Influencer Marketing Word of Mouth and Service Quality in Purchase Decisions at Mamma Mia Renon Restaurant

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A B S T R A C T

This study aims to analyze the influence of influencer marketing, word-of-mouth (WOM), and service quality on consumer purchasing decisions at Mamma Mia Renon, an Italian restaurant in Denpasar, Bali. The research was prompted by observed fluctuations in customer visits and a decline in sales growth, highlighting the need for effective marketing and service strategies in a competitive culinary market. A quantitative associative approach was employed. The population consisted of 10,647 consumers of the restaurant. A sample of 100 respondents was selected using Slovin's formula with a 10% margin of error. Data was collected via questionnaires and analyzed using multiple linear regression after passing validity, reliability, and classical assumption tests. The analysis revealed that influencer marketing $(X1)$, word-of-mouth $(X2)$, and service quality $(X3)$ all have a statistically significant and positive effect on purchasing decisions (Y), both simultaneously and partially. The three variables collectively explain 69.6% of the variance in purchasing decisions. Word-of-mouth was found to be the most influential factor $(\beta = 0.488)$, followed by influencer marketing $(\beta = 0.297)$ and service quality $(\beta = 0.203)$. The findings provide empirical guidance for restaurant management, suggesting a focus on fostering positive word-of-mouth and continuing strategic influencer collaborations. While service quality is a significant factor, its lower relative impact indicates an opportunity for review and enhancement to further improve consumer purchase decisions.

1. INTRODUCTION

The rapid growth of the digital economy in Indonesia, with approximately 204.7 million internet users and 191.4 million active social media users as of January 2022, has drastically transformed marketing strategies across various sectors, including the competitive culinary industry (Gwigon et al., 2024; Vania & Fikriah, 2023). This transformation is particularly evident in the case of Mamma Mia, an Italian-themed restaurant that has actively sought to leverage these digital platforms in response to challenges posed by intense market competition and the economic repercussions of the COVID-19 pandemic ((Ariadi et al., 2024) "Digital Marketing Implementation by Culinary Micro Small Medium Enterprises During Covid-19 (An Indonesia Case)", 2023). As competition escalates, the restaurant industry has increasingly utilized digital marketing strategies to engage consumers, with influencer marketing emerging as a crucial tactic. Collaborating with local influencers allows businesses to tap into established audiences, enhancing brand visibility and credibility. Studies indicate that influencer marketing can significantly influence purchase decisions, as consumers often trust the endorsements of individuals they follow on social media (Giantari et al., 2022).

Informal communication channels like word-of-mouth (WOM) also play a vital role in shaping consumer behavior in the culinary sector. Positive user reviews on platforms like Instagram can considerably enhance a restaurant's reputation, fostering trust among potential customers. Research highlights the strong positive correlation between WOM and purchasing behavior, suggesting that businesses should actively encourage satisfied customers to share their experiences online (Astuty & Surodjo, 2023; Nuryati & Bahri, 2022). Despite these promising marketing strategies, Mamma Mia must also address the foundational aspect of service quality, which significantly influences consumer choices. Existing studies generally find a positive relationship between service quality and purchase decisions, though there may be varying results in specific contexts, calling for continued exploration in diverse restaurant settings (Maulana, 2024; Naim, 2024).
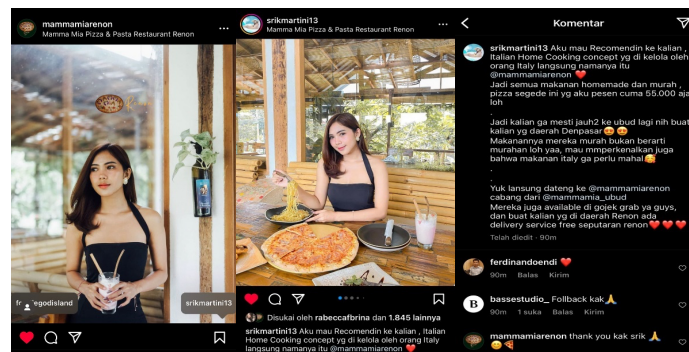
Figure 1. Influencers on Instagram social media
Source: YouTube (accessed October 2022)

Moreover, the integration of digital marketing with effective business strategies is essential for enhancing the performance of culinary Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. By facilitating optimal digital engagement, restaurants can adapt to evolving consumer demands and preferences effectively. The strategy of optimizing digital marketing efforts to improve business performance has gained traction during the pandemic, highlighting the need for agile marketing practices that align with rapidly changing market conditions (Ariadi et al., 2024; Puspitawati et al., 2021).

However, while the individual impacts of influencer marketing, WOM, and service quality are well-studied, there remains a substantial gap in understanding their collective effects on consumer purchase decisions, particularly for restaurants like Mamma Mia in the tourist-centric hub of Denpasar (Sagita Putra & Wulandari, 2023). This study aims to fill that gap by analyzing how these factors interact simultaneously and partially to influence consumer behaviors ((Digdowiseiso et al., 2023) "Digital Marketing Implementation by Culinary Micro Small Medium Enterprises During Covid-19 (An Indonesia Case)", 2023).
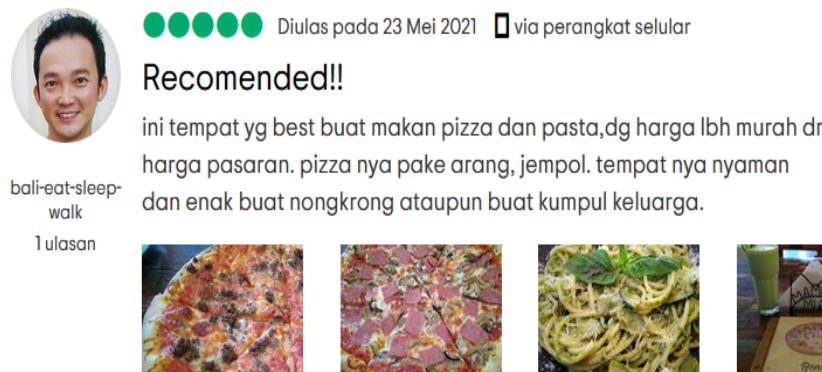
Figure 2. Consumer Reviews of Mamma Mia Renon Restaurant
Source: Instagram @mammamiarenon (accessed August 2022)

In conclusion, as Indonesia's digital economy continues to evolve, restaurants like Mamma Mia can enhance their competitive positioning by leveraging influencer marketing, encouraging positive WOM, and ensuring high service quality. These strategic focus areas will be essential for attracting and retaining customers amidst the challenges posed by competition and market changes.

2. METHOD

2.1. Research Design

This study employed a quantitative research design with a causal-associative approach to examine the relationship between independent variables (influencer marketing, word-of-mouth, service quality) and a dependent variable (purchase decision). The research was conducted at the Mamma Mia Renon restaurant, located at Jalan Tukad Jinah No.5, Renon, Denpasar, Bali.

2.2. Population and Sample

The target population for this study comprised all consumers who had visited Mamma Mia Renon, totaling 10,647 individuals. The sample size was determined using Slovin's formula with a 10% margin of error,

resulting in a sample of 100 respondents. A random sampling technique was utilized, ensuring every member of the population had an equal opportunity to be selected for the sample.

2.3. Data Collection

In terms of data collection, the primary method consisted of distributing questionnaires designed to gauge respondents' perceptions regarding the independent variables of influencer marketing, WOM, service quality, and their respective purchase decisions. This approach was supplemented by observational methods and interviews with restaurant management, reinforcing the validity and reliability of the findings through triangulation (Romadhoni et al., 2023). The strategic combination of these methods corresponds with a mixed methods design often recommended in the literature, providing a more comprehensive understanding of the interaction between quantitative and qualitative data (Muriuki & Maina, 2021).

2.4. Data Analysis

For the data analysis, the study implemented multiple quantitative techniques including validity and reliability testing of the research instruments used. Following these tests, classical assumption tests, such as the Kolmogorov-Smirnov test for normality and checks for multicollinearity and heteroscedasticity, were conducted. The results confirmed that the data were suitable for regression analysis (Djokic et al., 2021). Subsequently, multiple linear regression models were employed to analyze the relationship between the independent variables and the dependent variable, thus evaluating how effectively the predictors influence consumer purchase decisions (Udayana et al., 2024).

3. RESULT AND DISCUSSION

Prior to the main analysis, the research instrument underwent rigorous testing for validity and reliability. The results confirmed that all questionnaire items were both valid and reliable, thus ensuring their suitability for subsequent data analysis. The following sections detail the descriptive statistics of the respondents and the results of the inferential statistical analysis.

3.1. Respondent Characteristics

The demographic profile of the 100 respondents is summarized in Table 3. The data shows a predominance of male participants, who accounted for 70% of the sample, with the remaining 30% being female. In terms of age, the largest segment was the 20-29 year-old group, representing 55% of the respondents, while the smallest segment was those over 50 years old (8.0%). The occupational distribution indicates that students or college students were the most common respondents, making up 44% of the sample, whereas private employees and entrepreneurs represented the smallest groups at 18% each.

Table 1. Respondent Characteristics

No.	Description	Criteria	Number of Respondents	Percentage (%)
1	**Gender**	Male	70	70.0
		Female	30	30.0
		Total	**100**	**100**
2	**Age**	20 - 29 years	55	55.0
		30 - 39 years	16	16.0
		40 - 49 years	21	21.0
		> 50 years	8	8.0
		Total	**100**	**100**
3	**Occupation**	Student/College Student	44	44.0
		Private Sector Employee	18	18.0
		Entrepreneur/Self-employed	18	18.0
		Civil Servant (PNS)	20	20.0
		Total	**100**	**100**

Source: Data processed, 2022

3.2. Classical Assumption Tests

The regression model was subjected to several classical assumption tests. The Kolmogorov-Smirnov test for normality yielded an Asymptotic Significance (2-tailed) value of 0.200, which is greater than the standard alpha level of 0.05, indicating that the residuals are normally distributed.

The test for multicollinearity revealed that all independent variables met the required criteria. The Tolerance values for Influencer Marketing (0.466), Word of Mouth (0.569), and Service Quality (0.683) were all above 0.10. Correspondingly, their VIF values (2.146, 1.758, and 1.463, respectively) were all well below the threshold of 10. These results confirm the absence of multicollinearity issues within the model.

Table 2. Collinearity Statistics for Influencer Marketing, Word of Mouth, and Service Quality

Variable	Tolerance	VIF	Explanation
Influencer Marketing	0.466	2.146	No Multicollinearity Test
Word of Mouth	0.569	1.758	No Multicollinearity Test
Service Quality	0.683	1.463	No Multicollinearity Test

Furthermore, analysis of the scatterplot graph was performed to detect heteroscedasticity. The plot shows that the data points are spread randomly without a discernible pattern and are dispersed both above and below the zero point on the Y-axis. This visual evidence supports the conclusion that the model is free from heteroscedasticity.
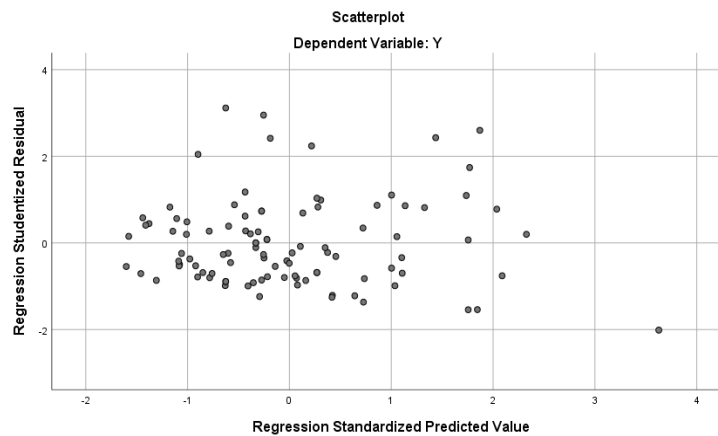
Figure 3. Scatterplot Graphic

3.3. Hypothesis Testing and Discussion

The results from the multiple linear regression analysis are presented in Table 6, which produced the following equation:

$$Y=1.509+0.367X_1+0.562X_2+0.174_{X3} \qquad (1)$$

The model's coefficient of determination (Adjusted R Square) was found to be 0.696. This indicates that 69.6% of the variation in the purchase decision variable (Y) can be collectively explained by influencer marketing ($X1$), word of mouth ($X2$), and service quality ($X3$). The remaining 30.4% is influenced by other factors not included in this study's scope. The F-test for simultaneous influence resulted in an F-statistic of 76.617 with a significance of 0.000, which is below the 0.05 threshold. This confirms that the three independent variables, when considered together, have a significant positive influence on purchasing decisions at Mamma Mia Renon.

Regarding partial effects, the t-test confirmed that influencer marketing has a significant positive effect on purchase decisions, with a t-statistic of 3.666 and a significance of 0.000. This finding suggests that the use of influencers is an effective strategy for reaching a wide market, a conclusion supported by previous research from Pratiwi (2021), Rahmawan and Setyorini (2021), and Uyuun (2022). Similarly, word of mouth was found to have a significant positive partial effect on purchase decisions, showing the highest t-statistic of 6.644 with a significance of 0.000. This reinforces that an increase in positive word of mouth directly corresponds to an increase in purchase decisions, a finding consistent with studies by Soraya and Marlena (2020) and Sutardjo, et al. (2020). Lastly, service quality also demonstrated a significant and positive partial effect on purchase decisions, with a t-

statistic of 3.024 and a significance of 0.003. This result implies that as service quality improves, purchase decisions will also increase, which aligns with research from Mukti (2021) and Fatimah and Nurtantiono (2022).

4. CONCLUSION

This study successfully demonstrated that influencer marketing, word-of-mouth, and service quality are all significant positive predictors of consumer purchase decisions at Mamma Mia Renon Restaurant. The findings confirm that these three factors have a simultaneous positive influence, and therefore, it is recommended that the company maintains and even enhances these aspects of its strategy to drive business performance.

From a practical standpoint, the results provide clear strategic guidance for management. As word-of-mouth and influencer marketing were identified as the most influential variables, the company should prioritize and focus on these drivers to maximize their impact on purchase decisions. Concurrently, given that service quality had the lowest relative impact among the significant variables, it is advisable for the company to specifically review and improve the service provided to consumers to further strengthen its competitive position.

This research has limitations, primarily its focus on a single restaurant, which may limit the generalizability of the findings. Future research could expand upon this study by conducting comparative analyses across different types of restaurants or by incorporating other influential variables such as price, food quality, or physical ambiance to build a more comprehensive model of consumer behavior.

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