Instagram Marketing for Business Promotion by SMEs
Evidence from the Republic of Karelia

Anna Pavlova

Bachelor's thesis
November 2018
Business Administration
Degree Programme in International Business
### Title of publication
**Instagram Marketing for Business Promotion by SMEs**  
Evidence from the Republic of Karelia

### Degree programme
Degree Programme in International Business

### Supervisor(s)
Saleem, Salman

### Assigned by

### Abstract
The key topic of the present paper was Instagram marketing for business promotion. Nowadays, Instagram sets new trends in the world of marketing and proclaims new values. The platform has become not only a popular social network, but also a powerful tool for business promotion. It provides great opportunities for brands to market their products and services, grow communities and build relationships with customers. Therefore, it piqued the author's interest to examine how Instagram was viewed by micro, small and medium-sized enterprises based in the Republic of Karelia.

The major objective was to explore the way Instagram marketing was implemented by SMEs in Karelia. The author’s intention was to determine for which business purposes they utilized Instagram and what approach to and attitude towards Instagram marketing they had.

The research was both descriptive and exploratory in nature and required qualitative data to address the research questions. Academic literature, articles and online publications were used as a source of secondary data. Semi-structured interviews were chosen as the method to collect the primary data. The author conducted ten interviews with the representatives of SMEs based in Karelia that used Instagram for business promotion.

The study revealed fundamental differences in approaches to and attitude towards Instagram marketing based on the organizations’ size. Small and medium-sized firms managed their Instagram accounts strategically and professionally and, as a result, achieved higher results. In conclusion, the author offered recommendations to the managers and owners of micro enterprises.

### Keywords/tags
- Social media marketing
- Instagram marketing
- Business promotion
- Micro, small and medium-sized enterprises

### Miscellaneous
Confidential information
Contents

1 Introduction ........................................................................................................................................... 4
  1.1 Background ........................................................................................................................................ 4
  1.2 Research Problem & Research Questions .......................................................................................... 4
  1.3 Structure of the Thesis ....................................................................................................................... 5

2 Theory and Knowledge Base .................................................................................................................. 7
  2.1 Marketing ............................................................................................................................................ 7
  2.2 Social Media Marketing ....................................................................................................................... 9
    2.2.1 Social Media and SMM ............................................................................................................... 9
    2.2.2 Advantages and Disadvantages of SMM for Business ............................................................... 10
    2.2.3 Social Media Marketing Strategy .............................................................................................. 11
    2.2.4 Social Media Channels .............................................................................................................. 15
  2.3 Instagram Marketing for Business Promotion ..................................................................................... 15
    2.3.1 Instagram Overview .................................................................................................................. 15
    2.3.2 Purposes of Using Instagram .................................................................................................... 19
    2.3.3 Features, Tools and Opportunities for Business ......................................................................... 22
    2.3.4 Content Plan ................................................................................................................................. 29
    2.3.5 Evaluation of Performance ........................................................................................................ 30
    2.3.6 Challenges ..................................................................................................................................... 31
    2.3.7 Trends and Conclusions .............................................................................................................. 34

3 Research Methodology .......................................................................................................................... 36
  3.1 Research Approach ............................................................................................................................. 36
  3.2 Data Collection Method ..................................................................................................................... 39
  3.3 Data Analysis Method ......................................................................................................................... 46
  3.4 Ethics .................................................................................................................................................. 47

4 Research Findings ................................................................................................................................... 48
  4.1 Purposes of Using Instagram ............................................................................................................. 48
  4.2 Approach to Instagram Marketing and Business Promotion ............................................................. 50
  4.3 Attitude towards Instagram ............................................................................................................... 55
  4.4 Summary of Research Findings ......................................................................................................... 58
5 Conclusion .................................................................................................................. 60

6 Discussion ............................................................................................................... 64
   6.1 Managerial Implications ...................................................................................... 64
   6.2 Limitations and Ideas for Future Research ......................................................... 65
   6.3 Assessment of the Research Quality ................................................................. 66

References .................................................................................................................. 68

Appendices .................................................................................................................. 75
   Appendix 1. Screenshots from Instagram of Participant 1 ........................................ 75
   Appendix 2. Screenshots from Instagram of Participant 2 ........................................ 76
   Appendix 3. Screenshots from Instagram of Participant 3 ........................................ 77
   Appendix 4. Screenshots from Instagram of Participant 4 ........................................ 78
   Appendix 5. Screenshots from Instagram of Participant 5 ........................................ 79
   Appendix 6. Screenshots from Instagram of Participant 6 ........................................ 80
   Appendix 7. Screenshots from Instagram of Participant 7 ........................................ 81
   Appendix 8. Screenshots from Instagram of Participant 8 ........................................ 82
   Appendix 9. Screenshots from Instagram of Participant 9 ........................................ 83
   Appendix 10. Screenshots from Instagram of Participant 10 ..................................... 84
   Appendix 11. Interview guide .................................................................................. 85

Figures

Figure 1. The marketing process (Kotler et al. 2017, 6) ................................................. 7
Figure 2. Increase in monthly active users over the past two years: 2017 vs. 2015 (Chaffey 2018) ............................................................................................................ 16
Figure 3. Number of monthly active Instagram users from January 2013 to June 2018, in millions (Statista 2018) .................................................................................. 17
Figure 4. Number of daily active Instagram users from October 2016 to September 2017, in millions (Statista 2017) ................................................................. 17
Figure 5. Distribution of Instagram users worldwide as of January 2018, by age group (Statista 2018) .................................................................................. 18
Figure 6. Distribution of Instagram users worldwide as of October 2018, by gender (Statista 2018) .................................................................................. 18
Figure 7. Primary social media platform used by social influencers worldwide for brands collaborations (eMarketer 2018)

Tables

Table 1. The overview of the participants

Table 2. Research findings
1 Introduction

1.1 Background

The phenomenon of digitalization has changed our world dramatically. The era of the Internet, digital media and technologies has shifted the way people think, communicate, access information and as well as the way people choose products and services and make purchases. At the same time, companies started applying new business models and online communication approaches to market their offers, reach customers, identify their needs and preferences and offer quality customer service. (Chaffey & Ellis-Chadwick 2012, 5-6.)

The digital revolution has affected marketing significantly. Nowadays, traditional media channels are replaced by digital ones that offer more effective methods to reach consumers. One of them is social media marketing – a revolutionary phenomenon that implies a collaborative process in which both customers and brands actively participate and maintain dialogue. By means of social media, companies can communicate with their clients on a more personal level, form relationships, build trust and loyalty, focus on emotional connection. Social media is bridging the gap between customers and businesses and has a lot of benefits for both sides. (ibid.)

Nowadays, Instagram is one of the leading social networks with impressive growth rates. Therefore, it has become very attractive for commercial purposes and today can be rightfully considered as a powerful tool for business promotion. The author got interested in this topic and decided to study it more in detail.

1.2 Research Problem & Research Questions

The present paper is primarily focused on Instagram marketing for business promotion. The author’s motivation to study this subject was a well-known fact that Instagram has become an incredibly popular application and, subsequently, an attractive platform for companies of different sizes. Moreover, Instagram offers great opportunities to promote businesses, market products and services, grow communities and build relationships with customers. It is a place where people
really enjoy following brands and maintaining conversations with them. Therefore, it piqued the author’s interest to figure out how Instagram is viewed and leveraged by micro, small and medium-sized enterprises or SMEs based in the Republic of Karelia – the region where the author is from.

The principal intention of this study was to figure out in which way Karelian organizations utilize the platform and what their attitude towards Instagram marketing in general is. In order to fully examine the research problem, the author decided to conduct interviews with representatives of Karelian enterprises who use Instagram marketing for business promotion. The sample was very diverse and included organizations of different sizes and types of business. The author assumed that some differences in attitudes and opinions could be revealed based on these factors. The following research questions were designed:

1) Which purposes do the SMEs based in the Republic of Karelia that participated in the study utilize Instagram for?
2) What approach to Instagram marketing and business promotion on Instagram do the participants have?
3) How is Instagram generally viewed by the Karelian organizations that participated in the research?

The questions were developed with hopes that the answers to them could bring some valuable insights into the use and benefits of Instagram marketing for organizations. Given the fact, that there was no previous research conducted on the same topic from the same perspective, at least not publicly accessible, it made it even a more interesting, relevant and contemporary subject to study.

1.3 Structure of the Thesis

The following thesis consists of six chapters. The first one introduces the readers to the background of this study and outlines such general issues as the key topic, the research problem along with the research questions, followed by the structure of this research. The second chapter covers theoretical aspects related to the topics of Social Media Marketing and Instagram Marketing and forms a solid theoretical framework for the practical implementation of the project. The third chapter describes the research process and explains the research approach, the research methods that were used, how the data was gathered and then analyzed.
The research findings based on the interviews are presented in the fourth chapter. The fifth chapter contains the conclusions and outcomes of the research. Eventually, the managerial implications, limitations of the study and ideas for future research can be found in the last chapter.
2 Theory and Knowledge Base

At the beginning of this chapter, the concepts of marketing and digital marketing are briefly presented. Hereinafter, the phenomenon of social media marketing is covered more in detail. The author discusses its benefits over traditional marketing methods, challenges connected to its implementation, followed by the concept of social media marketing strategy and popular social media channels that exist today.

The main part of this chapter is dedicated to Instagram marketing for business promotion. The researcher examines the purposes of using Instagram and how its tools and features can be leveraged to achieve various business objectives. Furthermore, the readers are familiarized with the role of content plan and evaluation of the performance. In conclusion, challenges connected to using Instagram and future trends are discussed.

2.1 Marketing

To start with the very basics, Kotler, Armstrong, Harris, and Piercy (2017) explain marketing as “engaging customers and managing profitable customer relationships” and as “the process by which companies create value for customers and build strong customer relationships in order to capture value from customers in return”. Marketing’s mission is to attract new customers and keep the old ones by satisfying their needs and wants and providing superior value. (4-5.)

The figure below illustrates the five steps of the marketing process and how it works:

Figure 1. The marketing process (Kotler et al. 2017, 6)
The first four stages are aimed at creating value for customers and establishing relationships with them, while the last phase is when the efforts pay off and companies, vice-versa, capture value from consumers in return. This framework is applicable to both traditional and digital marketing. (ibid., 5.)

A marketing strategy defines company’s target customers and a plan for delivering value proposition to them. In order to transform the plan into action, companies utilize a set of marketing tools called “marketing mix”. The marketing mix includes four key elements also known as the 4Ps: Product, Price, Place and Promotion. First of all, firms develop an offer – a product or service that satisfies consumers’ needs and adds value to them. Then, the offering’s cost needs to be determined as well as the way of making a product available to customers – place, that might be both a physical location and a web page. Finally, companies should think about promotion – the element on which this paper is primarily focused.

Promotion involves advertising, distributing relevant information regarding the offering, engaging customers and communicating with them. (ibid. 13.)

Marketing can be implemented through different channels. Previously, the only way that brands were using to reach their target audience was traditional media such as TV, radio, direct mails, billboards and flyers, newspapers and magazines. However, digital revolution provoked the emergence of new approaches. Now, digital channels provide companies with the opportunity to maintain direct, personal and interactive communication with their clients. (Chaffey & Ellis-Chadwick 2012, 5-6.)

Chaffey and Ellis-Chadwick (2012) define digital marketing as: “Achieving marketing objectives through applying digital technologies”. Practically, it means that companies should build a solid online presence for their business through various activities such as creating a website, maintaining social media profiles, focusing on online advertising, search engine optimization, e-mail marketing, etc. (10.)

Digital media channels can be divided into six categories: search engine marketing, online public relations, online partnerships, display advertising, opt-in email marketing and social media marketing (ibid., 29). The last-mentioned e-communications tool is the one this research aims to study in further detail.
2.2 Social Media Marketing

2.2.1 Social Media and SMM

According to Weinberg (2009), social media is a rising phenomenon in today’s world and implies sharing of information, opinions, experiences on community-oriented websites such as various social networks, photo- and video-sharing platforms, forums, blogs, user-generated sites, etc. (1). In a marketing context, social media implies a dialogue between customers and brands and a collaborative process in which both sides actively participate. It makes it fundamentally different to traditional media which is usually a one-way conversation. (Evans 2012, 33.) Social media provides with great opportunities for business promotion, it allows to bridge the gap between individuals and companies and form trustful relationships. In fact, people tend to listen to opinions of those whom they know, trust and feel connected to. Now brands can become a part of customers’ real-life social network through communicating on a personal level, establishing communities and building emotional connections. Therefore, companies focus on transparency, authenticity and uniqueness of their brands. Storytelling has become the key and most powerful form of communication, since it is a human-centered approach, the way brands can explain their authenticity, share their story, values and goals. (Mahoney & Tang 2017, 52-54.)

Nowadays, consumers are in control of the situation like never before, as they are better informed, have access to numerous web resources, talk to each other and share experiences. With the advent of social media, it also became easier for companies to learn about their customers’ needs and opinions, since people are constantly discussing it online, marketers just need to listen. (Dodson 2016, 4.) Instead of trying to command and control social media it is better for marketers to join conversations and learn how to influence customers’ decisions by listening to them, making necessary improvements and providing people with something they would discuss in a positive way (Evans 2012, 36).

As far as the definition of social media marketing also known as SMM is concerned, Ian Dodson (2016) describes it as “a form of Internet marketing utilizing social networking sites as marketing tools, thereby gaining traffic, brand exposure, and interaction with customers through social media” (153). Basically, it
means to implement marketing by means of using online social media channels in order to promote a product, service or website, increase brand awareness, build relationships, win new customers and retain the old ones (Weinberg 2009).

2.2.2 Advantages and Disadvantages of SMM for Business

Social media marketing has certain benefits, comparing to traditional marketing. First of all, it is targeting, online advertising campaign can be set up very precisely, so the right audience will see it, while, for example, TV commercials are often broadcasted to people for whom it might be absolutely irrelevant. Secondly, as for measurability, with SMM it is easier to track certain metrics like reach and engagement rate, get accurate numbers and figure out who actually interacts with ad content. On the contrary, it is impossible to say exactly how successful a traditional campaign is, how many people see advertisements on TV, in newspapers and on billboards and to understand who they are. It makes it more reasonable to invest in social media ads. Furthermore, SMM is cost-effective, social media ads are cheap and affordable in comparison with traditional channels. (Maisto 2016.) Agility might be considered as another benefit of using social media, since Internet allows to spread a message instantly. Also, social media campaigns can be quickly adapted to recent trends and developments, whilst classic campaigns are not that responsive to changes, as they are scheduled and pre-produced (Mayo n.d.) Additionally, as it was already mentioned in the previous section, social media is a two-way conversation, where customers and followers actively participate providing their feedback, opinions, suggestions, so companies can improve their performance and increase customer satisfaction. The opportunity to have an open dialogue can result in strong and trustful relationships between consumers and brands, which is just impossible to build through traditional media. (Weinberg 2009, 7.)

From the other hand, SMM also has some challenges and disadvantages. Mangles (2017) refers to the research conducted by Smart Insights together with Clutch, in which 344 social media managers participated. They were asked about the problems businesses face while using social media. The most common answers were – the lack of human/financial resources – 26%, the lack of strategy – 24% and building followers and influencers – 24%. Other mentioned points were
tracking the results, being aware of changing features and choosing a channel. (ibid.)

The lack of a proper strategy and content plan may affect the results of a campaign. Crafting an SMM strategy requires much time, effort and sufficient knowledge in the field (Rohm & Weiss 2014, 52-53). Social media implies being available 24/7, prompt responses and daily monitoring that might be challenging. What is more, brands can face such problems as negative feedbacks that are being spread quickly over the Internet, inappropriate behavior of followers, offensive comments, bullying, information leakage and hacker attacks. (Pros and cons of using social media for business 2018.) One more point associated with possible difficulties of leveraging social media is that various social networks require different methods and approach, since their concepts and audiences are different, so brand messages must be tailored accordingly (Hausman 2012). It should be also mentioned that a common problem connected to using social networks for marketing is measurement of return on investment or ROI. SMM does not have a fixed cost and it also takes much time to see the results. (Weinberg 2009, 7-8.)

There is no doubt that social media marketing is currently evolving and has a number of advantages over classic media channels, it is highly effective in the era of digitalization. However, SMM is not completely replacing traditional marketing strategies. It depends largely on business goals and objectives, type of business, overall concept, etc. Being fundamentally different in nature, these two approaches offer different sets of tools and can complement each other to achieve better results. (Evans 2012, 33.)

2.2.3 Social Media Marketing Strategy

According to Smart Insights research (2018), in 2018, 34% of companies have a digital marketing strategy integrated into their existing marketing strategies, 17% have it defined in a separate document and the remaining 49% are implementing digital marketing without any strategic plan at all (Digital marketing strategy: How to structure a plan?). It could be assumed, that the situation with social media marketing strategy is similar, since it is a part of a digital marketing campaign.
Social media strategy is a strategic plan that summarizes what a company plans to do on social media and what it strives to achieve. Having a consistent and well-planned strategy is very helpful, since it allows to work more efficiently, understand the big picture, allocate resources thoughtfully, schedule content of better quality to be published, reduce stress level and, eventually, to achieve better results. SMM strategy is a part of an integrated marketing campaign and should be aligned with business objectives. It can be developed, for example, with the help of Design Framework Action Plan introduced by Effing (2013). The framework includes the following stages: Goals, Target Audience, Social Media Choice, Resources, Policies, Activity Plan and Monitoring. (Mahoney & Tang 2017, 183.)

**Goals**

Weinberg (2009) emphasizes, that before the launch of a social media initiative it is crucial to identify and set S.M.A.R.T. goals, it means that they need to be specific, measurable, attainable, realistic and timely (32-33). Some of widespread objectives that can be achieved through SMM are represented below.

1) **Increased traffic.** It is, obviously, important for companies to get more visits to their sites, since it can bring such results as increase in price for ads and aid to monetize the content. It can also help with implementation of other goals mentioned below. However, an SMM message that is supposed to drive traffic should be relevant and correspond with website’s content, otherwise, it can lead to high bounce rate – percentage of people who visit just the linked-to web page and do not view other pages thus leaving the site.

2) **Increased brand awareness.** There is a connection between brand’s engagement rates and brand’s reputation. In order to boost brand awareness and engagement organizations can use multiple social networks or collaborate with brand ambassadors/evangelists/advocates who have certain authority and speak positively about the brand in public.

3) **Improved search engine rankings.** Online businesses strive to get higher placement in the search engine results page or SERP and they implement search engine optimization or SEO strategies for this purpose. Building links is one of them, for companies it means that other sites have backlinks to their sites. Search engines identifies websites with more backlinks as valuable and quality resources and make them more visible placing higher in the SERP. Consequently, it has a positive impact on company's reputation.
4) Reputation management. Companies use social media to establish a good reputation and promote their brands, as well as to avert public conflicts and find resolutions to negative customer experiences. Additionally, online presence on multiple social media sites helps to improve search engine results, make company’s content more findable, spread awareness and build trust.

5) Increased sales of a product or service. Nowadays, when individuals consider making a purchase, they read reviews, watch video tours, get acquainted with peers’ opinions on blogs and forums. It can result in increased sales, as well as points already mentioned above.

6) Established thought leadership. Sharing educational content, ideas and tools can help to become a subject-matter expert and thought leader, which will have a positive impact on company’s name and business relationships. (ibid., 25-28.)

Target Audience

Another step is the conducting of accurate audience analysis to create a customer profile. Such demographics as age, gender, ethnicity, location, education and income should be considered. Furthermore, a personality type and cognitive factors need to be taken into account such as target consumer’s attitudes, habits, wants, passions. (Mahoney & Tang 2017, 87-88.) Different audiences should be treated differently and not considered as a large mass (ibid., 207).

Social Media Choice

People use various social media depending on their preferences and purposes. It is important for marketers to know what social media their target customers access and craft messages according to their motivations, needs, interests and moods, otherwise, a campaign can result in negative outcomes and decrease in sales. (ibid., 95.) Moreover, social media networks can be different in nature, have different culture and, therefore, require different approach. Also, it is necessary to decide how a product/service can be better promoted: through textual, visual or video content, as various social media focus on different types of content. (ibid., 184-185.)

Resources

Resources include finances, qualified and trained personnel, quality control. SMM is cost-efficient, however, companies also need to ensure that they have sufficient resources to deliver their product in case of a successful campaign. (185-186.)
Policies
Policies involve special rules and guidelines for the use of social media by a company. For instance, some standards for messages on social media channels or policies regarding dealing with customer complaints on social media. Mahoney & Tang (2017) emphasize that policies are an element of company's transparency and should be easily accessible by both customers and employees. (ibid. 186.)

Activity Plan
Basically, it means planning of company's actions on social media within certain time frames. For this purpose, practitioners leverage social media calendars to organize their work, schedule posts by days, plan messages and content. Additionally, social media software and, particularly, social media dashboard helps to manage various channels using just one interface. Activity plans contain more long-term strategic goals as well, not just day-to-day actions. (ibid., 186-187.)

Monitoring
Social media marketing strategy implies monitoring of each of its stages, identifying consumer behavior, measuring the efforts and evaluating of the results achieved. Since this is a dynamic and rapidly-changing process, it requires much attention and consistent improvements. Being flexible and innovative is essential, as social media world does not stand still. (ibid. 186.)

To conclude, before a social media endeavor, it is important to understand whether a company can actually satisfy needs of their target audience by means of social media. If so, a strategy should be developed relying, for example, on Design Framework Action Plan that was described above. Implementation of SMM strategy requires substantial time commitment, thorough analysis of target audience and possible social channels, financial and human resources, educated employees with the necessary skill-set, measurement of the effectiveness, adjustments and improvements throughout the process. Having a proper SMM strategy that is integrated into company's marketing campaign and corresponds to its business objectives is essential in order to succeed.
2.2.4 Social Media Channels

Implementation of social media marketing requires choosing the appropriate channel mix. Social media channels are often categorized by function and purpose, for example, Facebook and LinkedIn are social networks, WordPress and Blogger were made up for blogging, Twitter and Tumblr - for microblogging, Instagram and Pinterest are photo sharing applications, while YouTube and Vimeo – video sharing sites (Social Media Before, During, & After Emergencies n.d.).

Foreman (2017) claims that there is no sense anymore to classify social media channels according to their functionality and feature sets, since platforms are constantly developing and being improved with new richer features, so borders between them get more blurred. Instead, he suggests focusing on desires people try to fulfill through social media. Different channels serve different customers’ needs and can be beneficial for business promotion in different ways. Such social media sites as Facebook, Twitter, LinkedIn, Pinterest, Google+, YouTube, Snapchat and Instagram can rightfully be considered as the leading ones today. (ibid.) The last-mentioned platform and its role for business promotion will be examined in further detail in this paper.

2.3 Instagram Marketing for Business Promotion

2.3.1 Instagram Overview

What is Instagram and what makes it such a popular and one of the fastest growing platforms in the world? The company was founded by Kevin Systrom and Mike Krieger in the US back in 2010. They made a huge contribution to Instagram’s development, but in September 2018 both of them decided to resign from the company to work on some other projects. (Systrom 2018.) In the very beginning, Instagram was a free media sharing website where people were following each other and posting mobile photos. The application was launched in October 2010 for iOS and then in April 2012 for Android, by that moment it had already had 30 million of users. The same month Facebook acquired Instagram for around $1 billion in stock and cash. (Rusli 2012.) It was a lot for a start-up that was not even making money, however, it turned out to be one of the best deals
ever. Facebook’s actions can be explained by the desire to dominate on the market and neutralize a successfully growing and more visually appealing competitor. (Luckerson 2016.)

Dave Chaffey (2018) refers to this figure in his global study of the current state of social media:

![Figure 2. Increase in monthly active users over the past two years: 2017 vs. 2015 (Chaffey 2018)](image)

It illustrates the growth of social networks in the period from 2015 to 2017 and proves that Instagram is one of the most fast-growing platforms (ibid.). Initially, the graph was prepared by Statista, the leading statistics database.

Now, there are more than 1 billion of registered accounts on the platform and more than 500 million of daily active users (Our Story n.d.). These two figures clearly demonstrate incredible rates of growth of the platform:
The author also suggests taking a look at such demographics as age and gender of users to better understand what audience is using Instagram:
Figure 5. Distribution of Instagram users worldwide as of January 2018, by age group (Statista 2018)

Figure 6. Distribution of Instagram users worldwide as of October 2018, by gender (Statista 2018)
It becomes clear from the statistics presented above that the main age category using Instagram is 18-34 years old people which makes up 61% of total amount of users and that the platform is almost equally used by both males and females.

Instagram is highly competitive and has a massive user base, such characteristics as its functionality, simplicity, novelty and visual nature make it one of the most popular and attractive social media platforms (DeMers 2017). As it is stated on Instagram’s official website, “Instagram has become the home for visual storytelling for everyone from celebrities, newsrooms and brands, to teens, musicians and anyone with a creative passion” (About Us n.d.). People started following not only their friends and celebrities there, but their favorite brands as well.

As soon as Instagram became a successful social network, it also became very attractive for commercial purposes and business promotion. Brands started creating accounts on the platform as well, seeing a variety of opportunities for their business there. Since May 2016, the interest in the application has increased, due to the launch of a special business profile. Switching accounts from personal to business ones provides brands with more features such as target advertising, a native analytics tool available right in the account and action buttons, all of these will be examined more in detail later on. (Perez 2016.) As a result, in November 2017, it was announced that the amount of businesses operating through the application reached 25 million, while in July the community had 15 million businesses. According to Instagram data, 80% of users follow at least one business on the platform and 200 million people visit business profiles every day. (Celebrating a Community of 25 Million Businesses 2017.) Thus, various reasons for and purposes of using Instagram as a marketing channel will be discussed below.

2.3.2 Purposes of Using Instagram

Instagram is modern, easy to use, visually appealing and multifunctional, it is a source of inspiration, information and entertainment. That is why the platform became so popular among both average users and brands. Instagram’s co-founder Kevin Systrom has always been paying attention to simplicity of their application (About Us n.d.). Instagram is easy and convenient to use, free of charge and, basically, anyone can create a business-oriented page there and start promoting a brand, product or service creating eye-catching content (Marko 2016).
A shift to visual marketing has happened in the social media world, since people tend to remember better what they see than what they hear or read. Users often get tired of reading and prefer viewing photos and watching videos instead. Instagram’s success can be explained by its visual appeal and photo-centric nature. It is effective and impressive to deliver a brand message through pictures and videos and attract customers by providing high quality creative visual content. Marketers can get inspired by other accounts, check how their competitors leverage the platform and gain valuable information on Instagram. Furthermore, the application is constantly improving and evolving rolling out new features on a regular basis. This point may be also considered as a challenge for users, but, on the other hand, it makes Instagram highly functional and interesting to explore. (Top 10 Benefits of Instagram for Business 2018.)

Some of the common companies have when they launch an SMM campaign have already been discussed, however, now the author suggests considering them in the context of Instagram. There is a variety of purposes companies leverage Instagram for depending on organization’s size, business field, concept, strategy, etc. Below the author presented some of them with explanations.

1. To increase brand awareness. Companies use Instagram to tell about their brand and make it recognizable, to show their services and product range. According to Facebook, 60% of Instagram users discover new products in the app (Newberry 2018).

2. To build reputation and authority. Instagram account often represents brand’s image and reflects brand’s personality, thus, smart approach to profile management and attentive attitude towards clients can bring significant results for the entire business. (ibid.) Additionally, posting of educational and informative content on Instagram can result in established thought leadership.

3. To humanize a brand. Communication on a personal level is highly appreciated on social media, Instagram helps to bridge the gap between customers and brands. Nowadays, people enjoy seeing the human side of a business, what stands behind perfect pictures, what values a company has. Instagram is a great way to showcase how real customers utilize a product/service or to introduce company’s team to followers. (ibid.)

4. To form relationships. Meaningful genuine connections and trustful relationships is something companies focus on to build loyal customer base and grow a community. Instagram is an effective tool for that. (ibid.)
5. To provide customer service, customer support and after-sales services. Despite the fact, that it might be challenging for organizations to always respond quickly and provide prompt and personalized assistance on social media, doing so will definitely strengthen relationships with customers (Smith 2017).

6. To get feedback. Instagram provides companies with opportunities to receive feedback instantly, monitor conversations and always be aware of what followers say about a brand; to test new ideas among their customers, ask for their opinion, advice or contribution to product development. In other words, it is called crowdsourcing. As a result, brands work on improvements increasing customer satisfaction. (ibid.)

7. To boost engagement rates. Instagram is considered to be one of the best social media platforms to reach and engage customers that is, obviously, crucial for online business (Top 10 Benefits of Instagram for Business 2018).

8. To do competitor analysis. Brands can simply discover how their competitors work through the application and enhance their own competitive advantage. Instagram can be used as a source of inspiration, but it is important not to copy someone else’s idea. (Newberry 2018.)

9. To use target advertising. Cost-efficient marketing can be implemented through Instagram, moreover, the app has the same advanced social media advertising platform as Facebook and offers great targeting capabilities and segmentation tools. This kind of advertisement is considered to be more effective and inexpensive compared to other advertising channels. (ibid.)

10. To drive traffic to company’s website. Adding clickable links to Instagram bio at the top of a profile is a great way to draw customers’ attention and get more visits to a site. According to Statista, 52% of all web traffic is from mobile phones and Instagram was designed specifically for mobile devices. Considering the fact, that so many people are using Instagram daily, Instagram should be leveraged to increase inbound traffic and, consequently, improve website conversions and generate leads that is the major goal. (Sharma 2018.)

11. To announce company and industry news, offer promotions. Instagram is an effective way to make announcements about sales, discounts, changes within a company and other informative content (Daley n.d.).

12. To boost sales. To conclude, the fact is that Instagram today can serve as a revenue stream and generally influence sales in a positive way (Newberry 2018).
Eventually, companies utilized Instagram to establish a brand and make it recognizable, build connections with customers, develop loyalty and trust, increase customer satisfaction and drive sales.

2.3.3 Features, Tools and Opportunities for Business

Instagram offers a wide range of opportunities for businesses to help them achieve their marketing objectives. Below, its key features and their role for business will be presented and the platform’s potential will be examined.

Instagram allows its users to create a private or public account, upload photos and videos, alter them and edit with filters, add captions, hashtags and geolocations, save others’ posts to bookmarks and organize them into collections. Users can follow each other and thereby compose their own news feeds. (Rouse 2017.) Initially, the feed’s content was arranged chronologically, but then a new feed ranking algorithm was introduced in March 2016 aimed at showing publications people would find relevant and care about the most. “Best posts first” order was not well received by everyone and appeared to be polarizing. (Constatine 2018.)

Furthermore, Instagram differentiates personal and business accounts. Business-oriented pages have access to a wider range of special features. Page on Facebook is a must for these purposes because applications work in conjunction. (Pinkham n.d.)

**Hashtags and Geotags**

Jones (2017) claims that hash-tagging system is a crucial element of social media communication. It is highly recommended to brands to have their own hashtags and use them strategically. Thus, a hashtag becomes recognizable, associated with the business and unites like-minded people. Others start using it as well, thereby increasing brand awareness. (ibid.) One of the Instagram’s updates in 2018 was an opportunity to start following hashtags. Companies’ organic reach will be expanded if their followers have hashtags directly in news feeds. (Jones 2018, 1.) Moreover, hashtags significantly increase visibility of brand’s posts and make them available for search. It is easier to discover new content using them and organize publications into categories. (Marko 2016.) Geotags are used for similar purposes and also are beneficial for businesses. The map and geolocations available on Instagram help users to look for services at certain places and
find information about new restaurants or stores. With the help of this feature a business can become associated with a certain area. (Boggs n.d.)

**Direct**
This feature was introduced in 2013, it lets people send private messages and, subsequently, videos and pictures, share profiles and posts. Direct made Instagram competitive as a messenger and, moreover, it gave brands an opportunity to communicate on a deeper, more personal and individual level with their customers, which lies at the core of social media marketing. Using of Direct can aid to develop loyalty, provide on-on-one customer service, increase customer satisfaction, strengthen relationships and generate revenue. (Sambol 2018.)

**Stories**
They were a very significant innovation released in 2016. Stories imply sharing of photos and videos in a slide-show format that disappear after 24 hours. They can be also supplemented with hashtags and geolocations making them easier to be discovered and, also, polls stickers to ask questions to followers. It is noteworthy to mention that Stories was not Instagram’s original idea. This kind of format was firstly introduced by Snapchat – another US social network. Snapchat’s co-founder and CEO Evan Spiegel rejected Facebook’s offer to purchase his company for $3 billion. (Fiegerman 2014.) Consequently, Instagram released an identical but improved feature. According to Instagram statistics, more that 400 million of people are using Stories daily (Inspire action n.d.). Furthermore, one third of the most viewed Stories belong to business accounts (Stand out with Instagram n.d.).

This format of content got huge success among Instagram users and, therefore, brought a variety of opportunities for business promotion. Firstly, according to a content marketing manager Kristen McCormick (2017), Instagram Stories were a great invention due to its authentic nature. This feature provides more flexibility and freedom for experiments and allows to post not only well-thought and well-planned content, but also some candid details that customers can be curious about. Stories humanize a business, customers can feel connected to it and see the truth without embellishments.
Secondly, Instagram Stories help to boost engagement, since they are far more visible in the app than regular posts, so it is possible to draw the attention of audience by frequent posting and real time marketing. Moreover, a lifehack for businesses to increase their engagement rates is to duplicate content and cross-promote regular posts in Stories, there is even a new button enabling to share feed posts to Stories in the app. (Chacon 2018.)

Thirdly, in case a business account has more than ten thousand subscribers, it is even possible to add clickable links to other sites right to Stories to gain more traffic. This opportunity became extremely useful for outlets and retailers. (McCormick 2017.)

Finally, in 2017, Instagram was improved with Live Stories – live streaming up to one hour in length, and, also, with “Highlights” and “Archive” Stories features allowing to fix and archive content in a profile – create permanent collections of Stories. (Our Story n.d.) Those are great instruments for brands. Live Stories are videos that can last for up to one hour and be replayed after the broadcast during the next day. “Archive” saves all the Stories that has ever been published by default, while “Highlights” allows to fix them in a profile and place into different categories, for instance, new product launches, updates, events, prices, tutorials, content generated by customers, frequently asked questions, etc. It makes it easier for other users to navigate through organized content at a convenient time. Moreover, marketers can pick cover images for highlighted albums which will catch people’s attention and maintain brand’s image. Strong and attractive covers that match brand’s style and reflect the overall concept can positively influence the perception of a company. There are many creative ways of using Stories strategically, and brands should consider including this Instagram feature in their marketing plans. (Herman 2018a.)

**Video and IG TV**

Visual storytelling is an effective marketing tool. What is more, according to numerous predictions of the future by experts of social media marketing, video is one of the major trends and it will only continue to grow. (Carbone 2018.) For now, Instagram allows to publish 60-second videos, which is already a great opportunity for brands to tell their story. The video length will be extended up to 10
minutes in the nearest future. (Our Story n.d.) Additionally, the author already mentioned the opportunities to publish videos in Stories and live streaming. On top of that, in 2018, the company introduced Instagram TV or IG TV as an alternative to traditional television. It is available as a built-in feature in the main application and as a separate app. IG TV has channels created by people, it means that one person represents one channel. (ibid.) The launch of IG TV makes Instagram highly competitive and YouTube’s direct rival. On the contrary to YouTube, IG TV is not an ad-supported service and that will, surely, attract audience. However, it is expected to become so in the future. At the moment, brands can use it, for example, to publish informative, educational, entertaining and other content to arouse customers’ interest and build loyalty. (Ingram 2018.)

**Advertising**

Along with the growing amount of Instagram users grows the number of advertisers operating on the platform. In September in 2017, it was announced that there were twice as many people placing their advertisements on Instagram as in March – one million of advertisers in half a year and two million in total had joined the app. (Instagram Business Team 2017b).

Instagram has the same advanced social media advertising platform as Facebook and offers great targeting capabilities and segmentation tools. Businesses can choose among several types of ads: an Stories ad or as a publication of photo, video, or carousel – a multi-image feature allowing to post up to 10 photos and/or videos in the same publication in a slideshow format. An Stories ad will be a full screen ad compared to the rest. In contrast to organic posts, it is possible to add links to ads. When setting up an Instagram advertising campaign brands can choose an objective out of the following: brand awareness (to increase awareness), reach (to increase reach), traffic (to gain more traffic to a website), app installs (to get more downloads of an application), engagement (to boost engagement), video views (to promote a video), lead generation (to collect information about potential leads) and conversions (to drive sales). Afterwards, it is necessary to define the target audience, budget and schedule. Finally, brands have access to analytics regarding ads’ performance. Analysis of this data gives a better understanding on effectiveness of promotion and marketing campaigns. (Campbell 2018.) It is believed that in 2018 it is still real, but quite difficult to get
significant organic reach without paid promotion due to already mentioned change of the newsfeed algorithm (Loren 2018).

**Call-to-Action Buttons**

Instagram offers several buttons to business accounts enabling to take different actions, their names speak for themselves: Call, Text, Directions and Email. There are also Book, Buy Tickets, Start Order and Reserve, but they are functioning only with third-party applications, so the author suggests considering only the first key buttons mentioned. They make it more convenient for people to make a call to a company, send a text message or an email and check the way to reach company’s physical location. The feature improves communication and interaction between customers and brands. (Herman 2018b.)

**Insights**

Another bonus of using Instagram business account is that it provides a native analytics tool called “Insights”: different metrics, graphs and statistics showing account’s performance are available right on the platform. The statistics are divided into three sections: Activity, Content and Audience. “Activity” allows to track interactions and discoverability of a profile throughout the ongoing week and shows the comparison with the previous one. Interactions include the number of profile visits, website clicks, and the amount of times “Email” and “Call” buttons were tapped, whilst discoverability showcases such metrics as reach - the amount of unique accounts that have seen any publications, and impressions - the overall amount of times all of publications have been seen. (Rashid 2018.)

A section called “Content” involves a lot of insights about the content: regular posts, Stories and promotional posts. Marketers can track actions that were undertaken because of their content, for instance, how much engagement posts get, which publication was the most popular and which performed the worst, how many times a piece of content was saved to bookmarks, how many users started following or visited the profile after they had seen this content, etc. Furthermore, owners of business-oriented pages have access to in-depth analytics of each post that can be tracked separately. Also, it is possible to monitor the interactions provoked by Stories and the results of paid promotional campaigns – engagement, reach, impressions, audience demographics, etc. (ibid.)
The last “Audience” section shows top cities and countries where the audience is located, their age range and gender, by percentage. Additionally, there is data about times of the day when followers are most active on Instagram. All in all, each section provides much valuable information regarding people’s reactions to content, their behavior, helps better understand the audience and improve the performance, better plan and schedule publications. (ibid.)

Clickable links
Brands can add links to Instagram bio at the top of profile, as well as in paid promotional posts. It is also possible add links to Stories what is very convenient and effective, but only for verified accounts and accounts with a solid audience of more than 10 thousand followers. However, this barrier can be overcome though third-party applications. There has always been a problem on Instagram that it is impossible to put clickable links in regular publications, and brands always need to mention that their link is in bio or to pay for promotions. Nevertheless, leveraging the platform can still result in increased traffic, conversions and sales. (Decker 2018.)

Influencers
Businesses can promote their brands by collaborating with influencers which is easy to do on Instagram. Influencer marketing proves to be one of the best ways to reach customers. Influencers are people who have certain authority and trustful relationships with their audience, so they can encourage others to buy products or services they use. As a result, well-thought-out collaborations can bring significant benefits to a business, help raise awareness and grow a community. Basically, a brand needs to choose the right influencer with ideal audience for its type of business and then approach this person with an idea. (Linda 2017.) Influencers’ services may cost a lot, since today it could be the only source of income they have. In exchange for money or free products/services they promote and advertise brand’s offer on their personal accounts in a creative way. Influencers may also become brand ambassadors that implies a closer relationship with a brand and considered to be a powerful tool for social media marketing campaign. (Carbone 2018.)
A market research company “eMarketer” (2018) presented the following study on their website: during the period from November 2017 to January 2018 an influencer software and marketing company “Zine”, based in London, conducted a research among one thousand influencers from all over the world. In accordance with the results, the absolute majority of them prefers Instagram for collaborations with brands. The figure below illustrates that:

Figure 7. Primary social media platform used by social influencers worldwide for brands collaborations (eMarketer 2018)

This recent online survey confirms that Instagram is the best choice of platform for implementation of influencer marketing strategy.

Shopping Experience

In 2017, Instagram launched a shopping feature available to brands in the US. It implies an opportunity to tag five products with prices per post by tapping on which a user can find out more details about the product and even get directly to the brand’s website and make a purchase. The aim was to continue maintaining relationships between people and brands and to provide opportunities to browse, evaluate, discover and buy products on Instagram easily. (Instagram Business Team 2017a.) One year later the company announced that shoppable tags will work in eight more countries: Canada, Brazil, the United Kingdom, Germany, France, Italy, Spain and Australia, it is not available in Russia yet. As it was already mentioned above, it is impossible to add links to regular posts, but now a small icon of a bag can be placed on publications with embedded links to online
stores. The requirements for selling products by means of Instagram are to have a business account and a product catalogue through Facebook and to provide only with physical goods. (Pinkstone 2018.) To sum up, a shopping feature is revolutionary, as it allows Instagram to function as a huge online store offering incredible variety of products and services.

2.3.4 Content Plan

A product is represented by content on social media, so it is crucial to concentrate on its attractiveness and quality. Profile owners need to post relevant and interesting content that would promote their brands and at the same time engage the audience and help to build relationships. On Instagram the focus is on images and videos complemented by text. (Johnston 2017.)

Speaking about the visual component, eye-catching creative content that is posted regularly lies at the core of brand presence on Instagram. Social media managers pay attention to composition, photo filters, color palette and fonts. Brands often adhere to a certain style of photos and videos to maintain consistent image, as it reflects brand’s personality and helps a business to become associated with a certain feeling. As a result, it has an impact on the overall perception of a company. (Williams 2017.)

Another crucial aspect to pay attention to is an effective content mix. The common formulas for creating an appropriate content mix on social media are 30/60/10 Golden Ratio and 5-3-2 rule. The first one suggests publishing 30% of owned content, 60% of curated and 10% of promotional. Owned or branded content is original and unique, it is developed by the company and tells about the brand. Curated content is created by others and acquaints followers with interesting facts about the industry and actual trends, it can also involve collaborations with influencers and other brands. The purpose of sharing third-party content is to educate and provide the target audience with valuable and relevant knowledge, therefore, to engage people and provoke discussions. Moreover, posting this type of content shows that company understands its business area and helps to establish thought leadership. The last 10% dedicated to promotional content imply call-to-actions, marketing messages, selling and promoting of products and services. The idea is that social media is about being social, building
trust and connections rather than advertising and making people buy something. (Duran 2016.)

As for 5-3-2 rule, it means than among ten posts five represent content created by others, the other three - by a brand, but not connected to selling and the last two pieces should be personal, entertaining, not related to work. All in all, it also serves as the way to humanize a brand and not to be too self-promotional and self-absorbed. (Heinz 2011.)

As far as Instagram is concerned, brands can combine various types of content there to maintain a balance and not to be too intrusive. Some of the ideas might be sharing of user-generated content, showing what happens behind the scenes and some moments at the workplace, industry insights and educational content, introducing company's team and acquainting with brand's values and culture, fun and entertaining content, giving advice, showcasing products, announcing promotions and useful information. A company needs to determine key topics and aspects that it wants to cover on the platform and then to monitor what resonates best with the audience making adjustments accordingly. (Instagram Marketing n.d.)

Social media calendars are quite a useful instrument for marketers. They help to balance different types of content, find a proper content mix, define frequency with which to make publications and not to forget about important events. Planning and scheduling of content also allow to be more flexible and focus on real-time engagement and spontaneous events that might occur. Unfortunately, for now, there is no availability to schedule posts directly on Instagram, however, there are various third-party applications that can be integrated with the platform and effectively used by social media managers. (Lee 2016.)

2.3.5 Evaluation of Performance

To start with, the meaning of return on investment of social media depends on company's business objectives. Basically, ROI implies the result and value that bring social media actions. Value can be measured in different ways, not only in profit, since the objective might be, for example, to increase brand awareness, thus, the metrics would be engagement and reach. It is crucial to measure ROI to
be aware of the impact of social media, allocate resources properly, better understand the audience, work on adjustments and improvements. Companies need to set clear and S.M.A.R.T. (specific, measurable, attainable, realistic and timely) goals that are aligned with their business objectives and then ensure the process of their achievement tracking various social media metrics or key performance indicators - KPIs. Metrics showcase the overall health of brand’s presence on social media and can be quantitative and qualitative. The examples of quantitative metrics are growth of audience, increase in likes and comments – customers’ engagement, reach, website traffic, generation of leads and conversions, results of paid promotional campaigns, etc. On the other hand, qualitative metrics are those which could not be represented in numbers such as brand awareness, sentiment of the audience, brand affinity, meaningful engagement, etc. Metrics are chosen in concordance with the objectives and then could be compared with previous months or competitors’ KPIs. Moreover, metrics are leveraged to understand the target audience, know what time is best for posting and what content works best. Finally, a strategy needs to be adapted and improved in course of time. (Dawley & Aynsley 2018.)

The same process comes with evaluation of performance on Instagram. Marketers can track a variety of metrics by means of Instagram Insights tool already described above and by using third-party applications and website analytics tools such as Google analytics, which provide richer statistics than Instagram’s native feature. The best way to analyze success of an Instagram campaign is to set precise targets and then control if they were reached or if tactics need to be changed. Ultimately, it is crucial for businesses to conduct analysis of their performance on Instagram to maintain growth, optimize the strategy and ensure that the efforts are paid off. (Liu 2018.)

2.3.6 Challenges

Despite the fact that Instagram is such a powerful platform that offers a lot of opportunities for marketing and business promotion, Instagram marketing also has its own disadvantages and challenges, some of which have already been covered above. First of all, the researcher has already mentioned general challenges associated with using social media for business such as lack of strategy and content
plan; lack of skills and time; negative feedbacks being spread quickly online; the need for keeping abreast of recent changes and updates of the application and for being able to provide prompt support 24/7, since customers expect that. Another common problem is offensive comments and bullying on social networks, however, Instagram offers a comment filter available in account’s settings which can automatically filter out and hide these type of comments (Help Center – Managing Your Account n.d.). Furthermore, it might be problematic to calculate the return on investment and evaluate the overall performance.

Speaking about Instagram’s specific disadvantages, they are the lack of clickable links in publications which could be very helpful for companies to drive traffic to their websites; no feature to schedule posts directly on the platform or the lack of statistics for extended analysis of account’s performance. Moreover, before launching an Instagram campaign, it is crucial for companies to take into account which audience is using it. For instance, Instagram marketing might be not the best option to reach people elder than 35, as, according to Statista (2018), categories of people aged 35-44, 45-54, 55-64 and 65+ present 17%, 9%, 4% and 2% respectively from the overall number of users. However, there is a massive user base aged 18-34 that makes up 61% and can be considered as potential customers.

The one crucial challenge that should be discussed separately is a new feed ranking algorithm. Initially, the feed’s content was arranged chronologically, but then machine-learning algorithm was introduced in March 2016 that had provoked a lot of changes and affected business promotion through the app. Instagram’s machine learning creates a unique feed for every single user analyzing their past behavior on the platform and the way they interact with other accounts. According to Instagram’s team, the three major factors determining the order are person’s interest, recency of posts and relationships with people he/she is following. The platform collects information about users such as likes, comments, amount of time usually spent to view different types of content and tries to show posts they would find relevant and care about the most. Accounts and content users interact with and check out often get to the top of their timelines. However, timely posts are still prioritized over the ones published a week ago. (Constine 2018.)
Algorithmically-driven order of users’ timelines “best posts first” was not well received. Due to chronological order, brands could be sure that their content would be seen if they had published it at the right time, but now it became more sophisticated for businesses, especially for small and new accounts, to get their posts seen by users and maximize their reach. Currently, competitors need to fight for a spot and make more effort to engage the audience. The logic of this strategy is to provide users with content they enjoy the most, keep their attention and, therefore, to make them come back to the application more often. There is an opinion that ranking algorithm as well as other Instagram’s features was developed to get more attention from potential customers, sell it to advertisers and, eventually, make more profit. (Morales 2017.) However, Instagram’s team states that they are not trying to force businesses and other users to pay for advertising and that increased competition causing decline in organic reach is an unavoidable consequence, as more and more users join the platform and post more, while the average time spent in the app remains the same. (Constine 2018.) Additionally, Instagram’s algorithm strives to identify and reduce the number of bot accounts and those who try to bypass it, get auto likes, fake comments and empty engagement. Thus, businesses using this kind of methods should consider new strategies. (Morales 2017.) Another challenge associated with feed ranking algorithm is that some publications may be time sensitive, for example, if it is important to tell about something at a certain time, to make an announcement or share some urgent news. In this case, Instagram ads and proper targeting would be the only option for brands to get their posts seen on time by as many users as possible. (Chen 2018.) Nevertheless, despite problems a new algorithm causes for businesses, it encourages fair competition and motivates to provide the best content and user experience. Furthermore, according to Jenn Chen (2018), a digital strategist and writer, there are some methods for brands to maintain the engagement level, for example, to use Stories and Live Videos, since they are more visible in the app, focus on quality of content by hiring a professional photographer/videographer, or organize contests and giveaways for customers. In addition, posting informative and engaging content, scheduling posts when audience is the most active and collaborating with Instagram influencers help grow engagement rate. (ibid.)
2.3.7 Trends and Conclusions

The phenomenon of Instagram marketing is rapidly growing, and, in all probability, it will only continue to grow in the upcoming years. Developers of the application are constantly working on improving Instagram’s, getting rid of drawbacks and providing new solutions and updates. For example, Instagram has already become an indispensable intermediary between customers and brands, but with the introduction of the shopping feature to the rest of the countries the relationships are expected to become even stronger. Shoppable tags will allow to buy products right through the Instagram and the application will be considered as an even more serious marketing platform. (Loren 2018.)

It is noteworthy that the company is using artificial intelligence and big data technologies which make Instagram highly competitive, especially in collaboration with Facebook. According to Marr (2018), some examples of using it are precise target advertising, advanced search function and machine-learning algorithm for news feeds. Artificial intelligence algorithms are also utilized for automatic removal of offensive comments and spam filter, as machines already understand the context of messages pretty well. (ibid., 1-2.)

While the new “best posts first” algorithm encourages fair competition and fights for relevant content in users’ feeds, business promotion on Instagram becomes more complicated as well as reaching the audience only organically. This shift forces marketers to invest in advertising and paid promotion. (Loren 2018.) However, Instagram Stories are a great option, because they are more visible and can significantly increase engagement and reach. Stories are an increasing trend expected to dominate, as people love to observe naturalness and imperfection of businesses and influencers. Furthermore, the fact that after 24 hours this content disappears forever creates the urgency to see it and causes the desire to check the app more often. (Carbone 2018.)

Digital marketing specialists Ruth Stephensen (2018) and Mary Long (2018) emphasize in their articles that, ultimately, the focus will be on authenticity and transparent marketing. Genuine connections and high-quality content are new values. Human content is more appreciated than branded content. (Stephensen 2018.) Nowadays, instead of posting too much information about the brand it is
much better to dedicate publications to other brands-partners and support them, to repost user-generated content to a company's profile and write educational, fascinating texts for followers (Long 2018). It means that traditional marketing methods are not working anymore, and marketers should think about more natural and sincere ways to attract potential clients. Thus, instead of looking for ways to hack the system or bypass the algorithm it is crucial to concentrate on insightful, informative and creative content which will naturally attract the audience. (Stephensen 2018.)

Instagram has already come a long way, and it will be even more interesting to observe how the platform is going to evolve and how people's attitude towards it will change in the future. The growing amount of sponsored publications and brands working through Instagram is not well received by everyone. The application becomes too commercial and it may seem inappropriate and intrusive to people. Nonetheless, Instagram sets new trends in the world of marketing and proclaims new values. This powerful tool is an integral component of marketing strategy which provides with valuable results in case its features are utilized purposefully. For now, Instagram marketing is highly important for business promotion.
3 Research Methodology

In this chapter, the research approach used in the present paper is explained including the research questions, objectives and nature of the research. Thereafter, the methods of collection of the primary and secondary data are discussed, followed by the introduction of the sample chosen for this study and description of the implementation process. Eventually, the author justifies the choice of data analysis method and covers ethical principles considered throughout the project.

3.1 Research Approach

The key topic of the present paper is Instagram marketing for business promotion. According to Saunders, Lewis, and Thornhill (2009), the attributes of a good research topic are the author’s genuine interest in it and the capability to complete this kind of study including skills required to undertake a project, financial and time resources, access to all the necessary data and possibility to gain theoretical knowledge on the subject. The choice of the author meets the following criteria. Additionally, the researcher decided to focus on the field of Instagram marketing and social media marketing in general, since it is a growing phenomenon nowadays and a potential direction for career development. Considering career goals is also a crucial point while choosing a topic for research. (22.)

Usually, a general research question emerges from the initial research idea. Then, the author can develop a few more detailed questions that will be answered as a result of his/her study. (ibid., 33-34.) After literature was critically reviewed and a thorough research of the topic was made, the author came up with the main research question and several supportive ones. The principal intention of this paper was to reveal how Instagram is viewed by SMEs in the Republic of Karelia and how they leverage it for their business. In order to answer it, the author decided to approach ten enterprises based in Karelia and to conduct interviews with their representatives responsible for managing companies’ Instagram accounts. Based on that, the author designed additional research questions presented below:

4) Which purposes do SMEs based in the Republic of Karelia that participated in the study utilize Instagram for?
5) What approach to Instagram marketing and business promotion on Instagram do the participants have?
6) How is Instagram generally viewed by Karelian organizations that participated in the research?

The first question was aimed to identify intentions and goals that these enterprises in Karelia have managing their Instagram accounts. The purpose of the second question was to determine their approach to marketing and business promotion through Instagram, e.g. having an Instagram strategy integrated into the overall marketing campaign, having a content plan, evaluation of performance, being informed about Instagram’s potential - tools, features, updates, and how they can help to achieve various business objectives. The role of the last question was to understand general attitudes towards Instagram that Karelian organizations that participated in the study have, what results they have managed to achieve and what they think about the future of Instagram in the region. The author believes that these questions are clear, properly defined and able to provide new interesting insights into the topic.

Research objectives are considered to be more specific and precise than investigative questions and can be written based on them (Saunders, Lewis, & Thornhill 2009, 34). Thereby, the author defined the set of objectives in accordance with the aforementioned questions:

1) To identify the purposes for which Instagram is utilized by the SMEs based in the Republic of Karelia that participated in the study.
2) To figure out what approach to Instagram marketing and business promotion on Instagram the participants of the research have.
3) To explore what participants’ perceptions of and attitudes towards Instagram are.

Many authors distinguish two types of research: qualitative and quantitative. Quantitative study is aimed to measure quantity or amount, uncover patterns and represent precise facts. It is expressed in statistics, numerical comparisons, quantities and standardized data. (Saunders et al. 2009, 482). Quantitative data collection methods are systematic observations, surveys and questionnaires. On the other hand, qualitative research is used to discover underlying reasons and motivations of behavior, to explore people’s attitudes and opinions. Qualitative
study ensures a deeper understanding of the problem, however, the collected data might be complex, unstructured and unstandardized that requires to be placed into categories. Typical qualitative data collection methods are interviews. (Kothari 2004, 4.) Based on that, the present research can be classified as a qualitative study, since its goal was to understand how Karelian SMEs leverage Instagram and to investigate opinions of the participants regarding Instagram in general. The data required to answer the research questions is qualitative in nature, and the author chose interviews as a data collection method. Utilizing quantitative data collection methods was not appropriate, as it could not provide enough in-depth data to address the research problem.

The purpose of a research is often categorized as exploratory, descriptive and explanatory. However, it does not mean that the study must have only one of these types of purposes, moreover, they can change throughout the process. To start with exploratory research, it is intended to help a researcher gain a sound understanding of the phenomenon, explore some new viewpoints, ideas, potential problems and opportunities. Due to initial broad scope of this kind of study, flexibility and adaptability to changes that might occur during the project are considered as its advantages. Descriptive study implies that the one who conducts it has a clear picture of the phenomena, depicts the current state of affairs and has no control over it. The emphasis of this type of research is on description of a certain individual, group, object or situation. Descriptive research can be characterized as a non-experimental one. Explanatory study is used to find cause-and-effect relationships between different variables and concepts. Basically, it investigates and explains causality between different factors and is considered as a highly structured research. (Saunders et al. 2009, 139-141.)

This particular project can be defined as both exploratory and descriptive. It is exploratory, since the author’s intention was to explore the way Instagram marketing is used for business promotion by SMEs in the Republic of Karelia and attitudes of these organizations towards Instagram which is a fresh topic and no material or previous research can be found on this subject. However, before the research questions had been defined, the thesis writer got acquainted with Instagram marketing in general and got a clear picture of the matter. Substantially, the
author chose a direction that had not been explored before and decided to describe this phenomenon in a certain context. It makes the present study descriptive as well.

3.2 Data Collection Method

There are two main sources of research data: primary and secondary. Primary data is original in nature, that has been collected first-hand for a specific purpose to address research questions. (Kothari 2004, 95-96.) Secondary data is information that is already available and has originally been interpreted by someone else. It can be both published and unpublished and exist in various forms: reports, records, databases and publications of different organizations, historical documents, books, magazines and newspapers, voice recordings, interview transcripts, diaries, TV and radio, Internet articles, minutes of meetings, etc. (ibid., 111). The use of secondary data can be helpful to at least partially answer research questions prior to collecting primary data (Saunders et al. 2009, 256).

As far as the present paper is concerned, at the beginning of the research process the author focused on various relevant sources of secondary data to formulate theoretical background, better understand the topic and familiarize the readers with it. As a result, a thorough literature review was conducted. The author used books, articles and research papers to get acquainted with the basics of marketing and digital marketing and then studied the phenomenon of social media marketing more in detail to get an idea of what its advantages for businesses are, how it is implemented, and which role Instagram can play in this process. Thereafter, the researcher focused on collecting data about Instagram and the opportunities of Instagram marketing for business promotion. Due to academic literature on this subject being scarce, the major sources of information were web resources, blogs, online publications and articles. The volume of academic literature and other studies and research papers was limited, since the topic is contemporary and relatively new, as Instagram has been gaining success just in recent years. However, in this thesis the author included opinions and viewpoints of marketers, journalists, entrepreneurs, writers, bloggers and other experts who are experienced and interested in the fields of social media and marketing. Fur-
thermore, it was essential to take into account that the platform is being upgraded and improved on a regular basis, what affects some processes of its work and, therefore, the way it is used by enterprises. Thus, the author’s goal was to use the most up-to-date information to be better prepared for the interviews and for further data analysis. In addition, some facts about Instagram presented in this research were supported by statistics from reliable sources. Eventually, the author introduced the key concepts of the given research to the readers and managed to obtain sufficient knowledge base about the topic area. The researcher came up with the questions for the interviews, got prepared for conversations with the participants of the study and for further analysis of the data.

As it was already mentioned above, the following study required qualitative data to address the research questions. In-depth, semi-structured and group interviews are common qualitative data collection methods. In-depth interviews also called as unstructured can be characterized as informal: the researcher does not have a predetermined and standardized list of questions and the interviewee can openly express their opinion regarding the topic area. This kind of interviews are also known as non-directive, since its direction depends much on the interviewee’s responses. Semi-structured interviews are non-standardized as well, but they are more formal: the interviewer prepares the set of themes and questions in advance, however, they have the opportunity to modify it depending on the flow of the conversation. The sequence of questions can be changed, it is possible to exclude some of them or ask supplementary ones if necessary, depending on the context. (Saunders et.al. 2009, 320-321.) Group interviews imply that the researcher interviews two or more individuals. There are also focus group interviews that are considered to be more precise and focused on a certain topic area. (ibid., 343-344.)

Speaking about this particular research, semi-structured interviews were chosen as a method to collect primary data, and the choice will be justified further. In the very beginning, the author clearly defined the research questions based on which the set of interview themes and questions was developed. The questions were predetermined, and the interviews needed to follow a clear direction, since the researcher aimed to cover certain topics to meet the research objectives. However, the goal was to gain rich and detailed data and valuable insights into the
topic, thus, the interviews needed to be unstandardized to provide the participants with the opportunity to freely discuss the issues. Moreover, the author assumed that it could be possible that the list of questions, their logic and order would vary from interview to interview. In addition, according to Kothari (2004), unstructured interviews require more efforts, knowledge and skills from the researcher: despite the flexibility and greater freedom that ensure this kind of interviews to both the interviewer and interviewees in comparison with highly structured questionnaires, the analysis of collected data is much more complicated and time-consuming (98). Given the fact that the author is not experienced in conducting interviews and analyzing data, it was also reasonable to choose semi-structured interviews rather than in-depth. The data collected from them was supposed to be less difficult to be analyzed and placed into categories, and, as a result, the research results could be more reliable. Based on that, it became clear that semi-structured interview method was the best choice for this thesis.

Interviews might be different in nature of interaction: face-to-face, by telephone and via Internet (ibid. 321). Saunders and colleagues (2009) claim that establishment of personal contact with the interviewee has a positive impact on the quality of responses. The reasons for that are that respondents can be more interested in discussion of the topic in person rather than to fill out a questionnaire, spend their time on writing down detailed answers and provide sensitive data to a person they have never met. Personal conversations create more trust and confidence, an interviewee can understand the questions better, while the interviewer can be sure that the right person will answer the questions and they will not be passed to someone else. (ibid., 324.) The method of questionnaires was not appropriate for this study, thus, choosing between telephone and face-to-face interviews, the researcher preferred the second option, as she wanted to establish personal contact with the participants, have more control over the situation, discuss the research topic in more detail and collect more insightful and in-depth data. Furthermore, group interview was not an option for this research, as the representatives of different enterprises participated in the study, and their participation was supposed to be confidential and anonymous.
Choosing a Sample

The initial goal was to approach representatives of ten SMEs based in the Republic of Karelia which were using Instagram for business promotion. The aim was to conduct interviews with people responsible for managing Instagram accounts of these organizations. It is noteworthy to mention, that the overall idea was to focus on the diversity and to include various enterprises in the study, i.e. of different sizes and types of business. The reason for it was that the researcher wanted to get a deeper understanding of the phenomenon in Karelia and to see it from different perspectives. The author assumed that some differences in attitudes and opinions could be found based on such aspects as the size of company and its nature of business.

Aside from these factors, enterprises’ Instagram activity was taken into account. After considering various criteria, the researcher decided to pay attention only to the fact that enterprises were using Instagram business accounts for business promotion and that they were updating their content regularly. Additionally, one more condition was that their accounts had been existing for at least a year, as the author believes that this period of time is sufficient to draw some conclusions regarding Instagram marketing and use of the platform in general. This data can be easily accessed right on company’s page on Instagram, as well as its type of business mentioned in the profile’s description.

Such metrics as the number of followers and the number of posts could also be considered as determining factors proving Instagram activity, however, the researcher did not consider these indicators to be significant while choosing a sample. As there is no publicly accessible information regarding the use of Instagram in the Republic of Karelia and the number of registered users in the region, it is impossible to say what amount of followers is sufficient to claim that an enterprise has a solid presence on Instagram. As for the number of posts, the importance of this information is also questionable, it is hard to define whether there is enough of posts in the profile or not. Moreover, as it was already mentioned, the focus of the study was on the diversity of opinions and approaches, thus, it was interesting to include enterprises that could have significant difference in followers or posts.
Speaking about the size of an organization, this information could not be discovered on its Instagram page. Thus, when the researcher was approaching the potential participants of this study, she also asked them about the size of their companies arguing this data would be crucial for the research. As it was already mentioned, the aim of this thesis was to investigate diverse organizations based in Karelia, so, for this purpose, the author chose five micro enterprises and five small and medium-sized. According to European Commission, micro enterprises are those that employ less than 10 people and generate the maximum of 2 million euros annually. Small organizations have less than 50 employees and their turnover is less or equal to 10 million. Subsequently, medium-sized enterprises hire less than 250 persons and generate 50 million euros maximum. (What is an SME? N.d.) The researcher did not have access to such data as organizations’ revenue and focused only on their sizes.

Eventually, the author approached twelve SMEs in the period of August – October 2018 via Instagram Direct messages and invited to participate in the study. Interestingly enough, ten of them reacted very positively and showed their interest in such an unusual and contemporary topic of discussion. However, two of the organizations did not react at all. After being given consent to participate in the project from the potential respondent, the researcher was also asking about the person’s position within the organization to be better prepared for the interview and since that was useful data for the study. Some of the participants expressed a desire for their personal information such as their names as well as the name of organization not to be included in the study. Therefore, the researcher assured them about confidentiality of data and anonymity of all the interviewees. However, the author was given a permission to mention the following information in this thesis: the organization’s size and the type of business, person’s gender and job title, data that was available on Instagram pages and collected during the interviews. Furthermore, the respondents allowed to include the screenshots from their Instagram profiles to this paper, which can be found in the Appendices. The participants were referred as P1, P2, P3, P4, P5, P6, P7, P8, P9 and P10 in the following research. The Table 1 below presents the final sample chosen for this thesis. Such metrics as number of followers and number of posts along with organizations’ presence on Instagram were taken from their profiles in November.
2018. The researcher assumed that this information might be helpful for the readers to better understand the differences between the enterprises.

Table 1. The overview of the participants

<table>
<thead>
<tr>
<th>Participant</th>
<th>Job title</th>
<th>Type of business</th>
<th>The size of organization; number of employees</th>
<th>Presence on Instagram (roundly)</th>
<th>Number of followers</th>
<th>Number of posts</th>
</tr>
</thead>
<tbody>
<tr>
<td>P1</td>
<td>Business owner and director</td>
<td>Balloon decoration service</td>
<td>Micro; 3</td>
<td>More than 2 years</td>
<td>461</td>
<td>166</td>
</tr>
<tr>
<td>P2</td>
<td>Business owner and director</td>
<td>Flower shop</td>
<td>Micro; 4</td>
<td>More than 4 years</td>
<td>1730</td>
<td>1043</td>
</tr>
<tr>
<td>P3</td>
<td>Marketing manager</td>
<td>Chain of bakery shops and cafes</td>
<td>Medium; 130-150</td>
<td>More than 5 years</td>
<td>18900</td>
<td>1974</td>
</tr>
<tr>
<td>P4</td>
<td>SMM freelancer</td>
<td>Restaurant</td>
<td>Small; 15-20</td>
<td>1.5 years</td>
<td>4957</td>
<td>661</td>
</tr>
<tr>
<td>P5</td>
<td>SMM manager</td>
<td>Hair salon</td>
<td>Small; 15-20</td>
<td>More than 4 years</td>
<td>4891</td>
<td>3175</td>
</tr>
<tr>
<td>P6</td>
<td>Business owner and director</td>
<td>Retail clothing and decor store</td>
<td>Micro; 2</td>
<td>4.5 years</td>
<td>2847</td>
<td>235</td>
</tr>
<tr>
<td>P7</td>
<td>Business owner and director</td>
<td>Beauty salon</td>
<td>Small; 23</td>
<td>Almost 3 years</td>
<td>7948</td>
<td>478</td>
</tr>
<tr>
<td>P8</td>
<td>Business co-owner</td>
<td>Studio atelier &amp; handmade classes</td>
<td>Micro; 4</td>
<td>More than 1 year</td>
<td>900</td>
<td>180</td>
</tr>
<tr>
<td>P9</td>
<td>SMM manager</td>
<td>Bar</td>
<td>Small; 14</td>
<td>3.5 years</td>
<td>4885</td>
<td>2377</td>
</tr>
<tr>
<td>P10</td>
<td>Business owner and director</td>
<td>Confectionery cake shop &amp; café</td>
<td>Micro; 4</td>
<td>More than 4 years</td>
<td>1695</td>
<td>1141</td>
</tr>
</tbody>
</table>
Implementation of Data Collection

Speaking about the implementation process, the interviews were held in September and October 2018. The interviews were conducted in the Russian language, as it is the native language of all the participants. Saunders and colleagues (2009) emphasize that the choice of location has an impact on the quality of collected data (329). Therefore, the meetings took place at the offices of the organizations, in closed rooms without any distraction factors. The researcher believes that such an environment was the most comfortable for the participants and was an appropriate choice. Moreover, there was no outside noise that could affect the recording process. The interviews lasted from 30 to 90 minutes. All of them were recorded with each participant’s permission. No field notes were taken during the interviews, so the researcher could fully focus on the interviews and observe the respondents. The interviewees had the opportunity to pause the recording if necessary or to ask to leave some of the information out of their answers.

According to Saunders and colleagues (2009), when conducting an unstandardized interview, the interviewer can prepare a list of topics in the form of an interview guide, based on literature, theories, personal experience, etc. That is helpful to ensure the direction of the conversation and that all the necessary issues would be covered. (329.) The writer of this thesis developed a semi-structured interview guide using theme-designed frame, it was consisted of a short introduction part and three themes. At first, the guide was in the Russian language and then translated into English, it can be found in the Appendices. Initially, the researcher came up with a set of questions, which were later organized into three key topics. The themes were derived from the theoretical framework of this thesis and correspond to the research questions and objectives.

At the start of the interview, the author introduced herself, explained the purpose and aims of this study and how the collected data would be used. Furthermore, the participants were informed about being recorded. The researcher provided assurance that the responses of the interviewees would be treated confidentially, and the anonymity of the organizations and individual participants was guaranteed. In the first theme, the researcher asked about purposes of leveraging Instagram. Then, in the second theme, the general approach to Instagram marketing
and business promotion on Instagram was covered, including such aspects Instagram's features and tools, Instagram strategy, evaluation of performance and content plan. Eventually, in the final theme, the participants' general attitude towards Instagram was discussed, along with the results that the platform brought to their business and interviewees' opinions regarding the future of Instagram in the Republic of Karelia.

Most of questions included in the semi-structured interview guide were open-ended in order to provoke the discussion, not to impose predefined answers and to gather more detailed and insightful data from the participants. However, close-ended “yes or no” questions were also involved, as they could help to develop a conversation. The answer options for one of the questions were offered, since it could also be helpful for the interviewees and provide them with some ideas. Moreover, the interviewer had the chance to ask supplementary and follow-up questions, if it was necessary.

3.3 Data Analysis Method

The data analysis was conducted through qualitative content analysis. This type of analysis implies placing collected qualitative data into successive categories of a coding frame. Speaking about the advantages of this method, first of all, it helps to reduce the amount of information, since the researcher can concentrate only on certain parts of the material that are related to the research questions. The number of categories is defined by the researcher. However, focusing only on selected aspects can result in loss of some data. Secondly, qualitative content analysis is systematic and requires every single segment of the material relevant to the study to be carefully examined and then assigned to a certain category of the coding frame. Moreover, the following type of analysis is considered to be flexible, since the frame is adapted to the material. (Schreier 2013, 170-171.) Based on that, the researcher believes that this technique was an appropriate choice for this study. The interviews were theme-based, and the author needed to pay attention to three key topics to address the research objectives. Therefore, the researcher developed the coding frame consisted of three categories that represented valid description of the material.
As it was already mentioned, the interviews were recorded and then transcribed verbatim into separate word sheets. The author was transcribing the data immediately after each interview session, as the details of the meetings were still fresh in the author’s mind and in order to reduce the workload, since the process of transcription was very time-consuming. Each of the interviews was analyzed separately, the relevant material was structured and sorted out by categories. Theme-designed frame used for the interviews was very helpful for this purpose. Afterwards, the data was translated in the English language and then all the collected data was combined into the same word sheet by themes. Subsequently, the researcher focused on a deeper analysis of the responses to discover possible patterns, similarities and differences between opinions. As a result, the research findings are presented in the next chapter. The quotations included in it were transcribed as precisely as possible from the Russian language.

### 3.4 Ethics

The ethical principles were followed in the given study throughout the entire process: during the research design stage, data collection and data analysis phases, as well as in the final parts of the research. Saunders and colleagues (2009) claim that one of them is not to cause any harm to interviewee’s privacy and not to infringe the right to confidentiality (193-194). Thereby, the author preserved the anonymity of the organizations and individual participants and assured that she would be the only person who has access to the collected data. Furthermore, the researcher must avoid fabrication and misrepresentation of data and maintain honesty and objectivity during project implementation (ibid., 199). Participation of the interviewees in this study was voluntary. Since the interview technique was chosen as a data collection method, the author’s goal was to ensure that the participants felt comfortable and did not experience any pressure or stress, that could affect their answers. The interviewer’s role was to guide the conversation not imposing predefined answers. The respondents could pause the recording if necessary, ask to leave something out of their responses or decline to answer to any of the questions. Ultimately, the general ethical issues were considered and adjusted to in the following thesis.
4 Research Findings

In this chapter, the research findings based on the interviews can be found. The results are divided into three themes in accordance with the interview guide and the research questions. The findings are presented without bias or interpretation.

4.1 Purposes of Using Instagram

This topic consisted of two questions. In the beginning, the participants were asked when their organizations started using Instagram.

Nine out of ten participants said that Instagram profiles of their organizations were created either when the platform was gaining momentum in Russia, or at the same time as the enterprise was founded. Only the director of the beauty salon (P7) told that she had started leveraging Instagram for business promotion only in January 2016, even though the organization had already been existing for five years by that moment.

The owner of balloon decorating services (P1), the social media marketing freelancer hired by the restaurant (P4), the co-owner of the studio atelier (P8) and the social media marketing manager of the bar (P9) all said that they had started using the application for business purposes when the organizations had been established in August 2016, April 2017, September 2017 and in May 2015 respectively. However, P4 noted that she was hired a year later after the restaurant had been opened and that before their Instagram had been managed nonprofessionally.

The owner of the flower shop (P2) said that she had created an Instagram profile for her business in August 2014 when the application became more popular in Russia. Similarly, the social media marketing manager of the hair salon (P5), the owner of the retail clothing and decor store (P6) and the director of the confectionery cake shop and café (P10) also told that they had started utilizing the platform in 2014 – in July, May and August respectively. They were also emphasizing that it had become more common to use Instagram among Russians at this period of time. The organization which was signed up on Instagram earlier than
others is the chain of bakery shops and cafes, marketing manager of which (P3) said that they have had an account there since August 2013.

The next question was aimed to discover business purposes for which the following enterprises utilize Instagram. The researcher also provided the respondents with possible answer options to provoke some ideas.

P1, P2, P6, P8 and P10, the owners of micro-sized organizations, mentioned similar purposes for which they used Instagram. All of them spoke about the following goals: to increase brand awareness, tell about their business and, therefore, to attract new customers; to showcase their services and/or product range along with contact information; to get feedbacks and improve the way they work; to announce news, offer promotions and discounts and, eventually, to increase sales.

P1, P2 and P8 noted that although they were using the platform in order to provide customer service, e.g. receive orders, answer customers’ questions and receive feedback, it happens rarely. In contrast, P6 told the interviewer:

“We receive orders though Instagram regularly. Actually, not only people from Karelia order clothes and decor stuff that I post in our profile, but also people from other Russian cities, and it happens quite often.”

P6 and P10 emphasized that it was essential for them to use Instagram as a source of inspiration, they get inspired by competitors and other creative accounts.

Interestingly enough, none of the micro enterprises have the purpose to use Instagram target advertising. For example, P3 said: “I tried to use the opportunity of target advertising on Instagram around three times and it was mostly just for the sake of experiment. Actually, I know that this feature is quite efficient and cheap in comparison with TV or radio advertising and billboards, so maybe I should consider using it regularly.” P6 told the interviewer that she also tried to use Instagram advertising a couple of times, but it did not seem effective to her. However, she added: “Perhaps I should get a better look at this.”

As an addition to goals mentioned by the owners of the micro-sized enterprises, the other five interviewees, P3, P4, P5, P7 and P9, named the following purposes:
to build reputation and authority; to communicate with customers on a more personal level; to form relationships and to build loyal customer base; to boost engagement rates; to do competitor analysis and to use target advertising.

P3 was the only respondent who mentioned such goal as “to build a community”, she explained it to the interviewer in the following words:

“We always wanted to build a community of loyal customers around our bakery brand, our goal has always been to unite people of different ages.”

P4, P5 and P7 underlined that getting inspired on Instagram was a crucial reason for utilizing the application to them, P4 said:

“I always use Instagram as a source of endless inspiration, that is very important for my professional and personal growth.”

Such a goal as “to drive traffic to website” was mentioned twice, by P5 and P7, as they are representatives of the hair and beauty salons which are the only organizations that have official websites. Both participants have links to their sites at the top of their profiles and they also sometimes add them to paid promotions on Instagram. As for the other respondents, during the interviews, they mentioned that they put links on Instagram as well, but to the other social media channel they were leveraging for business – a Russian social network called “Vk.com”, however, to increase traffic to their profiles and groups they manage on this social network is not their primary goal of using Instagram.

4.2 Approach to Instagram Marketing and Business Promotion

In this theme, such aspects as Instagram’s features and tools, Instagram marketing strategy and content plan were covered. The purpose was to understand how serious the approach of the following organizations to Instagram is, and how well they are informed about its potential. In the beginning, the researcher asked the participants about Instagram’s features and tools that help them achieve their business objectives.

All the respondents told that they were using such opportunities as adding hashtags, geotags, Call-to-Action-buttons and clickable links; Direct and Stories features. Using hashtags and geolocations in posts helps enterprises to increase
brand awareness, expand reach, organize content into different categories, they also make publications more visible and available for search. The interviewees noted that Call-to-Action buttons were helpful for customers, for instance, P1 said:

“I noticed that it’s easier for customers to press the “Call” button and ask everything they need to know immediately, rather than send a message in Direct, for example.”

Furthermore, the businesses add clickable links to their profiles’ descriptions to drive traffic to their websites or profiles and groups on other social media channels. As for Direct, every organization is using it to communicate with customers, provide customer service, increase customer satisfaction and get feedback. P3, P4, P5, P9 also mentioned that Direct was an important instrument for strengthening relationships and maintaining private conversations with customers what subsequently develops trust and loyalty.

The participants spoke very positively about Stories. The most common purposes of using this type of content on Instagram that were discussed are: posting “behind the scenes” and lifestyle content, some rough spontaneous and not well-planned pieces, as customers are usually interested in that and can feel more connected to business in this way; moreover, boosting engagement, since, due to the algorithm’s change, Stories are more visible than regular posts; additionally, the organizations use them to remind followers about themselves and about some basic information as contacts and opening hours, and, also, to cross-promote their regular posts. What is more, the majority of the participants told that they conducted polls in Stories using poll stickers in order to be aware of customers’ opinions and to increase engagement. Such Instagram’s features as “Archive” and “Highlights” allowing to place Stories content into different categories making it easier for customers to navigate through content, are utilized by all the participants except P8.

It is noteworthy to mention that, the most serious Instagram’s tools available for business accounts which are target advertising and native analytics tool called “Insights” are not utilized by every firm. Speaking about advertising on Instagram, it was already mentioned in the previous section, that only the representatives of the small and medium-sized enterprises leverage it on a regular basis. As
for Instagram Insights, P3, P4, P5, P7 and P9 told the interviewer that they paid much attention to analytics and evaluation of the performance. Insights tool helps them to better understand what type of content their audience prefers, to know what the best time to post is, to control reach and engagement rates and to optimize their strategies and approach to Instagram. P1 and P6 also said that they sometimes checked statistics to get an idea of types of publications their followers enjoyed the most and at times they were the most active. Furthermore, both respondents told that it was interesting for them to see the results of paid promotions, that are also available in Insights. On the contrary, P2, P8 and P10 told that they never used this feature.

Finally, none of the organizations included in the research are using IG TV and Livestreaming features for their business objectives, even though, all the participants were informed about them. It was also revealed that Karelian enterprises do not pay influencers for promotion, however, all the respondents mentioned that they were sometimes using such method as “barter collaboration” with brands-partners and friends.

Speaking about Instagram strategy, P1, P2, P6 and P10 said that they did not have it and did not plan their activities on Instagram at all. Interestingly enough, they also noted that they were not interested in hiring an expert who could be able to manage their Instagram profiles strategically. P2 and P10 said that they did not really need it. While P1 and P6 expressed their desire to start applying a more strategic approach to utilizing Instagram for their businesses, although, for now, they were not ready to assign it to anyone else.

In contrast, P3 answered in the following words:

“We have a documented marketing strategy and Instagram is involved in it. Instagram strategy could not exist on its own, it must be integrated into the overall marketing and communications campaign. Activities on social media are a part of the entire strategy. [...] We develop a social media marketing strategy for the upcoming year, divide it by quarters and set certain targets on each of them. Therefore, the objectives for Instagram are established as well, such as to increase the number of followers by a certain number by the end of the quarter or to boost engagement
rate by certain percentage. Then the Instagram plan is revised and improved depending on whether the results were achieved or not."

P4, P5 and P9 replied quite similarly, that they were also implementing Instagram strategies integrated into organization’s general marketing campaigns. All of these respondents said that they had Instagram promotion plans for the next 2-3 months developed according to the organization’s business objectives and paid much attention to the evaluation: if the targets were reached or the strategy needed to be revised.

P7 expressed her interest in having an Instagram plan and implementing it, she told the interviewer:

“I understand the importance of an Instagram strategy and really want to develop a plan of our activities on the platform and adhere to it. I have even prepared a rough outline already and have completed online courses dedicated to business promotion on Instagram. But now, unfortunately, it is hard for me to fulfill so many responsibilities within the organization and combine everything. I’m looking for a person who can be responsible for managing of our salon’s profile, however, it’s not easy to find somebody who will share my vision of what it should be like.”

As for P8, she said that she had purchased a detailed Instagram promotion plan from a social media marketing freelancer a couple of months ago, but had not started implementing it yet, due to the lack of time. Nevertheless, she mentioned that she wanted to manage the account by herself and not to assign this task to anyone else.

Speaking about planning of content on Instagram, P1, P2, P6 and P10 replied that they did not maintain any content plans and did not focus on the content mix. The owners of micro enterprises were mainly publishing owned/branded and promotional content telling about their businesses, products and discounts. However, the interviewees were also posting customer-generated content, curated in the form of collaborations with other brand-partners, and, more rarely, engaging content such as giveaways and contests. P6 expressed her concerns in the following words:

“I don’t want to post too much engaging content, since it may seem too intrusive, for example, to start some fake conversations with the followers.”
Furthermore, she also noted that it was crucial for her to adhere to a certain style of content to maintain consistent image that could reflect the concept of her clothing and decor store. P6 told that she was paying much attention to aesthetics, visual attractiveness of her profile and to quality of the photos. P1, P2 and P10 also said that they focused on quality and visual appeal, but, in general, this issue was less important to them.

Similarly, P8, at the moment of the interview, was not implementing a content plan as well and her Instagram profile primarily consisted of branded content. However, as it was already mentioned above, she purchased an Instagram promotion plan that included content strategy as well. She told the interviewer:

“There is a detailed description of what to post and when in the content plan that we bought. All the steps are clearly explained, such as what kind of photos to publish, which topics to cover, what photo editing apps to use... We just haven’t started to implement it yet.”

Additionally, as well as P6, P8 added that profile's style and visual appeal was significant to her and that their organization's logo which is often used on their Instagram photos was developed by a freelance graphic designer specifically for this purpose.

P3’s point of view, who represented the medium-sized enterprise, was completely different. First of all, she said: “The world will survive without beautiful pictures anyway”, emphasizing that eye-catching creative content was important, but should not be a priority and that it was much more crucial to track which kind of content resonated best with the audience and plot a content strategy accordingly. In general, her approach to content on Instagram was highly analytical. Moreover, the marketing manager told the interviewer about the importance of keeping a balance of content on Instagram. For example, when she said that when she had been managing their organization’s account she had been primarily focusing on engaging content: inviting to participate in a dialogue, staring conversations, provoking discussions, organizing contests and quiz competitions.

Furthermore, the account of the chain of bakery shops and cafes includes a lot of
user-generated and educational content, they also talk about the production processes, introduce their employees to followers, etc. On the other hand, there is not much promotional content in their Instagram profile.

P4, P5, P9 were well informed about the balance of content and they also believed that visual appeal was one of the key factors. All in all, these respondents also include various types of content in profiles of their organizations that their followers could find insightful and useful, not only branded and promotional pieces. The following participants, as well as P3, were mentioning that content strategy must be crafted according to the audience’s preferences, since it is pointless to maintain the balance, if followers are not interested in that. P4, for instance, noted:

“Our audience enjoys posts about the restaurant’s team members and loves listening to their stories. Moreover, publications connected to holidays or some global events that are happening in the world and unite people, such as the FIFA World Cup this summer, always get high engagement rates.”

P9 told the interviewer: “I focus a lot on entertaining type of content and organizing interesting and challenging contests for our followers. We already know that this is something our audience really likes about our bar’s profile, thus, we pay attention to it.”

P7 acknowledged: “I know that, for now, the content of our salon’s profile is mainly promotional and too commercial, most of the time I post just the information about our services and photos of the results of our work, also customer-generated content from time to time. I’m planning to work on the balance and improve it, since I intend to start managing our profile more professionally.”

4.3 Attitude towards Instagram

In this theme, the interviewees were asked about the results that they managed to achieve through marketing on Instagram and, also, to share their viewpoints regarding the future of Instagram among organizations in Karelia.

P3 told that her organization managed to reach very significant results by means of Instagram marketing:
“We build a community of loyal customers around our brand. Our company maintains relationships with these people, we always pay attention to every single message and comment, that’s why we can be sure that our customers would always choose our shops and bakery products to our competitors. [...] Actually, we focus on emotional connections with our consumers a lot and, therefore, our brand is now associated with a very special feeling”.

P3’s Instagram account has almost 19 thousand followers on the platform, which is significantly more than the size of audience of other firms that took part in the research.

P4 and P5 mentioned increased brand awareness as the major result of utilizing the platform. Both of them also told that Instagram profiles had positive impact on the way these organizations were perceived by their clients. P5 said:

“I focus a lot on our Instagram style, since it reflects the overall concept of our salon and influences our brand’s reputation in a good way.”

She also mentioned an increase in website traffic. P4 and P9 told the interviewer that Instagram helped them improve their restaurant’s services thanks to feedbacks they received and, as a result, increase customer satisfaction.

P7 was very happy with the results her salon achieved by means of Instagram and gave the following examples:

“First of all, many of our clients find us on Instagram, they schedule appointments through Direct every day. The salon became more popular and Instagram presence has influenced our overall reputation. In addition, a lot of people react to Instagram ads, actually, I found them incredibly efficient. [...] Moreover, as I can see from Insights, our website traffic increased due to Instagram.”

She also believes that Instagram can be even more beneficial for business if leverage it in concordance with a carefully crafted strategy.

P1, P2, P8 and P10 expressed a similar opinion that Instagram can be classified as a good additional channel to improve sales and gain some new customers. P1 and P2 even said that, despite the fact that they liked Instagram, they did not find it efficient for their businesses at all. However, P1 added:
“I don’t find it effective, but I also understand that that’s because I don’t pay much attention to it... Perhaps, I should reconsider my approach to promotion on Instagram.”

P6 said: “A certain percentage of our sales is the merit of Instagram, since we receive orders from people from different Russian cities at least every week. But, in general, I can’t say exactly what results we achieved through Instagram marketing, as we don’t measure them.”

P8 told the researcher: “For now, I can’t say that Instagram is effective for us, some people find our master classes through the application, but not that many. Anyway, I hope it will bring us better results in the future when we start using it in accordance with the promotion plan that we purchased.”

As for the future of Instagram among organizations based in the Republic of Karelia, the respondents were almost unanimous. P1 said that Instagram would definitely be popular but not for all types of business and not among all age groups of customers. P3 replied in the following words:

“Surely, it will become more common to use Instagram by different businesses in the nearest future. For now, the major problem is that people are not ready for changes, not ready to consider new marketing channels. They underestimate the importance of Instagram and social media marketing manager’s job.”

P4 and P5 said that the audience of Instagram is growing up implying that the older generations started using the platform as well. P5 told that “Instagram is moving in the right direction”, P4 expressed a similar point of view, and, also, added:

“People started getting interested in the field of Instagram marketing and now they are ready to pay money for that”.

P7, P8, P9 and P10 demonstrated very positive attitude regarding the future of Instagram in the Republic of Karelia as well. P9 noted that Instagram is constantly developing and that he got excited about new features every time. P6 said:

“Instagram is becoming more popular. Technologies do not stand still, maybe, in the future something else will be created.”
She also added that Instagram marketing and the profession of social media marketing manager was a bit underestimated at that moment.

However, P2 told the interviewer: “I don’t think that Instagram will become more common among organizations in Karelia... Most of my customers don’t use it, for example. Yes, it’s quite popular among young people, but adults just don’t have time for that.”

4.4 Summary of Research Findings

In this section, the readers can familiarize themselves with the key results of this study. The Table 2 below presents a brief summary of the research findings.
Table 2. Research findings

<table>
<thead>
<tr>
<th>1. Purposes of Using Instagram</th>
</tr>
</thead>
<tbody>
<tr>
<td>The following purposes of using the platform were mentioned by all the participants: to increase brand awareness, tell about their business and attract new customers; to show their services and/or product range and contact information; to get feedbacks and improve the way they work; to announce news, offer promotions and discounts and to increase sales. P4, P5, P6, P7 and P10 get inspired by competitors and other creative accounts on Instagram. P3, P4, P7 and P9 named these goals: to build reputation and authority; to communicate with customers on a more personal level; to form relationships and build loyal customer base; to boost engagement rates; to conduct competitor analysis and to use target advertising. P3’s organization utilizes Instagram to build the community. P5 and P7 leverage it to increase traffic to their websites.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. Approach to Instagram Marketing and Business Promotion</th>
</tr>
</thead>
<tbody>
<tr>
<td>In general, the organizations are well informed about Instagram’s opportunities and utilize the main set of tools to achieve their business purposes: hashtags, geotags, Call-to-Action-buttons and clickable links, Direct and Stories features. The representatives of the small and medium-sized organizations use analytics and target advertising tools regularly, while the micro enterprises either do not leverage them strategically or have not tried them at all. However, three of them consider using these features in the future. Using such video tools as IG TV and Livestreaming is not common among the participants. The representatives of the micro enterprises P1, P2, P6, P8 and P10 do not implement Instagram marketing strategies and are not ready to assign managing of their Instagram accounts to specialists in this field. Nevertheless, P1, P6 and P8 expressed their desire to start applying a more strategic approach in the future. P3, P4, P5, P9 have clear Instagram strategies integrated into their marketing campaigns. P7 is interested in hiring a person for this purpose. P1, P2, P6, P8 and P10 do not focus on balance of content and do not plan their posts on Instagram, while P7 intends to start doing it. P3, P4, P5, P9 have content strategies and follow the principles of content mix. The respondents consider the visual appeal of Instagram profile to be crucial to attract new followers, but not all of them think that it is a determining factor.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. Attitude towards Instagram</th>
</tr>
</thead>
<tbody>
<tr>
<td>P3, P4, P5, P7 and P9 emphasized that they managed to increase brand awareness; to build more deep and personal relationships with customers and develop loyal customer base; to increase sales and improve services, due to competitor analysis and customers’ feedbacks; to build reputation; to increase traffic to their websites; to increase customer satisfaction and to boost engagement rates. As for the representatives of the micro enterprises P1, P2, P6, P8 and P10, they utilize Instagram as an additional channel to improve sales performance and gain some new customers. All in all, the firms were referring to qualitative KPIs during the interviews. All the respondents except P2 expressed positive attitude regarding the popularity of Instagram among organizations in the Republic of Karelia in the future. P3, P4, P5 and P9 believe that companies will start investing more resources in the social media sector and in Instagram marketing. Furthermore, they mentioned that the attitude towards the job of social media marketing manager would change and the demand for it would increase.</td>
</tr>
</tbody>
</table>
5 Conclusion

In this chapter, the final conclusions are presented. Furthermore, the author answers the research questions.

The first research question was: Which purposes do SMEs based in the Republic of Karelia that participated in the study utilize Instagram for?

The most common purposes of using Instagram that were revealed during the study are: to increase brand awareness, tell about their business and, therefore, to attract new customers; to showcase their product range and services along with contact information; to get feedbacks and improve service; to announce news, offer promotions and discounts and, eventually, to increase sales. These goals were mentioned by all the participants. What is more, the organizations often leverage the platform to get inspired by competitors and other accounts and sometimes to increase traffic to their websites.

In comparison with the micro-sized organizations, the small and medium-sized firms also mentioned such goals as building reputation and authority; communicating with customers on a more personal level; forming relationships and building loyal customer base; boosting engagement rates; conducting competitor analysis and using target advertising.

It is noteworthy to mention, that the micro enterprises are not using the application to advertise their products/services by means of Instagram business tool. In contrast, the small and medium-sized organizations utilize it on a regular basis. Furthermore, the micro-sized organizations have no intentions to use Instagram specifically to develop trustful relationships and meaningful connections with their audiences or to build reputation, even Instagram is a great tool for that.

The second research question was: What approach to Instagram marketing and business promotion on Instagram do the participants have?

The organizations in the Republic of Karelia actively use all the main Instagram’s features to achieve their business objectives. However, the micro enterprises do not utilize analytics and target advertising tools strategically, compared to the small and medium-sized firms which do it on a regular basis. In contrast to the micro enterprises, they pay for advertising to promote their businesses, expand
reach and gain new customers. Furthermore, they leverage Instagram’s native analytics tool to evaluate the performance and optimize their strategies. Despite what was said, the majority of the micro enterprises consider using these features in the future.

Furthermore, the micro enterprises do not implement Instagram marketing strategies, however, most of them have a desire to start applying a more strategic approach to utilizing Instagram for their business. Nevertheless, none of the owners of these organizations are ready to assign managing of their Instagram accounts to specialists in this field, due to the lack of trust or since that they want to take care of their profiles on their own. On the other hand, the small and medium-sized enterprises either have clear Instagram strategies or are interested in hiring a person who would be able to manage their account strategically. Instagram promotion plans are designed according to companies’ business objectives and integrated into their overall marketing campaigns.

The SMEs in Karelia find the visual appeal of their profiles a crucial factor to attract new followers and customers, but not all of them think that beautiful content is a determining factor. As for content strategy and following the principles of content mix, the micro enterprises do not focus on balance of content and do not plan their posts on Instagram. They primarily publish promotional and branded content sometimes mixing it with user-generated and engaging content and advertising their partners’ accounts. On the contrary, most of the small and medium-sized firms, pay a lot of attention to the balance, combine different types of content and craft proper content mix according to what best resonates with their audiences. As an addition, they use content calendars which are very helpful for the aforementioned purposes. The one organization that is not implementing a content plan yet, is still aware of its importance and intends to improve their Instagram content in the nearest future.

Thus, it can be assumed that the small and medium-sized organizations have a more serious and strategic approach to Instagram. They utilize its features and tools more effectively and adhere to business promotion and content plans. However, some of the micro enterprises were interested in changing their tactics in the future and starting using Instagram more professionally as well. Furthermore, there are SMM specialists responsible for Instagram marketing in most of
the small and medium-sized firms, whilst most of the accounts of Karelian SMEs participated in the research are managed by the owners and directors of these organizations.

Eventually, the last research question was: How is Instagram generally viewed by Karelian organizations that participated in the research?

The answers given on the introductory question about the time when the enterprises started using Instagram can also be referred to this section, since, from the author’s point of view, they demonstrate the attitude to Instagram marketing in general. Based on the fact, that most of the organizations created Instagram profiles either when the platform became more popular in Russia in the period of 2013-2014, or at the same time as the enterprises were established in 2015-2017, it can be concluded that online presence on Instagram is important for SMEs in the Republic of Karelia. Moreover, most of the participants are rather experienced in using the application.

The outcomes achieved by the small and medium-sized organizations through Instagram marketing were significantly higher, than by the micro enterprises. The representatives of the small and medium-sized enterprises emphasized that they managed to increase brand awareness, build more deep and personal relationships with customers and develop loyal customer base, increase sales and improve services, due to competitor analysis and customers’ feedbacks. Furthermore, such results as positive impact on reputation, more traffic to websites and increase in customer satisfaction and engagement rate were named. As for the micro enterprises, they consider Instagram mostly to be an additional channel to improve sales performance and gain some new customers. The firms primarily referred to qualitative KPIs, which could mean that it might be problematic to calculate the ROI on Instagram marketing.

The majority of the SMEs believe that it will become more common to use Instagram by organizations to achieve business objectives in the Republic of Karelia and that the phenomenon of Instagram marketing will continue to grow. However, the researcher noticed a tendency of the outlook of small and medium-sized enterprises on the development of Instagram marketing in the Republic of Karelia being more positive. According to them, companies will start investing more
resources in the social media sector and in Instagram marketing. Additionally, they mentioned that the attitude towards the profession of social media marketing manager would change: the demand for it will increase.
6 Discussion

6.1 Managerial Implications

The study revealed fundamental differences in approaches to and attitude towards Instagram marketing based on the organizations’ size. Small and medium-sized firms utilize Instagram for more business purposes and set more objectives than micro enterprises, they are generally better informed about the outcomes that can be achieved by means of Instagram. Furthermore, they leverage the platform more strategically and their results are significantly better.

Based on the conclusions drawn from the research, the author is able to give some recommendations to managers and owners of micro enterprises regarding the use of Instagram marketing for business promotion. In case Instagram account is managed strategically, it can bring such results as increased brand awareness, trustful relationships with consumers and customer loyalty. It has positive impact on revenue stream, customer satisfaction, brand image and reputation. Therefore, Instagram marketing strategy should be integrated into organization’s overall marketing campaign and aligned with its business objectives. It should be also optimized throughout time depending on whether the targets were achieved or not. Moreover, it is crucial to analyze and evaluate Instagram performance considering qualitative and quantitative key performance indicators to be aware of return on investment on Instagram, maintain growth and make necessary adjustments to the strategy. Strategic approach to Instagram marketing implies a lot of communication with customers, crafting a business promotion plan, combining different types of content in a profile and measurement of the results. These processes require substantial time commitment, the necessary skill-set, financial resources, therefore, owners and directors of micro enterprises should consider hiring a social media marketing specialist for this purpose in order to achieve better results and promote their business on Instagram more efficiently.

As for the other practical implications, the following thesis can be used as a comprehensive guide to Instagram marketing. The theoretical basis contains a lot of useful information regarding Instagram advantages for business, purposes for
which it can be leveraged along with the explanations how various Instagram’s features and tools can help achieve them. Furthermore, the author discussed the importance of content strategy and how it can be designed, the evaluation of performance and how the results can be measured, challenges connected to using the platform and ways to overcome them. Finally, the conclusions were drawn, and future trends were presented proving the fact that Instagram presence is crucial to businesses today.

6.2 Limitations and Ideas for Future Research

The research sample chosen for this study consisted of various enterprises: of different size, nature of business, product-based and service-based. Due to time constraints, the author compared attitudes towards and approaches to Instagram marketing based only on the organizations’ size. Therefore, further researches can examine the differences depending on the other factors as well. Large companies can be also included in further studies.

The project was also limited by region – the Republic of Karelia, thus, the research findings could not be applied to other areas. The author assumes that there must be interesting differences in the way Instagram marketing is implemented in the central regions and more remote parts of the country. Therefore, future research can be aimed at comparing different areas to reveal the differences in the results achieved to draw the attention of companies to the importance of social media marketing and, particularly, Instagram marketing in today’s business world.

Furthermore, qualitative methods were used for the following study, as the purpose was to provide general understanding of the phenomenon. However, further research can be implemented using quantitative data collection methods as well such as questionnaires and surveys. Qualitative study is limited by the fact that it is not possible to objectively verify the research findings. On the other hand, quantitative research can provide standardized and more accurate data, which after being analyzed can help present numerical comparisons and statistics, discover some patterns and precise facts.
6.3 Assessment of the Research Quality

Reliability is concerned with the consistency of research. It is assessed based on whether it is possible to achieve the identical results in case the study is conducted by another person or on other occasions. (Saunders et al., 156.) However, the findings derived from qualitative research reflect the certain circumstances and the time when they were collected. Therefore, qualitative studies do not necessarily imply that is case the research is re-conducted the results would be very likely the same. As for validity, qualitative research is valid if the respondent is involved in the problem area and expresses their viewpoints freely on the basis of their knowledge. As a result, the researcher can get acquainted with a social phenomenon from another person’s perspective and get a deeper understanding of it. Subsequently, the following study is valid, since the interviewees were a part of the problem area and spoke freely on the topic. (ibid. 327-328.)

Unstandardized interviews such as semi-structured interviews chosen as the data collection method for the following study may cause concerns regarding reliability of data. For instance, such issues as interviewer and interviewee bias should be taken into consideration. Interviewer bias means that interviewer’s behavior during the interview, e.g. nonverbal communication, possible comments and tone of voice, can influence the way respondents answer the questions. Bias may also occur at the stage of the interpretation of the responses. Furthermore, interviewee bias implies that the value of the information provided by the interviewees might depend on the way they perceive the interviewer or on the interviewer’s competence. Moreover, interviewee bias can be caused by the participants’ behavior as well, for example, they can answer a question only partially, omit some of the information or avoid discussing sensitive aspects. (ibid. 326-327.)

Speaking about the given study, the author tried to avoid interviewer and interviewee bias to ensure the data quality. The researcher did not impose predetermined answers during the interviews and did not editorialize the responses, she stayed neutral throughout the whole research process while conducting the interviews, analyzing and interpreting the data. The interviews were held in closed
rooms in comfortable atmosphere and without any distraction factors. Furthermore, ten interviews in total were conducted and there were many similarities and resemblances in the responses which indicates that the saturation point was reached. The following factors can provide credibility to the validity and reliability of this research.

Generalizability or external validity is another issue that should be taken into account which is connected to the possibility to apply the results to other research settings (ibid., 158). The following study is limited by the certain organizations which representatives were interviewed and by the certain area – the Republic of Karelia. Hence, the research findings could not reflect the way Instagram marketing is implemented by SMEs in general. However, the results and managerial recommendations given by the author can still be helpful and beneficial for other micro, small and medium-sized enterprises as well.
References


http://thinkcreativecollective.com/blog/how-to-find-collaborate-with-instagram-influencers-to-grow-your-brand


Appendices

Appendix 1. Screenshots from Instagram of Participant 1

Миллион шаров 🎈Петрозаводск
Arts & Entertainment
мастерская оформления воздушными шарами
#millionsharovptz
🎈 Гелиевые шары долгого полёта
🎈 Оформление праздников
🎈 Фотозоны из шаров
🎈 Доставка
SEE TRANSLATION
vk.com/millionsharov
Followed by ptz.auto.quest.elizabetas.yotayo + 6 more

Call
Appendix 2. Screenshots from Instagram of Participant 2

Пан Тюльпан
Product/Service
Душевный магазин цветов 🌷
Делаем свою работу с любовью❤️ с 2012 года
 постоянно.
Оформление мероприятий, Доставка по городу.
Петрозаводск, пр. Ленина, 9
т. 636117
SEE TRANSLATION
vk.com/pan_tulpan_pltz
Петрозаводск 185000
Followed by todaysecond, alenabarton, katepukova + 6 more

Call  Email  Directions
Appendix 3.

Screenshots from Instagram of Participant 3

Пекарня BEKKER
Restaurant
• свежий хлеб, выпечка и кондитерские изделия
• торты на заказ
• +8(8142)72-07-20
• +7(902)773-07-20
• Карелия, Петрозаводск
@bekkerptz
#bekkerptz

SEE TRANSLATION
karelinform.ru/article/general/10-10-2018/beregite...
ш. Шуйское, 4А, Петрозаводск 185013

Followed by saasha_ku, anyaseysa, u1ptz + 29 more
Салон-студия Стандарт Красоты
Hair Salon
Wella Color Podium Salon
Режим работы:
ежедневно 10:00 - 21:00
Запись: 57-16-99, 63-39-23
или online по ссылке:
SEE TRANSLATION
arm.su/8_
пр. Александра-Невского, 18, Петрозаводск
Followed by helenagutaeva, ira_moiseevskaya, ideaptz_mk + 5 more

TVA2018  Brand day

Call   Directions
Appendix 6. Screenshots from Instagram of Participant 6

ФАБУ
Shopping & Retail
• vintage • second hand • home decor • доставка по миру • новый привоз по ссылке 
SEE TRANSLATION
goo.gl/BNomLJ
Городи, 29, Петрозаводск
Followed by todaysecond. money_sony, kstepukova + 19 more

Call
Directions

©
Appendix 7. Screenshots from Instagram of Participant 7

Салон Красоты в Облаках❤️
Health/Beauty
斯特рики, окрашивания 🎀 Прически, макияж 🎀
Педикюр, маникюр 🎀 Косметология, массаж 🎀
Комната для ссора невест 😊 Сертификаты 😊
ЗАПИСЬ 📞 790-791 ☎️ Окей Палас, 1 этаж
SEE TRANSLATION
www.salonoblakaptz.ru/
Kulysheva, 26, Petrozavodsk
Followed by helenagutaeva, innerpeace.lk, ira_moiseevskaya
+ 15 more
Appendix 8. Screenshots from Instagram of Participant 8
Appendix 9. Screenshots from Instagram of Participant 9

Hookah Place Petrozavodsk
Hookah Lounge
🌟 Кальяны твоей мечты!
🌟 Работаем с мая 2015 года!
🌟 Кузница кальянщиков!
Звоните: +7 (911) 403-81-38
SEE TRANSLATION
vk.com/hookahplacept
пр. Ленина, д. 27, Petrozavodsk 185000
Followed by vndreisk, mklev, millionsharovptz + 11 more
Appendix 10. Screenshots from Instagram of Participant 10
Appendix 11. Interview guide

Introduction

Introducing

Briefing

Confidentiality

Theme 1: Purposes of using Instagram

1) When did your organization start using Instagram?

2) Which business purposes do you leverage the platform for?

Possible answer options:

- to increase brand awareness, to tell about the business
- to show the services and product range
- to build reputation and authority
- to humanize a brand and communicate with customers on a more personal level
- to form relationships and to build loyal customer base
- to grow a community
- to provide customer service, customer support and after-sales services
- to get feedback
- to boost engagement rates
- to make competitor analysis
- to get inspired by competitors and/or other accounts
- to use target advertising
- to drive traffic to company’s website
- to announce company and industry news, offer promotions and discounts
- to increase sales
- anything else?

Theme 2: Approach to Instagram marketing and business promotion on Instagram

3) What Instagram’s features and tools help you achieve your business objectives and how?

4) Do you have an Instagram marketing strategy? Is Instagram marketing integrated into your overall marketing campaign or social media marketing plan?

5) How do you plan your content on Instagram? Do you pay attention to content mix and to visual appeal of your profile?
Theme 3: Attitude towards Instagram

6) What results have you managed to achieve by means of Instagram?

7) What do you think about the future of Instagram and its popularity among organizations in Karelia?

Extra comments