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Process of Decisions Making Purchase Online on Instagram Social Media

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Abstract---*The paper aimed at knowing the effect of online shops on Instagram makes it easier for consumers to shop without wasting time and effort because these benefits make online shopping more attractive to the public. The problem in this research is how is the process of making online purchasing decisions from social media Instagram and the factors that influence it. This research uses descriptive qualitative methods and interpretive in-depth interviews with informants. The informant in this study is the community as the subject and object of research, especially those who make online purchases on the Instagram application. The determination of informants was carried out using the accidental technique. Based on the results of the study, the researchers assumed that the informants were students and workers who also went through several stages of decision making when shopping on Instagram, what was different was the online decision-making process carried out, the informant could return to the previous stage or even passed several stages, this was due to the ease and convenience. the convenience of accessing the internet which enabled informants to go through several stages of the online purchasing process.*

Keywords---*decision making, Instagram, online shopping, social media, social commerce.*

Introduction

Technological advances indicate an increase in purchasing behavior, especially the purchase of technology devices with internet access, namely gadgets. Musi (2017), almost all community activities intersect with technology, including social, political, economic, contemporary lifestyles, and others. Sa'diya (2017), the internet is one of the information technologies that continues to develop and is widely used for various human needs today (Pudjihardjo & Wijaya, 2015). With advances in technology that have made people's work easier, both directly and indirectly, it has changed the lifestyle of the community, especially in terms of needs and wants. In general, when someone's needs have been met, other needs will arise. Spending on food, clothing, and other necessities is included in consumption (Lisma & Haryono, 2016).

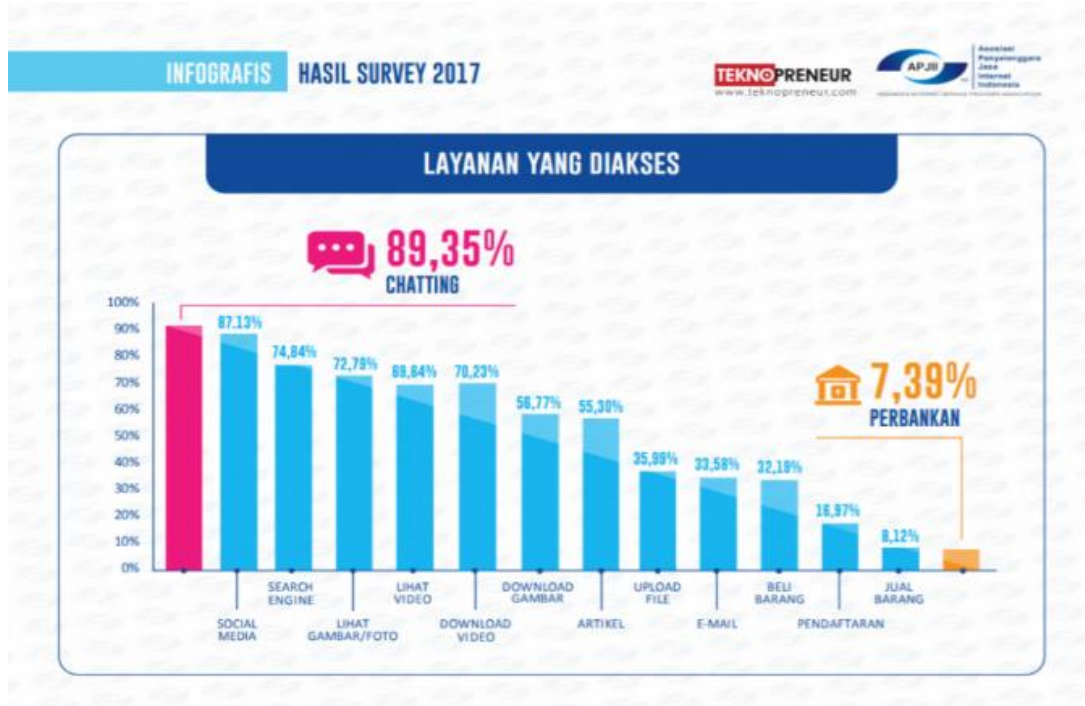


Figure 1. The service data accessed using the internet
 Source: APJII (2017)

The spread of the internet is the impact of the development of information technology infrastructure. According to APJII, the most types of services accessed by users are chat applications (89.35%), social media (87.13%), search engines (74.84%), viewing pictures/photos (72.79%), viewing videos (69.64%), and the rest are other internet activities. The smallest activity from the survey results is accessing banking (7.39%), this is based on data from the Ministry of Communication and Information in 2017 (www.apjii.or.id).

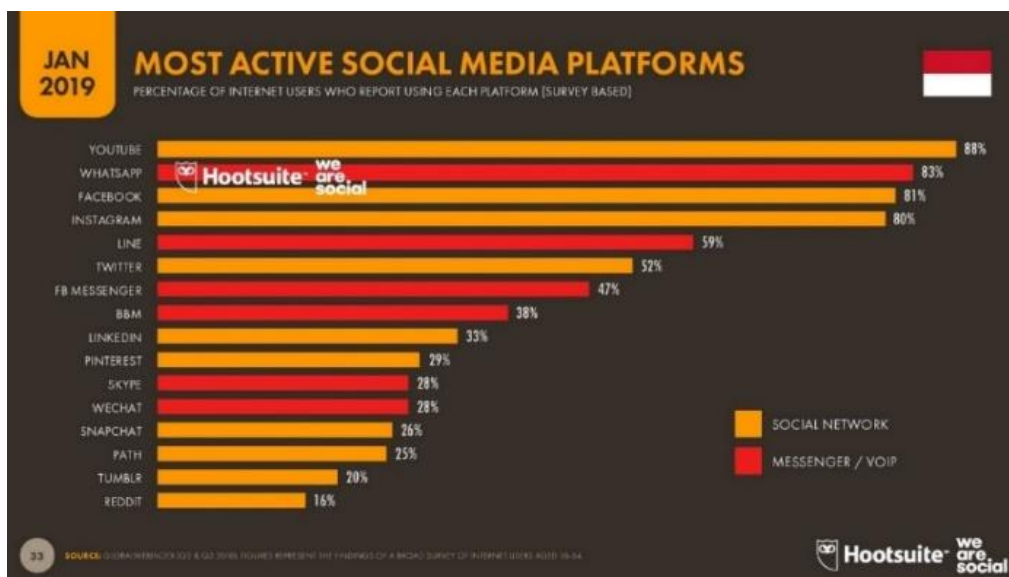


Figure 2. The most used social media platform in Indonesia
 Source: We Are Social and Hootsuite

One of the most popular social media today is Instagram. Because Instagram is the fourth largest social media in the world according to *We Are Social - Hootsuite*. Instagram is an application that focuses on experiences for sharing photos and videos to social networks via mobile devices. This can be used by business people to promote their products. Based on the results of data from *We Are Social-Hootsuite*, Indonesia ranks third in the largest use of social media Instagram in the world. The development of social media users encourages a great potential for the creation of online shopping activities using social media. Online shops make it easier for consumers to shop without wasting time and effort because these benefits make online shopping more attractive to the public (Sernovitz, 2012; Ulumiyah *et al.*, 2016; Vroom, 2000; Hamdani & Mawardi, 2018).

Many social networks have been used to promote business products, one of which is Instagram. In the opinion of Instagram researchers, why choose Instagram? Instagram is a photo-sharing social networking application that first appeared on the Apple iOS platform. This is not the first photo-sharing social network app to appear, but it is more efficient than other photo-sharing apps on any mobile platform. Instagram, makes it easier for online business activities to place their product photos, product information, and information on how to order in one place. So consumers can see the information they need before choosing any product they want to buy and contact the seller. Instagram users will continue to grow, and of course, Instagram is a pool full of consumers (Kusumah, 2015). The behavior of each consumer in deciding to buy a product becomes a special study for each company before releasing its product on the market. The development of the digital era is increasingly inevitable, which must be followed by every company to adjust its marketing strategy by entering an online system to sell its products. Online shopping has become a habit for some people because of the convenience it provides, many people think that online shopping is one of the means to find the items they need (Hunt *et al.*, 1989; Bryson, 1996; Hollingshead, 1996).

Literature Review

Consumer behavior, according to Priansa (2017) several theories describe consumer behavior. (1) Micro Economic Theory, that economic growth is based on the principle that humans in all their actions are driven by their interests. (2) Psychological Theory, this theory is based on individual psychological factors that are always influenced by environmental forces. Human behavior is very complex due to mental processes that cannot be observed directly. In its development, this theory developed into learning theory. According to Kotler & Armstrong (2012), consumer behavior refers to the individual purchasing behavior of end consumers and households who buy goods or services for personal consumption. Furthermore, Solomon (2015) argues that consumer behavior learns about everything about how the process occurs when consumers choose, buy, and use or discard products, services, and ideas or experiences to satisfy the needs and desires of these consumers. The stages to reach purchasing decisions made by consumers are through several stages:



Figure 3. Purchase decision stages

Source: Kotler & Keller (2016)

1) Introduction to Problems

The Purchasing process begins when the buyer recognizes a problem or need. The buyer feels the difference between the real situation and the desired condition. Needs and wants can be triggered by internal and external stimuli.

2) Information Search

Consumers, whether they realize it or not, will seek information. If the motivation is strong & the product that suits his needs and the price is affordable, maybe he will buy it. The number of searches performed will be largely determined by the strength of the motor drive, the amount of initial information obtained, and the ease of obtaining more information, the priority scale of the value of additional information and the satisfaction obtained from the search. Consumers can get information from several sources, namely:

- a) Personal sources: family, friends, and neighbors.
- b) Commercial sources: advertising, salesforce, agents, packaging, displays.
- c) Public sources: mass media, consumer assessment organizations.

d) Sources of experience: handling, inspection, using the product.

In this case, the company must design its marketing mix to make prospective buyers aware of and know the brand. Companies must carefully identify the source of consumer information and the importance of each source.

3) Evaluation of Alternatives

At this stage, consumers are faced with several choices of products to buy. For this reason, consumers evaluate which items are the most suitable to be purchased according to their needs and desires. How consumers evaluate alternative goods to be purchased depends on each individual and the specific buying situation. Marketers must study buyers to find out how to evaluate brand alternatives. When they know what the evaluation process is going on, marketers can take steps to influence the buyer's decisions.

4) Buying Decision

The buying decision is the stage of the buying decision process when consumers buy the product. In general, the buying decision made by consumers is to buy the most preferred product, but two factors arise between the intention to buy and the decision to buy, namely the attitude of others and unexpected situations. Consumers generally form purchase intentions based on factors of income, price, and product benefits, but unexpected events can change purchase intentions. So the choice and intention to buy does not always end in the decision to buy the item that has been selected.

5) Post Purchase Behavior

After buying a product, consumers will feel satisfied or dissatisfied with the goods purchased. Buyers will determine whether satisfied or not it lies in the relationship between consumer expectations and the performance received from the product. If the product does not meet expectations, consumers will feel dissatisfied. The activity of marketers continues in response to this satisfaction and dissatisfaction so that the product life cycle does not decrease. In a product purchase, the decisions that must be taken are not always in the order above. In a buying situation such as an extensive settlement, the decision can be made from the seller, as the seller can help define the difference with other stores by building a positive store image. With a good image displayed by the shop in the eyes of the public, especially consumers, it will create the impression that the company has the quality that can be trusted.

Electronic word of mouth

Word of mouth association (Woma) simply defines the word of mouth marketing as someone's action in sharing interesting information with others (www.womma.org). Consumers tend to accept suggestions from relatives, friends, and colleagues because of the high credibility among them when talking about the products they consume (Suwarduki & Yulianto, 2016; Smith *et al.*, 1988; Brehmer, 1992). According to Hasan (2010), there are reasons why the Word of Mouth (WOM) can be a powerful source of information in influencing purchasing decisions.

- 1) WOM is an independent and honest source of information, which means that when information comes from a friend, it is credible because there is no connection between the person and the product company.
- 2) WOM is very powerful because it provides benefits to those who ask with direct experience about the product through the experience of friends.
- 3) WOM is tailored to the people who are interested in it. A person won't join the conversation unless they are interested in a topic he likes.
- 4) WOM produces informal media information.
- 5) WOM can start from one source depending on how the power of the influencer and social network spreads quickly and widely to other people.
- 6) WOM is not limited by space or other constraints, such as social ties, time, family, or other physical barriers.

Research methods

The analysis used is descriptive qualitative and interpretative, data is collected through observation, in-depth interviews with informants. Interviews were conducted based on the interview guide, which began with general questions and then conducted in-depth interviews according to conditions in the field. Informants in this study include the community as the subject and object of their research, especially those who have made online purchases on the Instagram application. Accidental sample technique. An accidental sample is a sample taken from anyone who happens to be there, for example asking anyone he meets in the middle of the road to ask for their opinion about

something. In the discussion, the concepts and theories that have been listed are used, it does not rule out the use of other concepts and theories as supporters, who are considered relevant. Data is presented naturally, the expressions are not converted into numbers. The research locations are in the cities of Badung and Denpasar because these locations are part of a global city, the economic growth and purchasing power of the people are quite high compared to other regions in Indonesia. There are many shopping centers, business centers, leading companies, as well as government centers.

Results and Discussion

From the results of research, decision making does not always start with needs, other conditions start the purchase decision process on Instagram, such as several situations described by the informant, “so sometimes there are often advertisements from *olshop* (online shop) that appear on my timeline. Then the items are cute, right .. yes, a woman’s name will be opened immediately .. “or” I bought something on Instagram not because I need that item, but because I was tempted by *celebgram*“. This is another condition that started making this purchase decision, namely browsing on the Instagram timeline, whether from ads that appear or being tempted to see celebrities wearing attractive clothes.

Informants look for information from all sources to get different information content as explained by the informant “Usually from friends, for example, if I see a hoodie (a type of jacket) my friends are just like cool, sometimes I also want to have one, usually that’s what happens. the reason I look for it in the *olshop*, usually I go straight to it. “Or according to another informant, “so I have a group like that on Instagram DM (direct message) ... the contents are my college friends, well ... usually they also send *olshop* accounts selling items that are trending right now ... if there is something, in my opinion, matches my taste yes... usually buy right away ”so some informants got information from their friends or close relatives. According to Kotler & Keller (2016), this is called a personal source, where the source of information comes from family, friends, etc. Then some informants get information from advertisements or celebrities. Based on the researcher's observations, this stage can go to the next stage, namely the alternative evaluation stage (looking for comparisons) or directly to the purchase decision stage (purchase and payment).

At the purchasing decision stage, the informant will make a purchase, based on the results of the study several factors determine the purchase, namely the price, then recommendations from friends/family. As stated by the following informant, “the benchmark is the price ... but if there is an item that is different in design from the others, I usually take a screenshot first ... I send it to a friend which is better, or usually to Mama.” Then from the review (E-WOM) “Look at the *Olshop* itself, usually there are testimonials, I’m afraid of being deceived by the photos who know the results are dirty ... then from the review also from the comments of the person who bought it”, the fourth factor is previous purchase experience “if it's online, it’s really difficult because we don’t know the quality ... I usually try to buy it first ... well, if it’s good ... yeah I usually buy it again there ...”

After making a purchase, the informant can experience several types of situations, the first block/block the *olshop* due to problems or bad experiences that they get when making a purchase, causing disappointment, then the second one buys back at the same *olshop*, because of the good experience gained after the previous purchase, and the last is recommending it to friends, family, and others.

Based on the results of the study, the researchers assumed that informants were students and workers who also went through several stages of decision making when shopping on Instagram, what was different was the online decision-making process carried out, the informant could return to the previous stage or even passed several stages, this was due to the ease of access The internet allows informants to go through several stages of the online buying process, such as browsing the timeline by the informant and accidentally finding a product that is of interest to them, they can go straight to the purchase and payment stage.

Conclusion

Decision making does not always start with needs, there are conditions where consumers are browsing on Instagram and seeing ads or seeing items that other people use. After that the consumer enters the information-seeking stage, the consumer can usually get information from relatives or find their own depending on the source. The next stage is to look for comparisons after the consumer finds the item he wants, then the consumer will look for comparisons to other online shops, but some skip this stage because they are sure of their choice. At the stage of purchasing

decisions, the information will make a purchase, based on the results of the study, there are several factors that most dominate the purchasing decision, namely: price, recommendations, and trends. After making a purchase the consumer experiences several types of situations. The first situation is blocking the online shop because you have a bad experience while shopping. the second is back shopping to the same online shop because trust has been formed between the buyer and the seller.

For theoretical implications, the research is useful for readers to increase knowledge about the process of making online purchasing decisions on Instagram social media. Regarding the characteristics of Instagram users, consumer behavior on Instagram social media, then decision making on Instagram social media. For the practical implications, this research can be useful for online shop owners on Instagram so that it can be used as a means of increasing competitiveness by considering the sense of usefulness, convenience, comfort, and supported by the social environment so that information technology can be accepted by consumers. For the policy implications, the use of digital marketing is a must, considering that the strategy in marketing is also more modern by using more modern tools by maximizing the features found on social media Instagram. Given that online marketing is increasingly widespread, it must be able to keep up with it.

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