INVESTIGATING THE INFLUENCE OF INSTAGRAM MARKETING ON MILLENNIAL PURCHASE DECISIONS

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The effects of Instagram on the consumption intent of Filipino millennials aged 27 to 42 who live in Manila are being quantitatively studied; they have been active online users. Through online surveys in 2020 and 2021, research focuses on how people use and like it and their role in online influence. The Likert-scale survey instrument was employed to conduct the reliability analysis, which confirmed the consistency of parameters such as customer trust and choices made by Instagram influencers. Regression analysis derives the most important predictors by identifying the respective significant predictors represented by the social influence of peers, trust, and security, which positively contribute to purchase intent, while endorsement by Instagram influencers has a negative impact on purchase intent. The research addresses millennial shopping habits on Instagram, offering marketers invaluable information in the dynamic realm of social media.

Keywords: marketing through Instagram; purchase behavior of consumers; social media; user feedback; strategic marketing partnerships; target audience; social media influence of peers; trust of consumers; influencer endorsements on Instagram

Introduction

The decision-making process related to purchase intention is built on individual mindsets, expectations, and some exigencies that result in consumer decision-making. Acknowledging this dimension is an important step in anticipating and understanding consumer behavior. An in-depth consumer purchase intent review allows companies to discern distinct items or services that are much sought after by consumers and also to understand why particular intentions are adhered to.
The significance of purchase intention assessment in the process of gauging a customer's inclination towards buying a product cannot be overemphasized. Consumers from the former pool tend to have higher rates of actual purchase, whereas those with no purchase intention from the latter tend to have lower buying rates. However, the correlation between motivation and a purchase is not always the same.

The rise of social media, fuelled by the phenomenon of user-generated web applications such as social networks, blogs, and media-sharing platforms, has in great measure redefined how we engage in the online world.

Such digital transformation has led to the formation of the network, with people-generated content and customer feedback being the facilitators. Media like Twitter, Facebook, Instagram, and YouTube have now become the main tools for content creators and the sharing of materials. Apart from the above-mentioned effect of the social media revolution, how information about different products and services is obtained and used. It offers a way for consumers to have discussions with one another while, at the same time, interactions with people they don’t know can impact their views of products or services.

In social media, marketers are faced with the problem of determining the timing, content, and frequency of the discussions on the internet among consumers. Though social media is being closely followed to gain some insight into consumer behavior, there are no clear ways in which their preferences can translate into actual buying behavior.

Despite a multitude of studies based on consumer buying motivation in the context of online shopping, there is still a lack of knowledge of how the internet influences several steps of the decision-making process.

Research gap

Social networking sites act as a marketplace for marketers to sell their products and for consumers to purchase their products, constituting a viable alternative to physical store shopping since they save time by taking away the need to go to physical shops and compare products in terms of quality, quantity, and price.

In the Philippines, Instagram enjoys the second position among the most widely used platforms, with a youth demographic who are the heaviest users of social networking sites to be in possession of the latest information on trending events. Several studies in the past have investigated the role that Instagram plays in online buying, but there is little investigation on how such features as likes, comments, and shares can influence consumer buying intentions and the degree to which that effects them.

The central research question is framed as follows: "Do the Instagram apps’ social features significantly affect millenials’ buying decisions?"

Objectives

The present study, which, in addition to investigating Instagram’s influence on the purchase intentions of customers, pursues a more detailed examination, specifically among consumers in the millennial generation, falls within this topic. The main objective of the paper is to point out the critical factors that matter the most for millennials when it comes to Instagram and how they affect their shopping behavior on the platform.

User Engagement. A key element of this study is conducting an examination of the type and intensity of user involvement among millennials, which is facilitated by Instagram. It also involves finding out the rate and types of interactions (such as likes, comments, and
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shares), and among the wide scope of features, there are those that specifically attract the attention of this demographic. The purpose of this study is to understand the consumption patterns of millennials and, with that, reveal how they are actively involved in the Instagram community.

Preferences. Determining millennial tastes on the Instagram platform is one more major target. This is a mix of analyses of the types of content, products, and brands that millennials find interesting on the platform. The study intends to discover the elements that impact the development of preferences, from visual design to content authenticity, and the way that preferences shape consumers’ purchase decisions.

Role of digital influencers. A major part of the study investigates the role of digital influencers using Instagram in shaping consumers’ decisions to purchase millennial products. It also includes an in-depth analysis of how millennials view digital influencers, including how they interact with them, the credibility they place in influencer opinions, and finally, how effective influencer marketing is in their buying behavior.

Through the process of unraveling the linkages between digital influencers and millennials, the study is intended to provide useful information for marketers and businesses that are using Instagram as their marketing platform.

Contributions in the area of consumer behavior. Accordingly, the aim of the study is to develop a more advanced and novel comprehension of the role that Instagram plays in the ongoing process of consumer behavior among millennials.

The study explores the multi-faceted aspects of user engagement, preferences, and the roles of digital influencers. These insights are aimed at helping businesses understand their consumers, build stronger engagement with them, and influence their purchasing decisions in the digital age.

Significance

On social media platforms, the study leaves the readers with the latest and most relevant thoughts regarding the effect that Instagram has on a customer’s decision-making process, with particular regard to the millennial generation. The study will be broader than traditional research in terms of scope in order to deal with the unique features of millennials and the way they behave and make their decisions in the digital era.

Related literature

Vinerean et al. (2018) carried out a study to examine the influence of social media marketing on online consumer behavior in order to analyze the level of involvement of individual users with internet activities. Their research identified several predictors linked to social networking sites, demonstrating a positive impact on how respondents perceive online advertisements.

Social media platforms facilitate direct communication among customers, prospects, and brand representatives, as well as discussions about brands among peers. This study involved 236 social media users, who were categorized into different user types and subjected to segmentation analysis. A linear model was developed.

Jin & Phua (2019) investigated the "Effect of Social Media on Online Shopping" to assess how social media usage influences the decision-making process for purchases. Their research highlighted that social media is predominantly used for entertainment, networking,
and obtaining information about new brands. Reviews and opinions on social media play a significant role in shaping purchase decisions, with individuals often sharing their post-purchase experiences. The study emphasized the transformative role of social media in communication and information sharing, particularly in developing countries like India, offering marketers new avenues to engage with customers.

Chen & Xie (2018) examined "Consumer Purchase Decisions in Instagram Stores: The Role of Consumer Trust," focusing on the factors motivating individuals to make purchases in virtual stores on Instagram. The paper underscored the importance of trust among Instagram users, their inclination to trust, and external environmental factors in influencing consumer purchase intentions. With 157 Instagram users participating, the study established a strong association between trust and consumer purchase intention based on the tested model.

Social networking sites such as Instagram, Snapchat, Twitter, YouTube, and Facebook are considered pivotal in marketing efforts (Dwivedi et al., 2018), significantly influencing consumer decisions, allowing users to explore (Chen & Xie, 2018), and sharing information about products and services (Merz et al., 2018).

Social media also plays a crucial role in digital marketing as a digital influencer (Mavroudis, 2018). Effective marketing strategies involve branding products online through business accounts and advertisements on social networking platforms (De Vries & Carlson, 2019).

Within the realm of social media, certain users actively create online content, positioning themselves as opinion leaders. Their shared posts, enriched with reviews, emotions, and personal experiences, can significantly influence products, brands, and their target audience (Hsu et al., 2018), leading to the concept of 'digital influencers' (Susarla et al., 2018).

Digital influencers, recognized for their impact, are particularly prominent across various domains such as food (Song et al., 2017), travel and fashion, notably influencing the fashion industry.

In the fashion sector, influencer opinions hold significant weight, as their posts serve as inspiration for consumers, affecting their purchasing decisions (Susarla et al., 2018; Zhu et al., 2019) and overall shopping behavior. Additionally, fashion enthusiasts aid influencers in disseminating content and spreading fashion trends within their networks, leveraging the power of social media (Goldsmith & Clark, 2018; Lipsman et al., 2019).

Methodology

The proposed study examines how Instagram affects millennials' willingness to buy using a quantitative internet survey methodology. From the 164 online active users in Metro Manila, Philippines, who were Internet-savvy and were aged 27 to 42, posted in 2020 and 2021, the research sample is made up of. Among the millennials, an online poll was used to obtain a randomly selected sample that started to participate in the project voluntarily.

The present study will proceed by studying variables, which include user engagement, preferences, and the roles played by digital influencers, in an attempt to develop a more complex understanding of the workings of Instagram on the purchasing behavior of millennials.
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The study aims to state the extent to which Instagram is false in forming the purchasing habits of modern digital millennials.

Additionally, the aim is to detect any new trends or modifications in the purchasing habits of millennials' users on Instagram within the designated timeframe. Through wider coverage of the survey, it is anticipated that it will be possible to obtain fresh information on how social media is evolving and the implications accordingly for millennials' shopping habits.

**Instruments**

The survey instrument for this study comprises five quantitative scales, all structured on a Likert-scale system, where a rating of 1 represents strong disagreement and 5 denotes strong agreement. The inclusion of Lauren Reiter Copeland and Li Zhao's article on the theory of rational action and its relation to Instagram in shaping US consumers' online behavior and purchase intentions (2020) is acknowledged in this report.

However, it has been supplemented with updated insights to encompass the evolving impact of Instagram on customer purchase intentions, with a specific focus on millennials.

**Sampling**

A targeted sampling approach was employed to gather responses from Filipino millennials aged 27 to 42 years in Metro Manila, Philippines, who are active social media users. The survey, conducted online, collected 164 responses from individuals willing to participate. The inclusion of millennials in this research acknowledges the unique characteristics and preferences of this demographic, aiming to provide tailored insights into how Instagram influences their consumer purchasing behavior.

**Results**

All data collection and analysis in this study were conducted using SPSS version 25.0. To ascertain the reliability of the employed scales and achieve optimal precision in measuring the collected sample, Cronbach's measurements were applied.

The accuracy of the scales within the sample was confirmed by Cronbach's alpha scores surpassing the 0.7 threshold, aligning with established reliability standards. Subsequently, regression analysis was employed as a method to discern the variables that exert an impact on customer purchasing intent through the Instagram platform.

The reliability analysis was conducted to assess the internal consistency and dependability of various parameters within the study.

The Cronbach's alpha scores for each parameter are as follows: Consumer trust exhibited high reliability with a Cronbach's alpha of .817, based on four items. Social media use and perception achieved strong internal consistency, registering a Cronbach's alpha of .778 across three items.

The social influence of peers on SNS, specifically Instagram, demonstrated a satisfactory reliability level with a Cronbach's alpha of .751 for three items. Privacy, measured by two items, exhibited an acceptable Cronbach's alpha of .703.

The Inconveniences of Online Shopping on Instagram achieved a commendable reliability level, marked by a Cronbach's alpha of .789 across five items. For five items, the
The electronic word of mouth demonstrated satisfactory internal consistency with Cronbach’s alpha at .737.

Table 1 – Reliability analysis
(results of the author survey)

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Parameter</th>
<th>Cronbach's Alpha</th>
<th>N of Items</th>
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<td>1</td>
<td>Consumer Trust</td>
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<tr>
<td>2</td>
<td>Social Media Use and Perception</td>
<td>.778</td>
<td>3</td>
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<td>3</td>
<td>Social Influence of Peers on SNS – Instagram</td>
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<td>Privacy</td>
<td>.703</td>
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<td>6</td>
<td>Electronic Word of Mouth</td>
<td>.737</td>
<td>5</td>
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<tr>
<td>7</td>
<td>Perceived Integrity</td>
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<tr>
<td>8</td>
<td>Security</td>
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</tr>
<tr>
<td>9</td>
<td>Endorsement by Instagram Influencers</td>
<td>.864</td>
<td>4</td>
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The Cronbach’s alpha of .705 was obtained in the perceived integrity test assessed by two parameters, demonstrating acceptable reliability. Similarly, the Cronbach’s alpha of .702 was achieved by security, measured by two items.

Finally, endorsements by Instagram influencers exhibited a notably high level of reliability, with a Cronbach’s alpha of .864 across four items. Overall, these results suggest that the survey instrument used to measure various parameters in the study is internally consistent and reliable.

The correlations between both dependent and independent variables are revealed by the regression analysis’s coefficients. The standardized coefficients (Beta) show the relative intensity of each variable’s influence on the dependent variable, whereas the unstandardized coefficients show the size of the effect. In the presented model, the constant term is -.517, and its non-significant p-value (.459) suggests that, without considering other variables, the model does not significantly predict the dependent variable.

Among the predictors, the social influence of peers on Instagram (SIPI) has a positive and significant impact (B = .245, Beta = .226, p = .045), suggesting that an increase in social influence positively affects the dependent variable.
Conversely, endorsement by Instagram influencers (EII) demonstrates a negative and significant relationship ($B = -0.122$, beta = -0.103, $p = 0.038$), indicating that higher endorsement levels by influencers are associated with a decrease in the dependent variable.

The Security (SEQ) variable exhibits a positive and significant impact ($B = 0.310$, Beta = 0.326, $p = 0.022$), highlighting its role in positively influencing the dependent variable.

The Purchase Intent (PI) variable, although not statistically significant ($p = 0.076$), has a negative impact ($B = -0.209$, Beta = -0.200), suggesting a potential influence on the dependent variable. Trust (TRT) shows a strong positive association ($B = 0.485$, Beta = 0.443, $p = 0.000$), indicating a substantial positive effect on the dependent variable. The inconveniences of online shopping on Instagram (IOSI), privacy (PRIV), and electronic word of mouth (EWOM) exhibit non-significant relationships with the dependent variable, though EWOM approaches significance ($p = 0.037$).

Overall, these coefficients provide a detailed understanding of the impact each variable has on the dependent variable in the regression model.

**Discussion**

The research utilized a quantitative online survey methodology to examine the impact of Instagram on the purchase intent of millennial consumers. Between 2020 and 2021, 164 responses from Filipino millennials in Metro Manila, Philippines, who were classified as frequent users of social media and were between the ages of 27 and 42, were gathered. This comprehensive approach aimed to unravel the intricate dynamics of millennials' purchasing decisions on Instagram, considering factors such as user engagement, preferences, and the role of digital influencers.

The survey instrument, consisting of five quantitative Likert-scale measures, was designed to capture the diverse facets of consumer behavior on Instagram. The incorporation of Lauren Reiter Copeland and Li Zhao's insights, with necessary updates, ensured the instrument's relevance and alignment with contemporary trends, particularly focusing on the millennial demographic.

The targeted sampling approach yielded responses from millennials who are active social media users, ensuring that the study captured the distinct characteristics and preferences of this demographic. The results from the reliability analysis demonstrated the internal consistency and reliability of the survey instrument. Notably, parameters such as consumer trust, social media use and perception, and endorsement by Instagram influencers exhibited high levels of reliability, reinforcing the robustness of the study's measurement tools.

Moving to the regression analysis, SPSS version 25.0 was utilized to discern the variables influencing customer purchasing intent through Instagram.

The coefficients revealed valuable insights into the relationships between independent variables and the dependent variable. Notably, the social influence of peers on Instagram (SIPI), trust (TRT), and security (SEQ) emerged as significant predictors, each contributing positively to customer purchasing intent.

On the other hand, endorsement by Instagram influencers (EII) exhibited a negative influence, indicating that higher endorsement levels led to a decrease in customer purchasing intent.
In summary, this study offers insightful information on the intricate world of millennial Instagram user behavior. The combination of a robust methodology, a comprehensive survey instrument, and a detailed analysis of coefficients enhances our understanding of the factors influencing purchasing decisions in the digital age. The findings contribute to the evolving field of social media research, guiding marketers and businesses in effectively navigating the dynamic landscape of consumer behavior among millennials on Instagram.

References:


