"Insta-fluence: Analyzing Electronic Word of Mouth's Impact on PurchaseIntentions within the Instagram Community"

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ABSTRACT

This paper examines Instagram's marketing potential, especially for younger users, but access limits can restrict business utilization. The literature review analyzes how online reviews and electronic word-of-mouth profoundly shape modern consumer behavior. Key studies show online recommendations influence technology acceptance and satisfaction varies by productinvolvement level over time. The paper emphasizes the need for businesses to leverage socialmedia and recognize the impact of user-generated content.
Key word: Instagram, marketing strategies, advertisement, social media

INTRODUCTION

Established in 2010, Instagram rapidly gained prominence as a leading global social media platform, amassing 1 billion monthly active users by January 2022. Its focus on visual content and user-friendly interfaces propelled its growth, particularly among younger demographics, surpassing competitors like Twitter and Snapchat. Users spend approximately 30 minutes dailyon the platform, indicating Instagram's robust engagement levels and substantial advertising revenue, which reached $20 billion by 2021. This highlights its significance for businesses and advertisers seeking effective audience engagement.

Social media has revolutionized communication and information sharing, with Instagram serving as a primary platform for photo and video sharing among its extensive user base. The paper "In aWorld of Social Media: A Research Analysis of Instagram," authored by Drs. Daryl D. Green, Richard Martinez, Amalan Kadja, Lauren Evenson, Lisa McManus, and Stephanie Dirlbeck, offers a detailed examination of Instagram's marketing strategies and its potential as a mobile application for businesses and consumers.

Strategic direction is discussed in terms of age-specific usage rates, mobile-only platform accessibility limitations, opportunities to increase business utilization through features such as shopping integration Finally the study reveals the steps that Instagram can take to improve its usefulness for different users and business market The study concludes that

platform g to explorevarious social media channels in this way.

LITERATURE REVIEW

Electronic word of mouth (e-WOM) has become essential in the digital age, changing how information is distributed and opinions formed. Current online channels and the widespread useof social media provide people with unprecedented opportunities to instantly share their experiences, suggestions and critiques with a global audience. This literature review aims to strengthen existing research on e-WOM, examining its basic principles, usage strategies, influencing factors, and outcomes with the rise of the internet and social media therefore, there has been a lot of research investigating the impact of online reviews, forums and recommendations on consumer behavior and purchasing decisions.

Bhattacherjee and Sanford (2006) applied the Elaboration Likelihood Model to understand how users process information about information technology. Their findings indicated that online recommendations affected attitude change and technology acceptance through central and peripheral routes. Similarly, Bickart and Schindler (2001) found that online forums served as influential sources of consumer information that impacted product interest and evaluations.

Additional research has examined the characteristics of online information that make it impactful. Bloch and Richins (1986) proposed a theoretical model highlighting the roles of perceived product importance and expertise in determining informational influence. Calum (2009) also noted the importance of identifying key influencers and crafting appealing storieswhen implementing word-of-mouth marketing strategies.

Furthermore, Chatterjee (2001) directly investigated the use of online reviews, finding that consumers relied on them significantly when making purchase decisions. Reviews reduced search effort for consumers, even more so when the products were complex or expensive.

Incorporating the Effects of Involvement and Time" by Marsha L. Richins and Peter H. Bloch used cross-sectional and longitudinal surveys to examine how consumer satisfaction with automobiles changes over time and differs based on enduring product involvement. The study found satisfaction tends to decline in the first 1-3 years of ownership, while high involvement consumers report higher satisfaction overall but experience a drop soon after purchase. It also revealed benefits and problems disconfirmation make independent contributions to satisfaction, with their importance varying by time and involvement level. The empirical study provides valuable insights into post-purchase satisfaction processes for durable goods and the role of product involvement.

Online consumer reviews have emerged as an influential form of electronic word-of-mouth

(e- WOM) communication that can impact consumer decision making (Chen &

Xie, 2004; Cheung et al., 2008; Cheung & Thadani, 2012). Early research by Chen and Xie (2004) in their working paper "Online consumer review: A new element of marketing communications mix" recognized the importance of consumer reviews as user-generated content. Subsequent studies like Cheung et al. (2008) in their article "The Impact of electronic word-of-mouth" and Cheung and Thadani (2012) in their article "The impact of electronic word-of-mouth communication: A literature analysis and integrative model" have further examined how qualitative and quantitative elements

of online reviews shape product attitude, purchase intention, and sales through informationalinfluence mechanisms.

In the Statista report titled "Number of monthly active Instagram users 2013-2018," Clement (2019) presents data tracking the rapid growth of Instagram's user base from 2013 to 2018. According to the data, Instagram went from having 150 million monthly active users in 2013 to reaching 1 billion users in 2018. This growth demonstrates Instagram's rising popularity as a platform for photo and video sharing, social networking, and influencer marketing during this time period. The high number of active users signifies Instagram's status as one of the most widely used social media platforms globally.

In the study "Analyzing the impact of electronic word of mouth on purchase intention and willingness to pay for tourism related products", Lim (2016) examined how different factors of online reviews influence consumers' purchase intentions and willingness to pay for tourism products. Through an online survey of 338 respondents in Malaysia, Lim found that tie strength, perceived expertise, argument quality, and susceptibility to interpersonal influence of an online review positively affected intention to purchase tourism products. Tie strength, expertise, and argument quality also increased willingness to pay. The findings provide support for the power of electronic word-of-mouth in shaping consumer decision making in the tourism industry.

Figure 1:

Frequency of factors occurrence affecting the consumer's purchase intention.
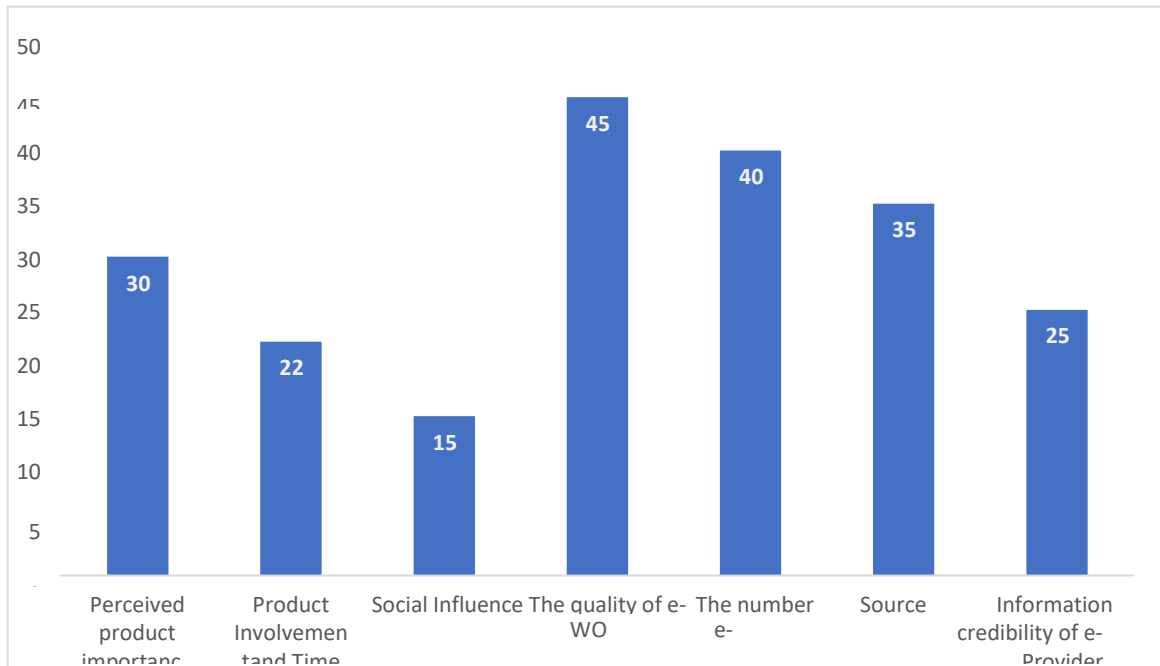
Top 3 Factor Determination

- The quality of e-WOM
- The number of e-WOM
- Source credibility of e-WOM

Factors Observation

The Quality of e-WOM

The quality of electronic word of mouth (e-WOM) has a profound impact on the likelihood of a customer buying a product, affecting factors such as trust, relevance, emotion, interaction, feedback, consistency, and engagement Creates and shapes consumers' perceptions of a product or service, thereby facilitating purchase. Positive, informative, and consistent messaging across platforms reinforces consumer beliefs about price and relevance, while communication flexibility builds engagement and trust Ultimately, through with the effective use of e-WOM, companies them provide valuable, reliable and interesting information to their target customers wants and needs Increase marketing efforts and increase sales

The number of e-WOM

Electronic word of mouth (e-WOM) levels can significantly influence consumer behavior. Many good examples of e-WOM create social loyalty and build trust in the product or service, thereby

increasing the likelihood of purchase. Conversely, excessive e-WOM, especially when opinions conflict, can lead to information overload and can reduce purchase intention. Consistent e-WOM messaging and collective agreement on quality reinforce purchase intentions, while negative e-WOM may discourage potential customers. Factors such as source credibility, consumer involvement, and perceived risk act as moderating influences on the impact of e-WOM on purchase intentions, pointing to subtlety on the development of it.

Source credibility of e-WOM

Credibility at the origin of electronic word-of-mouth (e-WOM) plays an important role in consumer purchase intention. Consumers trust and influence e-WOM from sources they believe to be trustworthy, such as experts, respected people, or reputable Factors such as consistency, transparency, and social influence also contribute to credibility of the source and subsequent consumer decision- making. Finally, the perceived trustworthiness of e-WOM sources influences consumers' perceptions of product information and willingness to purchase, highlighting the need for marketers to build trust through actual interaction and relationships with them reputable influencers get emphasized.

Hypothetical Model
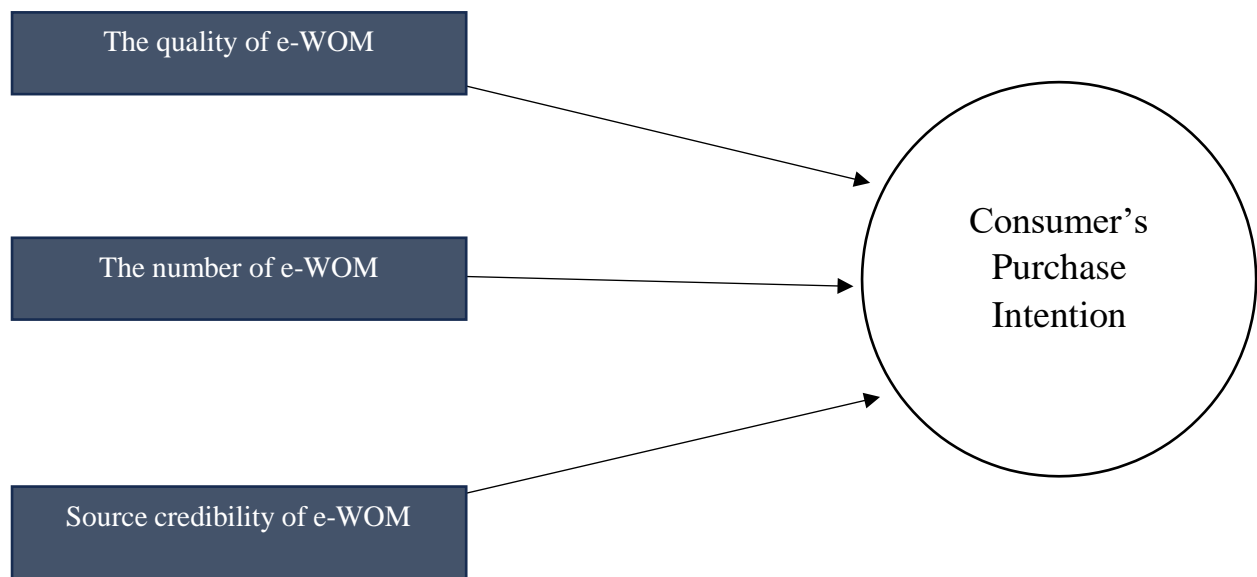
Research Gap

Although existing research has examined the impact of online reviews and recommendations on consumer decision making, most studies focus on a narrow range of product categories, demographics, and purchase stages Specifically, there is an opportunity to go beyond analyzing purchase intentions to quantify true sales results driven by e-WOM. Experimental work is needed to find ways to achieve effective e-WOM by improving trust, quality and participation. Linking e-WOM data to the buying funnel and integrating it with broader branding efforts represents fruitful areas for further exploration. Overall, a multidimensional approach that takes into account the

synergistic effects of contextual variables, quality of use, and e-WOM effects would provide significant benefits for marketing theory and practice.

RESEARCH METHODOLOGY

Survey Design

Developed a structured questionnaire to gather quantitative data of online purchasing behaviour,the quality of e-WOM, number of e-WOM, and source credibility of e-WOM in Chhattisgarh.

Sampling Strategy

Utilized a stratified sampling technique to ensure representation across different age groups, socio-economic backgrounds, and geographical locations within Chhattisgarh's regional area.

Measurement Instrument

We meticulously crafted a pilot survey with clear and comprehensive questions, with the guidance of experts. Divided into two sections, the survey first collects demographics and then explores factors impacting purchase of beauty products. To capture opinions and experiences, we use a 5-point Likert scale ("Highly Satisfied," "Satisfied," "Neutral," "Dissatisfied," "Highly Dissatisfied") for agreement and overall satisfaction. This pilot survey is a vital first step, allowing us to gather valuable feedback and refine the questionnaire before the full-scale study launch.

Data Collection

We cast a wide net to gather diverse data for our survey on online beauty services in Chhattisgarh. Leveraging social media platforms like WhatsApp, Instagram, Facebook, and LinkedIn, we circulated Google Forms in colleges and universities throughout the state, capturing the perspectives of a broad range of students. This pronged approach ensures our survey data represents a well-rounded mix of potential and current users, offering a strong foundation for our analysis.
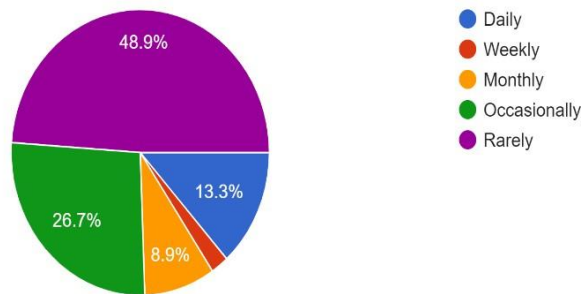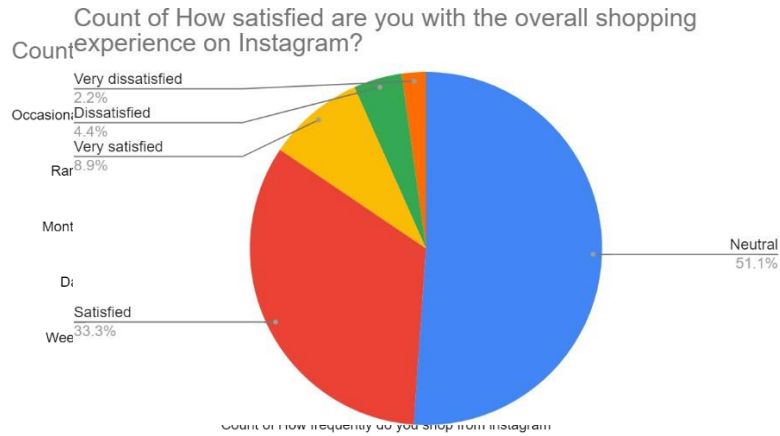
Table 1: *Respondents profile*

Variables	Category	Percentage
Age	18-25 26-33 34-40	80 13.3 6.7
Gender	Male Female	51 48.9
Income	0-3laks 3-5 lakhs 5-7 lakhs 7-10 lakhs	71 17.8 6.6 4.6

The survey collected a total of 60 responses, The responses collected were analyzed and the answers with missing values were waived off. After sanitizing the data, a total of 60 responses remains available. Therefore, the sample size for this study is 60. Table 1 details the profile of the respondents, higher percentage of gender from the urban areas have participated in the survey.
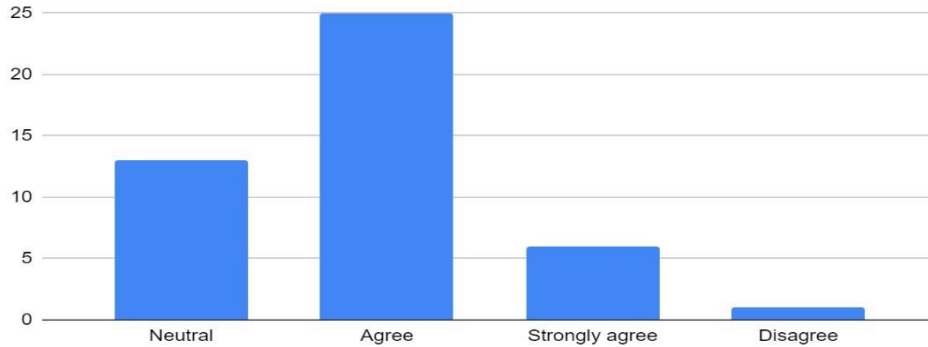
Percentage of male and female from the age group 18-25 and university students have more participation in this study. From above table it is evident that consumption of beauty product among men has a pointed consumption percentage.
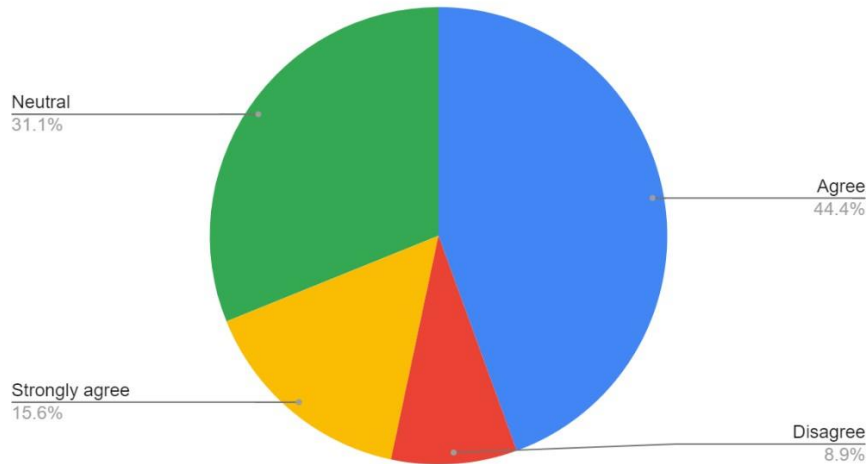
Count

Count of How satisfied are you with the overall shopping experience on Instagram?

- Very dissatisfied 2.2%
- Dissatisfied 4.4%
- Very satisfied 8.9%
- Neutral 51.1%
- Satisfied 33.3%

Count of How frequently do you shop from Instagram

Count of After reviewing the reviews posted, I will buy the product if I need it next time.

Count of Social media influence on any product purchasing

Count of When considering making a purchase online, how

Count of After reviewing the review posted, I will buy the product on Instagram.

- Strongly disagree 2.2%
- Strongly agree 15.6%
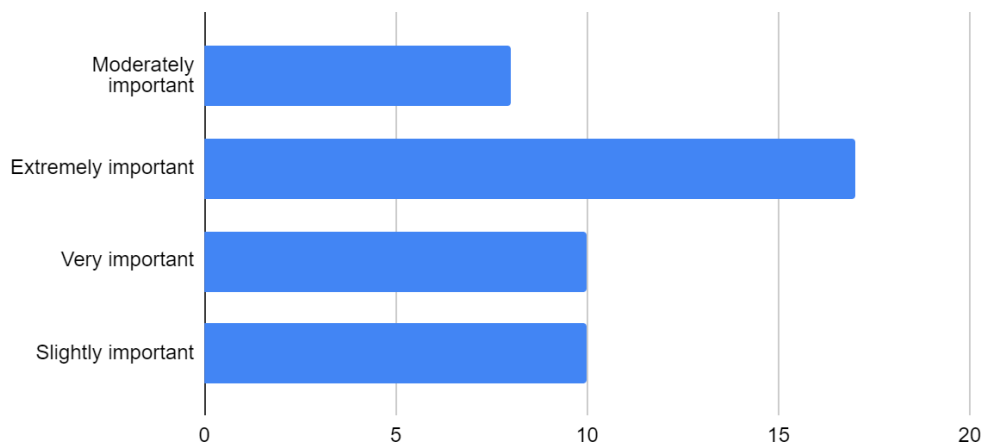- Neutral 33.3%
- Agree 48.9%
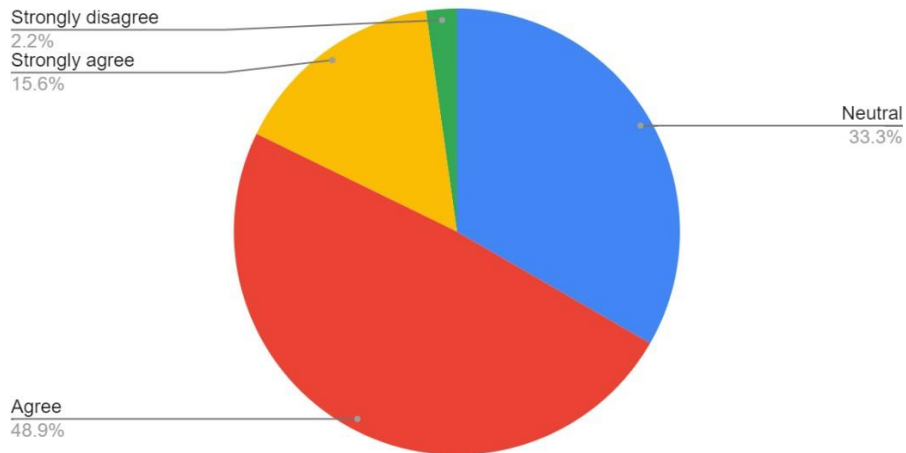
Count of How much does the user interface and website design influence your perception of an online store's credibility?
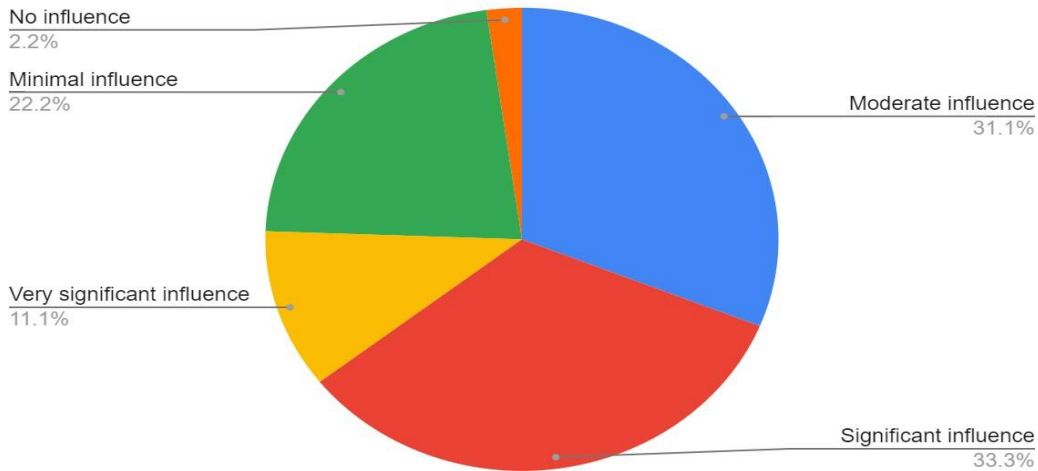
Count of When considering the credibility of an online store, how important is the presence of secure payment options?

Count of When considering the credibility of an online store, how important is the

RESULTS AND DISCUSSIONS

A multiple regression technique was conducted on the collected data by questionnaire. Multiple regression is a statistical technique that predicts the outcome of a response variable using several explanatory variables.

Regression Statistics	
Multiple R	0.77
R Square	0.59
Adjusted R Square	0.56
Standard Error	0.71
Observations	45

ANOVA

df	SS	MS	F	Significance F
Regression	3	30.24	10.08	19.94	0.00
Residual	41	20.73	0.51		
Total	44	50.98			

	Coefficients	Standard Error	t Stat	P-value
Intercept	1.15	0.63	1.81	0.08
Quality of EWOM	-0.17	0.08	-1.97	0.06
Number of E-WOM	0.11	0.16	0.70	0.49
Source of EWOM	0.68	0.12	5.82	0.00

Interpretation

The regression analysis reveals that the Source of EWOM significantly influences purchase intention ($p < 0.001$), with a coefficient of 0.679, indicating that perceived credibility or trustworthiness positively impacts purchase intention. However, the Quality of EWOM shows a marginal effect ($p = 0.055$), suggesting a slight decrease in purchase intention with higher quality electronic word-of-mouth. The Number of EWOM doesn't significantly affect purchase intention ($p = 0.489$). The intercept, while not statistically significant ($p = 0.077$), represents the predicted purchase intention when all predictors are zero. Overall, the model explains approximately 56.4% of the variability in purchase intention, as indicated by the adjusted R-squared value.

Conclusion

This study found that source credibility has the strongest positive effect on the intention to purchase beauty products in Chhattisgarh, India. However, e-WOM quality showed a slightly negative relationship while quantity had no significant effect. The results highlight the need for reliable sources of e-WOM

rather than corporate size or breadth when using consumer products. Further studies with larger samplesare needed to further validate and extend the findings.

Managerial implication

To effectively influence the beauty buying mindset in Chhattisgarh, brands need to focus on digital marketing to build trusted influencers across a wide range of products. Forming authentic partnerships with experts and creating user-rated products according to quality rather than quantity can convince young users. Overall, source credibility is more important than just the amount of e-WOM.

Limitation of studies

Limitation of study as the sample size is small the research has been conducted in limited time frame and number of variables are 3 only as the value of adjusted R-square can be increased byadding more variables which will contribute to the studies.

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