

INSTAGRAM AS TOOL FOR PROMOTION IN FASHION INDUSTRY

Polina Trunova

Bachelor's Thesis Business Studies Innovative Business Services

2016

Abstract of Thesis



Business Studies Innovative Business Services

AuthorPolina TrunovaYear2016

Supervisor Outi Kivirinta

Commissioned by -

Title of Thesis Instagram as Tool for Promotion in Fashion Industry

Number of pages 45 + 11

The objective of the thesis was to study the methods how Instagram users learn about the existence of accounts of fashion brands via Instagram, and to study the process of managing the Instagram account of the fashion brand in order to increase the number of followers. The objective was formed based on the purpose of the thesis, which was to introduce the benefits of using Instagram as a tool for promotion of the products in fashion industry.

The thesis project includes information about fashion as the social phenomenon, and the fashion industry. Moreover, the thesis is primarily focused on the specific component of marketing mix that is promotion in the fashion industry. The thesis project introduces main information regarding social media that nowadays is used as a channel for promotion. Six types of social media are presented, and based on these types the most appropriate channel for promotion in the fashion industry is introduced. This channel is Instagram. The major features of the application, which are essential for the enterprises and which can be utilised in order to increase the sales are covered.

The thesis utilised the quantitative research method in order to gather information from the customers. The survey was chosen as a technique for collecting the data. The survey was conducted within the weeks fourteen and fifteen of the year 2016. The results of the thesis provide the fashion companies with information that can be utilised in Finland and Russia in order to promote the products via Instagram.

The research revealed that the most appropriate time for uploading the content is in the afternoon, in the evening and late in the evening. Moreover, the tendency that helps the fashion companies to explore their target customers was identified: the users who like checking outfits of their users are more interested in the fashion brands. The major channels how the Instagram users learn about the existence of the accounts of the fashion brands were identified. These channels are suggested pictures, tags on the posts of celebrities and bloggers and personal search by brand name. The study has shown that the users are willing to get information from the Instagram accounts of the fashion brands such as notifications of delivery of new collections and upcoming sales and the process of creating the clothes.

Key words fashion, fashion industry, promotion, social media, Instagram

CONTENTS

1	INTR	INTRODUCTION				
2	WOR	ORLD OF FASHION7				
3	MARKETING IN FASHION					
	3.1	Mai	rketing Mix	11		
	3.2	Pro	motion in Fashion Industry	14		
4	INSTAGRAM					
	4.1	Soc	cial Media	16		
	4.2	Onl	ine Consumer Behavior	17		
	4.3	Inst	agram	19		
	4.4	Inst	agram for Businesses	20		
5	RESI	EAR	CH METHODS AND IMPLEMENTATION OF STUDY	24		
	5.1	Res	search Methods	24		
	5.2	Imp	lementation of Study	26		
	5.3	Ana	alysis of Received Data	28		
	5.3.	.1	Results of Survey	28		
	5.3.	.2	Analysis of Results	35		
	5.3.	.3	Discussion on Survey Results	38		
6	CON	CONCLUSION4				
В	BIBLIOGRAPHY43					
ΔΙ	APPENDICES 46					

SYMBOLS AND ABBREVIATIONS

CSS Content Sharing Sites

RSP Retail Selling Price

EST Eastern Standard Time

1 INTRODUCTION

Fashion is a widespread social phenomenon, the importance of which is constantly increasing due to the development of the Internet. Additionally, fashion is the phenomenon that allows people to express themselves through various outlooks, it also helps to protect human bodies from various environmental factors, and it may display the social status of an individual. However, products of fashion industry are usually temporary due to the fact that fashion trends exist only for a limited period of time, which is known as a fashion season. New fashion collections are delivered to stores mainly during fashion seasons. Nevertheless, these collections are usually shown to potential buyers and media six months prior the beginning of the new fashion season. Therefore, to increase the demand on the products of the current collection, and to sell them before the occurrence of new trends, it is essential to present all offerings to the customers and to provide them with the latest news concerning available products. (Stall-Meadows 2013, 9–14.)

Development of the Internet has changed the methods of promotion of fashion products, and has introduced more efficient ways to show and sell fashion items. The Internet has also affected the forms of communication available to people and the approach how humans learn the news. Nowadays one of the most popular ways of communication is social media. Social media play a major role in the fashion industry nowadays. It allows users to share information regarding fashion trends, to give feedback on certain products, and to share personal opinions about fashion styles. People can exchange information via different social media sites, one of which is Instagram. Instagram is a free for use content-sharing site that allows its user to share pictures and videos. This content sharing site sustains a continuous growth of the amount of the users. From December 2010 to December 2015 the user base of Instagram has increased from 1 million to more than 400 million users. (Austin 2013; Statista 2015a.)

Due to the rapid expansion of Instagram and the growth of the role of social media in the fashion industry, the topic of the thesis appears very actual to the author of the thesis project. Companies can use Instagram accounts as a communicational channel to interact with the target market and as a tool for promotion of the

fashion products. The purpose of the thesis is to introduce the benefits of using Instagram as a tool for promotion of the products in fashion industry. The objective of the thesis is to study the methods how Instagram users learn about the existence of accounts of fashion brands via Instagram, and to learn the process of managing the Instagram account in order to increase the number of followers, which are people who subscribe to receive the updates of the account.

To achieve the objective of the thesis project, secondary and primary researches are conducted. The secondary research is the theoretical background that is divided into three parts, which are an introduction to the fashion industry, marketing in the fashion industry, and the use of an Instagram application by enterprises. These parts help to increase knowledge of the topic of the thesis. The primary research is based on the quantitative research method that is implemented in a form of a survey. The survey is conducted in order to collect data from Instagram users that helps to meet the objective of the thesis project. The survey also allows to define the characteristics of the most attractive posts of the fashion brands for Instagram users. These characteristics include the time of uploading a picture or a video, content of the post, and the description under the post. The results of the study introduce the patterns of behavior of the Instagram users in regards to the Instagram accounts of fashion brands. The results of the study can be used by the companies in the fashion industry in order to define an appropriate strategy for promoting their products on Instagram.

2 WORLD OF FASHION

The term "fashion" is defined as a specific style of clothing that is accepted by a society. Not every style is characterized as a part of fashion. Usually, when people choose to wear a certain type of clothes, it is commonly perceived by others as a way to express an individuality of a person. To be considered a part of fashion, the style has to be imitated by a number of people. Therefore, fashion cannot exist without the imitation. Nevertheless, fashion allows humans to express and emphasize their personality by combining various fashion items. These items are included in a wide selection of products of fashion industry, such as clothes, make-up, hairstyles, and accessories. (Stall-Meadows 2013, 9–14; Simmel 1957, 541–544.)

Fashion plays an important role in the lives of people. The main purposes of clothes, which is a major fashion product, are to protect the human body from various environmental factors by providing the cover for it and to satisfy the physical needs currently established in the modern society. The protection of human bodies appears on different circumstances including constantly changing weather conditions. Specific clothes are designed in order to effectively shield human bodies from wind, rain, cold temperature, or sun exposure. Additionally, the protection appears in work environment. Safety helmets, gloves, goggles, and jeans are designed to fulfill the safety needs of a worker and were initially utilized as a uniform, but later became fashion items. Nevertheless, the significance of products of fashion industry is not restricted to only one function. Clothes also satisfy psychological needs by functioning as a decoration and an identification of the social status of an individual. Clothes and jewelry create an outer beauty, thus help people to express themselves, and to obtain the feeling of a personal confidence. Fashion items can influence the way people perceive the person. The outlook of a person can display his or her job position or the membership to a particular social group. Furthermore, clothes satisfy social needs by indicating the social status of a person. Psychological and social needs are a part of esteem needs. (Wolfe 2012, 21–27.)

Fashion is a social phenomenon. Due to the function of satisfying the needs of an individual, fashion is included in the hierarchy of needs, developed by

Abraham Maslow (1943). The author of the theory, which is illustrated in figure 1, suggests that all the needs of human beings are congenital, and could be organized in the hierarchical priority. The hierarchy of needs consists of five levels, every of which describes various categories of the needs of people. These levels are listed in an ascending order, and commonly referred to as biological and physiological, safety, belongingness and love, esteem, and self-actualization needs. Fashion belongs to the level of esteem needs of people. Nevertheless, in order to satisfy all the needs, it is essential to follow the hierarchy; if a person fails to satisfy esteem needs, he or she cannot proceed further. Therefore, fashion helps people to fulfill their needs required to achieve the self-actualization. (Maslow 1943, 372–383; Poston 2009, 347–353.)

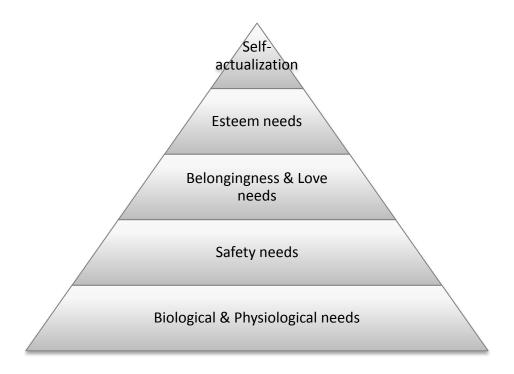


Figure 1. Maslow's Hierarchy of Needs (Poston 2009, 348)

Fashion can be also defined as a "change". It is a sequence of short-term trends, which are topical and actual during certain periods of time. Therefore, fashion products have a short life cycle and a large number of fashion items often remain unsold due to the fact that the fashion trends change, and the customers are no longer interested in the presented products. Trends are dependent on fashion seasons that coincide with the calendar seasons consisting of summer, fall, winter, and spring. When a product life cycle reaches the decline stage, which indicates that the sales of the product are declining and the production of the

product is no longer needed, the new fashion trend appears. To determine the trend of the upcoming season, designers should first understand the existing trends and define the direction of their future transformations. The consequence of the wrongly selected direction is enormous expenses for the company, which are caused due to the lack of motivation of the customers to purchase the presented fashion products. (Ciarniene & Vienazindiene 2014, 63–68, Stall-Meadows 2013, 9–14; Jackson & Shaw 2009, 3–4.)

Due to the development of the Internet, fashion has become a global business that successfully operates in numerous countries and constantly produces new fashion items in regards to the current fashion season. Despite the fact that fashion designers are the main component of the process of fashion creation, because they have an essential for the industry skills, such as creativity and knowledge of design, the industry also involves other professions. Nowadays to make fashion items that are desired by the customers, to introduce them to the audience, and to make them available for purchase, the cooperation of multiply professions is required. This cooperation represents a term "fashion industry", which is described as an industry where makers and sellers negotiate with fashion. The fashion industry is a complex area that consists of designing, manufacturing, and distribution. (Easey 2009, 3–5; Waddell 2004, ix.)

Fashion functions on three levels depending on the method of the manufacturing. The first level is couture and it requires the most time consuming production in comparison with other levels, due to the fact that the products are usually handmade with a great variety of details. The number of identically produced items haute couture equals to tens or twenties. The second level is ready-to-wear. It includes the industrial production of high quality items, and the number of produced goods equals to hundreds or thousands. Lastly, the third level is mass production that has the most capacious production with hundreds of thousands or million items. The companies of mass production use cheaper materials in comparison with other levels, thus offer the most accessible clothes. Thereby, mass production is the most popular level among the customers, while more expensive products are usually produced in less amount and require more time for production. (Waddell 2004, ix–x.)

The fashion industry is a very competitive business. The industry involves a large number of fashion brands, retail companies, and it also involves extensive amount of people who create, produce, and distribute the products to the end-customers. Nevertheless, to achieve leading positions on the market companies use various tools to present their products. Over the last few years the industry has obtained yet another method for introducing and selling the products, which is the Internet. The Internet influenced the entire industry and transformed it into a global phenomenon by allowing the companies to present their products all around the world and to maintain the production in different regions. Moreover, the Internet allows customers to discover information about the goods, to compare the prices and to purchase fashion items online, which were previously only available in the stores. Due to the change of consumer behavior fashion companies were forced to change their marketing strategies. (Easey 2009, 3–5; Latov 2015; Ciarniene & Vienazindiene 2014, 63–68.)

3 MARKETING IN FASHION

3.1 Marketing Mix

Marketing is a link between the needs of consumers and the producers of goods and services. According to Kotler & Armstrong (2012) marketing is defined as a social process by which companies and individuals communicate in order to create and meet their needs. In other words, companies create a value for their consumers in a form of goods or services and develop a strong connection with them in order to retrieve the reward, which is money, in exchange. The main goal of marketing is to satisfy the needs of consumers. Fashion companies depend on customer loyalty, which estimates the level to which the individuals are loyal to the brand. The brand can be defined as a special design, symbol, word or combination of words that makes the product unique and differentiates it from the offers of competitors. Nonetheless, the loyalty of the customers to the brand is an essential asset to a large number of companies. (Kotler & Armstrong 2012, 4–5; Easey 2009, 5–7, 15–16.)

The brand loyalty is positive feelings of the customers towards the brand and their resistance to change the brand prior making the future purchases. The customers, who are loyal to the certain brand, provide strong competitive advantage to the company. The brands, which keep the existing customers, can significantly reduce the marketing costs. It occurs due to the fact that it is less expensive to satisfy the needs of existing customers than to reach new customers. Moreover, loyal customers can provide positive feedback, which may attract new customers to try the products of the brand. Therefore, the success of the brand directly depends on the management of the brand loyalty. The loyalty of the customers makes them to repeat purchasing the goods that are produced by the same brand, because the presented products meet the needs of customers. These needs could be the comfortability of the clothes, easiness to use, their style, and the price that is suitable for the customers. (Aaker 2008, 159–160.)

To meet the needs of the customers and to develop relationships between them and the producers of fashion items, the companies implement marketing mix.

Marketing mix, which is shown in figure 2, includes four components that are product, price, place, and promotion. It is essential to combine all of these tools together in order to produce the maximum impact on the market. First of all, the firm should develop an offering that will have a demand among the customers, which is named "product". Secondly, the company has to set a reasonable cost for the product, which appears in "price" and means how much the company is going to charge for a produced item. Hereafter, the company should make the offering available for its customers by choosing "place", which means the applied channels for the distribution of the products. Finally, the firm should familiarize the customer with the offering by using "promotion" and marketing communication, which are also used to influence the behavior of the customers towards purchasing this item. (Kotler & Armstrong 2012, 5, 12; Kotler 2002, 9–10).

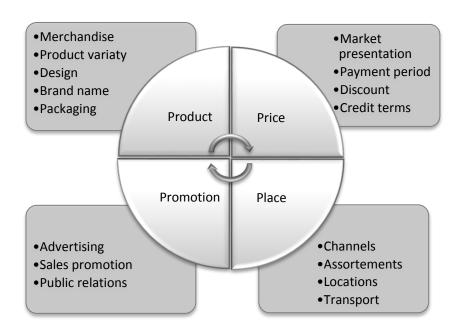


Figure 2. The 4P Components of Marketing Mix in Fashion Industry (Bickle 2011, 45)

The first component of marketing mix is "product", it consists of merchandise, variety of the products, design, brand name and packaging. The fashion companies offer not only clothes, but also various accessories, fragrance and cosmetics that can be bought separately or as an addition to the main purchase. The variability of the presented products is constantly changing due to the

changes of fashion trends. Therefore, in order to present the products that are always in demand, the majority of the companies have the continual clothing lines that are named "classic product lines". These clothing lines are always presented in the stores and usually offer basic clothes such as t-shirts, cardigans, turtlenecks. In order to differentiate the product line companies use brand logos. The brand logo is a graphic symbol that is developed in order to increase brand recognition among the customers. Moreover, the logo of the company provides four main functions such as visual representation of the product line, marketing presence, brand awareness, and potential increase of the value or the status of the products. Besides the logos, it is essential to develop a unique packaging for the products. The packaging plays a significant role that have an effect on the satisfaction of the customer. It can also contribute to the visual presentation of the brand and can satisfy post experience of making purchases when opening them. The packaging may include boxes, bags, gift wrap, and other types of packaging that can help customers to carry the purchase. (Bickle 2011, 45–49.)

The second component of marketing mix is "price", which includes prices for the products, payment period, discounts and credit terms. The price in the fashion industry is the amount of money that the customer is ready to pay for the fashion goods. Main goals of pricing in the industry are to optimize the amount of sales, to influence the brand positioning of the company, and to display the value of the products to the customers. The price, which is paid by the customer for the fashion item is retail selling price, later referred to as RSP. The RSP is the only source of revenue of the fashion enterprise. Moreover, it differs and mainly depends on the phase of the fashion season. During the fashion season the products are usually full-priced, but at the end of the season, when the delivery of new collections begins, almost every company reduces the prices for the products of the old collections. These periods are called sales, which are used to increase the demand for the fashion items. (Bickle 2011, 49–51; Jackson & Shaw 2009, 124–125.)

The third component of marketing mix is "place", which is the channels of distribution of the products. It is the selected places that the fashion companies choose in order to sell the goods directly to the customers. It is essential to select an appropriate location for the store, so the current and the potential customers

can easily find the place to purchase the products of the company. The companies can present the products in the stores and in the online-shops. Moreover, this component of marketing mix also includes the delivery of the products to the place that is indicated by the customer. Due to the fact that the fashion enterprises usually use stores and e-commerce to sell the products, the method of delivery of the goods can vary. Firstly, selling the products in the stores and via the Internet requires the companies to keep the goods in the stock. Secondly, the fashion companies that use e-commerce have to arrange the delivery of the fashion items to the customers. Due to the fact that the industry is global, marketers are able to present the products on the world market. Therefore, nowadays e-commerce becomes very important due to the fact that the maintenance of an online store is cheaper for the company than the establishment of the separate store in a foreign region. (Bickle 2011, 56–60; Jackson & Shaw 2009, 204–206.)

The forth component of marketing mix is "promotion". The purpose of promotion is to attract new customers and maintain them. Therefore, there is a wide range of methods used in the fashion industry to promote the new offerings. Various fashion shows, merchandising, and product launches are used by enterprises to display new clothing collections. These methods of promotion produce an impact on the maximization of the profit, while social media and publications in magazines help to create a company profile. Promotion in the fashion industry is very specific, thus more detailed information about it can be found in the next section. (Bickle 2011, 56–60; Jackson & Shaw 2009, 156–159.)

3.2 Promotion in Fashion Industry

The fashion industry is a complex process of development, production, promotion, and distribution of the fashion products. The purposes of fashion enterprises in a strong competitive environment are to meet the demand of the customers for fashionable clothes, and to implement the most relevant promotional strategies. Due to a great variety of established fashion brands and wide selection of fashion items, companies need to represent their products to the customers by promoting them. Promotion is directed to target customers and is constantly contributing to the capability of the company to sell the products.

The main purpose of promotion is to present a new product to the current and the potential customers and to influence consumer behavior. (Wolfe 2012, 125–126.)

The companies try to occupy the attention of the potential and the current customers, hence they use various tools of promotion such as advertising, publicity, visual merchandising, special events, video merchandising, and electronic merchandising. Advertising is a paid message that is usually placed in newspapers, magazines, on the radio and television. The decisions on the placement of an advertisement are made in accordance with the type of the company. Local companies use radio and newspapers for the advertisement, while nationwide retailers and apparel manufactures prefer to implement the advertisement in nationwide magazines and on national television. Moreover, publicity can be defined as information that is usually mentioned in media such as newspapers, magazines and television. Publicity is applied by companies to inform an audience about activities, merchandise and services of the company. Visual merchandising is the presentation of goods in an attractive way in the stores. The most suitable selected strategy for visual arrangement of the products in the shop window or inside the store catches the attention of the customer and may potentially increase the number of sales. Additionally, special events are organized once or multiple times. The essential special event in the fashion industry is fashion week that is organized in order to boost the sales of newly created collections. Nevertheless, visual merchandising and special events are primarily focused to influence the level of interest of the customers regarding the purchasing of the certain goods. (Wolfe 2012, 125–127.)

Video merchandising is video that presents the new trends, collections, and useful information about the brand to the customers, and is placed inside or nearby the retail stores. The video can display the process of choosing the right size of jewelry or it can show the advice for building a basic wardrobe. The final tool of promotion in the fashion industry is electronic merchandising. It provides customers with the newest information about the company and the retail store via e-mails and social media. Social media allow businesses to create conversations with the customers and, consequently, to evaluate the extent of customer satisfaction in order to sustain the brand loyalty. (Wolfe 2012, 125–128.)

4 INSTAGRAM

4.1 Social Media

Nowadays a large number of companies uses social media as a tool for promotion. This tendency occurred due to the strong desire of enterprises to improve the procedure of communication with the customers. The maintenance of constant communication helps to improve the relationships between the enterprise and its customers as well as positively influences brand awareness. Furthermore, the term "social media" is commonly described as media created for the distribution of content among individuals via social networks (Close 2012, 84–85). Moreover, in terms of market relations, social media can be defined as a platform for the expression of thoughts and ideas of the customers about a certain product. Social media allow its users to communicate with each other, to create new networks, and to share personal experiences and knowledge. Nonetheless, social media differ from traditional media, such as newspapers, radio, and television, since it allows companies to communicate with its customers and recreate the value of the brand together with them. (Evans 2012, 31–34.)

Social media consist of six types, which are also known as genres. These genres are content creation and publishing tools, social network sites, collaborative production sites, add-ons, virtual worlds, and content sharing sites, later referred to as CSS. All of the genres of social media provide the space for social interaction, thus allowing the users to distribute a content. Moreover, to understand the difference between the genres, it is essential to define all. Firstly, content creation and publishing tools consist of blogs, wikis and podcasts. Blog is an online publication where people can upload the most recent news and stories. Wikis are websites that can be edited and fulfilled by every person without registering to the website. Podcasts are video and audio files that are recorded and distributed through the Internet. Secondly, social network sites are websites that are mainly focused on creating a platform for communication of people, and often have a profile page that stores the information of the owner of the profile. Thirdly, collaborative production sites are sites that include a content, which is created by a collaboration of the authors with a common goal. Fourthly, add-ons are the applications that are designed for already established community. Lastly,

virtual worlds are services that allow the users to act in technically developed environment in different ways. The users use various virtual worlds as a source for enjoyment and entertainment rather than a platform for social interacting. Lastly, content sharing sites are the sites that are focused mainly on sharing a specific content. Moreover, content sharing sites also allow its users to create profile pages and to develop connections with the users. (Lietsala & Sirkkunen 2008, 13, 29–58.)

The majority of companies use social media to show new products. This occurred due to the growth of a total number of the Internet users. There are more than two billion individuals who actively use social media. By using social media companies can build friendly relationships with the customers. In fashion industry it is essential for enterprises to deliver a visual content to the potential customers. Therefore, CSS can influence the promotion of fashion products and can increase brand awareness. Brand awareness is the familiarity of the customers with the particular brand. In other words, the customer knows that the certain brand exists. It can provide companies with the competitive advantage, for instance, familiarity with the brand can increase the willingness of the customers to purchase the products due to the fact that the customers are more likely to buy the goods from well-known brands. Consequently, it is essential to utilize CSS in promotion of the fashion items. A large amount of CSS exist nowadays, for instance YouTube, Flickr, Pinterest, Instagram. These sites allow companies to share the newest and valuable content with the customers while decreasing the costs spent on communication, due to the fact that almost all CSS are free of charge for usage. Therefore, major investment of businesses when using CSS for promotion is time. (Fast Company 2015; Saravanakumar & SuganthaLakshmi 2012, 4446–4448; Aaker 2008, 158–159.)

4.2 Online Consumer Behavior

Consumer behavior is a process of choosing and purchasing the products and services by individuals in order to satisfy their needs. A proper understanding of consumer behavior strengthens the marketing campaign of the company. Nowadays the Internet is the dominant source for the search of information, and it has dramatically influenced the retail industry during the past few years. The

companies use the Internet for marketing due to the fact that it has a number of advantages, such as it allows to purchase the products without limitations of time, it allows to purchase the products all around the world, it helps to decrease the expenses, and it contributes to sustainable level of communication with customers. Due to this communication the companies together with their customers can recreate a brand value, which is memories, expectations and stories of the brand; moreover, brand value means the total sum of how much extra the customers can pay for the certain brand. In 2014 the amount of the Internet users has reached three billion, and the number of the users continues to grow. Moreover, approximately 40 percent of the world population use the Internet today, but back in 1995 the percentage was less than one. (Internet Users 2014; Peter & Olson 2008, 2–5.)

Nowadays individuals use the Internet as the main source to search information of a product or a service as well as to read the reviews of the experts and the customers. The customers, who search information regarding the product or the service and purchase them online, are influenced by a large amount of factors. These factors consist of demographics, personality, budget of the consumers, their value, lifestyle, and motivation. Moreover, online consumer behavior is also influenced by environmental factors such as culture, social influence, and mass media. (Cheung, Zhu, Kwong, Chan & Limayem 2003.)

The users of the Internet may also share their experience of using the products and recommend the goods to other people. According to Saleh (2012), the major field of online shopping of women is apparel and accessories. Seventy-one percent of women spend their money on clothes and accessories, while only twenty-nine percent of men buy these goods on the Internet. Therefore, it is essential for the fashion companies to provide information of their products on the Internet, and especially in the types of social media such as social network sites and content sharing sites, and content creation and publishing tools. Moreover, customers use the Internet in order to compare the prices and to search the coupons for discounts. Therefore, it is essential for the enterprises to know what the Internet users say about their brands in social media, how often they say it, and which types of social media they utilize for sharing their reviews. (Close 2012, 87–90, 247–248; Peter & Olson 2008, 9; Saleh 2012.)

4.3 Instagram

One of the CSS, which provides users with information about fashion brands, is Instagram. This site is primarily used for publishing and sharing of personal photos and videos as well as viewing the posts of other Instagram users. Instagram is distributed as a free mobile application to download that has been originally released by Kevin Systrom and Mike Krieger in 2010. Five years later Instagram has become one of the most popular applications on mobile devices in the world with more than 400 million registered users. Nonetheless, Instagram is developed to motivate its users to share personal pictures by expressing their personalities through creative content of their posts, and to discover other users by following their updates. (Statista 2015b; Moreau 2015.)

Instagram utilizes various features to diversify the photo sharing process and to make it more interesting for the users. The most distinctive features of the application are hashtags, geotags, captions, and tags. The first feature is a hashtag, it is a single word or a combination of words that describe the major objects that are presented on the picture or a theme, which is related to a certain photo. The hashtag allows the users to search for particular content related pictures. During the process of uploading the picture, the user can specify the content presented on it by applying a single or numerous hashtags. The second feature of Instagram is a geotag, which is applied whenever the user is willing to set a location of the picture or the video. Individuals can set the location from the purposed list or can create the name for the place by themselves. The third feature is caption. Captions are located under the post, and help to describe the picture or the video. It is a way to share the thoughts of the user with the followers. Moreover, it is essential to write captions due to the fact that they influence the engagement rate with the followers. The forth feature is an ability to tag another Instagram account on the posted photo. It allows the users to acknowledge their followers about people who are displayed on the picture, the brand of the clothes, or the name of the place. The possibility of the person to tag other accounts to the post allows the followers to discover previously unknown users and to visit their accounts. (Instagram 2016.)

The users of Instagram can chose the accounts they follow independently. Instagram is an asymmetric content sharing site, which means that if one user follows another user there is no need for the latter to follow back. Moreover, the users of Instagram can optimize privacy settings, and make an account viewable only to the followers that are approved by the owner of the account. On the other hand, public accounts are accessible to every user, thus photos and videos posted on a public account can be viewed by everyone. (Hu, Manikonda & Kambhampati 2014.)

4.4 Instagram for Businesses

Nowadays Instagram is crucial for the development of businesses. This content sharing site has the largest user activity in comparison with other CSS. The engagement rate equals to 4.21 percent that is sixty times bigger than the engagement rate of Facebook, which approximately equals to 0.07 percent (Smith, Pilecki & McAdams 2015). It means that the visitors of the Instagram account are more inclined to interact with the content that is presented by fashion brands, for instance, make a purchase. Moreover, Instagram provides companies with many opportunities to strengthen the brand, especially it is essential for the fashion brands due to the fact that it allows the companies to share visual content, which is vital for the introduction of the clothes and other fashion items. Instagram allows companies to demonstrate the process of creating the clothes, to communicate with the customers via direct messages or comment field under the posted photo or video, to increase the brand recognition by liking the posts of the customers, to provide information regarding new products, to announce the sales and competitions, and so forth. Furthermore, by creating dialogs with the customers the companies can produce direct influence how people perceive the brand and the company. (Kietzmann et al. 2011, 241–251.)

Companies that use Instagram for promotion get an instant access to more than 400 million users, and the user base continues to grow. The main method that helps companies to attract the customers is a strategy for sustenance of the company account on Instagram. The appropriately defined strategy can attract a large number of followers due to the presence of engaging material. Development of the strategy begins from identifying a target market. The target market is a

business area to which the company aims all of its marketing strategies, and it can be formed based on the age, interests, preferences, motivations, or income of people (Cahill 1997, 10). Hereafter, the company can define the goals of using Instagram that are usually directed to enlarging the amount of sales and increasing the brand recognition, which is the ability of the customers to easily identify the brand only by seeing the logo, the packaging, the tagline, or any other aspects of the product, which are unique to the certain brand. The tagline is defined as a short sentence that explains the mission of the brand and its values. The major tool that can help to meet the established goals is a concept of how the entire Instagram account will look like. Visual content on Instagram is a basis for development of relationships with the followers. A traffic of the visits and a customer loyalty are directly dependent on the quality of the content presented on the account. The concept of pictures should make followers want to follow the updates of the fashion brand.

Instagram allows its users to upload two types of content that are a photo and a video. The first type is the photo, which plays the most important role in the process of using Instagram for promotion, due to the fact that the engagement with the customers occurs mainly through this type of content. It is essential to create a unique content in order to be recognizable among the enormous number of the users. The content of the pictures can vary, for instance, the account can be interesting or useful for the followers, have an entertainment purpose, or it can combine all these criteria. The second type of the content is video. For regular users the length of the video is fifteen seconds and for verified users, which are marked with the blue checkmark, the length of the video is sixty seconds. Recently, Instagram has added the tool that allows to track the amount of views, which is shown under the video, but the amount of likes is represented when the owner of the account opens the number of views. This novelty provides brands with the opportunity to track the most likable videos, and to identify the content that is desired by the followers.

In order to keep followers updated, it is essential for the fashion brands to upload pictures or videos of the products on the regular basis. However, the post should not be uploaded often and it should display the products, which the company produces as well as supplementary materials, which refer to the main products

but does not advertise them. According to the research conducted by The Huffington Post, the most appropriate time for uploading posts is from 12 am to 2 am, from 4 pm to 5 pm, and from 9 pm to 10 pm Eastern Standard Time, later referred to as EST, due to the fact that at this time the posts receive most of the likes and the comments. The least appropriate time for uploading pictures and videos on Instagram are from 2 am to 8 am and from 5 pm to 6 pm EST. Figure 3 displays the engagement rate, which is calculated by dividing the number of likes by the amount of the followers of the certain account, and the most beneficial time for uploading the content. (Beres 2015.)

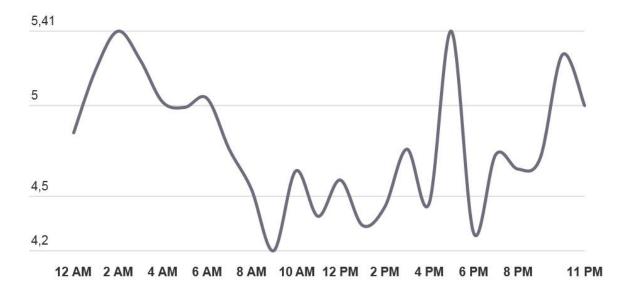


Figure 3. Dependence of Engagement Rate on Time of Uploading Posts on Instagram (Beres 2015)

Furthermore, the companies may conduct various competitions on their Instagram accounts. These competitions are directed to increase feedback from the followers. The companies usually set creative rules for the competitions such as to upload a picture with a certain content, to share a personal story, to add comments under the post, or to tag friends. There are a number of requirements that are usually applied to the participants, which may include the necessity to tag the name of the company on the post or in the comment field, or to complete the competition before the certain time. To make the competition popular among the participants, the company can promise a valuable trophy and use the specially created hashtags.

Instagram is a content sharing site, thus it stores a huge amount of pictures and videos. Therefore, to make the search for a certain post easier, the hashtags were created. There are five types of hashtags. The first type is "popular hashtags", these hashtags are applied when describing a post with an abstract manner, for instance, nature, music, sport, and so forth. The second type is "mutual hashtags", which are used in order to receive likes or comments to a certain post. The next type is "midrange hashtags". This type is applied when the number of posts under this hashtag varies from ten thousand to three hundred thousand. The forth type is "low frequency hashtags". The amount of the posts under this hashtag is lower than ten thousand. These hashtags are useful for searching the target customers, because the posts of the company stay on the top of the search for a long time, and the customers can easily find the pictures or videos that they want. The final type is "individual hashtags", which are created personally by the companies on Instagram. These hashtags play the most important role for the companies due to the fact that they help the users to find a certain brand, and also these hashtags are primarily used for conducting a competition. (Mentsev 2015, 46–47.)

5 RESEARCH METHODS AND IMPLEMENTATION OF STUDY

5.1 Research Methods

According to Collis & Hussey (2014), research is a systematic process that is aimed to the exploration of information and obtaining new knowledge. To successfully complete the research, companies need to utilize an appropriate method for gathering and analyzing the received data. To effectively implement the research, it is essential to set a research question for the solution of which the research is conducted. The question defines the particular problem that can be solved after the acquisition of new knowledge. Conclusively, two different methods of the research, which are quantitative and qualitative, can be used in order to acquire the data. (Thomas 2003, 1–3.)

Quantitative research method is aimed to collect numerical measurements of studied phenomenon that are used in order to analyze and compare the results, gained from the population of the research. The population is the group that is studied during the research; it can include people, stores, homes and so forth (Proctor 2005, 109-110). Quantitative research method allows to statistically analyze a great amount of gathered data and to share the results to the public in forms of graphs, charts and other ways of a graphical representation. Three techniques of quantitative research exist, including case study, survey, and experiment. Case study is a published report of a real-life or an imagined situation, which is studied in order to find the most relevant and advantageous solution for the existing problem. Survey is a technique of quantitative research that always involves particular target variables, which are studied within the selected population. The variables are the studied aspects that are converted in the research in the form of questions. These aspects contribute to the process of gathering and analyzing of the relevant data concerning the studied phenomenon. The survey is primarily used when the target variables are specified and the population is selected, and when there is a need to collect the data in the numerical format. The need of collecting the data in numerical format usually appears when there is a necessity to apply statistics in order to determine the results of the survey. Lastly, experiment is a technique of quantitative research that is aimed to detect the changes that one variable can experience

under the influence of another variable. This technique is usually implemented when collecting new knowledge on the studied phenomenon that depends on many separate variables. (Thomas 2003, 41–52; Balnaves & Caputi 2001, 65–68.)

Qualitative research is another method of data acquisition from the studied population that is aimed to determine the characteristics of the studied phenomenon without a comparison of the numerical measurements. This research allows to study the behavior of the individuals and to examine why and how people act differently in various situations. The techniques of collecting the data in qualitative research are in-depth interviews, focus groups, and participant observation. The sample size in qualitative research method cannot be exactly defined. However, it depends on the process of information gathering. When there is no new data coming from the studied population, the process of data gathering can be finished. Moreover, in order to identify the moment when new information is not coming, the researcher should analyze the data during the process of information gathering. Qualitative research provides opportunities to study and to analyze motivation and attitude of people. Moreover, qualitative research may improve the efficiency of quantitative research. Therefore, these researches are often combined when studying the particular phenomenon. The method of qualitative research, which is commonly used to support the quantitative research, is implemented through open-ended questions. This type of questions does not provide the respondents with the options, which they can choose in order complete the questionnaire. Open-ended questions allow the researcher to receive personal opinions, motivations, and reasons of a particular behavior of the studied population. (Thomas 2003, 1-3; Proctor 2005, 200, 221-222.)

Due to the expansion of the Internet and the increased role of social media in lives of humans, companies have started to use the Internet for promotion of their offerings. Nowadays enterprises are capable to reach the target customers via different types of social media, such as content sharing sites, social network sites, and virtual words. Furthermore, social media have dramatically affected on the way how companies communicate with their customers. Content sharing sites, for instance, play an important role when it comes to the fashion industry. The

platform allows its users to read feedback provided by the bloggers and the users on certain fashion products and fashion trends, and to share various tips for creating a unique style. Instagram is one of the most popular content sharing sites, which provides people from all over the world with an opportunity to get an access to the visual content and to learn about the latest news in the fashion industry. However, the problem that justifies the thesis project is a lack of information on how the companies can maintain promotion and increase brand recognition by using Instagram.

5.2 Implementation of Study

To implement quantitative research that helps to meet the objective of the thesis project, the survey is selected as the technique for the research. The choice of this technique of the quantitative research method is based on the necessity to provide numerical statistics concerning the most common reasons of using Instagram, the ways how the individuals learn about the existence of an Instagram account of the fashion brand, and the most appropriate characteristics of the post displaying the product of the company. Therefore, the questionnaire is used in order to collect the data. The target population of the research consists of men and women who live in Finland and Russia and who use Instagram on a regular basis. The major age group includes people from 18 to 34 years old, due to the fact that these individuals are more likely to be interested in fashion, and it is also the most common age group of registered users on Instagram (Statista 2015b; Collis & Hussey 2014, 5–6; Thomas 2003, 1–3.)

Due to the fact that it is rather difficult to contact all the members of the researched population, the researcher has to take a sample form the population. However, the selected sample should represent the entire population. There are two sampling methods that are probability and non-probability. In probability sampling method every element has the equal chance to be included into the research, while non-probability sampling method implies the strict selection of every participant of the research. Probability sampling method is more expensive and time-consuming due to more complicated requirements, but this method provides the results that can be related to the entire population because of random sampling. Non-probability sampling method does not allow to determine

in advance the possibility of getting each element of the sample into the researched population, which makes it impossible to understand if the sample is correctly selected. Based on the provided description of every sampling method, probability sampling is chosen for the presented research. (Proctor 2005, 110–113.)

The study implies certain limitations. First of all, due to the fact that the questionnaire is conducted via the Internet, the participants should have an access to it, otherwise, they are not able to participate in the questionnaire. Secondly, the respondents should be registered users of Instagram application. The presence of the smartphone may be considered necessary due to the fact that this content sharing service is available only on smartphones. Nevertheless, based on the statistics, the number of smartphone owners in 2016 approximately equals to 2 billion people, while the total amount of registered Instagram users is 400 million (Statista 2016). Thirdly, some geographical limitations apply. The respondents who participate in the survey are currently located in Finland and Russia. The countries are chosen because of the simplified access to the target population. Therefore, the questionnaire is translated into English and Russian languages. The English version of the questionnaire is conducted in Finland, it can be examined in Appendix 1, and the Russian version is conducted in Russia and it is viewed in Appendix 2. Fourthly, the researched problem is topical for the year of 2016. (Smith 2016.)

In order to justify the relevance of the survey, a pilot study was conducted. The term "pilot study" can be defined as a pre-testing of the already created research method, for instance, the questionnaire or the questions for the interview. The pilot study is essential for appropriate conducting of the survey due to the fact that it allows to analyze the created questionnaire, for instance to analyze the sampling methods used in the survey, and to determine questions that need an improvement. Furthermore, the pilot study allows to test the questionnaire and further implement needed corrections. Therefore, six respondents were involved in pre-testing, which detected that some aspects of the questionnaire required further improvement. As the result, two questions were rephrased, because the respondents did not clearly understand them; three questions were removed due

to recognized non-compliance; additional options were included into multiplechoice questions. (Teijlingen & Hundley 2001.)

The ready questionnaire was conducted by using "Webropol" and was distributed to the respondents via social network sites such as Facebook and VKontakte, and via content sharing site Instagram. Moreover, the link to the questionnaire was distributed to the students of Lapland University of Applied Sciences via email. The finalized questionnaire consisted of twenty-one questions with various types of questions, such as closed, dichotomous, multiple-choice, Likert scale, and few open-ended questions. Table 1 displays the selected types of the questions used in the survey. The data was collected within the weeks fourteen and fifteen of the year 2016

Table 1. Types of Response Format in Questionnaire

Types of response format	Number of the question in the questionnaire
Closed question	1, 2, 3, 4, 9, 12, 17
Dichotomous question	8, 10, 11, 13
Multiple-choice question	5, 14, 15, 16, 19, 20, 21
Likert scale question	6, 7, 18
Open-ended question	3 (option "other"), 12 (option "other"), 16 (option "other"), 19 (option "other"), 20 (option "other"), 21 (option "other")

5.3 Analysis of Received Data

5.3.1 Results of Survey

The total number of respondents of the questionnaire is 110. The amount of the received responses from the English version of the questionnaire equals to 53, while 57 answers are gathered from the Russian version. The first three questions were created in order to receive basic information about the population of the survey. The questionnaire is answered by 19 men, which represents 18 percent

of the total amount of responses, and 91 women, which represents 82 percent. The major age group of the respondents proved to be from 18 to 24 years old. People within this age group established the majority with 93 gathered responses, which represents the 85 percent. Additionally, the exact number of the respondents in regards to every age group is displayed in figure 4. Moreover, the questionnaire has been answered mainly by the students, 81 percent of all the respondents. The individuals who work in managerial, engineering, and marketing fields contributed to 16 percent of the respondents, while the remaining 3 percent are unemployed.

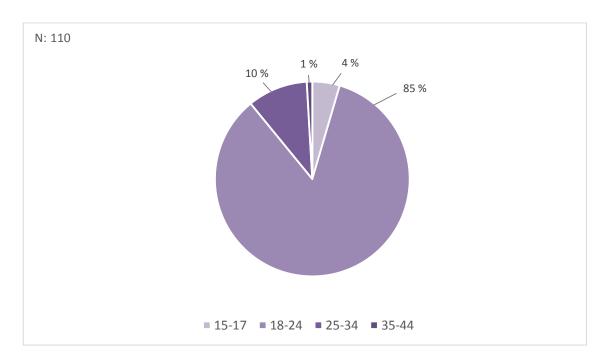


Figure 4. Age Groups of Respondents

In order to justify the most appropriate time for uploading the posts by the companies on Instagram, the following findings were acquired. Based on the conducted study 68 percent of the respondents check Instagram several times per day. These findings demonstrate to the companies the profitability of uploading the posts more than once a day. Furthermore, figure 5 shows the most appealing time for checking Instagram by the users. The results of the study show that people use the application continuously throughout day, but there is a tendency that dictates that people usually check Instagram less during the late hours.

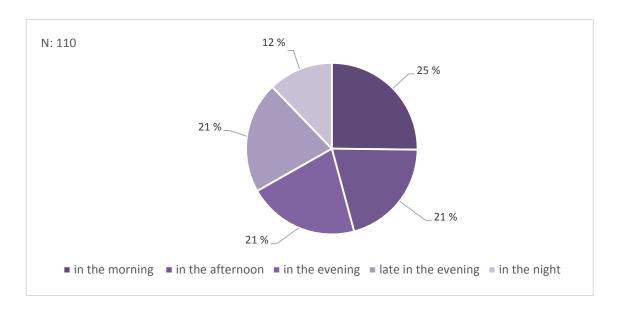


Figure 5. Most Common Time of Checking Instagram

Based on the fact that the fashion industry is the field of the study of the thesis project, the major part of questions implemented in the survey are aimed to determine the behavior of the respondents in relation to the accounts of the fashion brands. Two following questions are addressed to discover the main reasons of using Instagram. As the result, the majority of respondents utilize the application in order to share personal pictures, the percentage of the respondents in this category equals to 58, and to check the posts of other users, 80 percent of the respondents chose this function as a priority. An interaction with celebrities and using the application for online shopping do not particularly attract participants of the survey, 76 percent of the respondents highly disagree with the statement "I use Instagram for interaction with celebrities" while 73 percent of the participants do not use Instagram for the online shopping. Only 11 percent of the respondents are eager to utilize Instagram as a tool for online shopping, thus these users can be defined as the potential customers for the fashion companies. Nevertheless, 33 percent of the respondents use Instagram as a platform to learn news in various fields such as fashion, sport, and music. Lastly, the survey revealed that only 38 percent of the respondents utilize the application as a tool for the communication with their friends.

Analysis of the accounts, which are subscribed by the respondents, allows to justify the most appropriate ways that can be used by the fashion companies for promotion. Based on the results, the majority of the respondents are subscribed

to the accounts of their friends. The rest of the accounts, which are followed by the respondents, are listed in a decreasing order: the accounts of bloggers, the accounts of celebrities, thematic accounts, and the accounts of fashion brands. Figure 6 demonstrates the numerical equivalent of the desire of the respondents to subscribe different types of accounts on Instagram.

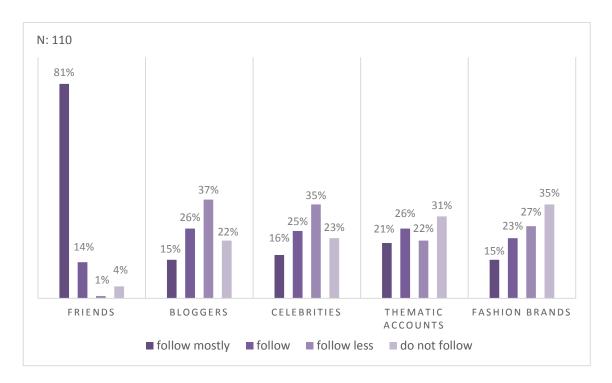


Figure 6. Accounts Subscribed by Respondents

The next section of the survey allows to study the attitude of the Instagram users towards the pictures of various fashion outfits. The percentage of the respondents who do not enjoy uploading the photos of their own outfits equals to 62, while 38 percent like to share personal styles with their followers. However, 39 percent of the respondents who do not like uploading the posts of their own outfits still rarely share them with the followers, 19 percent share personal styles more often. Nonetheless, 6 percent of asked Instagram users upload personal outfits on the regular basis, while 36 percent never share this kind of information. Lastly, a large number of the respondents, which equals to 83 percent, enjoy checking the posts of the outfits of other Instagram users, and only 17 percent of the participants are not interested in these updates.

The users of Instagram can communicate with each other by using various instruments such as tags on the posts, comment field, and direct messages. In

order to highlight the usage of the application for the popularization of the brand account, the respondents were asked about these instruments. Based on the results, 15 percent of the respondents tag the brand name on their own posts, while 85 percent do not utilize this possibility at all. Furthermore, only 4 percent of the participants always share their thoughts about the certain fashion products in the comment field. At the same time, the respondents may comment on the presented product depending on the person who published the post, 21 percent of the respondents chose this option, and depending on the presented product, the percentage of those who chose this option is 14. Moreover, 37 percent of the respondents share the photo that displays their preferred fashion product with their followers.

In order to define an appropriate strategy for the promotion of fashion products, it is essential to know how the potential customer learn about the existence of the account of the fashion brand. Based on the collected responses, the majority of the participants of the survey discover the accounts of the fashion brands on "suggested" pictures, by the search by the brand name, and by tags on the posts of celebrities. Moreover, the respondents learn about the accounts of the fashion brands on the pictures posted by bloggers and their friends, and by using hashtags. The chart, which is shown in figure 7, displays in details the methods how people learn about the Instagram accounts of the fashion brands depending on the popularity of these methods.

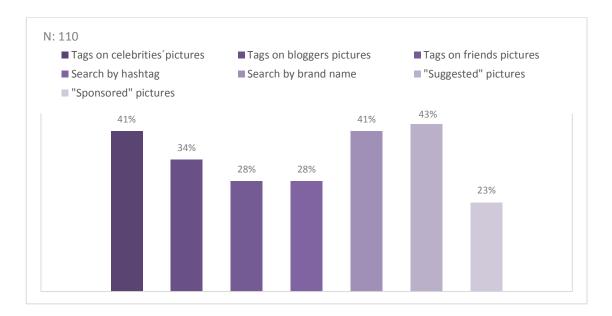


Figure 7. Methods of Discovering Accounts of Fashion Brands

According to the findings, 47 percent of the respondents like to discover new accounts of the fashion brands, while 24 percent of the Instagram users visit only accounts of the brands that are already familiar to them. The rest of the respondents are not interested in checking the updates of the fashion brands on Instagram. Furthermore, during the research the most essential functions of the Instagram accounts of the fashion brands were discovered. Based on the results, the majority of people subscribe to the accounts of the fashion brands in order to receive notifications about new collections of clothes and accessories, and to receive notifications about the upcoming sales. The rest of the functions, and the division of the popularity of these functions among the respondents is shown in figure 8.

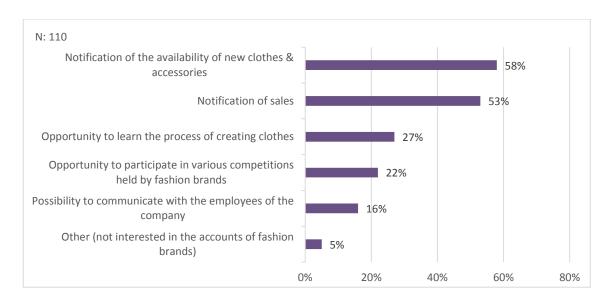


Figure 8. Most Essential Functions of Instagram Account of Fashion Brand

The next section of the questionnaire is aimed to gather information concerning the attitude of the respondents towards reading the description under the posts. Based on the results of the survey, only 3 percent of the respondents do not read the caption of photo or video. Nonetheless, 37 percent of the respondents always read the caption, while 60 percent of the participants of the survey go through the text but do not read the entire caption. Furthermore, the factors that influence the decision of reading the text under the post were studied. Based on the results, the most influential factors are the length of the caption, which was chosen by 75 percent of the respondents, and the subject of the caption, which was selected by 92 percent of the respondents. Moreover, the survey helps to define the type

of information that could be written in the caption of the post, which is useful for the customers. Figure 9 displays the elements of the description of the fashion products that are essential for the Instagram users. The fashion companies should notice that the customers are mostly interested in the price of the fashion product, 68 percent of the participants of the survey chose this option, and the detailed product description such as the materials used for the creation of the item and its available sizes, this option was chosen by 59 percent of the respondents. Moreover, 44 percent of the respondents mentioned that they are interested in the tips for combining the clothes. Figure 9 also displays that the respondents have low interest regarding the reviews of bloggers and celebrities of presented fashion products, this option was chosen by 15 percent of people. The remaining 5 percent of the participants of the survey were not interested in the fashion products.

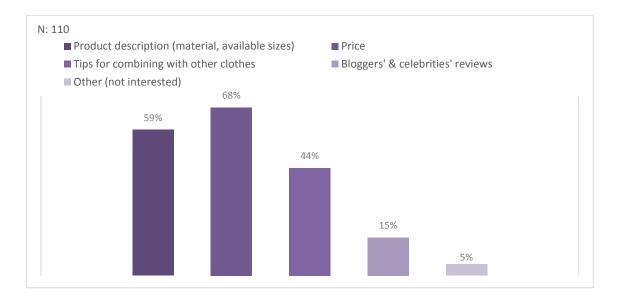


Figure 9. Characteristics of Description of Fashion Product on Instagram

Nevertheless, the companies may arrange the competitions on Instagram in order to collect feedback from the customers. Therefore, it is important to know which attitude the Instagram users have towards the competitions on Instagram, and what rules of these competitions are the most appropriate for them. Based on the results of the survey, no respondents have mentioned that they always participate in such competitions. However, 52 percent of the respondents participate in the competition, if the rules are appealing to them, this option was chosen by 21 percent of the respondents. The most engaging rules of the competition are

presented in figure 10. The number of the respondents who prefer to make a repost that announces the competition equals to 30 percent. The participants of the survey also agree to tag their friends on the post, this option was chosen by 25 percent of the respondents, and to share their ideas in the comment field, this option applies to 22 percent of the respondents. Moreover, 17 percent of the respondents can upload the personal post that displays the theme of the competition. The remaining 6 percent of the participants of the survey have chosen the option "other" and have mentioned that they are not interested in the competitions, thus these replies are not presented in figure 10. Furthermore, the prize for the victory has to be valuable for the participants in order to persuade them to participate in the conducted competition. This criterion applies to 18 percent of the respondents. Finally, the fashion brand that arranges the competition should be known and likable for the participants. This criterion was chosen by 13 percent of the total amount of asked Instagram users.

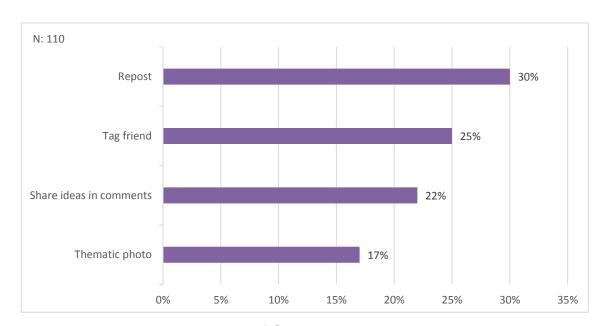


Figure 10. Most Attractive Rules of Competition on Instagram

5.3.2 Analysis of Results

In order to provide the opportunity for the fashion brands to utilize the results of the survey, analysis of the results is implemented. Based on the gathered responses, there is a possibility to identify how people behave on Instagram. Understanding consumer behavior in turn creates the opportunity to provide the fashion companies with the solutions of advantageous utilization of Instagram as a tool for promotion.

Based on the results of the survey, the majority of the respondents are women. However, with no regards to the gender, people, who are registered on Instagram, use the application at least once per day, while the majority of the respondents utilize the application several times per day. The advanced statistics show that those people who commonly use Instagram in the mornings are overall less interested in the fashion brands, and do not check the accounts of the fashion brands. Therefore, uploading the posts of the fashion brands in the mornings is not recommended. In order to define the most appropriate time for uploading the posts, the findings of The Huffington Post can also be utilized. Based on the results of the study, the most engaging time for uploading the posts is from 12 am to 2 am, from 4 pm to 5 pm, and from 9 pm to 10 pm EST. However, those respondents who use Instagram in the afternoons and late in the evenings are more frequently participate in the competitions, which are arranged by the fashion brands. Consequently, the posts that announce various competitions should be uploaded on Instagram in the evenings. These statistics allow the fashion companies to define the best time for uploading their posts. (Beres 2015.)

Nevertheless, it is essential for the fashion brands to define the methods for the expansion of the awareness of the Instagram account among the users. Based on the findings, the users are able to spread information about the particular Instagram account of the fashion brand by applying various instruments. These instruments are tags, comments, and direct posts sharing. The fashion industry depends on the visual demonstration of clothes and accessories, thus it is crucial to understand the ways how people behave in relation to the pictures of the outfits. The statistics show that the more the respondents utilize the application the more they are willing to check the outfits of the other users. The time of the day do not influence the desire to check the posts of the outfits. Moreover, almost every person who likes checking outfits of other users, 41 percent of the total amount of the respondents, enjoys uploading the pictures of personal outfits as well. The major reason of using Instagram for those who like uploading the posts with their personal outfits is sharing personal pictures. Furthermore, the results

37

show that 10 out of 12 individuals, which represents 83 percent, who utilize the application for online shopping, enjoy uploading the posts with personal outfits.

Consequently, the tendency that can influence the method of exploring the new customers was identified during the research. The respondents, who like to check outfits of other users, usually enjoy uploading the pictures of personal outfits. This enjoyment also influences the desire of the participants to utilize Instagram for online shopping. This dependence indicates that the fashion brands, which are willing to expand their target market, should monitor Instagram users who enjoy checking outfits of other users and who upload the personal outfits from time to time. Therefore, the fashion brands may expand their target market by tracking people who are interested in the posts of outfits.

Based on the findings, only 15 percent of the respondents tag the brand name of the clothes that they wear on the post on Instagram. However, all individuals, who tag the account of the brand, enjoy checking outfits of other users. Moreover, 14 out of 17 respondents, which is 82 percent, who tag the account of the brand on the personal post are women, thus only 3 men, remaining 18 percent, have mentioned that they tag the accounts of the fashion brands, which are presented on the post. Therefore, the tags of the brand accounts are mainly made by women. The results of the survey also show that the tags are usually used by people who utilize the application late in the evenings and in the afternoons, and who like uploading posts with personal outfits. The desire of the users to tag the account of the fashion brand on their posts allows the companies to find a target market.

Based on the results shown in figure 7, the majority of the respondents learn about the existence of the Instagram account of the fashion brand through the suggested pictures, which are selected depending on the most visited accounts by the user on Instagram. However, during the research a number of characteristics of the respondents who discover the brand accounts through various methods were identified. The users who often upload their outfits on Instagram usually discover the accounts of the fashion brands through the tags on the posts of celebrities as well as through search by hashtags, 5 out of 7 respondents, which represents 71 percent, chose these options. Nevertheless,

38

47 percent of the respondents like to discover new fashion brands and 24 percent of the participants check only familiar to them accounts. Moreover, the statistics show that 82 percent of the respondents, who tag the accounts of the fashion brands on the personal posts, like to discover new fashion brands.

The most essential functions of the Instagram accounts of the fashion brands are divided depending on the behavior of the respondents. For all individuals, who often upload photos of personal outfits, the most important function of the account of the brand is the opportunity to receive notifications about the delivery of new clothes and accessories, and about the upcoming sales. The results of the survey also allow to recognize the interconnection between the responses of the participants of the survey and the caption of the posts. The study reveals that both men and women are not very interested in the reviews made by the bloggers and the celebrities. Furthermore, 71 percent of people, who upload their outfits on the Instagram account, are more interested in knowing the price of the displayed on the post product. As a rule, individuals who post their outlooks on Instagram are more confident in their knowledge about fashion trends in comparison with those, who do not share personal outfits or do it rarely. Therefore, the former are more concerning about the suggestions on combining the clothes that are provided by the other users. The product description is more important for the respondents, who enjoy checking outfits of other people, while the length of the caption is crucial for all participants of the survey.

5.3.3 Discussion on Survey Results

Based on the results of the research, the Instagram users access the application several times per day and utilize this content sharing site mainly for checking the posts of other users and sharing personal photos and videos. However, a large number of the Instagram users are interested in the fashion brands, thus they create the opportunity for the fashion companies to expand their target market. Nowadays the users are no longer influenced by the reviews of the bloggers and celebrities, but primarily rely on personal experience and information search. Moreover, the tendency, which was identified during the study, proves that the respondents, who enjoy checking outfits of other users, have the major interest

in the fashion brands. Therefore, it is essential to monitor the interest of the customers in order to increase the brand recognition.

The study revealed that the users learn about the existence of the fashion brand accounts through various channels. However, the most popular channels are the suggested pictures, the tags on the posts of celebrities and bloggers, and search by the brand name. Therefore, more beneficial promotion of the products can be made by utilizing these channels. As it was mentioned earlier, many of the users are interested in checking the outfits of other people. Instagram allows to track the most visited accounts and the most likable posts by the user. Therefore, the application provides the users with the suggested pictures, which are similar to the visited accounts. The posts of the companies, which are indicated with the hashtags that are related to the fashion industry, appear in the suggested pictures, thus promote the brand. Moreover, the companies can promote the products by collaborating with celebrities. However, in this case the brand should be only tagged on the photo, and the caption should not openly recommend the product, but have a regular caption that celebrities write daily.

The accounts of the fashion brands should be unique and should provide the users with information they are interested in. The posts on Instagram should notify the followers of the delivery of new collections of clothes and accessories, provide information regarding sales, and show the process of creating the clothes. Furthermore, the posts should be described in a detailed and engaging for the user method. The majority of the users do not prefer to read long posts, and the decision towards reading the post mainly depends on the subject of the post. During the study the most essential subjects were found. The Instagram users are interested in the detailed product description, such as material of the clothes, available sizes, and the price. Moreover, some posts can provide followers with the tips for combining the clothes.

Based on the theory and the findings of the primary research, in order to increase the brand recognition among the users and to recreate a brand value together with customers it is essential to arrange the competitions. The post, which announces the competition, should be uploaded in the afternoon or late in the evening. Moreover, the prize should be valuable for the winners. The majority of

the respondents are willing to participate in the competitions, if they like the rules. The most attractive rules of the competition are the repost of the picture, the possibility to tag friends, the opportunity to share ideas in the comment field, and to upload the personal post, which is created on a theme of the competition.

6 CONCLUSION

The fashion industry is a very competitive industry. Due to the fact that the fashion trends change very often it is essential to keep people updated of the current trends and the availability of the fashion products. In order to be recognizable among people, the fashion companies should provide the customers with information that is useful for them. Development of the Internet has affected on the methods that the companies utilize in order to provide the customers with the latest news of the fashion brands. Moreover, the Internet has transformed the fashion industry into a global business. Due to the fact that a large number of people use social media on a daily basis, and mainly communicate with each other through social network sites and content sharing sites, the fashion companies can provide information regarding the brands via these channels.

By using social network sites and content sharing sites the customers can learn about the brands from all over the world, they can order the products at any time of the day, and can directly communicate with the company in order to acquire needed information. Based on the studies, one of the most successful application for the presentation of the brand is Instagram. It allows its users to share a visual content that is crucial for promotion of the fashion goods. Nowadays this content sharing site is very popular among the individuals and has a huge number of the registered users. The companies, which have the account on Instagram, are entitled to boost their sales if they present a content that is valuable for the Instagram users.

The objective of the thesis project was to study the methods how Instagram users learn about the existence of the accounts of the fashion brands via Instagram, and to learn the process of managing the Instagram account of the brand in order to increase the number of followers of the account. The results of the study, which are presented in the thesis, help to select an appropriate content for the Instagram account of the fashion brand. Moreover, the manners of behavior of the Instagram users in regards to the Instagram account of the fashion brand are studied and introduced in the thesis project report. The results of the thesis can be utilized by the fashion companies for the management of the account of the fashion brand on Instagram in Finland and in Russia.

In order to meet the objective of the thesis, quantitative research method was applied. The survey was conducted in two countries that are Finland and Russia. In order to gather the data from different countries the questionnaire was translated into Russian and English languages. The questionnaire was mainly answered by people living in Rovaniemi, Murmansk and Saint-Petersburg. The difference between the data that was received from the respondents from two countries was not significant and the answers were fairly similar. Moreover, the author of the thesis decided to study Finnish consumer behavior due to the lack of available information related to the usage of Instagram. However, the questionnaire was aimed to get the responses from various nationalities currently living in Finland, thus English language was chosen for the questionnaire as the most widely spoken language. Therefore, in order to gather the data that indicates the behavior only of Finnish citizens regarding the accounts of the fashion brands on Instagram, future researches can be conducted in Finnish language.

The results presented in the thesis can be further improved by attaining a bigger amount of the respondents who utilize Instagram on a daily basis. The larger number of replies can help to analyze the research problem in a more detailed manner. Moreover, the findings that are presented in the thesis project are going to be further presented to the companies, which function in the fashion industry. This can allow to apply the findings in order to create the strategy for introducing the fashion products via the Instagram account of the fashion brand and to track the changes in the flow of the customers.

BIBLIOGRAPHY

Aaker, D. A. 2008. Strategic Market Management. 8th edition. Hoboken: John & Sons, Inc.

Austin, C. 2013. These 20 Brands Have Mastered The Use of Instagram. Accessed 10 March 2016.

http://www.businessinsider.com/these-20-brands-have-mastered-the-use-of-instagram-2013-1?op=1&IR=T

Balnaves, M. & Caputi, P. 2001. Introduction to Quantitative Research Methods: an Investigative Approach. London: Sage Publications Ltd.

Beres, D. 2015. Here is the Best Time to Post a Photo on Instagram. Accessed 3 April 2016.

http://www.huffingtonpost.com/2015/02/25/get-instagram-likes_n_6751614.html

Cahill, D. J. 1997. Target Marketing and Segmentation: Valid and Useful Tools for Marketing 35, 10–13.

Cheung, C. M. K., Zhu, L., Kwong, T., Chan, G. W. W. & Limayem, M. 2003. Online Consumer Behavior: A Review and Agenda for Future Research. 16th Bled eCommerce Conference, 194–212.

Ciarniene, R. & Vienazindiene, M. 2014. Management of Contemporary Fashion Industry: Characteristics and Challenges. Procedia – Social and Behavioral Sciences 156, 63–68.

Close, A. G. 2012. Online Consumer Behavior: Theory and Research in Social Media, Advertising, and E-tail. New York: Routledge.

Collis, J. & Hussey, R. 2014. Business Research: a Practical Guide for Undergraduate and Postgraduate Students. 4rd edition. Basingstoke: Palgrave Macmillan.

Dann, S. & Dann, S. 2011. E-Marketing: Theory and Application. Basingstoke: Palgrave Macmillan.

Easey, M. 2009. Fashion Marketing. 3rd edition. Oxford, UK: Wiley-Blackwell.

Evans, D. 2012. Social Media Marketing: An Hour a Day. 2nd edition. USA: John Wiley & Sons, Inc.

Holmes, R. 2015. 5 Trends That Will Change How Companies Use Social Media in 2016. Accessed 21 February 2016

http://www.fastcompany.com/3054347/the-future-of-work/5-trends-that-will-change-how-companies-use-social-media-in-2016/5

Hu, Y., Manikonda, L. & Kambhampati S. 2014. What We Instagram: A First Analysis of Instagram Photo Content and User Types. Association for the Advancement of Artificial Intelligence.

Internet Live Stats 2014. Internet Users. Accessed 15 January 2016 http://www.internetlivestats.com/internet-users/#trend

Instagram 2016. Exploring Photos and Videos. Accessed 26 February 2016 https://help.instagram.com/441951049195380/?ref=hc_fnav

Jackson, T. & Shaw, D. 2009. Mastering Fashion Marketing. Basingstoke: Palgrave Macmillan.

Kietzmann, J. H., Hermkens, K., McCarthy, I. P. & Silvestre, B. S. 2011. Social media? Get serious! Understanding the Functional Building Blocks of Social Media. Business Horizons 54, 241–251.

Kotler, P. & Armstrong, G. 2012. Principles of Marketing. 14th edition. New Jersey: Prentice Hall.

Kotler, P. 2002. Marketing Management, Millenium Edition: Custom Edition for University of Phoenix. USA: Pearson Custom Publishing.

Latov, Y. 2015. Fashion Industry. Accessed 14 March 2016 http://www.krugosvet.ru/enc/gumanitarnye_nauki/ekonomika_i_pravo/INDUSTR IYA_MODI.html?page=0,1 [Латов, Ю. 2015. Индустрия Моды.]

Lietsala, K. & Sirkkunen, E. 2008. Social Media: Introduction to the Tools and Process of Participatory Economy. Finland: University of Tampere.

Maslow, A. 1943. A Theory of Human Motivation. Psychological review Vol. 50, 370–396.

Mentsey, M. 2015. Effective Marketing on Instagram. Belarus State University.

Moreau, E. 2015. What Is Instagram? Here is What Instagram Is All About and How People Are Using It. Accessed 26 February 2016 http://webtrends.about.com/od/prof4/a/What-Is-Instagram-Wiki.htm

Peter, J. P. & Olson, J. C. 2008. Consumer Behavior & Marketing Strategy. USA: The McGraw-Hill Companies, Inc.

Poston, R. A. 2009. An Exercise in Personal Exploration: Maslow's Hierarchy of Needs. The Surgical Technologist, 347–353.

Proctor, T. 2005. Essentials of Marketing Research. 4th edition. Harlow: FT Prentice Hall

Saleh, K. 2012. Understanding the Online Consumer Behavior [Infographic]. Accessed 15 March 2016

http://www.invespcro.com/blog/online-consumer/

Saravanakumar M. & SuganthaLakshmi, T. 2012. Social Media Marketing. Life Science Journal Vol. 9 No 4, 4444–4451.

Scott, D. M. 2009. The New Rules of Marketing & PR: How to Use News Releases, Blogs, Podcasting, Viral Marketing, & Online Media to Reach Buyers Directly. Hoboken: John Wiley & Sons, Inc.

Simmel, G. 1957. Fashion. The American Journal of Sociology Vol. 62 No 6, 541–558.

Smith, G. 2016. By The Numbers: 160+ Interesting Instagram Statistics (January 2016). Accessed 23 March 2016

http://expandedramblings.com/index.php/important-instagram-stats/

Smith, A., Pilecki, M. & McAdams, R. 2015. To Ignore Visual Social Content is to Ignore Customers. Accessed 12 April 2016. https://www.forrester.com/To+Ignore+Visual+Social+Content+Is+To+Ignore+Customers/-/E-PRE7984

Statista 2015. Number of Monthly Active Instagram Users from January 2013 to September 2015. Accessed 15 December 2015

http://www.statista.com/statistics/253577/number-of-monthly-active-instagram-users/

Statista 2015. Distribution of Instagram Users in the United States as of January 2015, by Age Group. Accessed 21 March 2016 http://www.statista.com/statistics/398166/us-instagram-user-age-distribution/

Tittp://www.statista.com/statistics/556166/ds instagram dscr age distribution/

Statista 2016. Number of smartphone users worldwide from 2014 to 2019 (in millions). Accessed 23 March 2016.

http://www.statista.com/statistics/330695/number-of-smartphone-users-worldwide/

Stall-Meadows, C. 2013. Why Would Anyone Wear That? UK: Intellect Ltd.

Thomas, R. M. 2003. Blending Qualitative & Quantitative Research Methods in Theses and Dissertations. Thousand Oaks: Corwin Press, Inc.

Van Teijlingen, E. R. & Hundley, V. 2001. The Importance of Pilot Studies. Social Research Update. Department of Sociology, United Kingdom 2001:35.

Waddell, G. 2004. How Fashion Works: Couture, Ready-to-wear, and Mass Production. UK: Blackwell Science Ltd.

Wolfe, M. G. 2012. Fashion! 6th edition. USA: The Goodheart-Willcox Company, Inc.

APPENDICES

Appendix 1. English Translated Questionnaire

Appendix 2. Russian Translated Questionnaire

English Translated Questionnaire

Appendix 1 1(5)

- 1. What is your age?
- 15-17
- 18-24
- 25-34

- 35-44
- 45+

- 2. What is your gender?
 - Male
 - Female
- 3. What is your occupation?
 - Student
 - Executive / Managerial
 - Technical / Engineering
 - Service / Customer Support

- Sales / Marketing
- Unemployed
- Other

- 4. How often do you use Instagram?
 - Several times per day
 - Once per day
 - Few times per week

- Once per week
- Less often
- 5. When do you usually check Instagram? You can choose more than one option.
 - In the morning
 - In the afternoon
 - In the evening

- Late in the evening
- In the night

Appendix 1 2(5)

6. Please, estimate the reasons why do you use Instagram by using the scale. 4 – fully agree, 3 – partly agree, 2- partly disagree, 1 – disagree

	4	3	2	1
Sharing personal photos				
Checking posts of accounts that you follow				
Interacting with celebrities (comments, direct				
messages)				
Communicating with friends (comments, direct				
messages)				
Online shopping				
Checking news in various fields (e.g. fashion,				
sport, music, politics)				

7. Please, estimate the amount of accounts that you follow by using the scale. 4 - follow mostly, 3 - follow, 2 - follow less, 1 - do not follow

	4	3	2	1
Friends				
Bloggers				
Celebrities (musicians, actors, TV stars, etc.)				
Thematic accounts (art, sport, nature, etc.)				
Fashion brands				

8. I	Do you	like uplo	ading pi	ctures of	your	own	outfits?	
------	--------	-----------	----------	-----------	------	-----	----------	--

- Yes
- No

9. How often do you upload pictures of your own outfits?

Often

Rarely

Sometimes

Never

10. Do you like checking outfits of other people?

- Yes
- No

Appendix 1 3(5)

- 11. Do you tag on the photo on Instagram brand name of clothes that you wear?
 - Yes
 - No
- 12. Do you leave a comment on the photo if you like/dislike a fashion product that is presented on a post on Instagram?
 - · Yes, always
 - Depends on the person who shared the photo
 - Depends on the presented product
 - No, never
 - Other, please specify
- 13. Do you share a picture of an item or an accessory that you like (via direct messages, repost, comments) with your followers?
 - Yes
 - No
- 14. Where do you usually learn from about the existence of the Instagram account of a certain fashion brand?

You can choose more than one option.

- Tags on celebrities' pictures
- Tags on bloggers' pictures
- Tags on friends' pictures

- "Sponsored" posts
- Search by hashtag
- Search by brand name
- "Suggested" pictures
- 15. Do you like checking unfamiliar for you accounts of fashion brands or do you check only well-known accounts?

You can choose more than one option.

- Like to discover new fashion brands
- Check only familiar accounts
- Not interested in fashion brands

Appendix 1 4(5)

16. Which functions of an account of a fashion brand on Instagram are the most essential for you?

You can choose more than one option.

- Notification of the availability of news clothes & accessories
- Notification of sales
- Opportunity to learn the process of creating clothes
- Opportunity to participate in various competitions held by fashion brands
- Possibility to communicate directly with the employees of the company (questions/answers in comment field, direct messages)
- Other, please specify
- 17. Do you read text under the posted photo?
 - Yes, always read from the beginning until the end
 - Go through, but do not read the full post
 - No, never read
- 18. Please, use the following scale to estimate the criteria that influence your decision either to read the text under the posted photo or not.
 - 4 influence a lot, 3 somewhat influence, 2 do not influence much, 1 do not influence at all

	4	3	2	1
Length of the post				
Subject of the post				
Time of the day				

- 19. Which description of clothes/accessories under the post is essential for you? You can choose more than one option.
 - Detailed product description (material, available sizes)
 - Price
 - Tips for combining with other clothes
 - Bloggers´ or celebrities´ reviews
 - Other, please specify

Appendix 1 5(5)

20. Do you participate in competitions that are arranged by fashion brands on Instagram?

You can choose more than one option.

- Yes, always
- Depends on the brand
- Depends on the trophy
- Depends on rules of competition

- Do not participate
- Other, please specify
- 21. What rules of a competition are attractive to you? You can choose more than one option.
 - Repost
 - Tag friends
 - Thematic photo competition
 - Share your ideas in comments
 - Other, please specify

Russian Translated Questionnaire

Appendix 2 1(5)

- 1. Укажите свой возраст.
 - 15-17
 - 18-24
 - 25-34

- 35-44
- 45+

- 2. Укажите свой пол.
 - Мужской
 - Женский
- 3. Какой у вас род деятельности?
 - Студент
 - Менеджер / Управляющий
 - Технолог / Инженер

- Обслуживание клиентов
- Продажи / Маркетинг
- Безработный
- Другое
- 4. Как часто вы используете Instagram?
 - Несколько раз в день
 - Один раз в день
 - Несколько раз в неделю

- Один раз в неделю
- Реже одного раза в неделю
- 5. В какое время вы обычно проверяете Instagram? Вы можете выбрать несколько ответов.
 - Утром
 - Днем
 - Вечером

- Поздно вечером
- Ночью

Appendix 2 2(5)

6. Пожалуйста, оцените следующие утверждения и выберите номер ответа, который больше всего к вам подходит. Я использую Instagram для... 4 – полностью согласен, 3 – частично согласен, 2 – частично не согласен, 1 – не согласен

	4	3	2	1
Публикации своих фотографий				
Просмотра фотографий собственных подписок				
Общения со знаменитостями (комментарии, личные				
сообщения)				
Общения с друзьями (комментарии, личные				
сообщения)				
Онлайн покупок				
Проверки новостей в различных областях (мода,				
спорт, музыка, политика)				

7. Пожалуйста, отметьте на шкале от 1 до 4 количество аккаунтов из различных категорий, на которые вы подписаны в Instagram 4 – больше всего подписан на такие аккаунты, 3 – меньше подписан на такие аккаунты, 1 – не подписан на такие аккаунты

	4	3	2	1
Друзья				
Блогеры				
Знаменитости (музыканты, актеры, телеведущие и				
т.д.)				
Тематические аккаунты (искусство, спорт, природа				
и т.д.)				
Аккаунты брендов моды				

R	Нравитса пи	вам загружать в	Instagram	фотографии	CROMY MODIFIES	บบุมสรบ _ช 5
ο.	правится ли	Balli Jai DV Kai b B	IIIStauraiii	шотограшии	CRONX MOTHRIX	OUDASUB!

- Да
- Нет

9. Как часто вы загружаете фотографии своих модных образов в Instagram?

Часто

• Редко

• Иногда

• Никогда

Appendix 2 3(5)

- 10. Нравится ли вам просматривать фотографии модных образов других людей?
 - Да
 - Нет
- 11. Отмечаете ли вы марки одежды на фото, которое выкладываете в свой Instagram аккаунт?
 - Да
 - Нет
- 12. Комментируете ли вы фотографию, если на ней представлен понравившийся / не понравившийся вам продукт индустрии моды?
 - Да, всегда
 - Зависит от человека, который загрузил фото
 - Зависит от изображенного продукта
 - Нет, никогда
 - Другое, пожалуйста, уточните
- 13. Делитесь ли вы фотографией понравившейся вам вещи или аксессуара (личные сообщения, репост фотографии и т.д.) со своими подписчиками?
 - Да
 - Нет
- 14. Каким образом вы узнаете о наличии Instagram аккаунта у бренда одежды? Вы можете выбрать несколько ответов.
 - Отметки брендов одежды на фотографиях знаменитостей
 - Отметки на фотографиях блогеров
 - Отметки на фотографиях друзей

- Из "рекламных" постов
- Из поиска по хэштегам
- Из поиска по названию бренда
- Из раздела "рекомендованные" фото

Appendix 2 4(5)

- 15. Интересно ли вам просматривать аккаунты неизвестных для вас марок одежды или вы заходите только на аккаунты известных вам брендов? Вы можете выбрать несколько ответов.
 - Люблю узнавать о новых брендах одежды
 - Просматриваю только известные аккаунты
 - Не интересуюсь брендами одежды
- 16. Какие пункты вас интересуют больше всего в Instagram аккаунтах брендов моды?

Вы можете выбрать несколько ответов.

- Наличие информации о новых поступлениях одежды/аксессуаров
- Возможность узнать о начале распродаж
- Возможность узнать о процессе создания предметов одежды
- Возможность участвовать в акциях
- Возможность напрямую общаться с работниками компании (вопросы/ответы в комментариях, личные сообщения)
- Другое, пожалуйста, уточните
- 17. Читаете ли вы описания под фотографиями в Instagram?
 - Да, читаю с начала до конца
 - Просматриваю, но не читаю полностью
 - Нет, не читаю
- 18. Пожалуйста, используйте шкалу от 1 до 4, чтобы оценить критерии, которые влияют на ваше решение о прочтении описания под фото.
 - 4 сильно влияет, 3 немного влияет, 2 не оказывает большого влияния, 1 не влияет

	4	3	2	1
Длина поста				
Содержание описания				
Время дня				

Appendix 2 5(5)

19. Какое описание одежды/аксессуаров, представленных на фото, вас интересует?

Вы можете выбрать несколько ответов.

- Подробное описание товара (материал, доступные размеры)
- Указание цены
- Советы по комбинированию с другими вещами
- Отзывы блогеров или знаменитых людей
- Другое, пожалуйста, уточните
- 20. Участвуете ли вы в конкурсах/акциях, устраиваемых компаниями из индустрии моды в Instagram?

 Вы можете выбрать несколько ответов.
 - Да, всегда
 - Зависит от компании
 - Зависит от приза в случае победы

- Зависит от условий конкурса
- Нет, не участвую
- Другое, пожалуйста, уточните
- 21. Какие условия конкурсов вас устраивают больше всего? Вы можете выбрать несколько ответов.
 - Сделать репост фотографии
 - Отметить нескольких друзей в комментариях
 - Загрузить личную фотографию, подходящую к теме конкурса
 - Написать свои идеи в комментариях
 - Другое, пожалуйста, уточните