ABSTRACT

THE NEGATIVE EFFECT OF ELECTRONIC WORD OF MOUTH (E-WOM) ON BRAND IMAGE, TRUST, AND CONSUMER PURCHASE DECISIONS: A CASE STUDY OF INDOMIE

By

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This research began with the issue faced by Indomie, where in 2023, online rumors spread that Indomie products were not actually original products of the Salim Group. This caused a negative effect of electronic word of mouth on Indomie's sales performance. Therefore, the purpose of this research was to find whether negative electronic word of mouth affected brand image, trust, and consumer purchase decisions. The sampling technique used in the research was non-probability sampling-voluntary sampling with a sample size of 119 respondents. The research method used was quantitative causality. The data collection method used a survey technique with questionnaires. The analysis tool used was Structural Equation Modeling (SEM) - Partial Least Square (PLS). The result of this study showed that negative electronic word of mouth did not have a significant effect on trust and brand image. However, trust and brand image had a significant effect on consumer purchase decisions. This means that negative electronic word of mouth did not affect brand image and trust. This is because Indomie already has a strong image, so consumers did not care about negative news regarding scandals between Indomie and external parties, thus consumers continue to buy and consume Indomie.

Keywords: Negative Electronic Word of Mouth, Brand Image, Trust, Consumer Purchase Decisions.

