Instagram Effect On Purchase Intention To Buy In Restaurant

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ABSTRACT: The use of social media Instagram has emerged as a new lifestyle in Indonesia in recent years. This study aims to analyze the behavior of consumers who use social media in the process of finding information, preferences and purchasing decisions for a restaurant in Indonesia. The scope of this study is Instagram social media users in Indonesia with a range of users aged 17-34 years. Data obtained from 269 respondents were selected based on their suitability with the research objectives. The analysis process uses SmartPLS software to determine the effect of whether or not the variables used are significant.The research was conducted using an online questionnaire distributed through social media such as Whatsapp, Line, Instagram, and Facebook by researchers. The time of the study was conducted from January to March 2018. The results of this study indicate that there is a positive relationship between restaurant information search through Instagram on the purchase intention of a consumer directly without offending the brand image. The factor of taste, price, and atmosphere of the restaurant can be used as a benchmark that a restaurant does not always have to have a good place because the main factors that make consumers buy are taste and price.
KEY WORD: Consumer Behavior, Instagram, Marketing, Restaurant, Social Media

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I. INTRODUCTION

Kaplan and Haenlein in their study found that social media can offer a sophisticated and unique interaction platform to promote products, identify community needs, maintain public relations, send messages, and communicate during crises (Kaplan and Haenlein 2010). Now social media has been able to play a role in various aspects of trade. The use of Instagram social media can help promote products from a restaurant so that consumers can find out what information they need to decide on a restaurant of their choice.

Based on data released by the Ministry of Industry of the Republic of Indonesia regarding the number of projects carried out throughout 2016, the hotel and restaurant sector showed an increase in the number of projects since 2013. In 2013 there were 448 projects. In 2014 there was a slight decrease with the number of projects totaling 407 projects. In 2015 and 2016 there was a significant increase from the previous two years with a total of 1,052 projects and 2,026 projects.

Based on the statement, it can be seen that almost every year the number of projects in the hotel and restaurant sector continues to grow so that competition will be increasingly tight. In addition, data from BPS also showed that consumption of durable goods began to decline. This is inversely proportional to leisure consumption which increases faster. According to BPS, this happened because now people in Indonesia are more fond of saving their money and used to go on vacation. This factor also caused the restaurant sector to increase. Because when they go on vacation, they will come to the restaurant on average to eat.

Along with the development of information technology and the variety of work activities of each person, resulting in all activities must be carried out quickly. As with activities in determining the decision to buy in a restaurant, Kotler and Armstrong (2008) suggest that purchasing decisions are the decision to buy the most preferred brand from various alternatives.

Social media Instagram is a photo-based, sharing application that is now owned by Facebook and can quickly become one of the most developed social media platforms. Instagram, which was launched in October 2010, only took 19 months to produce 50 million users. Its growth continued to increase in 2013 after Facebook bought the Instagram application in 2012 (Chang 2014).Now active Instagram users have reached more than 800 million users. The number of active users is not less than 500 million every day. The percentage of business accounts on Instagram has grown to 25 million users, most of which are small businesses. The development is also quite significant with an increase of 15 million users since July 2017. Instagram social media was chosen because Instagram is the first image-based social media that is in demand by the Indonesian population (Wearesocial 2016).Instagram has even created a blog called Instagram for Business to help its users by sending useful suggestions and the best ways to help them succeed with their customers through Instagram (Johansson and Eklöf 2014).

Formulation of The Problem

Indonesia has a very large number of restaurants, this can be seen from the number of projects and investments in the hotel and restaurant sector which continue to increase from year to year based on data from the Ministry of Industry in 2017. Changes in consumption patterns from the Indonesian people are also influential sourced from BPS stated that the consumption pattern in Indonesia was experiencing an increase in the hotel and restaurant sector. The other sectors experienced a slight decline, such as in the household consumption sector, transportation, etc. This can be seen from table 1 about the Patterns of Consumption in Indonesian Communities 2016-2017.

Table 1. Patterns of Consumption in Indonesian Communities

Component	Year	
	2016 (%)	**2017 (%)**
Household Consumption	5,01	4,93
Food and Beverage	5,23	5,04
Clothes, Footwear and Care Services	2,24	2,00
Housing and Household Equipment	4,17	4,14
Health and Education	5,36	5,38
Transportation and Communication	6,08	5,86
Hotels and Restaurants	5,01	5,52
Others	2,15	2,17

Source: Badan Pusat Statistika 2017 (BPS)

Based on the data above, it can be stated that business competition in the restaurant sector will be very tight because the market share of each pre-existing restaurant will begin to decline. This can eventually lead to a decrease in sales which if not managed can result in many restaurants being closed because they are unable to cope with existing competition. The use of Instagram social media should be able to help restaurant owners to market their restaurants. The use of internet-based social media can also help restaurant owners or other businesses to know consumer consumption habits, and also as a means of anticipating negative reactions felt by consumers (Tiago and Verissimo 2014).

Based on the description in the background of the above research, the formulation of the problem is arranged as follows:
1. How does Instagram influence consumer behavior in restaurants?
2. What factors influence consumers to decide to buy in a restaurant?
3. What are the managerial implications of using Instagram in restaurant marketing?

Objectives

Based on the formulation of the problem, this study aims to:
1. Analyze the influence of Instagram social media on the behavior of consumers who buy in restaurants
2. Analyzing various factors that influence consumer behavior to decide to buy in a restaurant
3. Analyzing the managerial implications of using Instagram in restaurant marketing

Scope

The scope of this study includes analysis of consumer behavior using social media in the process of finding information, preferences and purchasing decisions for a restaurant in Indonesia. The scope of this study is Instagram social media users in Indonesia with a range of users aged 17-34 years.

II. METHOD

Location and Time

The location of the study was conducted in Indonesia, but was not limited by the geographical area because the research used online questionnaires that were disseminated through social media such as Whatsapp, Line, Instagram, Facebook by researchers. The time of the study was conducted from January to March 2018.

Types and Data Sources

The descriptive approach used in this study uses primary data types. The type of question that will be used in the questionnaire is the form of questions with several alternative answers for respondents (Manalu et al. 2007). In addition to primary data, also used several other data that are spread on the internet as well as those contained in several literature books or the results of previous research to assist in the work of this research.

Sampling Technique

In this study, the population of Instagram users could not be known with the provisions that have been specified, so that the minimum sample size was 200. The minimum sample size was 5-10 observations for each parameter estimate. So if there are 28 indicators, the sample size is between 140-280 (Ferdinand 2002).

Respondents for this study were required to have an Instagram account between the ages of 17-34 years based on data from APPJI (2016), because it constitutes the majority of the age penetration of internet users. Respondents also have a requirement that they have at least conducted information search activities through Instagram to buy in restaurants in the last three months. This is done to ensure that the respondent still remembers the activities that the respondent did before. The sampling technique in this study was conducted by purposive judgment sampling, namely sampling that was chosen or determined based on the suitability of the research objectives.

Data Analysis Technique

Data processing and analysis is carried out to achieve the research objectives and obtain solutions to predetermined problems. The following data analysis techniques used in this study:

Descriptive Analysis

Descriptive analysis is done by calculating the percentage of respondents in each variable. Descriptive analysis aims to convert a set of raw data into an easier-to-understand form in the form of more concise information. Descriptive methods are used to describe or describe the collected data without intending to make conclusions that apply to the general or generalizations (Ashari et al. 2017).

Analysis of Structural Equation Model (SEM)

The Structural Equation Model (SEM) is a set of statistical techniques that allow testing of a circuit whose relationship is relatively complicated. A complicated relationship can be built between one or several dependent variables with one or several independent variables. Each dependent and independent variable can be in the form of a factor (or construct, which is constructed from several indicator variables). Certainly the variables can be in the form of a single variable that is observed or that is measured directly in a research process (Ferdinand 2002).

Conceptual Framework

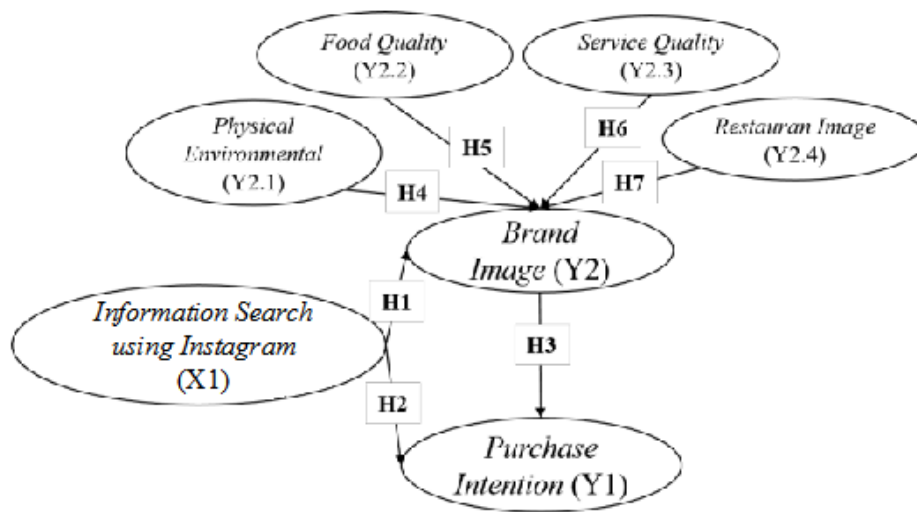The Conceptual framework of this study can be seen in Figure 1.

Figure 1. Conceptual Framework of This Study

III. RESULTSANDDISCUSSION

Profile of Respondents

The demographic profile used in this study included gender, last education, occupation, overall income / allowance level per month. and when was the last time the respondent used Instagram to find restaurant information. Descriptive analysis of the demographics of the respondents is in Table 2.

Table 2. Distribution of Respondents Based on Demographic Characteristics

	Characteristics	Amount (n=269)	Percentage (%)
Gender	Female	179	66.5
	Male	90	33.5
Last Education	ElementaryandMiddleSchool	0	0.0
	High School / Equivalent	44	16.4
	Diploma	23	8.6
	Strata 1 (S1)	199	74.0
	Bachelor (S2)	3	1.1
	Doctoral Degree (S3)	0	0.0
Job	Student	108	40.1
	Housewife	11	4.1
	GovernmentEmployees	5	1.9
	PrivateEmployees	104	38.7
	Entrepreneur	23	8.6
	Others	18	6.7
AverageMonthlyIncome / Pocket Money	<Rp1,000,000	42	15.6
	Rp1,000,000 – Rp1,999,999	72	26.8
	Rp2,000,000 – Rp3,999,999	60	22.3
	Rp4,000,000 – Rp5,999,999	54	20.1
	≥ Rp6,000,000	41	15.2

Descriptive analysis of the demographics of the respondents in Table 2 shows that the composition of the results of this study is based on sex, it turns out that female respondents (66.5%) are more than male respondents (33.5%). The total female respondents amounted to 179 respondents and men numbered 90 respondents. This is also reinforced by research from Sheldon and Bryant (2016) which states that women are more active on Instagram than men. Overall, women are more interested because women pay more attention to their social relationships than men. Because by commenting on and liking their friends' uploads, women indirectly want to show that they "care" (Bond 2009).

Eating Behavior in Restaurants

In this section some data will be displayed on respondents' eating behavior in restaurants. Based on these data, it can be seen what activities are often carried out by respondents both in terms of frequency of visits to the reason they chose in the restaurant.

The behavior of someone who eats at a restaurant, one of which can be seen from the frequency of buyers visiting a restaurant. In this study, Instagram users who ate in restaurants in the last 6 months were dominated by users who ate 1-3 times a month with 43.5% of respondents.

Table 3. Eating Behaviour in Restaurant

Activity		Amount (n=269)	Percentage (%)
The frequency in thelast 6 months has beenat a restaurant	1 - 3 kali	117	43.5
	4 - 6 kali	51	19
	> 6 kali	101	37.5
Visittherestaurant	Personally	3	1.1
	Friend	166	61.7
	Family	69	25.7
	Colleague / school	16	5.9
	Others	15	5.6
Reasonsforchoosing a restaurant	Price	217.0	80.7
	Mainstay Menu	132	49.1
	Taste	216	80.3
	Atmosphere	139	51.7
	Place	99	36.8
	Others	21	7.8

The restaurant visitors in this study, the majority came to the restaurant with their friends, with 61.7% of respondents. When viewed from the reason of Instagram users to choose a particular restaurant, there are as many as 80.7% of respondents who choose restaurants based on the price. In the second rank, 80.3% of respondents chose restaurants based on taste. Furthermore, Instagram users choose restaurants because of the atmosphere, while this factor was chosen by 51.7% of respondents.

Instagram Use Behavior to Find Restaurant Information
In this section some data will be displayed about the behavior of using Instagram to find restaurant information. In Table 4 it can also be seen which functions are used most frequently by Instagram users.

Table 4. Instagram Use Behavior for Finding Restaurant Information

JenisPreferensi/Fungsi	Percentage (%)		
	Personally Account	Restaurant Account	Reviewer Account
Photo	70.6	70.6	59.4
Location	23.0	24.1	18.2
Caption	20.8	20.0	28.2
Video	18.9	20.4	24.5
Comment	16.3	17.1	15.9

ThebehaviorofusingInstagramtofindinformationaboutrestaurantsonaprivateInstagramaccountisdominatedbyuserswhousethephotofunctionastheirpreferredtypewithatotalof70.6%ofrespondents.ThisalsoappliestotypesofInstagramrestaurantaccountsandreviewers.

Partial Least Square (PLS) Analysis Results
The method of analysis was conducted to determine the effect of information retrieval through Instagram (X1) as an endogenous variable. The purchase intention variable (Y1) and brand image (Y2) are part of the exogenous variables in this study. The analysis process uses SmartPLS software to determine the effect of whether or not a latent variable is used.

Table 5. Test the goodness of latent variables

Variabel Name	Cronbach'sAlpha	rho_A	CompositeReliability	(AVE)
Information Search using Instagram (X1)	0.828	0.831	0.862	0.344
PurchaseIntention (Y1)	1	1	1	1
Brand Image (Y2)	0.919	0.926	0.930	0.477
PhysicalEnvirontmental (Y2.1)	0.689	0.709	0.809	0.518
Food Quality (Y2.2)	0.817	0.821	0.873	0.579
ServiceQuality (Y2.3)	0.887	0.889	0.922	0.758
RestaurantImage (Y2.4)	0.782	0.793	0.901	0.821

The output in Table 5 shows that almost all latent variables have a value of Croncbach Alpha and Composite Reliability above 0.7. This value indicates that there are no reliability problems in the model formed. The use of Cronbach Alpha size does not guarantee unidimensionality but assumes unidimensionality. High reliability results provide confidence that all individuals' indicators are consistent with their measurements. The level of reliability generally accepted is ≥ 0.70 while reliability ≤ 0.70 can be accepted for research that is still exploratory (Haryono 2017).

Based on the output in Table 5, the Brand Image and Information Search using Instagram latent variables have AVE values of less than 0.50 which means they have low validity values. However, in general all latent variables already have validity, reliability, and discriminant good validity. The scheme results from this study can be seen in Figure 2.
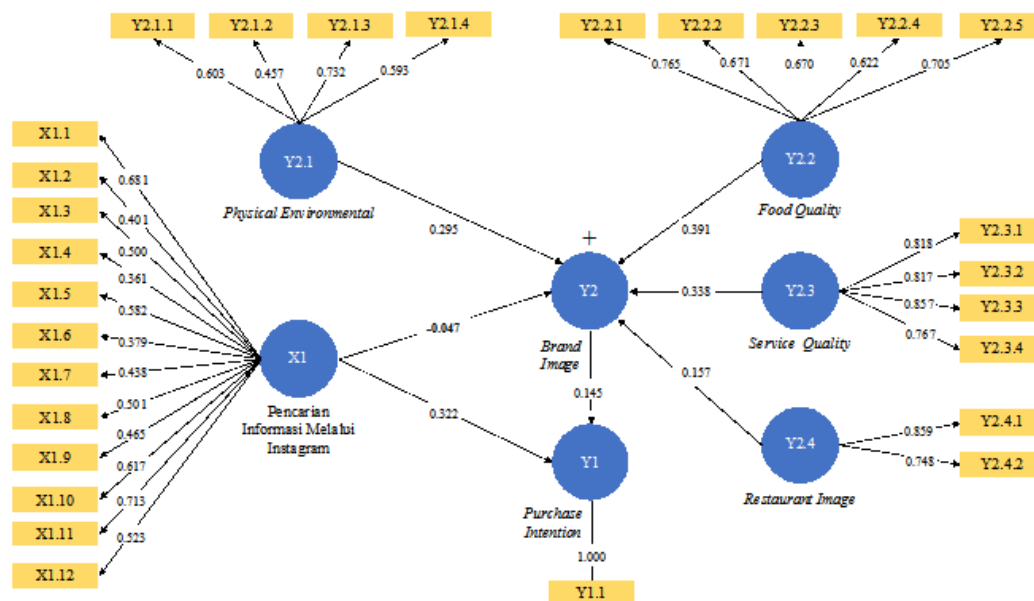
Figure 2. Results of the scheme using SmartPLS

IV. MANAGERIAL IMPLICATIONS

The managerial implications obtained from this research can be applied by management of restaurants in Indonesia, especially those that are still developing and do not have sufficient funds to market their restaurants. Because all functions on Instagram social media used in this study do not require any fees (free). So that it can improve the competitiveness of restaurants in terms of marketing. The managerial implications based on this research are as follows:

1. Restaurants increase the use of Instagram as a marketing medium
2. Restaurant owners should pay more attention to what photos have been uploaded on their Instagram account
3. Restaurants should index the location of the restaurant so that it is easily found by consumers
4. Restaurant owners must be more careful to manage their Instagram account so as not to create negative impressions or opinions
5. Restaurant owners should pay more attention to the taste of the menu they offer

V. CONCLUSION AND RECOMMENDATION

Conclusion

Based on the results of the analysis and discussion previously described, the conclusion of this study is that there is a positive relationship between restaurant information search through Instagram on a consumer's purchase intention directly without touching the brand image. All related things that will be uploaded to Instagram about a restaurant will be very important to be reviewed first because it will affect the sustainability of a restaurant.

The factor of taste, price, and atmosphere of the restaurant can be used as a benchmark that a restaurant does not always have to have a good place because the main factors that make consumers buy are taste and price. So it is not surprising that there will be many new and developing restaurants to focus on both factors (taste and price) by making take-away services. This can also help restaurants that have minimal capital to be able to compete and develop amidst the number and variety of restaurants in Indonesia.

RECOMMENDATION

Suggestions that can be conveyed related to this research are the results of this study can be used as a reference for restaurant owners that searching for restaurant information through Instagram contributes greatly to increasing the profit of a restaurant because this greatly affects the desire to buy from a consumer. For practitioners and researchers, this research can be proposed as a basis for further research with various additional indicators because the indicators used are still general and free. Further research can become more interesting if other indicators are added such as paid advertising and more personal functions.

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