

# The Effectiveness of Instagram Features as a Sales Promotion Media Using Discrepancy Evaluation Model Method in Increasing Customer Loyalty

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## ABSTRACT

In this study, an evaluation process was carried out on the effectiveness of Instagram features as a sales promotion media in increasing customer loyalty by utilizing the Discrepancy Evaluation Model (DEM) which to find out how good the performance and the effectiveness of Instagram features as a promotional media are. Furthermore, it will also be used as an assisting tool to give advice or recommendation to the social media for improving the two aspects that become two measured variables, which are *performance* and *effectiveness* that have been evaluated by the researchers. In this study, there are 43 respondents as a sample to measure each variable. Based on the results of the study, it shows that the variable of *performance* obtains a point of 79.37%, which means it is included in category “effective”, and the variable of *effectiveness* obtains a point of 76.10% which also means it is included in the same category. These results are obtained from the measurement results using three assessment indicators for each variable. Based on these two variables, performance and effectiveness of Instagram features can be categorized as an effective factor of promotion and sales medias in increasing customer loyalty.

**Keywords:** Instagram, social media, Discrepancy Evaluation Model (DEM), loyalty

## INTRODUCTION

The advancement of technology has developed into various aspects of life and has significantly affected the human lifestyle, starting from the world of education, economics, and even society. The use of technology in the field of social community is increasingly mushrooming in it, especially social media. Now, for an organization, social media is a must-necessity as a tool to manage relationships with customers and facilities that can increase customer loyalty[1]. Online business is a general term to refer to a business that sells a product to customers and sets a certain rate for products sold and services. In addition to

aiming for profit, an online business is required to be able to provide good quality service to customers. One of the strategies to get as many customers as possible in this online business is promotion.

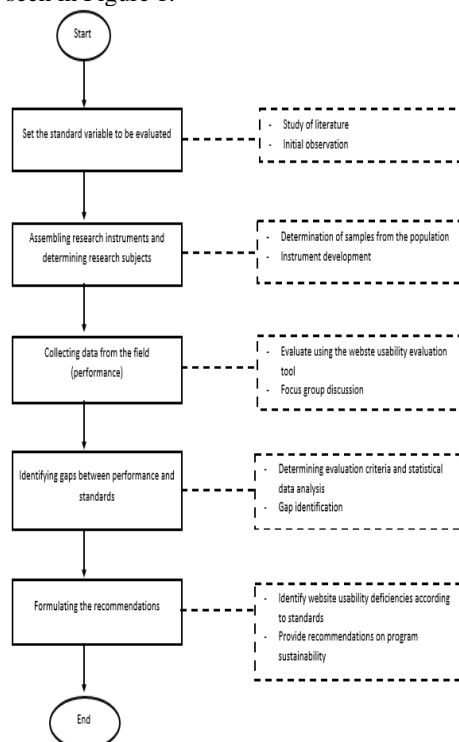
As we often see in modern times, the most effective promotional media is promotion through social media and one of the social media that is very loved by the public today is Instagram. According to statistical data, it is about 59% of age data 18-29 that is active Instagram users because Instagram has many features that its users could indulge in. Miles stated firmly that Instagram is an effective tool for reaching consumers and currently 50% of the top brands of a marketing channel[2]. Online businessmen use Instagram

social media as their promotional media to attract customer interest and create customer loyalty in order to increase sales. This is because of many features that are provided by Instagram to promote a product online, so it is very helpful for the seller and buyer to make transactions.

The implementation of promotion by using social media can also be a strong factor in developing a CRM strategy. Because of this, online businessmen can get benefit of increasing sales, creating advertisements, getting new customers, and retaining customers to become the loyal ones. Theoretically, in the process, it can provide a reference in this study that the completeness of information and uniqueness in promoting a product can influence loyalty both directly and indirectly through customer satisfaction. Based on the description of the use of Instagram as a promotional media for a food product, the study was conducted to observe how effective Instagram is to help promotions for increasing customer loyalty.

## METHODOLOGY

In this study, the approach used is a quantitative approach with qualitative data which is used as supporting data. In accordance with the model to be used, the steps that was taken to work on this research are divided based on the DEM (Discrepancy Evaluation Model) model which can be seen in Figure 1.



**Figure 1.** Methodology using the Discrepancy Model [20]

The first stage that must be conducted is to set the standard variables that will be evaluated. At this stage, the literature study and initial observation of the needs are used to find out a standard that will be used later.

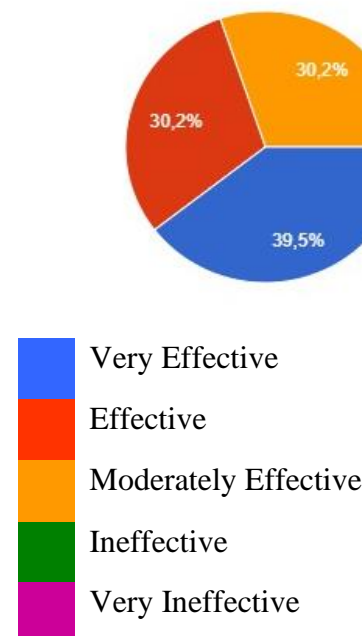
The second stage is divided into two processes, which are building research instruments and determining research subjects. The sample used in this study is the general public who has Instagram application. Data collection technique used in this study is by using an online questionnaire. Sample used is 43 people.

The third stage is conducted by evaluating the questionnaire that has been distributed before. After that, analysis process is carried out on the distribution of data from the questionnaire focused on the indicators that will be measured. These indicators are performance and effectiveness.

$$x = \left[ \frac{\sum (\text{merit\_for\_every\_category\_question})}{[\text{total\_of\_the\_question}] \dots (1)} \right]$$

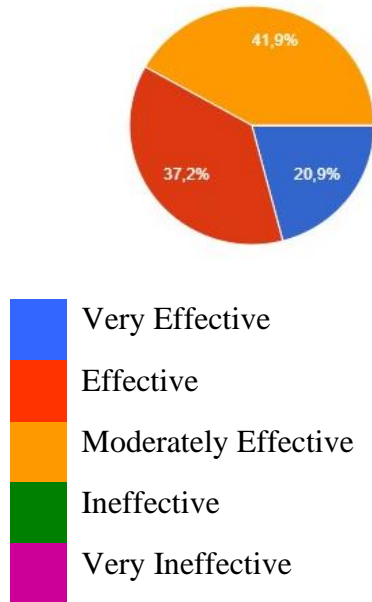
In the formula above, the value of x indicates the point obtained, while  $\sum$  is the total number for each question in the category. The overall result is the average value which will be divided into 5 categories. The categories given are (1) Very Effective; (2) Effective; (3) Moderately Effective; (4) Ineffective; (5) Very Ineffective.

The fourth stage is the policymaking. After analyzing each variable and gap analysis, the next stage is to make a policy on variables that have certain disadvantages.



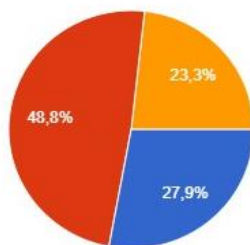
**Figure2.** Questionnaire Results of the Variable of "Performance" Color Usage Indicator

The picture above shows a diagram for the color usage indicator of the “performance” variable. The diagram shows the answers of 43 respondents to the question ‘Is the color gradation that is chosen in promoting products through Instagram very effective in attracting customer interest?’. There are 39.5% of respondents answer “very effective”, 30.2% “effective” and “moderately effective”, while respondent who answers “ineffective” and “very ineffective” is 0%.



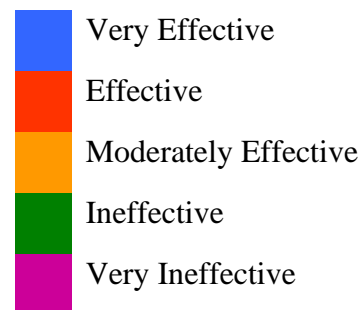
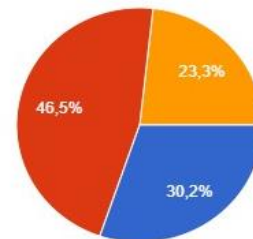
**Figure 3.** Questionnaire Results of the Variable of “Performance” Responding in accordance with User Expectations Indicator

The figure above shows a diagram for indicators of responding according to user expectations of the “performance” variable. The diagram shows answers of 43 respondents to the question ‘How effective is the response rate by using Instagram features in responding to responses that meet customer expectations?’. There are 20.9% of respondents answer “very effective”, 37.2% “effective”, and 41.9% “moderately sufficient”, while respondent who answers “ineffective” and “very ineffective” is 0%.



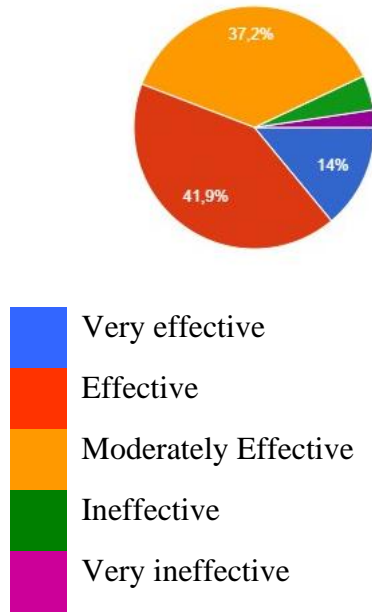
**Figure 4.** Questionnaire Results of the Variable of “Performance” Photos Indicator

The figure above shows a diagram for photos indicator of the “performance” variable. The diagram shows answers of 43 respondents to the question ‘Are the photos promoted on Instagram very effective in attracting customers’ interest so as to increase their loyalty?’. There are 27.9% of respondents answer “very effective”, 48.8% “effective” and 23.3% “moderately effective”, while respondent who answers “ineffective” and “very ineffective” is 0%



**Figure 5.** Questionnaire Results of the Variable of “Effectiveness” Ease of Access Indicator

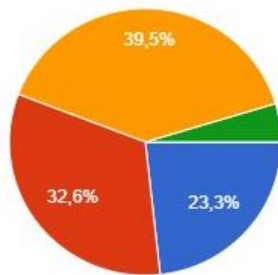
The figure above shows a diagram for ease of access indicator to the “effectiveness” variable. The diagram shows answers of 43 respondents to the question “how effective are the features available on Instagram as a sales promotion of a product?” There are 30.2% of respondents answer “very effective”, 46.5% “effective”, and 23.3% “moderately sufficient”, while respondent who answers “ineffective” and “very ineffective” is 0%.



**Figure 6.** Questionnaire Results of the Variable of "Effectiveness"

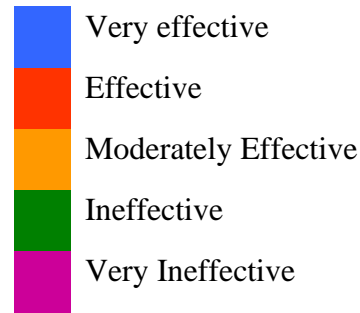
#### Promotional Information Search Indicator

The figure above shows a diagram for the promotional information search indicator of the "effectiveness" variable. The diagram shows answers of 43 respondents to the question 'How effective is the search for information about promo or price of a selling product by using Instagram? '. There are 14% of respondents answer "very effective", 41.9% "effective", 37.2% "moderately effective", 4.5% "ineffective", and 2.4% "very ineffective".



**Table 1.** Descriptive Statistics Value of "Performance" Variable Indicator

Code	Indicator	Results (%)	Category
(A)	Usage of display colors	81,86	Very Strong
(B)	Responding in accordance with user expectations	75,81	Strong
(C)	Photos	80,46	Very Strong
Performance value			79,37%

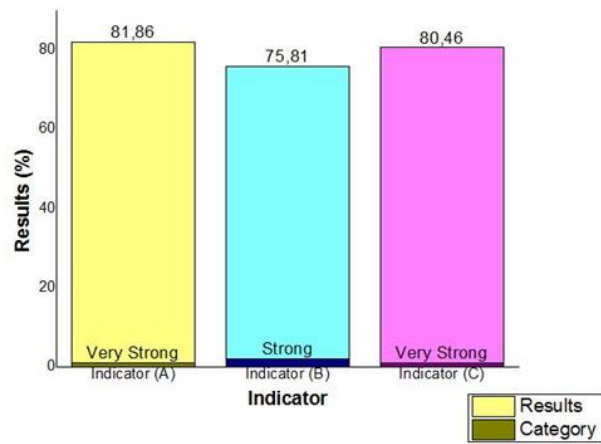


**Figure 7.** Questionnaire Results of the Variable of "Effectiveness"

#### Navigational Aids Indicator

The figure above shows a diagram for the indicator of navigational aids of the "effectiveness" variable. The diagram shows the answers of 43 respondents to the question 'Are the navigational aids provided by Instagram very effective to help customer to access easier the promotional information provided? '. There are 23.3% of respondents answer "very effective", 32.6% "effective", 39.5% "moderately effective", 4.6% "ineffective" and 0% "very ineffective". Each variable has three indicators. The descriptive statistics of "performance" variable in categorizing mean value can be seen in Table 1, while the report of the value position of the current variable usability can be seen in Table 2. Meanwhile, the descriptive statistics of "effectiveness variable in categorizing mean value can be seen in Table 3, while the report of the value position of the current variable usability can be seen in Table 4. These are three indicators of "Performance" variable:

### Graphics of Descriptive Statistics Value Indicator of “Performance” Variable



**Figure 8.** Descriptive Statistics Value of “Performance” Variable Indicator

**Table 2.** Usability Value of “Performance” Variable

Category	Point of Variable	Level of Variable
Performance	79,37%	Effective

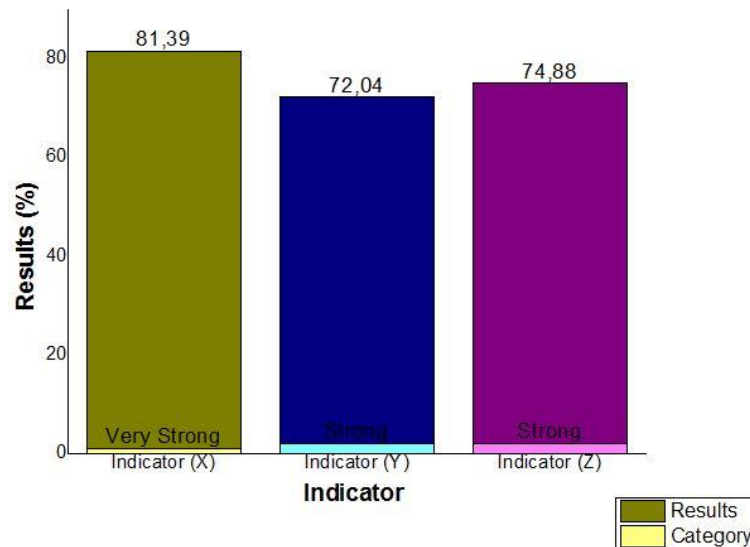
Based on the results of descriptive statistical analysis, it is known that the indicators on the “performance” variable are in the “effective” category. On this variable indicator, two indicators are in the “very strong” category and one indicator is in a “strong” category. The indicators “usage of display colors” and “photos” have a value more than 80% which indicates the indicator is very strong in influencing the performance category and it is also an important aspect to improve this performance. Although, the indicator “responding in accordance with user expectations” has a value of 75.81%, but it is considered that it is strong in :

improving performance. Meanwhile, the usability value of the “performance” variable is 79.37%, considering the usability level, then the “performance” variable is at “effective” level. Based on these facts, the variables “usage of display colors” and “photos” are very strong indicators or > 80% that affect performance, which means that the usage of display colors and product photos promoted on Instagram are very effective in attracting customer interest so that it can increase customer loyalty. Here are the three indicators of “effectiveness” variable

**Table 3.** Descriptive Statistics Value of “Effectiveness” Variable

Code	Indicator	Results (%)	Category
(X)	Ease of Access	81,39	Very Strong
(Y)	Promotional Information Search	72,04	Strong
(Z)	Navigational Aids	74,88	Strong
Effectiveness Value			76,10%

## Graphics of Descriptive Statistics Value Indicator of “Effectiveness” Variable



**Figure 9.** Descriptive Statistics Value of “Effectiveness” Variable

**Table 4.** Usability Value of “Effectiveness” Variable

Category	Point of Variable	Level of Variable
<i>Effectiveness</i>	76,10%	Effective

Based on the results of descriptive statistical analysis, it is known that the indicators on the “effectiveness” variable are in the “effective” category. The indicator of “ease of access” is a very strong indicator of influencing effectiveness, while the other two indicators are both in the “strong” category. The indicator which has the lowest point is “promotional information search” with a percentage of 72.04% and the difference of several points is for “navigational aids” with a percentage point of 74.88%. Both of indicators can be used as a second target, because “ease of access” has a very strong influence on increasing effectiveness. Based on these datas, the variable of effectiveness is at “effective” level, which means the variable “ease of access” is the most effective variable in helping the promotion process of a product on Instagram.

## LITERATURE REFERENCES

### A. Customer Loyalty

Creating B2B basis from loyal customers is not only by keeping the number of customers, but also by maintaining relationships between business customers to encourage future purchases. Equipped with knowledge about the level of loyalty of business customers, suppliers will be

able to know how they are trying to maintain good relationships in order to generate their own profits, yet many academics and practitioners consider that customer loyalty has a very strong impact on the company's performance[3].

### B. Social Media

Using social media for CRM can benefit business performance in various aspects. Especially in the company's ability to interact with customers to adjust their marketing one by one so that it can enable the company to increase customer satisfaction and long-term commitment. Furthermore, social media for CRM also has the advantage of communication in real time, allowing companies to respond to customers instantly. Product marketing in social media also helps companies promoting their products or services, and expanding markets faster and economically. Using social media as a marketing tool also helps companies to reduce operating costs that are usually generated in traditional marketing without social media[4].

### C. Effectiveness

The word “*efektif*” is derived from English, “effective”, which means success or something that is done successfully[5]. Popular scientific

dictionaries define “effectiveness” as correct use, use result or supporting purpose[6]. Effectiveness is the achievement of output targets that will be measured by comparing budget output or OA with actual output or OS. If  $OA > OS$ , it will be called “effective”[7]. Effectiveness is a business scope of a program that is as a system with certain resources and facilities to fulfill its goals and objectives without paralyzing those methods and resources, and giving unnatural pressure to their implementation[8]. Jumaili stated that in general, the effectiveness of use and implementation of information system technology in a company can be seen from the ease of the user in identifying, accessing, and interpreting data[9].

#### D. Discrepancy Evaluation Model (DEM)

Developed by Malcolm Provus who emphasized the view that there are gaps in program implementation[10]. Evaluation measures the difference between what should be achieved and what is achieved[11]. According to Widoyoko, the discrepancy evaluation model is an evaluation model that compares what happens to the standard with what happens in the field so that gaps can be found, then it can be corrected[12].

Gap evaluation: to determine the degree of conformity between the standards specified in the program and the actual appearance of the program[10]. Standard: criteria that have been developed and established with effective results[13]. Performance: source, procedure, management, and tangible results when the program is implemented[14].

#### E. Instagram

Instagram is an effective tool to reach consumers. Currently, almost 5 million photos are shared on Instagram every day. Instagram is also a marketing channel used by 50% of well-known brands. A good marketing plan will be achieved by integrating Instagram usage with other social media networks so that those brands can last longer[15]. Costill showed that all industries can use Instagram as an effective marketing tool [16].

#### F. Social Customer Relation Management (SCRM)

It is a philosophy and business strategy that is supported by technology platforms, business rules, workflows, processes and social characters. It is designed to engage customers in collaborative conversations to deliver mutually beneficial values in a trusted and transparent business environment. It is company's programmed response to customer control over the conversation[17]. In other words, the mixing of social media technology in CRM strategies is a situation that is increasing and leading to innovative efficient models that can be explained as SCRM [18][22]. It is an integrated customer-oriented and strategic management

method that is defined by 'business perspectives and strategies, supported by technology, business instruction, social processes and features, which are planned to involve customers in cooperative connections to give value to business[19][23]. Business value, for example, loyalty can be increased by creating a Facebook Brand Page, which will make it more accessible and help introducing loyal clients. It offers the possibility of keeping them updated by posting news about products or services. Brands involved in social media enjoy higher loyalty from their customers, according to a report published by Texas Tech University[20][21].

## SUMMARY

Based on the results and discussion described above, it can be concluded that the effectiveness of the Instagram features as a sales promotion media in increasing customer loyalty is in the “effective” category. There are 43 people who has been measured by distributing questionnaires to everyone who uses Instagram as a buying and selling media other than to interact socially with cyberspace and which becomes a sample to measure 3 indicators of each variable. Based on the results of the study, the point of the variable of “performance” is 79.37%, which means that it is in the “effective” category, while the point of the variable of “effectiveness” is 76.10% which is also in the “effective” category. It indicates that these two variables of Instagram are in the “effective” category as a sales promotion media in increasing customer loyalty.

## ACKNOWLEDGMENT

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