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# The Effect of Word of Mouth and Promotion on Purchasing Decisions for Alauddin Makassar Branch Fore Products

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### **Abstract**

This study aims to determine the effect of Word of Mouth (WOM) and promotion on consumer purchasing decisions for Fore Coffee products at the Alauddin Makassar branch. In the current digital era, consumer behavior is heavily influenced by peer recommendations and digital promotional strategies. Using a quantitative research approach with stratified random sampling, data were collected from 100 respondents through a Likert-scale questionnaire. Multiple linear regression analysis was used to assess the impact of the two independent variables-WOM and promotion—on purchasing decisions. The results showed that WOM has a significant partial influence on purchasing decisions, indicating that peer communication, both traditional and electronic, is a dominant factor in shaping consumer perceptions and preferences. Promotion, on the other hand, did not show a significant partial effect, suggesting that price incentives alone may not be sufficient to influence purchasing behavior unless reinforced by social influence or trust. However, the simultaneous effect of WOM and promotion was statistically significant, emphasizing their combined role in consumer decision-making. The study concludes that WOM is a more dominant and effective marketing tool than standalone promotions and should be central to marketing strategies in the lifestyle-based coffee industry. These findings contribute to a deeper understanding of consumer behavior and offer practical implications for enhancing marketing effectiveness through integrated communication approaches.

Keywords: Consumer Behavior, Promotion, Purchase Decision, Word of Mouth, Fore Coffee

## 1. INTRODUCTION

In today's digital and hypercompetitive era, consumer behavior has undergone a significant transformation. People are increasingly selective in choosing the products and services they will consume, especially in the food and beverage (F&B) sector. One form of this transformation lies in how consumers obtain information about products, and how this information influences their buying decisions. Among the various marketing instruments

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that have developed, Word of Mouth (WOM) and promotion are two dominant factors that are able to have a significant influence on consumer purchasing decisions. Fore Coffee, as one of the up-and-coming local coffee brands in Indonesia, including in Makassar, adopts a marketing strategy that utilizes the power of WOM and promotion in attracting the attention of its main target market, namely digitally active millennial and Gen Z consumers.

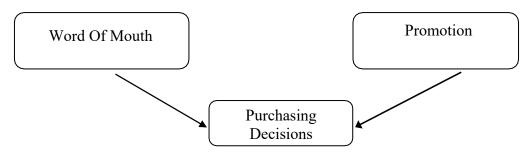
Word of Mouth is one of the oldest but still effective forms of inter-individual communication in the marketing world. WOM occurs when someone recommends or tells their experience of a product or service to others, which in turn can influence purchasing decisions. In the current context, WOM is not only limited to conventional oral communication, but also extends to digital platforms such as social media, online forums, and customer reviews on various applications and websites. The effectiveness of WOM lies in the consumer's perception that the information comes from a trusted source and has no direct commercial interest, so it is more convincing and credible than conventional advertising (Faridotun Sahra et al.).

Meanwhile, promotion as part of the marketing mix has an important role in encouraging short-term purchases and shaping brand perception in the long run. The forms of promotion carried out by companies can vary, such as price discounts, cashback vouchers, product bundling, free sampling, to the use of digital advertising platforms such as Instagram Ads and Google Ads. Promotions have the power to create psychological impetus for consumers to make quick decisions, especially when supported by time-limited offers (Joseph A. Durlak et al.). In the context of the coffee industry, promotions are able to drive consumer preferences towards certain brands, especially when accompanied by an attractive visual approach that fits the lifestyle of young urbanites.

Fore Coffee, as a brand established in 2018, has successfully established its presence in the Indonesian coffee market through marketing strategies that focus on digital approaches and partnerships with various technology platforms. Fore Coffee's branch in Alauddin, Makassar, is part of the brand's expansion beyond the Greater Jakarta area, reflecting the company's confidence in the potential of the local market. Makassar as the largest metropolitan city in eastern Indonesia has a consumer segment that is open to new lifestyle trends, including in terms of contemporary coffee consumption. Competition among coffee brands in the city is fierce, both from local and national players, so marketing strategy is a key element in winning consumers' hearts.



## 2. RESEARCH METHOD



Picture 2.1 Framework Research

This study uses a Quantitative research design with a causal relationship approach, because the main purpose of this research is to explain the cause-and-effect relationship between variables through hypothesis testing. According to Sugiyono in research (Sahabuddin et al.) Quantitative research aims to understand the relationship between two or more variables. This research aims to build a theory that is useful for evaluating the effect of digital transformation and marketing strategies on customer satisfaction.

The population of this study consisted of customers of Fore Cafe Alauddin Makassar Branch. The sample in this study was taken by stratified random sampling method. According to (Daraz et al.) This sampling technique is used in populations that have elements that are proportionally stratified and not uniform (homogeneous), so the number of samples in this study were 100 customers of Fore Cafe Alauddin Branch. The data collection tool used was a questionnaire with a Likert scale. The data analysis method used in this research is multiple linear regression analysis and using the IBM SPSS statistics version 27 program. In this analysis, researchers used validity tests, reliability tests by looking at the Crombach Alpha value, and multiple linear regression tests by looking at the R Square value, ANOVA table and Coefficients table.

To find out in detail about the variables and their indicators in this study, it can be shown below.

Table 2.1 Indicators of each variable

Variable	Indicators
Word Of Mouth	<ul> <li>Intensity of WOM (Intensitas WOM)</li> <li>Valence of WOM (Arah atau Nada WOM)</li> <li>Content of WOM (Isi atau Informasi WOM)</li> </ul>
Promotion	<ul> <li>Discount Promotion (Promosi Diskon)</li> <li>Bonus Pack / Bundling (Paket Bonus atau Bundel Produk)</li> </ul>

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	Time-Limited Offer (Penawaran Waktu Terbatas)
Purchasing Decision	<ul> <li>Problem Recognition (Pengenalan Kebutuhan)</li> <li>Purchase Decision (Keputusan Pembelian Aktual)</li> <li>Post-Purchase Evaluation (Evaluasi Pascapembelian)</li> </ul>

# 3. RESULTS AND DISCUSSION

By conducting stratified random sampling of 100 respondents, the researcher distributed Likert scale questionnaires and obtained data of 100 with a 100% response rate. The following table shows the respondents by gender.

Table 3.1 Description of Respondents by Gender

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Gender	Freequence	Percentage	Valid Persentage	Cummulative Persentage			
Male	61	61%	61%	70%			
Female	39	39%	39%	70%			
Total	100	100.0	100.0				

In this study, there were 61% male respondents and 39% female respondents. In table 4.1 above, it can be seen that customers at Fore Cafe are more dominantly male than female. The next analysis describes respondents by age. This is shown in Table 4.2 below.

Tabel 4.2 Description of Respondents by Old

			<u> </u>	
A 000	Freequence	Dorgantaga	Valid	Cummulative
Age		Percentage	Persentage	Persentage
18-35 years	75	75%	90%	90%
old				
35+ years old	25	25%	10%	10%
Total	100	100.0	100.0	

The most obvious age of respondents is between 18 to 35 years old at 70% and 35 and above at 30%. These ages fall under the category of students and workers.

# Uji Validitas

Researchers tested its validity using SPSS. The purpose of this validity test is to determine the suitability of a question, statement, or measure to describe a particular variable. The results of the calculation of r are compared with the r table. Here df = n-2, significance is 5%. If r table < r count, this indicates that the indicator is valid.



Table 3.3 Validity Test Results

No	Construct	Pearson	Sig-2	Status
	Construct	Correlation	Tailed	Status
1	Word Of Mouth			
	X1.1.1	0,809**	0,000	Valid
	X1.1.2	0,861**	0,000	Valid
	X1.1.3	0,676**	0,000	Valid
	X1.2.1	0,690**	0,000	Valid
	X1.2.2	0,763**	0,000	Valid
	X1.2.3	0,826**	0,000	Valid
	X1.3.1	0,770**	0,000	Valid
	X1.3.2	0,701**	0,000	Valid
	X1.3.3	0,680**	0,000	Valid
2	Promotion			
	X2.1.1	0,839**	0,000	Valid
	X2.1.2	0,843**	0,000	Valid
	X2.1.3	0,848**	0,000	Valid
	X2.2.1	0,722**	0,000	Valid
	X2.2.2	0,768**	0,000	Valid
	X2.2.3	0,828**	0,000	Valid
	X2.3.1	0,659**	0,000	Valid
	X2.3.2	0,631**	0,000	Valid
	X2.3.3	0,725**	0,000	Valid
3	Purchase Decision			
	Y1.1	0,763**	0,000	Valid
	Y1.2	0,716**	0,000	Valid
	Y1.3	0,632**	0,000	Valid
	Y2.1	0,764**	0,000	Valid
	Y2.2	0,861**	0,000	Valid
	Y2.3	0,756**	0,000	Valid
	Y3.1	0,835**	0,000	Valid
	Y3.2	0,693**	0,000	Valid
	Y3.3	0,657**	0,000	Valid

# Uji Reliabilitas

Reliability is the stability and consistency of respondents in answering question points or indicators. As explained in (Ayu and Rosli) the reliability test is seen from the Crombach Alpha Coefficient value based on the following table:

Table 2.4 Crombach Alpha Coefficient

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Coefisient <i>Crombach Alpha</i>	Information			
$\alpha \ge 0.90$	Excellent			
$0.80 \le \alpha < 0.90$	Good			
$0.70 \le \alpha < 0.80$	Reliable			
$0.50 \le \alpha < 0.70$	Low			
$\alpha$ < 0.50	Unacceptable			

Tabel 3.5 Reliability Test Results

Variabel	Cronbach Alpha	Status
Word Of Mouth	0,878	Reliabel
Promosi	0,979	Reliabel
Keputusan Pembelian	0,977	Reliabel

# Uji Regresi Linear Berganda

Multiple regression analysis is used to test the effect of two or more independent variables on a dependent variable (Rinaldi and Nanang Prayudyanto). The dependent variable is "Customer Satisfaction" and the independent variables are "Digital Transformation and Marketing Strategy". The following are the results of multiple linear regression tests in this study.

Picture 3.1 Regression Test Results Using IBM SPSS Statistics Version 27

#### **Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.793a	.629	.622	2.86139

a. Predictors: (Constant), JUMLAH\_X2, JUMLAH\_X1

#### **ANOVA**b

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	1347.520	2	673.760	82.291	.000a
	Residual	794.190	97	8.188		
	Total	2141.710	99			

a. Predictors: (Constant), JUMLAH\_X2, JUMLAH\_X1

## Coefficientsa

		Unstandardized Coefficients		Standardized Coefficients		
Model		В	Std. Error	Beta	t	Sig.
1	(Constant)	4.374	2.538		1.723	.088
	JUMLAH_X1	.594	.270	.551	2.203	.030
	JUMLAH_X2	.266	.269	.248	.991	.324

a. Dependent Variable: JUMLAH\_Y

b. Dependent Variable: JUMLAH\_Y



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Based on the picture above, the multiple linear regression equation formula can be used in this study, namely: Y = 4.734 + 0.594 (X1) + 0.265 (X2).

Multiple linear regression analysis is used to determine the extent to which independent variables influence the dependent variable simultaneously and partially. In the context of this study, the independent variables are X1 (Word of Mouth) and X2 (Promotion), while the dependent variable is Y (Purchase Decision) for Fore Coffee products at the Alauddin Makassar branch. The results of the multiple linear regression analysis reveal the statistical and practical relationships among these variables. According to the Model Summary table, the coefficient of determination (R Square) value of 0.629 indicates that 62.9% of the variation in purchase decisions (Y) can be explained jointly by Word of Mouth (X1) and Promotion (X2). The remaining 37.1% is explained by other factors outside the model, such as product quality, price, brand perception, customer service, and individual preferences not included in this analysis. The Adjusted R Square value of 0.622 indicates an adjustment for the number of variables in the model, meaning that approximately 62.2% of the variation in purchase decisions can still be explained even when considering the number of predictors in the model.

The correlation coefficient (R) value of 0.793 indicates a strong and positive relationship between Word of Mouth and Promotion on Purchase Decisions. In this case, the higher the intensity of Word of Mouth and the effectiveness of promotions, the higher the consumers' purchasing decisions toward Fore products. Furthermore, in the ANOVA (Analysis of Variance) section, the calculated F value is 82.291 with a significance level of 0.000. This significance value is much smaller than alpha 0.05, so it can be concluded that simultaneously, the variables Word of Mouth and Promotion have a significant effect on Purchase Decisions. In other words, the regression model used is valid and significant in explaining the relationship between variables. The analysis continued by examining the results of the Coefficients table, which provides information about the partial effect of each independent variable on the dependent variable. First, the Word of Mouth variable (X1) shows an unstandardized regression coefficient (B) of 0.594 with a t-value of 2.203 and a significance level of 0.030. This significance level is less than 0.05, meaning that Word of Mouth has a significant partial effect on Purchase Decision. This indicates that every oneunit increase in WOM will increase the purchase decision by 0.594 units, assuming that the promotion variable is held constant.

Unlike Word of Mouth, the Promotion variable (X2) has a regression coefficient value of 0.266, but the t-value is only 0.991 with a significance level of 0.324. Since this significance value is greater than alpha 0.05, it can be concluded that Promotion does not have a significant effect on purchasing decisions when viewed in isolation. This indicates that even though promotion is carried out, its direct influence on purchasing decisions is not strong enough unless combined with other variables. However, promotion still contributes collectively in the model because it is significant simultaneously.

Based on the Standard Beta coefficient values in the Coefficients table, it can be seen that Word of Mouth has a Beta value of 0.551, while Promotion has a value of 0.248. This confirms that, relatively speaking, the influence of Word of Mouth is more dominant on purchasing decisions than promotions. The magnitude of the Beta contribution of WOM

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shows that information shared by other consumers—whether through reviews, testimonials, or recommendations on social media—has a stronger influence on consumer perceptions and purchasing behavior than simply discount or bonus strategies from the company.

Consumer behavior in making purchasing decisions is a complex and multidimensional process, where various factors interact to form the final decision made by individuals. In the context of the modern coffee beverage industry, as represented by Fore Coffee Alauddin Makassar Branch, factors such as Word of Mouth (WOM) and promotion have an increasingly significant influence as consumption patterns are shaped by technology and social media. The findings from the multiple linear regression analysis in this study indicate that both independent variables, namely WOM and promotions, contribute positively to purchasing decisions, although to varying degrees.

A study by Wiska (2023) shows that consumers today are more likely to trust reviews or recommendations from fellow users than official advertising messages from companies. In this case, WOM serves as a bridge between real experiences and purchase intentions, as consumers perceive information conveyed by others to be more authentic, honest, and unbiased (Wiska et al.).

In the digital age, WOM has become increasingly influential due to its viral nature and high accessibility. Platforms such as TikTok, Instagram, and Twitter have become the main channels for spreading WOM in the form of product reviews, testimonials, and consumption experience videos. This is particularly relevant in the context of Fore Cabang Alauddin Makassar, given that its primary target market is the younger generation, including students and young professionals, who are highly active on social media. A positive post from a customer about service, coffee taste, or the outlet's atmosphere can create a snowball effect that organically expands market reach. In fact, according to a study by Mualim (2020), WOM shared by ordinary users tends to have a stronger influence than celebrity endorsements because it is perceived as more honest and closer to consumers' daily lives (Mualim et al.).

Meanwhile, the promotion variable did not show a significant partial effect on purchasing decisions in this study. A significance value greater than 0.05 indicates that promotion, when standing alone without support from other factors, is not strong enough to encourage consumers to make purchasing decisions. This may be due to the fact that consumers today are not only pursuing financial incentives, such as discounts or product bonuses, but also considering emotional value, brand experience, and recommendations from people they trust. In other words, promotions are still important, but they are more effective when used as a complement to WOM and other marketing strategies that build trust and loyalty.

However, the analysis also shows that both WOM and promotions simultaneously have a significant influence on purchasing decisions. This indicates that when used together, the combination of information spread through interpersonal channels and incentives provided by companies can encourage consumers to make purchasing decisions. This finding is reinforced by research from Nurhayati (2022), which reveals that WOM creates a deep psychological foundation of trust and emotional affiliation toward the product, while





promotions function as rational triggers or incentives that accelerate decision-making (Nurliyanti et al.).

In the context of Fore Cabang Alauddin Makassar, the combination of WOM and promotional strategies can be maximized through a community-based marketing approach and digital engagement. For example, by involving loyal customers to share their experiences through social media and providing incentives in the form of discounts or vouchers to those who successfully encourage others to try Fore products. Such strategies not only strengthen customer relationships with the brand but also naturally expand the market network through strategically managed WOM power. This aligns with the concept of customer-based marketing, which positions customers as the primary actors in brand value dissemination.

Regarding the purchasing decision itself, the research findings indicate that the decision-making process is influenced by a combination of psychological, social, and economic factors. WOM plays a significant role in influencing the evaluation of alternatives and the formation of preferences, while promotions influence the actual purchase stage, especially under certain conditions such as new product launches or limited offers. Consumers who have received positive information from their close contacts about the quality of Fore products are more likely to be motivated to purchase if there is an attractive promotion being offered at the same time. This illustrates how the two marketing approaches reinforce each other rather than replace one another.

From a theoretical perspective, these findings align with the theory of Integrated Marketing Communication (IMC), which states that the effectiveness of marketing strategies is achieved when various communication elements including promotions and WOM are used synergistically and consistently in conveying the brand message. Additionally, consumer behavior theories such as the AIDA model (Attention, Interest, Desire, Action) also show that WOM functions at the stage of creating interest and desire, while promotions play a role at the action or purchase stage.

The implications of these findings for Fore Cabang Alauddin managers are the importance of designing marketing strategies that not only focus on periodic promotional offers but also strengthen consumer communication networks through testimonials, usergenerated content, and collaborations with micro-influencers relevant to the local market segment. Additionally, the company can establish a digital referral system where customers who recommend products to others can receive incentives, thereby transforming WOM from a passive activity into an integral part of distribution and market penetration strategies.

### 4. CONCLUSION

Based on the results of the analysis conducted, promotions in this study were found to have no significant partial effect on purchase decisions. These results indicate that promotions conducted by Fore, such as discounts, product bonuses, or time-limited offers, are not strong enough to drive consumer decisions when standing alone without emotional involvement or trust support from third parties such as other consumers. Although statistically promotions are not significantly partial, simultaneous testing results show that when combined with Word of Mouth, promotions still play a role in strengthening WOM's influence on purchasing decisions. This means that promotions will be more effective when combined with a WOM approach that targets real consumer experiences and social interaction-based content.

This study also shows that purchasing decisions are a complex process influenced by more than one factor. Purchasing decisions are not only driven by economic incentives such as promotions but also involve emotional and social considerations reflected in the influence of WOM. In the case of Fore Coffee Alauddin Branch, consumers' decisions to purchase products are more influenced by how often they hear positive testimonials, how deep the message is, and how relevant the tone of WOM communication is to their personal preferences. This reinforces the position of WOM as a dominant variable that should be at the center of marketing strategies in the lifestyle-based F&B sector.

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