# Perceived Impact(S) Of Instagram Advertising Of Nestle Nigeria Plc Products On Consumers Patronage.

## BY

## Henry Divine Isioma

## 17020601023

A PROJECT REPORT SUBMITTED TO THE

DEPARTMENT OF MASS COMMUNICATION,

COLLEGE OF HUMANITIES MANAGEMENT AND SOCIAL SCIENCES,

MOUNTAIN TOP UNIVERSITY, OGUN STATE

IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE

DEGREE OF BACHELLOR OF SCIENCES (B.Sc. HONS) IN MASS

COMMUNICATION, NIGERIA.

AUGUST, 2021.

# CERTIFICATION

This is to certify that this research project titled; **PERCEIVED IMPACT(S) OF INSTAGRAM ADVERTISING OF NESTLE NIGERIA PLC PRODUCTS ON CONSUMERS PATRONAGE** was carried out by **HENRY DIVINE ISIOMA** with matriculation number 17020601023 in partial fulfilment of the requirements for the award of **BACHELOR OF SCIENCES (B.Sc. HONS) IN MASS COMMUNICATION, NIGERIA.** in the department of Mass Communication, College of Humanities, Management and Social Sciences, Mountain Top University, Ogun State, Nigeria.

x                                                        …………………………

(Project Supervisor)                                     Signature and Date

Prof.B.O.Oni                                             ………………………

(Head of Department)                                     Signature and Date

## DECLARATION

I hereby declare that this project report written under the supervision of Dr. Kenneth Udeh is a product of my own research work. Information derived from various sources have been duly acknowledged in the text and a list of references provided. This research project report has not been previously presented anywhere for the award of any degree or certificate.

_____                                      _____

**Henry Divine Isioma**                                                      **Date**

# DEDICATION

This work is dedicated to the creator of heaven and earth, the Almighty God.

# ACKNOWLEDGEMENTS

# Table of Contents

## List of Tables

## *Abstract*

*The rapid development of technology has induced the emergence of new social media applications in cyberspace. In the dissemination of news and information, fast expanding social media have become viable alternatives to traditional mass media. Nigeria has the world's sixth-largest number of Internet users, which is 132 million (Kompas.com, 2016). A market of this size has undoubtedly attracted social media marketers and administrators looking to increase their earnings possibilities. Thus, this research aimed to identify the advantages or benefits of Instagram advertising that can be gained by businesses, especially online sales of Nestle Nigeria plc products. This research also investigated the effect of Instagram advertising on consumer purchase intention of Nestle Nigeria plc products. SEM-SmartPLS data analysis was employed in this study since it is a new research paradigm in the development of e-commerce and social commerce. Results show that: Instagram advertising has a significant and positive effect on consumer trust in doing online shopping; perceived usefulness has a significant and positive effect on purchase intensity; and indicating that the effect size value of the variable perceived usefulness is bigger than that of the variable trust, implying that the variable perceived usefulness had a significant role in determining the purchase intensity by Instagram users Nestle Nigeria plc products.*

# Chapter One

## 1.0 Introduction

This chapter explains the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage. It also reveals the background to the study, statement of the problem, objectives of the study, the research questions, and significance of the study, scope of the study, and the definition of the key terms used in the project.

## 1.1 Background of the study

The rapid development of technology has induced the emergence of new social media applications in cyberspace. These rapidly developing social media have become alternatives to conventional mass media in the spread of news and information. Aubrey and Judge (2012) confirmed that technological advancements have influenced consumer perceptions and behaviors. Customers increasingly have diverse choices and full authority (Hendriyani, 2018). According to the data from Kompas.com (2016), Nigeria has the world's sixth-largest number of Internet users, which is 132 million. Meanwhile, Instagram has just revealed its internal data regarding its users in Nigeria. Not less than 45 million Nigeria people are active users of Instagram.

This development has enabled collaboration between customers and businesses via the Internet (Astuti & Putri, 2018). Currently, social media allow consumers to create contents and engage in social interaction online via the social platform. Several social platforms have facilitated information sharing. Instagram, for example, is a website that showcases the most common and innovative aspects of photography and videography, as well as a feature that allows users to share information and shape online communities (Husada, 2014). By using social media, consumers can create content and offer recommendations for others (Astuti & Putri, 2018). By using their social media sites to exchange knowledge internationally and efficiently, this new

advancement has aided individuals (Hajli, 2013). With the rapid development of social networks, a new era of content writing, where a user can easily share experience and information with others, has emerged. Online business offers an opportunity for the community and organizations to have a good customer relationship management system. Social media can induce a new development, where businesses can conduct studies on the effect of social media on consumers. Moreover, in a platform that allows social interaction amongst members, consumers may become familiar with one another, which may become a source of trust.

This interaction highly influences consumer purchase intention. As a result, businesses should develop business models that are compatible with social commerce (Hajli, 2013). Social commerce is a new stream in e-commerce that encourages social interaction amongst consumers via social media (Hajli, 2013). Companies may use social media to become more appealing to a wider audience.

Social media offer different values for companies, for example, increasing the popularity of a brand, facilitating word-of-mouth communication, increasing sales, facilitating information sharing in a business context, providing social support for consumers (Hajli, 2014), If the company controls the contact, it may also make customers aware of a brand (Astuti, 2017). Moreover, the community gives shared values via social media, which positively impacts consumer trust. The expansion of social media, one of which is Instagram, may be useful for the development of marketing strategies of various companies through the mechanism of trust-building and influencing purchaser intention to buy products online.

According to Messik (2012), Social Media can be considered as an intra-organizational communications tool, and since more customers are adopting their mobile devices as a tool to search and make purchases online, more attention should be paid from entrepreneurs to improve their sites, so they can be convenient in usability, in order to better target their audiences.

2

Therefore, it is fundamental to know how to use all the features that SM marketing includes in today's circumstances (Garifova, 2016).

Additionally, Garifova (2016) pointed out that Facebook mostly represents the rise of Social Media networks, followed up by Twitter and more recently by Instagram. Garifova (2016) also invoked that the evidence that Instagram is quickly developing contributes to the fact that more companies fancy to promote in this network.

**1.2 Statement of problem**

Past research shows that with the emergence of Social Media, the way consumers interact with brands completely changed. Consumers are getting used to looking for information from individuals with a high rate of visualizations, usually referred to as influencers (Liu et al., 2015). Meanwhile, companies keep making efforts to investigate the impact of influencers on sales and advertising. Hence, Liu et al. (2015) stated that the ability to identify influencers has ended up being important for companies since with the utilization of Social Media platforms advertising messages can be spread faster, and be better promoted via influencers' recommendations to their extensive followers. It is thus of great importance for marketers to understand that if they use Social Media platforms and gain trust, their marketing campaigns may get more consumers and boost their return rate.

Instagram thus being the platform used in getting more engagement from consumers (WeAreSocial.com, 2017), and influencers' posts a convenient marketing device and an essential reference source to trust when consumers make a purchase decision Rebelo, (2017), the research problem of this study lies in exploring the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage.

**1.3 Objective of the study**

This research focuses on the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage. The understanding of this objective may help identify factors that build trust and purchase intention via Instagram.

Specifically, the study aims to:

i) To ascertain the level of exposure to instagram advertising on Nestle Nigeria plc product among instagram users;

ii) Examine the relationship between trust and perceived usefulness of Instagram influencers to consumers;

iii) Investigate the perceived usefulness of Instagram influencers on consumer purchase decisions of Nestle Products.

**1.4  Research questions**

i) What is the level of exposure to Instagram advertising on Nestle Nigeria plc product among Instagram users?

ii) What is the relationship between trust and perceived usefulness of Instagram influencers to consumers?

iii) What is the perceived usefulness of Instagram influencers on consumer purchase decisions of Nestle Products?

**1.5 Study Hypothesis**

**Hypothesis 1**

$H_0$: Instagram advertising has no positive effect on user trust

$H_I$: Instagram advertising has a positive effect on user trust

**Hypothesis 2**

$H_0$: Positive trust does not affect perceived usefulness of Instagram influencers

$H_1$: Positive trust affects perceived usefulness of Instagram influencers

**Hypothesis 3**

$H_0$: Perceived usefulness has no effect on user intention to purchase via social networking sites

$H_1$: Perceived usefulness has a positive effect on user intention to purchase via social networking sites

**1.6  Significance of the study**

This research focused on the social role of a trust factor, which may influence an individual who intends to purchase Nestle Nigeria Plc products via social media. Understanding this issue can aid in identifying factors that promote confidence and purchase intent on Instagram.

Academically speaking, very little research concerns the potential of Instagram advertisement nowadays. Despite the field being relatively new, previous studies provided empirical support of advertisement's importance and of the general qualities of a social media advert (Zhang, Moe & Schweidel, 2017; Kapitan and Silvera, 2016; Freberg et al., 2010). However, these studies are focused on other popular social media networks, such as Blogs, Facebook, Twitter, and YouTube (Uzunoglu & Kip, 2014), with no considerable amount of research made in direct regard to Instagram.

The findings from this study aspire to make a contribution to the broad literature and its research efforts to formulate new and fresh variables on the digital consumer behavior subject. This will

be achieved through the investigation of the link between Instagram users' perceived credibility of adverts on the Instagram platform, and consequently, its impact on the purchase intention of the Nestle Nigeria Plc products promoted.

The study is significant to Nestle Nigeria plc for policy formulation. Some studies recognize the significance of SM as a platform for building and conveying an image for the brands, and therefore for making sales. Besides, SM went from engaging and communicating with consumers to a mode of generating revenues (Wang and Zhang, 2012; Barnes, 2014). Research shows that almost 40% of SM users had bought a product after sharing it on SM sites. The growing attendance of colossal brands on SM sites demonstrates that these sites are increasingly in the SM industry (Pelet and Papadopolou, 2013; Liang et al., 2011).

Additionally, Shadkam and O'Hara (2013) claim that Instagram accounts and Facebook pages are examples that the social industry provides businesses by selling to consumers from SM platforms. Therefore, the social industry represents an electronic business in which the consumer is more participative than ever (Liang et al. 2011). Hence, SM and digital platforms may be considered as a set of collaborative tools that connect consumers and with which marketing can be developed (Quinton, 2013).

This online consumer performs an essential role in e-commerce and has distinct buying habits compared with conventional consumers. Therefore, companies should consider online consumers' needs, behaviors, lifestyles, and purchase intentions in order to satisfy them in a highly dynamic and competitive market.

This study is also significant to the Entire Society because the utilization of the information provided on SM offers several benefits, such as convenience, efficiency, participative and wealthier information, a more extensive selection of products, cost reduction, a high variety of products, and competitive pricing (Bayo-Moriones & Lera-Lopez, 2007). Besides, one of the

biggest benefits of using SM in research is the speed of response and immediacy of information (Quinton, 2013).

Online social networking usually tends to upgrade these benefits, considering it provides more proactive communication between consumers. For instance, through SM, consumers can search for others' opinions about particular products (Henderson, 2011).

Hence, consumers have been demonstrating to esteem peer judgments more than company promotions, which represent a shift in the locus of persuasive power (Berthon, Pitt, Plangger, & Shapiro, 2012; Pitt, Berthon, Watson, & Zinkhan, 2002).

## 1.7  Scope of the study

The scope of the research will be limited to the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage research will rely on the company's Instagram page for vital information including data for the study through the total enumeration method as the sampling technique. This will be done in Lagos State. Determining the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage.

## 1.8  Definition of terms

In order to aid our understanding of the whole work, it is important that some terms used in this work should be defined such terms are defined below:

**Product**: Is a product or material made for use or consumption that may fulfill a desire or need. A product can also be described as something that can be sold to meet a market's desire or need.

**Advertising**:

Advertising is a non-personal communication through various media by business firms, non-profit organizations, and individuals who are in some ways identified in the advertising message and who hope to communicate with the members of a particular audience.

**Influencers**: Influencers are common Internet users who gather a huge following on Social Media through the engagement with followers in digital and physical spaces by coordinating advertorials into their SM posts

**Message**: can be defined as the symbol that advertises transmits to have an audience to address for benefits purpose motivation, reason or for identification.

**Appeal**: can be defined as the motive used to create interest in a product or service and to stimulate a purchase.

**Copy**: this can be defined as a written document prepared by an expert copywriter it is written or spoken materials of advertising communication and include the headlines, name, and address of the advertiser as well as the main text of the message.

**Advertising Medium**: Can be defined as any means by which sales messages can be seen as a route of channels through which the message is delivered to the target audience or consumers.

**Brand Loyalty:** It can be described as an understanding of a product's characteristics.

**Consumer behavior:** can be described as the actions that consumers take while looking for items to buy, reviewing, and discarding goods, services, and ideas that they believe will meet their needs.

**Purchases Decision**: It can be defined as the process by which an organization defines their product/needs, for goods and services, identify and compare the supplier available to them negotiated and source of supply on some other ways arrived as agreed terms of trading, make contracts and place an order and finally received the goods and services and play.

**Patronage**: It is an organization or individual's support, motivation, privilege, or financial assistance provided to another.

**Instagram**: Instagram is an online photo-sharing service. It lets you add various photo filters to your photos with a single click and then share them with others.

**Literature Review**

**2.0    Introduction**

This chapter looks at the conceptual review, the theoretical framework and the empirical review of literatures related to the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage.

## 2.1 Conceptual review

### 2.1.1    Social Media

Social Media (SM) can be considered as Internet-based applications that sustain consumer-generated content, which includes archives with content established by experienced consumers that are shared online for others to easily access (Blackshaw, 2006). SM can also be defined as any type of website that allows users to share their community building, interactions, opinions, and views (Rebelo, 2017). SM combines several applications that enable consumers to "post", "tag" or "blog" on the Internet.

According to Astuti and Putri, (2018), social media is a new media paradigm in the context of the marketing industry. Astuti and Putri, (2018) also validated that traditional media, such as TV, radio, and newspaper, facilitate one-way communication, whereas social media facilitate two-way communication, allowing every individual to make a publication and contribute via online chats. Meanwhile, according to Zarrella (2010), social media platforms can be used to enable a variety of activities such as website integration, social engagement, and community-based content creation. Consumers interact via social media, such as online forums, communities, ratings, reviews, and recommendations. This development has introduced a new stream in e-commerce, namely, social commerce, which empowers consumers to create content and influence others. This interaction gives different values for businesses and consumers.

Consumers may have a role in the development of common values (Hajli, 2014). In this case, consumers create added value through collaborations and social interactions on the Internet. Customer reviews on social media are widely available for products and services, which may produce significant value for consumers and companies (Astuti & Putri, 2018). This action generates social media-generated word-of-mouth communication, which may aid consumers in their purchasing decision (Hajli, 2014). Interaction on social media can help to improve trust and minimize perceived danger. Human connections in cyberspace are made easier for social and commercial reasons. With the widespread use of social media that enables individuals to send information they gain from their experience, the quality of content they post will be uniquely challenged. When individuals join online communities and participate in groups, they seek social support and develop friendships in the community. The perceived utility of social media as well as love and support from group members are defined as Social support, and research shows that online communities generate beneficial knowledge and emotional support (Ballantine & Stephenson, 2011).

Instagram is a great example of people providing social assistance to others. This support may also attract many people to go online and find information via social media. Furthermore, social media research is essential in understanding how people develop social interactions on the Internet (Gruzd et al., 2011).

Hutter et al. (2013) claimed that organizations face a new threat and potential as a result of this new reality of marketing communication. Thus, a purchase decision is increasingly influenced by interactions via social media. Before making a buying decision, people consult their social networks (Hinz et al., 2011). The interconnectedness amongst consumers via social media, as shown in reviews or recommendations, is used to build trust in e-commerce. Social interaction amongst consumers may result in the support or rejection of trust towards service providers in

social network service. Consumer socialization directly occurs through interaction amongst social media consumers and indirectly occurs through product involvement (Hajli, 2014). Customer reviews affect purchase intention by improving trust (Hajli, 2014).

### 2.1.2 Main SM platforms

The study conducted by Kallas (2017) revealed the 13 most popular social networks worldwide as follows: Facebook, with 1.94 billion monthly active users; YouTube: 1 billion; Instagram: 700 million; Twitter: 313 million; Reddit: 250 million; Vine: 200 million; Pinterest: 150 million; Ask.fm: 160 million; Tumblr: 115 million; Flickr: 112 million; Google+: 111 million; LinkedIn: 106 million and VK with 90 million monthly active users.

Moreover, according to Kallas (2019) the 10 top social networking apps currently are firstly Facebook and WhatsApp, both with 1.2 billion monthly active users; QQ Chat: 899 million; WeChat: 806 million; Instagram: 700 million; QZone: 652 million; Viber: 249 million; LINE: 218 million; Snapchat: 200 million and YY with 122 million monthly active users.

Focusing on Instagram, its videos have 2 times the engagement of any other social media platform (Rebelo, 2017). Moreover, Instagram hosts 700 million individual accounts, among which 400 million log on every day. Instagram was bought by $1 billion by Facebook and nowadays the platform's current worth is estimated to be approximately $50 billion (Rebelo, 2017). It is also known that 59% of Instagram users are between 18 and 29 years old, followed by 33% between 30 and 49; 18% are between 50 and 64; and the remaining 8% are over 65 years old (Rebelo, 2017).

### 2.1.3 Importance of SM for businesses and consumers

Web 2.0 takes a new step forward in the expansion of the Internet in a marketing environment (Rebelo, 2017). Online consumers have perceived Web 2.0 applications as a source of empowerment, not only in the shape of content sourcing and communities of dialogue but also as

one of confrontation of producers and vendors concerning their commercial, ethical and social responsibilities.

Some studies recognize the significance of SM as a platform for building and conveying an image for the brands, and therefore for making sales. Besides, SM went from engaging and communicating with consumers to a mode of generating revenues (Wang and Zhang, 2012; Barnes, 2014). Research shows that almost 40% of SM users had bought a product after sharing it on SM sites. The growing attendance of colossal brands on SM sites demonstrates that these sites are increasingly in the SM industry (Pelet and Papadopolou, 2013; Rebelo, 2017).

Additionally, Shadkam and O'Hara (2013) claim that Instagram accounts and Facebook pages are examples that the social industry provides businesses by selling to consumers from SM platforms. Therefore, the social industry represents an electronic business in which the consumer is more participative than ever (Rebelo, 2017). Hence, SM and digital platforms may be considered as a set of collaborative tools that connect consumers and with which marketing can be developed (Quinton, 2013).

Finally, this evolution resulted in the creation of a new consumer profile known as the "online consumer" (Racolta-Paina & Luca, 2010). This online consumer performs an essential role in e-commerce and has distinct buying habits compared with conventional consumers. Therefore, companies should consider online consumers' needs, behaviors, lifestyles, and purchase intentions in order to satisfy them in a highly dynamic and competitive market.

### 2.1.4 Benefits of using SM platforms

From a consumer's perspective, the utilization of the information provided on SM offers several benefits, such as convenience, efficiency, participative and wealthier information, a more extensive selection of products, cost reduction, a high variety of products, and competitive

pricing (Bayo-Moriones & Lera-Lopez, 2007). Besides, one of the biggest benefits of using SM in research is the speed of response and immediacy of information (Quinton, 2013).

Online social networking usually tends to upgrade these benefits, considering it provides more proactive communication between consumers. For instance, through SM, consumers can search for others' opinions about particular products (Rebelo, 2017).

Hence, consumers have been demonstrating to esteem peer judgments more than company promotions, which represent a shift in the locus of persuasive power (Berthon, Pitt, Plangger, & Shapiro, 2012).

The marketer benefits of using SM based on consumer's strategy are as follows: the consumer purchases the product uses it, shapes an opinion about it, and afterward communicates with other consumers. Based on this, the marketer considers the last step, communication between consumers, an opportunity to increase recognition of how consumers perceive their products and services. Afterward, marketers can choose what to take into consideration for improving their products and services (Evans, Bratton, & McKee, 2010).

## 2.1.5   Purchase Intention

Purchase intention is derived from learning and thinking processes that form a perception. This purchase intention arouses motivation that is always recorded in the mind and becomes a strong desire, and eventually, the consumers who must fulfill their needs will actualize what is in their mind (Rebelo, 2017).

An Individual's intention to purchase is closely influenced by trust and perceived usefulness presented by a store regardless of his or her needs. The two factors presented above are the key factors to win customer trust when shopping. A negative perspective of the use of social media reduces customer purchase intention. Saragih et al. (2012) proved that customer satisfaction after doing online shopping strongly influences customer intention to repurchase at the same online

shop. Hajli (2014) corroborated that trust has a significant, positive effect on the intention to buy a product on the Internet. Trust serves as the primary capital in arousing customer intention to do shopping at online shops.

According to Astuti and Putri, (2018), the following signs can be used to identify purchase intent:

a.  Transactional intention, which is one's tendency to purchase a product.

b.  Reference intention, which is one's tendency to make a reference of the product to others.

c.  Preference intention, which describes the behaviors of a person who has the main preference for a product. Only if something happens to his or her favorite product will this choice change.

d.  Explorative intention, which describes the behavior of a person who always finds information regarding the product he or she is interested in to support the positive features of that product.

## 2.2 Theoretical framework

Every substantial phenomenon is bound to have logical and empirical explanations. It is in such situations that theories prove their utmost value, especially in scholarly endeavors. This study does not exist in a vacuum, it is underpinned by two plausible theories namely the diffusion of innovation theory and the technological determinism theory.

### 2.2.1   Diffusion of Innovation Theory

As the name implies, this theory concerns itself with the rate at which recent/new innovations are diffused (adopted) within a given human community. The theory was propounded by Everett Rogers in 1962; however, researchers have earlier on worked on the concept of diffusion of innovation. The theory postulates that when new technological innovations are introduced, they

will move across a series of stages before they are generally adopted, (Wogu, 2013). The theory, as Asemah, Nwammuo and Nkwan-Uwaoma (2017) explain, "Traces the process by which a new idea or practice is disseminated through certain channels among members of a social system through time". He further notes that the theory describes the factors that influence people's thoughts and actions and the process of adopting new technology or idea. Both mass media and interpersonal communication channels have a role in the spread of inventions.

There is no doubt that some people accept new innovations earlier than others. This implies that diffusion of innovation theory emphasizes the fact that change occurs in procedural stages, namely: awareness, knowledge and interest, decision, trial implementation, confirmation, or rejection of the new innovations, (Okoro, Nwachukwu & Ajaero, 2015).

The major assumptions of the theory according to Akpoghiran and Okoro, (2014), as cited by the authors above are as follows:

- Diffusion of innovation theory predicts that media, as interpersonal contacts, provide information and influence opinion and judgment.

- Opinion leaders exert influence on audience whose behavior via their personal contact, but additional intermediaries (called change agents and gatekeepers) are also included in the process of diffusion.

- The information flows through networks. The nature of networks and the roles opinion leaders play in them determines the likelihood that the innovation will be adopted.

The theory is fitting to this study because it explains how social interactions help in the formation of opinion. And social interaction is the hallmark of social media marketing globally. Advertisement /Marketing of goods and services through social media is a new innovative product, services, and even social practices get to spread that it requires the aforementioned stages of diffusion of innovation for social media users to key into the patronage of online

15

advertised products and services in the country. In essence, advertising through social media ordinarily serves to generate awareness and stimulate further discussions about the products so advertised among social media users. This is why the study is interested in the perceived impacts of Instagram advertising of Nestle Nigeria plc products on consumers' patronage.

### 2.2.2    Technological Determinism theory.

The technological determinism theory was pronounced a full-fledge theory in 1964 through the works of the Canadian media scholar (Asemah et al, 2017).

The theory states that there is a long and still active tradition of searching for links between the dominant communication technology of age and key features of society – with a common element of media centeredness, (McQuail, 2010). The thrust of this theory is the fact that everything that happens in society has been revolutionized by the introduction and adoption of new media technologies. It further goes to say that the technologies of the day determine the behavior of societal members and society by extension.

Going from the above explanation about technologies becoming the major determinants of lifestyles and patterns in society, the theory is relevant to this study in that social media is part of the recent technological developments that have come to stay and its presence has changed the way things work in the society. Advertising has now moved on from the traditional media to the new media (social media). Thus this theory explains the existence and the extent to which new technologies (social media in this case) have changed the way things work in society as against the usual norm of advertising in traditional media. And this goes a long way in understanding the level of adoption of these technologies by online business professionals in Nigeria.

### 2.3 Empirical Review

In a study titled "Social media advertising/marketing: A study of awareness, attitude, and responsiveness by Nigerian youths" by Otugo, Uzuegbunam, and Obikeze (2015); it is noted that

the advent of social media has introduced a paradigmatic shift in the way advertisers/marketers promote their goods and services. The study posits that the realm of social media advertising is still in its developmental stages. Facebook is also identified as the most popular platform among users and advertisers alike. The study found that the level of awareness of social media advertising (Facebook in particular) among youths is high; It also concludes that some challenges exist as it pertains to the attention and engagement with the products via the ads. It recommends that social media advertisers make their ads more assertive, eye-catchy, detailed, brief and concise, more visible, and more properly positioned.

Nyekwere, Nnanyelugo and Azubuike (2014) in their study "An Assessment of the use of social media as advertising vehicles in Nigeria: A study of Facebook and Twitter" asserts that Facebook and Twitter, for example, are powerful communication and marketing tools in today's world. The study revealed that 70% of business organizations in Nigeria are embracing social media to communicate with their customers. 35% of businesses surveyed acknowledged success with the use of social media advertising. They recommended that more Nigerian organizations should embrace social media advertising since it has the potential of reaching their target audience.

Thirushen (2013) in the study "The effectiveness of advertising through social media in Gauteng" asserted social media advertising has become a norm for most companies through various sites such as YouTube, Facebook, Twitter, etc. Social media marketing is gaining more prominence among companies as it enables brand engagement on a more personal level with the customer. The researcher surveyed 189 respondents and found out that brand engagement, brand attitude, brand image, and consumer engagement contribute to the effectiveness of social media marketing, particularly on Facebook.

A study by Adegbuyi, Akinyele and Akinyele (2015) on the "Effects of Social Media Marketing on Small scale business performance in Ota-metropolis, Nigeria", It has been discovered that social media allows businesses to engage with customers on a variety of levels, including personal. It also states that in the beginning (of social media marketing efforts by businesses), it is important for a business to focus on creating relationships with consumers.

In his study "social media marketing in emerging markets" Olotewo (2016) credited the boom in social media marketing to its numerous roles of reaching more customers. Employing the survey method, the researcher found that social media activity positively affects brand success in emerging economies. Also, Facebook is a prominent social media platform employed by organizations in emerging economies; but the rate of adoption is still low considering the percentage of organizations that have social media departments/teams. It is also concluded that social media advertising is gaining traction in emerging economies.

## Chapter Three

## Research Methodology

### 3.0 Introduction

This chapter presents the research design, population, sampling technique, sample size, research instruments, validity and reliability of research instruments, method of data collection and method of data analysis used in the study.

### 3.1    Research design

Researcher adopted a survey approach (Saunders, Lewis & Thornhill, 2012). It helps in investigating the impact of Instagram advertising and digital consumers' loyalty satisfaction on service quality, price, promptness of service, customers' patronage and online store image. The collection of data is mainly done by circulating the structured questionnaire on Instagram. The selection of respondents and segmentation of consumers for Instagram advertising of Nestle Nigeria plc products are primarily based on previous studies conducted by researchers for offline stores and generalized retail activities (Nguyen, Wood & Wrigley, 2013; Nguyen, Lobo, Nguyen, Phan & Cao, 2016). The previous researchers classified the consumers based on the available national census data. So, in this research, the respondents are considered accordingly based on their demographic data (Cao, Dang & Nguyen, 2016; Nguyen, Nguyen, Tran & Nguyen, 2019; Pham, Nguyen, Phan & Nguyen, 2019; Nguyen, Nguyen, Nguyen & Phan, 2018; Singh, Mondal, Singh, Sahoo & Das, 2020).

### 3.2    Population

Population is the collection of elements or objects that possess the information sought by the researcher, and about which inferences are to be made (Malhotra, 2006). Rebelo identified four dimensions used to define population: its elements (object about which or from which the

information is desired), sampling units (unit containing the element that is available for selection at some stage of the sampling process), extent (refers to the geographical boundaries) and time (is the time period under consideration) (Rebelo, 2017). For this study, the population is composed of Nigerians aged 18 years old or over, that have an account on Instagram, considering only those that are active Instagram users.

### 3.3    Sampling technique

The present study will use a non-probabilistic convenience sample. According to Malhotra (2006), a convenience sample is of non-probabilistic nature, as the questionnaire was distributed among friends, family, and users of Instagram. The convenience sampling technique is a non-probabilistic technique that seeks to obtain a sample of convenient elements, where the selection of sampling units is left to the researcher (Rebelo, 2017). The researcher highlights the least expensive, the least time-consuming, and the most convenient as the main strengths of this sampling technique.

### 3.4 Sample size

The data for the study will be collected from respondents who frequently purchase from Instagram advertising based on convenience sampling. The expected respondents are 200, and a structured questionnaire with 23 items will be administered.

### 3.5 Research instrument(s)

The survey instrument will be built based on the selection and adaptation of existing validated scales in the literature associated with online purchasing orientation (Rebelo, 2017).

Pretesting of the questionnaire will use focus groups and cognitive interviews with regular consumers who use online stores for purchasing various products to identify and correct assumed problems about the structure and layout.

The questionnaire has four layouts. The first part of the questionnaire will consist of socio-demographic characterization data. The second part seeks to ascertain the level of exposure to Instagram advertising on Nestle Nigeria plc product among Instagram users; the third section tries to examine the relationship between trust and perceived usefulness of Instagram influencers to consumers; and finally, the fourth section investigates the perceived usefulness of Instagram influencers on consumer purchase decisions of Nestle Products.

All the items will be analyzed using 5-point Likert-type scales where "1" represents strongly disagree and "5" for strongly agree.

**3.6 Validity and reliability of Research Instruments**

To operationalize the impact of Instagram users' perceived credibility to follow influencers on purchase intention, the measures were adapted from previous studies. The credibility scale will be measured by 15 items adapted from the Ohanian (1990) study, and the purchase intention scale will be measured by 3 items adapted from (Dodds, Monroe & Grewal, 1991). In this questionnaire, the Likert Scale will be mostly used to classify respondents' positions on each of the questions. According to Malhotra (2006), this scale is widely used and requires respondents to indicate a degree of agreement and disagreement with each of the statements. All items were measured on a 5-point Likert Scale, where 1 represents "strongly disagree" and 5 represents "strongly agree".

The first part of the questionnaire is meant to measure the filters needed to consider those survey responses are valid. The first part of the questionnaire will consist of socio-demographic characterization data. Afterward, it measures responses to questions posed in chapter one. Lastly, the questionnaire will be subjected to a pre-test before the launch. This pre-test will be answered by some participants and the main findings will be used to measure if the model had good internal consistency and proved to be adequate for the study.

### 3.7 Methods of Data Collection

This research will use a structured and self-administered survey, which will be built and distributed online, considering the information needs and the data collection method chosen. Moreover, it is possible to build a proper questionnaire with several formats and design questions through online surveys. While addressing the questionnaire, recommendations by the authors Malhotra's (1999) and DeVellis' (2003) will be followed to guarantee that the questions were as simple and clear as possible, to keep wording appropriate and also not too extensive to prevent those different meanings could create some confusion among respondents, resulting in incorrect answers.

### 3.8 Method of data analysis

Exploratory research is used to investigate a problem, which has not yet been studied in-depth. For this approach, the researchers identify and generally describe a new problem statement by analyzing primary data, frequently collected through qualitative research, such as interviews and focus groups (Saunders et. al, 2009). Descriptive research focuses on providing a detailed point of view of an issue or theory that has been analyzed already in the past, allowing for theory building by doing empirical generalizations of the relationship between variables. In addition to the exploratory research, this research is supported by secondary data collected through quantitative research. Explanatory research aims to establish a causal relationship between variables (Rebelo, 2017). Researchers use it to test the causal relationships underlying a given problem. This approach is used when theoretical insights exist so that hypotheses are formulated and tested through quantitative research and primary data collection. The investigation will expand the knowledge of customer perception on issues for Instagram advertising of Nestle Nigeria plc products that are analyzed fundamentally regarding the expanding consumers' patronage. The analysis is done by SPSS 22 and E-view software packages.

# Chapter Four

## Data Analysis and Findings

This chapter deals with the data presentation/analysis. The total valid responses to this questionnaire are 170 out of the 200 questionnaires sent.

### 4.1 Data Presentation/ Analysis

The respondents' data presented in Table 4.1 affirm that male respondents made up 32.94% of the total respondents and that female respondents made up 67.06%. It shows further that most of the respondents were at the age of 18–29 (67.06%). In addition, the data shows that the dominant portion of the respondents was composed of students, making up 43.53% of the total respondents; as many as 56.47% respondents had bachelor's degree and/or higher degree. Finally, it reveals that most of the respondents (45.88%) had done online shopping 1–5 times within the last two months.

*Table 4. 1: Respondent Characteristics*

| Sex | Frequency | Percentage |
| --- | --- | --- |
| Male | 56 | 32.94% |
| Female | 114 | 67.06% |
| **Age** | **Frequency** | **Percentage** |
| < 18 years old | 20 | 11.76% |
| 18–39 years old | 114 | 67.06% |
| 40–49 years old | 13 | 7.65% |
| >50 years old | 23 | 13.53% |
| **Status** | **Frequency** | **Percentage** |
| Student | 74 | 43.53% |

| | | |
|---|---|---|
| Private employee | 20 | 11.76% |
| Public employee | 27 | 15.88% |
| Entrepreneur | 10 | 5.88% |
| unemployed | 39 | 22.94% |
| **Education** | **Frequency** | **Percentage** |
| Middle school | 2 | 1.18% |
| High school/vocational high school/equivalent | 59 | 34.71% |
| Diploma | 13 | 7.65% |
| Bachelor's and above | 96 | 56.47% |
| **Online Shopping Experience** | **Frequency** | **Percentage** |
| 1–5 times | 78 | 45.88% |
| 6–10 times | 39 | 22.94% |
| More than 11 times | 53 | 31.18% |

**4.2. Description of Research Variables**

The results of the descriptive analysis of the variables, namely, Instagram Advertising, trust, perceived usefulness and purchase intensity, are presented as follows:

**4.2.1. Exposure to Instagram Advertising**

Table 4.2 shows that the majority of the respondents agreed to the question regarding the variable social media (Instagram). The mean score of each indicator tended to be high, which shows that Instagram has a fairly important role in sales promotion. The indicator IA2, which shows that, in terms of community interaction, Instagram still needs some improvement, gained the lowest mean score.

*Table 4. 2: Exposure to Instagram advertising*

| No. item | Indicators | Mean | Criteria |
|----------|------------|------|----------|
| IA1 | Facilitating information exchange | 4.129 | Agree |
| IA2 | Facilitating interaction | 3.894 | Agree |
| IA3 | Facilitating product judgment | 4.082 | Agree |
| IA4 | Facilitating review | 4.129 | Agree |
| IA5 | Allowing for product recommendation | 4.147 | Agree |

**4.2.2. Trust and Perceived usefulness of Instagram**

Table 4.3, shows that the majority of the respondents tended to show neutral response to the question regarding their trust in online sales via Instagram, which suggests that respondent trust when doing online shopping via Instagram was moderate.

Indicator T3, which means that the reviews made by sellers on Instagram do not have high credibility in building consumer trust, gained the lowest mean score.

*Table 4. 3: Perceived Trust of Instagram Advertising*

| No. item | Trust indicators | Mean | Criteria |
|----------|------------------|------|----------|
| T1 | Reviews on Instagram are reliable. | 3.547 | Agree |
| T2 | Reviews on Instagram are integrated. | 3.435 | Agree |
| T3 | Instagram are secured. | 3.388 | Agree |
| T4 | Reviews enable experience sharing. | 3.853 | Agree |

**4.2.3. Perceived Usefulness of Instagram Advertising**

Table 4.4 exhibits that the majority of the respondents tended to agree to the question regarding the variable perceived usefulness. The mean score of the variable perceived usefulness tended to be high, with the lowest mean score gained by indicator PU3, suggesting that some information provided in the social media (Instagram) communities were still incomplete.

*Table 4. 4: Perceived Usefulness Description*

| No. item | Perceived usefulness indicators | Mean | Criteria |
|----------|--------------------------------|------|----------|
| PU1 | Instagram influencers' information is complete. | 3.982 | Agree |
| PU2 | Instagram influencers' information is helpful. | 3.871 | Agree |
| PU3 | Instagram influencers' information is relevant. | 3.388 | Agree |
| PU4 | Transaction via Instagram is easy. | 4.035 | Agree |

## 4.2.3. Purchase Intension

Purchase intension is a behavior occurring as a response to an object. , purchase intention is considered to be "the mental stage" in the development of a decision where the consumer has built up a genuine willingness to perform toward a product. Table 4.5 shows that most respondents agreed to the question regarding the variable purchase intensity, suggesting that the purchase intension of consumers via Instagram of Nestle Products was fairly high. The mean score of each indicator tended to be high, with the lowest mean score gained by indicator IB1, showing that consumer inclination to purchase products via Instagram was low.

*Table 4. 5: Consumer purchase decisions of Nestle Products*

| No. item | Purchase intensity indicators | Mean | Criteria |
|----------|------------------------------|------|----------|
| IB1 | Fond of shopping via Instagram | 3.494 | Agree |
| IB2 | Willing to recommend Nestle products online | 3.494 | Agree |
| IB3 | Willing to repurchase due to good outcome | 4.241 | Agree |
| IB4 | Finding information in purchasing Nestle products | 4.424 | Agree |

## 4.3. Verification Analysis

In this research, SEM-Smart PLS analysis was conducted as a verification analysis to test the effect of variables, namely, Instagram Advertising, trust and perceived usefulness, purchase

intension. PLS analysis is highly recommended if the information in the theory is still weak (Hajli, 2013), for example, the theory in social media and social commerce.

### 4.3.1. Measurement Model Evaluation (Outer Model)

Table 4.6 shows that the convergent validity of the indicator IB4 has a loading factor value < 0.6, which means that indicator IB4 was not valid to be used in the purchase intension measurement and had to be removed from the model. The loading factor values of the indicators after IB4 were removed from the model, as shown in in Table 4.7. Table 4.7 illustrates that the loading factor values of all indicators have reached > 0.6, meaning that all indicators were valid for the research variable measurement. In addition, the convergent validity can be measured on the basis of the AVE value, which is required to be > 0.5. The results are presented in Table 4.8, which shows that the AVE values of all constructs were > 0.5, meaning that the convergent validity was met.

*Table 4. 6: Results of Convergent Validity Testing*

| Indicators | Purchase intensity | Perceived usefulness | Instagram advertising | Trust |
|---|---|---|---|---|
| IB1 | 0.755 | | | |
| IB2 | 0.729 | | | |
| IB3 | 0.769 | | | |
| IB4 | 0.584 | | | |
| PU1 | | 0.695 | | |
| PU2 | | 0.826 | | |
| PU3 | | 0.818 | | |
| PU4 | | 0.682 | | |
| IA1 | | | 0.668 | |
| IA2 | | | 0.679 | |
| IA3 | | | 0.781 | |
| IA4 | | | 0.841 | |
| IA5 | | | 0.748 | |
| T1 | | | | 0.793 |
| T2 | | | | 0.775 |
| T3 | | | | 0.730 |
| T4 | | | | 0.750 |

*Table 4. 7: Results of Convergent Validity Testing*

| Indicators | Purchase intensity | Perceived usefulness | Instagram advertising | Trust |
|---|---|---|---|---|
| IB1 | 0.812 | | | |
| IB2 | 0.789 | | | |
| IB3 | 0.716 | | | |
| PU1 | | 0.692 | | |
| PU2 | | 0.821 | | |
| PU3 | | 0.826 | | |
| PU4 | | 0.681 | | |
| IA1 | | | 0.668 | |
| IA2 | | | 0.679 | |
| IA3 | | | 0.781 | |
| IA4 | | | 0.841 | |
| IA5 | | | 0.748 | |
| T1 | | | | 0.793 |
| T2 | | | | 0.775 |
| T3 | | | | 0.730 |
| T4 | | | | 0.750 |

*Table 4. 8: AVE Value*

| Constructs | AVE |
|---|---|
| Purchase intension | 0.598 |
| Trust | 0.581 |
| Instagram advertising | 0.557 |
| Perceived usefulness | 0.575 |

The results of the discriminant validity and construct reliability are shown in Tables 4.9 and 4.10. According to Table 4.9, the square root of AVE of all constructs is greater than the correlation between latent constructs. Thus, the model met the discriminant validity. Meanwhile, Table 4.10 shows that the Cronbach's alpha values of all constructs are > 0.6 and the composite reliability values are > 0.7, suggesting that all constructs met the construct reliability.

*Table 4. 9: Results of Discriminant Validity Testing*

| Constructs | Purchase intension | Trust | Instagram advertising | Perceived usefulness |
|---|---|---|---|---|
| Purchase intension | 0.773 | | | |
| Trust | 0.354 | 0.763 | | |
| Instagram advertising | 0.417 | 0.311 | 0.746 | |
| Perceived usefulness | 0.403 | 0.448 | 0.476 | 0.758 |

*Table 4. 10: Results of Construct Reliability Testing*

| Construct | Composite reliability | Cronbach's alpha |
|---|---|---|
| Purchase intension | 0.817 | 0.663 |
| Trust | 0.847 | 0.761 |
| Instagram advertising | 0.862 | 0.805 |
| Perceived usefulness | 0.843 | 0.753 |

## 4.3.2. Structural Model Evaluation (Inner Model)

The PLS structural model can be measured by looking into the $R^2$ value of every endogenous variable as the predictive power of the structural model. The $R^2$ values are shown in Table 4.11, which shows that the variable purchase intension has an $R^2$ value of 0.200. In this research, the variable purchase intension was affected by the variable trust.

Hence, the $R^2$ value of 0.200 affirmed that the contribution given by the variable trust to purchase intension amounted 20%. Furthermore, the $R^2$ value of the variable trust was 0.097, implying that the variable trust was influenced by Instagram advertising, with a contribution given by the variable Instagram advertising to trust amounting 9.7%. The variable perceived usefulness had an $R^2$ value of 0.201. This finding means that perceived usefulness was influenced by trust, with a contribution of 20.1%.

*Table 4. 11: R Square Value*

| Constructs | R Square |
|---|---|
| Purchase intension | 0.200 |
| Trust | 0.097 |
| Perceived usefulness | 0.201 |

The influence of each predictive variable on the endogenous variables is shown in Table 4.12. The $f^2$ value of the variable trust on purchase intensity was 0.035, whereas the $f^2$ value of the variable perceived usefulness on usefulness intensity was 0.091. This finding means that the $f^2$ value of the variable perceived usefulness was greater than that of the variable trust. Thus, the variable perceived usefulness has great importance in determining purchase intension. Meanwhile, the predictive power of the model can be seen from the result of $Q^2$ predictive relevance calculation as follows:

$$Q^2 = 1 - (1 - R^2{}_1) = 1 - (1 - 0.097)\,(1 - 0.200)\,(1 - 0.201) = 0.\,423.$$

The result of the calculation above validates that the $Q^2$ value of the model was $0.423 > 0.35$, suggesting that the model had a strong predictive relevance.

*Table 4. 12: Effect of Size of Trust and Perceived Usefulness on Purchase Intension*

| Variable | $R^2$ include | $R^2$ exclude | $f^2$ |
|---|---|---|---|
| Trust | 0.200 | 0.172 | 0.035 |
| Perceived usefulness | 0.200 | 0.127 | 0.091 |

### 4.3.3. Model Goodness-Of-Fit Testing

The results of the communality and redundancy index calculation are shown in Table 4.13. According to Table 4.13, the communality index value was 0.748, and the redundancy index value was 0.452. Hence, the GoF value of the model was GoF = $\sqrt{(\text{com . red})}$ = 0.213.

According to the result of the calculation above, the GoF value of the model was 0.213, which approached 0.25. This finding verifies that the model had GoF within the category approaching medium GoF (good model goodness of fit).

*Table 4. 13: Communality and Redundancy Indexes*

| Construct | Communality | Redundancy |
|---|---|---|
| Purchase intensity | 0.598 | 0.064 |
| Trust | 0.581 | 0.057 |
| Instagram advertising | 0.557 | |
| Perceived usefulness | 0.575 | 0.114 |
| Mean communality | 0.578 | 0.078 |

## 4.4. Hypothesis Testing

The statistical t value in Table 4.14 shows that the effect of the variable Instagram advertising on trust was as much as 4.860 with the original sample having a positive mark. As the statistical t value was > 1.96 and the original sample had a positive mark, the variable Instagram advertising had a significant, positive effect on trust. This finding means that the better the role of Instagram in online sales, the higher the consumer trust, and vice versa. Similarly, the effect of trust on purchase intension, the effect of trust on perceived usefulness, and the effect of perceived usefulness on purchase intensity were positive and significant. Thus, all hypotheses of this research were proven.

*Table 4. 14: Results of Hypothesis Testing*

| Original sample | Sample mean | Standard deviation | Standard error | t Statistics | |
|---|---|---|---|---|---|
| Instagram advertising -> trust | 0.311 | 0.326 | 0.064 | 0.064 | 4.860 |
| Trust -> perceived | 0.448 | 0.453 | 0.067 | 0.067 | 6.684 |

| usefulness | | | | | |
|---|---|---|---|---|---|
| Perceived usefulness -> purchase intension | 0.305 | 0.316 | 0.074 | 0.074 | 4.105 |

## 4.5 Discussion of Results

The statistical t value of the effect of the variable Instagram advertising on trust was 4.860 with the original sample having a positive mark. As the statistical t value was > 1.96 and the original sample had a positive mark, the variable Instagram advertising had a significant, positive effect on trust. This research implies that the more Instagram's influence in online sales, the greater customer trust, and vice versa. This finding is consistent with Hajli's (2013) findings, which show that consumers are more linked through social media, such as through reviews or recommendations, is used for building trust in e-commerce. Consumers' social contacts with one another through social networking services help them create or reject trust in a provider. Customer socialization occurs directly through social media through consumer contact, and indirectly through product engagement.

The findings of this study agree with the findings of (Hutter et al., 2013) study. "The rise of social media has revolutionized the form of direct contact and has a significant impact on marketing communication," according to the study. Hutter et al. (2013) states that this new marketing communication reality creates new threats and opportunities for businesses, with social media interactions increasingly influencing purchase decisions. Given the importance of Instagram advertising role as a marketing channel, Instagram advertising has currently gained importance as they are related to a good relationship with customers and they build communities and promote active engagement of consumers. Direct involvement of Instagram advertising may also be in connection with the relationship made possible by the creation of brand value that

provides more value to consumers to affect the brand. As a result, managers may be challenged to effectively manage their brands, resulting in consumer satisfaction. The increase in the number of Instagram users in consumers' everyday lives increases brand marketing activities as well. Therefore, the effect of Instagram advertising on marketing perceived brand and decision regarding consumer brand must be understood by managers of Nestle Nigeria plc. Consumer trust is highly influenced by social interactions formed through social media. This platform's interactions lead to social support. Social support results from social media, which consequently influences trust. In addition, positive comments and feedback and high rates increase trust in vendors (Hajli, 2013 Reviews are seen to be effective in influencing consumers' attitudes and purchase intention, as evidenced by the impressions left about goods or services. Quality and quantity of information from customer reviews affect the purchase intention through trust increase (Hajli, 2013).

The perception of usefulness is significantly influenced by trust. Thus, the higher the trust of consumers in Instagram, the better the consumer perception of the media usefulness, and vice versa. The findings of this study agree with those of Hajli (2013), who found that trust had an impact on perceived usefulness. Furthermore, trust is an important factor in influencing both good and bad consumer behavior. Interactions between users connected on social networking sites increase trust, and trust affects the relevance of taking into account consumer intent to purchase. Increased trust gained by consumer's increases intention and allows them to purchase and conduct transactions for Nestle Nigeria plc products.

The variable perceived usefulness of Instagram influencers had a significant, positive effect on the purchase intensity of Nestle Nigeria plc products. This research implies that the larger the consumer impression of Instagram's use in online sales, the higher the consumers' purchase intensity, and vice versa. The findings of this study corroborate those of Astuti and Putri (2018),

indicating that the greater the number of customers shopping on social networking sites they find beneficial, the greater their buy intention on those social networking sites (Astuti & Putri, 2018). Another finding of this study is that the influence of the variable usefulness on purchasing intensity is greater than the effect of the variable trust.

# Chapter Five

## Summary, Conclusion and Recommendations

### 5.1 Summary of the study

This research focuses on the perceived impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage. The understanding of this objective may help identify factors that build trust and purchase intention via Instagram for Nestle Nigeria Plc products. The study adopted a deductive and quantitative approach. The collection of data is mainly done by circulating the structured questionnaire on Instagram. The selection of respondents and segmentation of consumers for Instagram advertising of Nestle Nigeria plc products are primarily based on previous studies conducted by researchers for offline stores and generalized retail activities. For this study, the population is composed of Nigerian individuals aged 18 years old or over, that have an account on Instagram, considering only those that are active Instagram users. A sample 170 Instagram users were used.

The present study used a non-probabilistic convenience sample. This research used a structured and self-administered survey, which was built and distributed online, considering the information needs and the data collection method chosen.

### 5.1.1 Summary of finding

The statistical t value of the effect of the variable Instagram advertising on trust was 4.860 with the original sample having a positive mark. As the statistical t value was > 1.96 and the original sample had a positive mark, the variable Instagram advertising had a significant, positive effect on trust. This finding means that the better the role of Instagram in online sales, the higher the consumer trust, and vice versa.

The research results corroborate that the variable Instagram advertising had a significant, positive effect on trust, which means that the better the role of Instagram in online sales, the greater the consumer trust, and vice versa. This result is in line with the results of research by Hajli (2013), which validate that the interconnectedness amongst consumers via Instagram advertising, for example, through reviews or recommendations, is used for building trust in e-commerce. In social networking services, social interactions amongst consumers help their fellows to develop or reject trust in a provider. Consumer socialization directly takes place via Instagram advertising through social interaction amongst consumers and indirectly by supporting product engagement.

The results of this research are consistent with the research results by Hutter et al. (2013). The research explains that 'social media development has changed the form of direct communication and has a significant effect on marketing communication.' Hutter et al. (2013) affirmed that this fresh marketing communication reality presents new threats and opportunities for companies, making purchase decisions to be increasingly influenced by Instagram advertising interactions.

Given the importance of Instagram advertising role as a marketing channel, Instagram advertising has currently gained importance as they are related to good relationship with customers and they build communities and promote active engagement of consumers. Direct involvement of Instagram advertising may also be in connection with the relationship made possible by the creation of brand value that provides more value to consumers to affect the brand. Thus, this may challenge managers to manage their brands well, in which such activities may result in consumer satisfaction. The increase in the number of Instagram advertising users in consumer everyday lives increases brand marketing activities as well.

Therefore, the effect of Instagram advertising on marketing, perceived brand and decision regarding consumer brand must be understood.

Social relationships amongst consumers built through Instagram advertising significantly affect consumer trust. The interactions on this platform lead to social support. Social support is resulted from Instagram advertising, which consequently influences trust. In addition, positive comments and feedback and high rates increase trust in vendor (Hajli, 2013).

Reviews are deemed to be useful in affecting the attitude and purchase intention of the consumers, which are shown through the impression left about the products or services.

Quality and quantity of information from costumer reviews affect the purchase intention through trust increase (Hajli, 2013).

Trust has an effect on purchase intension. Trust is a foundation of e-commerce development. Trust plays a very important role in e-commerce. According to Astuti and Putri (2018), building one's trust in a brand of a company has three factors, namely, ability, benevolence and integrity. Trust has a significant, positive effect on perceived usefulness. Thus, the higher the trust of consumers in Instagram, the better the consumer perception on the media usefulness, and vice versa. The results of this research are in line with the results of the research by Hajli (2013), which verified that trust has an effect on perceived usefulness. Moreover, trust plays a key role in determining good consumer behaviors and actual behaviors. The interactions amongst users who are connected on the social networking sites improve trust, and trust determines the importance of consideration of consumer intention to purchase.

## 5.2 Conclusion

According to the results of this research, Instagram is strong in building consumer trust through product reviews. Increased trust gained by consumer's increases intention and allows them to purchase and conduct transaction.

The variable perceived usefulness had a significant, positive effect on purchase intensity. This finding means that the greater the consumer perception on Instagram usefulness in online sales,

the higher the purchase intensity of the consumers, and vice versa. The results of this research are consistent with the results of the research by Hajli (2013), validating that the higher the number of consumers doing shopping on social networking sites they deem useful, the greater their purchase intention on those social networking sites (Hajli, 2013). Another finding of this research shows that the effect of the variable usefulness is higher than the effect of the variable trust on purchase intension.

## 5.3 Recommendations

Instagram should improve its service feature, especially for online shops; thus, reviews that are trustworthy for consumers can be displayed.

The present study contributes for the understanding of Instagram users' perceived trust and usefulness to interact on Instagram, and the impact it has on the purchase intention of the Nestle Nigeria Plc products promoted on Instagram. Exploring this is crucial in boosting effective marketing campaigns and cultivating personal interactions.

Furthermore, the evidence presented in this study suggests that trustworthiness is the main dimension of credibility that explains purchase intention, as proposed by Akar & Nasir (2015). In other words, Instagram users perceived trustworthiness of an Instagram advertising influences their purchase intentions, and in order to satisfy Instagram users, marketing managers Nestle Nig should embrace these influencers on their campaigns.

Given these facts, managerial competitive advantages can be assured by knowing the main perceived trust and useful dimensions of an Instagram advertising that influence most Instagram users, and the impact it causes on the purchase intention of the products promoted. Therefore, findings about the relation between perceived trust and usefulness of an Instagram advertising and purchase intention grant a better understanding of both constructs, and also aim to help

advertisers address Instagram users' needs and interests, and consequently, achieve higher levels of purchase intention, which is the main goal.

To conclude, advertisers, marketers and marketing managers can benefit with the suggested evidences that the trustworthiness and usefulness perceived on an Instagram advertising are the main credibility dimensions that better explain Instagram users' purchase intention,

As a result, brands, marketers, advertisers and marketing managers of Nestle Nigeria Plc products that want to use Instagram advertising should make sure that these two credibility dimensions are present and perceived by Instagram users.

## 5.4 Limitation of the study

This study result proves to be useful and reveals the significant impacts of Instagram advertising of Nestle Nigeria Plc products on consumer patronage. Nonetheless, there are some limitation.

The major limitation of this study is the sampling procedure in which a non-probabilistic convenience sample is used, which cannot therefore be considered as a significant illustrative of the population (Malhotra, 2006). Nevertheless, the possibility of having a wider and diverse sample could mean results' reliability being greater. Moreover, since this study is based on a quantitative research, a more qualitative component could upgrade its viability on a qualitative approach. Strictly speaking, using focus group' discussions and via interviewing marketers or brand managers who want to use Instagram and its influencers as a bridge, to engage consumers to its brands; a finer understanding over this topic would be feasible.

Future study should incorporate other social media like Facebook, Twitter, etc. In this research, the R square value obtained was still low, showing that some factors beyond trust and purchase intensity may influence purchase intensity

## References

Adegbuyi, O. A., Akinyele, F. A., & Akinyele, S. T. (2015). Effect of social media marketing on small scale business performance in Ota-Metropolis, Nigeria. *International Journal of Social Sciences and Management*, *2*(3), 275-283.

Akar, E. and Nasir, V. A. (2015). A review of literature on consumers' online purchase intentions. *Journal of Costumer Behaviour*, 14 (3), 215-233.

Akpoghiran, P. I., & Okoro, F. (2014). Broadcast media sensitization campaigns for solid waste management in Warri and Benin City: a job not well done. *International journal of media, security & development (ijmsd)*, *1*(1).

Asemah, E. S., Nwammuo, A. N., & Nkwam-Uwaoma, A. O. (2017). Theories and models of communication.

Astuti, B., & Putri, A. P. (2018). Analysis on the effect of Instagram use on consumer purchase intensity. Review of Integrative Business and Economics Research, 7, 24-38.

Aubrey, C., & Judge, D. (2012). Re-imagine retail: Why store innovation is key to a brand's growth in the 'new normal', digitally-connected and transparent world. *Journal of brand strategy*, *1*(1), 31-39.

Ballantine, P. W., & Stephenson, R. J. (2011). Help me, I'm fat! Social support in online weight loss networks. *Journal of Consumer Behaviour*, *10*(6), 332-337.

Bayo-Moriones, A., & Lera-López, F. (2007). A firm-level analysis of determinants of ICT adoption in Spain. *Technovation*, *27*(6-7), 352-366.

Berthon, P. R., Pitt, L. F., Plangger, K., & Shapiro, D. (2012). Marketing meets Web 2.0, social media, and creative consumers: Implications for international marketing strategy. *Business horizons*, *55*(3), 261-271.

Blackshaw, P. (2006). The consumer-generated surveillance culture. Retrieved June 13, 2021.

Cao, T. K., Dang, P. L., & Nguyen, H. A. (2016). Predicting consumer intention to use mobile payment services: Empirical evidence from Vietnam. International Journal of Marketing Studies, 8(1), 117-124.

Deville, R. F. (2003). Scale development: theory and applications . Applied Social Research Methods Series.

Evans, D. (2010). *Social media marketing: the next generation of business engagement*. John Wiley & Sons.

Freberg, K., Graham, K., McGaughey, K., & Freberg, L. (2010). Leaders or snakes in suits: Public perceptions of today's CEO. In Poster presented at the 22nd annual convention of the Association for Psychological Science Boston, MA.

Gruzd, A., Wellman, B., & Takhteyev, Y. (2011). Imagining Twitter as an imagined community. *American Behavioral Scientist*, *55*(10), 1294-1318.

Hajli, M. N. (2014). A study of the impact of social media on consumers. *International Journal of Market Research*, *56*(3), 387-404.

Hinz, O., Skiera, B., Barrot, C., & Becker, J. U. (2011). Seeding strategies for viral marketing: An empirical comparison. *Journal of Marketing*, *75*(6), 55-71.

Hutter, Katja., Julia Hautz., Severin Dennhardt., & Johann Fulle. (2013). 'The Impact of User Interactions in Social Media on Brand Awareness and Purchase Intention: The Case of MINI on Facebook'. *Journal of Product & Brand Management*, 22, 342-351.

Kallas, P. (2019). Top 15 most popular social networking sites and apps (2019). *Retrieved on November*, *2*, 2019.

Kapitan, S., & Silvera, D. H. (2016). From digital media influencers to celebrity endorsers: attributions drive endorser effectiveness. Marketing Letters, 27(3), 553-567.

Liu, Y., Chen, Y., & Zhou, C. (2010, May). Determinants of customer purchase intention in electronic service. In *2010 2nd International Conference on E-business and Information System Security* (pp. 1-4). IEEE.

Malhotra, N. K. (1999). Marketing Research An Applied Orientation Prentice-Hall. Upper Saddle River, New Jersey.

Malhotra, N., Hall, J., Shaw, M., & Oppenheim, P. (2006). Marketing research: An applied orientation. Pearson Education Australia.

McQuail, D. (2010). *McQuail's mass communication theory*. Sage publications.

Naidoo, T. (2011). *The effectiveness of advertising through the social media in Gauteng* (Doctoral dissertation, North-West University).

Nguyen, H. T. H., Wood, S., & Wrigley, N. (2013). The emerging food retail structure of Vietnam: Phases of expansion in a post- socialist environment. International Journal of Retail & Distribution Management.

Nguyen, H. T., Nguyen, H., Nguyen, N. D., & Phan, A. C. (2018). Determinants of customer satisfaction and loyalty in Vietnamese life-insurance setting. Sustainability, 10(4), 1151.

Nguyen, H. V., Nguyen, X. N., Tran, V. T., & Nguyen, N. (2019). Evaluating the attributes of online bookstores: empirical evidence from young consumers in Vietnam. Publishing Research Quarterly, 35(2), 236-241.

Nguyen, T. N., Lobo, A., Nguyen, H. L., Phan, T. T. H., & Cao, T. K. (2016). Determinants influencing conservation behaviour: Perceptions of Vietnamese consumers. Journal of Consumer Behaviour, 15(6), 560-570.

Nyekwere, E. O., Okoro, N., & Azubuike, C. (2014). An assessment of the use of social media as advertising vehicles in Nigeria: A study of Facebook and Twitter. *New Media and Mass Communication*, *21*(1), 1-8.

Okoro, N., C. Nwachukwu and I. Ajaero, 2015. Health communication strategies. Ike, O.F. and Udeze S.E. (eds). *Emerging Trends in Gender, Health and Political Communication in Africa*. Enugu: Rhyce Kerex Pub.

Olotewo, J. (2016). Social media marketing in emerging markets. *International Journal of Online Marketing Research*, *2*(2), 10-18.

Otugo, N. E., Uzuegbunam, C. E., & Obikeze, C. O. (2015, May). Social media advertising/marketing: A study of awareness, attitude and responsiveness by Nigerian youths. In *International Conference on Communication, Media, Technology and Design* (Vol. 1, No. 2, pp. 1-17).

Pelet, J. É., & Papadopoulou, P. (2013). The effect of e-commerce websites' colors on customer trust. In Mobile Applications and Knowledge Advancements in E-Business (pp. 167-185). IGI Global.

Pham, T. H., Nguyen, T. N., Phan, T. T. H., & Nguyen, N. T. (2019). Evaluating the purchase behaviour of organic food by young consumers in an emerging market economy. Journal of Strategic Marketing, 27(6), 540-556.

Quinton, S. (2013). The digital era requires new knowledge to develop relevant CRM strategy: A cry for adopting social media research methods to elicit this new knowledge. *Journal of Strategic Marketing*, *21*(5), 402-412.

Racolta-Paina, N. D., & Luca, T. A. (2010). SEVERAL CONSIDERATIONS REGARDING THE ONLINE CONSUMER IN THE 21 st CENTURY-A THEORETICAL APPROACH. *Management & Marketing*, *5*(2).

Rai, A. (2019). Digital Divide: How Do Women in South Asia Respond?. *International Journal of Digital Literacy and Digital Competence (IJDLDC)*, *10*(1), 1-14.

Rebelo, M. F. (2017). How Influencers' Credibility on Instagram is perceived by consumers and its impact on purchase intention (Doctoral dissertation).

Saragih, H., & Ramdhany, R. (2012). Pengaruh intensi pelanggan dalam berbelanja online kembali melalui media teknologi informasi forum jual beli (FJB) Kaskus. *Jurnal Sistem Informasi*, *8*(2), 100-112.

Saunders, M., Lewis, P., & Thornhill, A. (2009). Research methods for business students. Pearson education.

Sertoglu, A. E., Catl, O., & Korkmaz, S. (2014). Examining the effect of endorser credibility on the consumers' buying intentions: an empirical study in Turkey. *International Review of Management and Marketing*, *4*(1), 66.

Shadkam, M., & O'Hara, J. (2013). Social Commerce: The Next Generation of E-Commerce. *Global Journal on Technology*, *3*.

Singh, S., Mondal, S., Singh, L. B., Sahoo, K. K., & Das, S. (2020). An empirical evidence study of consumer perception and socioeconomic profiles for digital stores in Vietnam. Sustainability, 12(5), 1716.

Uzunoğlu, E., & Kip, S. M. (2014). Brand communication through digital influencers: Leveraging blogger engagement. International Journal of Information Management, 34(5), 592-602.

Widiartanto, Y. H. (2016). Pengguna internet di Indonesia capai 132 juta. *Retrieved*, *4*(03), 2017.

Wogu, J. O. (2013). Elements of communication theories. In Okoro, M.N. (Ed). Contemporary Readings in Media and Communication Studies. (pp. 68--96). St Benedette publishers' ltd. Lagos, Nigeria

Zarrella, D. (2009). *The social media marketing book*. "O'Reilly Media, Inc.".

Zhang, Y., Moe, W. W., & Schweidel, D. A. (2017). Modeling the role of message content and influencers in social media rebroadcasting. International Journal of Research in Marketing, 34(1), 100-119.

**Appendices**

**Appendix A: Cover letter**

Mountain Top University,

Kilometer 12, Lagos/Ibadan Expressway,

Ogun State.

Dear respondents,

**QUESTIONNAIRE ON INSTAGRAM ADVERTISING OF NESTLE NIGERIA PLC ON CONSUMERS PATRONAGE.**

I am a student of the above-named department and institution, carrying a research on PERCEIVED IMPACTS OF INSTAGRAM ADVERTISING OF NESTLE NIGERIA PLC PRODUCTS ON CONSUMERS PATRONAGE. The research is solely an academic exercise and I will need your support in completing the answer to the questionnaire attached, all the information given will be dealt with in strict confidence. Thanks for your cooperation.

**Henry Divine Isioma**

**Appendix B: QUESTIONNAIRE**

**Section A: DEMOGRAPHY**

Please tick as appropriate

1) Gender: Male ( )          Female ( )

2) Age: Below 18 ( )   18-39 ( )          40-49 ( )          50 and Above ( )

3) Nationality: Nigeria ( )      other country ( )

4) Status: Student ( )   Private employee ( )   Public employee ( )    Unemployed ( )

        Entrepreneur ( )

5) Educational Qualification: Middle school ( )          High school/vocational high

school/equivalent ( )   Diploma ( )     Bachelor's and above ( )

6) Online Shopping Experience: 1-5 times ( )          6-10 times ( )          Over 11 times ( )

SA- Strongly Agree, A-Agree, N- Neutral, D- Disagree, SD- Strongly Disagree

| S/N | ITEMS | SA | A | N | D | SD |
|-----|-------|----|----|----|----|----|
| B | **Exposure to Instagram advertising** | | | | | |
| 7 | Facilitating information exchange | | | | | |
| 8 | Facilitating interaction | | | | | |
| 9 | Facilitating product judgment | | | | | |
| 10 | Facilitating review | | | | | |
| 11 | Allowing for product recommendation | | | | | |
| C | **Trust and Perceived usefulness of Instagram** | | | | | |
| 12 | Reviews on Instagram are reliable. | | | | | |
| 13 | Reviews on Instagram are integrated | | | | | |

| 14 | Instagram are secured | | | | | |
|----|----------------------|---|---|---|---|---|
| 15 | Reviews enable experience sharing. | | | | | |
| 16 | Instagram influencers information is complete | | | | | |
| 17 | Instagram influencers information is helpful | | | | | |
| 18 | Instagram influencers information is relevant | | | | | |
| 19 | Transaction via Instagram is easy | | | | | |
| **D** | **Consumer purchase decisions of Nestle Products** | | | | | |
| 20 | Fond of shopping via Instagram | | | | | |
| 21 | Willing to recommend Nestle products online | | | | | |
| 22 | Willing to repurchase due to good outcome | | | | | |
| 23 | Finding information in purchasing Nestle products | | | | | |