before making the final path diagram model, it is first necessary to calculate the standard error value in the following way:

$$e1 \text{ and } e2 = \sqrt{1 - R^2}$$

$$e1 = = = 0.746\sqrt{1 - R^2}\sqrt{1 - 0,443}$$

$$e2 = = = 0.624\sqrt{1 - R^2}\sqrt{1 - 0,611}$$

In the analysis of the influence of error (e), it was found that the influence of error on structure 1 (e1) was 0.746, while the influence of error on structure 2 (e2) was 0.624. Furthermore, the calculation of the total determination coefficient was carried out and the results are as follows:

$$\begin{aligned} R^2_m &= 1 - (e1)^2 - (e2)^2 \\ &= 1 - (0.746)^2 - (0.624)^2 \\ &= 1 - (0.556) - (0.389) \\ &= 1 - 0.216 \\ &= 0.784 \end{aligned}$$

From the calculation of the total determination coefficient, a value of 0.784 was obtained, indicating that 78.4 percent of the purchase intention variable at Good Karma Warung was influenced by social media marketing and electronic word of mouth, while the other 21.6 percent were influenced by other factors that were not included in the research model or were outside the model. Based on the explanation of the structural equation, the results of the path coefficient calculation will be shown through the standardized coefficients beta value which shows the influence between variables.

The magnitude of the direct impact of the social media marketing variable on the electronic word of mouth variable and the purchase intention variable, as well as the direct impact of the electronic word of mouth variable on the purchase intention variable, is obtained from the standardized beta coefficients and the standard error value of each structural equation.

4) Calculating path coefficients simultaneously (overall)

Based on the test results that have been conducted, the significance value of F was found to be 0.000 which is smaller than 0.05. This shows that the variables of social media marketing and electronic word of mouth simultaneously affect the purchase intention variable.

5) Calculating path coefficients partially (individually)

a) The influence of social media marketing on purchase intention

H0: Social media marketing does not have a positive and significant effect on purchase intention.

H1: Social media marketing has a positive and significant effect on purchase intention.

From the analysis of the influence of social media marketing on purchase intention, the significance value obtained was 0.000, with a beta coefficient recorded at 0.592. The significance value of $0.000 < 0.05$ indicates that H_0 is rejected and H_1 is accepted. This result means that social media marketing has a positive and significant effect on purchase intention.

b) The influence of social media marketing on electronic word of mouth

H_0 : Social media marketing does not have a positive and significant effect on electronic word of mouth.

H_1 : Social media marketing has a positive and significant influence on electronic word of mouth.

The results of the analysis of the influence of social media marketing on electronic word of mouth show a significance value of 0.000 and a beta coefficient of 0.666. The significance figure reaching 0.000 and less than 0.05 indicates rejection of H_0 and acceptance of H_1 . This means that social media marketing has a significant positive influence on electronic word of mouth.

c) The influence of electronic word of mouth on purchase intention

H_0 : Electronic word of mouth does not have a positive and significant effect on purchase intention.

H_1 : Electronic word of mouth has a positive and significant effect on purchase intention.

The analysis of the influence of electronic word of mouth on purchase intention shows a significance value of 0.002 with a beta coefficient of 0.251. This significance value, which is 0.002 and less than 0.05, also shows that H_0 is rejected and H_1 is accepted. Therefore, electronic word of mouth has a positive and significant influence on purchase intention.

6) Summarize and conclude

Based on the calculations carried out, the results of the analysis can be summarized regarding the direct impact, indirect impact, and total impact of each structural equation using path analysis techniques, and the results are shown in Table 12 below:

Table 12. Direct Influence, Indirect Influence, and Total Influence

Influence Variables	of Direct Influence	Indirect Through E-WOM (M) ($\beta_2 \times \beta_3$)	Influence Total Influence	Significance	Results
$X \rightarrow Y$	0.592		0.759	0,000	Significant
$X \rightarrow M$	0.666	0.167	0.666	0,000	Significant
$M \rightarrow Y$	0.251		0.251	0.002	Significant

Source: (Processed Data), 2025

Table 12 presents a summary of the values of each path indicating the direct impact, indirect impact, and total impact between variables, including the error value in each structural equation obtained from the path analysis. The following is an explanation of the values contained in Table 12.

a) The influence of social media marketing on purchase intention

The results of research conducted on prospective Good Karma Warung consumers regarding the influence of social media marketing on purchase intention, showed that social media marketing has a direct influence on purchase intention of 0.592.

b) The influence of social media marketing on electronic word of mouth

The results of research conducted on prospective consumers of Good Karma Warung regarding the influence of social media marketing on electronic word of mouth, obtained the results that social media marketing has a direct influence on electronic word of mouth of 0.666.

c) The influence of electronic word of mouth on purchase intention

The results of research conducted on prospective consumers of Good Karma Warung regarding the influence of electronic word of mouth on purchase intention, obtained the results that electronic word of mouth has a direct influence on purchase intention of 0.251.

d) The role of electronic word of mouth mediates the influence of social media marketing on purchase intention

This study was conducted on prospective consumers of Good Karma Warung to explore the role of electronic word of mouth in mediating the impact of social media marketing on purchase intention. The results show that social media marketing has a direct impact on purchase intention of 0.592 and an indirect impact of 0.167.

2) Sobel Test

The hypothesis testing related to mediation can be carried out using the Sobel test. The Sobel test assesses the magnitude of the indirect effect of the independent variable, social media marketing (X), on the dependent variable, purchase intention (Y), through the mediating variable, electronic word of mouth (M). The steps for conducting the Sobel test are as follows:

- a) If $Z \leq 1.96$, then H_0 is accepted, meaning that M is not a mediating variable.
- b) If $Z > 1.96$, then H_0 is rejected, indicating that M is a mediating variable.

If the calculated Z-value is greater than 1.96 (at a 95% confidence level), the mediating variable is considered to significantly mediate the relationship between the independent and dependent variables.

The Sobel test calculation is as follows:

$$Z = \frac{ab}{\sqrt{b^2Sa^2 + a^2Sb^2 + Sa^2Sb^2}}$$

$$Z = \frac{0,666 \times 0,251}{\sqrt{(0,251^2 0,062^2) + (0,666^2 0,073^2) + (0,062^2 0,073^2)}}$$

$$Z = \frac{0,167}{\sqrt{0,0026}}$$

$$Z = \frac{0,167}{0,051}$$

$$Z = 3,274$$

From the calculation above, a Z-value of 3.274 was obtained, which is greater than 1.96. Therefore, the electronic word of mouth variable can be considered a significant mediator. This confirms that electronic word of mouth mediates the effect of social media marketing on purchase intention among potential customers of Good Karma Warung and supports the acceptance of the fourth hypothesis (H4).

3) VAF Test

The Variance Accounted For (VAF) method is also used to test the mediating hypothesis. VAF helps determine the extent to which the mediating variable absorbs the influence of the direct effect that would otherwise be present in a model without a mediator.

The interpretation of VAF values is as follows:

- a) VAF > 80%: full mediation
- b) 20% < VAF ≤ 80%: partial mediation
- c) VAF ≤ 20%: little to no mediation

The VAF calculation is as follows:

$$VAF = \frac{\text{Indirect Effect}}{\text{Direct Effect} + \text{Indirect Effect}}$$

$$VAF = \frac{0,167}{0,592 + 0,167}$$

$$VAF = 0.220 \text{ (22\%)}$$

From the VAF test results, a value of 0.22 or 22% was obtained. Since this value falls within the 20% to 80% range, it can be categorized as partial mediation. This concludes that electronic word of mouth partially mediates the relationship between social media marketing and purchase intention at Good Karma Warung.

4) The Effect of Social Media Marketing on Purchase Intention

The results of this study indicate that social media marketing has a positive and significant effect on purchase intention, thereby supporting the first hypothesis (H1). Analysis of the respondents' responses to social media marketing revealed the highest

average score for the statement, “The content displayed on Good Karma Warung’s social media looks attractive,” which falls into the “very good” category. Similarly, the statement with the highest average score for purchase intention was, “I plan to choose Good Karma Warung,” which falls into the “high” category.

These results suggest that the better the social media marketing efforts implemented by Good Karma Warung, the higher the purchase intention of potential customers. Attractive social media content creates a unique appeal that increases consumer interest in making a purchase.

This finding is supported by Anggrenita and Sander (2022), who stated that social media marketing has a positive and significant impact on purchase intention. When marketing efforts are carried out effectively, they can enhance consumers’ desire to buy products, as sellers create various creative content aimed at attracting customer attention. Such engaging content typically generates substantial social traffic, encouraging audiences to visit the seller’s platform (Anggrenita & Sander, 2022). These findings are also in line with previous research by Taufik et al. (2022), Aji et al. (2020), Agustina (2020), Sanny et al. (2020), Ardhiansyah & Marlina (2021), Dirgayasa & Darma (2024), and Adriana et al. (2022), who found that social media marketing positively and significantly influences purchase intention.

5) The Effect of Social Media Marketing on Electronic Word of Mouth

The analysis also reveals that social media marketing has a positive and significant effect on electronic word of mouth (E-WOM), thus supporting the second hypothesis (H2). The highest-rated statement related to social media marketing was, “The content displayed on Good Karma Warung’s social media looks attractive,” which was categorized as “very good.” For E-WOM, the highest-rated statement was, “Online reviews about Good Karma Warung influence my shopping choices,” also categorized as “very good.”

These findings show that the more effective the social media marketing strategies employed by Good Karma Warung, the higher the level of consumer participation in giving or receiving online reviews. Attractive content on social media encourages audiences to engage actively—both in sharing and considering reviews before making purchasing decisions.

This finding is supported by Gasawneh et al. (2023), who found that social media marketing positively and significantly influences electronic word of mouth in Jordanian real estate companies. Through entertainment and informative content, social media marketing can satisfy consumers and encourage them to provide feedback (Gasawneh et al., 2023). The results are also supported by studies from Made et al. (2021), Iksyanti & Hidayat (2022), Bararah & Chan (2024), Napawut et al. (2022), and

Sunaryanto & Oktaviandri (2024), which confirm the significant influence of social media marketing on E-WOM.

6) The Effect of Electronic Word of Mouth on Purchase Intention

The research findings also show that electronic word of mouth has a positive and significant effect on purchase intention, supporting the third hypothesis (H3). The highest average score for E-WOM was found in the statement, “Online reviews about Good Karma Warung influence my shopping choices,” categorized as “very good.” For purchase intention, the highest score came from the statement, “I plan to choose Good Karma Warung,” categorized as “high.”

These results indicate that the more consumers participate in and consider online reviews about Good Karma Warung, the higher their intention to purchase the product. Positive and relevant online reviews play a crucial role in shaping consumer purchase intentions.

This study is also supported by Hanandeh et al. (2023), who found that electronic word of mouth has a significant and positive effect on purchase intention. E-WOM was proven to enhance purchase intentions in the context of the Amman Stock Exchange (Hanandeh et al., 2023). Similar findings are reported by Wafiyah & Wusko (2023), Napawut et al. (2022), Jasin (2022), Alrwashdeh et al. (2019), Sosanuy et al. (2021), Nurittamont (2021), and Gasawneh et al. (2023), confirming the significant positive effect of E-WOM on purchase intention.

7) The Mediating Role of Electronic Word of Mouth in the Effect of Social Media Marketing on Purchase Intention

The analysis results show that electronic word of mouth partially mediates the effect of social media marketing on purchase intention at Good Karma Warung Tirtagangga, supporting the fourth hypothesis (H4). While social media marketing does have a direct influence on purchase intention, consumer purchasing decisions are not solely determined by marketer-provided information. Instead, they are also shaped by reviews and feedback from others obtained through electronic word of mouth.

Potential customers tend to seek out comments or reviews from other consumers to gain diverse perspectives before making a purchase decision. Therefore, E-WOM plays an essential role in bridging the influence of social media marketing and purchase intention. Positive and relevant reviews can reinforce consumer trust and increase their willingness to purchase.

This finding is further reinforced by Ningsih & Hurnis (2024), who stated that electronic word of mouth can act as a bridge between social media marketing and purchase intention. Social media encourages customers to express their opinions about food products and share them online. These opinions enhance the knowledge of other consumers who read them, potentially prompting further sharing of the information.

In this way, E-WOM can indirectly increase consumers' purchase intention. The results are also supported by studies conducted by Sunaryanto & Oktaviandri (2024), Made et al. (2021), Iksyanti et al. (2022), and Gasawneh et al. (2023), all of which found that E-WOM effectively mediates the influence of social media marketing on purchase intention.

4. CONCLUSION

This study aims to analyze the mediating role of electronic word of mouth (E-WOM) in the effect of social media marketing on purchase intention at Good Karma Warung Tirtagangga. Based on the data analysis and discussion presented in the previous chapter, the following conclusions can be drawn:

1. Social media marketing has a positive and significant effect on purchase intention. This indicates that the better the social media marketing strategy implemented, the higher the level of purchase intention for products offered by Good Karma Warung Tirtagangga.
2. Social media marketing has a positive and significant effect on electronic word of mouth. This suggests that effective social media marketing enhances the spread of positive electronic word of mouth about Good Karma Warung Tirtagangga's products.
3. Electronic word of mouth has a positive and significant effect on purchase intention. This demonstrates that the more favorable the electronic word of mouth, the stronger the purchase intention toward the products of Good Karma Warung Tirtagangga.
4. Electronic word of mouth partially mediates the effect of social media marketing on purchase intention at Good Karma Warung Tirtagangga. This implies that social media marketing can increase potential customers' purchase intention both directly and indirectly through the enhancement of electronic word of mouth.

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