

IMPACT OF INSTAGRAM ADVERTISING ON CONSUMER BEHAVIOUR

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Abstract

The study was conducted in order to understand the impact of Instagram advertising on consumer behaviour of the Punjab Region. The aim of the study is to analyse the impact of advertisement shown on Instagram on their purchase decision. What attitude consumers have towards the advertising on Instagram? The results revealed that Instagram advertising helps the consumer in their purchase decision and even pushes them towards impulse buying. Moreover the mean value of consumer attitude towards these advertising indicates that they have highly positive attitude towards the Instagram advertising. In addition to this there is no significant difference between the attitude of males and females towards the Instagram advertising. There is significance difference between the attitudes of consumers falling under different age groups. Further adding there is no significance difference between the perceptions of consumers having different family income towards these Instagram advertising.

Keywords: - Social Media Advertising, Instagram Advertising, Perception, Attitude, Consumer behaviour, Influence.

1. Introduction

21st century is the era of Digitization where everything is going to be digitized be it the education system or the business. With the advent of internet the way old way of one way communication transformed into two way communication, peer to peer communication (Berthon, Pitt, and Campbell 2008). On the average 1.3 million new users joined social media on the daily basis. With the increasing use of social media platform it is essential to study what impact the social media advertising has on consumer behaviour. How these social media marketing make the consumer aware of the products and change the consumer perception and attitude towards the brand and the particular product. The concept of marketing is continuously evolving with the changing needs of consumers and to adapt with the changing

environment there is shift in the traditional way to new paradigms of business (Dr. M. Saravanakumar et al., 2012).

Traditionally consumer used to see advertisement in newspaper, radio and Television. Television is still mass media marketing. But with the increase in social media users, there is an increasing trend of social media marketing. According to the Market hub 2016 various social media platforms such as Instagram, Facebook, twitter, influencers on YouTube are used to communicate the information about launch of products and for the promotions of product. Even companies are paying to celebrities to promote their brand on social media. Social media helps the marketers to understand the consumer behaviour and helps to understand why consumers behave in a particular manner. What types of ads consumers are seeing on social media helps the marketers to understand their preferences. These social media advertisement helps the brand to create top mind awareness in the mind of consumers.

In addition to this social media helps the marketers to target particular set of consumer. It helps the marketers to make consumer more aware about the product and change his negative attitude towards the product. Social media increases the consumer involvement as more ads are exposed to them. We can study the long term impact of these advertisements on consumer preferences, choices and their buying decision. For example we can examine the effect of advertisement on buying behaviour, whether the sales will increase or not? What was the effect on buying behaviours when advertisements are not provided on social media?

Furthermore technology has great impact on the business in the cut throat competition. Social media is used by all business in order to survive in the market. All big brands are promoting their products online in order to have more customer engagement and long term relationship. Social media makes it easier to connect with the consumers all over the country and as the trend of mobile phone is accelerating it is very essential to study the need and the impact of this platform on consumer behaviour. It's not only benefit the company but helps the customers to get the advantage from the comments and post on social media (Cha, 2009). Before buying any product consumers used to see reviews or feedback before actual buying product. EWOM i.e. electronic word of mouth is a buzz that is used by marketers to engage the customer more in the advertising. With the advent of internet consumers used to share their opinions about the particular product or services. EWOM can be positive or negative. Study done by Mohammad Reza Jalilvand Sharif ShekarchizadehEsfahani, NedaSamiei (2010) shows EWOM has direct impact on consumer purchase decision as the way information is transmitted to consumers keep on changing.

So, Social media platform makes consumer aware of the prevailing offers during the festive season or off season. Marketers run various campaigns on different platform to engage more and more customer keeping in mind all the factors that influence the buying behaviour of consumer. So this paper mainly focuses on how the Instagram Advertising helps the consumer in buying the product. Whether these advertisement helps the consumers to remember the brand whenever they are in search of a particular product. This study

contributes towards the behaviour of consumer and to gain insights about the impact of Instagram Advertising on the consumers.

2. Literature Review

With the increasing trend of smartphones and more no of social media users its analysis become more relevant in today's scenario. The users tend to increase by 2025. Various researchers have made their contributions towards the impact of social media advertisement on consumer attitude, perception and their ultimate purchase decision.

Impact of Social Media Advertisement

Social media platform is a great opportunity for the marketers where they can shape the consumer discussions and aligned it to the organizational goals. It is a platform where the marketers can communicate and retain the customers for a long time. It is a two way channel where dissatisfied customer can protest and share the bad word of mouth which may ruin the company image. So Company need to align their marketing strategies according to the global marketing strategies by matching the people profile with the target consumer (Dr. M. Saravanakumar, Dr. T. Sugantha Lakshmi (2012)). Author Denni Arli (2017) supports this notation that Social media platform has strong impact on attitude of consumer. It provides the necessarily information and influences the purchase decision. It increases the consumer loyalty towards a particular brand. The study was done in Australia through the online survey. Social media increase the consumer motivation and improves the perception of consumer which further increases the chances of purchase revealed by the authors Shariful Islam and Mohammad Iqbal (2018) in their study. Further to understand the advertising value and consumer attitude towards it through advertising value model by the authors Yogesh K. Dwivedi, Nripendra P. Rana, Rubina Islam (2017). They found that social media marketing are very effective and can persuade the consumer to build a positive attitude towards it. Using the grey system theory by the authors Gheorghe Orzan, Elisabeta Ioanas, Camelia Delcea, Mihai Cristian Orzan to study the impact of social media advertising campaigns on consumer purchase decision reveals that there is positive strong impact on consumer of the message exposure by these campaign. So, adopting social media strategies by focusing on consumer perspectives is important for the marketers [Kristina Heinonen (2011)].

An interesting study by the authors Ashish Kumar, Ram Bezawada, Rishika Rishika, Ramkumar Janakiraman and P.K. Kannan (2015) from social to sale the Firm Generated Content (FCG) has positive and significant impact on consumer behavior. It also suggests that FCG has positive impact and its receptivity is quite large and social media provides the facility of like and comment which makes FCG more effective. Further narrowing the study by the authors Taanika Arora, Bhawna Agarwal and Arvind Kumar (2018) to investigate the behaviour of millennial in Delhi NCR about how brand use social media advertising to influence the millennial and how millennial are parting their ways from traditional methods and entering into virtual world where they use blogs, tweets, post to gather information about the product. The role of social media on consumer preferences reveals that there is significant

impact of EWOM, perceived quality on the consumer preferences. Another findings of the study is that social media is a platform where the consumer can share their experiences, feedback and opinions. Through this various groups interact with each other on social media platform and these group influence the consumer preferences (Fazle Malik, Muhammad Asif and Said Wali (2016))

Impact of Social Media Advertising on Brand equity, awareness, attitude and loyalty

Authors Schivinski, Bruno and Dabrowski D. (2016) had discussed that both brand equity and brand attitude has positive impact of social media advertisement. Both the brand equity and brand attitude has further positive impact on purchase decision. Further authors C Bond , C Ferraro , S Luxton ,S Sands supports the notation that social media is a powerful tool for brands to engage more and more customers . He stated that these advertising have powerful impact on brand loyalty and engagement and social media advertisement has positive impact in creating brand awareness whereas there is no exact relation between brand image and social media advertising. Further there is positive relation between brand image and brand awareness. More the brand awareness, more good the image of brand among the consumers , more will be the positive attitude towards brand people has. Thus it can be concluded that social media advertisement helps in creating consumer aware about the particular product which further helps in creating brand image and to develop a positive attitude .This correlation study by the authors BulutDulek ,RehaSaydan (2019) is very effective in understanding the impact of social media advertising on brand. Further the research conducted by authors Adam Rapp, Lauren Skinner Beitelspacher ,Dhruv Grewal, Douglas E. Hughes (2013) suggests that there is huge contribution of social media advertising in order to regain customer loyalty and to improve brand performance . The author Abdullah Awa Alhaddad (2015) in his study shows that there is an impact of social media advertising on brand awareness and brand image. It also has effects on brand equity. So the company can create more awareness about their brand on social media. People recall the advertising elements shown on social media which helps in remembering the brand.

3. Need of study /Research Gap

Companies are spending huge budget on social media advertising. So it becomes important to study the relevance of these advertisements on consumer preference, attitude and their behaviour. This study is focusing on advertisement shown on Instagram .What factors affect the consumer behaviour which in turn leads to ultimate purchase decision? The study is being conducted on the People of Punjab Region. What impact Instagram advertising has on consumer behaviour?

Research Objective

- To analyse the impact of Instagram advertising on consumer preferences.
- To analyse the perception and attitude of consumer towards Instagram advertising.

- To analyse the how the Instagram advertising influence the consumer to ultimate purchase decision.

4. Research Design

Type of research: - This study was conducted with descriptive research design.

Research Design:-Data is collected from primary source. Online survey is conducted through the questionnaire method.

Sampling design: - Population targeted is the people of Punjab State.

Sample Size: - The sample size of 170 respondents is collected from the People of Punjab State.

Statistical design: - Descriptive statistics

Hypothesis

H0 1:- There is no significant difference between the attitude of male and females towards Instagram advertising.

H0 2:- There is no significant difference between the attitude of respondents of different age groups towards Instagram advertising.

H0 3:- There is no significant difference between the perception of respondents having different family income towards Instagram advertising.

5. Research Methodology

The purpose of study was to understand the affect of Instagram advertising on consumer behaviour. How much time they spent on Instagram? Whether Instagram advertising helps in making consumer aware of their needs , influence their purchase decision ? Whether they consider Instagram advertising trustful?

Questionnaire method is used to collect the primary data with the help of self designed survey. The study was conducted in order to understand the affect of advertising on the people of Punjab region. For this sample of 170 respondents has been taken from the people of Punjab region.

6. Data Analysis

In this research to obtain the results T – test and Analysis of Variance (Anova) is applied.

T test is the statistical test for testing hypothesis and to determine is there any significant difference between the mean of two groups. There are three types of t –test :- one sample t test , two sample t test and paired t test. In this research two sample t test or independent sample t test is applied. This test is applicable with different sample size taken from two different populations.

Analysis of variance (Anova) is a statistical technique to study the significance difference between the means of 2 or more samples. It is applied where the population from sample is normally distributed. Analysis of variance is of two types:- One way and two way Anova. In this research One way Anova is applied. One way Anova test is used to check the influence of one independent variable on different sample group.

For studying the demographic variables of the consumer data of age, gender, occupation family income has been collected.

Table 1:- Descriptive Statistics

| Categories | | Numbers | Percentage |
|------------------------------|---------------------|---------|------------|
| Gender | Male | 78 | 46 |
| | Female | 92 | 54 |
| Age Group | 15-25 | 86 | 50.5 |
| | 25-35 | 41 | 24.1 |
| | 35-45 | 43 | 25.2 |
| Occupation | Student | 55 | 32.3 |
| | Salaried | 48 | 28.2 |
| | Self Employed | 31 | 18.2 |
| | House Maker | 36 | 21.1 |
| Family Monthly Income | Below 30K PM | 41 | 24.1 |
| | Between 30k -60k PM | 59 | 34.7 |
| | Between 60K-90K PM | 41 | 24.1 |
| | Above 90,000 PM | 29 | 17.7 |

Descriptive statistics is shown in Table 1. Out of the total no of respondents 46% are male whereas 54% are female. 86 respondents out of 170 are from age group 15 to 25 years of age, 41 are from 25-35 years of age and 43 are from 35 to 45 years of age. 28.2% respondents are salaried person, 18.2% are self employed and 21.1% are house maker. 24.1% of the respondents have family income below 30K per month, 34.7% respondents have

family income between 30k to 60k per month. 24.1% have between 60k to 90k per month and 17.7% have family income above 90k per month.

Attitude of Consumers towards Instagram advertising

Table 2:- Mean Score of respondent's response

| Mean Score of Respondent's Attitude towards Instagram advertising | | |
|--|------------|--------------------------|
| Statements | Mean Score | Inference |
| Instagram advertising provides you actively information about the products/ services. | 3.71 | Highly Positive Attitude |
| Instagram advertising has a compelling influence on the purchase decision. | 3.87 | Highly Positive Attitude |
| Instagram advertising as a source of information about various products is trustful | 3.54 | Highly Positive Attitude |
| I look out for the opinion about products / services shown on advertisement on Instagram. | 3.85 | Highly Positive Attitude |
| I use Instagram advertising for comparing different alternative before making the final Purchase decision. | 3.86 | Highly Positive Attitude |

Table 3:- Group Statistics

| | Gender | N | Mean | Std. Deviation | Std. Error Mean |
|--------------------|----------------|-----|-------|----------------|-----------------|
| Total score | Males | 51 | 18.43 | 3.601 | .504 |
| | Females | 119 | 18.99 | 3.623 | .332 |

Table 4:- Independent Sample T-test result on the attitude of male and female

| | | Levene's Test for Equality of Variances t-test for Equality of Means | | | | | | | | |
|--------------------|------------------------------------|---|------|-------|--------|--------------------|------------------------|--------------------------|---|-------|
| | | F | Sig. | t | df | Sig. (2-tailed) | Mean Differenc e | Std. Error Difference | 95% Confidence Interval of the Difference | |
| | | | | | | | | | Lower | Upper |
| Total score | Equal variances assumed | .010 | .921 | -.926 | 168 | .356 | -.560 | .605 | -1.755 | .635 |
| | Equal variances not assumed | | | -.928 | 95.194 | .356 | -.560 | .604 | -1.759 | .639 |

Inference:-

The data presented in table 2 is the result of the mean value of the respondent's attitude towards Instagram advertising. The above mean value shows that respondents have highly positive attitude towards the advertisement shown on Instagram. They have positive attitude as the responses revealed that Instagram advertising provides them reliable information and the information shown is highly trustful. Moreover it influences them towards purchase decision. They have positive attitude when respondents have to look for more opinions or to compare the alternative available and they prefer Instagram advertising for the same. The data presented in Table 4 is the result of paired t-test conducted for H01. As the significance value is much higher than 0.05 thus we accept the Null Hypothesis that there is no significant difference between the male and female attitude towards Instagram advertising.

Table 5:- Result of Anova on the attitude of different age groups towards Instagram Advertising

| | Sum of Squares | df | Mean Square | F | Sig. |
|-----------------------|----------------|----|-------------|-------|------|
| Between Groups | 216.652 | 3 | 72.217 | 6.018 | .001 |

| | | | | | |
|----------------------|----------|-----|--------|--|--|
| Within Groups | 1992.054 | 166 | 12.000 | | |
| Total | 2208.706 | 169 | | | |

The data presented in Table 5 shows the result of one way Anova test applied on the different age groups for the HO2. The test is applied on the different age group such as 15-25, 25-35, 35-45 and 45-55 years. As the significance value is less than 0.05, we reject the Null Hypothesis and accept the Alternate Hypothesis that there is significant difference between the attitude of different age groups towards Instagram advertising.

Perception of respondents (having different family income) towards Instagram advertising

Table 6:- Analysis of Variance Results of Perception score

| | Sum of Squares | df | Mean Square | F | Sig. |
|-----------------------|-----------------------|-----------|--------------------|----------|-------------|
| Between Groups | 12.221 | 3 | 4.074 | .531 | .661 |
| Within Groups | 1272.726 | 166 | 7.667 | | |
| Total | 1284.947 | 169 | | | |

Data presented in the Table 6 is the result of the One way Anova test applied on the respondents of different family income for the Hypothesis HO3. The significance value is much higher than 0.05. Therefore we accept the Null Hypothesis that there is no significant difference between the perceptions of respondents having different income group. The perception of the respondents whether the family income is below ₹30,000, Between ₹30,001- ₹60,000 , Between ₹60,001- ₹90,000 or Above ₹ 90,000 PM has no significant difference towards Instagram advertising .

7. Findings of the study

- **Maximum**
respondents agree that presence of Instagram advertising is important for them and most of them believe that these advertisement has more credibility than on other mass media.
- **Most of the**
respondents feels that Instagram advertising sometimes trigger and pushed them to impulse buying, even it sometimes help to recognise the need of the respondents.

- Maximum respondents sometimes search information on Instagram if they face any uncertainty and even the information got from Instagram makes their purchase decision reversed.
- Most of the respondents agree that sometimes Instagram advertising influence them to change their preference.
- Respondents have highly positive attitude towards the Instagram advertising and they consider the information shared on Instagram is trustful and reliable. Moreover there is no significance difference between the attitude of both males and females towards the Instagram advertising.
- From the above test it is evident that there is no significance difference between the perceptions of respondents having different family income towards Instagram advertising .It is evident that there is significance difference between the attitudes of respondents of different age group towards Instagram advertising.

Limitations of the study

- First , apart from demographics factors such as age gender, occupation, family income other factors can also be taken to understand the consumer behaviour towards Instagram advertising .
- Second, The results or data has been based on the basis of generalisation not on the basis of specific Ads which may differ in other cases.
- Third, the study focuses on impact of Instagram advertising on consumer so results can be differ in case of other platforms such as Facebook, YouTube etc. Last but not least, the sample size can be increased to have more reliable results.

Conclusion

Instagram advertising is important for the consumers of Punjab state and they prefer Instagram advertising for comparing the different alternatives available and the information collected is helpful to make the particular purchase decision. Whenever they have to make the purchase decision they visit the Instagram to collect the information and try to look for different opinions to reach at the particular decision. Instagram advertising also makes Consumers aware of the products available in the market and impacts their preference too.

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