

CHAPTER V

CONCLUSIONS AND RECOMENDATIONS

This chapter sums up the discussion of the findings in Chapter 4. The following elaboration is to draw several conclusions regarding the role of eWOM-Effect on purchase intention and subjective norms as the moderating variable based on the survey findings and the analysis. Research limitation and recommendation for futures study are also included in this section.

5.1 Conclusions

There are several key takeaways that can be drawn from this research, which are derived from the result of hypothesis testing. Based on analysis of the result of hypothesis testing, this research concludes that there are some determinants that significantly influence the purchase intention from eWOM-Effects; intensity, perceived credibility, homophilous source, and negative valence. Moderation relationship on subjective norms and eWOM Effect; intensity, perceived credibility, homophilous source, and negative valence, are also taken into account on this research. The conclusions are presented as follows:

1. Intensity is found to have significant influence on consumer's intention to purchase beauty and cosmetics products on the online shop in Instagram.

Since consumers realized that online shopping or social shopping is the

easiest way to purchase things they wanted and needed, the competition of the brand and the marketers on delivering or promoting the product begin as real concern. In fact, the real competition of advertising or other products exposure might happened with vary of categories and industries, intensity perceived that the more consumer see it the more they want it. Means that the more intense information that consumer seen, read or perceived, the more consumer intend to purchase the products.

2. Perceived credibility is found to have significant influence on consumer's intention to purchase beauty of cosmetics products on online shop in Instagram. It is all caused by the phenomenon of fake account that is only used to post promotional account or spreading fake information, overrated promotional content and any other unpleasant action on the Instagram comment section. Due to this situation, consumers perceived that the risk of receiving information from someone they trust or from the expertise that consumer believe could deliver non harmful and the truthful information.
3. Homophilous source is found to have no significant influence on consumer's intention to purchase beauty of cosmetics products on online shop in Instagram. By this point, consumers realized that since everyone could write anything about their comments or opinion on Instagram comment section without matter on reviewe's lifestyle, gender and age doesn't necessarily determine consumer intention to purchase cosmetics and beauty products on the online shop in Instagram.

4. Negative valence is found to have significant influence on consumer's intention to purchase beauty of cosmetics products on online shop in Instagram. Negative comment somehow fulfills honest condition and more informative content. Richer information about the quality or consumer perception in a real condition could give more ways of agreeing and disagreeing the information that helps consumer to form their perspective on intention to purchase.
5. This study concludes that other consumers' opinions matter in any levels on eWOM-Effect, especially on consumer pre-purchase stage toward intention to purchase. Others' opinion matter because back on the basic purpose of using social media that is basically to share information and to present what others like or want to read or post in our own way. If consumers just write on their own without considering others' opinion that actually matter, then whatever consumers do would be not be favorable enough to affect their or even others' intention to purchase.

5.2 Limitation of the Study

As in the case with research efforts, the limitation may occur during the data collection. Despite the fact that the results were based on a relatively large and random sample, potential bias is considered to be undeniable. The limitations of the study are considered as follows:

1. Coefficient of determination (Adjusted R^2) (see Appendix 7) configured from the research model in moderated relationship between

independent and dependent variables is relatively low. This implies that the moderation of subjective norms of eWOM-Effect cannot give notorious contribution to lower the consumer purchase intention of cosmetics and beauty products on the online shop in Instagram.

2. As this study only focuses on one-sided gender including only female). Extension to include two-sided gender that includes man also plays important role in cosmetics and beauty product market lately and it may generate different results.
3. This study is a snapshot of consumer behavior on Instagram, specifically on Instagram's comments. This implies that it is only limited to comment on the online shop Instagram and exclude any social media or e-commerce medium happening nowadays. While in the real life, consumers may sense information not only from one medium but also possibly include other social networking sites or even direct word of mouth (from e.g. friends, family or relatives). Hence, it might have bias effect on how consumer's intention to purchase perceived.

5.3 Recommendations

Based on the study limitation, the writer would like to address recommendations regarding the future research. Further study is needed to include additional variables outside the variables in this research to examine deeper about consumer online purchase intention of cosmetics or beauty products. By focusing on two-sided gender of male and female, it could give bigger picture of consumer

behavior fairly, especially about their online purchase intention toward beauty or cosmetics products through electronic word-of-mouth. And by including other or all platform of social networking sites (e.g. Facebook, Twitter, Youtube etc.) based on the consumer's online behavior reference point, could also give more general idea about what consumer prefer the most especially in pre-purchase stage.