

Starting Up New Business through Instagram: Cases from South Korea



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Abstract: This research paper mainly focus on how new businesses can use the Instagram platform to do their business. This research paper has interview three cases from South Korea who have used Instagram as platform for their own business and have done substantial business. It shows several examples of starting business on Instagram platform in detail & explained how these businesses approach to their potential customers and form a market through social network. This paper used interview method to collect data and interpret them to come to a conclusion. It reviews similar papers who have used Instagram as tool of marketing and conducted a qualitative research to gain data. The interview results show that Instagram has great impact not only to the business starters but to the consumers. It play greater role in linking and communicating with customers and firms rather than just a marketing tool. This research also claims that people starting business through Instagram will be able to gather information and great amount of attention from their customers with a minimum cost.

Keywords: Social network, Instagram, Advertisement, Public relations, business plan

I. INTRODUCTION

This research paper looks into Instagram marketing which is becoming more popular among consumers and companies these days. In fact, Instagram marketing is profitable and many companies are considering new marketing strategies associated with Instagram [1]. The advantage of Instagram marketing can be divided in to five parts. In the research paper the different advantages and disadvantages will be compared with other platforms to analyze how Instagram can be utilized as a business platform. The main focus will be the benefits Instagram provided in the perspective of a business.

Not only does this research paper cover Instagram benefiting businesses but also how such businesses can approach consumers will be described as well. The various ways of marketing and building public relation are becoming more generalized therefore marketing managers need to be aware of how the changes may affect their business. Through this research readers can access the process of Instagram marketing as well as the benefits and flaws.

As a result, this research conducts an interview among several business starters on Instagram. Through the qualitative method of gaining information the results may be more reliable.

In the end it provides a brief guideline about how businesses could start up a platform through Instagram with given points that should be kept in mind.

II. LITERATURE REVIEW

A. Self-Bonding on Social Media

One of the most important strategies a business must structure is the marketing strategy. This is because marketing strategies have a guide line from previous similar companies and firms however this may not be followed unconditionally. Marketing itself highly relates to the external internal situation of the business and society it is aiming for. One type of marketing strategy followed by many companies is called self-branding. This defines when the company or individual of a marketing team tries to promote their own product or service. It is a type of mindset how people attract consumers through different methods.

The mainstream of self-branding is now through social media due to the increase of internet usage and users of Instagram. Many people are open to various brands through social media without acknowledging the fact that they are being shown advertisements. This is a new and innovative method of attracting new consumers to the business [2]. Self-branding through Instagram can be more effective because it can reach potential consumers naturally without putting as much effort in terms of finance or time. The main advantages of Instagram marketing is that it does not consume as much time or financial burden as much as other methods of advertising [3]. With just an effective approach on Instagram a business could benefit more than any other type of promoting method. This proves that social media has enough influence towards consumers and potential buyers [4].

Gender was one of the influential factors to self-branding and marketing strategies. This has become more significant due to the Feminism trend that has started globally. After such arises in many countries, businesses had to look over their previous marketing plans to check if any of their methods included offensive material especially towards woman. This could be a cautious notice and may seem to hold back business marketing managers to create new plans, however this Feminism trend could be used as a boost for businesses. This would depend on how the company decides to aim its consumers with which type of company value.

In terms of selective marketing strategy, Instagram is a very appropriate choice for marketing managers [5].

This is because through the system installed in Instagram users can look and continuously follow the brands or individuals that they find attractive.

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In other words, selective marketing is already a system being conducted throughout this social media [6].

Therefore, considering the changing situation towards post-feminism new businesses can focus on selective consumers by using Instagram.

III. METHODS

In this research paper, variation of the different situation and circumstances were highly affecting the business plans. Therefore, to consider the affecting factors qualitative research was conducted. Interviews were held among several people who have their own business through Instagram. The main objectives of this research method was not to find calculative results to support any hypothesis but to observe how such businesses were building their platform and marketing strategy.

The efficiency of Instagram marketing was the main focus of our research. Through interviews the different situations were all thoroughly explained and understood so that readers and potential business starters can take a realistic prediction before jumping in to the market itself. The reason qualitative research was chosen for qualitative research was also because of the objective of the paper. Since this paper is aiming for an explanation about why and how Instagram applies as a new marketing strategy, it is more likely to gather detailed data from similar cases instead of just calculating the results of surveys.

IV. RESULTS

This research paper focuses mainly on startup businesses that choose Instagram for their platform. To gather qualitative data from the business workers we conducted interviews with a few of the people who had their own business on Instagram. The people chosen to be interviewed had to qualify such conditions. First, they had to have their own business of some kind on Instagram. Second, they had to be marketing their own products or service through Instagram. Third, the interviewed business person must have had exclusive products for sale.

The interviews were done in person by asking questions and recording the responses and by e-mail again asking the same type of questions through via email for those who were not available to meet in person. The interviews included contents such as why they choose Instagram as a platform for their business, how they thought that Instagram would be more effective than any other possible platform, what they have experienced through Instagram marketing in terms of the advantages and drawbacks, and further recommendations regarding business startups through Instagram.

The first interviewed business person was a young university student selling her own collection of clothes through her own personal Instagram account; rosinessj. She had 2 million followers on Instagram when she had started her own fashion business and has been gaining quite a successful profit for what she has accomplished. Through the interview she responded about how she first decided to use Instagram as her business platform and how Instagram's main features helped or restricted her business marketing.

As rosinessj had her own business name identical to her Instagram account name it was easy for her to spread the

brand name among consumers. Many followers were aware of the brand before acknowledging the fact that they could be a potential customer. This is the most effective and cost worthy part about Instagram marketing. The fact that business owners do not have to invest money to other medium medias or firms to help spread the brand name or image [7]. Business owners can plan and design the brand values the way they would like to. This was the main reason she responded why she thought she could succeed in reaching a potential group of people in such a short period of time.

The second interviewed business was an owner of a cafe located near Dong Daegu station, Daegu, South Korea. She aims to target people who would like to spend quality time but also those who would like to order customized cakes. This is why she had started a business platform on Instagram to receive the different and in detailed orders from customers [8]. She was also a new starting business person with relatively less support than other enterprises. Therefore her interview focuses mainly on how she first found interest in using Instagram as a platform and how she applied Instagram as a marketing tool to the fullest.

This cafe is called "Our hours" and it may seem like any other cafe easily seen on any other avenue however the special part about this place is that customers can place customized cake orders for gifts to others or for special days to celebrate [9]. The important part is that all cake orders are only accepted through Instagram messages. This is how she had to start using Instagram as a tool for her business. It was because it was the easiest method to appear as an accessible business that customers can contact without any inconvenience [10]. This helped the cake business grow rapidly in a short period of time. The accessibility really was the strength of this business and it was more clearly seen when more customized cake shops emerged. Due to the lack of accurate communication, many customers expressed their complaints and opinions through social media as well [11]. This is when the owner of Our hours put effort to become more considerate of customer's values and demands so that she could appeal the brand's image of customizing personal bakeries.

The final interview was held with a woman accessory business person with a brand name called "Madeleine". The business owner was also still a young aged rather less experienced business person who had her own platform on Instagram and on naver store farm (www.naver.com is the most popular search engine in South Korea). Through the interview she mentioned about the similarities between Instagram and style farm and how the progress of how she decided to choose Instagram as her main business platform. She also mentioned saying that her original intention before starting any type of marketing strategy was to reach as many customers as possible with the minimum of cost [12].

The intention was clear enough to understand that many people find Instagram the fit social networking system to self-brand their own business. However, through the interview she says that Instagram is apt for a certain type of business and that it is important to keep that in mind.

V. DISCUSSION

The main purpose of this paper was to find the main cause of Instagram marketing and how it is been used among business was observed and attained through interviews. The three interviews had overlapping contents despite their different aimed customers and market share. This proved that Instagram as a business platform was successful for people regardless of their focused product or service [13]. The results show that Instagram was suitable for young business starters who are rather starting their first business with a small amount of capital. Instagram allowed such business starters to reach out to customers without the capital that would be needed. This was the main factor that attracted business starters to apply Instagram to their business marketing strategy [14].

VI. CONCLUSION

Through this qualitative research it was accessible to find how Instagram was applied among many business people and in what degrees it was succeeding as a marketing tool. The qualitative data gathering helped in understanding how business owners decided to use social networking system over any other professional marketing method. The main cause was to effectively aim for a certain group of people. All three interviewees had relatively less financial support from the surroundings than other enterprises. Therefore, instead of targeting a massive group of people they all found it more efficient to aim for the potential customers rather than the whole market.

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