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Relationship of positive valence WOM and customer loyalty in social media: trust, value co-creation, and brand image as mediators

Rhian Indradewa^{*)}, Aris Riyanto
Universitas Esa Unggul, Indonesia

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ABSTRACT

In the competitive business environment, competitive advantage alone is insufficient to maintain customer loyalty. This study analyzes the relationship between positive valence WOM (PVWOM) and customer loyalty, with mediating factors such as trust, value co-creation, and brand image. The research aims to provide theoretical contributions and managerial implications for various industries, enhance understanding of PVWOM on social media, and assist marketers in designing effective digital marketing strategies. The study involved 4 madrasas in Bekasi Regency with 210 respondents over three months. Data were analyzed using Structural Equation Modeling (SEM) with AMOS. The results showed a positive relationship between PVWOM and customer loyalty, with trust, value co-creation, and brand image partially mediating this relationship. Additionally, the study supported a serial mediation model, where PVWOM influences loyalty through trust and value co-creation sequentially. Managerial implications in the education sector include enhancing PVWOM to increase proactive attitudes in teaching and learning activities and develop collaborative knowledge creation. Educational institutions are encouraged to innovate in information technology for teaching and learning. PVWOM can be enhanced through social network interactions to gain innovative ideas and insights from customers. Active customer participation in educational decisions can leverage PVWOM to positively impact management.



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Corresponding Author:

Rhian Indradewa,
Universitas Esa Unggul
Email: rhian.indradewa@esaunggul.ac.id

Introduction

Word-of-mouth (WOM) may be one of the oldest ways to exchange opinions about various goods and services offered by the market. Four main dimensions have been identified to measure word-of-mouth (WOM), both online and offline: (1) WOM intensity (activity, volume, dispersion), (2) positive valence (praise), (3) negative valence (criticism), and (4) content (Goyette et al., 2010). The primary differences between online and offline word-of-mouth (WOM) can be identified in the reach of review impact (the number of people who can be influenced) and the speed of interaction (Serra-Cantallos et al., 2018). However, in this study, researchers address positive valence WOM as a research variable, which typically consists of praise. Through the internet, various information can be disseminated and obtained easily (Massie et al., 2021). The simultaneous emergence

of positive valence word-of-mouth (PVWOM) and various alternative media such as online forums, blogs, and social media acting as platforms for PVWOM transmission, has attracted the attention of researchers worldwide (Rao et al., 2021).

If companies actively engage in online communities, it can make customers more loyal to the brand and vice versa (Zheng et al., 2015). However, further research is needed on the positive impact of valence word-of-mouth (PVWOM) on various social media platforms. In-depth studies are required to understand the interaction between PVWOM and these media on customer behavior. In this study, Instagram was chosen as a focus to expand understanding, given its popularity as a photo and video sharing platform (Erkan, 2015). According to (East et al., 2008), positive word-of-mouth (PWOM) typically has a greater impact than negative word-of-mouth (NWOM), which is a result of human's basic motivation to enhance oneself (Angelis et al., 2012).

Trust in a brand reinforces its image in the eyes of customers. This fosters positive views and recommendations, enhancing loyalty and market share. Trust is considered an essential element of customer perception of a brand and company (Tantri, 2020). When customers trust an e-tailer, they generally believe that the vendor will treat them fairly and not behave opportunistically (Tran & Strutton, 2020). Trust refers to situations where individuals believe in the actions of those trusted and believe that the trusted will act as expected (Zhang & Li, 2019). Trust is at the core of all types of relationships. It not only reflects customers' views of the relationship but also influences their behavior. Trust allows users to use services repeatedly, building loyalty (Goel et al., 2022). Value co-creation produces more relevant, innovative, and customer-centric products or services. It enhances brand value and customer loyalty by enabling active participation in the value creation process (Frooghi, 2019). Thus, it becomes evident that companies have no choice but to collaborate with customers to create shared value in their service delivery to build trust, commitment, and loyalty (Maduka, 2016). Customer engagement in product and service creation (value co-creation) will enhance customer loyalty (Prastiwi et al., 2019).

Customers who view a brand positively are likely to recommend it and make repeat purchases due to satisfaction with previous experiences. Brand image is the perception of a brand held in customers' minds (Wilson, 2018). A good brand image ensures that company messages align with customer perceptions, facilitating the achievement of company goals. However, if the brand image is poor, company messages do not align with customer perceptions, hindering the achievement of company goals (Hsieh & Li, 2008). Brand image has been the subject of interesting discussions in marketing literature. Furthermore, brand image plays a significant role in differentiating between companies and serves as a potent marketing tool (Dam & Dam, 2021). Customer loyalty is crucial in today's business environment. In fierce competition, retaining customers is a top priority. It relates to how often they buy and their attitudes towards the company or product (Ismail et al., 2016). Loyal customers who purchase repeatedly are considered the foundation of any business (Mosahab et al., 2010). Customer loyalty has become a critical factor in determining company success because customers loyal to a particular company tend to only buy products or services from the same company and are not interested in similar products or services offered by competitors (Wilson, 2018).

Research conducted by (Rao et al., 2021) reveals the relationship between PVWOM and customer purchase intention, with factors such as trust belief, value co-creation, hedonic brand image, and functional brand image partly mediating this relationship. However, besides purchase intention, maintaining customer loyalty is also important. Currently, in the midst of increasingly tight business competition, with numerous imitations of business ideas and solutions, competitive advantage alone is not sufficient to maintain customer loyalty. Considering the importance of maintaining customer loyalty, this study aims to analyze the relationship between positive valence WOM (PVWOM) and customer loyalty, with mediating factors such as trust, value co-creation, and brand image. This research is expected to contribute to theoretical understanding of the variables under study and provide managerial implications to organizations in various industry sectors. It is also hoped to strengthen our understanding of PVWOM in social media, assist marketers in gaining insights into the factors influencing the relationship between PVWOM and customers on social media, and aid them in designing digital marketing strategies.

Positive Valence Word Of Mouth (PVWOM)

Word-of-mouth (WOM) may be one of the oldest ways to exchange opinions about various goods and services offered by the market. Four main dimensions have been identified to measure word-of-mouth (WOM), both online and offline: (1) WOM intensity (activity, volume, dispersion), (2) positive valence (praise), (3) negative valence (criticism), and (4) content (Goyette et al., 2010a). The primary differences between online and offline word-of-mouth (WOM) can be identified in the reach of review impact (the number of people who can be influenced) and the speed of interaction (Serra-Cantalops et al., 2018). However, in this study, researchers address positive valence WOM as a research variable, which typically consists of praise. Through the internet,

various information can be disseminated and obtained easily (Massie et al., 2021). The simultaneous emergence of positive valence word-of-mouth (PVWOM), and various alternative media such as online forums, blogs, and social media acting as platforms for PVWOM transmission, has attracted the attention of researchers worldwide (Rao et al., 2021).

Trust

Trust is considered an essential element of customer perception of a brand and company (Tantri, 2020). When customers trust an e-tailer, they generally believe that the vendor will treat them fairly and not behave opportunistically (Tran & Strutton, 2020). Trust is a subjective belief that reduces uncertainty and creates opportunities for information exchange (Zhang & Li, 2019). Trust is a crucial foundation for developing lasting relationships between users and service providers (Goel et al., 2022).

Value Co-Creation

The new wave marketing era is an era where manufacturers can collaborate with customers in developing dynamic, interactive, and multi-source-based co-creation products. The value creation process involves not only coordinating quality, cost, and delivery but also collaboration among relevant parties. The success of these new products is influenced not only by product quality but also by market conditions, customer targeting, and product launch timing (Prastiwi et al., 2019). Value co-creation has evolved into a fundamental concept in business management and service marketing, and is currently widely used to change organizational mindsets in determining value, towards a more participatory process where customers and organizations together create and enhance significant meaning (Frooghi, 2019).

Brand Image

Brand image can be defined as customers' perception of a brand stored in their memory (Wilson, 2018). Brand image is a collection of perceptions about a brand as reflected by brand associations existing in customers' memories (Hsieh & Li, 2008). Brand image has been the subject of interesting discussions in marketing literature. Furthermore, brand image plays a significant role in differentiating between companies and serves as a potent marketing tool (Dam & Dam, 2021). A brand encompasses a term, design, name, symbol, or any distinctive aspect that sets apart the product of one company from its competitors (Insan Waluya et al., 2019). A brand is an image for a company or product owned by the company. This image can be expressed in various forms that provide information to customers to recognize the company or product. Companies or products with a strong and clear image will enable customers to distinguish the company or product from its competitors (Syah, 2013).

Customer Loyalty

Maintaining customer loyalty means companies spend less. Loyalty is behavior demonstrated through regular purchases, based on decision-making units (Hadi & Indradewa, 2019). Loyalty - it's the emotion a customer feels towards you, even though there may be other financially advantageous offers in the market. This is the main difference from satisfaction - loyalty is not a rational evaluation, but the result of several factors, often felt subconsciously (Kiseleva et al., 2016). Customer loyalty depends on several factors including trust (Islam et al., 2021). The loyal desire of customers to continuously support an organization from day to day is the foundation of customer loyalty. This loyalty entails a strong commitment to choose the trusted brand firmly in the future, whether through repeat purchases or revisitations (Puspitasari & Kustiawan, 2023).

Hypothesis Development

PVWOM on social media and customer loyalty

Customers are increasingly exposed to a large amount of information related to products or brands on the internet, especially on social media, generated by both companies and other customers. Such content, when shared by customers on social media, is referred to as user-generated content or electronic word-of-mouth (Ayeh et al., 2013). Online WOM is defined as any positive or negative statement made by prospective, actual, or former customers about a product or company that is available to various individuals and institutions through the internet (Hennig-Thurau et al., 2004). As one of the fastest-growing marketing areas, PVWOM can offer clear opportunities for marketers. Specifically, PVWOM on social media is an interesting research topic due to the tremendous growth, power, and popularity of social media (Erkan, 2016). PVWOM on social media has significant potential, which not only allows for the exchange of conversations, information, and experiences among large networks of people but also enables individuals with similar preferences to build communities, for example, fan pages of specific brands on Instagram.

This allows them to post brand-related information, interact with other customers of that brand, share experiences, discuss products, like or dislike certain value offerings, and make well-thought-out purchase decisions by evaluating the amount of information available on these shared pages (Rao et al., 2021). Customers perceive such social PVWOM information to be highly effective and reliable, thus significantly influencing their

loyalty to the brand. Before making a purchase, most customers refer to online comments, opinions, and experiences of other customers to obtain product-related information and increase their familiarity with various brands in any product category (Jalilvand & Samiei, 2012). Reviews shared on social media platforms like Instagram, especially on brand fan pages, encompass user-generated information about the perceived performance and quality of the brand experienced by customers, and influence the loyalty of customers engaged with these social media. Behavioral intention is the precursor of actual behavior. This implies that customers' intention to be loyal, to some extent, predicts their actual loyalty behavior, which holds significant meaning for marketers. Therefore, the following hypotheses are generated:

H1. PVWOM on social media and customer loyalty are positively related.

Positive valence WOM, trust, and customer loyalty: A theory of reasoned action (TRA) perspective

The TRA argues that the performance of volitional behavior is directly influenced by one's intention to perform the behavior and is only indirectly influenced by one's attitudes and normative beliefs about the behavior (Goldenhar & Connell, 2005). According to TRA, attitude is an acquired tendency to respond to information or objects positively or negatively (Rao et al., 2021). Positive information can influence trust in products and companies. Trust is an essential factor in online shopping. Therefore, we can anticipate that trust influences attitudes (Haryono, 2022). Positive valence WOM (PVWOM) associated with a brand can enhance customers' positive perceptions of the product and brand image. This can reinforce customer trust and increase their loyalty. Therefore, researchers hypothesize that customer trust in the brand will mediate between PVWOM and customer loyalty on social media. Therefore, the following hypothesis is proposed:

H2. Trust mediates the relationship between PVWOM on social media and customer loyalty

PVWOM, Value Co-Creation, and Customer Loyalty: Value Co-Creation Theory Perspective

The value co-creation theory as conceptualized by (Prahalad & Ramaswamy, 2004) emphasizes the role of customers in creating shared value. Moreover, customers increasingly use social media as a platform to voice their product or service experiences in the form of PVWOM besides engaging with their peers and companies to gain more knowledge about brands (Hibbert et al., 2012). Marketers capitalize on this opportunity to co-create value by integrating customers' cognitive and affective experiences with their brands. As customers engage in brand-related positive WOM on social media, they significantly enhance brand image and also provide crucial feedback or recommendations for product improvements, thereby participating in the value co-creation process. This, in turn, helps develop brand ownership, thus influencing customer loyalty. Previous studies have suggested a positive relationship between VCC and customer loyalty (Frooghi, 2019; Prastiwi et al., 2019). Therefore, the researchers hypothesize:

H3. Value co-creation mediates the relationship between PVWOM on social media and customer loyalty

Customer trust in a brand has a significant influence on the value co-creation process.

Customer trust specifically influences FP6 of S-D logic and functions as a precursor to the VCC process (Abela & Murphy, 2008). Marketers create official brand fan pages on social media that offer mutual benefits for both customers and companies. While marketers place relevant brand information to enhance customer awareness and experience, they simultaneously gain various perspectives about their products in the form of customer experiences, opinions, and discussions on customer pages (See-To & Ho, 2014). User-generated PVWOM serves as critical feedback for companies to improve their products and create value with customer involvement. Positive WOM on social media may influence other customer trust present on fan pages, who are eventually driven to share their experiences, thus creating value. Therefore, it is expected that PVWOM leads to VCC through trust and hence, the following hypothesis is proposed:

H4. Trust and value co-creation serially mediate the relationship between PVWOM on social media and customer loyalty

PVWOM, brand image, and customer loyalty: Attribution Theory Perspective

Studies on perceived causes are identified with the term "attribution theory," attribution refers to the perception or conclusion of causes. As we will see, there is not just one but many "theories" of attribution and the term refers to several different kinds of issues. The general idea is that people interpret behavior in terms of its causes, and that this interpretation plays a crucial role in determining reactions to behavior (Kelley & Michela, 1980). Customers are constantly confronted with a large number of product-related information both in the real world and on social media. In the context of social media, this information may be related to the utility or performance of a brand, or other customers' feelings about the brand in the form of reviews, discussions, and experiences on online platforms (Berger & Iyengar, 2013). Brand image is one of the key dimensions of customer mindset, and

it is the customer mindset that influences actual customer behavior through fundamental decision-making processes that are not observable (Rao et al., 2021). Recent research also confirms that brand image has a positive and significant influence on loyalty (Ningsih et al., 2019). Researchers estimate that customer perceptions of a brand, based on brand image, can have an impact on loyalty. Therefore, researchers propose to test the brand image effect in the relationship between PVWOM and customer loyalty.

H5. Brand image mediates the relationship between PVWOM on social media and customer loyalty.

The aim of the research is addressed by elaborating on the interrelationship between variables as proposed in the research framework, shown as follows:

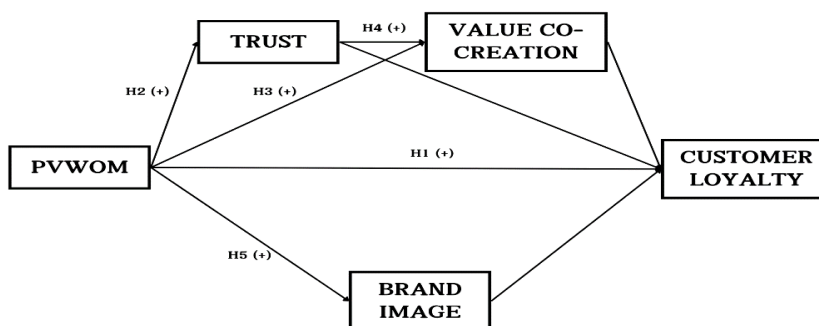


Figure 1. Research Framework
Source: (Haggalla & Jayatilake, 2017)

Method

This study measures five variables: PVWOM, trust, value co-creation, brand image, and customer loyalty. Data measurement in this study uses a questionnaire adopted from previous research. The measurement of the PVWOM variable consists of 2 questions by (Goyette et al., 2010). The measurement of the customer loyalty variable applies 4 dimensions by (Kartika et al., 2019) consisting of 8 questions. The measurement of the trust variable applies 3 dimensions by (Zhang & Li, 2019) consisting of 6 questions. The measurement of the value co-creation variable applies 8 dimensions by (Yi & Gong, 2013) consisting of 16 questions. The measurement of the brand image variable applies 3 dimensions by (Chen & Wu, 2022) consisting of 6 questions. All items are measured using a Likert scale with 5 scales ranging from 1 (strongly disagree) to 5 (strongly agree). The total measurement consists of 42 questions, which can be seen in detail in appendices 2 (operational variables) and 3 (questionnaire).

This study was conducted in the context of posts from four elementary madrasas (MIS Nurul Huda, MIS Hidayatul Ahababina, MIS Miftahul Ulum, and MIS Al-Hamidiyah) on Instagram in Bekasi Regency. Data collection for the study used a survey method by distributing questionnaires online. The online data collection technique was carried out using Google Forms, which would be filled out by respondents independently. The population of this study focuses on parents/guardians, using purposive sampling, where the main purpose of purposive sampling is to focus on specific characteristics of a population that are interesting and most likely to answer research questions (Rai & Thapa, n.d.). The sample of this study is parents/guardians of MIS Nurul Huda, MIS Hidayatul Ahababina, MIS Miftahul Ulum, MIS Al-Hamidiyah in Bekasi Regency who use the internet. The criteria for respondents in this study are parents/guardians of children from these schools who are the subjects of the study. Data were collected for 3 months from October to December 2023. The sample was obtained from parents/guardians in Bekasi Regency who use the internet, with characteristics in this study including name, gender, and child's educational unit. The number of samples refers to (Hair et al., 2010) where the sample size should be at least 5-10 times the number of questionnaires. In this study, the number of questionnaires used is forty-two, so the number of samples taken is at least 210 (42x5) respondents, and the researcher took a sample of 210 respondents for this study.

The validity test of the study was conducted using the Kaiser-Myer-Olkin (KMO) sampling measure and Measures of Sampling Adequacy (MSA) as sample validity measures. If the value of KMO and MSA is above 0.5, then factor analysis can be accepted, whereas if the value of KMO and MSA is below 0.5, it cannot be accepted. Then the reliability test uses Cronbach's Alpha measurement, where if the value is above 0.7, the data can be accepted (Cecchetto & Pellanda, 2014). The final survey data includes 210 valid responses analyzed using

Structural Equation Model (SEM) method. SEM analysis involves two steps: measurement model test and structural model test (Hair et al., 2010). And the AMOS 20 software is used to perform SEM analysis.

Results And Discussions

Statistical Results

This study obtained a total of 210 respondents, who are parents of students using the internet from 4 elementary schools. The schools that participated in the study are MIS Nurul Huda, MIS Hidayatul Ahbabina, MIS Miftahul Ulum, MIS Al-Hamidiyah in Bekasi Regency. Male respondents accounted for 51%, with the remaining being female respondents. The demographic data of the respondents can be seen in Table 6. Research Respondents Profile. Descriptive statistical analysis was conducted using SPSS-21. The Cronbach's alpha values for all variables ranged from 0.895 to 0.975, which are above the threshold of 0.7 (Hair et al., 2010). Skewness and kurtosis values also fall within the threshold of ± 1 and ± 3 , indicating normally distributed data (Tabachnick, Fidell & Ullman, 2007). Thus, confirming the normality of the sample distribution (Table 1 Normality Test Results).

Measurement Model

The measurement model was evaluated through confirmatory factor analysis (CFA) which tests the convergent and discriminant validity of the constructs studied as shown in Table 2 Convergent and Discriminant Validity. Convergent validity of these constructs is established through composite reliability (CR) and average extracted variance (AVE). According to Hair et al. (2010), composite reliability is a better measure than Cronbach's alpha to establish reliability at the construct level. CR for all constructs is greater than 0.7, and AVE values are also above the recommended threshold of 0.5 (Fornell & Larcker, 1981). To establish adequate discriminant validity, the square root of AVE (diagonal elements) should be greater than the inter-construct correlations (off-diagonal elements) for all constructs (Fornell & Larcker, 1981). This condition is met as shown in Table 2 Convergent and Discriminant Validity, indicating evidence for discriminant validity. Further support for discriminant validity is provided by the values of maximum shared variance (MSV) and average shared variance (ASV) being smaller than the corresponding AVE values as shown in Table 2 Convergent and Discriminant Validity.

The fit of the measurement model is estimated using the maximum likelihood estimation method (Arbuckle, 2007). Bentler and Bonett (1980) recommend specific criteria for assessing model fit: $\chi^2/df < 3$, GFI > 0.8 , NFI > 0.90 , CFI > 0.95 , P close to 1, and RMSEA < 0.5 . The model fit indices for the measurement model are within the recommended values, with $\chi^2/df = 1.8404$, CFI = 0.958, GFI = 0.816, NFI = 0.913, and RMSEA = 0.063, indicating a good fit of the measurement model. Although all criteria are met except for GFI and RMSEA according to Bentler and Bonett (1980) recommendations. However, according to Shek & Yu (2014), a specific criterion for assessing model fit: RMSEA < 0.10 so RMSEA = 0.063 is acceptable, and (Sodikin et al., 2020) strengthen that The higher the GFI value indicates a better fit, GFI value above 0.90 indicates a very good model fit, $0.50 \leq \text{GFI} \leq 0.80$ indicates a good enough model, and GFI value below 0.50 indicates the model needs to be improved. So, the GFI value = 0.816 indicates a good enough model and for AGFI which is a development of GFI adjusted with the ratio of degree of freedom for the proposed model to the degree of freedom for the null model. The higher the AGFI value indicates a better fit, AGFI value above 0.90 indicates a very good model fit, $0.50 \leq \text{AGFI} \leq 0.80$ indicates a good enough model, and AGFI value below 0.50 indicates the model needs to be improved. So, the AGFI value = 0.786 indicates a good enough model. All are shown in Table 3. Model fit statistics.

Structural Model

Standardized path coefficients representing the direct effects of independent variables on the dependent variable of the model, and the corresponding t values are provided in Table 4. Result of direct effect (PVWOM \rightarrow CL). PVWOM has a positive relationship with CL, and this relationship is significant ($b = 0.1712$, $t = 2.2562$, $p = 0.0241$). Therefore, hypothesis H1 is supported.

Mediation Analysis

To test the mediating effects of T, VCC, and BI in the relationship between PVWOM (independent variable) and CL (dependent variable), Mediation Testing is performed using Sobel test.

Tabel 1. Mediation Test (H2) T Mediates the Relationship between PVWOM and CL

Input		Test statistic :	Std. Error :	p-value
a	0,5566	Sobel test	3,00192258	0,03782456
b	0,2040	Aroian test	2,98642822	0,0380208
S_a	0,0600	Goodman test	3,01766063	0,03762729
S_b	0,0643	Reset all	Calculate	0,00254734

Based on the Sobel test results in Figure 2, the Sobel Test value obtained is $3.00192258 > 1.95$ or the p-Value is $0.0026828 < 0.05$, thus PVWOM variable influences CL through T variable (Dachlan, 2014:466).

Tabel 2. Mediation Test (H3) VCC Mediates the Relationship between PVWOM and CL

Input		Test statistic :	Std. Error :	p-value
a	0,3939	Sobel test	3,14240042	0,03239045
b	0,2584	Aroian test	3,11396867	0,03268619
S_a	0,0611	Goodman test	3,17162544	0,03209199
S_b	0,0718	Reset all	Calculate	0,00151588

Based on the Sobel test results in Figure 2, the Sobel Test value obtained is $3.14240042 > 1.95$ or the p-Value is $0.00167569 < 0.05$, thus PVWOM variable influences CL through VCC variable (Dachlan, 2014:466).

Tabel 3. Mediation Test (H5) BI Mediates the Relationship between PVWOM and CL

Input		Test statistic :	Std. Error :	p-value
a	0,5891	Sobel test	3,621987	0,04314986
b	0,2653	Aroian test	3,60693926	0,04332988
S_a	0,0576	Goodman test	3,63722465	0,04296909
S_b	0,0685	Reset all	Calculate	0,00027559

Based on the Sobel test results in Figure 3, the Sobel Test value obtained is $3.621987 > 1.95$ or the p-Value is $0.00029235 < 0.05$, thus PVWOM variable influences CL through BI variable (Dachlan, 2014:466). Furthermore, the serial mediation model between PVWOM and CL is tested using the Hayes SPSS Process Macro. The Process Macro is a statistical computer tool bootstrapping written by Andrew Hayes as an extension to the SPSS and SAS software (Kenny, 2018). This program is used to test the effects of one or more mediation or moderation variables on the relationship between independent and dependent variables (Abu-Bader & Jones, 2021). Bootstrapping method is conducted using SPSS Process Macro to test whether trust and value co-creation serially mediate the relationship between positive valence WOM and customer loyalty.

The regression analysis results show a significant indirect effect of positive valence WOM on customer loyalty through trust and value co-creation ($b = 0.3796$, $t = 3.4794$), supporting H4. Additionally, the direct effect of customer loyalty on customer loyalty with the presence of mediators is also found to be significant ($b = 0.7065$, $p < 0.0002$). Therefore, there is partial serial mediation of trust and value co-creation in the relationship between positive valence WOM and customer loyalty. The mediation summary is presented in Table 5. Serial Mediation Analysis Summary. Through the explanation above, the hypothesis testing results of this research model can be presented as follows: The total respondents were 229, consisting of 47.3% male and 52.7% female. The majority lived in Jakarta of 58.1%. Most respondents worked as private employees of 64.5%. Their term service ranged from 1-5 years of 33.8%, 11-20 years of 23.7%, 6-10 years of 19.7%, and over 20 years of 16.2%. Most respondents had an educational background, such as Undergraduate (45.2%) and Master/Doctor (37.3%).

Moreover, the test of construct validity presented by (Boubker & Douayri, 2020) stated that the approach of construct validity measurement on research will be valid and acceptable if all variables have an average variance extracted (AVE) value that is more than 0.50. In addition, the composite reliability (CR) value calculation is the requirement of construct reliability, where the CR value must be above 0.70 to satisfy the requirements so that the value is acceptable (Boubker & Douayri, 2020). The research obtained the results of all variables that the calculation of AVE value was above 0.50 and CR value was above 0.70, such as flexible working arrangements (CR=0.915; AVE=0.576), work life balance (CR=0.917; AVE=0.582), JS (CR=0.920; AVE=0.697), WS (CR=0.922; AVE=0.666), EE (CR=0.914; AVE=0.726), and WPLE (CR=0.893; AVE=0.726).

In addition, the results of the research that had been processed using AMOS are depicted on the following structural model as follows:

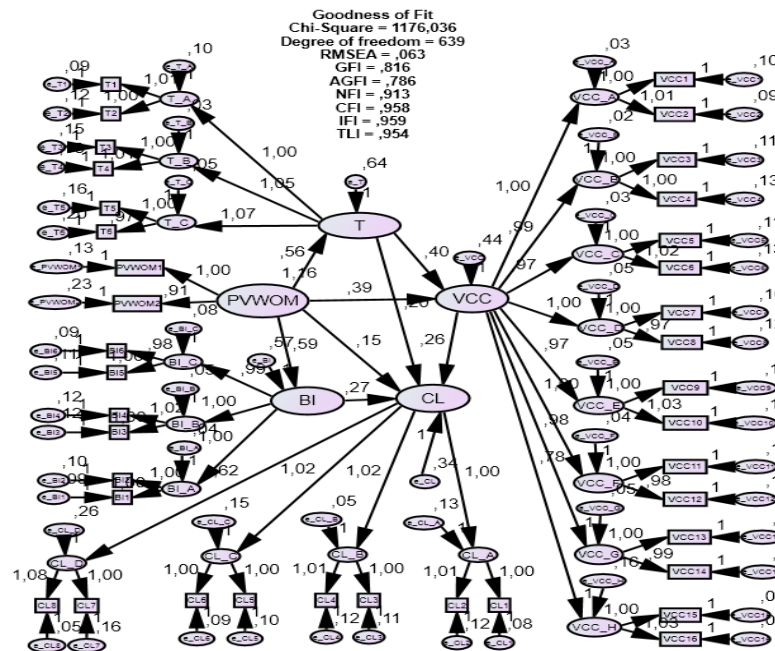


Figure 2. Structural Diagram Path of AMOS-SEM Bootstrapping

Through Figure 5 above comes from AMOS bootstrapping and Sobel Test, the hypothesis testing of the research model can be presented in the following results:

Table 4. Hypothesis Testing of Research Model

Hypothesis	Statement of hypothesis	t-Value	Conclusion
H1	PVWOM on social media and customer loyalty are positively related	2,2562	Accept the hypothesis
H2	Trust mediates the relationship between PVWOM on social media and customer loyalty	3,0019	Accept the hypothesis
H3	Value co-creation mediates the relationship between PVWOM on social media and customer loyalty	3,1424	Accept the hypothesis
H4	Trust and value co-creation serially mediate the relationship between PVWOM on social media and customer loyalty	3,4794	Accept the hypothesis
H5	Brand image mediates the relationship between PVWOM on social media and customer loyalty	3,6220	Accept the hypothesis

Source: Indradewa & Aris (2024)

Based on Table 1. Hypothesis Testing of the Research Model above, it is known that 5 hypotheses have t-Values higher than 1.96, thus it can be concluded that the data supports these 5 research hypotheses. The results of the first hypothesis are consistent with previous research conducted by (Hammes et al., 2021); (Serra-Cantalops et al., 2018); (Massie et al., 2021). The second hypothesis aligns with previous research conducted by (Rao et al., 2021); (Purwanto et al., 2020); (Alhulail et al., 2018); (Mahmud et al., 2024). The third hypothesis is in accordance with previous research conducted by (Rao et al., 2021); (HOS et al., 2020). The fourth hypothesis corresponds with previous research conducted by (Rao et al., 2021); (Frooghi, 2019); (Maduka, 2016); (Prastiwi et al., 2019). The fifth hypothesis is consistent with previous research conducted by (Rao et al., 2021); (Wilson, 2018); (Hsieh & Li, 2008); (Dam & Dam, 2021). Additionally, it is important to thoroughly describe all relevant limitations or shortcomings of the study as only some have been partially reported thus far. Recommendations for future research and practitioners should be added to the end of the discussion and results.

Conclusion

This research proves that the majority of hypotheses mutually have a positive impact, where there is a positive relationship between PVWOM and customer loyalty mediated by trust, value co-creation, and brand image, which are expected to create customer loyalty to an educational institution located in Bekasi Regency. This study indicates that positive valence WOM is one of the key elements for educational institutions to maintain sustainability for the long term. The participation of educational institutions in positive valence WOM becomes a factor that will influence the level of customer trust, which will then lead to collaborative creation and hopefully result in loyal customers to the educational institution. Another aspect worth noting is the use of information technology such as social media because it is important for organizations to enhance competitiveness in the current internet era. This study certainly has limitations that can be developed for future research. First, this study only conducted research in the education sector in the Bekasi Regency area and only referred to elementary education. Research can be conducted in other industries and regions to strengthen the research that has been done. Broader insights can be found in sectors and regions with different business environment conditions in treating the positive valence WOM possessed by the organization.

Furthermore, positive valence WOM can also affect other aspects in creating customer loyalty to an educational institution. Positive valence WOM can be further researched because it is an aspect with various supporting factors. Thus, future research is expected to study other effects created by positive valence WOM and also research aspects that influence customer loyalty. This research provides several managerial implications that can be applied to business practices in the education sector. Firstly, a good level of positive valence WOM will increase proactive attitudes in teaching and learning activities as well as developing collaborative knowledge creation. The current condition encourages educational institutions to create innovation in information and communication technology in every functional organizational activity up to accessing external parties such as learning materials and customers. Positive valence WOM can certainly be enhanced through social networks that interact with each other to obtain innovative ideas and insights from its external partners. If the educational institution's partners can actively participate in decisions that affect the institution, then this positive valence WOM can be utilized to provide implications for management within the educational institution.

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