


SUPERVISOR'S APPROVAL

'I hereby declared that I have read this thesis and this research is sufficient in terms of scope and quality. This project is submitted to Universiti Teknikal Malaysia Melaka as a requirement for completion and reward Bachelor Degree in Technopreneurship with Honours (BTEC).'

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THE CONSUMER BUYING BEHAVIOR FACTORS AMONG STUDENT
TOWARD THE EFFECTIVE USE OF INSTAGRAM IN UNIVERSITI
TEKNIKAL MALAYSIA MELAKA (UTEM) CITY CAMPUS, MELAKA

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DECLARATION

“I declare that this project is the result of my own research except as cited in the references. The research project has not been for any degree and is not concurrently submitted in candidature of any other degree.”

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Date : 15 / 6 / 2017

DEDICATION

This research paper is lovingly dedicated to my parents, En. Bakri B. Kasdan and Puan Umi Kalthom Binti Ahmad, who have been my constant source of inspiration, they have given unconditional support with my studies. I am honoured to have their as my parents. Thank you for giving me a chance to prove and improve myself through all my walk of life. To all my family thank you for believing me for allowing me to further my studies.

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ABSTRACT

Over the past few years, Instagram has become famous and is the most important medium for social networking, sharing and accessing online content. Due to its ability to consistently and have features that fast, Instagram opens a wide place for business such as online marketing. Instagram has provided an opportunity for marketers to reach targeted users with easy, efficient and fast. There are millions of people who use Instagram and they are potential users in the online market. The most important thing for marketers is they need to understand what consumers want and need in this competitive business environment. Consumer behaviour is influenced by different factors such as culture, social class, reference group relationships, family, and the level of wages and so they show different consumer behaviour. In addition, this research project will examine the relationship between consumer buying behaviour towards the effective use of Instagram in UTeM Melaka, Malaysia. This study used quantitative methods to collect and analyse data. The investigation was conducted through a questionnaire to assess personal factors, psychological factors and social behaviours toward buyers in Instagram. The selected sample consisted of students in UTeM. Data were analysed using descriptive analysis.

Keyword: Consumer buying behaviour, effectiveness, personal, psychological, social

ABSTRAK

Sejak beberapa tahun kebelakangan ini, media sosial seperti Instagram telah menjadi terkenal dan merupakan medium yang paling penting untuk rangkaian sosial, perkongsian dan mengakses kandungan dalam talian. Disebabkan oleh kebolehannya yang konsisten serta mempunyai ciri-ciri yang pantas, Instagram membuka tempat yang luas untuk perniagaan seperti pemasaran dalam talian. Pemasaran media sosial telah memberi peluang kepada pemasar untuk mencapai pengguna yang disasarkan dengan mudah, cekap dan cepat. Terdapat jutaan pengguna yang menggunakan Instagram dan mereka merupakan potensi pengguna di pasaran dalam talian. Perkara yang paling penting bagi pemasar adalah mereka perlu memahami apa yang pengguna mahukan dan perlukan di dalam persekitaran perniagaan yang kompetitif ini. Tingkah laku pengguna dipengaruhi oleh faktor-faktor yang berbeza seperti budaya, kelas sosial, hubungan kumpulan rujukan, keluarga, dan tahap gaji dan supaya mereka menunjukkan tingkah laku pengguna yang berbeza. Di samping itu, projek penyelidikan ini akan mengkaji hubungan antara tingkah laku pembelian pengguna terhadap penggunaan Instagram di UTeM Melaka, Malaysia. Siasatan telah dijalankan melalui soal selidik untuk menilai faktor-faktor peribadi, faktor psikologi dan tingkah laku sosial ke arah pembeli di Instagram. Sampel yang dipilih terdiri daripada pelajar dan pekerja di UTeM. Data dianalisis dengan menggunakan analisis deskriptif.

Kata kunci: Tingkah laku pengguna, keberkesanan, peribadi, psikologi, sosial

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CHAPTER 1

1.0 INTRODUCTION

1.1 Background of Study

Marketing, more than any other business function, deals with customers. Marketing is define as an activity, a set of institutions and processes for creating, communicating, delivering and exchanging offerings that have value for customers, partners and society at large (Kotler,2009). In the era of modernization, media social such Instagram has been use as one of marketing tool and become one of the most important platform. Jason Miles (2013) emphasis Instagram is an effective tool to reach the consumers. This help by creating highly interactive environment where individuals and communities as well as organizations can share the opinion, create new ideas, discuss and modified the existing content and make some improvement on it. According to Phan The Anh and Vuong Quoc Tuan (2016), social media was developed during the evolution of the Internet and it change communication behaviour of people with the basic purpose for social interaction. By having a social media, it changing the way individuals and organizations communicate. The growth is not limited to teenagers; either members of Generation X, now 35-44 years old, increasingly populate the ranks of joiners, (Andreas, Michael 2010).

Social media such Instagram have a variety of application that using technical terms, allow consumer to post, tag and so on (Rashad, Rubathee 2013). All types of social media like Instagram provide an opportunity to present oneself and one's product to dynamic communities and individuals that may be interested. According to (Rashad, Rubathee 2013), due to its ease way of use, speed and reach social media like Instagram became trend in topics from environment, politics, technology to entertainment industry. In addition, Instagram has an easy to use because this platform provide with minimal conversation (Eman and Koshy, 2014). The viral quality of social media makes it an appealing tool for businesses to market product and services (Xiang and Gretzel 2010).

In addition, by sitting in front of computer and accessing online shopping websites, consumer easily get what they want. Through social media marketing it has huge benefit on consumer and marketers. Social media marketing can be defined as the use of social media channels to promote a company and its product (Rashad and Rubathee 2013). Some businesses direct customers towards their social network pages more than they direct them to their own websites. Moreover, social media can build a relationship between social media members, customer and retailer, organization and business. Hence, this study is important for consumer to understand the effective use of social media like Instagram as a marketing platform.

1.2 Consumer Buying Behaviour

All of us are consumers; we consume daily regarding to our need and preference (Adnan and Ahmad, 2016). Consumer decision making process has been described by various models and theories have been developed to describe consumer decision making, which help marketer to reach target consumer. However, buyer decision model by (Kotler et. al, 2009) more promising to study consumer decision making process. This model consists of five stages which provide convenient way to organize consumer decision making.

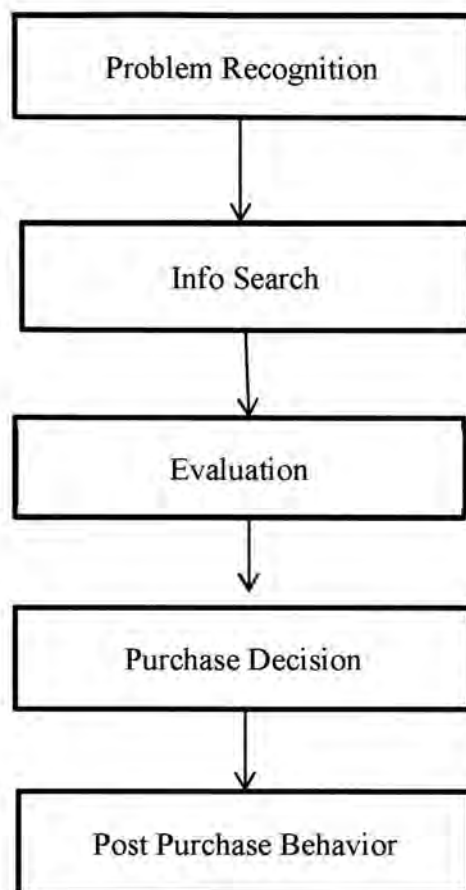


Figure 1: The 5-Stage Decision Making Model (Kotler et. al 2009.)

1. Problem recognition

Problem recognition takes place when consumer recognizes a problem when there is a difference between the desired and actual state (Kotler et al.2009), or need triggered by internal or external stimuli.

2. Information search

According to Solomon et. al 2002, the information sources can be divided into two types: internal and external. Internal search indicates former information and experience of an individual will result in future behaviour that the consumers will be likely to take. However, according to (Adnan and Ahmad, 2016) external information search will be more important to help consumers collecting information they need which most of the time by searching about other experience like friends and relatives.

3. Evaluation

Once the required information is available, consumer will process informations to arrive at brand choices (Koter et.al, 2009). The consumer will reduce the list of possible purchases to one.

4. Purchase Decision

Consumer will be buy the most preferred brand, but two factors can come between the purchase intention and the purchase decision- attitude of the others and unanticipated situational factors (Kotler et.al, 2009).

Attitudes of others is the extent to which *another person's negative attitude towards the preferred alternatives or reluctance to meet the terms of supporting the purchase intention*, this may result in a readjustment of the consumer's purchase intention (Kotler and Keller 2009, 172).

Unanticipated situational factors refer to those may erupt to alter the purchase intention, for instance, there might come an unexpected purchase that is more urgent compared to the purchase the consumer was firstly stimulated to buy; in other words, preferences and purchase intentions cannot be served as completely reliable predictors of purchase behaviour. (Kotler and Keller, 2009.)

5. Post Purchase Behaviour

After purchasing the product, the consumer then experiences certain levels of satisfaction or dissatisfaction of a purchase. The answer lies in the relationship between the consumers' expectations and the product's perceived performance (Kotler, 2009).

Consumers base their expectations on information they receive from sellers, friends and other sources. If the seller exaggerates the product performance, consumer expectations won't be met and dissatisfaction will result. This suggests

that marketers should make product claims that faithfully represent the product's performance so the consumers are satisfied. (Kotler et.al, 2009).

However, buying decision process is important to consumer consider before they purchasing and using the marketer products and services.

1.3 Marketing in Social Media

According to Weinberg, 2009 social media is empowering marketers to promote their websites, product or services through online social channels, to interact with and tap into a much larger community that may not have been available via traditional advertising channels. Miles (2013) stated that 50% of the top brands use Instagram as a marketing channel to reach consumer. Upon the insufficient advertising budget that companies oftentimes encounter via the traditional channels, Instagram marketing might be, particularly, easier and more effective for small and medium-size companies to take maximum advantage of it (Ethel Lee, 2013).

In addition, Instagram offers opportunities to achieve communities, once company has established its presence as a community participant worth following. The platform evolved quickly and now offers the possibility to share the video clips and pictures to promote their product (Linnea and Lisa, 2015). In addition, there are certain advantages to market in social media (Watson et al. 2002).

First, the marketers can provide unlimited information to consumer without human intervention. The information provided in a form that consumer can easily understand it. Second, through Instagram marketing firm can create interaction within individual consumer that allow them to customize their product or service that meet their requirement. Next, it enables marketers to target the audience and consumers based on personal interest and what they like. Beneficially, with such smart marketing, firm effectively reach the people who are most interested in what they have to offer. However, social media such Instagram play its important role in small or big companies for them to offer their product and service.

1.4 Problem Statement

It is believed that most of Social media user seen Instagram as a good channel for advertisements. Other than that, by using Instagram it helps in reducing costs. The cost of a these platform is typically lower than other marketing platforms and help in developing society in economic. Opportunity has been given to almost every consumer because Internet enables marketers to conduct businesses, connect people worldwide and enable consumer to purchase online. While Instagram offers businesses a lot of advantage, there is a view that says social media such as Facebook also have the same function in promoting the product.

Facebook's stated mission is to give people the power to share and make the world more open and connected. Personal engagement in an online space is the core purpose of Facebook. It allow user to connect with friends, family and even met new people on Facebook in a simple. In addition, it allows them to keep up and connect directly through direct messaging. Facebook allows businesses, organizations and public figures to connect with consumer, fans and constituents through the website. Besides that, Facebook allow marketer to tag photos and briefly describe the product and service to promote the business. It allow marketer to upload pictures and videos so that consumer can see the product or service without having to visit the premises. Facebook is a profile: a place to host business information, photos, and activities. It's about identity, placing emphasis on text first, image second. Some problem may face by a marketer when uploading the picture product in Facebook. A lot of instruction marketers need to follow and require a lot of time before the photos successfully uploaded. In addition, Facebook is less interactive in promoting the product and service but high interactive in connecting people. In comparison, Instagram is image first, text second and it was built for modern day user. It's an intimate mobile-only application that creates space for engagement. Instagram is all about the image where marketers being unique and creative by creating quality photos or graphic that can stand on their own and don't require a short novel for a description.

This important to consumer before they made a purchase through online which platform serve they better. Consumer need to take proactive step to make purchase using Instagram. This is in line with the goals that brought by Cyber Security Malaysia where they are focused on improving public awareness and knowledge about cyber security and treats may encounter consumer while purchasing online.

1.5 Research Objective

The research objectives are designed by the researcher based on the research problem. The objectives of the study are stated below:

1. To determine the significance relationship between consumer buying behaviour and effectiveness use of Instagram
2. To investigate the most influence factor between consumer buying behaviour and the effective use of Instagram

1.6 Research Question

This research explores the following key question:

1. Is there relation significant between the consumer buying behaviour and effective use of Instagram?
2. What is the most influence factor between the consumer buying behaviour and effective use of Instagram?

1.7 Scope

The research has been conducted in UTeM City Campus which is located at Hang Tuah Jaya. The scope of this research is the account user of Instagram in UTeM Melaka City Campus area who are used social media such Instagram as a platform to buy online. The targeted respondent for this research is students in UTeM.

1.8 Limitation

There are two limitations in the research. Firstly, time limitation take place to reach more people because duration of the study less than a year. So, it is insufficient to obtain feedback from a wider range of respondent. Next, respondent may not understand the term use in the questionnaire. Therefore, the researcher needs to find potential solution to overcome this problem.

1.9 Significant of Study

The research is to investigate the use of social media like Instagram become a marketing tool in promoting a marketer business product. Next is, to understand consumer's buying behaviours in effective use of Instagram. Lastly, to ensure consumer do not misuse of Instagram.

1.10 Summary

This chapter established the foundations of the roles of consumer behaviour towards social media. Besides, it also introduced the background of study, problem statement, the research problems and the research objectives, importance of the study, as well as the scope and the limitation of the study. Based on the research foundations, the researcher proceeds to the next chapter in chapter two and discussed the literature review and theoretical framework.

CHAPTER 2

2.0 LITERATURE REVIEW

2.1 Introduction

Technology is advancing at a very fast pace and the world around us is changing very quickly. This is causing businesses and organizations to migrate their advertising and customer care to the online world, where it is easier and faster to reach customer (Wally and Koshy, 2014). According to Diamond (2013), in 2012 smartphone users spent more time on Instagram. This statement is supported by Costill (2012), suggests that all industries could use Instagram as an effective marketing tool. Different feature of photo sharing has made Instagram unique compare to other social media (Wally and Koshy, 2014). According to Leanna and Lisa (2015), Instagram had 200 million active users in Disember 2014.

Pookulangara and Koesler, (2011) state those consumers who buy online is very active user on internet and highly influential online shoppers in using different social media such Instagram to buy and sell. In addition, consumers are increasingly turning on social media in order to get more information on base their decision