

The Word of Mouth Communication of Cake Products Through Online Media: Application of the Elaboration Likelihood Model

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Abstract

The shift from offline to online in information search mandates marketers to think about how to make online reviews become persuasive, including for cake products. The purpose of this study is to explain the influence of argument quality, source credibility, and source attractiveness on persuasive e-WOM message and its impact on the e-WOM utilization and intention to purchase cake products at the nearest outlet. Data is obtained from 105 cake lover respondents, in which afterwards is analyzed utilizing the Partial Least Square method. The results show that argument quality and source attractiveness have a positive influence on persuasive e-WOM message, while the source credibility had no significant influence on persuasive e-WOM message. Furthermore, persuasive e-WOM message positively affects e-WOM utilization and the intention of buying cake products at nearby stores. The results of this study prove that argument quality is a central cue in the Elaboration Likelihood Model (ELM) and source attractiveness is a peripheral cue in the ELM which can change the behavior of online review readers on Instagram.

Keywords: Elaboration Likelihood Model (ELM), argument quality, source credibility, source attractiveness, persuasive message, intention to buy

1. Introduction

In the purchase decision process, consumers will search for information from various sources to be considered in deciding whether to purchase or not purchase a product. In this digital era, a great number of consumers rely on online media as the source for information. Consumers who frequently surf in online medias will consider various comments or reviews posted by other consumers regarding the products which will be purchased. In marketing literatures, the use of reviews in online media as a consideration in the purchase decision is called e-WOM.

Consumers nowadays are smart and critical consumers. Consumers can access various information before deciding to buy a product by using various methods, among others are through the internet, ask a friend, and being cautious towards the words of the company or sales representative who conducts the promotion (Wijaya and Paramita, 2014). Thirty four percent of consumers search for information regarding the product they will purchase in the internet (APJII, 2014). Consumers can easily search for information before a purchase because many assessments and reviews are available online, regarding various products and services, which is accessible through the internet (Bandyopadhyay, 2016). Majority of the online shop websites have consumer reviews regarding the product or seller. Online consumer review has been an important tool for marketing communication because many consumers search for online reviews as a first step in shopping (Park and Lee, 2009). Online media has also been largely used by cake lover consumers to obtain information regarding their favorite cakes. Thus, marketers utilize these medias to provide information about their products.

Among the social medias, Instagram is mostly used because in this media, with its features, pictures of products can be displayed in an interesting manner which can attract many orders from consumers. Before a purchase, consumers can browse the product's type, shape, color, price, and other components that are fully displayed in this media. If they are interested, a direct online order can be made, and it can be delivered directly to the consumer, whether by the seller or through an online transport media such as Gojek. The utilization of social media also affects the information from word of mouth conveyed through the social media (e-WOM), and this would eventually lead to the purchase intention of consumers who received the e-WOM.

The search of consumer information from the word of mouth, may it be through offline media or even online media can be explained using the Elaboration Likelihood Model which was developed by Petty & Cacioppo (1986). ELM states that there are two routes for a persuasive message, namely the central route which consists of considerations regarding the argument quality of the message, and second is the peripheral route which consists of considerations regarding the source of the message.

Word of mouth communication is frequently used as a matter to be considered by consumers in influencing their intention to purchase a product. In the recent years, along with the development of internet, traditional WOM which consists of people to people conversations is gradually replaced by electronic word of mouth (e-WOM), which involves online reviews of products and companies produced by internet users. According to Bickart and Schindler in Setiawan (2014) just like for most WOM, previous studies have shown that e-WOM has high credibility, empathy, and relevance for customers compared to the source of information created by the marketers through websites.

Cheung *et al.* (2012) revealed that ELM is not able to specifically identify the central and peripheral factors

in the process of influencing information. Each research which utilize ELM use different determinant variables for e-WOM (Cheung *et al.*, 2012; Fan *et al.*, 2013; Teng *et al.*, 2014). Many researchers have also attempted to create conceptual frameworks for ELM (Jalilvand *et al.*, 2011; Cheung and Thadani, 2012; Teng *et al.*, 2014; Bandyopadhyay, 2016).

Teng *et al.* (2014) tried to summarize some studies related to e-WOM to form a persuasive e-WOM message framework in its relationship with consumer's intention to receive and use the e-WOM message. Teng *et al.* (2014) used ELM to examine the determinant of persuasive e-WOM message, in which Teng used argument quality as the central route, and for the peripheral route, Teng used source credibility, source attractiveness, source perception and source style. Results of the research by Teng *et al.* (2014) showed that argument quality, source credibility, source attractiveness, source perception, and source style have positive influence on persuasive e-WOM message, persuasive e-WOM message has positive influence on the acceptance of e-WOM, acceptance of e-WOM has positive influence on the intention to use the information. The research by Teng *et al.* (2014) applied the model on consumers who are members of the QQ social group which is a community with members who actively discuss matters related to school in other countries. This QQ social group is available in QQ which is the most popular instant message software in China.

The research conducted by Teng *et al.* (2014) recommended so that their model is replicated on other social medias. This recommendation is afterwards applied on the marketing communication of cake products which target consumers in Denpasar City and Badung Regency, by using the social media Instagram. This research replicates the research model by Teng *et al.* (2014), by conducting modifications which includes the simplification of the variables considered as the peripheral cue of persuasive e-WOM message. Referring to Mowen and Minor (2002:402) who stated that source perception is a part of source credibility and source style is a part of source attractiveness (Mowen and Minor, 2002:411), in this research, the peripheral cues used is the source credibility and source attractiveness.

Generally for cake products, especially those that add various decorations on top of the cake (such as tart cakes and the likes), information obtained by consumers from online media leads to their intention to purchase. The actual purchase is usually done offline considering the shape of the cakes offered along with the decorations may vary, and variation has its own attractiveness to attract consumers to make direct purchases. If a purchase is done online, the shape and wholeness of the decorations may be affected due to the delivery process. The purpose of this research is to explain: (1) the influence of argument quality on persuasive e-WOM message; (2) the influence of source credibility on persuasive e-WOM message; (3) the influence of source attractiveness on persuasive e-WOM message; (4) the influence of persuasive e-WOM message on the e-WOM utilization; and (5) the influence of e-WOM utilization on the intention to purchase cake products in the nearest store.

2. Theoretical Review and Previous Studies

2.1 Elaboration Likelihood Model (ELM)

Elaboration Likelihood Model (ELM) is the general theory of attitude change which is believed to provide a general framework to arrange, categorize, and understand the fundamental process which underlies the effectivity of persuasive communication. ELM illustrates the decision making stages which leads to the change in trust, attitude, and behavior (Petty and Briñol, 2014). There are two relatively different routes for persuasion, namely: 1) Central route: which may be a result of careful and wise considerations by a person regarding the actual benefit of the information provided in supporting an advocacy (such as argument quality) (Petty and Cacioppo, 1986). The attitude change which occurs through this route has a long term characteristic (Mowen and Minor, 2002:360-361); 2) Peripheral route: the route that is more likely to occur as a result of some simple cues in the context of persuasion (such as attractive source) which induces change without the need of control from the actual benefit of the information provided (Petty and Cacioppo, 1986). The change in attitude which occurs through this route has a short term characteristic (Mowen and Minor, 2002: 361).

In the model by Teng *et al.*, (2014) it is stated that persuasive e-WOM message is determined by the quality of argument, credibility of the source, and attractiveness of the source. Argument quality is defined as the persuasive strength of arguments which is ingrained in the message's information (Teng *et al.*, 2014). Argument quality in ELM refers to the subjective perception of argument receivers in persuasive messages that are strong and convincing vs that are weak and ambiguous. According to Teng *et al.* (2014), argument quality is validated by: 1) Strength, which shows how online reviews can be convincing and persuasive; 2) Comprehensiveness refers to information that can be comprehended and is informative in a wide or deep discussion; 3) Accuracy is defined as the authenticity of the information provided; 4) Timeliness refers to information that is up-to-date and is relevant; 5) Relevance is the extent the reviews are valid. Previous studies show that argument quality has positive influence on persuasive e-WOM message (Cheung *et al.*, 2012; Fan *et al.*, 2013; Teng *et al.*, 2014; and Amanusa *et al.*, 2015). However, the research conducted by Yang and Mai (2010) revealed that argument quality has negative influence on e-WOM message.

2.2 Argument Quality

Argument quality is the central cue variable in this research. Previous studies show that argument quality has positive influence on persuasive e-WOM message (Cheung *et al.*, 2012; Fan *et al.*, 2013; Teng *et al.*, 2014; and Amanusa *et al.*, 2015). However, the research conducted by Yang and Mai (2010) found that argument quality has negative influence on e-WOM message. Most research results show that argument quality has positive influence on persuasive e-WOM message. Considering the social media Instagram, there are more references for the purchase decision in the category of cake products, and the argument quality provided by previous buyers are allegedly capable of producing persuasive e-WOM messages. Thus, the hypothesis is formulated as follows.

H₁. Argument quality has positive influence on persuasive e-WOM messages.

2.3 Source Credibility

Source credibility refers to the extent a source is deemed to be skilled and can be trusted. The more skillful and trustable the source of information, the more often viewers would regard the source as trustworthy (Mowen and Minor, 2002: 402). Source credibility of a message can influence the cognition process on a message. If the message source is respected, objective, and honest, the message conveyed would be more trusted. Conversely, if the message source is inaccurate and is not trustworthy, the message would most likely be accepted skeptically or even rejected (Suprapti, 2010:230). Consumers will only feel online reviews are useful and will follow the recommendations (thus, adopt the e-WOM) if they find a trustworthy source (Luo *et al.*, 2013).

Generally, source credibility refers to three main dimensions, namely (Teng *et al.*, 2014): 1) Source expertness which refers to the level of knowledge and perception of the source on a subject which the source communicates about (Mowen and Minor, 2002:402); 2) Source trustworthiness is the degree of trust and acceptance by message receivers on the message developed by the message writer (Teng *et al.*, 2014); 3) Source experience is the extent the message writer is familiar with the product based on experience. Cheung *et al.* (2012); Fan *et al.* (2013); and Teng *et al.* (2014) revealed that source credibility has positive influence on persuasive e-WOM message, while Fan and Miao (2012) found that source credibility was not proven to influence e-WOM message. Park *et al.* (2007) stated that online review credibility is lower than traditional WOM messages. Park and Lee (2008) stated that receivers would have difficulties in determining the curability of e-WOM message source. Thus:

H₂. Source credibility has positive influence on persuasive e-WOM message.

2.4 Source Attractiveness

Source attractiveness refers to the extent message receivers identify an interesting source (Khong and Wu, 2013). Source attractiveness includes: 1) Similarity, which is the similitude of the message receiver and the message writer. People tend to assume online reviews are credible if they have similar opinions with the message writer; 2) Familiarity, which is the level of comfort formed between the message receiver and the message writer. People will have greater faith on online reviews of products if they are familiar with the review writer; 3) Likability refers to the affection developed by the message receiver on the physical appearance or personal attitude of the message writer. In the virtual world, people find a source interesting if they like the online review posted by other users; 4) Source style. Online reviews can be a combination of text and visual cues which is displayed in online sites. Visual information may stimulate elaboration of information and increase the likelihood of information adoption (Teng *et al.*, 2014). Kiecker and Cowles (2001) revealed that there is a positive influence from source attractiveness on persuasive e-WOM message. Teng *et al.* (2014) also proved that source attractiveness has positive influence on persuasive e-WOM message. Thus hypothesis 3 can be formulated as follows:

H₃. Source attractiveness has positive influence on persuasive e-WOM message.

2.5 Persuasive Electronic Word-of Mouth (e-WOM) Message

Word of mouth is the action of consumers in providing information to other consumers, in terms of brand, product or even service (Mowen and Minor, 2002:180). Word of mouth also has many forms whether online or offline. Word of mouth which occurs online is called e-WOM (Schiffman and Kanuk, 2010:283). Electronic word of mouth (e-WOM) communication refers to the positive or negative statements made by potential, actual, or former customers regarding the product or company, and is available to many people and institutions through the internet (Jalilvand *et al.*, 2011). Teng *et al.* (2014) stated that persuasive e-WOM messages refer to the online messages that are perceived credible by receivers, and have the explaining strength that make the messages accepted. The research conducted by Fan *et al.* (2013) showed that a credible e-WOM has significant influence on the e-WOM utilization. This is in line with the findings by Fan and Miao (2012); Luo *et al.* (2013); and Lis (2013) which show that the perception on the credibility of e-WOM messages have positive and significant influence on the e-WOM utilization. Based on results of empirical studies, hypothesis 4 is formulated as follows:

H₄. Persuasive e-WOM message has positive influence on the e-WOM utilization.

2.6 e-WOM Utilization and Purchase Intention

The e-WOM utilization shows the extent consumers tend to rely on e-WOM for purchase decisions, and is an effective stage in the acceptance of consumers on the opinion communicated by others through e-WOM. The e-WOM utilization means that consumer attitude towards a product has been influenced by e-WOM (Bandyopadhyay, 2016). The e-WOM utilization refers to the adoption and e-WOM utilization messages to make a purchase decision (Cheung and Thadani, 2012). Fan and Miao (2012) and Syafaruddin *et al.* (2016) stated that the e-WOM utilization has significant influence on the intention to purchase products. Park and Lee (2009) found that attitude (e-WOM utilization) plays an important role in strengthening the influence of reviews on purchase intention.

Reviews conducted by Cheung and Thadani (2012) stated that e-WOM communication is assumed to be a type of social influence which affects the purchase decision of consumers, and this means that the e-WOM utilization has a direct influence on purchase intention. Fan and Miao (2012) and Syafaruddin *et al.* (2016) stated that the e-WOM utilization has significant influence on the intention to purchase a product. Park and Lee (2009) revealed that attitude (e-WOM utilization) plays an important role in strengthening the influence of reviews on purchase intention.

Among the stages in consumer's purchase decision is purchase intention. Purchase intention is the willingness to buy a product in the future (Cheung *et al.*, 2012). Peter and Olson (2010:150) predicted that purchase behavior of consumers is the problem of measuring their intention to purchase before making purchases. According to Assael (2001:36), purchase intention is the tendency of consumers to purchase from a certain brand or take actions related to purchasing which is measured by the probability consumers make a purchase. The purchase behavior of consumer refers to the purchase behavior of final consumers, may it be individuals or a household which purchase the product for personal consumption (Kotler and Armstrong, 2008:158).

H5. e-WOM utilization has positive influence on purchase intention

The conceptual model of this research is illustrated in Figure 1. The figure shows that persuasive e-WOM message is determined by argument quality, source credibility, and source attractiveness. Persuasive e-WOM message will influence someone to use e-WOM which will increase their purchase intention.

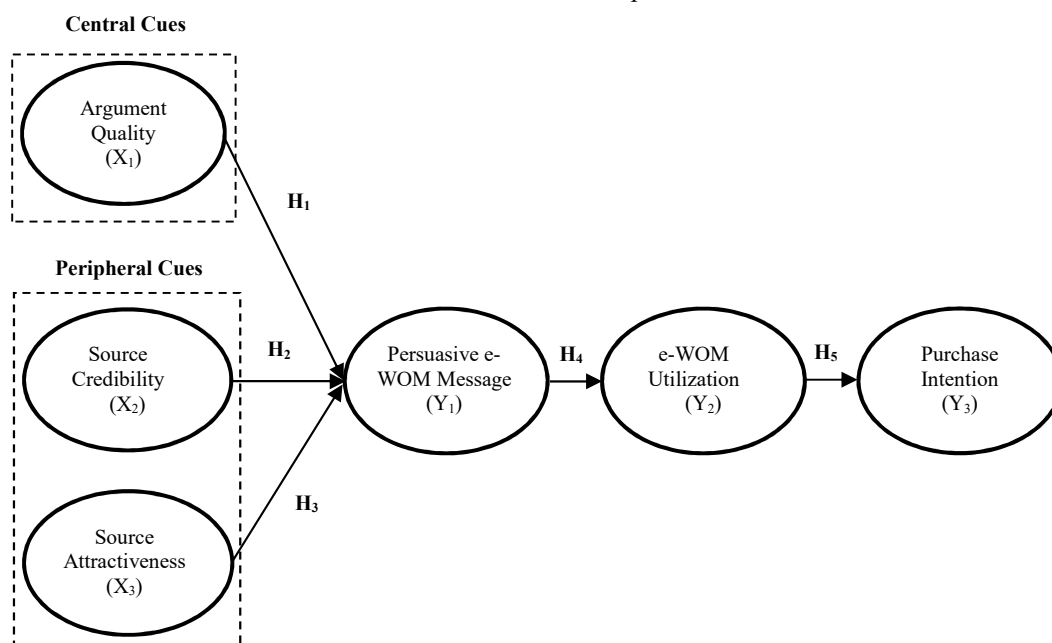


Figure 1. Research Conceptual Framework

3. Research Method

The research sample consists of 105 cake lover respondents in Denpasar City and Badung Regency. The sample is determined by purposive sampling using the following criteria: 1) have never purchased cake products online; 2) at an age between 16 – 35 years old which is categorized as digital natives (users who are born in the era of internet technology); 3) active Instagram users; 4) have visited cake products in Instagram. Each research variable is measured by a number of indicators such as displayed in Table 1.

Data from respondents are obtained by using a research instrument, namely questionnaires. Questionnaires are distributed online (60%) and offline (40%). This composition is determined because the cake product in this research shows that the composition of sales consists of online transaction (60%) and offline transactions (40%).

Online questionnaires are distributed using Google Doc. Afterwards, data is analyzed with descriptive statistics using the average value and with inferential statistics by using Partial Least Square (PLS), assisted by the Smart PLS 3.0 software.

Majority of the respondents are aged between 21-25 years old (63%), followed by the age of 16-20 years old (25%), 26-30 years old (10%), and 31-35 years old (3%). Even though the product category of this research is cake, which is generally liked by women, the proportion of men is quite large (33%) which shows that men are segments which can be developed by cake producers. Most respondents are domiciled in Badung Regency (67%), and the education level is mostly in the undergraduate degree (55%), followed by high school education level (37%), master degree (7%), and academy level (1%).

Table 1. Indicators of the Research Variable

Construct	Indicator	Source
Argument Quality (AQ)	Informative review (AQ ₁) Accurate review (AQ ₂) Up to date review (AQ ₃) Convincing review (AQ ₄) Persuasive review (AQ ₅)	Teng <i>et al.</i> (2014)
Source Credibility (SC)	Source expertness (SC ₁) Source trustworthiness (SC ₂) Source experience (SC ₃) Source frequency to write (SC ₄)	Teng <i>et al.</i> (2014)
Source Attractiveness (SA)	The source recommends many (SA ₁) Like the source's opinions (SA ₂) The source has similarities (SA ₃)	Teng <i>et al.</i> (2014)
Persuasive e-WOM Message (PEM)	The message makes sense (PEM ₁) The message is able to persuade buying (PEM ₂) The message is convincing (PEM ₃)	Luo <i>et al.</i> (2013)
e-WOM Utilization (EU)	The message provides knowledge (EU ₁) The message is acceptable (EU ₂) The message has influence (EU ₃)	Teng <i>et al.</i> (2014) and Cheung <i>et al.</i> (2009)
Purchase Intention (PI)	Want to purchase in stores (PI ₁) Want to purchase in the future (PI ₂) Want to purchase immediately (PI ₃)	Cheung <i>et al.</i> (2009) and Shukla (2010)

The variables in this research is displayed in a descriptive manner, the results are shown in Table 2. Each evaluation score of respondents are grouped into five classes of intervals starting from very bad (ranging from 1,00 to 1,79) until very good (ranging from 4,20 to 5,00).

Based on the data, the average value of the argument quality construct is 3,71; source credibility is 3,70; source attractiveness is 3,79; persuasive e-WOM message is 3,77; thus, it shows that respondents rate Instagram has good argument quality, source credibility, source attractiveness, and persuasive e-WOM messages. The respondents evaluate the e-WOM utilization on Instagram is good with an average value of 3,65. Likewise, the purchase intention construct (3,55) shows that in general the purchase intention of respondents on cake products is good.

Table 2. Description of Respondent's Evaluation

Variable	Statement	Average Score	Description
Argument Quality (AQ)	Online reviews available on Instagram gives me information regarding the cake product	3,86	Good
	Online reviews available on Instagram is accurate	3,42	Good
	Online reviews available on Instagram is up to date	3,83	Good
	Online reviews available on Instagram is convincing	3,70	Good
	Online reviews available on Instagram is persuasive	3,73	Good
Source Credibility (SC)	The review writer on Instagram has an expertise in the fields of cake	3,69	Good
	The review writer on Instagram is trustworthy	3,73	Good
	The review writer on Instagram has experience in purchasing cake products in stores	3,78	Good
	The review writer on Instagram frequently writes about cakes	3,60	Good
Source Attractiveness (SA)	Many review writers provide recommendations	3,93	Good
	I like the opinion of the review writer	3,67	Good
	I have similarities with the review writer	3,77	Good
Persuasive e-WOM Message (PEM)	Online reviews on Instagram are rational	3,75	Good
	Online reviews on Instagram are able to persuade me to purchase	3,76	Good
	Online reviews on Instagram are able to convince me	3,80	Good
e-WOM Utilization (EU)	Online reviews on Instagram give me knowledge regarding the cake product	3,71	Good
	Online reviews on Instagram is usually acceptable by me	3,58	Good
	Online reviews on Instagram can influence me	3,66	Good
Purchase Intention (PI)	I will purchase cake products at the nearest cake store	3,54	Good
	I will purchase cake products in the future	3,53	Good
	I intend to buy cake products at the nearest store	3,57	Good

Table 3. Outer Loading Test Result

Construct	Item	Loading Factor	Cronbach Alpha	Composite Reliability	AVE
Argument Quality	AQ ₁	0,590	0,853	0,813	0,570
	AQ ₂	0,824			
	AQ ₃	0,574			
	AQ ₄	0,779			
	AQ ₅	0,623			
Source Credibility	SC ₁	0,754	0,729	0,865	0,615
	SC ₂	0,816			
	SC ₃	0,754			
	SC ₄	0,811			
Source Attractiveness	SA ₁	0,890	0,896	0,925	0,804
	SA ₂	0,898			
	SA ₃	0,902			
Persuasive e-WOM Message	PEM ₁	0,874	0,808	0,887	0,725
	PEM ₂	0,863			
	PEM ₃	0,815			
e-WOM Utilization	EU ₁	0,854	0,774	0,865	0,683
	EU ₂	0,852			
	EU ₃	0,769			
Purchase Intention	PI ₁	0,786	0,738	0,840	0,636
	PI ₂	0,813			
	PI ₃	0,794			

The result of the measurement model (outer loading) test using PLS is displayed in Table 3. The reliability of measurement items is verified to assess the consistency of the constructs. The construct is deemed reliable if

the Cronbach's Alpha is greater than 0,7 (Riduwan and Kuncoro; 2011: 107). Based on the measurement results, all the constructs are deemed reliable (ranging from 0,729 to 0,896).

There are four points of test indicators in the analysis stage of the measurement model (outer model) that is, convergent validity, discriminant validity, average variance extracted (AVE), and composite reliability. The first part of the outer model test is convergent validity, in which indicators are deemed valid if the loading factor value is above 0,5 (Wiyono, 2011: 403). All constructs fulfill the requirement ranging from 0,590 to 0,902. The second part is the discriminant validity test, in which is conducted by assessing the cross loading with the latent constructs. The cross loading value is attained by comparing the magnitude of the relationship of each indicator towards its construct. The research result shows that all indicators are deemed valid because the cross loading value of each indicator on the related construct is greater than the cross loading of the other latent constructs (Wiyono, 2011:403). Other methods to assess the discriminant validity is to look at the square root of average variance extracted (AVE). Table 3 shows that each construct has a value above 0,50 (Wiyono, 2011:403) in which ranges from 0,570 until 0,804. This shows that there is discriminant validity, which means that all variables are deemed valid. Afterwards, the reliability of the variables are measured using the composite reliability. The variables are deemed reliable if the composite reliability is above 0,70 (Wiyono, 2011:403). Shown from the composite reliability in Table 3, each variable has a composite reliability value above 0,80 in which all the variables are deemed reliable.

Thus the next test which is the structural model (inner model) test can be conducted. The inner model test as displayed in Table 4 is conducted to test the research hypothesis by viewing the R-squared value which is the goodness of fit model test.

Table 4. R-square (R²) Test Results

Endogen Variable	R-squared	t statistics	p values
Persuasive e-WOM Message	0,665	16,400	0,000
e-WOM Utilization	0,654	12,229	0,000
Purchase Intention	0,484	8,686	0,000

The R-squared value of persuasive e-WOM message is 0,665 which can be interpreted as 66,5% variability of the persuasive e-WOM message construct can be explained by the variability of the argument quality construct, source credibility, and source attractiveness, while the remaining 33,5% is explained by other constructs not in this research. Afterwards, the R-squared value of the e-WOM utilization construct is 0,654 which can be interpreted as 65,4% of the variability can be explained by the variability of persuasive e-WOM message, while the remaining 34,6% is explained by other constructs not in this research. Lastly, the R-square of the purchase intention construct is 0,484 which means that 48,4% of the variability is explained by the persuasive e-WOM message, while the remaining 51,6% is explained by other constructs not in this research.

To measure how good are the observation value produced using this model and the estimation of parameters, the Q-squared value is calculated as follows:

$$\begin{aligned}
 Q^2 &= 1 - (1 - (R_1)^2) (1 - (R_2)^2) (1 - (R_3)^2) \\
 &= 1 - (1 - (0,665)^2) (1 - (0,654)^2) (1 - (0,484)^2) \\
 &= 1 - 0,244 = 0,756
 \end{aligned}
 \tag{1}$$

Based on the calculation result, the Q² value is 0,756, hence it can be explained that the model has good predictive relevance because the value is greater than zero.

The second test in the structural model (inner model) analysis is by viewing the correlation coefficient value and the t-statistics significance value. According to Ghozali (2011:44) two variables are said to have significant influence if the t-statistics is greater than 1,96 (t-table with a significance level of 5% = 1,96). The parameter coefficient value shows the direction and the magnitude of the effect. The values can be seen in Table 5.

Table 5. Summary of the Hypothesis Test

Hypothesis	Construct	β	t-statistics	Result
H1	Argument Quality → Persuasive e-WOM message	0,442	4,581**	Supported
H2	Source Credibility → Persuasive e-WOM message	0,171	1,632	Rejected
H3	Source attractiveness → Persuasive e-WOM message	0,306	3,453**	Supported
H4	Persuasive e-WOM message → e-WOM utilization	0,809	24,473**	Supported
H5	e-WOM utilization → Purchase intention	0,695	17,527**	Supported

Note: * p < 0,05; ** p < 0,01

Table 5 show that argument quality has direct influence on the persuasive e-WOM message (β = 0,442, p < 5%). The higher the argument quality presented on Instagram, the more persuasive the e-WOM message produced. Argument quality is a central cue in ELM, and the attitude change which occurs through the central route has a long term characteristics (Mowen and Minor, 2002:360-361). This result is consistent with the research conducted by Cheung *et al.* (2012) which researched on epinions.com (a special website which provides consumer reviews regarding all kinds of products); Fan *et al.* (2013) who researched on cosmetic products; and Teng *et al.* (2014)

who researched on the QQ social group (a community with members who actively discuss matters related to school in other countries). All three research found that argument quality has positive and significant influence on persuasive e-WOM message. Argument quality is the most influential factor on evaluations of online review (Cheung *et al.*, 2012; Fan *et al.*, 2013; and Teng *et al.*, 2014). It has been proven that argument quality is the antecedent to create persuasive e-WOM messages, and consumers who are persuaded by the e-WOM message will use e-WOM and this will lead to the intention to purchase cake products at the nearest store. Cake product sellers should pay attention to the argument quality and the attractiveness of the review writer before posting on Instagram. With this, consumers will be persuaded and the intention to purchase will emerge. Online reviews available on Instagram which mostly reflect argument quality are online reviews that are accurate. Thus, to create an argument with quality on Instagram, sellers must focus on providing accurate information regarding the cake product they sell to consumers.

Source credibility does not have significant influence on persuasive e-WOM message, with a coefficient of 0,171 and a p value of 0,103 (greater than 0,05). This result shows that source credibility is not able to explain persuasive e-WOM message. This result differs from the research conducted by Cheung *et al.* (2012); Fan *et al.* (2013); and Teng *et al.* (2014) in which source credibility influences the credibility of e-WOM messages. This research is in line with the research conducted by Fan and Miao (2012); Park *et al.* (2007); and Park and Lee (2008) which revealed that source credibility does not have significant influence on persuasive e-WOM message. Consumers have difficulty in confirming whether the review writer on Instagram has skills in the fields of cake and whether the writer frequently write reviews regarding cakes or not. Below is the interview result conducted on three respondents:

“If only buying cakes, I do not need to consider whether the writer is credible or not. That aside, Instagram is open right so anyone can post comments. It is difficult to trust the writer. Moreover, from Instagram I don’t know whether the writer frequently writes reviews regarding cakes, an expert in the fields of cakes or not, so to confirm it I have to try it myself.” (PK, 26 years old).

“I do not know if the review writer on Instagram has expertise in the fields of cake or not, moreover it is not easy for me to trust the writer, I must try the cake myself. I also do not know whether the review writer frequently write reviews on cakes or not.” (CSS, 20 years old).

“It is difficult for me to trust the writer because in Instagram anyone can write. It is also difficult to determine whether the writer is really an expert in the field of cakes or not. I don’t know if he frequently write reviews regarding cakes or not.” (OAB, 25 years old).

The greater the source attractiveness on Instagram, the more persuasive the e-WOM message as a result. This research found that source attractiveness has significant influence on persuasive e-WOM message ($\beta = 0,306, p < 5\%$). This result is in line with the research conducted by Teng *et al.* (2014) which proved that source attractiveness has positive influence on persuasive e-WOM message. Source attractiveness is the antecedent to create persuasive e-WOM messages, therefore sellers should continuously improve the quality of their product based on the feedbacks in the form of comments posted by consumers who have made purchases so that the online review produced is accurate and is able to convince readers. Online reviews which greatly reflect the source attractiveness is online reviews written by writers who have similarities in opinion with the respondents. In the future, after continuously improving the quality of product based on the comments written by consumers who have made purchases, sellers should respond to the reviews in the form of feedbacks and delete the comments so that the remaining online reviews are only the positive online reviews. This will make readers feel that there are similarities in opinion and like the opinions written.

Persuasive e-WOM message has significant influence on e-WOM utilization ($\beta = 0,809, p < 5\%$). The more persuasive an e-WOM message on Instagram, the higher the willingness of users to utilize that e-WOM. This result supports the research conducted by Fan and Miao (2012) regarding gadgets; Luo *et al.* (2013) regarding www.kuobei.com (which is the most popular discussion forum in China); Lis (2013) which researched on online forums that discuss regarding hotels, restaurants and fitness gyms in Germany; and Fan *et al.* (2013) in which all of these research showed that persuasive e-WOM has significant influence on the adoption of e-WOM. Online reviews in Instagram which mostly reflects persuasive e-WOM message are online reviews that make sense or are rational. Sellers should direct consumers to write comments by always attaching the caption of “If it’s tasty, let your friends know. If it is still lacking, please DM (direct message) us”. This would lead consumers to provide feedbacks by writing direct messages and other consumers can write their impression on the comment box in order to produce e-WOM messages that are more persuasive.

The higher the e-WOM utilization available on Instagram, the stronger the intention to purchase cakes in the nearest store. The research results show that persuasive e-WOM message has significant influence on purchase intention ($\beta = 0,695, p < 5\%$). This is in line with the results of research conducted by Park and Lee (2009); Fan and Miao (2012); Cheung and Thadani (2012); and Syafaruddin *et al.* (2016) that researched on zafertech.com and stated that attitude (e-WOM utilization) plays an important role in strengthening the influence of reviews on purchase intention. Online reviews on Instagram which mostly reflect the e-WOM utilization are online reviews

which provide knowledge regarding the cake product to respondents. Sellers should always ensure that online reviews available are not only online reviews that are recommenders, but also online reviews that are informants. Sellers can conduct give aways periodically for consumers who write reviews which can describe the cake products they sell, and afterwards online reviews on Instagram is able to provide knowledge regarding the cake products to readers. Sellers need to consider opening stores in new areas in order to get closer to consumers, so that consumers who want to buy the cake in the future can easily find the cake seller's store.

5. Research Limitations and Future Research Direction

The scope of this research is limited to areas in Denpasar City and Badung Regency, as a consequence the result of this research can't be generalized for consumers in Bali. This research is conducted only in a certain time period (cross section), while the environment continuously change (dynamic), therefore it is important to conduct this research in the times to come. This research focuses on food product, specifically on cakes, while it is important for future studies to complete and enrich the empirical studies related to this topic by using other product categories, such as fashion, gadgets, or other products. This research picked the social media Instagram as the platform to be observed, hence future studies need to enrich the empirical studies with other social media categories such as Facebook, Twitter or Path.

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