

# The Role of Buzz and Viral Marketing on SMEs Online Shop Marketing Performance: CB-SEM AMOS Analysis

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## Abstract

The purpose of this research is to analyze the relationship between buzz marketing and SMEs marketing, the relationship between viral marketing and SMEs marketing performance and the relationship between buzz marketing and viral marketing. This research method is quantitative. The data collection technique in this study used an online questionnaire technique which was designed using a Likert scale of 1 to 7 and distributed to 650 SMEs consumers who were selected by simple random sampling method. This data processing tool uses Structural Equation Modeling (SEM) using the AMOS (Analysis of Moment Structure) program version 26. Prior to data analysis, validity and reliability tests of the questionnaire used are first performed. To measure its validity, the score of each question item was used which was correlated with the total item score in one variable. After testing the validity and reliability, then performed data analysis. Data analysis and interpretation are carried out to answer the problems that have been formulated and answer the hypotheses. In this study, data analysis used Structural Equation Modeling (SEM) with AMOS software. The results of this study are that buzz marketing has a positive and significant effect on SMEs marketing performance. Viral marketing has a positive and significant effect on SMEs marketing performance. Buzz marketing has a positive and significant effect on Viral marketing

**Keywords:** Buzz Marketing, Viral Marketing, SMEs, Marketing Performance, CB-SEM, AMOS

## Introduction

According to [Aditi et al. \(2022\)](#); [Avogo et al. \(2022\)](#) the rapid development of internet and social media users in Indonesia has made businesses take advantage of this momentum to market their products to the online market which has a wider and unlimited reach. Marketing using the internet or often referred to as digital marketing is a series of marketing activities that utilize digital technology, namely the internet as a marketing medium (e-marketing). The growth of digital marketing in Indonesia is considered to be very rapid, as evidenced by the increasing number of applications that become information media, media for marketing products and making transactions. According to [Hosseinkhah et al. \(2022\)](#); [Jasin et al. \(2022\)](#) The main difference between online shopping and purchasing in person at a store is the customer's ability to assess a product so that it can lead to a desire to purchase decision. In online shopping, prospective buyers cannot check the items they want to buy directly and are usually only assisted by pictures or descriptions provided. by the seller, whereas in retail stores we can see or touch the goods physically. In addition to online shopping, the payment process is also an obstacle because most online shopping requires us to transfer a number of funds in advance. before the goods can be delivered to the house. For this reason, it is necessary to have high trust in online so that we have the courage to make payments in this way. Another method of payment is usually by using a credit card, whereas in direct purchases at shops we can immediately pay with cash.

According to [Aditi et al. \(2022\)](#); [Avogo et al. \(2022\)](#) Digital marketing has a variety of strategies that can be implemented by businesses, one of which is viral marketing. According to [Goodie et al. \(2022\)](#) viral marketing can be interpreted as a marketing strategy that is carried out by disseminating product information or opinions to the

surrounding environment by word of mouth using existing digital media. Viral marketing strategy can be described as a form of marketing that can make people compelled to convey information to their environment and make this information spread like a virus, and in that spreading phase a business will benefit. Companies are required to provide responsive services along with the rapid development of digitalization which affects many aspects of human life. The existence of the Covid-19 pandemic has certainly made people's lifestyles change, one of which is in shopping activities that were initially carried out offline, now switching to online by taking advantage of existing digitalization. According to [Jasin et al. \(2022\)](#) one of the digital marketing strategies is buzz marketing. Buzz marketing is capturing the attention of a customer and a medium to the point of talking about a brand or talking about a company you own and it becomes entertaining, interesting, and has news value. Buzz marketing is a strategy that tries to capture the attention of consumers and the media, then turns the talk about their product into something fun, interesting and worth discussing. Buzz marketing is a marketing communication in which a product or brand is discussed by many people, successively from one consumer to another. According to [Goodie et al. \(2022\)](#); [Hosseinihah et al. \(2022\)](#) buzz marketing is a promotional posture focused on maximizing word of mouth in a very fast way through technology, either through personal conversations or larger discussions on social media. In connection with buzz marketing which is a promotional technique that is able to attract the attention of the public to talk about a new phenomenon.

According to [Avogo et al. \(2022\)](#); [Goodie et al. \(2022\)](#); [Hosseinihah et al. \(2022\)](#) personal communication channels in the form of words or words of mouth can be an effective promotional method because they are generally delivered from consumers by consumers and for consumers. Buzz marketing is driven by social media, the mouth of influencers and connectors to proactively share brand information through conversations. The buzz marketing approach is considered more effective because the promotion is not carried out by the company but by the consumers themselves, where anyone can hear about the greatness of a product, not from the producer of the product but from friends, family and people they trust. According to [Kolte et al. \(2022\)](#) The dissemination of information can be done very quickly considering the existence of the internet which now reaches all levels of society, as quoted by [Leila Abderrazak \(2013\)](#) that buzz marketing initially appeared through internet media and the internet has taken a role in the emergence of the concept of buzz marketing. Because, after all, the internet makes it easy to spread the word about a product with just a few clicks and the message has already been conveyed to others. Marketers must remember that buzz marketing is not always positive, because negative buzz marketing will spread just as quickly. According to [Aditi et al. \(2022\)](#); [Avogo et al. \(2022\)](#); [Goodie et al. \(2022\)](#) that positive and negative buzz can be found easily on the internet and it is very important for marketers to distinguish the effects of the two. When a positive buzz put forward by consumers who are satisfied with their experience with a product and provide recommendations to buy the product is able to provide benefits for the company, negative buzz that contains disappointing experiences by consumers can be a threat to the company and can bring losses.

### **Method**

This research method is quantitative. The data collection technique in this study used an online questionnaire technique which was designed using a Likert scale of 1 to 7 and distributed to 650 SMEs consumers who were selected by simple random sampling method. This data processing tool uses Structural Equation Modeling (SEM) using the AMOS (Analysis of Moment Structure) program version 26. Prior to data analysis, validity and reliability tests of the questionnaire used are performed. To measure its validity, the score of each question item was used which was correlated with the total item score in one variable. After testing the validity and reliability, then performed data analysis. Data analysis and interpretation are carried out to answer the problems that have been formulated and answer the hypotheses. In this study, data analysis used Structural Equation Modeling (SEM) with AMOS software. The stages of data processing are as follows Assessing Goodness-of-Fit Criteria, RMSEA (The root Mean Square Error of Approximation), GFI (Goodness of Fit Index), NFI (Normed Fit Index) and hypothesis testing, the hypothesis is accepted if the value of  $\beta > 0$ , where  $\beta$  is the estimated parameter value and the value of  $P < 0.1$ .

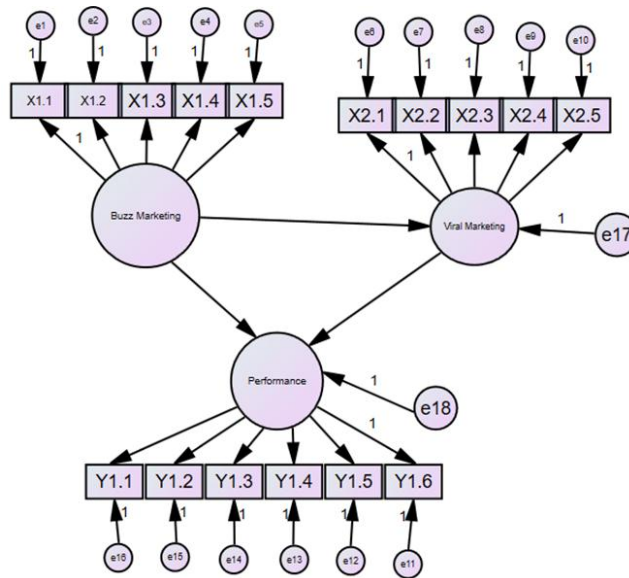


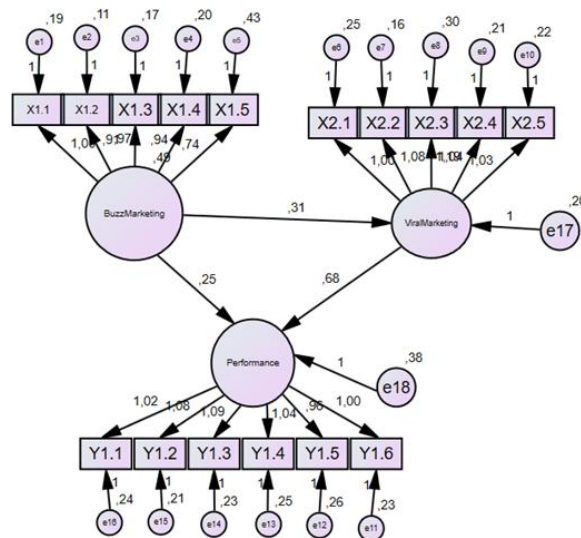
Fig 1. Research Model

The research hypothesis is

- H1: Buzz marketing has a positive and significant effect on SMEs marketing performance.
- H2: Viral marketing has a positive and significant effect on SMEs marketing performance.
- H3: Buzz marketing has a positive and significant effect on Viral marketing

**Result and Discuccion**

The research data from the questionnaires were run in the SEM-AMOS 26.0 program, the following are the results of the analysis:



The results of running data show the positive influence of each indicator on each endogenous variable. It is an obvious concern to support this research. This model is acceptable stating that the model is mutually acceptable, this can be agreed from the residuals and because prediction errors are allowed to enter the variable, the model is acceptable.

**Table 1. Regression Weights: (Group number 1 - Default model)**

	Estimate	S.E.	C.R.	P	Label
ViralMarketing <--- BuzzMarketing	,306	,084	3,647	***	par_13
Performance <--- BuzzMarketing	,254	,116	2,195	,028	par_14
Performance <--- ViralMarketing	,679	,185	3,674	***	par_15
X1.1 <--- BuzzMarketing	1,000				
X1.2 <--- BuzzMarketing	,910	,083	10,953	***	par_1
X1.3 <--- BuzzMarketing	,973	,094	10,340	***	par_2
X1.4 <--- BuzzMarketing	,937	,095	9,905	***	par_3
X1.5 <--- BuzzMarketing	,735	,112	6,569	***	par_4
X2.1 <--- ViralMarketing	1,000				
X2.2 <--- ViralMarketing	1,081	,154	7,015	***	par_5
X2.3 <--- ViralMarketing	1,189	,185	6,419	***	par_6
X2.4 <--- ViralMarketing	1,044	,157	6,635	***	par_7
X2.5 <--- ViralMarketing	1,035	,157	6,587	***	par_8
Y1.5 <--- Performance	,959	,096	9,984	***	par_9
Y1.4 <--- Performance	1,044	,099	10,564	***	par_10
Y1.3 <--- Performance	1,087	,100	10,908	***	par_11
Y1.2 <--- Performance	1,076	,097	11,143	***	par_12
Y1.1 <--- Performance	1,017	,096	10,549	***	par_16
Y1.6 <--- Performance	1,000				

**Table 2.** Test results of testing the hypotheses of the survey Hypothesis

	Estimate	S.E.	C.R.	P	Result
ViralMarketing <--- BuzzMarketing	,306	,084	3,647	***	Supported
Performance <--- BuzzMarketing	,254	,116	2,195	,028	Supported
Performance <--- ViralMarketing	,679	,185	3,674	***	Supported

Table 3 presents details of different measures for evaluating the goodness of the fit of the proposed study.

**Table 4**  
Goodness of fit indices

Goodness of fit index	Cut off Value	Model Result	Information result
2- Chi square	Expected to be small	698.321	deficient
Significance Probability	≥ 0.05	.332	ok
CMINDF	≤ 2.00	2.012	ok
GFI	≥ 0.90<1	.932	ok
AGFI	≥ 0.90<1	.912	ok
PGFI	≥ 0.05<1	.615	deficient
NFI	≥ 0.95<1	.913	ok
RFI	≥ 0.95<1	.954	ok
IFI	approaching 1	.932	ok
TLI	≥ 0.95<1	.934	ok
CFI	≥ 0.95<1	.9543	ok

PNFI	$\geq 0.05 < 1$	.066	ok
PCFI	$\geq 0.05 < 1$	.021	ok
NCP	$\chi^2$ - Chi square	363.124	ok
RMSEA	between 0.03-0.08	.077	ok
AIC. BCC. BIC.	$\leq$ model independent =28.578	4.643	ok
CAIC.ECVI.MECVI			
Hoelter Critical N (1% and 5%)	$\geq 200$	203	ok

The results show the research model is acceptable because only two categories come out of desirable level

#### **Buzz marketing and SMEs marketing performance.**

Based on the results of AMOS calculations, it shows that buzz marketing has a significant positive effect on SMEs marketing performance. This can be seen from the coefficients the path with a positive sign of 0.254 with a CR value of 2.195 and a significance probability (p) of 0.028 is obtained which is smaller than the specified significance level of 0.05. Thus, buzz marketing has a significant effect in a positive direction on SMEs marketing performance, which is 0.467, which means that every time there is an increase in marketing buzz, it will increase SMEs marketing performance by 0.254. These results provide support for [Kolte et al. \(2022\)](#); [Krishnan et al. \(2022\)](#) that buzz marketing has a positive and significant effect on SMEs marketing performance.

#### **Viral marketing and SMEs marketing performance.**

Based on the results of AMOS calculations, it shows that Viral marketing has a significant positive effect on SMEs marketing performance. This can be seen from the coefficients the path with a positive sign is .679 with a CR value of 3.674 and a significance probability (p) of 0.000 is obtained which is smaller than the specified significance level of 0.05. Thus Viral marketing has a significant effect in a positive direction on SMEs marketing performance Work of 0.467, which means that every time there is an increase in Viral marketing it will increase SMEs Marketing performance by 0.254. These results provide support for [Tu et al. \(2022\)](#); [Zhang et al. \(2022\)](#) Viral marketing has a positive and significant effect on SMEs marketing performance

#### **Buzz marketing and Viral marketing**

Based on the results of AMOS calculations, it shows that Buzz marketing has a significant positive effect on Viral marketing. This can be seen from the coefficients the path with a positive sign of 0.306 with a CR value of 3.647 and a significance probability (p) of 0.000 is obtained which is smaller than the specified significance level of 0.05. Thus, buzz marketing has a significant effect in a positive direction on viral marketing of 0.467, which means that every time there is an increase in buzz marketing, viral marketing will increase by 0.254. These results provide support for [Mukaromah et al. \(2022\)](#); [Taufik et al. \(2022\)](#); [Tu et al. \(2022\)](#); [Zhang et al. \(2022\)](#) that buzz marketing has a positive and significant effect on viral marketing.

According to [Hosseinikhah et al. \(2022\)](#); [Jasin et al. \(2022\)](#) Viral marketing affects purchasing decisions in deciding to buy products at online shop shopping due to several things, namely being active on social media, having active chat groups on social media, other consumers' recommendations for online shopping, the intensity of seeing on social media. The attractiveness of the information displayed in advertisements on social media, the distribution of reviews about on social media. Consumers will consider something that is viral at the moment and is being widely discussed by the general public. Viral marketing can affect purchasing decisions, one of the things that makes it viral is activity on social media. One of the many consumers who are active in social media can facilitate the dissemination of information, facilitate communication and so on. This is evidenced by the results of the respondents' answers to the first statement item in which the majority of respondents considered being active in social media in making online shopping viral so that consumers could decide to buy. These results are consistent with the research of [Tu et al. \(2022\)](#); [Zhang et al. \(2022\)](#) which states that there is a direct and significant influence between the level of activity of social network users and consumptive behavior in online shopping. Viral marketing can affect purchase decisions, one of the things that makes it viral is having active chat groups on social media. Consumers want to get information about the product purchased and where the product was purchased with an active chat group on consumer social media to easily discuss products to be purchased, both price information,

quality, etc. And with an active chat group, consumers will find it easier to decide on a purchase. This is evidenced by the results of the respondents' answers to the second statement item in which the majority of respondents considered being active in social media in making online shopping viral so that consumers could decide to buy. Other consumer recommendations for online shopping at SMEs are a consideration for consumers to make purchasing decisions. According to [Hosseinihah et al. \(2022\)](#); [Jasin et al. \(2022\)](#) Consumers will really consider and need recommendations from other consumers, whether from family, friends, friends or other consumers who have purchased the same product that consumers want. Other consumer recommendations can help to determine consumer preferences. This is evidenced by the results of the respondents' answers to the third statement item where the majority of respondents consider the recommendations of other consumers so that consumers can decide to buy. The next consideration in deciding to buy is the intensity of viewing advertisements contained in social media. According to [Kolte et al. \(2022\)](#); [Krishnan et al. \(2022\)](#) Consumers will first look for information about the product they want to buy before deciding to buy, consumers will be greatly helped if the advertisements that appear frequently provide the information consumers want. The intensity of seeing advertisements on social media makes consumers more interested in making purchasing decisions. This is evidenced by the majority of the respondents' answers to the fourth statement item Respondents considered the intensity of viewing online shop advertisements on social media in making shop online shopping viral so that consumers could decide to buy.

According to [Zhang et al. \(2022\)](#) The attractiveness of the information displayed in advertisements on social media is the next thing consumers consider when deciding to buy. Pre-purchase information is needed by consumers, if the information is packaged in an attractive way it will make consumers more interested in reading the advertisement. Not all advertisements make consumers just look at them, especially to read them, consumers will ignore advertisements that consumers find unattractive to see. Therefore, the delivery of information displayed on social media is very important to make consumers interested and will ultimately make a purchase decision. This is evidenced by the results of the respondents' answers to the fifth statement in which the majority of respondents consider the attractiveness of the information displayed on online Shop advertisements on social media in making online shop shopping so that consumers can decide to buy. According to [Kolte et al. \(2022\)](#); [Krishnan et al. \(2022\)](#) The next thing consumers consider when deciding to buy is the distribution of reviews about online Shop on social media. The traces of reviews left by other consumers after purchases are increasingly convincing for consumers who will decide to buy because there are more and more reviews spread, so many consumers have already purchased products at online shopping, not only that consumers can also see whether they are satisfied or dissatisfied with the product that have been purchased, so that the distribution of reviews about these products will be a consideration for consumers to make purchasing decisions. This is evidenced by the results of the respondents' answers to the sixth statement item in which the majority of respondents consider the distribution of reviews about online Shop on social media in making online shop shopping viral so that consumers can decide to buy.

### **Conclusion**

The results of this study indicate that Buzz marketing has a positive and significant effect on SMEs marketing performance, Viral marketing has a positive and significant effect on SMEs marketing performance, Buzz marketing has a positive and significant effect on Viral marketing. In order to increase sales at online shopping shops, in addition to attractive advertisements so that the online shop becomes viral, other activities are also needed, for example holding quizzes about the shop with attractive prizes, so that consumers will continue to talk about the shop. Increasing the effectiveness of using and disseminating information about the Shop through Viral marketing to increase purchasing decisions. The shop's social media must always be active in conveying all information, not only about sales information in the shop, but all the information needed by the shop's consumers. By selling online where consumers can compare with other products, the price given must be in accordance with the quality of the product and can be reached by consumers. Consumers also want product prices to include shipping costs to the consumer's city. So it is recommended that the conditions for getting product prices that include shipping costs are more attractive and the price limit for free shipping conditions is not that high.

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