



The Role of Cultural Intelligence in the Relationship Between Platform Trust and Loyalty: The Perspective From OTA Platforms

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ABSTRACT

This research showcases the crucial role of platform trust in the relationship between website quality (system, information, service, familiarity) and platform loyalty of expatriates residing in foreign countries, taking into account the moderating effect of cultural intelligence. To test the hypothesized relationships, an online survey collected responses of 786 from foreign expatriates' travelers, and data was analyzed using SmartPLS3 software. Platform trust mediates the relationship between website quality, system, information, service, familiarity, and purchase loyalty. The results show that cultural intelligence seem to moderate this mediated relationship. This paper analyzes the importance of quality signals on expatriates' relationships with OTA website. This study contributes to the understanding the role of cultural intelligence in OTA sector.

KEYWORDS

Cultural Intelligence, OTA Platforms, Platform Loyalty, Platform Trust, Website Quality

INTRODUCTION

Tourism has experienced exponential growth in the decade to become one of the worlds' largest export sector. Online travel mercenaries fueled global tourism, digitalizing services related to hotels, flights, travel packages, recreation activities, and car rentals. Online travel agents (OTA) are self-service providers and re-sell tourism products to travelers on behalf of primary organizations. The self-service approach is one of the featured elements of an OTA platform, built-in instant booking via their website. The surge of the OTA platform in China resulted in a second-biggest market characterized by a safe and secure transaction processing system. The notable success behind this growth was attributed to OTA platform quality.

The OTA platform's quality enhances user's capability to evaluate hotel booking—and therefore their performance—relevant features and attributes are commonly used, such as system, information,

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service and quality, and user OTA platform familiarity. Privacy and security are embedded in website design to protect personal and transactional data (Shi & Liao, 2017). The perception of information security improves the perceived value of online tourism services and the users' intention to use them. The information quality remains an important determinant of platform loyalty. The provision of complete, relevant information in the OTA platform facilitate faster decision making when processes such as comparison, price, and features are integrated into the platform design (Wang & Wang, 2010). The study by Jiang et al. (2016) suggests features such as colors, layout, graphics, photographs, videos, and virtual tours and service comparison reduce their search time (Fernández-Herrero et al., 2018). Several studies support the relationship that website quality influences platform trust and enhances OTA users' platform loyalty. If buyers perceive that website quality is of high quality, they are likely to have high trust in the platform in terms of integrity, benevolence, competence, and intention. Some studies demonstrate the positive linkage between platform quality, trust, and OTA platform loyalty (Ghalandari, 2012; Tandon et al., 2017; Tirtayani & Sukaatmadja, 2018). However, much of the research provision that trust mediates the relationship between website quality and platform loyalty had been investigated culturally and cross-culturally, however remains a void in literature to examine familiarity and cultural intelligence in an important emerging segment, global expatriate market. This research aims to contribute to platform trust and loyalty relationship by investigating expatriate's familiarity of the OTA platform and their cultural intelligence. The culturally-relevant intelligence includes currency conversions, language support, and tailored experiences differs from person to person, hence possess the capability to moderate the relationship between platform quality and loyalty.

The context of this research lays a foundational impact to understand the consumer behavior of OTA users, particularly the expatriates residing in China. The OTA platform (Ctrip, Qunar, Airbnb, Tujia, and TripAdvisor) provide their services in specific geographic locations and communicate with the service providers via chats, texts, and emails. The nature of communication flows two ways between the sender and receiver on the culturally sensitive issues. Sensitive intelligence, such as currency conversions, language support, and virtual tours tailored to expatriates, had the potential to impact the platform's trust (Nawaz et al., 2020). The current study is positioned to test the role of cultural intelligence and their aftereffect on platform trust and platform loyalty. Sudyasjayanti (2018) assures that OTA hinges on traveler experience and favorable evaluations of the platform quality in generating revisit intention.

Familiarity as an antecedent of trust (Luhmann, 1979) is an important theoretical foundation for examining the role of cultural intelligence in the relationship between OTA platform trust and loyalty. According to this framework, familiarity precedes confidence and trust. Indeed, trust is only possible in a familiar world, thus satisfying the precondition for cultural intelligence as moderator in this study of expatriate users' perception of host country OTA. Demirdöğmez & Gültekin, (2020) support the notion that the perception of confidence in system design and provision for service quality, along with familiarity of the OTA, influence platform loyalty. This research is set to answer whether foreign expatriates in China with high and low cultural intelligence may discriminate the perception of website quality and their evaluations, thus influencing the platform's trust and loyalty.

This research's theoretical contribution is to examine and validate the foundational relationships such as platform quality – trust - and loyalty among expatriates residing in the host country. Thirdly, examining the role of cultural intelligence as a moderator variable in the trust and loyalty paradigm (Luhmann, 1979).

After presenting the literature on the topics highlighted in the introduction, a conceptual framework is presented. A quantitative study, including 786 respondents to an online survey, is discussed. The results are then presented, followed by the discussion, conclusion, limitations, and future research opportunities.

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