THE INFLUENCE OF INSTAGRAM SHOP FEATURE ON PURCHASE INTENTION OF INSTAGRAM USERS

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ABSTRACT
This study aims to determine what factors influence consumers in using one of the features in Instagram, namely Instagram Shop. The researcher used the data collection method in the form of a survey where 400 respondents filled out the questionnaire. For the data analysis method, the researcher uses the PLS-SEM method and the Smart PLS application where Smart PLS is an application that uses data processing calculations on the PLS-SEM basis. PLS-SEM is a methodology that is accepted by many disciplines. Of the accepted hypothesis, only 3 and all three are interconnected, Interactivity can affect a person’s desires and it can be called Hedonic Motivation. If you have high Hedonic Motivation, the desire to buy can be helped by perceived usefulness, where technology is useful for users when shopping. So the researchers concluded that this feature is actually pretty good and helps stores promote their wares, but is rarely used on Instagram Shop.

Keywords: Purchase Intention, Social Media, E-Commerce, Instagram Shop

INTRODUCTION
Amidst the COVID-19 pandemic, customers’ behavior in purchasing has changed. It is due to the ‘New Normal in which people’s activities are limited due to social distancing. It led people to do every activity in their homes (Cahya Puteri Abdi Rabbi, 2021). Consequently, a lot of products and services are being sold digitally. For example in China, during the pandemic, the government suppressed the spread of the virus by providing supplies to help people because the income of their citizens was reduced, and the supplies were given in the form of vouchers that could be used
on the E-Commerce platform (Lv et al., 2020). The same goes in Indonesia, since the COVID-19 pandemic, from 2020 to 2021, according to news from ekonomi.bisnis.com, it is stated the number of MSMEs that have started selling online has skyrocketed compared to the previous year. It is proven from the number of MSMEs that have started or are selling online at 4.8 million and by mid-2020 the number of MSMEs selling online is 3.8 million (Sukarno, 2021).

One way to sell products and services on E-Commerce digitally is by using social media. To maintain relationships with customers and provide products information, sellers or companies can use social media to communicate with both loyal customers and the one who indicated as new customers (Oncioiu et al., 2021). Instagram is one of the social media platforms that is widely used. It is proven by a report from Facebook Inc, which stated that Instagram already has 2 billion active users (Ryanto, 2021). In Indonesia, there are almost 100 million users who use Instagram and 53.1% of them are women. This figure shows that Instagram has a lot of Indonesian users and making it a suitable social media to promote products and services. Another study from Djafarova & Bowes, (2021) has stated that Instagram is a suitable social media platform that can be used to sell and promote products as well as services due to having the ‘Post’ feature.

Though Instagram has been widely used in Indonesia and the ‘Post’ feature is already well-known globally, there is still no research regarding the ‘Instagram Shop’ feature. According to Fox Business media, Instagram Shop is a new feature to support business or it also can be called an ‘E-Commerce application’. Instagram tried to make a feature similar to E-Commerce and named it ‘Instagram Shop’ (Ann Schmidt, 2020).

Previous studies have proven that social media have an impact on the customers’ purchasing intention. Research conducted by Alalwan (2018), stated that performance expectations, hedonic motivation, interactivity, completeness of information, and relevance have a relationship with customers’ purchasing intention. A study conducted by Sreejesh S (2020) also stated that messages in social media can affect the buying interest of social media users. With a lot of previous research which analyzed the impact of social media on customers’ purchasing intention, on the other side, there is still no research on how Instagram Shop Feature impact. This fact led the writers’ interest to analyze Instagram Shop's impact on customers’ purchasing intention.

This study aims to analyze the factors which impact customers’ purchasing intention while they are Instagram Shop. With the hope of enriching studies in social media, this study will also investigate whether social media has a direct impact on customers’ purchasing intention. Besides that, this study will give a big picture about what factors impact customers’ purchasing intention while using Instagram Shop since all the respondents are Instagram users. It means this study might suggest how Instagram Shop should be designed to attract customers. This study will be conducted with the quantitative approach by using questionnaires as a collection data method and PLS-SEM to analyze the results.

**METHOD**

This section talks about the method used in this study while also explaining the literature review that will be the foundation for this research. Below are the explanation of some
Theories, hypothesis development, and methods used.

Referring to the Information Systems Concept, E-Commerce has the meaning of buying and selling goods and services via the internet which includes financial services between businesses, consumers, governments, or non-profit organizations. If prospective customers purchase E-Commerce, the approved transaction will enter the seller's website (Wallace Patricia, 2015). E-commerce has many types of transactions which are Business to Consumer (B to C), Consumer to Consumer (C to C), and Business to Business (B to B).

E-Commerce has technology that provides facilities to connect customers and sellers. This is due to the presence of information systems that play a very important role in determining the technology owned by E-Commerce so that it can run according to the right business processes (Wallace Patricia, 2015). Hence, E-Commerce has a close relationship with technology.

This study also stand on the concept of Online Engagement. E-commerce uses online engagement to maintain relationships with and between users. Online engagement is the activity to maintain the relationship between a company and its customers. Online engagement activities usually use internet-connected tools such as social media (Oncioiu et al., 2021). Online engagement is an effective way to keep users’ loyalty in using the products or services by maintaining the relationship with the companies. There are so many forms of online engagement, one of them is using live streaming as a tool to communicate with users (Hu & Chaudhry, 2020).

The concept of social media is also the foundation of this study. Social media is a tool to convey information from one person to another or a group, to achieve individual or group goals. Social media has great power in society. The general function of social media is for transferring information easily and effectively (Alnsour et al., 2018). Various information can be transferred through social media, ranging from news, entertainment, entertainment, and others. Social media is widely used by media and individuals to spread information or other things that aim to show new things that other people can be interested in (Alnsour et al., 2018).

Social media can be used as a tool to connect with customers and each of them has its uniqueness in communicating with its users. For example, Twitter users usually convey their message in short or packed sentences, while Instagram users usually can use longer sentences and pictures to express their messages. Tiktok users usually use sound or music to make their message interesting, while LinkedIn users usually use more formal language to attract other users since LinkedIn is for professionals. Based on these facts, it can be concluded that each social media has its uniqueness in engaging with its users.

Next is about Hedonic-Motivation System Adoption Model (HMSAM) which refer to a specific support model of the Hedonic-Motivation System (HMS). HMSAM is contextualized for a hedonic system where the emphasis on joy and immersion is only a theoretical contribution. Other factors such as perceived ease of use and usefulness are also impacting behavioral intention to use.

According to Viswanath Venkatesh and Fred D. David (2000), perceived ease of use is the degree to which a person believes that a system requires light effort. Perceive ease of use can be measured through the following indicators: easy to learn, easy to use by
users, improving skills, and easy to operate (Gunawan et al., 2019).

According to Venkatesh and Fred D Davis according to the TAM theory (2000), perceived usefulness is the confidence level a person has when using a system where people believe that the system used by them will improve their performance. Perceive usefulness is measured by the following indicators: improving work performance, increasing productivity, effectiveness, being useful, and facilitating work (Gunawan et al., 2019).

This led to the next theory of Hedonic Motivation that refer to a feeling of pleasure, excitement, which is stimulated by using technology (Alalwan et al., 2015). This is due to attitudes from customers such as experience, prestige, pleasure, social status, sensation, and social image. Hedonic motivation is divided into several dimensions (Novela et al., 2020):

(1) Shopping Idea, purchasing activities as a means to develop knowledge about new trends and fashions that are trending, as well as to see innovations and new products available in the market.

(2) Gratification Shopping, purchasing activities that aim to release tension, relieve sad moods, and eliminate negative energy associated with diversion and self-esteem.

(3) Value Shopping, purchasing activities that aim to achieve better value by getting cheaper prices, looking for price discounts, and hunting for products or services that have the lowest prices.

Entertainment is also a concept that is used in this study which refer to a vital aspect in determining the attitude of customers towards the content created and has an important role in determining whether customers feel entertained, or happy. Entertainment has a definition as an activity that can entertain or please others who see our content or activities that can talk to buyers who can please them (Chen et al., 2020).

Next is interactivity which refers to the level of involvement of customers and sellers. Interactivity also has a psychological element in it, which consists of two dimensions, namely (1) the psychological dimensions of the audience whether it has worked well and (2) the viewer's view of the interactive level of the media or images or videos that he uses (Bao et al., 2016). Interactivity focuses on the perspective of communication and response to content posted by users (S et al., 2020).

Social media has a goal to provide relevant and effective content to provide relevant and clear information so that it can assist consumers in making decisions while choosing the product to be purchased or not. Therefore, the content presented on social media, such as images and videos, must be able to describe a product clearly and not confuse customers. In other words, informative content has a good effect on the quality of content for promotional purposes on social media (Chen et al., 2020).

Thus, this led to the concept of Credibility which often becomes a reference for customers if they want to buy or use a product or service. It is because it shows whether the information mentioned can be trusted or not. If the information is communicated well, it will make the customers well-understand and they are very interested in the products offered (Sokolova & Kefi, 2020).

This study chose Instagram as the digital platform. Instagram is a social media that focuses on images and videos
created or uploaded by every individual who has an account (B. Kim & Kim, 2019). Instagram itself has many ways to promote, one of which is sharing photos and videos containing service or product advertisements (Amornpashara et al., 2015). Many ways can be used to do promotions on Instagram. The advertisements displayed on Instagram are the same as the posting form generally, except that there is writing indicating that it is an advertisement and there is a button that can open the link that has been included (Amornpashara et al., 2015).

One of the new features in Instagram is ‘Instagram Shop’. This feature allows users to shop and sell easily through photos and videos owned by users across Instagram (Instagram, n.d.). One of the features on Instagram Shopping, which was officially released in early October, allows users to search for the products and brands they are interested in because the system displays products or brands that are usually followed or relevant to users. Besides, based on the user’s history, it will also show recommended business accounts by Instagram in Shops Directory (SIRCLO, 2020).

Next is about the hypotheses development. Based on literature reviews on books and previous studies, this study developed some hypotheses that will be tested. The variables used in this study are Hedonic Motivation, Entertainment, Interactivity, Informativeness, Credibility, Perceive Usefulness, Perceive Ease of Use, and Customers’ Purchasing Intention. Hence, the hypotheses proposed are:

**H1:** Hedonic Motivation has a positive influence on customers’ purchasing intention

**H2:** Entertainment has a positive influence on customers’ purchasing intention

**H3:** Interactivity has a positive influence on Hedonic Motivation

**H4:** Interactivity has a positive influence on customers’ purchasing intention

**H5:** Informativeness has a positive influence on customers’ purchasing intention

**H6:** Credibility has a positive influence on customers’ purchasing intention

**H7:** Perceive Usefulness has a positive influence on customers’ purchasing intention

**H8:** Perceive Ease of Use has a positive influence on customers’ purchasing intention

Based on the eight hypotheses above, below is the figure that shows the research model in this study:

![Figure 1. Research Model](image)

This study used a quantitative approach and questionnaires to collect the data from the field. The reason behind the chosen method is that the respondents were Instagram users in...
JABODETABEK, which means that the location of the respondents is not wide but it has residents from other cities who work in the area. The number of targeted respondents is 400. The reason behind this number is that the researcher wants to get more accurate data in the final results since the more data obtained, the greater the accuracy of the final results that will be achieved.

RESULTS AND DISCUSSION

Based on the distributed questionnaires, 431 respondents answered, and, only 402 respondents met the criteria and were considered valid. There are (51.2%) male population and (48.8%) female population. The majority of the respondents were aged 20-24 years (38.3%) and >30 (32.3%). Characteristics regarding Instagram and Instagram Shop are 93.2% of the respondents are Instagram users, 80.2% know about Instagram Shop, and only 49.2% are Instagram Shop users.

In quantitative research, the collected data need to be checked for its validity and reliability. To check the validity of the questionnaires, they need to be tested with AVE value or Average Variance Extracted which should be above 0.5, and Cronbach Alpha, rho A and for reliability, the value of composite Reliability must be above 0.7. Below is the table that concluded all the results of validity and reliability analysis.

<table>
<thead>
<tr>
<th>Cronbach's Alpha</th>
<th>rho A</th>
<th>Composite Reliability</th>
<th>Average Variance Extracted (AVE)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CRED</td>
<td>0.762</td>
<td>0.770</td>
<td>0.847</td>
</tr>
</tbody>
</table>

Based on the table above, it can be concluded that the questionnaires that are used in this study are valid and reliable. For additional information, CRED stands for credibility, ENT for entertainment, HM for Hedonic Motivation, INT for Interactivity, INF for informativeness, PEOU for Perceived Ease of Use, PIN is for Purchasing Intention, PU is for Perceived Usefulness. After the validity and reliability test proved that the data are valid and reliable, then we can move on to the analysis.

To analyze the results, that are a rule that needs to be remembered to determine whether the proposed hypotheses are accepted or not. That rule is by using P-value, if P-Value is below 0.005, it means the hypothesis is accepted or the relationship between the variables mentioned in the hypothesis is significant.

As the questionnaires analyzed, it has been shown that only three of eight hypotheses are accepted in this study. The hypotheses that are accepted are H1 which is about the relationship between Hedonic Motivation and Purchasing Intention, H3 between Interactivity and Hedonic Motivation, and H8 between Perceive Usefulness and Purchasing Intention.
Below is the table which shows each P-value for each hypothesis:

<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>P-Value</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Hedonic Motivation has a positive influence on customers’ purchasing intention</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H2: Entertainment has a positive influence on customers’ purchasing intention</td>
<td>0.700</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H3: Interactivity has a positive influence on Hedonic Motivation</td>
<td>0.000</td>
<td>Accepted</td>
</tr>
<tr>
<td>H4: Interactivity has a positive influence on customers’ purchasing intention</td>
<td>0.879</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H5: Informativeness has a positive influence on customers’ purchasing intention</td>
<td>0.157</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H6: Credibility has a positive influence on customers’ purchasing intention</td>
<td>0.293</td>
<td>Not Accepted</td>
</tr>
<tr>
<td>H7: Perceive Ease of Use has a positive influence on</td>
<td>0.285</td>
<td>Not Accepted</td>
</tr>
</tbody>
</table>

Based on the result produced in this study, it can be concluded that Hedonic Motivation and Perceive Usefulness are the only factors that have a significant influence on purchasing intention. Previous research from Alalwan (2018) has confirmed this result that Hedonic Motivation indeed has a significant impact on Purchasing Intention.

Factors that support the relationship between Hedonic Motivation and Purchase Intention in the study are because, when someone has the motivation to purchase, they tend to buy the item without any planning. After all, they are originally want to purchase it. Hence, this can be called hedonic motivation. Other research conducted by Choi and Kim (2019) also stated that if someone already likes or is interested, they will buy the product or use the product without thinking. Based on these two previous studies, it can be concluded that Hedonic Motivation does have a significant impact on Purchasing Intention of the customers.

In this study, another factor that influences Purchasing Intention besides Hedonic Motivation is Perceived Usefulness. This result is in line with the research conducted by Moslehpour et al.,(2018). It is due to the high technology that can make the purchasing process easier and make customers more comfortable in doing the purchasing activities. Another previous research
from Kripesh et al (2020) also explained that customers do pay attention to discovering and analyzing how to use the technology they will use, to be able to improve their purchasing experience.

Another important finding in this study is that the interactivity of the message in Instagram Shop also will give a significant influence on Hedonic Motivation. Based on the previous research conducted by Alalwan (2018), it is stated that the fact that customers are more interested in two-way communication than just receiving sent messages will increase their impression and view of the services provided by the application or company, hence increasing their desire to follow the application.

By looking at this result, this study provides some suggestions for store owners and Instagram Shop. For store owners, they should improve the interactivity of the information better and provide images or videos with beautiful as well as detailed visuals. The store can also provide attractive promotions so that users are interested in trying to buy through the Instagram shop. Instagram should be able to generate "trust" from its users by verifying the store. Instagram should also simplify the process of buying and selling transactions to increase the Perceived Usefulness since it will lead to a higher Purchasing Intention.

CONCLUSION

Amidst the COVID-19 pandemic, the behavior of customers in purchasing is also changing. It is due to the presence of social distancing and led people to do every activity at home. Consequently, a lot of products and services are now sold digitally to follow the trend during this pandemic.

One way to sell products and services digitally is through social media. One social media, Instagram, has provided a feature to facilitate its users in purchasing called ‘Instagram Shop’. There is a lot of research about Instagram, but there is still little research regarding ‘Instagram Shop’. This study aims to analyze the factor that impacts customers’ Purchasing Intention in using Instagram Shop.

This study is conducted using a Quantitative Approach and uses Questionnaires as a method to collect the data. There are 8 hypotheses proposed and only three hypotheses are accepted. Those three hypotheses are the between Hedonic Motivation and Purchasing Intention, Interactivity and Hedonic Motivation, also between Perceived Usefulness on Purchasing Intention.

The factor that makes there is no correlation between the variables is that the Instagram shop is still not trustworthy. Besides, many potential customers only focus on finding products compared to using the features and facilities provided by Instagram. However, this study still contributes to the study of social media because it proved that Hedonic Motivation and Interactivity play a big part in influencing Purchasing Intention. It means Instagram Shop needs to focus on these two variables, so they can enhance the customers’ Purchasing Intention.

Finally, this study has a limitation, in the respondents’ scope which only in for 400 respondents around JABODETABEK. Future studies should aim bigger scope so that the result will be more represent the situation in a bigger area. This study also only examines 8 variables. Future studies should aim for more factors to be analyzed such as previous experience with the service provided and other factors related.
REFERENCES


