

MEDIATING ROLE OF EMOTIONAL LOYALTY IN ONLINE DONATIONS

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Abstract

Donating behavior has experienced a shift from conventional to digital. To ensure the continuity of donations, companies are required to have a strategy to attract and retain donors. This study aims to analyze platform trust in online donation platforms and emotional loyalty as factors that influence the continuation of donating to online-based donations. Attachment theory is used as a basis in this research where this theory states that strong emotional attachment creates loyalty that can prevent discontinuity in the use of products or services. Then, quantitative measures were used by distributing questionnaires to the selected sample, and 166 responses were collected. The data were analyzed using SEM. The results show that platform trust has an effect on emotional loyalty and continued intention to donate and emotional loyalty has an effect on the continued intention to donate, as well as being a partial mediating variable.

Keywords: Continued Intention, Emotional Loyalty, Online Donation, Trust

Abstrak

Perilaku berdonasi sudah mengalami pergeseran dari konvensional ke digital. Untuk menjamin kelangsungan donasi, perusahaan dituntut memiliki strategi untuk menarik dan mempertahankan donatur. Penelitian ini bertujuan untuk menganalisis kepercayaan platform pada platform donasi online dan loyalitas emosional sebagai faktor yang mempengaruhi kelanjutan berdonasi pada donasi berbasis online. Teori attachment digunakan sebagai landasan dalam penelitian ini dimana teori ini menyatakan bahwa keterikatan emosional yang kuat akan menciptakan loyalitas yang dapat mencegah diskontinuitas dalam penggunaan produk atau jasa. Kemudian digunakan ukuran kuantitatif dengan menyebarkan kuesioner kepada sampel terpilih, dan terkumpul 166 tanggapan. Data dianalisis menggunakan SEM. Hasil penelitian menunjukkan bahwa kepercayaan platform berpengaruh terhadap loyalitas emosional dan niat terus berdonasi dan loyalitas emosional berpengaruh terhadap niat terus berdonasi, serta menjadi variabel mediasi secara parsial.

Kata Kunci: Niat Melanjutkan, Loyalitas Emosional, Donasi Online, Kepercayaan

INTRODUCTION

The development of technology and information in Indonesia is now increasingly evident, as can be seen from the many industries that must transform in the digital era to be able to adjust to changes in lifestyle that occur in society. One of the industries that have been heavily impacted is the financial industry as evidenced by the birth of financial technology companies (*fintech*) which not only provide services in a business context but also social activities such as donations (Agustiniingsih et al., 2021). Data shows that there are 3 million donors who donate online in Indonesia throughout 2021 using the Kitabisa.com crowdfunding platform. This shows a real shift from the behavior of donating to the community in Indonesia, which was initially conventional but has now turned to digital as well as the success of online fundraising platforms. However, to ensure business continuity and success, companies are required to have a strategy to attract and retain existing donors, so research is needed to find out things that influence donor intentions to donate online on an ongoing basis (continued intention to donate).

Reviewing the research that has been done before, emotional loyalty is one of the factors that shows a deep emotional relationship with a brand so that loyal users will not switch to another brand. In the context of this research, it can be said that if donors have an emotional loyalty to a platform, donors will continue to contribute to the same platform (Li & Yu, 2020).

According to research conducted by (Atulkar, 2020) states that trust plays an important role in building loyalty. Trust is a subjective belief that is formed through a continuous process between an individual and an object that is built on honesty and credibility. High trust will affect donor commitment to continue donating in the future. In the context of this study, trust is the donor's belief in an online fundraising platform where the platform has concern and is responsible for the use of donated donations. High trust in an online donation platform will increase the continuity of donations and encourage people to continue participating so trust in the platform is considered an important factor in preventing donation discontinuities (Almassi, 2014; Sargeant & Lee, 2004).

The contribution of this research is different from previous research regarding online donations which only reached the intention to donate but there is still little research that focuses on continued online donation intentions. In addition, this research also explores the effect of emotional loyalty in the context of online donations, which has not been researched in Indonesia.

LITERATURE REVIEW

Attachment Theory

This study uses the Attachment Theory which was originally put forward by Ainsworth & Bowlby in 1991 which explains the attachment of the emotional relationship

between babies and caregivers which then develops from year to year and is adopted in several disciplines. In the context of marketing science, this theory is conceptualized as a strong emotional attachment between consumers and a brand that prevents them from switching to another brand (Sickenberg, 1951). Previous research stated that a strong attachment creates loyalty (Boateng et al., 2020). Consumers with emotional attachment are willing to put resources such as time, energy, and money into maintaining their relationship with a brand (Li & Yu, 2020). Strong emotional attachment is able to maintain the relationship and is manifested again in the form of repeated purchases.

Platform Trust

Trust is a psychological condition where consumers are willing to rely on brands that are considered capable of helping them achieve their goals. In this study, platform trust is defined as user trust in the crowdfunding platform as a social information system that can be trusted by donors, including the authenticity of the project content contained therein (Zhang et al., 2020). Research conducted by Shier & Handy (2012) shows that trust in the platform will increase the likelihood of donors donating again. Several recent studies have also stated that trust is one of the determining factors of loyalty and repurchase intention (Hajli et al., 2017; Kim & Peterson, 2017). Based on the explanation above, the following hypothesis is proposed:

H1. Platform trust has an effect on Continued Intention to Donate

H2. Platform trust has an effect on Emotional Loyalty

Emotional Loyalty

Emotional loyalty is defined as the level of positive emotion caused by repurchasing a brand. Research that has been done previously states that emotional loyalty shows a deep emotional relationship between consumers and a brand so that loyal users will not switch to another brand. This has been proven in research conducted by Li & Yu (2020), namely in the context of online donations, donors who have emotional loyalty to a platform, the donors will continue to donate on the same platform. Previous research also stated that loyalty is a strong mediator of the relationship between trust and repeat purchase intentions (Upamannyu et al., 2015). This relationship has never been studied in the context of online donations, so the researchers propose the following hypothesis:

H3. Emotional Loyalty has an effect on Continued Intention to Donate

H4. Emotional Loyalty mediates the relationship between Platform trust and Continued Intention to Donate

Based on the empirical studies reviewed above, it is hypothesized that platform trust affects continued intention, emotional loyalty affects the continued intention to donate as well and furthermore, platform trust can also affect continued intention through emotional loyalty. The conceptual framework is presented in Figure 1.

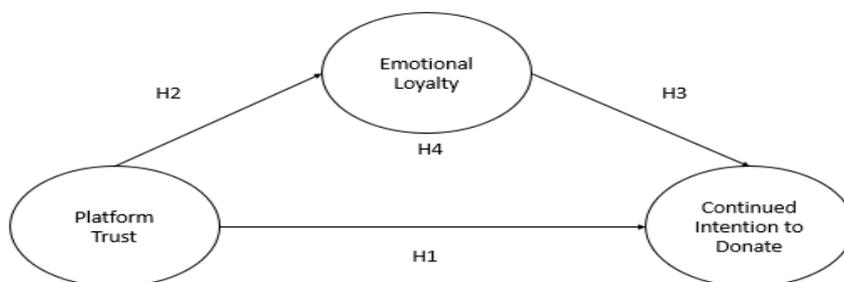


Figure 1 Research Model
 Source: The data is processed (2023)

RESEARCH METHOD

The sample in this study was non-probability sampling and the sample was selected using purposive sampling with several criteria which were limited to specific types of a certain group of people who could provide the desired information, or because the group of people met the criteria set by the researcher (Sekaran, 2003). The sample criteria in this study were donors who had made donations on the same online platform more than once. Furthermore, the number of samples was taken with the consideration that the number of samples was at least 10 times the number of indicators studied so for this study the minimum sample required was 10 x 12 indicators = 120 respondents.

Data collection was carried out by distributing questionnaires to respondents via Google forms. Testing the hypothesis in this study uses the structural equation modeling (SEM) method with the Partial Least Square-SEM (PLS-SEM) approach.

We collected data from 200 respondents using a questionnaire, which was measured using the Likert Scale. The minimum sample size required was 120 respondents. However, out of all the respondents, only 166 completed the questionnaire correctly. The data collection process took place over a period of 31 days.

FINDINGS

Study Participants

In total, the study obtained responses from 166 participants, which meets the required minimum sample size. Among these respondents, 53% were male and 47% were female. The largest age group represented in the study was individuals aged 17-25 years, accounting for 61.7% of the participants. The next significant age bracket was 26-41 years, comprising 32.1% of the sample, while the remaining 6.2% consisted of participants aged 42 years and above.

Validity and Reliability

Validity testing in this study was carried out by looking at the AVE (Average Variance Extracted) and Discriminant Validity values. An indicator can be said to have good validity, if it has an outer loading value above 0.70 (Sarwono, 2016). The AVE value to be considered good must be > 0.50. Meanwhile, for Discriminant Validity, the measurement uses the Fornell-Larcker criterion, where the researcher will compare the square root of the AVE value of each construct with the correlation of the latent variables in the model. If the square root of the AVE value of each construct is greater than the highest correlation of the other constructs, then the model is considered quite valid. Then for reliability testing, the variable is declared consistent if it has a composite reliability value > 0.7 (Sarwono, 2016). The results of validity and reliability can be seen on Table 1.

Table 2 below shows the correlation between variables through the R-square test where from the data it can be concluded that the Platform Trust affects the Emotional Loyalty by 9.5% and the rest is influenced by other variables. Furthermore, Platform Trust and Emotional Loyalty affect the Continued Intention to donate variable by 44.5% while the other 55.5% are influenced by other variables.

Table 1. Outer Loading, AVE & Composite Reliability

Variable	Indicat or	Outer Loading	AVE	Composite Reliability
<i>Platform Trust</i>	PT1	0.877	0.688	0.930
	PT2	0.845		
	PT3	0.802		
	PT4	0.841		
	PT5	0.850		
	PT6	0.755		
<i>Emotional Loyalty</i>	EL1	0.777	0.730	0.890
	EL2	0.872		
	EL3	0.909		
Continued Intention	CUI1	0.826	0.791	0.919
	CUI2	0.925		
	CUI3	0.913		

Source: The data is processed (2023)

Table 2. R-square test result

Variable	R Square
Emotional Loyalty	0,095
Continued Intention	0,445

Source: The data is processed (2023)

Furthermore, in the table below which is the result of the t test which was carried out to see the level of significance of the initial hypothesis of the study. The hypothesis is

accepted and the variable is declared to have a significant effect if it has a t-statistic value > 1.96.

Table 4. Hypotesis Testing Result

Variable	Original Sample	t-statistics	Result
Platform Trust Emotional Loyalty	0.308	2.099	Significant
Emotional Loyalty Continued Intention to Donate	0,487	3.943	Significant
Platform Trust Continued Intention to Donate	0.330	2.832	Significant

Source: The data is processed (2023)

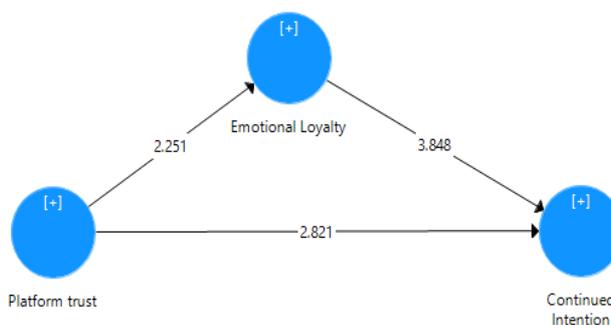


Figure 2. Path Analysis

Source: The data is processed (2023)

DISCUSSION

The outcomes of this study affirm the acceptance of Hypothesis 1, which asserts that platform trust affects emotional loyalty. When donors trust a platform, they are more likely to feel emotionally attached to it and engage with it, provide positive feedback, and even recommend it to others leading to increased loyalty. This is because trust acts as a foundation for building strong relationships between donors and platforms (Zhang et al., 2020; Soliha et al., 2019)

In this study also found that emotional loyalty affects continued intention to donate, thus Hypothesis 2 is accepted. Previous research stated that emotional loyalty has a significant effect on the continuity of using the brand (Li & Yu, 2020). Emotional attachment to an online donation platform that is built from trust in the platform tends to make donors have a positive attitude and develop a long-term commitment to donating on that platform compared to other platforms. This is due to the confidence of donors in the

ability of the donation platform to manage donations effectively. Thus, hypothesis 3 is accepted.

Based on the test results in table 4, it is also proven the acceptance of Hypothesis 4, emotional loyalty is a partial mediating variable because directly or indirectly the trust platform is proven to influence continued intention to donate on online donation platforms. However, it should be noted that an online platform that is able to build donor trust will foster emotional loyalty which has an impact on recommendations for using the platform to other donors as well as an ongoing tendency to donate.

The findings presented in Table 4 provide evidence that the establishment of a favorable and reliable reputation by online donation platforms has demonstrated its capability to enhance donors' willingness to contribute and sustain their donations over time (Li & Yu, 2020; Kenang & Gosal, 2021).

CONCLUSION & RECOMMENDATION

This research is expected to enrich Attachment Theory in the context of online donations. Online donation platforms need to build donor trust which in turn will create an emotional bond with the platform so that it is hoped that donors will continue to donate continuously and prevent discontinuity of donations on the platform.

Online donation collectors need to create a platform that is reliable and trustworthy and able to process and use donations properly. Platforms that are not trusted will cast doubt on sustainable donations. Online fundraisers need to understand that a lack of trust can arise from concerns regarding transparency and accountability as well as privacy and security of the online donation platform (Harborth & Pape, 2020). Some of these factors may be considered for further research.

Furthermore, regarding emotional loyalty, it is also necessary to pay attention where when donors have strong emotional loyalty, the tendency for continuous donations becomes greater. Trust has been shown to influence emotional loyalty in this study, but online fundraisers also need to explore several factors according to previous research that can affect emotional loyalty such as individual values and beliefs about the organization and user interaction (Li & Yu, 2020).

This research has several limitations such as the research object which is limited to online donation platforms in Indonesia. In addition, future research can also use a larger and more diverse sample in future.

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