# The Influences of Motivation, Opportunity and Ability on Customer to Customer Online Know-How Exchange and Social Identity as a moderator in Indonesian Z Generation

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## Abstract

This study examines the influences of motivation, opportunity, and ability on customer to customer online know-how exchange and social identity as a moderator in Indonesian Z generation. This study focuses on the behavior of Indonesian Z generation. The study is designed to be quantitative in nature. The causal relationship between variables will be investigated via an online questionnaire that will be distributed to Indonesian Z generation.

*Keywords*: Motivation-Opportunity-Ability Theory, Social Identity, Customer To Customer Online Know-How Exchange.

## 1. Introduction

Internet users in Indonesia continue to increase. There are approximately 88.1 million internet users in early 2016. The number of internet users in Indonesia has increased by 51 percent to a total of 132.7 million users in early 2017. However, there is no significant differences in terms of the devices used to access the internet. 69 percent of Indonesians still access the internet via mobile devices and the rest through desktops and tablets. In January 2017, We Are Social research firm re-announced their latest report on the development of internet use worldwide. As a result, they call Indonesia as a country with the largest number of internet users in the world. Young people in the 20-24 year age range and 25-29 years old showed a plunge in the use of internet of up to 80 percent of the total internet users in Indonesia. This figure is relatively high compared to other age groups within the population based on recent research released by the Association of Internet Service Providers in Indonesia. 22.3 million young adults aged between 20-24 years are the main users of internet, which is equivalent to 82 percent of the total population. While youngsters aged 25-29 years with a total of 24 million make up to 80 percent of the total number of internet users. The findings are supported by the knowledge that students make up the highest users of the internet compared to other age categories. The two age groups leave other age groups of between 30-34 years and 35-39 years old far away. Both groups have a relatively small number of internet users compared to younger people in the 20s. Internet users in these two groups make up only about 72 percent and 63 percent out of the total population respectively (Sugiharto, 2016).

According to the results of a nationwide research conducted by Indonesia Internet Service Providers Association (APJII), the majority of internet users in Indonesia aged between 18-25 years (Maulana, 2015). Growth of the Z generation cannot be denied to be the spearhead of internet penetration in Indonesia. This generation was born in 1995 to the present and with the swift mass of

information and digital age, the acceptance and literacy of young age is easier compared to other age groups.

The extensive spread of the internet around the world has created an effective medium for instant communication at low or no cost, and online communication has become an important platform for consumers to express their opinions about experiences concerning products or services. Internet technologies have transformed communication into electronic platforms, such as online discussion forums, group chat, blogs and consumer reviews. Consumers easily offer their opinions and experiences related to product consumption online, and this information can reach a large number of people who are geographically dispersed. Frequently posted product reviews on the Internet have become an important form of online know-how exchange, and other consumers increasingly look for online product reviews by their peers before making purchase decisions (Sussan, 2012).

The study by AC Nielsen (2014) found that 52 % of customers support their purchase decisions on product recommendations made from other online users' reviews. Customer to customer interaction through online channel is an objective information source that enhances competency and knowledge and has been named customer to customer online know-how exchange. Other people's online opinions about product or services can help customer to save time and make better decisions. Customer to customer online know-how exchange has an influence on consumer behavior and product sales. (Ruiz, Andreu, & Hernandez, 2015)

Motivation-Opportunity-Ability (MOA) theory has been used to predict the customer-to-customer online know-how exchange (C2C) behavior and the result showed that MOA is a predictor of C2C online know-how exchange (Briliana, Wahid, & Fernando, 2015). MOA can also be used to explain the degree to which Indonesian Z generation engages in know-how exchanges with others.

According to Zhou (2011) social identity relates to the individual's perceived position in a social group and has significant effects on user behavior, where the person believes that they belong to a

group and their membership has a significant value. From previous studies, a direct relationship between social identity and use of social network sites was found, but the link between social identity and customer to customer online know-how exchange is novel and original (Arenas-Gaitan, Rondan-Cataluña, & Ramírez-Correa, 2013). In this study a sense of unity among Indonesian Z generation as online community members is developed.

Based on previous studies conducted by Arenas-Gaitan (2013), it is revealed that the social identity currently being used as antecedent of e-WOM in this study is referred to as C2C online know-how exchange. According to Karjaluoto & Leppäniemi (2013), social identity is defined as a strong antecedent of intention and behavior to engage in the social virtual world. Still, Briliana et al., (2015) contended that social identity is not significant to C2C online know-how exchange among batik online shoppers and online community. Due to this particular reason, it social identity is used as a moderator in this study.

C2C know-how exchange is viewed as the interaction between individuals which serves as an information source that enhances competency and knowledge. This study aims to examine whether Indonesian Z Generation's motivation, opportunity and ability lead to C2C online know-how exchange with social identity as a moderator.

## 2. Research question

This study aims to investigate the relationship between motivation, opportunity, and ability to customer to customer online know-how exchange and also the relationship between motivation, opportunity, and ability to customer to customer online know-how exchange with social identity as the moderator, among Indonesian Z generation.

1. Does motivation, opportunity and ability influence customer to customer online know-how exchange among Indonesian Z generation?
2. Does social identity moderates relationship between motivation, opportunity, ability and customer to customer online know-how exchange among Indonesian Z generation?

## 3. Research objective

This study aims to examine the influence of motivation, opportunity, and ability towards customer to customer online know-how exchange besides examining the influence of motivation, opportunity, and ability towards customer to customer online know-how exchange with social identity become as moderating in Indonesian Z generation.

To investigate the relationship between motivation, opportunity, ability and customer to customer online know-how exchange among Indonesian Z generation.

To investigate whether social identity moderates the relationship between motivation, opportunity, ability and customer to customer online know-how exchange among Indonesian Z generation.

## 4. Significance of the study

The integration of motivation, opportunity, and ability into C2C online know how exchange and social identity as a moderator will give considerable knowledge to consumer behaviour.

The outcomes of this study can give an understanding about C2C know how exchange among Indonesian Z generation.

The results will help member of the online community to have a better understanding about know-how exchange between its members.

## 5. Literature review

Motivation – Opportunity – Ability Theory

According to MacInnis and Jaworski (1989), the MOA theory presumes that the intensity to which individuals process information is based on three items namely motivation, opportunity, and ability. Thus communication effectiveness can be proactively managed by boosting individuals' levels of the MOA elements (MacInnis et al., 1991).

Hoyer and MacInnis (1997) broadened the outcomes correlated with the MOA theory to include effortful behaviors in service situations. Based on the findings that C2C know-how exchange serves as an information source regarding the product that is being used, this article concludes that the MOA theory can also be used to illustrate the degree to which customers participate and retain in know-how exchange with other customers.

Motivation can be observed as a force that directs individuals to achieve goals while marketing research commonly examines ways that customers can be motivated to engage in behaviors, make decisions, and process information (Hoyer and MacInnis, 1997; MacInnis and Jaworski, 1989).

Based on the MOA theory, motivation consolidates readiness, willingness, interest and desire to engage in information processing (MacInnis et al., 1991). Extending this to our context, motivation is defined as a member's online community desire to engage in know-how exchange with other members. Individuals with high motivation will be willing to assign the necessary personal resources to engage in know-how exchange.

Opportunity reflects the extent to which a situation is conducive to achieving a desired outcome. According to MacInnis and Jaworski (1989) assorted situational factors such as the time available, attention paid, number of distractions and number of repetitions that something is available, all of which can either enhance or impede the desired outcome.

Opportunity can be viewed as the availability of time or connections, or it can be viewed from a negative perspective of obstruction (MacInnis et al., 1991). One of the primary advantages of an online based community is the notion of 'constant' opportunity to interact with other members, regardless of time or place. While a 'chat session' requires synchronous timing of participants, threaded discussions allow for time as well as geographic dispersion of the participants. In online communities, opportunity may be more a function of the restrictions an individual faces (e.g. time, connection availability, and organization policies) in participating in the community. High opportunity would imply that the amount of attention that an individual would like to devote to C2C exchange is not impeded by constraints that restrict the individual from allocating personal resources towards exchanges with other individuals.

According to MacInnis et.al. (1991) ability in the MOA theory has been deliberated as the consumers' proficiencies in interpreting brand information in an ad. In the context of virtual communities, ability can be defined as the member's proficiencies to engage in know-how exchanges with other members. Individuals with outstanding ability would detach the relevant knowledge structures of how to make C2C know-how exchanges. With the necessary skills, a motivated individual is likely to engage in C2C know-how exchanges (T. W. Gruen, 2005)

Social Identity

This theory proposes that people develop a sense of the self from the groups in which they belong and a collective identity which contrasts with other identities in which the individual is unique and separate. Social identity implies that the person believes that he or she belongs to a certain social group and that this membership has a significant value (Arenas-Gaitan et al., 2013).

Customer To Customer Online Know How Exchange

According to Hennig-Thurau et al. (2004) C2C know-how exchange is viewed as the interactions among individuals that serve as an information source that enhances competency and

knowledge. Individuals may be involved in such exchange to acquire ''the skills necessary to better understand, use, operate, modify and/or repair a product''.

Know-how exchange is an important and reliable source of information for customers in their decision process. C2C know-how exchange can support an additional source of perceived benefits to the participating customer and unlock the value that customers may overlook without know-how exchange.

C2C online know-how exchange happens when members of online community reach contact with other members, exchange stories, knowledge, process, concerns, complaints, experience, recommendations that will improve their contented state (Thomas W. Gruen et al., 2006)

# 6. Hyphotesis development

As a variable, motivation showed a positive and significant effect on a C2C exchange (Gruen, 2006; Gruen, 2007, Briliana et al., 2015, Ruiz et al., 2015). In the context of an online community, motivation can be suggested as the motive behind its C2C online know-how exchange.

From the above argument, the following hypotheses is drawn:

H1: There is a direct positive relationship between motivation and customer to customer online know how exchange

From previous studies, opportunity is found to be a suitable prognosticator for C2C online know how exchange (Gruen, 2006; Gruen, 2007, Briliana et al., 2015, Ruiz et al., 2015).

From the above argument, the following hypotheses is drawn:

H2: There is a direct positive relationship between opportunity and customer to customer online know how exchange

Previous studies had found that ability is positively related to C2C online know-how exchange. Furthermore from (Briliana et al.,Ruiz et al., 2015), C2C online know-how exchange is strongly affected by the consumer's ability.

From the above argument, the following hypotheses is drawn:

H3: There is a direct positive relationship between ability and customer to customer online know how exchange

In context of the contradictory relationship discussed in the previous literatures, it can still be concluded that there is significant support verifying that social identity moderates the relationship between perceived ease of use, perceived usefulness, motivation, opportunity, ability and C2C online know-how exchange. The hypotheses can be develop as follows:

H4: Social identity moderates the relationship between motivation and customer to customer online know how exchange

H5: Social identity moderates the relationship between opportunity and customer to customer online know how exchange

H6: Social identity moderates the relationship between ability and customer to customer online know how exchange

# 7. Tentative theoretical framework

Based on the literature review, several variables have been identified in constructing the theoretical framework for the study. The independent variables consist of motivation, opportunity, and ability. Moderating variable is represented by social identity, while the dependent variable is C2C online know-how exchange. The conceptual framework is shown in figure 1.



Figure 1. Framework
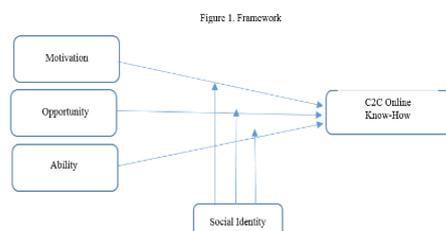
# 8. Conclusion

The objective of this conceptual paper is to provide contribution to Indonesian Z generation. More attention should be given to motivation, opportunity, ability, and social identity of the Indonesian Z generation which could have a positive relationship with C2C online know-how exchange. This study aims to examine whether Indonesian Z generation's motivation, opportunity and ability lead to C2C online know-how exchange with social identity as a moderator. This study will give a new model that focuses on C2C online know how exchange especially in consumer behavior of the Z generation in Indonesia.

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