JURNAL
REKOMEN
Riset Ekonomi Manajemen

The Influence of Instagram on Purchase Intention Mediated by Ease of Communication on Marketplace

Wisnalmawati[a]✉, Agus Sasmito Aribowo[b], Dipo Hardi Dewantoro[c], Preya Alvita Yasmine[d], Olinda da Conceicao[e]

[a,b,c,d,e]Universitas Pembangunan Nasional "Veteran" Yogyakarta

✉wisnalmawati@upnyk.ac.id

ABSTRACT. Marketing using digital media on the internet has become a necessity in the era of industrial technology 4.0. The Covid-19 pandemic has caused a shift in consumer behavior. Usually face to face changes to online shopping. The purpose of this study is to analyze the influence of Instagram social media on purchase intentions on Marketplace and analyze the influence of Instagram social media on purchase intentions on Marketplace mediated by the ease of communication. The novelty that emerged in this research is to develop the ease of communication so that the ease of communication is a very important concept to increase purchase intention. The research method related to the unit of analysis of this research is the consumers of UMKM Seruni and Sri Rejeki. The sample is 60 consumers, the sampling technique uses accidental, data collection uses a questionnaire (google form), conducts validity and reliability tests. The analysis technique uses the model of Structural Equation Modeling with PLS (Partial Least Square). Data analysis is descriptive and quantitative analysis. The results showed that there was no significant and significant effect of Instagram social media on purchase intentions on the Marketplace. The influence of Instagram social media on purchase intention is mediated by the ease of communication

Keyword: ease of communication ; instagram social media; purchase intention

INTRODUCTION

The Covid-19 situation can shift the behavior of all people's lives and the behavior of business people. This downturn makes business people think harder, to maintain their business. Almost all MSME businesses experience non-smooth product manufacturing activities (interviews with MSME producers Seruni and Sri Rejeki). The production discontinuity is due to the fact that consumers rarely visit because of the covid 19 virus, if there are orders for MSME Seruni and Sri Rejeki to serve them, the processed production orders are inadequate, not routine.

In addition, there are contradictions in the results of previous studies, explained by (Nelson, Moore, & Swanson, 2019)that social media marketing does not directly affect purchase intention, while (Stocchi, Michaelidou, & Micevski, 2019); stated that social media directly affects Online Purchase. With the occurrence of contradictions in the results of previous research, the author wants to add to the ease of message communication in this model. The reason is that message communication is important for customers in delivering written messages to be applied so that the ease of message communication must be more effectively designed in the marketplace application Research on the use of E-Commerce to improve the performance of SMEs in Cilacap. Based on the results of the study, it can be concluded that e-commerce has a positive effect on the performance of SMEs(Hendrawan, Sucahyowati, & Cahyandi, 2019)Another research is to find out the factors that influence MSMEs in Indonesia to adopt e-marketplaces and Instagram. Instagram is identified as a more promising social media for business. In addition, the factors that influence the adoption of Instagram are Competitive Pressure, Perceived Benefit, Top Management Support. However, this research has not discussed the integration of the marketplace with several social media such as Instagram, Facebook, and WhatsApp. and Vendor Support (Purwandari, Otmen, & Kumaralalita, 2019).

Another research is a study on the digitization of MSMEs in East Java. 80 percent of MSMEs have integrated digital literacy, but only 12 percent have done so. In East Java, 70 percent of MSMEs emphasize digital marketing through social media platforms, namely Instagram and Facebook, while 30 percent prefer mixed methods (Suliswanto & Rofik, 2019).

The next research is about how to find the best digital media (marketplace) for MSME marketing media in six districts in East Java. Based on the results of the Crosstabs test, it was found that there is a linear relationship between the existence of a marketplace and the efforts made by small businesses in marketing and selling their products online in six districts in East Java(Artaya & Purworusmiardi, 2019)

Another research is to examine the role of leader factors (leader innovation, leader attitude, the leader's IT knowledge, leader's risk aversion ability), organizational factors (business size, company age, financial flexibility, information intensity), and market environment factors (competitive). pressure, the influence of social networks, ICT business support, perceived ease of use of ICT) to the company's decision to adopt ICT. After an extensive review of the technology acceptance and innovation adoption literature, a model of innovation acceptance behavior is presented, complemented by several useful and insightful propositions about SMEs operating in the context of underdeveloped, developing, and developed countries (Taylor, 2019)   Another research related to MSME marketing is an alternative strategy for digital marketing of MSME snacks in Bogor. This study resulted in eleven digital marketing strategies, namely increasing the durability of snack

products, providing a variety of product flavors, designing attractive packaging and brand appearances, providing information on the nutritional value of products, determining affordable prices, utilizing appropriate information media, choosing media. appropriate promotions, create attractive promotions for consumers, display consumer testimonials, display honest product images and descriptions, and provide various types of payment instruments (Ratnadianti Suharjo, Fahmi, & Hannan, 2020). Purchase intention is the behavior of consumers to buy a product or service shortly, committed (Peter & Olson, 2012) and consumers tell other parties to realize their desires (Bianchi & Andrews, 2018)explaining indicators of purchase intentions, namely consumers will plan to obtain products, services, intend to obtain products or services through retail brand Facebook pages.

Gani &Faroque (2020) explains Digital marketing is related to traffic, conversions, relationships (Bălan, 2014). Social media marketing is facilitating customer interaction across the web to encourage positive engagement with the company. Belanche, Cenjor, & Pérez-Rueda, (2019) investigated the effectiveness of advertising on Instagram and Facebook, the two most important social media platforms. It helps to understand which one to choose depending on the target audience of the campaign. Social media is a medium to socialize with each other and is done online which allows humans to interact with each other without being limited by space and time. (Król & Zdonek, 2020)describes the social media that are often used, namely Facebook YouTube, Instagram Snapchat Spotify, WhatsApp Skype, Twitter Twitter, Facebook YouTube, Instagram Snapchat Spotify, WhatsApp Skype, Twitter Twitter, Oppong, Singh, & Kujur (2020) explain the usefulness of social media which can increase productivity, complete business tasks, make it easier to do business and respond to changes in social media technology in the environment

The formulation of the research problem is whether Instagram social media affects purchase intention on the Marketplace. Does Instagram social media affect purchase intentions in the marketplace mediated by the ease of customer communication? This study aims to analyze Instagram's effect on purchase intention on the Marketplace. Instagram's influence on purchase intentions on the marketplace is mediated by the ease of customer communication

The novelty of this research is that the ease of consumer communication can increase consumer purchase intentions in the marketplace. The theoretical benefit of the research is to develop a model of consumer behavior related to social media on the purchase intention/use of the marketplace. In addition, it can be a research opportunity for further researchers to conduct research, to cover the shortcomings of research conducted related to consumerbehavior

The study of theories and previous research so that the conceptual framework and hypotheses can be built as follows. The relationship of social media to purchase intentions in the marketplace (Cham, Cheng, & Ng, 2020) Social media marketing does not directly affect purchase engagement. (Belanche, Cenjor, & Pérez-Rueda, 2019) investigated the effectiveness of advertising on Instagram and Facebook, the two most important social media platforms. It helps to understand which one to choose depending on the target audience of the campaign. The relationship of social media to the ease of communication (Stocchi et al., 2019); mobile object perception of the ease of use of the application to the ease of communication. (Nelson et al., 2019) explained the indicators of Instagram, namely following fashion, celebrity, and brand lifestyles, and finding inspiration. The relationship of ease of communication to purchase intention ((Stocchi et al., 2019); perceived ease of use of the application on purchase intention. In this case, researchers are looking for solutions to overcome the problems of business phenomena and the contradictions of previous research results

After conducting several studies on the theory and empirical studies, the researcher tries to enter the variable ease of communication which is very important to increase consumers visiting/using

the pasa-pasai.com marketplace to find the products they want. In this case, the researcher wants to prove the important role of ease of communication in the pasa-pasai.com
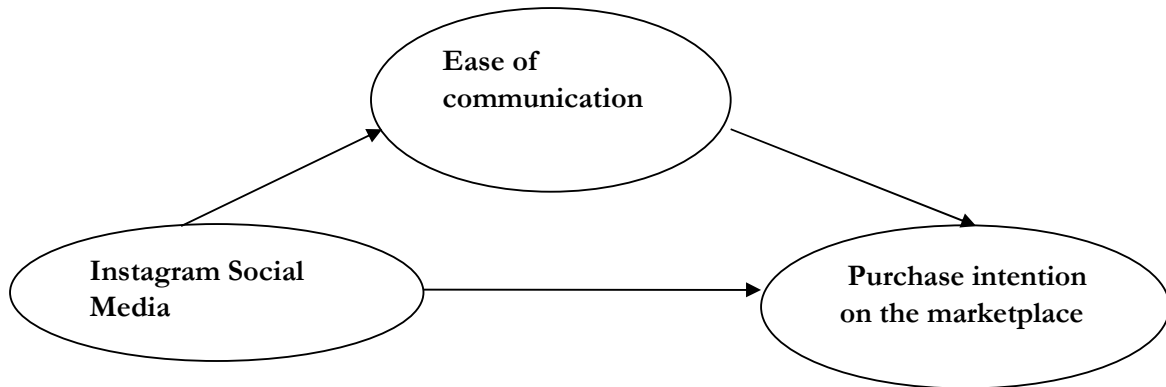

Figure 1. Framework

Hypothesis H1: Instagram social media affects purchase intentions on the marketplace
Hypothesis H2: Instagram social media affects the ease of communication in the marketplace
Hypothesis H3: Ease of communication affects purchase intentions on the marketplace
Hypothesis H4: Social media influences purchase intentions on the marketplace mediated by the ease of communication

METHODS

The unit of analysis of this research is the consumers of two MSMEs, namely Seruni and Sri Rejeki consumers. The number of samples is 60 consumers, the sampling technique uses accidental, data collection uses a questionnaire (google form). Before the research, validity and reliability testing was conducted, with 40 respondents. Hypothesis testing was carried out with the model of Structural Equation Modeling with PLS (Partial Least Square) to test the influence between variables. Data analysis is descriptive and quantitative analysis.

Table 3.1 Operational Definitiondan Validity Test

Research variable	Operational Definision	Indicator	Product moment 40 respondents	Faktor loading 60 respondents	Criteria
Instagram social media (Nelson et al., 2019);(Stocc hi et al., 2019); (Zhao, Lee, & Copeland, 2019)	Instagram social media is a business profile, showing followers and product posts and information on the profile such as business address and contactinfo	1. clarity of business address	0,870	0,914	Valid
		2. The authenticity of the seller's contact	0,897	0,914	Valid
		3. Profiles of social media followers	0,889	0,878	Valid

Ease of communication (Stocchi et al., 2019)	Ease of communication is Ease of written communication, alternative ease of transactions, and simple order form design	1. Ease of written communication	0,873	0,879	Valid
		2. Alternative transaction convenience	0,883	0,870	Valid
		3. simple order form design	0,793	0,728	Valid
Purchase intention on Marketplace (Cham et al., 2020); (Zhao, Lee, & Copeland, 2019)	Purchase intention is wanting to use the marketplace application, shortly want to use the marketplace and notify other parties of the existence of the marketplace	1. wanting to use the marketplace application,	0,759	0,830	Valid
		2. shortly want to use the marketplace	0,776	0,643	Valid
		3. and notify other parties of the existence of the marketplace	0,870	0,838	Valid

Source: Researcher Processed Data (2021)

Validity testing. The value of r > 0.3 or factor loading > 0.6 then the research items are said to be valid.

Table 3.2 Reliability

Variable	*Cronbach Alpha (SPSS)* *40 responden*	*Cronbach Alpha (PLS)* *60 responden*	*Composite Reliability*	Criteria
Instagram social media (X1)	0.861	0.886	0.929	Reliable
Ease of communication (Z)	0,808	0,673	0,817	Reliable
Purchase intention on marketplace (Y)	0,721	0,773	0,867	Reliable

Source: Researcher Processed Data (2021)

If Cronbach's alpha value > 0.6 is declared reliable. The composite reliability value is greater than the Cronbach alpha value, so it is recommended to use Composite Reliability to measure reliability

RESULT AND DISCUSSION

Descriptive Analysis

The respondents wanted to visit to see more detailed products, the products they were looking for were clothing for 22 respondents, culinary for 18 respondents, education/training for 16

respondents, etc. 4. Respondents. 43 female respondents and 17 male respondents. Ages that visited a lot were above 30 years, 30 respondents, 19-23 years, 21 respondents, 16-18 years, 5 respondents, 24-26 years, and 27-29 years, every 2 respondents. Employment of civil servants 22, students 21 respondents, private employees, 6 others and students 4 respondents. Education graduated from SMA 31 and Bachelor degree 24, students 3 respondents and postgraduate students 2 respondents. Income less than 5 million 43 respondents, and 5 million-7.5 million 12 respondents, 7.5 million – 10 million 4 respondents, and more than 10 million. 1 respondent.

Market market targets that are more marketable are clothing, culinary and training, female gender, aged over 30 years and 19-23 years, civil servants and students work, high school education, income less than 5 million and 5 million-7, 5 million.

Descriptive consumer profiles based on processed data show that consumers visit the pasa-pasai.com marketplace. This new marketplace was launched in 2021, originally to accommodate MSME products in Yogyakarta. Consumer responses can be concluded that the order of residence of most consumers sees the pasa-pasai marketplace, from 60 respondents, namely 1. DI Yogyakarta by 47 respondents, Central Java by 6 respondents, Riau by 3 respondents, East Kalimantan by 3 respondents, and Jambi and West Sumatra respectively. 1 respondent. Pasa-pasai has been seen by 6 provinces in Indonesia.

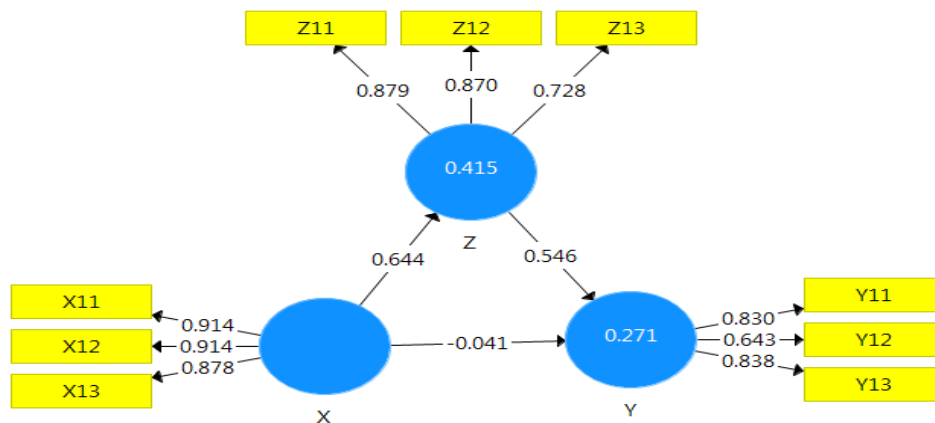Based on the results of the processed data, it can be seen the results of the study as follows:

Figure 2. Alogrithma

Ease of communication $(R^2 1) = 0{,}415$

Purchase intention on marketplace $(R^2 2) = 0{,}271$

Table 4.1. Path Coefficient

Search Variable	Predictor	Path Coefficient	P Value	Criteria
X	Y	-0.041	0.816	Significant
X	Z	0.644	0.000	Significant
Z	Y	0.546	0.000	Significant

Source: Researcher Processed Data (2021)

There are four tests as follows:

Hypothesis testing 1. Based on table 4.1. and Figure 2, it proves that Instagram social media does not directly affect purchase intention in the marketplace, the path coefficient = -0.041, (P-value = 0.816. Social media does not significantly affect purchase intention in the marketplace (H1 does not) proven).

Hypothesis testing 2. Based on Figure 4.1 and figure 2, shows that Instagram social media affects the ease of message communication in the marketplace, the path coefficient = 0.644, (P-value = 0.000. Instagram social media has a significant effect on the ease of message communication in the marketplace (H2 is proven).

Hypothesis testing 3. Based on Figure 4.1 and Figure 2, it shows that the ease of message communication affects the purchase intention on the pasa-pasai.com marketplace, the path coefficient = 0.452, (P-value = 0.008. the ease of communication has a significant effect on the intention to use the pasa-pasai.com marketplace (H3 is proven).

Hypothesis testing 4. To determine the ease of message communication as mediation or not, the path of each variable can be considered. In this case, the influence of Instagram social media does not have a significant direct effect, automatically the ease of message communication in the model is mediation so that the ease of message communication is an important variable that needs to be created in the marketplace.

The indirect influence of Instagram social media on purchase intention through ease of communication is 0.644x 0.546= 0.351. This number is greater than -0,041 (direct influence of Instagram social media on purchase intention), so it can be stated that ease of communication is an intervention variable. That is, communication can increase the influence of Instagram social media on purchase intention.. It is proven that the ease of message communication must be created so that it can create consumer purchase intentions in the marketplace. The ease of communication designed on the marketplace provides convenience so that it can increase purchase intentions on the marketplace.

Q^2 predictive relevance

$Q^2 = 1 - (1-R^2 1)(1-R^2 2)$

$Q^2 = 1- (1- 0,415)(1- 0,271)$

$Q^2 = 1- (0,585)(0,729$

$Q^2 = 0,5735$

$Q^2 = 57.35\%$, where social media Instagram and the ease of message communication have contributed 57.35% to buyer intentions on the marketplace, the remaining 42.72% is influenced by other variables that cannot be detected by the PLS Model

Discussion

Testing the first hypothesis shows that social media Instagram does not directly affect the purchase intention of the marketplace. This means that Instagram social media provides clarity of business addresses, seller contact truth, and profiles of social media followers, this is not a consideration for consumers, but consumers continue to make purchase intentions on the pasa-pasai.com marketplace. This study supports previous research (Nelson, Moore, & Swanson, 2019)) that social media marketing does not directly affect purchase intention, contrary to research (Stocchi et al., 2019):) stated that social media directly affects Online Purchase. The reason Instagram social media

does not affect purchase intentions on the marketplace is that Instagram social media is not yet familiar to MSME consumers

Testing the second hypothesis shows that Instagram social media affects the ease of marketplace communication. This means that Instagram social media is related to the clarity of the business address, the correctness of the seller's contact, and the profile of the Instagram followers' social media will improve the ease of communication the better. The results of this study support research (Stocchi et al., 2019) Objects on mobile apps show that social media affects the perception of ease of communication better.

Testing the third hypothesis shows that the ease of communication affects the purchase intention of the pasa-pasai.com marketplace, in other words, the ease of communication is related to the ease of using the application, the ease of alternative transactions, and the design of a simple order form. This can increase the intention to use the marketplace pasa-pasai.com. The results of this study support research (Stocchi et al., 2019) Objects on the mobile app show perceptions of ease of influencing purchase intentions on the pasa-pasai.com marketplace.

Fourth hypothesis testing; To determine the ease of communication as mediation or not, the path of each variable can be considered. In this case, the influence of social media Instagram does not have a significant direct effect, automatically the ease of communication in the model is mediation so that the ease of communication is an important variable that needs to be created in the marketplace. It is proven that ease of communication must be created so that it can create consumer buying intentions in the marketplace. The ease of communication designed on the marketplace provides convenience so that consumers intend to use the marketplace. The results of this study support research (Stocchi et al., 2019)showing the perceived ease of use of the application is positively related to purchase intentions on the pasa-pasai.com marketplace.

Belanche, Cenjor, & Pérez-Rueda (2019) investigated the effectiveness of advertising on Instagram and Facebook, the two most important social media platforms. To realize an increase in purchase intention, in this study, the role of ease of communication must be effective

CONCLUSION

Instagram social media does not directly affect consumer purchase intentions in the marketplace, although Instagram social media provides clarity of business addresses, seller contact truth, and social media follower profiles, this is not a concern of consumers. But consumers still make purchases on the marketplace. Social media Instagram is supported by the ease of communication so that it can influence purchase intentions on the marketplace, in other words, ease of communication as mediation, meaning that it has an important role.

Ease of communication is a mediation between the influence of Instagram social media on purchase intentions on the marketplace so that the ease of communication is an important variable that needs to be improved so that consumers intend to use the marketplace. The ease of communication is related to the ease of using the application, the ease of alternative transactions, and the design of a simple order form. This is hope for consumers to use the marketplace. The marketplace software is designed so that the communication of written messages is clearer and easier to understand. The model built in this study is quite good so that further researchers can develop models by adding risk variables and consumer complaints are handled quickly.

References

Artaya, P., & Purworusmiardi, T. (2019). Efektifitas Marketplace Dalam Meningkatkan Konsentrasi Pemasaran dan Penjualan Produk Bagi UMKM di Jawa Timur. *Universitas Narotoma Surabaya*, (April).

Bălan, C. (2014). Dave CHAFFEY, digital business and E-commerce management: Strategy, implementation, and practice. In *Management and Marketing* (Vol. 9).

Belanche, D., Cenjor, I., & Pérez-Rueda, A. (2019). Instagram Stories versus Facebook Wall: an advertising effectiveness analysis. *Spanish Journal of Marketing - ESIC*, *23*(1), 69–94. https://doi.org/10.1108/SJME-09-2018-0042

Bianchi, C., & Andrews, L. (2018). Consumer engagement with retail firms through social media: an empirical study in Chile. *International Journal of Retail and Distribution Management*, *46*(4), 364–385. https://doi.org/10.1108/IJRDM-02-2017-0035

Cham, T. H., Cheng, B. L., & Ng, C. K. Y. (2020). Cruising down millennials' fashion runway: a cross-functional study beyond Pacific borders. In *Young Consumers*. https://doi.org/10.1108/YC-05-2020-1140

Gani, M. O., & Faroque, A. R. (2020). *Digital Marketing*. 172–202. https://doi.org/10.4018/978-1-7998-5823-2.ch008

Hendrawan, A., Sucahyowati, H., & Cahyandi, K. (2019). E-Commerce In Small And Medium Enterprises (Smes) In Order To Improve Performance. *Jurnal Terapan Manajemen Dan Bisnis*, *4*(2), 208–215.

Król, K., & Zdonek, D. (2020). Social media use and its impact on intrinsic motivation in Generation Z: a case study from Poland. *Global Knowledge, Memory, and Communication*, *70*(4–5), 442–458. https://doi.org/10.1108/GKMC-08-2020-0113

Nelson, D. W., Moore, M. M., & Swanson, K. K. (2019). Fashion and social networking: a motivations framework. *Journal of Fashion Marketing and Management*, *23*(4), 608–627. https://doi.org/10.1108/JFMM-03-2018-0037

Oppong, G. Y. S., Singh, S., & Kujur, F. (2020). Potential of digital technologies in academic entrepreneurship – a study. *International Journal of Entrepreneurial Behaviour and Research*, *26*(7), 1449–1476. https://doi.org/10.1108/IJEBR-06-2019-0401

Peter, P. J., & Olson, J. C. (2012). Consumer Behavior Marketing. In *Mc Graw*.

Purwandari, B., Otmen, B., & Kumaralalita, L. (2019). Adoption Factors of E-Marketplace and Instagram for Micro, Small, and Medium Enterprises (MSMEs) in Indonesia. *ACM International Conference Proceeding Series*, 111–116. https://doi.org/10.1145/3352411.3352453

Ratnadianti Suharjo, A., Fahmi, I., & Hannan, S. (2020). Digital Marketing Strategy of Small and Medium Enterprises for Snack in Bogor City. *Jurnal Manajemen Dan Agribisnis*, *17*(1), 74–85. https://doi.org/10.17358/jma.17.1.74

Stocchi, L., Michaelidou, N., & Micevski, M. (2019). Drivers and outcomes of branded mobile app usage intention. *Journal of Product and Brand Management*, *28*(1), 28–49. https://doi.org/10.1108/JPBM-02-2017-1436

Suliswanto, M. S. W., & Rofik, M. (2019). Digitalization Of Micro, Small & Medium Enterprises (Msmes) In East Java, Indonesia. *Muhammadiyah International Journal of Economics and Business*, *2*(1), 34–43. https://doi.org/10.23917/mijeb.v2i1.9380

Taylor, P. (2019). Information and Communication Technology (ICT) Adoption by Small and Medium Enterprises in Developing Countries: The Effects of Leader, Organizational and Market Environment Factors. *International Journal of Economics, Commerce and …*, *VII*(5), 671–683.