

*Örgütsel Davranış Araştırmaları Dergisi* Journal Of Organizational Behavior Research Cilt / Vol.: 3, Sayı / Is.: S2, Yıl/Year: 2018, Kod/ID: 81S274



# EXAMINING THE EFFECT OF INSTAGRAM SOCIAL NETWORK ADVERTISING ON PURCHASE INTENTION

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ABSTRACT

The purpose of the study was to examine the effect of Instagram social network advertising on PI of students of universities of Guilan. The study method was descriptive-survey. Cochran formula for unlimited population was used to determine the sample size with 384 people selected as the sample using non-random convenience sampling. The level of analysis was individual in the study. In the descriptive statistics, spss was used with Smart PLS software used for data analysis given the non-normal distribution of the data. The results showed that the order of importance for users was first creativity in advertising, then the content of the information and, finally, the attractiveness of advertisement, which were key factors in the effectiveness of the advertisement in generating the positive response of users and the second one was the intention to express the feeling "positive response of the user" with a positive relationship with PI.

Keywords: Social Networks, Advertisement, Expressing Feelings, Users' Behavior, PI, Advertisement Efficacy

## INTRODUCTION

Social networking sites (SNSs) are the new generation of websites that have become the focus of the Internet users' attention nowadays. Here, advertisement on social networks has become an interesting tool for enhancing and intensification of advertisement effects. Over the recent years, the significant increase in SNSs has transformed the advertising platforms from traditional media to social media (eMarketer.com, 2014). Instagram is a mobile application designed to share images and messages, where users can share their images and messages by having an online account, and as Twitter and Facebook follow other people and see shared images and messages shared. This social network was established in 2010 and purchased by Facebook in 2012. This medium has the fastest growth among social media and according to Instagram's official site in 2015 more than 400 million users were using it with over 80 million images shared per day, 71% of world-known brands use this social network, and in 2013, the ability to share videos and send images via direct message was added to this software (Guidry et al., 2015). Social networks such as Facebook, Twitter and Instagram have had significant growth with the advent of social technologies on the Internet and smartphone users. Hence, social media marketing has attracted a lot of attention in the business world, whose aim is to increase their consumption of products (Lee & Hong, 2016). Moreover, when it comes to cost, business and trade owners like to see their return on investment, especially the companies seeking profits from optimal investment in social networks. Users' positive interactions and behavior towards

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ads on social networks help increase the advertising message among users and increases awareness of the brand's features (Burg, 2013).

Nowadays, the main challenge of advertising campaigns, including marketing managers and advertising camps in most countries including Iran, is in the field of social networks. They need to know using what factors in advertising increases the willingness of users to show positive behavior with marketing managers seeking to answer whether the positive behavior of the users leads to PI. The concept of positive behavior by a user to a publicity advertisement on this social network is referred to as a behavioral consequence. For example, it is determined with the number of likes, sharing, or the user's showing support to the idea (Lipsman et al., 2012). Moreover, evaluating the effectiveness of advertising campaigns on social networks, and their profits and benefits intended can be done through tracking user behavioral consequences such as the number of likes or shares (Burg, 2013). Although encouraging consumers to like an ad will be a good strategy for advertising and marketing campaigns, there are just few studies examining the predictors of the user's attitude towards advertising on social networks. Thus, it is essential to understand and recognize the drivers of users' positive behavior. The increase in PI of the user towards a brand depends on whether the user or his friends have a positive attitude towards promoting the brand – i.e. they tend to like or share the message. About 25% of consumption participating in a survey answered that they want to buy a brand that their friends had liked (eMarketer.com, 2015). Past studies have looked at the role of users' positive behavior in social networks on users' PI. According to Gustin (2012), in this regard, not only fans of an ad that has been proactively affiliated with it, but their followers also spent more time finding out about the brand after seeing ads on Instagram and Facebook. Furthermore, according to Poyry et al., the search and participation of Facebook members have a positive effect on the purchase of that product, and their results suggest that user behavior on Facebook ads can end in PI (Poyry et al., 2013). It has been shown that a click on Facebook like leads to 4.5 times increase in sales, which equals to \$468 in revenue, which means one click of likes is at least \$ 8 in revenue (Li & Wu, 2013). In Iran, few studies have examined the direct effects of advertising, as well as the social impact of this network on user behavior. They have focused on the point that advertising that can create a positive behavior among users of this social network can increase sales returns and profits from investing, but there are no studies examining the effects of direct advertising and the effects of social media on advertising at the same time and their effect on PI and examining which factors have a greater effect on consumer PI. Therefore, this is the reason for the present study to be carried out among user students in the social network in Guilan. This study examines the positive behavior of social network user students in Guilan and their willingness to buy socially advertised product. The philosophy behind the selection of the population from among university students was because some studies have shown that the students have the highest statistics on the use of social networks and they are the highest population using social networks (Wikipedia.org, 2015). This study tries to examine the direct ads factors - ads characteristics, including the attractiveness and creativity and the information they promote - as well as the social effects of ads, including mental norm, privacy and behavior in the group simultaneously and evaluate their effects on consumer PI.

The study tries to answer the two main questions about what features of social networking sites promote positive user behavior and whether the user's positive behavior regarding the advertisement of social networking sites can be a predictor of PI.

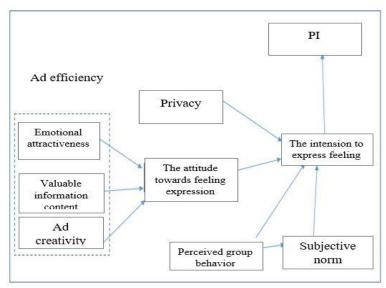


Perhaps the most important gap in the research literature is the lack of empirical evidence on a large scale, such as examining the positive behavior of the user in dealing with ads on social networks, coupled with examining PI if behavior is positive, which are of the points not studied simultaneously well enough. This is a stimulus for conducting this experimental research as a case study, so the study was done to fill this gap empirically and to draw the attention of marketing managers and advertising campaigns of Iran. Thus, the study of the effect of increasing the positive behavior of users towards social site ads on the increase in PI of that brand, as well as identifying the underlying factors for creating a positive user behavior (for example, a tendency to like or share an advertisement) are among the key reasons to do this study. As the owners of trades and business as well as investors who invest in social media sites would like to see their capital return, the results of the research were to enhance the performance of marketing companies and promotional camps, thereby helping marketing managers to target users to advertising by selecting more suitable advertising and using more social effects. Finally, the users' desire to buy those goods will increase. The necessity and importance of study are in that to achieve this, creating competitive advantage in the competitive market of marketing companies and advertising camps is carried out with the goals described below and its results are applied in marketing and advertising companies.

## **METHODS**

## Models and hypotheses

The model used in this study is derived from the structural model from the study by Lee & Hong (2016) as shown in Figure (1).



## Figure 1: Conceptual model

In accordance with the model, the following hypotheses are proposed: First hypothesis: The intention to express feeling has a positive effect on PI. Second hypothesis: emotional attraction has a positive effect on the attitude of expression of feelings.

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Third hypothesis: Valuable information content has a positive effect on the attitude of expression of feelings.

Fourth hypothesis: Creativity of advertising has a positive effect on the attitude of expression of feelings.

Fifth hypothesis: The attitude of expression of feelings has a positive effect on the intention of expression of feelings.

Sixth hypothesis: Privacy has a negative effect on the intention for expression of feelings.

Seventh hypothesis: The subjective norm has a positive effect on the intention to express feelings. Eighth hypothesis: Perceived group behavior has a positive effect on the subjective norm.

Ninth hypothesis: Perceived group behavior has a positive effect on the intention to express feelings.

## Sample size and data collection method

The present study was applied in terms of purpose and descriptive and correlational considering data collection. Moreover, the level of analysis is individual. The population of was the students of the universities of Guilan. In the present study, due to unlimited nature of the population, Cochran formula was used to calculate the minimum sample size at 5% error rate. As the number of university students in each university is unlimited, 384 subjects were selected as the sample. Since the researcher provided the questionnaires to students using the Instagram selectively, non-random convenience sampling was used. The researcher distributed 400 questionnaires among Instagram users and received 380 responses.



To formulate the theoretical foundations and the literature, library method; and for data collection from the population a field survey method (online) using the online survey tool were used. In the field method, first an ad was selected from the social site Instagram for the Samsung brand (this brand was selected because it is well known among young people and students in Iran, and because of the internationality of this brand, the researcher can expand this research to international societies) and it was tried to select the ad from this brand on the Samsung Instagram site with the highest likes. Given its informative content had a useful message, as well as creativity and attractiveness; it was the most popular among the users of the main site of Samsung. The official site of Samsung has stated this ad to have the highest likes and the highest Sharing in 2016. Firstly, the researcher became a member of the Instagram teams of the university, and then personally, for each student in the Instagram group of each university, a message was requested from the students, in support of the researcher, the questionnaire of the website that the ad was also attached and the students were also asked to respond to the advertised ad.

## Validity and Reliability

To measure "emotional attraction" variables 3 items of "valuable information content," 3 items of "Ad creativity," 4 items of "perceived group behavior," 3 items of "subjective norm," 4 items of "privacy," 3 items of "attitude towards expressing feelings," 3 items of "the intention to express feelings," and 3 items of "PI" of 2 were used. Accordingly, the research questionnaire consisted of 28 questions. The reliability of the questionnaire was used by Cronbach's alpha coefficient. In this study, the alpha value was more than 0.7 showing the reliability of the research questionnaire (Ebrahimi et al., 2017; Ebrahimi and Mirbargkar, 2017). Regarding the validity of measuring models, construct validity with the help of factor loadings was used, which as factor loadings for each item was more than 0.4 (Ebrahimi et al., 2018a, Ebrahimi et al.,

2018b), the validity was verified. Moreover, the criteria introduced by Fornell and Larcker were used to examine the validity of the research model. Table 1 shows the validity of the research variables.

| Variable                             | a.   | b.   | с.   | d.   | e.   | f.   | g.   | h.   | i.   |
|--------------------------------------|------|------|------|------|------|------|------|------|------|
| a. Subjective norm                   | 0.79 |      |      |      |      |      |      |      |      |
| b. Privacy                           | 0.37 | 0.70 |      |      |      |      |      |      |      |
| c. Emotional attraction              | 0.29 | 0.18 | 0.86 |      |      |      |      |      |      |
| d. Advertising creativity            | 0.37 | 0.29 | 0.67 | 0.87 |      |      |      |      |      |
| e Information Content                | 0.45 | 0.27 | 0.63 | 0.61 | 0.89 |      |      |      |      |
| f. Attitude of expressing feelings   | 0.57 | 0.32 | 0.63 | 0.65 | 0.63 | 0.92 |      |      |      |
| g. The intention to express feelings | 0.51 | 0.27 | 0.67 | 0.65 | 0.58 | 0.82 | 0.92 |      |      |
| h. PI                                | 0.48 | 0.30 | 0.62 | 0.59 | 0.52 | 0.80 | 0.79 | 0.90 |      |
| i Perceived group behavior           | 0.44 | 0.53 | 0.31 | 0.40 | 0.46 | 0.54 | 0.45 | 0.47 | 0.91 |

#### Table 1: Validity of research variables

The numbers on the main diameter of the matrix are rooted of AVE. According to this criterion, if these numbers are greater than the numbers below them, the construct has a proper validity. In Table 1, all variables have good validity.

## DATA ANALYSIS

Kolmogorov-Smirnov test (KS) in SPSS was used to verify the normal status of the data. According to the results of this test, the significance level of KS for all variables was less than 0.05, rejecting the normal distribution and confirming the non-normal distribution of the variables. Regarding the fact that research variables do not have normal distribution, for the analysis of data, structural equation modeling using PLS method was used.

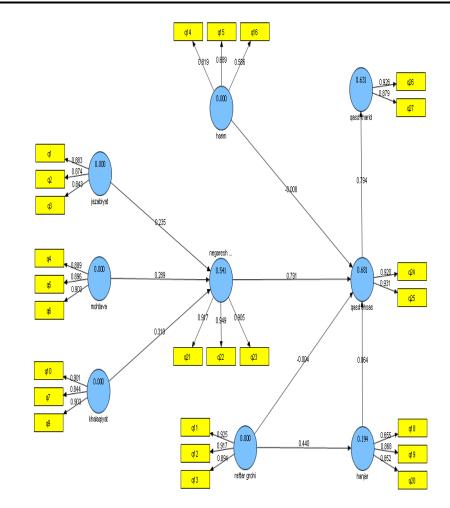
First, the demographic characteristics of the population studied were gender, age of respondents, and the history of their use of the Instagram. Table 2 shows the demographic model of the research.

| Gender                 | Frequency | Percent |
|------------------------|-----------|---------|
| Man                    | 150       | 39      |
| Female                 | 234       | 61      |
| Membership history     | Frequency | Percent |
| Less than 6 months     | 64        | 17      |
| 6 months to 1 year     | 77        | 20      |
| More than a year       | 243       | 63      |
| Age                    | Frequency | Percent |
| Less than 25 years old | 42        | 11      |
| 26 to 35 years old     | 234       | 61      |
| Older than 35 years    | 108       | 28      |

#### Table 2: Demographic Model of Research

Then, the conceptual model was plotted and tested in PLS software. Figure 3 shows the structural model of the research in the standard PLS environment with regression weights







# Figure 2: The structural model of the research in the standard PLS environment

In the structural equation model to prove the hypotheses it is necessary to have a complete fit model in the first stage (Ebrahimi et al., 2016). In the second stage, regression and correlation between independent and dependent variables are introduced. The table for fitting indicators of the model is shown in Table (3).

| Index  | Value of the index | Allowed value |
|--|--------------------|---------------|
| The ratio of Chi square to the degree of freedom CMIN / DF | 0.004              | Less than 3   |
| Normal fit index (NFI)                                     | 0.924              | More than 0.9 |
| Increasing fit index (IFI)                                 | 0.93               | More than 0.9 |
| Comparative fitting index (CFI)                            | 0.965              | More than 0.9 |
| Root Mean Square Error of Approximation (RMSEA)            | 0.043              | Less than 0.5 |

As the fit characteristics of the table above show that this model has a suitable fit, the results of the research assumptions are shown in Table (4).

 Table 4: Review of research hypotheses

|                      |      | • • |                  |             |             |
|----------------------|------|-----|------------------|-------------|-------------|
| Hypothesis<br>number | From | То  | Path coefficient | T statistic | Test result |

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| 1 | Intention to express feeling    | PI                                       | 0.79 | 41.97 | Confirmed |
|---|---------------------------------|--|------|-------|-----------|
| 2 | Emotional attraction            | Attitudes towards expression of feelings | 0.23 | 4.20  | Confirmed |
| 3 | Information content             | Attitudes towards expression of feelings | 0.28 | 5.21  | Confirmed |
| 4 | Creative Creativity             | Attitudes towards expression of feelings | 0.31 | 5.40  | Confirmed |
| 5 | Attitude of expressing feelings | Attitudes towards expression of feelings | 0.79 | 19.85 | Confirmed |
| 6 | Privacy                         | Attitudes towards expression of feelings | 0.00 | 0.19  | Rejected  |
| 7 | Subjective norm                 | Attitudes towards expression of feelings | 0.06 | 1.48  | Rejected  |
| 8 | Perceived group behavior        | Attitudes towards expression of feelings | 0.00 | 0.07  | Rejected  |
| 9 | Perceived group behavior        | Subjective norm                          | 0.44 | 8.70  | Confirmed |

As is seen in Table (4), given the results of t statistic, one can state that except for hypotheses 5, 7 and 8, other hypotheses were significant at the error level of 0.01.

#### CONCLUSION

The positive relationship between the intention to express the feeling (the user's desire for liking and sharing of the ad) and PI will be very useful for marketing and advertising managers because when users are willing to participate in the viral behavior related to an advert on social networks, their intention to buy that product or use it becomes more. Thus, marketing managers and advertising camps are suggested to use marketing techniques and the use of positive and effective factors in creating positive behavior to increase the willingness and desire of users to support their advertising because in addition to creating positive viral behavior between users and more brand recognition, it will increase sales and users' PI. It is also suggested that instead of direct focus on showcasing the ads, they engage the users to support the promotion, which increases the PI of the users leading to viral marketing. Moreover, as Instagram is software for sharing image and video and the audience is attracted to the ads with more appeal, experts are recommended to try to come up with better images and designs and attractive video clips. Hence, marketing and advertising professionals are suggested to use various aspects of attractiveness in their advertisements, such as rational attraction (including messages that show the saving, utility, and the use of the goods), the attraction of laughter (including funny and laughterinducing ads), the attraction of fear (containing the message that if the goods or services are not used, there may be financial or social risks for the individual), moral attraction (including targeted advertisements that patron some social issues), and cultural attraction (using advertisements compatible with the traditions of individuals). It is also suggested that using one of the techniques stated in attraction, attract the user to advertising and the user's support of advertising. As users have a more positive attitude towards ads with information of their needs, one of the important points offered to marketing and advertising managers is using the useful information contained in the quality and benefits of the product and services are promoted in advertisements to affect the positive attitudes of users as well as optimal purchases by consumers.



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Advertising creativity is also important in social networks and attracts the attention of consumers forcing them to have a positive evaluation of the ad, so marketers are suggested using newer, more unusual, more innovative and creative ads to attract users to their advertisements. They are also suggested using brand promotion with a newer and different idea compared to the similar brands making their attitude towards that ad more desirable, enabling the users to be more willing to have more support for brand ad or the brand itself.

Although this study was one of the first academic attempts to examine the effective factors of advertising on the Instagram social network, it was limited to a specific area of Iran. Obviously, the behavior of Iranian students cannot represent a complete representation of the behavior of all Instagram users, so it needs a wider range of research to eliminate this spatial limitation.

#### DISCUSSIONS AND CONCLUSION

While applying the effective stimuli of the ads themselves and using the elements of word of mouth, the users responded to the main stimuli of advertising, so marketing managers had better work more on their own advertising features than the issues related to word of mouth.

- In examining the hypothesis of this study, the effect of privacy on the intention to express feelings was rejected. This hypothesis is not consistent with the results of previous hypotheses. Today, one of the main concerns of users in social networks is privacy with many studies conducted in this regard including Koohi Kamali et al., 2017; Taylor et al., 2011; and Stieger et al., 2013. Finally, there was a relationship between privacy and the lack of users' desire to like the messages. In Iran, there were no scientific studies to address this issue, so the researchers see this inconsistency due to cultural differences in Iran and the countries where previous studies had been conducted. Considering the importance of this issue in social networks, the researcher suggests specifically conducting scientific studies on privacy in Iran and its effects on users' behavior.
  - The effect of the subjective norm on the intention to express feelings was rejected, whose results were not consistent with previous studies. In Iran, there have been many studies on subjective norm, including Ashtiani et al. (2011) and Azimi and Gholipour (2015) whose results showed the relationship between the subjective norm and the desire of users to likes messages. However, in Iran there have been no studies on examining the effect of the subjective norm and the direct effect of advertising on the users, so the researcher believes that when the Iranian user faces a particular advertisement considers the quality and characteristics of the advertisement, and if he is willing to likes the ad, then the comments of his friends and important people will not affect him. Hence, it is suggested that other researchers study this issue in Iran and examine the direct effect of advertisement and the effect of the subjective norm on users' ideas.

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