

## **CHAPTER ONE**

### **1.0 INTRODUCTION**

Internet technology has made it possible for social media networks to thrive, and since the world has become a global village due to the advent of social media platforms and other internet technologies; people can now connect with one another easily to carry out transactions and other social engagement. Kaplan & Haenlein, (2010) as cited in Noor (2017) stated that the world today is going through some modifications in all strata and the introduction of social media has enhanced business transactions in countries like Nigeria. In this 21st century, to remain relevant in the market, entrepreneurs should employ the use of internet technology to reach their target market.

Entrepreneurs can infuse technology into their businesses to enhance productivity, sale and competitive advantage, according to Ogbari, et al (2017) "Business technology is a concept that describes technology driven entrepreneurship whereby technology is leveraged upon to achieve entrepreneurial success". Following an increase in digital and mobile technology, individuals can now interact on a larger scale and giving rise to an era where interactions is the principal idea of media functions.

With the rise in digital and mobile technologies, business interactions became easier for individuals than ever before; and as such, a new media age was born where interactivity is placed at the center of new media functions. An individual could now order for products online with just some click on internet device and get them delivered at their door-step. Where consumers used to have limited and somewhat muted voices, now they could share their opinion with many. The reduction in cost of accessing latest technologies allowed views for the media than before, hence, instead of a few news media outlets. (Manning, 2014).

### **1.1 BACKGROUND OF THE STUDY**

Looking at Nigeria, Instagram is one of the most popular social media networks lionized among youths and business owners in promoting consumer products from point of production to the final users. The popularity of online shopping along with the wide adoption of social networking sites (SNSs) have recently given rise to a new e-commerce paradigm called social commerce (s-commerce). S-commerce is considered a subset of e-commerce that uses SNSs to facilitate social interactions between consumers and vendors and thus promotes the buying and selling of products and services.

Instagram has recently become the most popular s-commerce site among young people. By September 2015, the number of active monthly Instagram users had reached 400 million, accounting for 20% of all internet users. Among these active users, over 40% were young people aged below 24. Instagram had an average order value of US\$65 per order, while Facebook had only US\$55 per order [6]. Furthermore, Instagram provides brands with 25% more engagement than other SNSs.

In recent years, increasing numbers of people have opened virtual stores on Instagram. Doing so is simple: users open an account, post sample pictures of products and descriptions, and encourage their followers to shop online. Consumers usually show interest in the products they like by leaving messages on the posts or by contacting the storeowner using messaging apps, such as WeChat, WhatsApp, or Line. Payment is made through PayPal or other traditional methods. Promoting consumer products on Instagram represents a new shopping mode for most consumers, and consumer trust is a critical issue in consumer purchase decision on Instagram.

Specifically, customers can derive product related information from actual buyers and from other SNS users. Thus, understanding the role of consumer trust in the commerce context have significant meaning for understanding the contemporary model of online promotion of consumer products.

## **1.2 STATEMENT OF THE PROBLEM**

To the international community, Nigeria is popularly known for cybercrime which is popularly known as "yahoo-yahoo" locally. The menace of cybercrime which comes in various forms is not just targeted at international victims, but the scourge is also locally perpetrated by individuals who are from diverse social backgrounds (Omodunbi, Odiase, Olaniyan and Esan, 2016). The fact floats some of the victims of these cybercrimes are educated people shows that internet literacy is not necessarily a function of general literacy. The situation has thus instilled fear in the general populace such that a lot of people are very skeptical of engaging in online commerce of any nature (Abrifor, Oludele and Soetan, 2015). Most people that do so usually do with minimal contact and exercise a lot of caution. The situation has generally culminated in the Nigerian populace being commerce averse (Omodunbi et al., 2016).

Moreover, the current security architecture of Nigerian seems to be aiding the scourge of cybercrime and discouraging consumers from engaging in any online buying experience. The police force is largely not proactive. The force seems very difficult to deal with matters that result in loss of goods along transit. There are even instances where local and international air passengers have complained of their luggage being tampered with (Okeshola and Adeta, 2013). This creates distrust in the ability of local transportation system to deliver items of value without risk of loss or tampering. There are also instances of food deliveries being tampered with along transit. In extreme cases, deliveries never reach their destinations.

Furthermore, the issue of insecurity in Nigeria is significant in some parts of the country, especially in the northern parts. In those sections of the country, it becomes impracticable to engage in any meaningful large-scale ecommerce (Jegede, 2014).

This is because it is extremely risky to travel by land in such places given the kidnappings and terrorist attacks that are sometimes perpetuated in broad daylight (Khan and twemi, 2018). Although it is still possible to engage in some form of light commerce in such areas of the country, the inherent risk greatly outweighs any potential gains.

Moreover, the infrastructures required for e-commerce to flourish in most parts of Nigeria are generally in a bad state. This makes deliveries to take longer than usual. Inter-state roads in many regions of the country are in a constant state of disrepair. Mobile communication infrastructures are completely driven by the private sector and consequently inadequate in terms of strength and speed.

If in spite of the aforementioned challenges, Nigerians are still among the world's top 6 users of internet, then the current limited role that ecommerce plays seems expandable in the light of advances in social media which help in addressing some of the challenges mentioned. Consequently, the ecommerce industry in Nigeria seems to have improved with the popularity of social media. However, influence of Instagram in promoting consumer products among Nigerian youths needs to be investigated so that it can be accurately estimated.

### **1.3 OBJECTIVE OF THE STUDY**

- i. To determine the impacts of Instagram networks on consumer product purchase decision
- ii. To examine the impact of Instagram in promoting consumer product in Nigeria.
- iii. To examine the factors influencing change in perception of consumer product on Instagram among Nigeria youth.

### **1.4 RESEARCH QUESTIONS**

- i. What are the impacts of Instagram network on consumer purchase decision among the youth?
- ii. What are the impacts of Instagram in promoting consumer product Nigerian youth?
- iii. What are the factors influencing change in perception of consumer product on Instagram among Nigerian youth?

### **1.5 SIGNIFICANCE OF THE STUDY**

The findings of this research will be very useful to academia. As the Fourth Industrial revolution sets in, this study will form part of the body of knowledge that will help researchers to understand the workings of social media networks, which are a component of the technology revolution that is ongoing. It is worthy to note that this research study is a pivotal prerequisite to the researchers as it is part of the requirement towards the award of National Diploma Certificate in Mass Communication.

The overall significance of this research is to improve the ecommerce industry in Nigeria

### **1.6 SCOPE AND LIMITATION OF THE STUDY**

Geographically, the broad study area of this research study is Nigeria, thus the study is conducted within the cubicle of Ilorin metropolis in Kwara State and prove submission evolve around Instagram, consumer products and Nigeria youth. it emphasized extensively only on the

influence of Instagram in promoting consumer product among Nigerian youth. Much attention is consecrated on Instagram that other social media platforms in this study.

Nevertheless, no research work carried out in any field of human endeavor could be admitted perfect or without limitation. Therefore, we cannot delude ourselves that this study will take into account all that is required in the field.

The following factors posed limitation to this research study;

1. Time: Duration of the research work is relatively short.
2. Academic Activities: Stress emanated from other curriculum activities is also another depletion.
3. Finance: Financial constraint poses a major limitation to this work.
4. Limited Materials: No research work in history has been regarded successful in isolation to the previously conducted. There are bantam available literatures on which this research work is staged.

## **1.7 DEFINITION OF TERMS**

- Instagram: Instagram is an American photo and video sharing social networking service founded by Kevin Systrom and Mike Krieger.
- Consumer product: A final good or consumer good is a final product ready for sale that is used by the consumer to satisfy current wants or needs, unlike intermediate goods which is utilized to produce other goods.
- E-commerce: E-commerce (electronic commerce) is the buying and selling of goods and services, or the transmitting of funds or data, over an electronic network, primarily the internet.
- Influence: The capacity to have an effect on the character, development, or behavior of someone or something, or the effect itself.
- Brand: A brand is a name, term, design, symbol or any other feature that identifies one seller's good or service as distinct from those of other sellers.
- Youth: Youth is the time of life when one is young, and often means the time between childhood and adulthood.