# THE FACTORS AFFECTING PURCHASE INTENTION OF FASHION ACCESSORIES THROUGH INSTAGRAM

Asst.Prof.Krisawan PRASERTSITH Information Technology Department, School of Science and Technology, Bangkok University Rama IV Rd., Kloung Toey, Bangkok 10110 Thailand e-Mail: krisawan.p@bu.ac.th

Penjira KANTHAWONGS. Ph.D. Business Computer Department, School of Business Administration, Bangkok University Phahonyothin Rd., Pathum Thani 12120 Thailand e-Mail: penjira.k@bu.ac.th

Ms. Penjuree KANTHAWONGS Bachelor of Business Administration (International Program), Kasem Bundit University 1761 Phatthanakan Rd., Bangkok 10250 Thailand e-Mail: penjuree.kan@kbu.ac.th, penjuree@hotmail.com

### ABSTRACT

This research was aimed to study the impact of mobile phone addiction, social networking site usage applications, word-of-mouth through mobile intentions, and cognitive experiential state on purchase intention of fashion accessories through Instagram. The 300 usable questionnaires collected in 2013 were analyzed using multiple regression analysis. The results showed that the respondents mostly were females at the age of 24-29 years old graduating with bachelor's degrees working in private companies in Thailand with the average income of 15,001 - 25,000 baht. The hypothesis testing results revealed that only word-of-mouth intentions with beta coefficient of 0.511 and cognitive experiential state with beta coefficient of 0.325 showed the positive effect on purchase intention at .01 level of significance.

**Keywords:** Mobile Phone Addiction, Social Networking Site Usage through Mobile Applications, Word-Of-Mouth Intentions, Cognitive Experiential State, Purchase Intention

## **1. INTRODUCTION**

The advancement of social networking applications like Facebook, Twitter, YouTube, especially Instagram has risen to a new e-commerce paradigm called social commerce or s-commerce. Scommerce, a subset of e-commerce, makes use of social interactions and contributions to facilitate the online purchasing and selling of various products and services [1]. Moreover, the development of wireless and mobile technologies has strengthened business opportunities for mobile-commerce (m-commerce) [2]. The number of mobile-broadband subscriptions will reach 2.3 billion globally [3]. Nevertheless, there have been limited researches on s-commerce integrating with m-commerce especially the use of social networking application like Instagram in businesses.

Instagram, one of today's top choices among social media users, launched in October 2010. Now, it is a community of more than 300 million who capture and share the world's moments on the services. Instagram has become the home for visual storytelling for everyone from students, teachers, movie stars, celebrities, and newsrooms. Kevin Systrom (@kevin) is the CEO and co-founder of Instagram, has focused on simplicity and inspiring creativity through solving problems with thoughtful product design. Today, this global community shares more than 60 million photos every day [4]. This visual social networking application offers users the ability to post pictures and 15-second videos to share with the world. The users of this social media usage were mostly females between the ages of 18-29 (37%) and 30-49 (17%). The users seem to be urban and youthful with a skew towards women [5, 6]

Instagram has some distinct features that are particularly useful to businesses. These features include hashtags, "@ mentions," location tags, and biography space [7]. The visual nature of Instagram provides a unique advantage for content creators because images can trigger emotion, which can serve as drivers to desired actions [6]. It provides a versatile stage that can host a number of strategic initiatives to market a business, brand, or specific product. This visual social application on smartphone can display pictures and posts messages or comments. However, Instagram has become a tool that cannot only display pictures and comments but also become an efficient and important marketing tool. For example, Top shop, a brand name clothing from UK, also uses Instagram with 3.8 million followers. Topshop posts the pictures of their new collections and also short video clips as their way of using social media as a marketing tool [8]. The researcher found that Instagram could be a strategic communication tool used to strengthen the relationships between brands and their key consumers. Instagram could be a medium where users could connect and were entertained in an organic environment-one that was natural and not constantly trying to push a product or idea [6]

In Thailand, the number one social networking site was Facebook with around 30 million users in 2014 (the third largest users on the world). [9]. Thai Twitter users were around 4.5 million, while Instagram users were around 1.7 million. Nevertheless, Instagram has been the number one social network application to share photos [10]. The majority of users were female. The mobile phone has become the main channel to access the social network. The development of 3G and 4G were significant indicators to help the growth of the social network continue in the future [11]

Thailand is a hub to buy and sell fashion accessories. For example, Ribbon Center and Much-More Accessories are located at the center of Bangkok China town where Thailand wholesale fashion accessories' markets have been located. Bangkok Chinatown is one of the largest Chinatowns outside China with Yaowarat, the main road [12] Moreover, Classic Accessories was founded in 2000 at Watergate market, Bangkok, Thailand. The company is retail and wholesale business for women's jewelries and accessories. Their mainly clients are Thai and foreigners with thousands of items in factory price [13]. However, the use of Instagram for fashion accessories in Thailand is emerging with brands like kajeenit brand with 432 posts, 2,307 followers, and 7,526 following as of 2015. "Classic Accessories" not only has traditional stores, but also Instagram stores at "classicladyaccessories" with 105 posts. 233 followers, and 67 following. "Zalorathailand" claims to be number one online fashion store in Thailand with 1,539 posts, 15.2k followers, and 17 following.

The competition of Instagram commercial on fashion accessories has been increasing since it is the convenient and easy way to reach the consumers with required photos of such products. Moreover, the consumers can buy products with reasonable prices and the sellers can operate with low cost of advertising. The marketing competition of today and in the past is different. Nowadays, the consumers just use the application on his or her smart phones to buy or even sell the products. They do not have to waste times going to the stores. Therefore, the researchers aimed to study the impact of mobile phone addiction, social networking site usage through mobile applications, word-of-mouth intentions, and cognitive experiential state on purchase intention of fashion accessories through Instagram.

## 2. LITERATURE REVIEW

Social commerce or s-commerce, a subset of ecommerce, allows consumers to generate content and vendors to reach different markets integrating social interactions of consumers [14]. Mobile commerce or m-commerce is any transaction involving the transfer of ownership or rights to use goods and services initiating or completing by using any mobile device [2, 15]. Mobile phone addiction has still received limit attention from researchers [16, 17]. Mobile phone addiction is a type of technology addiction categorized as a problematic behavior. The problematic usage of mobile phone are in legally restricted, socially inappropriate, or even hazardous circumstances such as while driving. These problematic uses have been shown to be related to age, extroversion, low self-esteem [17]. Moreover, mobile phone addiction can be characterized by symptoms like feeling uncomfortable, anxiety, and irritated when mobile phone is not accessible [18-20]. Mobile phone addiction is also found to be a

significant predictor of intention to use and purchase smartphones. In comparison to classic mobile uses, users are more likely to use social networking site (SNS) mobile applications to be in larger his/her mobile phone book size [17]. Today, Instagram has over 300 million active users (70 million in the United States) and hosts nearly 75 million daily users [6]. Then, the Instagram network size is likely to be higher than the network size of classic mobile uses such as calling and texting. Additionally, SNS mobile applications provide higher levels of group discussion than classic applications. More and more users are likely to use SNS mobile applications to find audience at any time of the day because they can be connected to people in different time zones all over the world. Last but not least, unlike classic mobile uses, SNS mobile applications' users can save times and money to share their information and photos with others [17]. Word-of-mouth (WOM) intentions refers to potential efforts to exchange direct and indirect experiences with products and services in casual manner among consumers [1, 21] Herr, Kardes, and Kim (1991) claimed that people acquiring products or services through WOM intentions tended to rely on such information and experiences to make purchasing decisions [22]. Additionally, many online buyers depend on others' opinions and experiences through WOM intentions when planning to purchase high-priced products from websites [23]. Cognitive Experiential State (CES) has been related to "Flow," "which is a cognitive state in which the individual is completely absorbed in an activity to the extent that they are mentally immersed and oblivious to time or other things around them" [24]. "Flow" online has been defined as "a cognitive state experienced during online navigation" [25]. "Flow" can lead to high level of enjoyment, involvement, and making an activity interesting and self-absorbing and therefore compelling by its nature [26]. Several researchers found that CES could have indirect affect toward repurchase intention [27]. Several researches revealed that electronic word of mouth (EWOM) could lead to consumption of conspicuous products such as luxurious goods [28] or purchase intention [29].

Unlike other SNS applications, Instagram has some distinct features that are particularly useful to businesses. These features include hashtags, location tags, and biography space [7]. The visual nature of Instagram provides a unique advantage for content creators to trigger emotion driving for desired actions [6]. This visual social application on smartphone can display pictures and posts messages or comments. It can be used as strategic initiatives to market businesses, brands, or specific products. To illustrate, the best fashion people to follow on Instagram in 2015 are @ngoldenberg, @sammcknight1, @mduenasjacobs, or @kendalljenner.

The love of Thai Instagrammers can be found by looking at the list of the world's most photographed places. In 2013, the Siam Paragon shopping mall in Bangkok was the most Instagrammed location in the world [30]. Thai celebrities are a key part of this success for Instagram. The most followed of which within the service is Chermarn Boonyasak with 314,793 followers from around the world at present. Fellow actress Pachrapa Chaichua is a close second. Nine out of 10 of the most followed Thais on Instagram are females [31]. While research literature of businesses using Instagram in Thailand is very limited, several Thai fashion accessory brands such as @back\_street\_fashion (3,239 posts, 12,719 followers, and 4,006 following) [32], kajeenit\_brand, classicladyaccessories, and Zalorathailand are using it.

Therefore, this study hypothesizes that mobile phone addiction, social networking site usage through mobile applications, word-of-mouth intentions, and cognitive experiential state affect purchase intention of fashion accessories through Instagram.

# 3. RESEARCH METHODOLOGY AND FINDINGS

The target population was undergraduate and graduate students studying in Bangkok University, the leading first private university in Thailand and office employees in Silom District, the heart of business offices in Bangkok during September to October of 2013. A survey questionnaire assessing the constructs in the current study was developed from published scales of previous research as stated in the literature review. All of the scales were measured on a 5-point Likert scale, ranging from 1 =strongly disagree to 5 = strongly agree. A total of 300 questionnaires was collected and analyzed with multiple regression analysis. In this study, the psychometric properties of the instrument were utilized for checking reliability and construct validity. The alpha coefficients of the reliability analysis ranged from .68 to .97 indicating that all of the scales were acceptable [33]. Construct validity was assessed by principal component analysis. The analysis produced four components.

The results showed that the respondents mostly were females at the age of 24-29 years old graduated with bachelor's degrees working in private companies in Thailand with the average income of 15,001 - 25,000baht. The hypothesis testing results revealed that WOM intentions with standardized beta coefficient of 0.51 along with cognitive experiential state with beta coefficient of 0.33 showed the effect on purchase intention at .01 level of significance. All results and multiple regression analysis are reported in the table 1.

purchase intention (mean = 2.3, S.D. = .981, C. A. = .92, $r = .75$ , $R^2 = .56$ )					
Ind. Var.	Mean	<u>S.D.</u>	<u>β</u>	<u>Sig.</u>	VIF
mobile phone addiction	3.9	.83	.03	.58	1.36
WOM intentions	2.6	1.1	.51**	.00	1.66
cognitive experiential state (CES)	2.7	1.1	.33**	.00	1.88
SNS usage through mobile applications	3.9	.97	05	.28	1.42

Table 1: Multiple Regression Analysis' Results

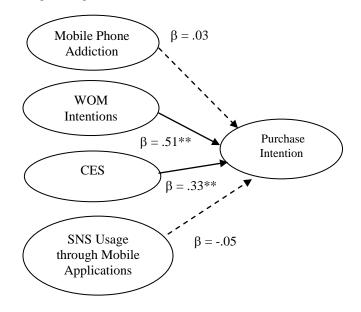
\*\*Significance Level .01, N = 300

Only WOM intentions along with cognitive experiential state were found to be significant determinant of purchase intention, explaining 56% of the total variance. The relative strength of their explanatory power; however, was different. WOM intentions ( $\beta = 0.51$ ) and cognitive experiential state  $(\beta = 0.33)$  were significant predictors of purchase intention of fashion accessories through Instagram. One group of researchers indicates that the multicollinearity problem becomes too serious when a VIF value is equal to or higher than four [34]. For this study, VIF values are acceptable for all items studied. There was a positive influence between WOM intentions along with cognitive experiential state towards purchase intention. Hence, the hypothesis was supported. The regression analysis for identifying the influence of the independent toward the dependent variables was illustrated in figure 1 below.

### 4. CONCLUSION AND RECOMMENDATION

The emerging s-commerce and m-commerce provides business opportunities to reach market targets with richer contents and better visual storytelling through the use of SNS mobile applications like Instagram. Instagram allows thoughtful product designs to simply send to the target audience and inspiring creativity through sharing of the photos and videos. Instagram has distinct features beneficial to businesses such as hashtags or location tags. The visual nature of Instagram triggers emotion driving for desired actions. Global businesses like Topshop or Zalora using Instagram to post pictures and short video clips of their new collections as a marketing tool. In Thailand, Instagram has been the number one social network application to share photos. While Thailand is a hub to buy and sell fashion accesssories, few brands like @classicladyaccessories and @kajeenit brand are using Instagram. Today, the consumers just use the application on his or her smart phones to buy fashionable products.

Figure 1: The conceptual model of the factors affecting purchase intention of fashion accessories through Instagram.



Note: Significant paths (p<.01) between constructs were reported with standardized beta weights.

The researchers found that the following independent factors were tested in order to be affected purchase intention of fashion accessories through Instagram at .01 level of significance: WOM intentions and cognitive experiential state. The results are similar to some of previous researches [22, 23, 27-29]. For business implications, the business owners or marketer of fashion accessory businesses who are using Instagram for their businesses may offer incentives or special offers to their existing customers in order to use word-of-mouth intentions to others through the use of this visual SNS application to boost their sales. Additionally, the business owners or marketers should be aware that the potential customers who are using Instagram have enough knowledge and skills in using the application. Moreover, the users make use of comments and suggestions in purchasing the fashion accessory items. For future researchers, other factors such as cultures or repurchase intention may be factors in the future conceptual model. Also, the use of other SNS applications like Line by Naver may be further investigated.

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