The Influence of Interactivity and Ephemerality of Instagram Advertisements in Shaping Perceived Value and Behavioral Intention

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ABSTRACT: Instagram stands out as a prominent platform, offering companies a valuable space to promote their offerings to a vast and diverse audience. To capture consumer interest, Instagram advertisements now incorporate innovative interactive features and ephemeral effects, enhancing their appeal and engagement. The objective of this study is to examine the influence of interactivity and ephemerality of Instagram advertisements in shaping perceived value and behavioral intention. A quantitative research approach was employed in this study. Data from 239 participants were gathered through an online survey and analyzed utilizing SmartPLS 3.2.9 software employing Structural Equation Modeling. The findings indicate that the interactivity and ephemerality of Instagram Stories advertisements significantly influence three types of perceived value such as utilitarian, hedonic, and social value among female consumers of the fashion brand HeyLocal. Furthermore, these perceived values motivate positive behavioral intentions such as the intention towards social media activities, online search, and brand purchase. In contrast to social value, it was found that utilitarian and hedonic value do not directly impact brand purchase. In addition, our research revealed that consumers' purchase decisions can be reinforced through their engagement in social media activities and online information search.

KEYWORDS: Advertisement, Behavioral Intention, Ephemerality, Interactivity, Instagram, Perceived Value.

INTRODUCTION

Brands actively utilize social media to communicate their messages to consumers. In the rapidly evolving digital era, social media platforms, such as Instagram, have become popular tools for commerce to communicate and advertise products and services they offer [1]. Instagram offers a range of advertising formats that enable businesses to disseminate information regarding their products and captivate consumers with visually captivating content [2]. Innovative ad formats, such as Instagram Stories, possess the capability to elevate the effectiveness of social media advertising campaigns [3]. Instagram Stories provides a new way of advertising, allowing interaction with users through interactive and ephemeral content which can enhance information processing and memory of ads [4]. The interactive features of Instagram Stories make the advertising experience more enjoyable. Ephemerality offers numerous opportunities for information and interaction with users, driven by the time-limited nature of accessing information [5]. This trend is widely utilized by businesses to reach a broader target audience on social media, such as fashion businesses that recognize the visual power of Instagram, enabling them to share appealing photos and videos of their products to capture consumer attention. Instagram is acknowledged as a primary and influential source of information for consumers and is regarded as one of the most potent marketing tools for the fashion industry.

One of successful local Indonesian fashion brand that markets its products through Instagram is HeyLocal. HeyLocal has gained popularity, enthusiasm, and high consumer engagement on Instagram. The products released by HeyLocal are eagerly awaited and highly sought after. In executing marketing strategies and interacting with consumers on Instagram, HeyLocal often utilizes and optimizes interactive features on Instagram, particularly in Stories. They make use of the link to direct consumers to their website, employ quiz features to entertain consumers, utilize polling features to ask questions with multiple-choice options, employ countdown features to remind consumers about product launches, and even ask for consumer opinions and feedback through the 'ask me a question' feature. It is important to understand the impact of interactive advertising on consumer behavior in the fashion industry, considering the increasing growth of the fashion market alongside the development of digital technology. The perceived interactivity between consumers and brands has a positive effect on the perceived value of the brand [6]. Additionally, the time limitation of ephemeral content creates time pressure, causing consumers to make quicker decisions about the value of a brand within a specific
time frame [7]. Perceived value is a psychological feeling based on what consumers gain when interacting within a brand community. Furthermore, perceived value drives favorable consumer behavioral intentions [8].

Despite the increasing trend, research on the interactivity and ephemerality of Instagram Stories ads remains limited. Existing literature has mostly provided a general understanding of the efficacy of Instagram Stories as a promotional tool by comparing it with other formats or platforms [3],[2];[9]. Furthermore, studies on ephemeral content have primarily focused on information processing [10];[4]. Based on this, there is a lack of in-depth research on the influence of interactivity and ephemerality of Instagram Stories ads on consumer responses. Referring to the study by [2], consumer perceptions of advertisements and brands can be examined through a combination of interactivity and ephemerality. Therefore, this study examines the influence of interactivity and ephemerality of Instagram advertisements in shaping three types of perceived value (utilitarian value, hedonic value, and social value), which in turn affect various favorable behavioral intentions such as to engage in social media activities, online search, and brand purchase.

LITERATURE REVIEW

A. Interactivity

The advancement of digital technology, such as social media, has created new ways to engage consumers, enabling them to actively communicate with brands, resulting in positive business outcomes [11]. Within the realm of social media marketing, the significance of interactivity has become evident when compared to traditional marketing approaches. Interactivity, as a process, encompasses the reciprocal communication and responsiveness between consumers and producers, as well as between consumers and advertisers. As a feature, interactivity emphasizes the technological attributes and website elements that enable user control and facilitate feedback communication [12]. Brand interactivity on social media encourages communication between the brand and consumers, influencing positive brand perception [13]. Moreover, interactivity has the potential to induce physiological stimulation in customers, thus influencing their attitudes and purchase intentions.

B. Ephemeral Marketing

Ephemeral marketing is an increasingly employed concept by contemporary marketers to expand their reach to a wider target audience and amplify the visibility of their products and services [14]. Stories is an Instagram feature that allows users to upload ephemeral content with a duration of 15 seconds (photos, short videos, and live streaming), which is available on the platform for only 24 hours. The ephemeral nature of a message or post on Instagram has the potential to impact consumer motivation and consumption behavior [15], also affect memory retention due to processing efforts, as consumers, believing the content will disappear, exert more effort in processing the content compared to when they perceive it as accessible for later viewing [4].

C. Perceived Value

1) Utilitarian Value

Utilitarian value is defined as the assessment of practical benefits and sacrifices. Utilitarian value is associated with the overall assessment of functional benefits [16]. From a utilitarian perspective, consumers perceive social media as providing convenience and serving as a source of information that helps them meet their needs or achieve their goals. Utilitarian motivation pertains to the logical, functional, economic, and practical aspects of a product or service. Consumers who are driven by utilitarian motives prioritize the functional aspects of their experience, including related product details, convenience, and cost-effectiveness, because these factors satisfy their utilitarian needs and shape their purchase choices [17].

2) Hedonic Value

Hedonic value encompasses the emotional aspects of deriving pleasure, happiness, or enjoyment from transactions or interactive processes [18]. Brands with hedonic value provide consumers with enjoyable, happy, and engaging experiences. Consumers prioritize various factors when it comes to the online shopping experience, including convenience, comfort, pleasure, communication, and personal gratification [7]. Therefore, businesses strive to incorporate hedonic factors that lead consumers to make spontaneous and subjective decisions, including aesthetics and entertainment, to create a positive impression for their products [19]. When consumers experience hedonic value during their shopping journey, they perceive a harmonious alignment between the brand image and their own self-image.
3) Social Value

Social value can be seen as related to subjective factors such as interests, preferences, emotions, culture, beliefs, and personal value criteria [7]. Social value is associated with individuals' desire for social recognition, approval, and acceptance. Social value is associated with the recognition and acceptance within social circles that consumers receive from specific reference groups as a result of their product choices [20]. In the context of social commerce, it has been observed that elevated levels of social value contribute to heightened consumer satisfaction [21].

Customers' perception of social value refers to the assessment of their social identity. By sharing their shopping experiences with others, customers can receive validation and boost their self-esteem. In the realm of social commerce, customers frequently engage with others, provide feedback on products, and actively share information to seek validation.

D. Behavioral Intention

1) Intention towards Social Media Activities

Social media has introduced a new way for brands to communicate and engage with consumers online. Businesses have an opportunity to enhance their connection with consumers by utilizing interactive elements on social media platforms like Instagram Stories, thereby fostering increased levels of consumer engagement [22] through social media activities. The involvement of consumers with brands on social media signifies an active and dynamic connection between consumers and brands [23]. Consumer engagement on social media, such as actions of clicks, likes, comments, and shares, is the primary goal of current social media marketing [24]. In line with that, in this study, consumer engagement on social media refers to the manifestation of consumer behaviors towards a brand beyond the purchase, such as writing reviews, saving information, sharing advertisements, liking, engaging in discussions with the brand or other consumers, following the brand, and participating in interactive content (e.g., quiz, poll, survey, etc).

2) Intentions towards Online Information Search

The information search process is one of the stages in the consumer decision-making process [25]. Social media serves as a valuable information resource for individuals who seek and adopt information when it is found to fulfill their needs on social media platforms [26]. Online information search behavior has become a crucial element in consumer decision-making. This is because adequate information about the price, size, color, functionality, and other aspects of a product tends to lead consumers to make purchasing decisions without physically touching the product [27]. Attitudes and behaviors towards online product information search may vary when customers consider different types of products. As an element of social commerce, transactions are time-bound, requiring consumers to make decisions based on information search when they are constrained by time or product availability, creating a need for closure [28].

3) Purchase Intention

Social media marketing can provide positive benefits for companies, one of which is creating purchase intention [29]. Purchase intention is a combined process typically related to consumer perceptions, behaviors, and attitudes [30]. Purchase intention is influenced by the acceptance and utilization of information, whereby the perceived usefulness of information acts as a predictor for its adoption [26]. In the realm of social commerce, a company's success is propelled by consumer behaviors, including their purchase intentions [31]. Consumers who perceive greater value are more inclined to experience satisfaction and develop intentions to make a purchase.

HYPOTHESIS

Hypothesis 1: The interactivity of advertisements has a positive and significant influence on (a) utilitarian value, (b) hedonic value, and (c) social value associated with the brand.

Hypothesis 2: The ephemerality of advertisements has a positive and significant influence on (a) utilitarian value, (b) hedonic value, and (c) social value associated with the brand.

Hypothesis 3: Perceived utilitarian value has a positive and significant influence on intentions towards (a) social media activities, (b) online information search, and (c) purchase intention.

Hypothesis 4: Perceived hedonic value has a positive and significant influence on intentions towards (a) social media activities, (b) online information search, and (c) purchase intention.
Hypothesis 5: Perceived social value has a positive and significant influence on intentions toward (a) social media activities, (b) online information search, and (c) purchase intention

Hypothesis 6: Intention towards social media activities has a positive and significant influence on purchase intention towards a brand

Hypothesis 7: Intention towards online information search has a positive and significant influence on purchase intention towards a brand

METHODOLOGY

This study employs a quantitative approach with a causal design aimed at determining cause-and-effect relationships. The population in this study consists of female Instagram users who have viewed HeyLocal Instagram Story advertisements. Sampling in this study is conducted using non-probability sampling techniques. Data is collected through an online survey with the distribution of questionnaires. A total of 239 participants who meet the research criteria are collected through screening questions. The data analysis technique employed in this study utilizes Structural Equation Model (SEM) with the SmartPLS 3.2.9 software. The measurement model (outer model) consists of validity and reliability tests, while the structural model (inner model) includes tests for model fit and R-square. Furthermore, hypothesis testing is conducted using a one-tailed test to ascertain the validity and draw conclusions.

RESULT

A. Measurement Model

The validity of an indicator can be assessed through the values of Average Variance Extracted (AVE) and factor loadings. AVE values above 0.5 and factor loadings above 0.7 indicate that the items within a variable are cohesive and representative of the variables. The reliability of a variable can be determined by the values of Composite Reliability (CR) and Cronbach’s alpha. A set of indicators for a variable is considered reliable if they have Cronbach’s alpha and CR values above 0.7. Based on the validity and reliability tests, it can be concluded that all instruments in this study are valid and reliable.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Indicators</th>
<th>Factor Loading</th>
<th>Cronbach’s Alpha</th>
<th>CR</th>
<th>AVE</th>
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<tr>
<td>Interactivity</td>
<td>INT1</td>
<td>0.877</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>INT2</td>
<td>0.893</td>
<td>0.841</td>
<td>0.904</td>
<td>0.759</td>
</tr>
<tr>
<td></td>
<td>INT3</td>
<td>0.843</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Ephemeral</td>
<td>EPH1</td>
<td>0.920</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>EPH2</td>
<td>0.907</td>
<td>0.886</td>
<td>0.929</td>
<td>0.814</td>
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<tr>
<td></td>
<td>EPH3</td>
<td>0.879</td>
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<tr>
<td>Utilitarian</td>
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<td>0.785</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>UTV2</td>
<td>0.859</td>
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<td></td>
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<td></td>
<td>UTV4</td>
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<tr>
<td>Hedonic</td>
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<td></td>
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<td></td>
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<td></td>
<td>HDV4</td>
<td>0.775</td>
<td>0.880</td>
<td>0.907</td>
<td>0.581</td>
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<td></td>
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<td></td>
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<td>HDV6</td>
<td>0.764</td>
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<td></td>
<td>HDV7</td>
<td>0.782</td>
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<tr>
<td>Social Value</td>
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<td></td>
<td></td>
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<tr>
<td></td>
<td>SCV2</td>
<td>0.880</td>
<td>0.888</td>
<td>0.923</td>
<td>0.750</td>
</tr>
</tbody>
</table>
B. Structural Model

1) Model Fit

The goodness of fit test in this study consists of an SRMR value of 0.054 (fit), Chi-Square 1118.908 (fit), NFI 0.788 (moderate fit), and rms Theta 0.143 (moderate fit), based on Ghozali’s (2021) cut-off values.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Rule of Thumb</th>
<th>Result</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>NFI</td>
<td>NFI &gt; 0.90</td>
<td>0.788</td>
<td>Moderate fit</td>
</tr>
<tr>
<td>SRMR</td>
<td>SRMR ≤ 0.08</td>
<td>0.054</td>
<td>Fit</td>
</tr>
<tr>
<td>RMS_theta</td>
<td>Approaching zero</td>
<td>0.143</td>
<td>Moderate fit</td>
</tr>
<tr>
<td>Exact fit Test</td>
<td>&lt;3x df</td>
<td>1118.908 (df = 522)</td>
<td>Fit</td>
</tr>
</tbody>
</table>

2) R Square

The R Square (R2) test is conducted to measure the extent to which the variation of the endogenous variable is explained by the exogenous variables. The R2 for the utilitarian value variable is 0.303, indicating that 30.3% of the utilitarian value can be explained by the interactivity and ephemeral value variables, while the remaining variation may be explained by other unexplored variables in the model. Similarly, the R2 for the hedonic value variable is 0.329, meaning that 32.9% of the hedonic value can be explained by the interactivity and ephemeral value variables. The R2 for the social value variable is 0.257, indicating that 25.7% of the social value can be explained by the interactivity and ephemeral value variables. The R2 for the intention towards social media activities variable is 0.485, meaning that 48.5% of the intention towards social media activities can be explained by the interactivity and ephemeral value variables. The R2 for the intention towards online information search variable is 0.416, indicating that 41.6% of the intention towards online information search can be explained by the interactivity and ephemeral value variables. Lastly, the R2 for the purchase intention variable is 0.352, meaning that 35.2% of the purchase intention can be explained by the interactivity and ephemeral value variables. Referring to Ghozali’s (2021) cut-off values, it is known that the hedonic value, intention towards social media activities, online information search, and brand purchase variables have a moderate model. Whereas the utilitarian and social value variables have a weak model.

3) Hypothesis Testing

Hypotheses were tested using the bootstrapping technique through SmartPLS 3.2.9 software, with a one-tailed test and the significance level of 0.05. Hypotheses are accepted if they have the t-statistic value greater than 1.65, the P-value less than
The results of the statistical tests indicate that interactivity and ephemerality have a positive and significant influence on customer perceived value (utilitarian, hedonic, and social value). Regarding the relationship between perceived value and behavioral intention (intention towards social media activities, online information search, and brand purchase), there is a positive and significant impact, except for perceived utilitarian and hedonic value, which do not affect purchase intention. Furthermore, social media activities and online information search each exert a substantial direct positive impact on the intention to purchase.

**CONCLUSION AND RECOMMENDATION**

The present study examines the influence of Instagram Stories ads on favorable consumer perceptions and responses. Expanding on the findings Kim et al. (2023), this research contributes to knowledge development by examining the combination of interactivity and ephemerality in Instagram Stories ads to explain perceived value and behavioral intention. The results of this study demonstrate that the interactivity and ephemerality of Instagram Stories ads significantly influence three different types of perceived value (utilitarian, hedonic, and social value) among female consumers of the fashion brand HeyLocal. Furthermore, the perceived social value obtained from interactive and ephemeral ads is an important determinant of favorable consumer behavioral intentions. Contrary to our expectations, both utilitarian and hedonic value only contribute to consumer engagement with the brand and conducting online searches for information, without directly influencing purchase intention for the HeyLocal brand. This may be due to other factors not examined in this study, such as price, discounts, preferences, and consumer trust. As HeyLocal focuses on website sales, factors such as transaction convenience, service quality, and website quality are also likely to influence purchase intention. Additionally, considering the high consumer enthusiasm, the existence of a pre-order system at specific times with limited product stock can create anxiety and uncertainty in obtaining the product. Consequently, consumers may lack the confidence to proceed with the purchase. With this assumption, HeyLocal needs to reconsider these possibilities in order to maximize purchase intention and consumer satisfaction.
Nevertheless, the outcomes of this study confirm that the interactivity and ephemeral nature of Instagram Stories in the fashion brand are effective in achieving advertising objectives and creating engaging experiences for consumers. In addition, our research revealed that consumers' purchase decisions can be reinforced through their engagement in social media activities and online information search. This study can assist advertisers in achieving business success through social media marketing. It is crucial for companies to understand how consumer purchasing decisions are made in complex environments. Companies can optimize their marketing strategies by focusing on digital platforms and gaining a deeper understanding of consumer behavior through identifying preferences and motivations of potential customers. This enables them to direct marketing and promotional efforts more accurately. This study specifically focuses on the HeyLocal fashion brand, so the results may potentially less applicable to other cases. Hence, it would be intriguing for future research to investigate and compare the effects of interactivity and ephemeral nature on perceived value and behavioral intention in other industries, considering other factors that may influence purchase decisions.

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