Analyzing the Effect of Social Identity, Perceived Encouragement and Altruism on Word of Mouth on Facebook

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ABSTRACT:
This study aims to determine the effect of social identity, perceived encouragement, and Altruism on word of mouth (WOM) on Facebook. An empirical study was conducted by distributing questionnaires to 120 Adidas brand users who are the Adidas brand followers on Facebook. The analysis results using the Structural Equation Model (SEM) show that there is an influence of social identity, perceived encouragement, and Altruism on WOM. Perceived encouragement and altruism variables can mediate the influence of social identity on word of mouth. This proves that Facebook as a social media platform allows social media users to connect with businesses and even transfer information in WOM.

Keywords: social identity, perceived encouragement, altruism, word of mouth.

1 INTRODUCTION

Social media is one of the essential instruments in the company's communication strategy. On the other hand, the penetration of social media users in Indonesia also increases, where 59 percent of Indonesia's 272.1 million total population are social media users. This figure has increased by more than 8.1 percent, or equivalent to more than 12 million users compared to April 2019 (Salbiah 2020). According to Jayasingh (2019), the increasing number of users on social networking platforms has created opportunities for new business models to manage relationships with customers through social media channels.

Facebook is a social networking site that allows businesses to create a public profile page and post business information or content related to a product or service. The businesses' Facebook page can then connect with users' Social Networking Sites to transfer information in the form of a Word of Mouth (WoM).

WoM is an essential marketing communication tool in influencing purchasing decisions (Kozinets et al. 2010). Antecedents that can influence the WoM have been widely studied; however, analyzes involving social identity theory and Use and Gratification (U&G) theory are still rarely carried out, especially on Social Networking Sites objects. This research is conducted to determine the effect of social identity, perceived encouragement, and altruism on the word of mouth of the Adidas brand on Facebook. Based on several previous studies, Gaitan et al. (2018), who conducts a research in Spain, concludes that social identity and perceived encouragement significantly affect WoM. However, altruism does not motivate users of Social Networking Sites in transmitting

WoM communication. Meanwhile, Farzin & Fattahi (2018), who study the influence of several WoM antecedents on social networking sites on brand image and purchase intention in Iran, conclude that one of the antecedents, altruism, has a significant effect on the WoM on Social Networking media.

According to Gaitan et al. (2018), social identity determines the status of individuals into social groups, so that the maintenance of communication and interaction among individuals is needed for individuals with high social identity. In the context of social networking sites, social identity is the perception of having a place in the community, where site users have a high tendency to make social contact with other members, including the Word of Mouth (Choi et al. 2013). Word of mouth has two focus objectives related to social identity. First, users can use Word of Mouth to improve other people's thinking about them. In addition, Word of Mouth can be a way to express concern for others and serve followers of virtual communities to generate better choices.

H1: Social Identity has a positive effect on Word of Mouth.

Encouragement is a perception, so social identity influences the Encouragement variable (Kwon & Wen 2010, Choi et al. 2013, Oum & Han 2011). Individuals with a high level of social identity can seek positive comments and feel encouraged as a status symbol in the network. In particular, users with a higher social identity tend to use social networking sites because they feel an urge to participate socially (Kwon & Wen 2010).

H2: Social Identity has a positive effect on Perceived Encouragement.

According to Ha et al. (2015), gratification can affect individual attitudes in the context of social networking sites. In particular, gratification is related to cognitive, hedonic, integrative, social interaction, and mobile comfort aspects. According to Kim (2014), the encouragement felt by users of social networking sites can influence recommendation behavior that is motivated by the needs for expression, information, socialization, and entertainment. In the context of social networking site users, the recommendation could be Word of Mouth.

H3: Perceived Encouragement has a positive effect on Word of Mouth

Altruism is positively related to users' attitudes in answering questions in the Web 2.0 knowledge community (Lu & Hsu 2008). In addition, for individuals who carry out information-sharing activities, Word of Mouth is also related to feelings of altruism and self-fulfillment (Lin & Huang 2013). Through altruism, an individual will communicate an excellent Word of Mouth about his product experience to others and protect others from obtaining products that do not perform as expected (Zhang & Lee 2012).

H4: Altruism has a positive effect on Word of Mouth

Bergami & Bagozzi (2000) state that Social Identity is related to the interests of fellow members. In the sense that Social Identity consists of 3 dimensions (cognitive, evaluative, and affective), Bergami & Bagozzi (2000) stipulate a strong relationship between the affective dimensions and altruistic behavior in organizations. Meanwhile, according to Kim et al. (2016), altruism has a significant effect on general identity within the scope of tourism social networking sites. In contrast, users who exhibit high collectivism and social identity levels tend to be more altruistic because of their cultural tendencies (Zhang & Lee 2012).

H5: Social Identity has a positive effect on altruism.

2 RESEARCH METHODS

This study used primary data obtained directly from respondents through online questionnaires via Google Form to get responses or opinions of respondents about the influence of Social Identity, Perceived Encouragement, and Altruism on the Word of Mouth of Adidas brand users who are the Adidas brand followers on Facebook.

The targets and characteristics of the population in this study were males or females. The target respondents were defined by restrictions, namely Adidas brand users who are the Adidas brand followers on Facebook, then have at least two Adidas products, and purchased Adidas products at least two times in the past year. The sampling technique used was the purposive sampling method. The level of measurement used in this study was the interval level with a numerical scale of 1 to 7.

3 RESULTS AND DISCUSSIONS

The measurement model results show that each indicator with a Standardized Loading value is greater than 0.5 and AVE>0.5, signifying all research variables, namely Social Identity, Perceived Encouragement, Altruism, and Word of Mouth, show good measurement results. Construct reliability produced by each variable is greater than 0.6, which indicates that all indicators have good reliability. This study used Structural Equation Modeling (SEM) using AMOS 16 Software to test the Measurement Model and Structural Model.

Table 1. The Results of hypothesis testing

	Hypothesis	CR	Descripi-ton
H1 (+)	Social identity → word of mouth	2.262	Supported
H2 (+)	Social identity → perceived encouragement	5.917	Supported
H3 (+)	perceived encouragement → negative emotions	2.156	Supported
H4 (+)	Altruism → word of mouth	2.002	Supported
H4a (+)	Social identity → altruism	5.998	Supported

Note: ***$p \leq 0.001$ and **$p \leq 0.05$

The results of data analysis show that social identity has a significant effect on Word of Mouth with a p-value of 0.024 and a C.R value of 2.262.
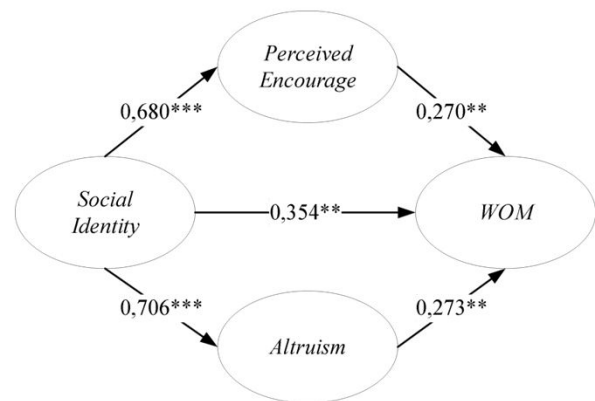

Figure 1. The Results of Structural Model

The resulting coefficient of estimation is positive, which means that if the personality that can identify members of the Adidas brand community on Facebook is getting better, the tendency to make non-commercial communication verbally about the Adidas brand, product, or service on Facebook will be even higher. In the perspective of social identity, a community member will feel they have a place to make social contact with other members, including emotions to stay tied to community membership. When community members have a high social identity, the potential for communication-related to the Word of Mouth will increase (Choi et al. 2013). Through a community, each member will have a place to increase their thinking about a product. Furthermore, community members also have a way to express their concern to other members and serve followers of the virtual community to produce better product choices. The results of this study are in line with the results of research by Gaitan et al. (2018), which states that social identity has a significant effect on Word of Mouth.

The results of data analysis show that social identity has a significant effect on perceived encouragement with a C.R value of 5.917. The resulting coefficient of estimation is positive, which means that if the personality that can identify members of the Adidas brand community on Facebook is getting better, the positive encouragement felt by community members will increase. Community members with a high level of

social identity will feel positive encouragement from other members, which is shown by the satisfaction of other members for their existence in the community, which can be shown through positive comments and status symbols in social networks. The satisfaction felt by community members with social identity behavior will increase perceived encouragement to comment positively on specific content. A community member with a high social identity tends to use social networking sites because they feel the urge to participate socially (Kwon & Wen 2010). The results of this study are in line with the results of research by Gaitan et al. (2018), which state that social identity has a significant effect on perceived encouragement.

The results of data analysis show that perceived encouragement has a significant effect on Word of Mouth with a p-value of 0.031 and a C.R value of 2.156. The resulting coefficient of estimation is positive, which means that if the positive encouragement felt by community members is higher, then the tendency to conduct non-commercial communication verbally about the Adidas brand, product, or service brand on Facebook will increase. In the context of social networking sites, gratification related to cognitive, hedonic, integrative, social interaction, and mobile comfort aspects can affect individual attitudes (Ha et al. 2015). Furthermore, the positive encouragement felt by the community on social networking media can influence recommendation behavior that is motivated by the need for expression, information, socialization, and entertainment, wherein the context of social networking site users, these recommendations can be in the form of a Word of Mouth (Kim 2014). The results of this study are in line with the results of research by Gaitan et al. (2018), which state that perceived encouragement has a significant effect on Word of Mouth in communities on social networking media.

The results of data analysis indicate that altruism has a significant effect on Word of Mouth with a p-value of 0.045 and a C.R value of 2.002. The resulting coefficient of estimation is positive, which means that if community members' tendency to help others without direct benefit or reciprocity is higher, it will encourage an increase in non-commercial communication verbally about the Adidas brand, product, or service brand on Facebook. According to Lu & Hsu (2018), altruism positively connects to users' attitudes in answering questions in the community on social networks. On the other hand, according to Lin & Huang (2013), information sharing activities in the form of Word of Mouth are related to feelings of altruism and self-fulfillment from community members. Through altruism, an individual will communicate an outstanding product experience to other members and protect other members from obtaining products that do not perform as expected (Zhang & Lee, 2012). Social network members who act on altruistic goals tend to share their information and knowledge with other members without expecting an outright reward. According to Arakji et al. (2009), individuals in virtual communities and online platforms such as social networks will get satisfaction and pleasure by helping other members through information and knowledge-sharing activities. According to Gaitan et al. (2018), when the altruism of social network users is higher, the tendency of Word of Mouth to other members of the community will increase. The results of this study are in line with the research of Farzin & Fattahi (2018), which conclude that in the context of social networking, altruism has a significant effect on the Word of Mouth.

The results of data analysis show that social identity has a significant effect on altruism, with a C.R value of 5.998. The resulting coefficient of estimation is positive, which means that if the personality that can identify members of the Adidas brand community on Facebook is getting better, then the tendency of community members to help others without direct benefit or reciprocity will increase. Social Identity is related to the interests of fellow members of a community (Bergami & Bagozzi, 2000). Furthermore, according to Kim et al. (2016), community

members who show a high level of collectivism and social identity tend to be more altruistic because of their cultural tendencies. The results of this study are in line with the results of research by Gaitan et al. (2018), which state that social identity has a significant effect on altruism in communities on social networking media.

4 CONCLUSION

Based on the research results, it can be concluded that all of the five hypotheses are supported. This means that there is a significant influence between social identity on perceived encouragement, social identity on Altruism, social identity, perceived encouragement, and Altruism on the Word Of Mouth of the Adidas brand.

This study concludes that when the personality of community members on social networking sites can identify self-identity, and the positive encouragement felt by community members, as well as the tendency of community members to help others without direct benefits or returns, the higher the tendency to do so. Non-commercial communication will increase as well. In this case, Adidas can involve community members on Facebook to ask for opinions regarding the content and information provided, because by asking for opinions from community members, Adidas management can find out what consumers want so that responses on social media can be used as management evaluations to improve the content on Facebook.

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