CONSUMERS THROUGH THE PURCHASING FUNNEL OF THE INSTAGRAM STORE IN THAILAND

BY

MISS SUPPANUCH SUKPARUNGSEE

AN INDEPENDENT STUDY SUBMITTED IN PARTIAL
FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF SCIENCE PROGRAM IN MARKETING
(INTERNATIONAL PROGRAM)
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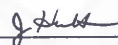
MISS SUPPANUCH SUKPARUNGSEE

ENTITLED

CONSUMERS THROUGH THE PURCHASING FUNNEL OF THE INSTAGRAM
STORE IN THAILAND

was approved as partial fulfillment of the requirements for

the degree of Master of Science Program in Marketing (International Program)

on................6 JUN 2016...............

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Independent Study Title	CONSUMERS THROUGH THE PURCHASING FUNNEL OF INSTAGRAM STORE IN THAILAND
Author	Miss Suppanuch Sukparungsee
Degree	Master of Science Program in Marketing (International Program)
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Academic Years	2015

ABSTRACT

Consumers nowadays are engaging more in electronic retails since it brought convenience for them, created the rapidly growing market in the past few years especially in social media applications such as Facebook, Line, and Instagram. Interestingly, Instagram is one of the fastest growing social media applications; consumers on Instagram yield the second highest average orders value to other applications. Instagram is also very popular among Thai consumers, which opens opportunities for sellers to do business through this application. However, Instagram itself cannot cover all purchasing transaction, sellers are using other mediums to close the sale, benefiting other businesses widely in Thai society.

This study was done particularly for Instagram users community in Thailand. The research analyzed which attributes stimulate customers' purchasing funnel on Instagram stores and barriers toward purchasing through Instagram stores. Customers are classified into different segments in order to understand them separately. This study will benefit Instagram storeowners in understanding what they should do to retain and gain profitable customers while also benefiting marketing personnel and act as a base for future research.

This research used both qualitative and quantitative research method. Respondents were Instagram users who ages from 14 to 33 years old. 190 respondents were tested on different angle depends on their frequency of purchasing behavior on

Instagram. Majority of whom are private company employees ages between 26 to 29 years old with income of THB18,000 to THB50,000.

The results of analysis between users and non-users show that demographic and purchasing behavior of these two groups is different. The results also showed that all respondents could be classified into four clusters according to their lifestyles; namely modern shopper, economy shopper, risk-averse shopper, and impulsive shopper. There is no result to show that each cluster is different in terms of demographics; however one or more group has different factors that influenced their purchase. In awareness and consideration stage, direct reference group influenced every cluster to aware and consider buying from Instagam stores. Top three most important factors that influenced purchase intention of all respondents can be ranked as 1) Individual's purchase intention 2) Price of the product 3) Style of the product.

These findings suggest that Thai Instagram storeowners should cater to modern and impulsive shoppers, as they are highly motivated consumers. Instagram storeowners may thereby increase and retain their customer base, while marketing researchers may continue to further develop understanding of the purchasing funnel in Thai online commerce.

Keywords: Instagram, Thai Instagram store, Social e-commerce, Influencing factors, Thailand.

ACKNOWLEDGEMENTS

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Attributes that Influence Customers in Awareness Stage, Consideration Stage, and Purchase Stage

Aspirational Group refers to those others against whom one would like to compare oneself to. (Perner, 2015) In this research, the main aspirational group mentioned is celebrities, actors, actress, and singers.

Direct Reference Group in this study refers to friends or family members who have influence over one.

Hedonic Message means messages that bring out pleasant sensation. In this study, hedonic message is the message that Instagram storeowner spread out for customer.

Pop-up Store Market is the temporary market arranged in publicly-access space, normally at the department store's space. Sellers can go there to exhibit and sell their products; most of the participating stores are online stores that have no permanent store of their own.

Utilitarian Message means messages that are useful or practical. In this study, utilitarian message is the message that Instagram storeowner spread out for customer.

Consumer/Customer in this study refers to those who have an Instagram account and live in Thailand.

Heavy Users in this study refers to those who have been purchasing products from Instagram store within the past year more often than once a week.

Lapsed Users in this study refers to those who had purchased products from Instagram store but have stopped purchasing them for more than one year.

Light Users in this study refers to those who have been purchasing products from Instagram store within the past year but less often than once a month.

Medium Users in this study refers to those who have been purchasing products from Instagram store within the past year more often than once a month but less than once a week.

Non-users in this study refer to those who have never purchased any products from Instagram store.

Consumer purchasing funnel is the stage that consumer passes through during their decision making process to purchase something. In this study, it includes awareness, consideration, purchase, and repurchase stages respectively.

Instagram is an online mobile photo-sharing, video-sharing and social networking service that enables its users to take pictures and videos, and share them on a variety of social networking platforms, such as Facebook, Twitter, Tumblr and Flickr.

> **Instagram Follower** is the consumer who uses her/his Instagram account to follow other accounts that he/she is interested to see their pictures or videos.

> **Instagram Store** is the Instagram account that was created for the purpose of selling or promoting the product.

Line Application is a cellphone-based application that allows users to send text and photo to one another in the on-to-one chat room or big chat room.

Social Media is Internet or cellphone based application and tools to share information among people. Social media includes popular networking websites, such as Facebook, Twitter and Instagram.

CHAPTER 1

INTRODUCTION

This study is a contemporary technology topic in academic marketing. Consumers nowadays are different from the past since the Internet has come to play a role in their lives. This information age provides them with more knowledge than ever. Once they started to know more, their decision-making processes changed. They start doing business on Internet; making the electronic commerce (e-commerce) business became so popular. The trend are going from e-commerce website to social media platform e-commerce as marketer realized the power of social media to connect them with consumers. (Zorzini, 2015)

Not only consumers are the receiver of the information, but they also are being empowered within the social media platforms and are taking on a more active role as creators, facilitators and editors of online content. (Murphy, 2014) The higher number of users in these social media sites means higher value of it. Facebook is the social media that has the most users; however Instagram, the fastest growing social media application, is the rising star that marketers are choosing on. Consumers on Instagram yield the second highest average orders value after Polyvore. (Macdonald, 2013)

Instagram has been a popular application among teenagers and first-jobbers in Thailand who are new generation consumers that find purchasing products from the Internet as a normal activity; as a result, many businesses have been created to fulfill the gap of e-commerce from Instagram since the Instagram application itself cannot make complete transaction of any purchase. Consumers and storeowners need other channel of communication to send and receive private message of product details, payment transaction, and delivering process. Application such as Shoppee, Line@, and online pop-up market have proved that online shopping via Instagram in Thailand is now prosperous than ever; yet, there are limited academic studies to support this favored market. Therefore, the result of this study intends to fulfill the valuable gap in this current market. This study not only benefits Instagram storeowners in terms of understanding their customers or prospect customers and creating an effective marketing campaign; but the result will also aim to benefit the marketing professional

as it will create new relationship of key variables that help build a diagram of Instagram consumers for future use of marketing personnel in Thai and international company and also act as a base for future research on Instagram and social media articles.

CHAPTER 2
REVIEW OF LITERATURE

2.1 Statement of The Problem

The research aims to investigate the process of consumer purchasing funnel to understand behavior of Thai consumers who buy products from Instagram store in order to answer a strategic question of "How can Instagram storeowners in Thailand use specific marketing campaign in an effective way to increase the purchase rate?"

2.2 Objectives

1. To identify the characteristic of consumers who will purchase from Instagram store in Thailand
2. To identify what factors in Instagram that impact Thai consumers' online purchasing funnel
3. To compare the attitude towards influencing factors on Thai consumers' online purchasing funnel for each customer segment

2.3 Literature Review

The rise of the Internet has propelled commerce into an electronic age, changing almost every aspect of daily lives, from how consumers communicate and learn about product offerings, to how they shop and buy products and services. (Kim and Lennon, 2008) Alongside the popularity of electronic commerce (e-commerce), it is interesting to understand consumer behavior of those who make purchase from online store. Not only consumer behavior is different across different industries, but Rajamma, Paswan, and Ganesh also believe that purchasing through online store and purchasing at brick-and-mortar store are also different. They suggested that advantages of online purchase are that it is cheaper, more convenient, provides larger selection, creates quicker transactions, reduces processing errors, protects customer anonymity and results in savings for the consumers. Besides, some of the perceived disadvantages of online purchase are security fears, delayed satisfaction, lack of return policies, impersonalize experience when shopping, and lack of customer

service. (Rajamma, Paswan, and Ganesh, 2007) Online purchase allows customers to have more time in making decision, plus a study has found that when customers' dwell time increase, sales increases too. (Saylor Academy, 2015) E-commerce is actually benefiting both consumers and sellers.

With electronic age where consumers spend their lives searching for information on Internet, Instagram is considered one of the most unique social media applications. Instagram is a mobile application that enables users to share photos or videos for free. There are four unique marketing and advertising attributes of Instagram; each provides benefits over other social media in terms of promoting. Firstly, as Instagram has the highest engagement rate (Beese, 2015), business owner can benefit so much in term of comments, direct interaction with customers in a real-time basis. Moreover, customers are more willing to comment their opinion and message on Instagram as it is more private compared to Facebook. Secondly, users of Instagram have lower average age (Jackson, 2015) compared to other social medias', and they are gathered in the teenager to first-jobber group; 47% of Thai Instagram users age between 18-24 years old. Research also found that 84% of Thai Instagram users have a university degree and have income of 1.5 times compared to those that do not use Instagram. (Petthongchai, 2015) Therefore, it is easy for the business owner to target and send the message more effectively to consumers who have more purchasing power and probably higher education. Thirdly, customers can access to business owner's posts easily on their 'home' page. Instagram is an easy-to-use application where users can see the all the posts of who they follow without clicking on each one's profile, unlike Facebook where the program only selected some of the posts for others to see. Lastly, hash tags on Instagram help organize and categorize images and video content, which aids the process of content discovery and optimization, as companies realize the success of their Instagram marketing depends on proper hash-tagging. (Sornoso, 2014)

Instagram, as one of the most popular applications, has 1.7 million users in Thailand; with records showing Bangkok as the second most popular city on Instagram. (Shankman, 2014) For few years, Instagram has been an important base for online shop to display their products, where the purchasing transaction normally occurred in Line application later. (Bivens, 2015) As numbers of Instagram

storeowners and customers increase, many other businesses has been added in to get advantage from it such as Shopee online application, Line@ online application, TGIF pop-up market, and many other pop-up markets. Most of them have the purpose to increase awareness of online shops, help facilitate communication between storeowners and customers, and to increase purchase rate. Last but not least, Instagram itself had just introduced its first marketing campaigns that transform viewers into shoppers with a single click in September 2015 for Thailand as it saw such a huge opportunity here. (Sloane, 2015)

Even though Instagram has been used widespread in Thai society, limited studies have been done to gain the knowledge of successfully promoting and selling for Instagram store. This study mainly focuses on analyzing factors that impact consumer-purchasing funnel on Instagram for the specific target segment. The only study available for Thai Instagram storeowner is from Amornpashara; results of the study revealed that factors that affect the purchase intentions of Instagram users are ranked as commercial advertising, influence of aspirational groups, influence of direct reference groups, purchase intention, perceived ease of use, recreational messages, utilitarian messages, involvement in utilitarian messages, and involvement in recreational messages respectively. The same study also found that recreational messages that allow consumers to get involved will increase purchasing intention; however the entertaining message has to come in a right proportion since the more entertaining message and picture that customers see will decrease their purchasing intention. (Amornpashara, 2015)

For summary of literature, I have found that:

(1) Research on purchasing behavior of Thai consumers on Instagram store is limited

(2) Research has focused on purchasing behavior of consumers, while other activities that affect purchase such as awareness and consideration has not been examined

2.4 Academic Theory Implication

This study has applied the consumer decision-making process model as a base to study consumer behavior.

Once consumers gather information, they learn about competing brands and their features. Consumers will know awareness set, consideration set, and choice set before they make decision. (Kotler & Keller 2012)

As this study aimed to understand consumers once they make purchasing decision, this figure was used to divide questions for respondents. Influencing factors were analyzed in each stage of successive set, and then each stage was compared to see the result.

Figure 2.1: *Successive Sets Involved in Consumer Decision Making (Kotler & Keller 2012)*
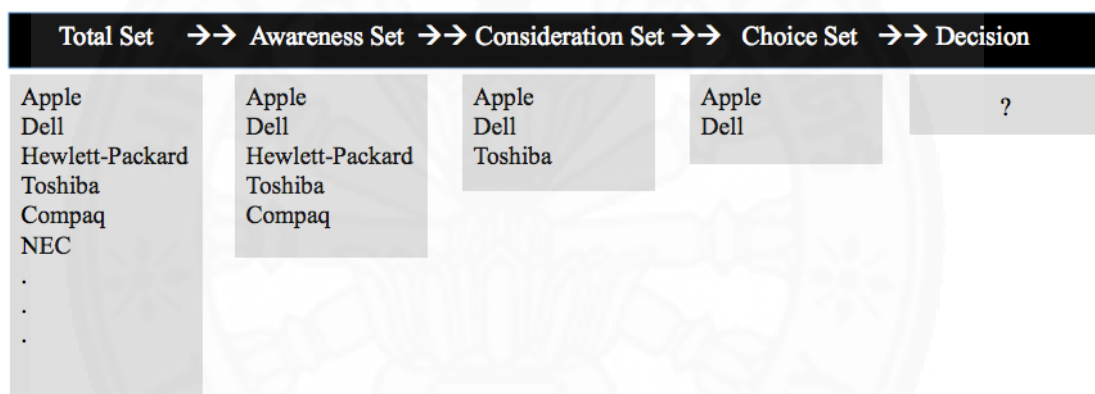
2.5 Hypotheses

H1: Consumers who have been purchasing products from Instagram stores and consumers who have not been purchasing any products from Instagram stores for the past year have the same demographic

H2: Consumers who have been purchasing products from Instagram stores and consumers who have not been purchasing any products from Instagram stores for the past year have the same purchasing behavior

H3: Customers who have different lifestyle have the same demographic

H4: Customers who have different lifestyle have the same purchasing behavior

CHAPTER 3
RESEARCH METHODOLOGY

This study was conducted using two research methods; exploratory research and descriptive research. Exploratory research was conducted first, followed by descriptive research.

Figure 3.1: *Research Process*
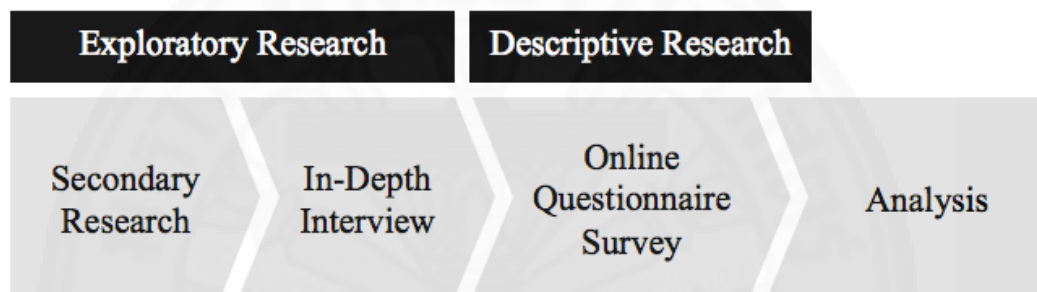
3.1 Exploratory Research Methodology
3.1.1 Secondary Research
3.1.1.1 Objective

Secondary research was conducted to understand the environment and trend of the industry being studied.

3.1.1.2 Activity

Secondary research of industry and trends was studied. Online sources of blogs and web-boards, in addition to published journals and articles, were studied as sources of secondary research. Main topic of study was the usage of Instagram application in Thailand and benefits of using Instagram application. Interesting results of secondary research can be found in introduction and literature review.

3.1.2 In-Depth Interview
3.1.2.1 Objective

Qualitative researches of in-depth interviews were conducted for the purpose of creating a meaningful questionnaire to test in larger samples in the descriptive research.

3.1.2.2 Activity

Environment of retail transactions through Instagram has been discussed with both Instagram storeowners and customers.

Qualitative research began by interviewing two Instagram storeowners and five consumers who either have or have not been purchasing through Instagram stores. Interviewing with the owners of Instagram store was to identify whether they have any knowledge of what factors are important to make their customers purchase or not, and interviewing customers was to identify the factors that affect their purchasing decisions. Questions (in Thai) that were asked during the interview included:

For Instagram storeowners:

- What is the promotion that the store uses to attract customers?
- How have you come up with those promotions?
- Have you ever asked your customers which promotion will make them spend more?
- Have you ever study about the factors that stimulate customer's purchasing activity?

For customers:

- Have you ever buy products from Instagram store?
- What make you know stores in Instagram?
- What make you consider which Instagram store to buy from?
- What make you decide which products to buy from one Instagram store?
- Do you normally repurchase the product from the same Instagram store, why or why not?

3.2 Descriptive Research Methodology

Once data from qualitative research were gathered, quantitative study using questionnaires was created to collect further data. The study sample size is 200 people, 190 of them are ages between 14-33 in order to comply with information about target customers got from literature review.

In this study, quantitative method was used for testing four hypotheses. Online questionnaire survey using web base of Google Survey was used to distribute the questionnaire. Convenience sample was being used by sending links of questionnaire to family and friends.

The questionnaire contains both closed and open-ended questions and comprises five sections. After screening questions of identifying applicable age range and usage, the first section is to understand the purchasing habits of heavy users and light users. The second section is to understand the purchasing habit and reasons that lapsed users stop buying from Instagram stores. The third section is to understand the purchasing habit and barriers to purchase from Instagram stores of lapsed users. The forth section is to understand lifestyle of all respondents. Last section is to identify the characteristics and demographic of all respondents. (Appendix 1)

Questionnaire was first created and piloted before sending out to larger group of samples. Five samples responded and gave feedback. Once the editing was done, questionnaire (in Thai) was sent out during $1^{st} - 29^{th}$ February 2016.

3.3 Analysis

The gathered data was analyzed using Statistical Package for the Social Science Program (SPSS). The central tendency was measured by using and mean, which see the center of the value and center answer of the respondents, used in summarizing quantitative data. Also, the percentage calculation was used to analyze the demographic information and the usage of social media. This helped comparing the results of respondents. The cross-compare results was conducted by using ANOVA and t-test from 5 point scale questions and using Pearson Chi-Square and z-test for the rest. Factor and cluster analysis was used to segment key variables and target population of the survey for the purpose of creating marketing campaigns that suit different segments of consumers.

CHAPTER 4
RESULTS AND DISCUSSION

4.1 Qualitative Analysis and Results

Respondents are divided into two groups; Instagram storeowners and Instagram users.

4.1.1 Result of In-depth Interviews from Instagram Store Owner

Two Instagram storeowners age 26 and 30. Questions regarding their Instagram shops were asked on November 27th, 2015. One of them is the owner of La Femme Clothing store, and the other is the owner of store that sells imported stuffs from Japan.

Interesting results from storeowners are

1. The only application that both use for communicating with customers is Line

2. One has been exhibiting product at pop-up store markets said it was a good idea as sales is a lot higher than normally selling through online channels. Thus, the costs of exhibiting at those markets were very high, around THB10,000 for 2-3 days.

3. Regarding the marketing of the store, both have no knowledge of how to promote the stores and theirs products; they just post pictures of the products and models in the stores' account. Other than that, there are no places that they can gain information about customers and trends other than following celebrities.

4.1.2 Result of In-depth Interviews from Instagram User

In-depth interviews were conducted on November 15th-19th, 2015. The objective of interviews was to find out the general behavior of consumers on purchasing or not purchasing products on Instagram. Seven females who have been purchasing products from Instagram store and one female and two male who have never purchased anything from Instagram store were interviewed.

Interesting results from customers are:

1. In terms of awareness part, friends and celebrities are the most important attributes among all that lead interviewees to know the brand.

2. When purchase, four out of seven of the interviewees say that style is the most important thing they look for, others say that price is the most important.

3. All said that they would only repurchase if they satisfied with quality of prior purchases.

4. Those who never purchase from Instagram are concerned about risk of quality of the products as they cannot touch or try it before purchase.

4.2 Quantitative Analysis and Results

Questionnaires were spread out to 200 respondents using online Google Survey during 1st-29th February 2015. 190 of respondents passed the screening questions of age; only respondents who age between 14 to 33 years old are eligible to answer all other questions.

Key findings has been separated into three parts including factor analysis, cluster analysis and analysis between clusters, and analysis between users and non-users.

4.2.1 Result of Analysis Using Factor Analysis

4.2.1.1 Factor Analysis on Lifestyle

Based on 14 lifestyle statements in the questionnaire, factor analysis classified them into 3 factors to explain 51% of original statements. The Kaiser-Meyer-Olkin score is 0.785 and it is significantly different using Bartlett's test of Sphericity. Table 2 shows groups of lifestyle statements for each factor. The first factor is named as 'Value for Money' and is representing 6 original statements, with factor loadings range from 0.41 to 0.78. The second factor is named as 'Shopaholic' and is representing 4 original statements, with factor loadings range from 0.51 to 0.75. The last factor is named 'Shop on internet' and is representing 4 original statements, with have factor loadings range from -0.75 to 0.78. (Appendix 2)

Table 4.1: *Results of Factor Analysis of Lifestyle Statements*

Factor	Original Lifestyle Statements	Factor Loading
Value for Money	I like discount	0.772
	I like to compare similar products between different stores before purchase	0.729
	I like to purchase from stores I used to purchase	0.564
	I spend a lot of time surfing the internet everyday	0.508
	I think price reflects quality of the product	0.467
	I prefer bank transfer over payment on credit card	0.406
Shopaholic	I will pay more for my convenience	0.745
	I often ended up buying something without planning	0.734
	I feel that shopping on the internet is not risky	0.633
	I like shopping	0.514
Shop on Internet	I prefer internet shopping to traditional shopping	0.776
	Majority of my shopping is through traditional store	-0.747
	I prefer to touch the product before purchased	-0.651
	I think shopping on the internet saves time	0.483

4.2.2 Result of Analysis Using Cluster Analysis

4.2.2.1 Segmentation

Based on three lifestyle factors from factor analysis, total respondents of 190 are divided by Two-Step Cluster method using Schwarz's Bayesian Criterion (BIC) into four homogenous groups as follow:

(1) Modern Shopper (n=44, 23% of total respondents)

This group of people cares more for the value for money, shops a lot, and normally shops on the Internet more than other groups. 36% of them are medium users of Instagram stores and 27% of them are non-users.

(2) Economy Shopper (n=60, 32% of total respondents)

This group of people cares for the value of money, but less than modern shopper group. However, they do not shop a lot and normally do not shop on the

internet as can be seen that 50% of them are non-users while 30% of them are only light users.

(3) Risk-averse Shopper (n=44, 23% of total respondents)

This group of people care less about the value for money, does not shop on the Internet at all, but are very shopaholic. They like shopping and are impulse buyers. Majority of their shopping is through traditional stores and they prefer touching products before purchase. 45% of them are non-users and 18% of them are light users.

(4) Impulsive Shopper (n=42, 22% of total respondents)

This group of people does not care about value for money at all compare to other groups, they do not care for discounting and do not care to compare products in many store before purchase. They are not quite shopaholics but majority of their shopping is through Internet. 43% of them are non-users; while heavy users, medium users and light users are equal at 17% each.

Figure 4.1: *Results of Cluster Analysis Based on Lifestyle Using Two-Step Cluster Method*
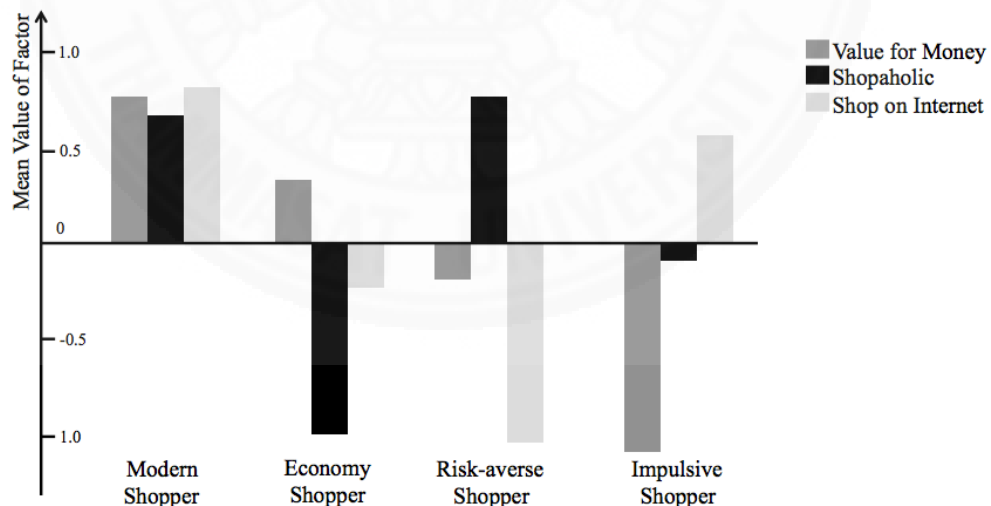
For all three lifestyle factors, using ANOVA analysis, four segments are significantly different at 95% confident interval (p-value < 0.05).

Table 4.2: *Results of One-way ANOVA for Lifestyle Factors between Four Clusters*

Lifestyle Factors		Sum of Squares	df	Mean Square	F	Sig.
Value for Money (Factor 1)	Between Groups	80.756	3	26.919	46.042	0.000
	Within Groups	108.744	186	0.585		
	Total	189.5	189			
Shopaholic (Factor 2)	Between Groups	103.253	3	34.418	74.225	0.000
	Within Groups	86.247	186	0.464		
	Total	189.5	189			
Prefer Shopping on the Internet (Factor 3)	Between Groups	90.159	3	30.053	56.269	0.000
	Within Groups	99.341	186	0.534		
	Total	189.5	189			

4.2.2.2 Segmentation Profile

Total respondents of 190 people are segmented into 4 different groups namely modern shopper (n=40), economy shopper (n=60), risk-averse shopper (n=44), and impulsive shopper (n=42).

(1) General Information

Each segment was analyzed in terms of demographic including gender, age range, status, occupation, monthly income, education level, and accommodation types that they are living in. There are no evidence to say that demographic between each segment are significantly different as Pearson Chi-square Tests Score are not significant at 95% confident interval (p-value < 0.05).

Majority of respondents are female for every segments; however impulsive shopper have the highest percentage of male, 33% of the segment. Around 50% of respondents of every segment ages between 26-29 years old; followed by around 30% respondent who ages between 22-25 years old. Majority of modern shopper have master's degree education, while most of economy shopper and impulsive shopper have bachelor's degree. For risk-averse shopper, most respondents equally have bachelor's degree and master's degree. Majority of respondents are single, having between THB 18,000 – 50,000 monthly incomes. Most of them are private company employees followed by students.

Table 4.3: *Frequency, Percentage, and Results of Pearson Chi-square for Demographic of Four Clusters*

Demographic		Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		χ^2	p-value
		n	%	n	%	n	%	n	%		
Gender	Female	35	80%	44	73%	33	75%	28	67%	1.9	0.596
	Male	9	21%	16	27%	11	25%	14	33%		
Age Range	14-17 Years	0	0%	0	0%	0	0%	1	2%	6.4	0.894
	18-21 Years	3	7%	4	7%	4	9%	5	12%		
	22-25 Years	14	32%	21	35%	13	30%	12	29%		
	26-29 Years	22	50%	32	53%	23	52%	21	50%		
	30-33 Years	5	11%	3	5%	4	9%	3	7%		
Status	Single	44	100%	57	95%	43	98%	40	95%	2.6	0.463
	Married	0	0%	3	5%	1	2%	2	5%		
	Divorced	0	0%	0	0%	0	0%	0	0%		
Occupa-tion	Students	9	21%	16	27%	10	23%	11	26%	9.4	0.858
	Private Co. Employee	29	66%	34	57%	24	55%	21	50%		
	State Enterprise	0	0%	1	2%	0	0%	1	2%		
	Civil Servant	0	0%	2	3%	0	0%	1	2%		
	Freelancer	1	2%	3	5%	3	7%	3	7%		
	Business Owner	5	11%	4	7%	7	16%	5	12%		
Monthly Income	No income	2	5%	9	15%	4	9%	8	19%	20.5	0.059
	< ฿18,000	5	11%	6	10%	1	2%	3	7%		
	฿ 18,000 - 50,000	27	61%	42	70%	29	66%	22	52%		
	฿ 50,001 - 85,000	9	21%	2	3%	6	14%	8	19%		
	> ฿ 85,000	1	2%	1	2%	4	9%	1	2%		
Educa-tion Level	Secondary school	0	0%	2	3%	2	5%	3	7%	6.9	0.334
	Bachelor's	20	46%	34	57%	21	48%	25	60%		
	Master's	24	55%	24	40%	21	48%	14	33%		
	Doctor's	0	0%	0	0%	0	0%	0	0%		

(2) Before-Purchase Behavior

From ANOVA analysis, there is no evidence to tell that four segments rated three attributes that stimulate awareness of Instagram store; namely aspirational group, direct reference group, and advertising on Instagram; differently from each other since p-value is more than 0.05. However, for appearance at pop-up store

market, p-value is at 0.001, which is significantly different with 95% confident interval. Looking closely using independent t-test, modern shopper rated appearance at pop-up store market as more important to make them aware Instagram store comparing to economy shopper and impulsive shopper. (Appendix 3)

Table 4.4: *Mean Values, Standard Deviation, and Results of One-way ANOVA for Attributes that Influence Awareness of Instagram Stores of Four Clusters*

Influential Attributes	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		F	p-value
	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.		
Aspirational Group	2.8	1.0	2.6	1.2	2.5	1.1	2.6	1.2	0.28	0.839
Direct Reference Group	3.6	1.1	3.6	1.1	3.4	1.0	3.3	0.7	0.54	0.660
Advertising on Instagram	2.8	1.1	2.4	1.2	2.5	1.0	3.1	0.9	1.98	0.123
Appearance at Pop-up Store	3.5	0.9	2.4	0.9	2.9	1.0	2.7	1.0	6.34	0.001

From ANOVA analysis, there is no evidence to tell that four segments rated three attributes that make them consider purchasing from Instagram store; namely aspirational group, direct reference group, and advertising on Instagram; differently from each other since p-value is more than 0.05. However, p-value of appearance at pop-up store market is at 0.001, which is significantly different between one or more clusters at 95% confident interval. Looking closely using independent t-test, modern shopper rated appearance at pop-up store market as more important to make them consider purchasing from Instagram store comparing to economy shopper. (Appendix 5)

(3) Purchase Behavior

a. Attributes that Influence Purchase

ANOVA was used to find out that fifteen out of seventeen attributes that influence purchasing are significantly different at 95% confident interval between four segments because p-value is less than 0.05; including aspirational group, direct reference group, advertising on Instagram, appearance at pop-up store, reputation of store, purchase intention, hedonic message from store, utilitarian message from store, store responsiveness, number of followers of store, price of product, style of product, promotion at the time of purchase, readiness of product to be delivered, and free delivery. For number of likes on product and product guarantee attributes, there is no evidence to tell that the influence levels of the two attributes are different between four segments.

Table 4.5: *Mean Values, Standard Deviation, and Results of One-way ANOVA for Attributes that Influence Consideration to Purchase from Instagram Stores of Four Clusters*

Influential Attributes	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		F	p-value
	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.		
Aspirational Group	2.8	1.2	2.3	1.1	2.4	1.0	2.4	0.9	1.02	0.388
Direct Reference Group	3.7	1.1	3.5	1.1	3.4	1.1	3.3	0.8	0.69	0.563
Advertising on Instagram	2.8	0.9	2.3	1.1	2.6	1.0	2.8	0.7	1.71	0.171
Appearance at Pop-up store	3.4	1.0	2.3	1.0	3.1	1.0	2.7	1.0	6.19	0.001

Each segment revealed different important factors that influence their purchases.

1) **Modern Shopper** thinks that their own purchase intention influences most for their purchases with the mean value of 4.5; followed by style of product and price of product with mean value of 4.3 and 4.2 respectively.

2) **Economy Shopper** thinks that price of the product influences most for their purchases with the mean value of 4.3; followed by their own purchase intention and style of product which both have mean value of 4.2.

3) **Risk-averse Shopper** thinks that their own purchase intention influences most for their purchases with the mean value of 4.4; followed by style of product, readiness of product to be delivered, and product guarantee with mean value of 4.0.

4) **Impulsive Shopper** thinks that their own purchase intention influences most for their purchases with the mean value of 3.8 followed by style of product and price of product with mean value of 3.7 and 3.6 respectively.

Table 4.6: *Mean Values, Standard Deviation, and Results of One-way ANOVA of Attributes that Influence Purchase of Four Clusters*

Attributes that Influence Purchase	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		F	p-Value
	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.		
Aspirational Group	2.9	1.1	2.2	1.2	2.2	1.2	2.2	1.0	4.0	0.009
Direct Reference Group	3.8	1.0	3.3	1.0	3.2	1.1	3.1	1.0	4.4	0.005
Advertising on Instagram	3.0	1.0	2.3	1.1	2.4	0.8	2.4	0.8	6.2	0.001
Appearance at Pop-up Store	3.3	1.0	2.4	1.0	2.6	1.0	2.4	1.0	7.9	0.000
Store Reputation	4.1	0.7	3.6	1.1	3.5	1.1	3.1	1.0	7.2	0.000
Purchase Intention	4.5	0.8	4.2	0.8	4.4	0.8	3.8	1.0	5.1	0.002

Table 4.6(Continue): *Mean Values, Standard Deviation, and Results of One-way ANOVA of Attributes that Influence Purchase of Four Clusters*

Attributes that Influence Purchase	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		F	p-Value
	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.	$\bar{x}$	Std. Dev.		
Hedonic Msg.	3.4	1.0	2.7	1.1	2.8	1.2	2.8	1.1	4.5	0.005
Utilitarian Msg.	3.4	0.9	2.8	1.2	2.7	1.1	2.8	1.0	3.7	0.013
Store Responsive	4.1	0.9	3.8	1.1	3.9	0.9	3.3	0.9	5.3	0.002
Number of Followers	3.7	0.9	3.6	1.1	3.3	0.9	3.0	0.9	5.1	0.002
Number of Likes	3.1	1.0	2.8	1.1	2.8	1.1	2.6	1.0	1.6	0.192
Price of Product	4.2	0.8	4.3	0.8	3.9	0.8	3.6	1.0	6.1	0.001
Style of Product	4.3	0.7	4.2	0.8	4.0	0.9	3.7	1.0	3.8	0.012
Promotion at the Purchase	4.1	0.9	3.8	1.0	3.5	0.8	3.4	1.1	5.1	0.002
Readiness of the Product to be Delivered	4.1	1.0	4.0	1.0	4.0	0.8	3.4	1.0	4.7	0.004
Free Delivery	4.0	0.8	3.9	1.1	3.7	1.0	3.1	1.2	6.3	0.000
Product Guarantee	4.1	0.9	4.0	1.1	4.0	1.0	3.5	1.1	2.6	0.057

In the top five most influential attributes of all four segments, customer purchase intention and style of the product always presented.

Other than that, the significant different were tested base on two-sided tests assuming equal variances with significance level .05. Significant pairs are listed in Appendix 4.

Modern shopper rated aspirational group, advertising on Instagram, appearance at pop-up store market, and hedonic message from the store as more important comparing to economy shopper; while they rate aspirational group, direct reference group, advertising on Instagram, appearance at pop-up store market, utilitarian message from the store, and promotion at the time of purchase as more

important in influencing their purchases compare to risk-averse shopper segment. At the same time, they think that direct reference group, advertising on Instagram, appearance at pop-up store, reputation of store, purchase intention, hedonic message from store, store responsiveness, number of followers of the store, price, style, promotion, readiness of the product to be delivered, and free delivery are more important in influencing their purchases comparing to impulsive shopper segment.

Economy shopper rated reputation of the store, store responsiveness, number of followers of stores, price, style, readiness of product to be delivered, and free delivery as significantly more important in influencing their purchases compare to impulsive shopper.

Risk-averse shopper rated their own purchase intention, store responsiveness, and readiness of product to be delivered as significantly more important in influencing their purchases compare to impulsive shopper.

However, there are no evidence that impulsive shopper rated all the attributes that influence their purchases higher than any other segments.

In conclusion, as name suggested for each cluster; modern shoppers tend to shop based on the trend of the market and influencers, economy shoppers are looking for functional benefits of the products and ignore the emotional values, risk-averse shoppers are looking for clues that decreases the risk of their purchase and it looks like they have gone through information search before decision making as they care less about the useful message from the Instagram stores, impulsive shoppers care less about all factors that influence their purchases than any other groups imply that they just make purchase once the need urge.

b. Purchase Behavior

Pearson Chi-square has been used to test the different level of usage between each cluster, result shows that p-value is less than 0.05 meaning one or more cluster is significantly different in the level of usage. Z-test revealed that economy shopper has significantly higher light users than modern shopper. (Appendix 6)

Table 4.7: Frequency, Percentage, and Result of Pearson Chi-square on Level of Usage

	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		χ^2	p-value
	n	%	n	%	n	%	n	%		
Heavy Users	6	19.4%	2	7.4%	2	12.5%	7	33.3%		
Medium Users	16	51.6%	7	25.9%	7	43.8%	7	33.3%	12.83	0.046
Light Users	9	29.0%	18	66.7%	7	43.8%	7	33.3%		

In communication method before purchase, Line application yields the highest mean for all clusters comparing to Facebook, call, and Instagram comment. Moreover, ANOVA and independent t-test has been used to test that modern shopper and economy shopper rated line as their communication method before purchase significantly often than impulsive shopper with p-value equals to 0.001 (p < 0.05). (Appendix 7)

Table 4.8: Mean Values, Standard Deviation, and Results of One-way ANOVA for Communication Method that Four Clusters Use When Purchase

Communica-tion Method	Modern Shopper		Economy Shopper		Risk-averse Shopper		Impulsive Shopper		F	p-value
	$\overline{x}$	Std. Dev.	$\overline{x}$	Std. Dev.	$\overline{x}$	Std. Dev.	$\overline{x}$	Std. Dev.		
Line	4.6	0.5	4.5	0.5	4.3	0.6	3.9	0.8	6.32	0.001
Facebook	3.2	1.1	2.8	1.3	2.8	1.2	2.9	1.0	0.77	0.514
Call	1.9	1.0	2.0	1.2	1.6	0.6	2.0	0.9	0.98	0.407
Instagram Comment	2.3	1.1	1.7	1.0	2.0	1.0	2.0	0.9	1.53	0.211

In terms of products that respondents normally purchase, women apparels is the product that customers purchase most frequently for all four segments. Moreover, Pearson Chi-square has been done to test that women apparels level of purchase provides p-value of less than 0.05, which indicates significant different between one or more pairs of the clusters.

Spending per purchase of four clusters is different as illustrated in the figure 4.2. All segment's spending have the same mean at THB1,000 per purchase, while maximum and minimum amount of spending for all groups are different. Maximum spending of modern shopper and economy shopper is at the same amount of THB3,000 while risk-averse shopper and impulsive shopper spend highest at THB2,500 per purchase. There is no evidence to say that spending per purchase between four clusters is significant different as p-value from One-way ANOVA is at 0.839 and F score is 0.282. (Appendix 8)

Table 4.9: *Frequency and Results of Pearson Chi-square for Demographic of Users and Non-users*

Product Normally Purchase	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper	χ^2	p-value
	n	n	n	n		
Women Apparels	23	16	16	15	8.67	0.034
Men Apparels	5	5	0	2	3.69	0.297
Accessories	13	6	3	4	5.00	0.172
Bags	8	7	3	6	0.50	0.921
Toys	4	1	0	2	3.34	0.342
Books/DVDs	1	2	0	1	1.48	0.687
Shoes	4	5	1	5	2.46	0.483
Food	7	5	4	8	2.60	0.457
Gadgets	3	1	1	1	0.99	0.804
Furniture	0	1	0	0	2.55	0.467
Cosmetics	7	5	3	6	0.82	0.845

Figure 4.2: *Spending Per Purchase of Each Cluster*
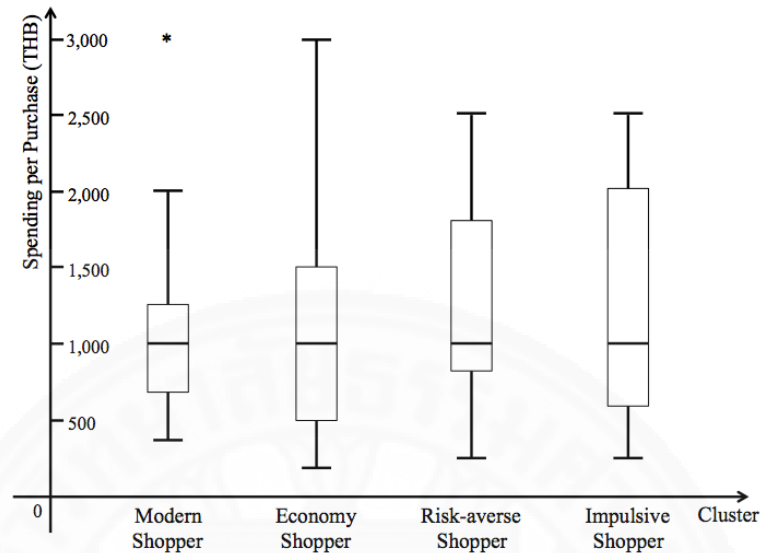
(4) After-purchase Behavior

Respondents who have been purchasing product through Instagram store for the past year were asked about their repurchasing behavior. 90% of modern shopper reported that they have been repurchasing from the stores they normally purchase while 81% of economy shopper, 88% of risk-averse shopper, and 81% of impulsive shopper do the same.

The most important reason that made modern shopper repurchase from the same store is because of style of the products since 29% of this segment respondents mentioned about it; followed by quality, price, and service which 19% of respondents mentioned about each of them.

41% of economy shopper discloses that they will repurchase if the quality of prior purchase was good enough, 22% of them mentioned that reliability is the factor that make them repurchase and 15% said that style of the product is also important.

The most important reason that made risk-averse shopper repurchase from the same store is because of product quality from prior purchase since 63% of this segment respondents mentioned about it; followed by reliability as 50% of respondents mentioned about it. Moreover, 13% of risk-averse shopper said that price and service is also important to make them repurchase.

Lastly, 38% of impulsive shopper will repurchase if quality of product from prior purchase was good; followed by style that they like which were mentioned by 19% of respondents and 10% of respondents said that price and reliability is the criteria.

Table 4.10: *Repurchase Rate and Repurchasing Criteria of Four Clusters*

Segment	Repurchase Rate	Criteria of Repurchase		
		Most frequent mentioned	**Second frequent mentioned**	**Third frequent mentioned**
Modern Shopper	90%	Style	Quality Price Service	Reliability
Economy Shopper	81%	Quality	Reliability	Style
Risk-averse Shopper	88%	Quality	Reliability	Price Service
Impulsive Shopper	81%	Quality	Style	Price Reliability

4.2.3 Analysis Between User and Non-User

4.2.3.2 Result of Analysis between User and Non-user

Interestingly, half of respondents are users and the rest are non-users. Users are those who have been purchasing products from Instagram store for the past years while non-users are those who have not been purchasing products from Instagram store for the past year.

In terms of demographic, Pearson Chi-square test has been used, the only significant different between two groups is the gender; 88% of users are female, significantly higher than 59% female for non-users, and vice versa for male since p-value is 0.000 (p-value < 0.005). Other demographics have no evidence to say that they are different between two groups (p-value > 0.005). (Appendix 9)

Table 4.11: *Frequency, Percentage, and Results of Pearson Chi-square for Demographic of User and Non-user*

Demographic		Users		Non-Users		χ^2	p-value
		n	%	n	%		
Gender	Female	84	88%	56	59%	21.28	0.000
	Male	11	12%	39	41%		
Age Range	14-17 Years	1	1%	0	0%	5.74	0.220
	18-21 Years	10	11%	6	6%		
	22-25 Years	35	37%	25	26%		
	26-29 Years	43	45%	55	58%		
	30-33 Years	6	6%	9	10%		
Status	Single	94	99%	90	95%	2.75	0.097
	Married	1	1%	5	5%		
	Divorced	0	0%	0	0%		
Occupation	Students	24	25%	22	23%	5.80	0.326
	Private Co. Employee	58	61%	50	53%		
	State Enterprise	1	1%	1	1%		
	Civil Servant	2	2%	1	1%		
	Freelancer	2	2%	8	8%		
	Business Owner	8	8%	13	14%		
Monthly Income	No income	10	11%	13	14%	4.74	0.315
	< THB18,000	9	10%	6	6%		
	THB 18,000 - 50,000	62	65%	58	61%		
	THB 50,001 - 85,000	13	14%	12	13%		
	> THB 85,000	1	1%	6	6%		
Education Level	Secondary school	3	3%	4	4%	0.16	0.925
	Bachelor's	50	53%	50	53%		
	Master's	42	44%	41	43%		
	Doctor's	0	0%	0	0%		

Analysis of ANOVA has been used to test that purchasing behavior is also different between users and non-users. Users rated eight attributes as significantly more important than non-users for attributes that influence their purchases; including reputation of the store, purchase intention, hedonic message from the store, utilitarian

message from the store, number of store followers, price of product, style of product, and promotion at the time of purchase since p-value of those attributes are less than 0.05. Other attributes provide no evidence that users and non-users rate them significantly different. (Appendix 10)

Table 4.12: Mean Values, Standard Deviation, and Results of One-way ANOVA for Influencing Attributes between User and Non-user

Attributes that Influence Purchase	Users		Non-Users		F	p-value
	$\overline{x}$	Std. Dev.	$\overline{x}$	Std. Dev.		
Aspirational Group	2.5	1.1	2.2	1.2	3.21	0.075
Direct Reference Group	3.4	1.1	3.3	1.1	1.02	0.313
Advertising on Instagram	2.6	1.0	2.5	1.0	0.69	0.409
Appearance at Pop-up Store	2.8	1.0	2.5	1.1	3.24	0.074
Reputation of Store	3.8	0.9	3.4	1.1	6.02	0.015
Purchase Intention	4.4	0.8	4.1	0.9	4.77	0.030
Hedonic Message from Store	3.1	1.1	2.7	1.1	9.09	0.003
Utilitarian Message from Store	3.2	1.1	2.7	1.0	10.48	0.001
Store Responsiveness	3.9	0.9	3.7	1.1	2.34	0.128
Number of Followers of Store	3.5	0.9	3.3	1.1	4.09	0.044
Number of Likes on Product	2.9	1.0	2.8	1.1	0.08	0.785
Price of Product	4.2	0.8	3.9	1.0	5.46	0.021
Style of Product	4.3	0.8	3.9	0.9	6.97	0.009
Promotion at the Time of Purchase	3.9	0.9	3.5	1.0	8.41	0.004
Readiness of the Product to be Delivered	4.0	0.9	3.8	1.0	1.58	0.210
Free Delivery	3.8	1.0	3.6	1.2	1.76	0.187
Product Guarantee	3.9	1.0	3.9	1.1	0.08	0.778

4.2.3.2 Result of Analysis of Lapsed User

There are 15 out of 190 respondents who are lapsed users, users which purchased products from Instagram store in the past but has stopped purchasing for more than one year, which is around 8% of total respondents. 12 people are female and the rest are male. Five respondents said that they will go back to purchase from

Instagram stores, while ten of them said that they maybe go back to do so, nobody said that they will never go back to purchase again.

From the analysis using ANOVA, there is no evidence to tell that the group that will go back to purchase and the group that might go back to purchase rate the reasons that made them stop buying differently as p-value of every reason is higher than 0.05.

For the group that will go back to purchase, the two most important reason that made them stop buying is that purchasing from Instagram store takes too many transaction to complete and the quality of product they got was lower than expected, with the mean value of 3.4 and 3.0 respectively.

For the group that might go back to purchase, the two most important reason that made them stop buying is that purchasing from Instagram store takes too many transaction to complete and they think that it is easier to buy from other applications, which both have the mean value of 3.0.

Table 4.13: *Mean Values, Standard Deviation, and Results of One-way ANOVA for Reasons that Made Lapsed Users Stop Buying from Instagram Stores*

Reasons that Made Lapsed Users Stop Buying	Will Go Back to Purchase		May Go Back to Purchase		F	p-value
	$\overline{x}$	Std. Dev.	$\overline{x}$	Std. Dev.		
Quality Lower Expected	3.0	1.2	2.6	1.3	0.31	0.587
Got Cheated	2.4	1.5	2.0	1.2	0.33	0.577
Hard to Browse the Product	1.6	0.9	2.4	1.5	1.18	0.298
No Product that Is Needed	2.2	0.8	2.2	0.9	0.00	1.000
Store Closed	1.8	1.8	1.9	0.9	0.02	0.884
Too Many Transaction to Purchase	3.4	1.5	3.0	0.9	0.40	0.537
Easier to Buy from Other Applications	2.2	0.4	3.0	1.1	2.57	0.133
Not Able to Use the Product	2.4	1.1	2.3	0.9	0.03	0.860

4.2.3.3 Result of Analysis of Non-User

80 out of 190 respondents are non-users, customers who never purchase any products from Instagram store, which is around 42% of all respondents. 36 out of 80 respondents are male, 45% of non-users; male of this group is significantly higher at 95% confident interval when compare to current users and lapsed users.

The questionnaire studied their attitudes toward purchasing products from Instagram store; non-users think that Instagram store sells fake product mostly followed by Instagram are not safe on money transaction.

Table 4.14: Mean Values and Standard Deviation of Attitudes Toward Purchasing from Instagram Stores of Non-users

Attitudes Toward Purchasing from Instagram Store	$\bar{x}$	Std. Dev.
Instagram Is Not Safe on Monetary Transaction	2.9	1.0
Instagram Sells Fake Products	3.1	1.1
Instagram Stores Does Not Exist for Real	2.3	1.1
Product in Instagram Store Is Expensive	2.4	0.8

The most important barriers to purchase products from Instagram store for non-users are that customers cannot see and touch product before purchase and customers cannot try before purchase. Lack of return policy and security fear is less important.

Table 4.15: Mean Values and Standard Deviation of Barriers to Purchase from Instagram Stores of Non-users

Barriers to Purchase from Instagram Store	$\bar{x}$	Std. Dev.
Cannot See and Touch Product	4.1	1.0
Cannot Try before Purchase	4.1	1.0
Security Fear	3.2	1.0
Lack of Return Policy	3.3	1.2

CHAPTER 5
SUMMARY, IMPLICATION, AND LIMITATION

5.1 Summary of Finding and Implication

The result of the study rejected hypothesis H1 since the gender between two groups are different. Hypothesis H2 is also being rejected since two groups of consumers have eight out of seventeen different influencing factors toward purchase. The study failed to reject hypothesis H3 as results say that there is no evidence to say that four customers segment that have different lifestyle have significantly different demographic (p-value of each element is more than 0.05). Lastly, the result of this study rejected hypothesis H4 as fifteen out of seventeen attributes that influence purchase of four different customer segments are significantly different between one or more group.

From cluster analysis, there are two clusters that are interesting for Instagram storeowner to attain. The first group is modern shopper. Even though modern shopper tends to care for value of money they spend, they can spend more than other groups as all of them are single and have monthly income above average income compare to other groups. Moreover, they shop often, as majority of them are heavy users and medium users. The second group is the impulsive shopper. Impulsive shopper has percentage of males higher than other groups; moreover, this segment already likes shopping on the Internet as a starting point. They care less for browsing for the cheapest stuffs; therefore, Instagram storeowners can sell products to them at a reasonable but high price. The other two segments are less interesting as economy shopper wants cheap stuff and are not shopaholic at all while risk-averse shopper does not like shopping on the Internet. Therefore, implications and recommendations will be given for only modern shopper and impulsive shopper segment.

In the awareness and consideration part, direct reference is the most important for every segment including modern shopper and impulsive shopper. Therefore, the storeowner can run a promotion of, for example, friends get friends or sharing for discount; as both promotions will spread out Instagram store or product pictures by direct reference groups, namely friends and family. For example, you can get the

existing customers to share the picture of your products and tag a friend who has never purchased from your store before, then both will get special discounts on the product. However, for modern shopper, appearance at pop-up store market race up closely as the second most influential factors to make them aware and consider buying; Instagram store that target this segment should make the presence at popular pop-up store market. On the other hand, impulsive shopper revealed that advertising on Instagram is the second most influencing factor to make them aware and consider buying; therefore, those Instagram store which target this segment should pay for advertise to make the presence on customers' feed while they are browsing. This confirm their lifestyle of impulsive shopper since they do not want to browse a lot, but will impulsively purchase what they want when they see it. Instagram storeowner should use any activities that will make products reach customers first when they search before purchase.

In the purchasing stage, modern shopper and impulsive shopper ranked influencing factors similarly for the first three factors. Instagram storeowners should do anything that stimulates customer's purchase intention. For example, for modern shopper segment, good promotions, words, or even a catching graphic design related to customer's life should be used in the promotions that will be distributed by direct reference group to urge the demand. Store that target impulsive shopper can do the same in the advertisement. The other influencing factor for impulsive shopper is the guarantee; as they shop fast they will frequently have buyer's remorse and will not continue shopping from that store. Therefore, having product guarantee might help increase purchase of this group.

Retaining customer is and effective way to gain sales. Modern shopper repurchase highest comparing to other segments, the criteria that Instagram storeowner should keep in mind is the style of the product. Modern shopper shops a lot and frequent, and tend to repurchase from the same store; this can be implied that they like that style of the product of that store. Any store selling to modern shopper should retain the unique style and keep developing on it rather than changing style quickly over time. However, style only is not enough; same quality, same price range, and same service are expected from this segment. On the other hand, impulsive shopper repurchase at the same store least compare to other segment; however the

repurchase rate is still high at 81%, meaning that impulsive shopper will repurchase if the quality of prior purchase met their needs following by style.

Only 8% of respondents are lapsed users, first it means that Instagram store retention rate is quite high. However, when diagnosing, main reason is because purchasing from Instagram store takes too many transaction to complete. The reason might be because most of the communication occurred currently between customers and sellers are through Line application, which can only communicate but cannot transfer money. Storeowner cannot do anything much on the application itself, rather they can use Instagram to promote and use all-in-one complimenting applications for other transactions such as Shopee. Customers will feel more convenient and restart to purchase again.

From analysis of non-users, it implies that the attitude of non-users toward Instagram store is related to the product. They afraid that Instagram store sells fake products since they cannot touch, see, or try before purchase. However, once this group of customers needed to be acquired, Instagram storeowners can develop a short period guarantee program for them.

Referring to literature review of article from Amornpashara, factors that affect purchase intention of Instagram users were ranked from commercial advertising, influence of aspirational group, influence of direct reference group, and purchase intention and so on. However, from this study, the research found different results. Purchase intention, price, and style of the products are at the top three most influencing factors for all segment; while influence of direct reference group is in the middle of 17 factors and aspirational group is the least important influencing factor to make customers from every segment purchase.

5.2 Limitation

This study was focusing on Thai consumers who use Instagram with the age range of 14 to 33 years old. The age range that the author picked up to study can be wider or narrower as there are very subjective. Moreover, during the period of study, a questionnaire survey was distributed through snowball effect that can generate similar clusters of respondents. Another limitation is the time limitation, the author only have around six months to plan the study, gather the data, analyze the data, and

also having to study for other courses in the program; therefore convenience sampling method had been selected.

5.3 Significance of the Study

The findings from this study will benefit directly to Thai Instagram storeowners. The increasing value of social e-commerce in Instagram indicates the needs for effective marketing campaign that will result from findings from this study. The further purpose of this study will also be an applicable usage for Instagram storeowners in other countries that have similar activities. Not only practical usage can be derived from this study, the highest aim is to be a base for further academic study on Instagram in Thailand.

5.4 Suggestion for Future Research

This study was focused only in Thai market; however, it can be done elsewhere with extensive Instagram usage. Factors that influence awareness, consideration, and purchase for future research should be studied from locals first as attributes might not be the same.

For Thai researcher that would like to study similar things, factors that influence purchases should be tested again as this study and Amornpashara's study gave totally different results. Influencing factors recommended are aspirational group, direct reference group, purchase intention, and commercial advertising.

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APPENDICES

Appendix 1: Online Questionnaire

Screening Questions

1.   Please specify your gender

      1   Female

      2   Male

2.   What is your age range?

      0   Less than 14 years old (End of the survey)

      1   14 - 17 years old

      2   18 - 21 years old

      3   22 - 25 years old

      4   26 - 39 years old

      5   30 - 33 years old

      0   More than 33 years old (End of the survey)

3.   Have you ever bought any products from Instagram Store?

      1   Yes   0   No (Skip question 4 and continue with Section 3)

4.   In the past year, have you bought any products from Instagram Store?

      1   Yes (Continue with Section 1)   0   No (Continue with Section 2)

Section 1: Consumers who purchased from Instagram Store

Please refer to activities when you think and purchase products from Instagram store

5.   How often do you buy products from Instagram store each month?

      1   Everyday   4   Twice a month   7   Once a year

      2   Twice a week   5   Every month   3   Once a week

      6   A couple of times a year

6.   Which product categories do you normally buy from Instagram store? (Can choose more than 1)

1	Women Apparels	7	Shoes
2	Men Apparels	8	Food (Bakery/Snack)
3	Accessories (e.g. watch, bracelets)	9	Gadgets
4	Bags	10	Furniture
5	Toys	11	Cosmetics
6	Books/DVDs	12	Others (Please specify__)

7.　How much do you normally spend per one purchase from Instagram store?

_____Baht

8.　Please rate how important of each attributes that made you aware of the Instagram store (5 is extremely important and 1 is not at all important)

　　　　Attributes

8.1	Influence from aspirational group	5	4	3	2	1
8.2	Influence from direct reference group	5	4	3	2	1
8.3	Advertising on Instagram	5	4	3	2	1
8.4	Presence at pop-up market	5	4	3	2	1

9.　Please rate how important of each attributes that made you consider Instagram store for future purchase (5 is extremely important and 1 is not at all important)

　　　　Attributes

9.1	Influence from aspirational group	5	4	3	2	1
9.2	Influence from direct reference group	5	4	3	2	1
9.3	Advertising on Instagram	5	4	3	2	1
9.4	Presence at pop-up market	5	4	3	2	1
9.5	Reputation of the Instagram store	5	4	3	2	1

10.　Please rate how important of each attributes when you purchase products from Instagram store (5 is extremely important and 1 is not at all important)

　　　　Attributes

10.1	Influence from aspirational group	5	4	3	2	1
10.2	Influence from direct reference group	5	4	3	2	1
10.3	Advertising on Instagram	5	4	3	2	1
10.4	Appearance at pop-up store market	5	4	3	2	1
10.5	Reputation of the Instagram store	5	4	3	2	1
10.6	Individual's purchase intention	5	4	3	2	1
10.7	Hedonic message from the store	5	4	3	2	1
10.8	Utilitarian message from the store	5	4	3	2	1

10.9	Store responsiveness (fast response)	5	4	3	2	1
10.10	Number of followers of that Instagram store	5	4	3	2	1
10.11	Number of likes on product picture	5	4	3	2	1
10.12	Price of the product	5	4	3	2	1
10.13	Style of the product	5	4	3	2	1
10.14	Promotion at the time of purchase	5	4	3	2	1
10.15	Readiness of the product to be delivered	5	4	3	2	1
10.16	Free delivery	5	4	3	2	1
10.17	Product Guarantee	5	4	3	2	1

11. Please indicate which channel or application that you use to communicate when you purchase products from Instagram store (5 is always and 1 is never)

Channel

11.1	Line	5	4	3	2	1
11.2	Facebook Messenger	5	4	3	2	1
11.3	Phone Call	5	4	3	2	1
11.4	Instagram Comment	5	4	3	2	1

12. When talking about Instagram store, which is that first Instagram store brand that you think of?

_____

13. Which Instagram store brand do you normally buy the products from?

_____

14. Do you normally go back to purchase from the store that you have purchased before, why or why not?

_____

--------------- When you are done in this section, please skip to Section 4 -------------

-

Section 2: Consumers who stop purchasing from Instagram Store

15. According to your attitude and behavior toward Instagram, how much do you agree with the following statement? (5 is strongly agree and 1 is strongly disagree)

Attributes

15.1	Quality of products that I got when purchased was lower than expected	5	4	3	2	1
15.2	I got cheated when I bought from Instagram store	5	4	3	2	1
15.3	Instagram store is hard to browse the products	5	4	3	2	1
15.4	Instagram store does not have products that I like/need anymore	5	4	3	2	1
15.5	Instagram store that I used to purchased from is out of the business	5	4	3	2	1
15.6	It takes too many transaction to purchase products from Instagram store	5	4	3	2	1
15.7	I found it easier to purchase from other application	5	4	3	2	1
15.8	I never be able to use the products that I bought from Instagram store due to its style and quality does not match with advertise	5	4	3	2	1

16. Do you still use Instagram on a daily basis?

1 Yes 0 No

17. Do you plan to go back to purchase from Instagram store?

1 Yes 2 Maybe 3 No (Skip question 18)

18. How important of each attributes that will encourage you to go back to purchase products from Instagram store? (5 is extremely important and 1 is not at all important)

Attributes

18.1	Influence from aspirational group	5	4	3	2	1
18.2	Influence from direct reference group	5	4	3	2	1
18.3	Advertising on Instagram	5	4	3	2	1
18.4	Appearance at pop-up store market	5	4	3	2	1
18.5	Reputation of the Instagram store	5	4	3	2	1
18.6	Individual's purchase intention	5	4	3	2	1
18.7	Hedonic message from the store	5	4	3	2	1
18.8	Utilitarian message from the store	5	4	3	2	1
18.9	Store responsiveness (fast response)	5	4	3	2	1
18.10	Number of followers of that Instagram store	5	4	3	2	1
18.11	Number of likes on product picture	5	4	3	2	1
18.12	Price of the product	5	4	3	2	1
18.13	Style of the product	5	4	3	2	1
18.14	Promotion at the time of purchase	5	4	3	2	1
18.15	Readiness of the product to be delivered	5	4	3	2	1
18.16	Free delivery	5	4	3	2	1
18.17	Product Guarantee	5	4	3	2	1

---------- **When you are done in this section, please skip to Section 4** ---------

Section 3: Consumers who never purchase from Instagram store

19. What do you think about purchasing from Instagram store? (5 is strongly agree and 1 is strongly disagree)

Attributes

19.1	It is not safe on monetary transaction	5	4	3	2	1
19.2	Products are fake	5	4	3	2	1
19.3	Instagram store does not exist for real	5	4	3	2	1
19.4	Product in Instagram store is expensive	5	4	3	2	1

20.   How much do you agree with the following attributes that made you hesitate to buy from Instagram store? (5 is strongly agree and 1 is strongly disagree)

Attributes

20.1	Cannot see and touch the real products	5	4	3	2	1
20.2	Cannot try before purchase	5	4	3	2	1
20.3	Security fear	5	4	3	2	1
20.4	Lack of return policy	5	4	3	2	1

21.   How important of each attributes that will encourage you to start purchasing products from Instagram store? (5 is extremely important and 1 is not at all important)

Attributes

21.1	Influence from aspirational group	5	4	3	2	1
21.2	Influence from direct reference group	5	4	3	2	1
21.3	Advertising on Instagram	5	4	3	2	1
21.4	Appearance at pop-up store market	5	4	3	2	1
21.5	Reputation of the Instagram store	5	4	3	2	1
21.6	Individual's purchase intention	5	4	3	2	1
21.7	Hedonic message from the store	5	4	3	2	1
21.8	Utilitarian message from the store	5	4	3	2	1
21.9	Store responsiveness (fast response)	5	4	3	2	1
21.10	Number of followers of that Instagram store	5	4	3	2	1
21.11	Number of likes on product picture	5	4	3	2	1
21.12	Price of the product	5	4	3	2	1
21.13	Style of the product	5	4	3	2	1
21.14	Promotion at the time of purchase	5	4	3	2	1
21.15	Readiness of the product to be delivered	5	4	3	2	1
21.16	Free delivery	5	4	3	2	1
21.17	Product Guarantee	5	4	3	2	1

--------------- **Please continue on Section 4** --------------

Section 4: General Consumer Behavior

22.   Please choose the number that is reflect your behavior (5 is very true and 1 is very untrue)

Behavior

22.1	I spend a lot of time surfing the internet everyday	5	4	3	2	1
22.2	I like shopping	5	4	3	2	1
22.3	I feel that shopping on the internet is not risky	5	4	3	2	1
22.4	I think shopping on the internet saves time	5	4	3	2	1
22.5	I prefer internet shopping to traditional shopping	5	4	3	2	1
22.6	Majority of my shopping is through traditional store	5	4	3	2	1
22.7	I prefer to touch the product before purchased	5	4	3	2	1
22.8	I like to compare similar products between different stores before purchase	5	4	3	2	1
22.9	As soon as I got to see products, without planning, I often ended up buying something	5	4	3	2	1
22.10	I will pay more for my convenience	5	4	3	2	1
22.11	I think price reflects quality of the product	5	4	3	2	1
22.12	I like discount	5	4	3	2	1
22.13	I like to purchase from stores I used to purchased	5	4	3	2	1
22.14	I prefer bank transfer over payment on credit card	5	4	3	2	1

23.   Do you still use Instagram?

1   Yes   0   No (Skip to Question 26)

24. How long do you use Instagram per day, on average?

1	Less than 5 minutes	4	30 - 60 minutes
2	5 - 10 minutes	5	61 - 120 minutes
3	11 - 30 minutes	6	More than 120 minutes

25. How many followers and followees do you have on Instagram?

    25.1 Followers_____accounts

    25.2 Followees_____accounts

---------------- Please continue on Section 5 --------------

Section 5: Demographic

26. What is your status?

1	Single	2	Married	3	Divorced

27. What is your occupation?

1	Students	5	Freelancer
2	Private Company Employee	6	Business Owner
3	State Enterprise Employee	7	Other(Please specify___)
4	Civil Servant		

28. What is your monthly income?

1 No Income

2 Less than THB 18,000

3 THB 18,000 - 50,000

4 THB 50,001 - 85,000

5 More then THB 85,000

29. What is your education level?

1	Secondary school	2	Bachelor's Degree
3	Master's Degree	4	Doctor's Degree

Appendix 2: Result of KMO and Bartlett's Test for Factor Analysis

Kaiser-Meyer-Olkin Measure of Sampling Adequacy		0.785
Bartlett's Test of Sphericity	Approx. Chi-Square	1416.793
	df	91
	Sig.	0.000

Appendix 3: Result of Pairwise T-test on Influencing Attributes for Awareness between Four Clusters

Influential Attributes	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper
	(A)	**(B)**	**(C)**	**(D)**
Aware Because Presence at Pop-up Store	B D			

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 4: Result of Pairwise T-test on Influencing Attributes for Consideration between Four Clusters

Influential Attributes	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper
	(A)	**(B)**	**(C)**	**(D)**
Consider Because Presence at Pop-up store	B			

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 5: Result of Pairwise T-test on Influencing Attributes for Purchase between Four Clusters

Attributes that Influence Purchase	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper
	(A)	(B)	(C)	(D)
Aspirational Group	B C			
Direct Reference Group	C D			
Advertising on Instagram	B C D			
Appearance at Pop-up Store	B C D			
Reputation of Store	D	D		
Purchase Intention	D		D	
Hedonic Message from Store	B D			
Utilitarian Message from Store	C			
Store Responsiveness	D	D	D	
Number of Followers of Store	D	D		
Price of Product	D	D		
Style of Product	D	D		
Promotion at the Time of Purchase	C D			
Readiness of the Product to be Delivered	D	D	D	
Free Delivery	D	D		

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 6: Result of Pairwise T-test on Communication Method of Four Clusters

Usage Level	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper
	(A)	**(B)**	**(C)**	**(D)**
Light Users		A		

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 7: Result of Pairwise T-test on Communication Method of Four Clusters

Communication Method	Modern Shopper	Economy Shopper	Risk-averse Shopper	Impulsive Shopper
	(A)	**(B)**	**(C)**	**(D)**
Line	D	D		

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 8: Spending per Purchase for Four Clusters

Modern Shopper				
Mean	**Maximum**	**Minimum**	**Median**	**Mode**
1048	3000	400	1000	1000
Economy Shopper				
Mean	**Maximum**	**Minimum**	**Median**	**Mode**
1088.9	3000	200	1000	500
Risk-averse Shopper				
Mean	**Maximum**	**Minimum**	**Median**	**Mode**
1209.4	2500	300	1000	1000
Impulsive Shopper				
Mean	**Maximum**	**Minimum**	**Median**	**Mode**
1161.9	2500	500	1000	500

Appendix 9: Result of Pairwise T-test on Demographic between Users and Non-users

Demographic		Users	Non-Users
		(A)	(B)
Gender	**Female**	B	
	Male		A

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

Appendix 10: Result of Pairwise T-test on Attributes that Influence Purchase between Users and Non-users

Attributes that Influence Purchase	Users	Non-Users
	(A)	(B)
Reputation of Store	B	
Purchase Intention	B	
Hedonic Message from Store	B	
Utilitarian Message from Store	B	
Number of Followers of Store	B	
Price of Product	B	
Style of Product	B	
Promotion at the Time of Purchase	B	

*If two values are significantly different, the cell corresponding to the larger value displays a key identifying the column of the smaller value.

BIOGRAPHY

Name	Miss Suppanuch Sukparungsee
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	Audit Trainee
	KPMG Phoomchai Audit