The Conceptual Framework Modelling the Causality Effect Between Instafamous Credibility and Entrepreneur Action

Erina Ismail, Mutia Sobihah Abd Halim

Faculty of Business and Management, Universiti Sultan Zainal Abidin, Kuala Terengganu, Terengganu, Malaysia

ABSTRACT

This paper aims to present a conceptual framework of causal effect between instafamous credibility on the entrepreneurial action among the university's students who are an Instagram user. The conceptual framework was developed by a literature review of the social media influencer’s credibility construct i.e., the trustworthiness, expertise, and attractiveness and the entrepreneurial behavior (action). The understanding and predicting entrepreneur action are vital because it is understandable that becoming an entrepreneur is quite a complex process of planned behavior to endure by the student. It is, therefore, an opportunity for the stakeholders to explore the benefit of the advancement of social media platform, specifically the Instagram to develop an Instapreneur. The entrepreneur action and source credibility framework will allow us to better understand the impact of various business emergence and identifying what and how it emerges.

Keywords: Entrepreneur Intention; Entrepreneur Action, Source Credibility, Social Media Influencer, Instagram.

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INTRODUCTION

The advancement of Internet superhighway allows stakeholders to conduct business with relatively low cost, access to unlimited information and accelerates the processing of the mass information available. The emergence of user-generated content such as blogs, social media, webs, and others allow consumer to enjoy better control throughout their shopping decision making and pattern. Social media has grown rapidly and has become a platform for branding, self-expression, and business. Social media is also known as an incredible platform provider for entrepreneurs nowadays when they can connect with customers across borders and drive their brand awareness at nominal cost. Social Media Examiner reports that in 2015, 96% of social media are used by entrepreneurs, with 92% of them substantiated that social media has generated an increased media exposure and became an important device for their business. 88% of business marketer responded that social media benefit business exposure to their businesses and 79% agreed that social media increased their traffic (Social Media Examiner, 2021). However, there are still some business owners, executives and the marketing specialist who are hesitant about the effectiveness of their marketing plans via social media (Chiu et al., 2012; Chu et al., 2013; Lagrosen & Grundén, 2014).

Consumers access information about products or services through digital word-of-mouth sources like social media and websites review. Other consumers’ opinion or perceived messages from reviewers, friends and family are important than info from the companies itself. Therefore, companies nowadays, use third party to promote their product or services on social media. The “tools” are called “social media influencer (SMI)” whom are an independent content generator with influential power to shape the attitudes of company’s audience (Goodman et al., 2011; Khamis et al., 2016; Freberg et al., 2011). They are influential since SMI can affect the decision making process by the consumers by providing recommendations, images and other content of the intended product (Forbes, 2016).

This research focusses on Instagram, one of the powerful social media platforms which described as “one of the fastest growing online photo social web services where users share their life images with other users” (Djafarova & Rushworth, 2016). Instagram have an increase in number of monthly active user from 500 million to one billion over a three-year period since 2016 to 2018 (Statista, 2018a). Instagram offers mass image-based story telling capacity (Mancuso & Stuth, 2015).

Instagram social influencer is known as Instafamous. Instafamous can be considered as a famous person who has a lot of followers. They are the individuals who might not be known for anything except their Instagram account and highly regarded role as social influencer (Saul, 2016). The influence and power of instafamous is undeniable when they are perceived to be influential and trustworthy individuals. They offer informal advice or information about a specific product or product category, for example which of several brands is...
best or how particular product may be used (Keller and Kotler, 2016). There are few big names of Instagram influencer such as Huda Kattan @hudabeauty with 29 million followers for makeup tutorials, Cameron Dallas with 21 million followers for videos preview, Zizan Razak @zizanrazak869 with 6.4 million followers, Mira Filzah @mfmirafilzah with 5 million followers and many others (HypeAuditor, 2019).

Undergraduates nowadays belong to the Generation Z which born between 1997 to 2012 (Dimock, 2019). These generations are fluent users of social media and considered as the digital natives due to their cultural revolve around social media (Tuten & Marks, 2012). Therefore, it is a predictable trend whereby the university students turn out to be instafamous. It is also begging the question of whether instafamous among the university students are a potential individual to become a successful entrepreneur due to their advantages of having mass followers. Albeit the platform is popular, research on Instagram or Instafamous is still at the early stage and scarce (Djafarova & Rushworth, 2016). It is also uncommon to study the trend of an instafamous to be a successful entrepreneur. This study will use Instapreneur as the term referred to instafamous entrepreneur.

Advisory Council (NEAC), 2010). Recently, the government launched Dasar Keusahawanan Nasional 2030 (DKN2030) to establish adequate entrepreneurial surroundings and platform for those who are willing to grab the opportunity. At the same time, Ministry of Higher Education and Department of Higher Education have launched Entrepreneurship Action Plan Higher Education Institutions 2021 – 2025 (EAP-HEIs 2021-2025) and MOHE Guide to Entrepreneurship Integrated Education (EIE) respectively to align with DKN aspirations and to enhancement program and action plan in producing more student and graduate entrepreneur. Therefore, this study objective is to develop a conceptual framework of causal effect between instafamous credibility on the entrepreneurial action among the university’s students who are an Instagram user.

LITERATURE REVIEW

Entrepreneurship is considered as the driver of the economy, a major source of national competitiveness and a critical provider of prosperous livelihoods of diverse people, group, and societies. It is the process of identifying, evaluating, and exploiting opportunity with the aim of starting a company or venture growth (Shane & Venkataraman, 2000). An entrepreneur is those who take up initiative and is engaged in innovation and creative pursuit (Schumpeter, 1934). Entrepreneurs are the means in creating new enterprises, the growth of the economy, the promotion of learning, and innovation in the world (Liñán et al., 2005). Entrepreneurs and their organizations are often seen as the engine behind the development of nations; therefore, the leaders of governments, public administrations, and academic institutions are attracted in cultivating entrepreneurial activity (Díaz-Casero et al., 2012).

There is compelling necessity to drive entrepreneurial activity among the young people and higher education is poised to respond. Universities have the extraordinary opportunity to pave new pathways for educating new entrepreneurial leaders of the 21st century in ways of transforming more youth interest in entrepreneurship into their actual pursuit of it. Education and entrepreneurship are two of the most important aspects to be given emphasis on building Malaysia as a high-income and inclusive developed nation. Application and exposure to culture and value of entrepreneurship is a learning process that opens space and students’ minds to be more creative, innovative, and viable in every aspect. They are expected to generate innovation, job opportunities and economic growth towards a brighter future.

The emergence of internet has allowed entrepreneurs in the world to interact with their customers across borders. It is becoming an infrastructure, innovation of web and as a user-

![Figure 1: The Working Status Percentage of Overall Graduates and Undergraduates in Malaysia, Tracer Study Report 2017](image)
friendly multimedia information space that change the way people and organization interconnected, get access on information and network in many arrays of their daily activities. Media communication theories suggest that internet contribute to (a) to make the public more active and engaged, and (b) to “a new era of truer and greater democracy” (Burnett and Marshall, 2003). With the advancement of technology and knowledge, web-based services, or Web 2.0 as the second generation introduced its user-friendly interface and the ability to create user-generated content, that revolutionized the way users interact with others, organization, and information in general.

Social media is the subset of Web 2.0 emergence, and this platform are growing massively and rapidly. Social media introduce broader function than the traditional mass media. Social media is “a group of Internet based application that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchanged of user-generated content” (Kaplan & Haenlein, 2010). YouTube was launched in 2005, Twitter was established in 2006, Facebook opened to public in 2007, and Instagram and Snapchat were founded in 2010 and 2011 respectively. About 78% of Malaysia population are an active user of social media. As in June 2019, Facebook reach 75.97% of Malaysian users, followed by Twitter (8.09%), Pinterest (7.01%), Instagram (4.93%), YouTube (3.09%) and Tumblr (0.53%). Social media allows companies to interactively connect and highly reach their customers with low cost to competently build product or create brand awareness (Lou & Yuan, 2019; Pinto & Yagnik, 2017). These phenomena have generated challenges and opportunities for the entrepreneur to compete in a massive borderless market.

Instagram is an online, mobile phone photo-sharing, video-sharing and social network service that enables their users to take photos and videos, and share it borderless (Frommer, 2010). It is a social media application that changes the landscape of communication technology which is commonly used on smart phone and has becoming a widespread application especially to the youth. It is a mobile, desktop and internet-based photo-sharing and service which allow account user to share photos and videos to individual or groups either publicly or privately at no cost as long they are connected to the internet (Jenkins, 2015). Since 2016 to 2021, Instagram platform showing an ever-increasing percentage number of users from 4% to 22% (Social Media Examiner, 2021). Statista (2018b) reporting that in January 2018, approximately 800 million of people are an active Instagram user worldwide, posting and average of 27.9 images per month. Instagram user also spending 257 minutes monthly browsing the apps (Brandwatch, 2016). Due to its rigorous expansion as mobile photo-sharing apps, Instagram was purchase for $1 billion by Facebook in 2012 which is worth more than the New York Times (Indvik, 2013).

Instagram offers several special filters that allows users to change color and resolutions of the photographs before they post them. They share the photos and videos using a hashtag (#) for the benefits of others. Instagram may have started out as a platform to share photos and videos, but it has grown to be so much more than that. Many businesses, starts-ups and individuals have successfully used the social media platform to either kickstart or further expand their products and services. Due to heavy usage of Instagram and the growth of its user, there are substantial interest in making this medium as commercial site, particularly entrepreneurs who want to explore the potential of their businesses.

There is huge potential for youth to use Instagram as socializing hub and online business purposes at the same time. Apart from being a platform for social networking services, Instagram can be a powerful and useful business tool for the potential entrepreneurs. Instafamous is similarly to a social media influencers or product endorser who act as the third parties that promote a company or a brand rigorously on social media platform. Based on the magnitude of influence where Instagram personalities effectiveness in spreading messages about new product, commencing, and popularizing new trends and driving up sales leads to the creation of “Instagram Famous” term which is popularly labelled as “instafamous” (Dewey, 2014). The increasing numbers of user of Instagram with mass follower is an advantage to the instafamous to become a potential online entrepreneur (Hashim, 2017).

Instagram may serve as a social media marketing tool that can build and gain brand recognition by helping them to reach out for new customers and promote their products or services. Instagram can boost up engagement 15 times more than other social media platform such as Facebook, Twitter, or Google+ (Jenkins, 2015). The Instagram posts can be seen or discovered by more people. For example, by including the appropriate or audience-specific hashtags in the updates, the marketers can easily and effectively reach new people interested in their products as well as to reach the target audience. The hashtags not only describe the photos and business but are also actively searched for and used on Instagram (Jenkins, 2015). The marketers can share information at the same time with their customers and business partners.

Recent statistic represents that number of active Instagram users is more than 700 million per month. The platform serves not only for popular photo editing and sharing application but also a popular marketing channels for brands, especially the beauty, fashion, and luxury segments (Statistica, 2017). Kantar TNS in their 2016 survey revealed that Malaysians are among the most active Instagram user in Asia Pacific from 59% to 73% of connected consumers due to mobile technology development where 11 million of Malaysian are smartphones users (Malay Mail, 2016). Thus, Instagram have huge potential as the hub of marketplace since the rising of its users. Usually, social media influencers are chosen based on their extensiveness of their social network, the frequency of using their social network, the relevance or visibility of their content and their suitability (fit) with the brand. It is matter of proposition for an Instafamous to have the tendencies on becoming an entrepreneur since they have mass followers. However, research on this is still scarce. Therefore, this study proposes to examine on the effect of instafamous source credibility towards the entrepreneur intention and entrepreneur action.
The Effects Between Instafamous Credibility and Entrepreneur Action

Entrepreneur Action

Entrepreneur action term are used interchangeably as entrepreneurial behavior or target behavior or entrepreneurship. All of these requires action be it conceptualized as the creation of new products or process (Schumpeter, 1934), entry to new markets (Lumpkin & Dess, 1996), or the creation of new ventures (Gartner, 1985). Entrepreneurial action refers to “behavior in response to a judgmental decision under uncertainty about the possible opportunity for profit” (McMullen & Shepherd, 2006). Shane & Venkataraman (2000) defines entrepreneurial behavior as the discovery, evaluation, and exploitation of an opportunity. It involves a process to be an entrepreneur. Thus, to become entrepreneur one must act upon the possibility of identified opportunity worth pursuing.

For more than three decades studies on entrepreneur action is one of the under-researches and receives less focuses from entrepreneurship researchers (Bird, 1988). Most of the available theory, model and empirical study of entrepreneurial actions revolves around the entrepreneurial intentions (Krueger, 2007; Shapero, A. and Sokol, 1982), personality traits (Delmar, 2000), entrepreneur opportunities, entrepreneurship education (Rauch & Hulsink, 2015) in order to stimulate the entrepreneurial action or behaviour. In recent years, scholars have begun to investigate the actual behaviour of entrepreneurs as they take place over time. It is important to discuss on the potential entrepreneur to assess whether they possess what is needed to undertake the entrepreneurial action.

In entrepreneurship research, most theories or model extends some form of the “causal model” of action. For example, Figure 2 is a causal model of entrepreneurial action by N. Krueger (2009) where action is divided into combination of intentions and action. This model adapted from Shapero, A. and Sokol (1982), Norris F. Krueger & Brazeal, 1994 and Krueger (2000) work. This model offers comprehensive understanding of entrepreneurial behavior, Krueger (2000) combined the TPB and SEE model which includes propensity to act, desirability, and feasibility from SEE and social norms and self-efficacy from the TPB model. The new variant in the model is collective efficacy. The rational is individual might perceive strong personal abilities, however this might not be adequate for entrepreneurship were benefiting from collective abilities is vital for potential entrepreneurs to be successful. Krueger (2009) indicates that intention impacts action (behavior). There is a significant distinction between an individual’s intention towards a behavior that is goal intention and what the individual will do in the future regarding the intention that is action

In this study, the causality model is also adopted. The entrepreneurial action is proposed as the dependent variable. Hence, the independent variable of the study is looking at the instafamous credibility which is an important social media influencer characteristic. The study determines whether instafamous credibility as a causal effect for a final year student to become an Instapreneur i.e., the Instagram entrepreneur. The following section will discuss on the source credibility model.

Source Credibility Model

The Source Credibility Model have been developed to represent credibility characteristics in an influencers or endorser. Source credibility is a term to imply a communicator’s positive characteristic that affect the receiver’s acceptance of a message (Ohanian, 1990). Source credibility is the level to which the target audience views the source in order to gain expertise and knowledge in their understanding of the product/service (Ohanian, 1990). Combining both the source credibility model and the source attractiveness model, Ohanian (1990) proposed three dimensions to measure credibility of the spokesperson: expertise, trustworthiness, and attractiveness and reported that these three characteristics of the endorser are positively related to the intention to purchase and perception of quality for the products by the followers.

This study set out to propose a model of entrepreneur action by integrating the source credibility model as the theoretical basis to examine how the three characteristics of the instafamous on the entrepreneur action. Therefore, we propose:

H1 - Instafamous credibility has a significant effect on entrepreneur action

Trustworthiness

The trustworthiness of an influencer is important as it can encourage the receiver’s opinion and impact the effectiveness of a message communicated; disregarding whether the influencer is an expert or not (Seiler & Kucza, 2017). Trustworthiness addresses to which level the receiver accepts the message conveyed as well as the receiver’s belief that the endorser will communicate accurate information with an honest intent (Sertoglu et al., 2014). According to several researchers, trustworthiness is the most important factor for celebrity endorser’s credibility (Amos et al., 2008; B. Zafer Erdogan, 1999; Sertoglu et al., 2014). This entails that, even though the endorser possesses other positive qualities, untrustworthy qualities cause the source to be questionable (B. Zafer Erdogan, 1999). Trustworthiness of the communicator is an important construct of persuasion and attitude-change research (Ohanian, 1990). Trust gives consumers confidence to eliminate necessary information searching and validation, thus reducing the complexity and uncertainty of a relationship (Zhu & Chen, 2012), which, in peripheral route, are strong cues that could lead to attitude change. Andaleeb (1996) posits that when the focal party trusts the source, he/she will feel secure by way of an implicit belief that the actions of the source will result in positive
outcomes, therefore, obtaining positive attitudes such as brand attitude and feel that the merchandise is more attractive. Thus, to look at the effect of instafamous trustworthiness effect on entrepreneur action, proposed hypothesis is highlighted:

**H2 - Instafamous trustworthiness has a significant effect on entrepreneur action**

**Expertiness**
Expertise refers to perceived knowledge possessed by influencers to make correct assertions. Influencer expertise addresses the knowledge, experience or skills possessed by a source (Erdogan, 1999; Munnukka et al., 2016). The dimension also referred as to authoritative, competence, expertness, or qualification (Ohanian, 1990). The source perceived expertise has a positive impact on attitude change. Yet, it is the perceived expertise where audience’s belief the source possesses expertise are important for credibility (Seiler & Kucza, 2017; Yang, 2018). Xiao et al., 2018 suggest that perceived expertise can lead to positive attitude towards the advertisement. The dimension can influence purchase intent (Seiler & Kucza, 2017; Xiao et al., 2018). However, inconsistency within the literature has been identified regarding the importance of expertise in source credibility. When comparing the source credible model factors (expertise, trustworthiness, and attractiveness), expertise was the least influential factor for credibility (Seiler & Kucza, 2017) while Amos et al., 2008 found it to be the second most important. Previous research has further indicated that expertise has a significant effect on similarity, i.e. the match between the endorser and the product and is more vital for similarity than other credibility factors (Lee & Koo, 2015). Similar to the attractiveness feature, expertise serve as a quick and easy to process cue, leading to the conclusion that if this person, who seems knowledgeable about this particular type of product is endorsing it, then it should be good. Thus, we have:

**H3 - Instafamous expertise has a significant effect on entrepreneur action**

**Attractiveness**
Attractiveness of source is closely related to endorser’s appearance that could enhance persuasion based on likeability, similarity, or desirability to target audience. It is an important cue in an individual initial judgement of another person (Ohanian, 1990). Nevertheless, the importance of attractiveness is considered when evaluating the credibility of a celebrity (Erdogan, 1999). However, the physical attractiveness is not solely evaluated. Components such as similarity, familiarity and liking comprise attractiveness and in turn influence the credibility of the source (Amos et al., 2008; Erdogan, 1999; Seiler & Kucza, 2017). Attractiveness positively influences the efficiency of changing beliefs and enhanced message effectiveness (Chao et al., 2005; Lee & Koo, 2015) and the receiver’s purchase intention (B. Zafer Erdogan, 1999). Given that attractive people are imbued with positive traits such as intelligent, integral and concern for others, people are likely to infer that if this attractive, intelligent, and integral person is endorsing this product and brand, it must be good. Therefore, we recommend:

**H4 - Instafamous attractiveness has a significant effect on entrepreneur action**

**Proposed Conceptual Framework**
A proposed theoretical framework as in Figure 3 is developed based on and source credibility model by Ohanian, 1990 and entrepreneur action. The model combines the variables of instafamous credibility encompasses the trustworthiness, expertise, and attractiveness of an instafamous which are the independent variable. The later part of the model is the entrepreneur action of the instafamous as the dependent variable to enable the objectives of the study to be achieved. The study excludes the independent variable in the model at this stage. It is designed to clearly understand the causality effect between the independent variables to the dependent variable of the study whether the model fits the data and the study determine to foresee the direct and indirect effects and the overall effect of the independent.

**Figure 3 : A Conceptual Framework Modelling the Causality Effect Between Instafamous Credibility and Entrepreneur Action**

**CONCLUSION & FUTURE AGENDA**
In conclusion, the objective of the research is to propose a framework on the causal effect between the instafamous credibility and the entrepreneur behavior or action among the final year student in Malaysia public universities. Since the advancement of internet and accompanied by all government policy unfolds before us, social media platform is one way to encourage more student entrepreneur or graduate entrepreneur to be developed. It is also due to student nowadays are the Gen Z who are exposed to instant global connectivity therefore may increase the interest of the potential Instapreneur and uses the social media as a business operating tool.

This study will provide better understanding for the university regarding the student entrepreneur action on the social media platform in general and Instagram specifically. University may take advantage by providing sustainable training and courses related to social media business platform which is suitable for the current generation. Therefore, this study is important to the field of digital entrepreneurship in higher education landscape. The findings are expected to assist the Instapreneur with some intervention programmes or activities when they are already equipped with credibility characteristic and the advantages of mass follower. Entrepreneurs may have certain dispositions, attributes, and prior knowledge; however, most scholars agree that entrepreneurs are not born but rather made (Gartner, 1989; Shook et al., 2003).

The Ministry of Higher Education may enhance further the policies and action plans of entrepreneurship agenda by...
focusing on developing more graduates using business platform via social media in order to boost up the number of job creators. Various trainings, courses and programs related to social media entrepreneurial platform are viable and should be embedded as the strategies in the roadmap implementation of EAP-HEIs 2021 – 2025.

The emergence of social media has affected and changed the activities of businesses. As such, it is definite worthwhile for researcher to consider various impact of social media from wider and deeper perspective. The framework can be expanded to explore more on social media impact on business innovation by collaborating with the industries. It is also viable to look it from another platform such as Facebook, YouTube, Tiktok, etc. Furthermore, the framework can be used to explore the other types of business contexts to further understand its impact at the individual, organization, technological or cultural level. For student and graduate’s entrepreneur, the framework may determine other factors that can be the mediator which influence the entrepreneurial behavior. It is also beneficial to identify moderator factors that can enhance the relationship between entrepreneur intention and entrepreneur behaviour. This study is also expected to fill the gap in the existing literature regarding social media perspective on impact of entrepreneurship education.

REFERENCES


