

# 1 TABLE OF CONTENTS

	page
<b>COVER PAGE</b>	
<b>TITLE PAGE</b>	
<b>DECLARATION OF AUTHENTICITY OF FINAL PAPER AND UPLOAD AGREEMENT.....</b>	<b>ii</b>
<b>APPROVAL PAGE BY FINAL PAPER ADVISOR .....</b>	<b>iv</b>
<b>APPROVAL PAGE BY FINAL PAPER DEFENSE COMMITTEE .....</b>	<b>v</b>
<b>ABSTRACT .....</b>	<b>vi</b>
<b>ABSTRAK .....</b>	<b>vii</b>
<b>PREFACE.....</b>	<b>viii</b>
<b>TABLE OF CONTENTS.....</b>	<b>x</b>
<b>LIST OF FIGURES .....</b>	<b>xii</b>
<b>LIST OF TABLES .....</b>	<b>xiii</b>
<b>LIST OF APPENDICES .....</b>	<b>xiv</b>
<b>CHAPTER I INTRODUCTION</b>	
1.1 Background of the Study .....	1
1.2 Problem Limitation.....	13
1.3 Problem Formulation .....	14
1.4 Objective of The Research.....	14
1.5 Benefit of The Research .....	15
1.5.1 Theoretical Benefit .....	15
1.5.2 Practical Benefit.....	15
<b>CHAPTER II LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT</b>	
2.1 Theoretical Background .....	17
2.1.1 Definition of Marketing .....	17
2.2 Instagram Social Media Marketing .....	18
2.2.1 Definition of Social Media Marketing .....	19
2.2.2 Instagram as Social Media Marketing Platform .....,	20

2.2.3	The Indicator of Instagram Social Media Marketing .....	22
2.3	Brand Image .....	23
2.3.1	Definition of Brand Image .....	23
2.3.2	The Indicator of Brand Image .....	24
2.4	Price.....	25
2.4.1	Definition of Price .....	25
2.4.2	The Indicator of Price .....	26
2.5	Customer Purchase Decision .....	27
2.5.1	Definition of Customer Purchase Decision .....	27
2.5.2	The Indicator of Customer Purchase Decision .....	29
2.5.3	Factors of Customer Purchase Decision .....	30
2.5.4	Process of Customer Purchase Decision .....	31
2.6	The Relationship between Instagram Social Media and Customer Purchase Decision .....	31
2.7	The Relationship between Brand Image and Customer Purchase Decision .....	32
2.8	The Relationship between Price and Customer Purchase Decision .....	33
2.9	Previous Research .....	33
2.10	Hypothesis Development .....	35
2.11	Research Model .....	36
2.12	Framework of Thinking .....	38

### **CHAPTER III RESEARCH METHODOLOGY**

3.1	Research Design .....	39
3.2	Population and Sample .....	40
3.2.1	Population .....	40
3.2.2	Sample .....	41
3.2.3	Sampling Method .....	41
3.3	Data Collection Method .....	43
3.3.1	Primary Data .....	43
3.3.2	Secondary Data .....	45
3.4	Operational Variable Definition and Variable Measurement .....	45
3.5	Data Analysis Method .....	48

3.5.1	Research Instrument Test .....	48
3.5.2	Classical Assumption Test .....	51
3.5.3	Descriptive Statistics .....	53
3.5.4	Multi Linear Regression Test .....	54
3.5.5	Coefficient of Determination Test .....	55
3.5.6	Hypothesis Test .....	56

## **CHAPTER IV RESEARCH RESULT AND DISCUSSION**

4.1	General View Of “Research Object” .....	57
4.1.1	Brief History of the Company .....	57
4.1.2	Company’s Vision and Mission .....	58
4.2	Research Result .....	59
4.2.1	Descriptive Statistic .....	59
4.2.1.1	Respondent’s Characteristic .....	59
4.2.1.2	Overview of Respondent by Domicile .....	59
4.2.1.3	Overview of Respondent by Gender .....	60
4.2.1.4	Overview of Respondents by Age .....	61
4.2.1.5	Overview of Respondents by Occupation .....	62
4.2.1.6	Respondents’ Responses .....	63
4.2.2	Descriptive Variable Analysis .....	71
4.2.2.1	Respondents’ Responses towards Instagram Social Media Marketing .....	72
4.2.2.2	Respondents’ Responses towards Brand Image .....	74
4.2.2.3	Respondents’ Responses towards Price .....	76
4.2.2.4	Respondents’ Responses towards Customer Purchase Decision .....	78
4.2.3	Validity Test .....	80
4.2.4	Reliability Test .....	81
4.2.5	Classical Assumption Regression Test .....	82
4.2.5.1	Normality Test .....	82
4.2.5.2	Multicollinearity Test .....	83
4.2.5.3	Heteroscedasticity Test .....	84

4.2.5.4 Linearity Test .....	85
4.3 Statistical Analysis Method .....	86
4.3.1 Regression Analysis .....	86
4.3.1.1 Multiple Linear Regression Analysis .....	86
4.3.2 Coefficient of Correlation Analysis .....	88
4.3.2.1 Multiple Coefficient of Correlation Analysis .....	88
4.3.3 Coefficient of Determination Analysis (R Square) .....	88
4.4 Hypothesis Testing Method .....	89
4.4.1 Simultaneous Significance Testing (F-Testing) .....	89
4.4.2 Partial Significance Testing (T-Testing) .....	90
4.5 Discussion .....	92

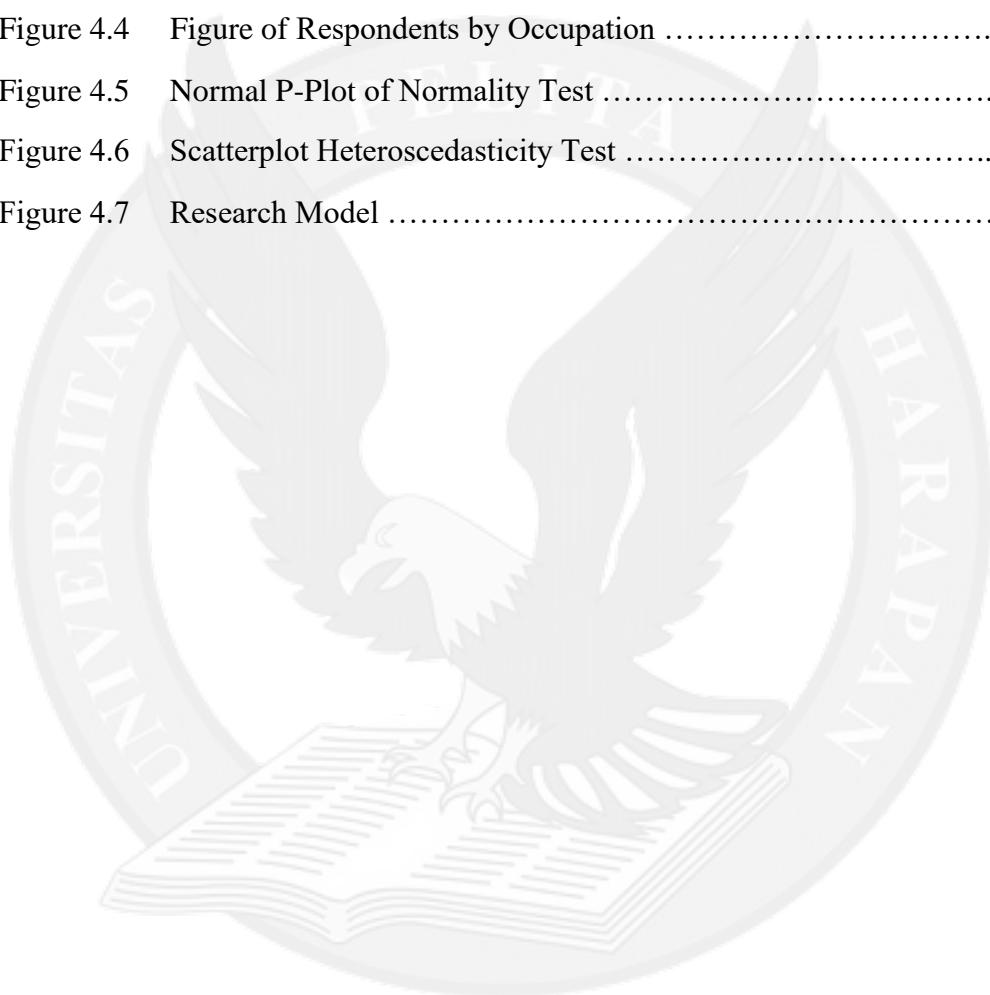
## **CHAPTER V CONCLUSION**

5.1 Conclusion .....	109
5.2 Conclution for Hypothesis.....	110
5.2.1 The Effect of Instagram Social Media Marketing on Customer Purchase Decision .....	110
5.2.2 The Effect of Brand Image on Customer Purchase Decision .....	111
5.2.3 The Effect of Price on Customer Purchase Decision .....	112
5.2.4 The Effect of Instagram Social Media Marketing, Brand Image and Price on Customer Purchase Decision .....	113
5.3 Conclusion for Research Problem .....	114
5.4 Implication .....	115
5.4.1 Theoretical Implication .....	115
5.4.2 Managerial Implication .....	116
5.5 Recommendation .....	122

<b>REFERENCES .....</b>	<b>124</b>
-------------------------	------------

## LIST OF FIGURES

	page
Figure 1.1 Indonesia's Social Media User Chart .....	8
Figure 4.1 Figure of Respondents by Domicile .....	59
Figure 4.2 Figure of Respondents by Gender .....	60
Figure 4.3 Figure of Respondents by Age .....	61
Figure 4.4 Figure of Respondents by Occupation .....	62
Figure 4.5 Normal P-Plot of Normality Test .....	82
Figure 4.6 Scatterplot Heteroscedasticity Test .....	84
Figure 4.7 Research Model .....	92



## LIST OF TABLES

	page
Table 3.1 Likert Scale .....	44
Table 3.2 Operational Variable Definition and The Indicators .....	46
Table 4.1 Respondents Characteristics Based on Domicile .....	59
Table 4.2 Respondents Characteristics Based on Gender .....	60
Table 4.3 Respondents Characteristics Based on Age .....	61
Table 4.4 Respondents Characteristics Based on Occupation .....	62
Table 4.5 Likert Scale .....	63
Table 4.6 Respondents' Resposes toward Instagram Social Media Marketing .....	64
Table 4.7 Respondents' Responses toward Brand Image .....	66
Table 4.8 Respondents' Responses toward Price .....	67
Table 4.9 Respondents' Responses toward Customer Purchase Decision ...	69
Table 4.10 Respondents' distribution answer toward Instagram Social Media Marketing variable .....	72
Table 4.11 Respondents' distribution answer toward Brand Image variable .	74
Table 4.12 Respondents' distribution answer toward Price variable .....	76
Table 4.13 Respondents' distribution answer toward Customer Purchase Decision variable .....	78
Table 4.14 Validity Test Result on Instagram Social Media Marketing .....	80
Table 4.15 Validity Test Result on Brand Image .....	80
Table 4.16 Validity Test Result on Price .....	80
Table 4.17 Validity Test Result on Customer Purchase Decision .....	81
Table 4.18 Reliability Test .....	81
Table 4.19 One-Sample Kolmogrov Smirnov Test .....	81
Table 4.20 Collinearity Tolerance and Statistics VIF .....	83
Table 4.21 Spearman Test Correlation .....	85
Table 4.22 Linearity Test Result .....	85

Table 4.23	Multiple Linear Regression Testing Output .....	86
Table 4.24	Multiple Regresssion Testing Output .....	88
Table 4.25	F-Testing Output .....	89
Table 4.26	T-Testing Output .....	90
Table 4.27	Instagram Social Media Marketing Variable Indicators .....	93
Table 4.28	Brand Image Variable Indicators .....	95
Table 4.29	Price Indicators .....	97
Table 4.30	Customer Purchase Decision Indicators .....	99
Table 5.1	Theoritical Implication .....	115
Table 5.2	Managerial Implication .....	120

## **LIST OF APPENDICES**

APPENDIX A: Questionnaire .....	A-1
APPENDIX B: Data of Respondents' Answer for Instagram Social Media Marketing (X1) .....	B-1
APPENDIX C: Data of Respondents' Answer for Brand Image (X2) .....	C-1
APPENDIX D: Data of Respondents' Answer for Price (X3) .....	D-1
APPENDIX E: Data of Respondents' Answer for Customer Purchase Decision (Y) .....	E-1
APPENDIX F: SPSS Output Result for SPSS Test .....	F-1
APPENDIX G: SPSS Output Result for Regression Test .....	G-1
APPENDIX H: Research Statement Letter from PT. Ozin Karya Pratama ...	H-1
APPENDIX I : R Table .....	I-1
APPENDIX J: T TABLE .....	J-1
APPENDIX K: F TABLE .....	K-1