CHAPTER I

INTRODUCTION

1.1.   General Description of Research Object

Speedtuner Indonesia is a business pioneered by Joepaul and Ibamoctria founded in 2010 which is engaged in automotive hobby clothing through offline stores and through online media such as Instagram, Shopee, Tokopedia and Website. Along with the times and the high number of car users in Indonesia, especially in the city of Bandung, this has led to the emergence of car-loving communities in various regions. The car-loving community, apart from being a forum for sharing and gathering, can be used to become a target market by selling apparel in the form of stickers, rubber bands, keychains, t-shirts and others. There are also automotive wadrobe companies, one of which is the Speedtuner brand.

speedtuner.

Figure 1.1 Logo of Speedtuner

Source*:* (www.speedtuner-indonesia.com/, accessed in)

The name Speedtuner was formed because of the owner's hobby of driving a car at high speed. The Speedtuner brand is inspired by several American brands such as Fatlace & Illest which are engaged in the automotive sector, in 2010 the owner named Joe Paul made several dozen automotive-smelling t-shirts, starting from making replicas of well-known brands in the automotive world and then patenting their own clothing. In 2011, Speedtuner strives to become the pride of Indonesia's automotive brand together with the automotive media that already exist in Indonesia and bring a good name to the international world.

In 2019 Speedtuner expanded its business in the field of car care (AutoCare) called Speedtuner Garage which is located on Jl. Ahmad Yani No. 231 Bandung, as well as the official offline store for clothes located at the same address as Speedtuner garage. Speedtuner's vision is to become an automotive apparel product that brings the name of Indonesia to the international scene. Speedtuner's mission is to provide

automotive apparel products for automotive lovers, as well as being active in supporting the automotive movement in Indonesia.

Figure 1.2 Speedtuner Outlet dan Speedtuner Garage

Source : (www.mapus.net, accessed in)

1.2.   Research Background

The rapid development of technology in this era can be seen from the occurrence of various changes both in industrial, social, lifestyle aspects, the existence of these technological developments also greatly affects the marketing strategy or promotional media used by traders. At this time the internet has become a tool to make it easier for people to carry out business activities, as said by Chakti (2019:12) the rapid development of the internet is used by most individuals to carry out buying and selling activities or doing business in other words, humans use the internet to get convenience in doing business. like what sellers do, namely using the internet for marketing activities which we know as digital marketing or digital social media marketing.

Business that can be done by taking advantage of the convenience of technological developments is a land for the penetration of the internet into the business world. A business that is conducted online cannot take place if there is no internet connection, because in the process of selecting goods by consumers and selling goods from traders, they rely on the internet connection itself. In addition to the convenience of the business world created by the development of internet technology, the impact on people's welfare is also felt due to the development of the internet (Putra, 2020).

In Picture 1.3 below, there is a survey conducted by Hootsuite and We Are Social which shows an overview of the development of internet users in Indonesia and the Indonesian people who are actively using social media, a high number of 202.6 million internet users and 170 million people who use social media. Actively being a social media user indicates the high number of Indonesian people who have been touched by the internet and carry out activities in cyberspace.
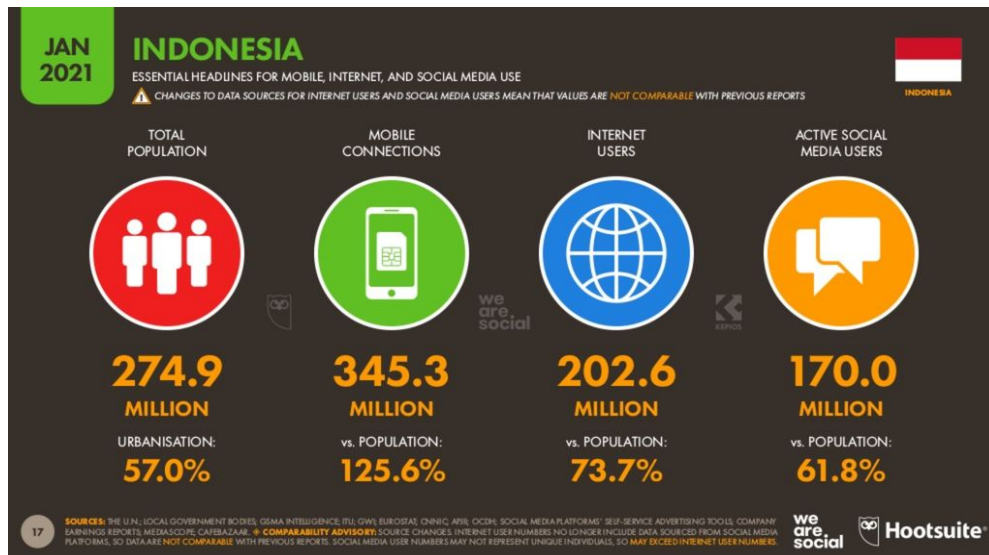

Figure 1.3 Internet Users in Indonesia in Early 2021

Source: Hootsuite dan We Are Social, 2021

Most internet users who are social media users in Indonesia use social media as an alternative to digital communication media. The development of social media since 2002 with Friendster, and 2004 the inclusion of social media Facebook, followed by 2006 as the year of the introduction of Twitter and 2010 the introduction of social media Instagram to the wider community in the world. This shows the development of social media and applications used by the community.

Marketing communication at this time is experiencing a shift in the trend where there is the use of social media in its activities. Where there is ease of communication such as sharing information and being able to easily interact and participate is the nature of social media as an online media itself. Instagram, Facebook, YouTube, and Twitter are examples of social media that are widely used by the public. The image below shows the most popular social media in Indonesia in 2020-2021:
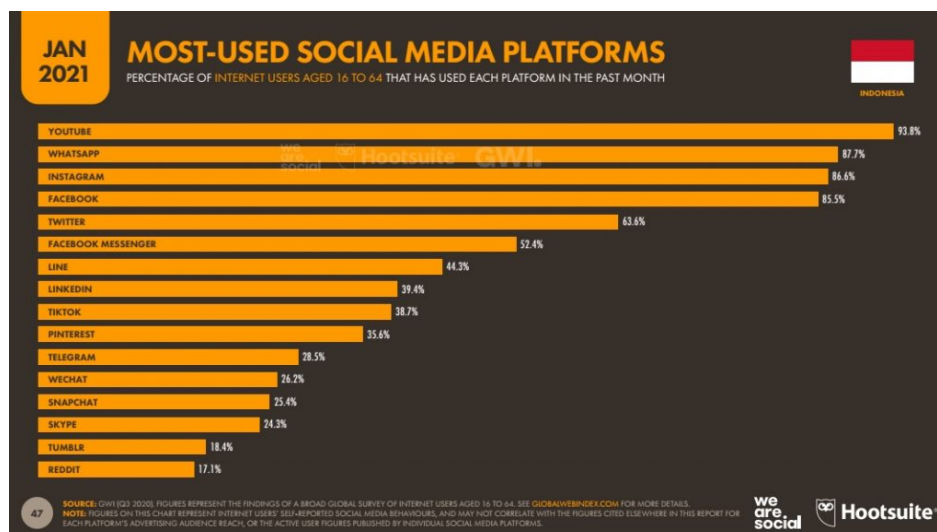
Figure 1.4 Most-Used Social Media In Indonesia, 2021

Source: Hootsuite, 2021

Figure 1.4 shows that YouTube is the most-used social platform with a percentage of 93.8%. Following by WhatsApp with a percentage of 87.7%. Then, Instagram with the percentage of 86.6% at the third position. The use of an internet base with web 2.0 technology whose function is to create and exchange user generated content is the system used by social media Instagram, Kevin Systrom and Mike Krieger on October 6, 2010 introduced this Instagram social media to a wide audience (Kaplan & Haelein, 2014:26). Earning a content and features to share that content with social media users which is expected to increase consumers in helping the company is the goal of social media marketing itself. The sharing of content in the form of text, sound, video, and images by consumers with companies or vice versa is the use of social media (Kotler and Keller, 2016). Therefore, the author choose Instagram to be examined because it is in the top three position.

The influence of social media marketing on consumer's purchase intention is very influential through Instagram. With all kinds of promotions / campaigns on Instagram, many people will know about the online shop and the products it sells, the advantages of using it, and new things or anything that is updated in the online shop. This makes the Online Shop much better known by the public and becomes interested in just viewing or purchasing products that the online shop sells. With the right marketing, for example, you can use Instagram as well as possible, take advantage of the features that Instagram has, use influencers or celebrities to promote campaigns from the online shop through Instagram features such as Instagram Stories,

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Feeds, or IG TV. With a large number of followers and the ability to promote the product well many people will see about the product and are interested to make a purchase. Moreover, the advantages and differences with other online shops will be an added value for the store.

The development of fashion in Indonesia, especially clothing, is currently increasing every year, with various kinds of the latest clothing models that have emerged, making many people continue to buy and update their clothes to newer trends. The development of the fashion world today, especially for men who like automotive to support their hobbies and desire to look more fashionable, to look more confident, and like clothes that are used according to their automotive hobbies. Seeing this development, many business actors create considerable opportunities by following the existing fashion trends to keep many people interested. However, during the current pandemic, business actors have to think more about how to stay afloat and run with their business to sell their products. Because during this pandemic many people prefer to shop at the Online Shop / E-Commerce. Given that the situation is not conducive if you have to come directly to the Offline Store. In the midst of a pandemic that is currently still sweeping globally, it affects various aspects, one of which is clothing fashion trends. In Indonesia, clothing trends related to one's hobbies have a very high impact, especially during this pandemic because many people prefer to shop online through the marketplace or social media. In the picture below, there is a data presentation of the category of goods or services that consumers are interested in doing online shopping in Indonesia:

Figure 1.5 Categories of Goods/Services Most Interested by Consumers in Online Shopping in Indonesia

Source: Databoks Katadata, 2021

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The existence of a new lifestyle called the stay at home lifestyle affects people's consumption patterns during the covid-19 pandemic and consumer's behaviour in choosing shopping places where at this time social media and market places are the most popular shopping locations for consumers. Figure 1.5 above explains the category of fashion items that are the most popular products by consumers in online shopping activities , followed by travel products or services and toys and hobbies. Where in this study the object under study is Speedtutuner Indonesia selling products in the form of clothing related to consumer hobbies, namely automotive. This makes it important to do good marketing through social media due to the high interest in the product categories sold by Speedtuner.

Brand automotive wardrobe or auto-wardrobe in Indonesia is quite a lot, relying on design featured their respective marketing in social media through content that   can   attract   the   attention   of   automotive   enthusiasts. Manufacturers of automotive wardrobe distros in Indonesia itself have several big names that are often compared both in terms of quality and aesthetics. The following are the auto-wardrobe brand names from Indonesia:

TABLE 1.1

AUTOMOTIVE WARDROBE BRAND IN INDONESIA

No.	Brand Name	Username Instagram	Followers
1.	Speedtuner	@speedtuner_indonesia	160.000
2.	Gesrexgang Company	@gesrexgang	93.200
3.	Garasi Drift Company	@garasidrift.co	75.200
4.	Toodamnlow Indonesia	@toodamnlow.store	2.680
5.	Speedteria	@speedteria_	4.185

Source: Researcher Processed Data, 2021

Through the comparison table of various auto-wardrobe brands above, it can be seen that Speedtuner has the highest followers on Instagram social media and this also explains that Speedtuner is the most recognized auto-wardrobe brand in Indonesia today. With the growing market place and e-commerce in Indonesia, business people use social media as a tool to promote and introduce products or services that are sold to the public, especially among automotive enthusiasts. In the use of social media Instagram, Speedtuner Indonesia can be known nationally and internationally, with a wide reach through social media Instagram which helps

Speedtuner Indonesia in introducing its products and services. Speedtuner Indonesia also always follows the times & technology so that it can continue to be known by automotive enthusiasts and, especially in the city of Bandung which is always increasing in automotive matters.
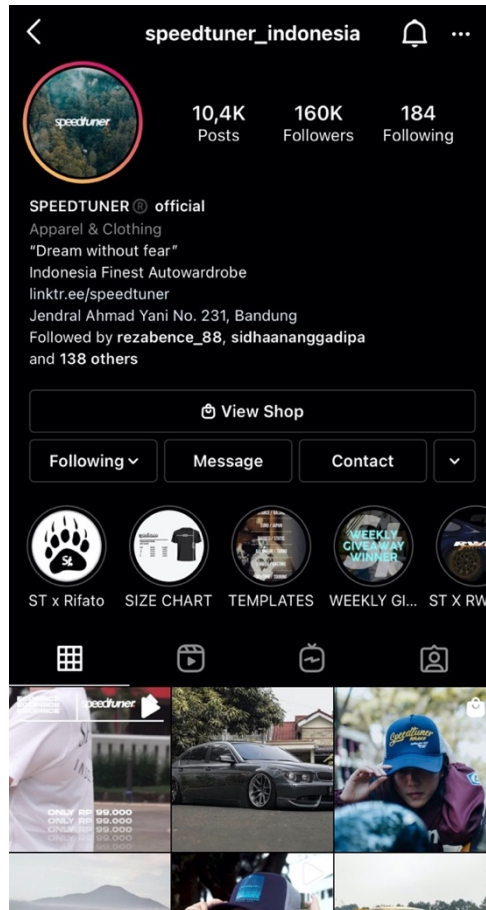

Figure 1.6 Speedtuner Indonesia Instagram Accounts

Source: (www.instagram.com/speedtuner_indonesia, accessed in 2021)

Speedtuner is currently actively using social media as a medium to promote its' products because nowadays social media is the first goal to further develop a business, with a more modern and unique concept making Speedtuner increase more creative content considering that social media is currently a medium for disseminating information which is so effective and affects everyone's perception. Therefore, the success of Speedtuner as a clothing brand company in the automotive sector is strongly influenced by the content they promote to the public, and with more creative content, Speedtuner is growing rapidly in Indonesia (Satryo, 2015). With the proliferation of marketing activities of various brands with various products through content on Instagram social media, consumers are aware of their needs. The brand is considered

by the company as an asset or equity where the contributing brand assets are divided into four dimensions according to Aaker in Tjiptono (2012:97) namely brand awareness, perceived quality, brand association and brand loyalty. With various exposures to a brand's marketing content on social media, consumers can better recognize a brand or be aware and can remember a brand. As revealed by Aaker in Debby (2016) that brand awareness or brand awareness means the ability of a potential buyer to recognize and remember a brand that is part of a certain product category.
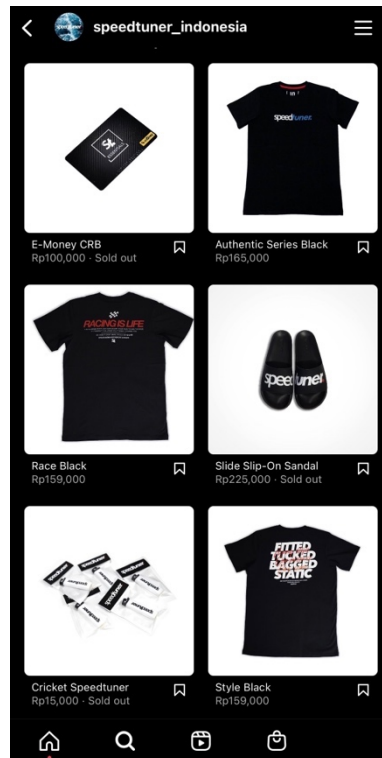

Figure 1.7 Speedtuner's Store on Instagram

Source: (www.instagram.com/speedtuner_indonesia, accessed in 2022)

According to Nasrullah (2017:26) social media is content containing information created by people who utilize publishing technology is very accessible and is intended to facilitate communication, influence and interaction with others and with the general public. As a tool of providing communication, sales, and relationships with their customers, brands are now beginning to shift to social media. This two-way communication platform is perfect for sharing information and opinions. Social media is considered more honest with consumers because it communicates what the brand is rather than trying to control its image. This type of interaction increases positive attitude towards the brand, influences commitment and stronger Purchase Intention (Hutter et al., 2013).

Brand awareness or the ability of consumers to remember a product or brand has several levels that are important as a benchmark for a brand or company. Where with the level of brand awareness the company can measure the effectiveness of its marketing, such as through social media content by measuring the ability of potential consumers to recognize or remember a brand as well as remembering product names, logos, slogans or product images (Keller, 2013: 55). Speedtuner Indonesia brand awareness can be seen through the number of followers of the Instagram account @speedtuner_indonesia which illustrates how many Indonesians know about the Speedtuner brand, below is a statistical graph of the number of monthly Speedtuner Instagram followers from 2018 to 2021:
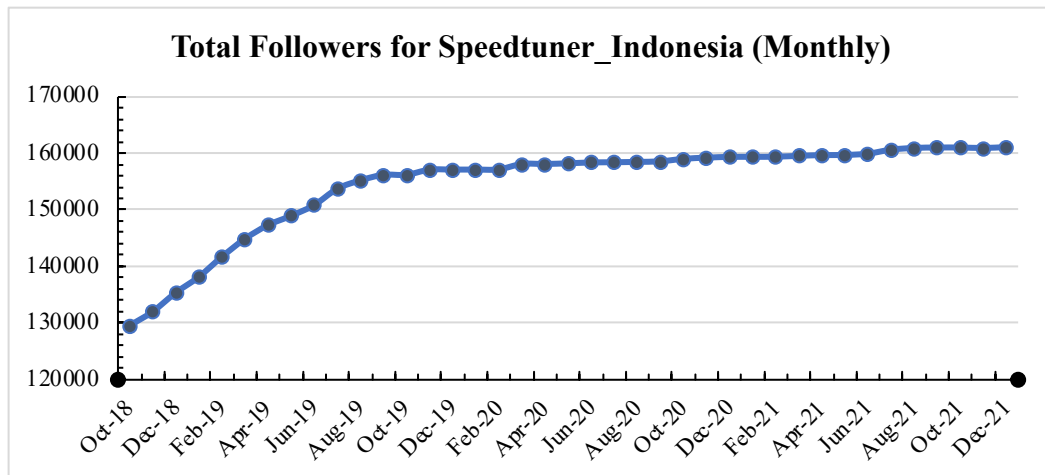

Figure 1.8 Detailed Instagram Followers Statistics of @Speedtuner_Indonesia

Source: (www.socialblade.com/instagram/user/speedtuner_indonesia/monthly, accessed on January 1, 2022)

Through the graph above, it can be seen that the followers of the Speedtuner Instagram account have always increased every month from 2018 to 2021. Although the increase in followers has slowed in 2020 and 2021, there has been no reduction in followers and the graph is considered stagnant or stable. This means peoples aware of the Speedtuner's brand. The increasing number of people who are aware of the Indonesian Speedtuner brand is a good thing for the Speedtuner brand itself, because the brand is already widely known by the public and the number of people who know about the brand is increasing. This relates to the purchase intention of consumers where people think that brands they already know prevent them from risking use because their assumption is that a known brand can be relied on.

Brand awareness that can affect consumer perceptions and behaviour according to Ansari, Ghori & Khazi (2019:7) makes it important to increase brand

awareness in expanding the brand market because consumers today tend to use products with brands that are widely known with the assumption that the brand is good. Therefore, the link between brand awareness and purchase intention can be concluded with the higher level of brand awareness owned by a brand or product in the sense that the product or brand reaches a high level of awareness and is remembered by consumers, which can affect purchase intention in certain products. Unfortunately, there are no specific comments about their merchandise on Instagram that shows consumer's intention, and it can be seen in some figures below.
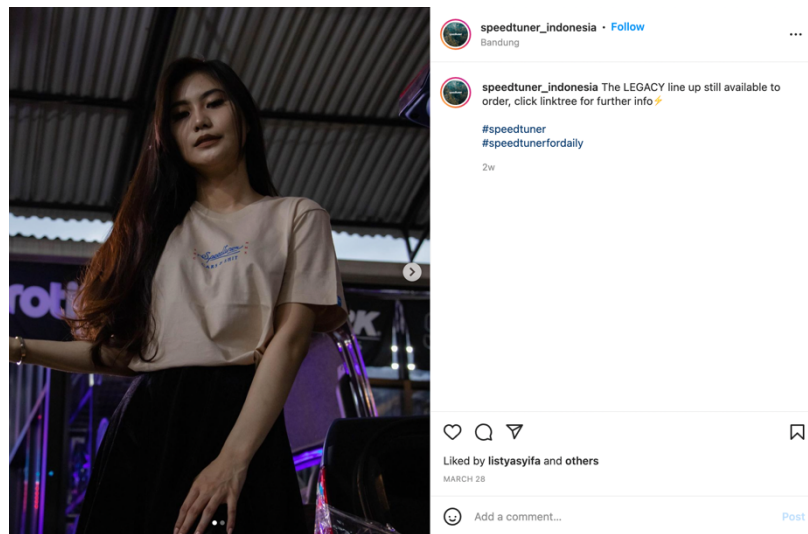

Figure 1.9 Speedtuner's Instagram Post

Source: (www.instagram.com/speedtuner_indonesia, accessed in April 2022)

Figure 1.10 Speedtuner's Instagram Post

Source: (www.instagram.com/speedtuner_indonesia, accessed in April 2022)

Figure 1.11 Speedtuner's Instagram Post

Source: (www.instagram.com/speedtuner_indonesia, accessed in April 2022)

Comments or likes can be said as the intention of consumers to know more about a product. From Speedtuner Indonesia Instagram feeds there are no interest has arisen from consumers. Consumer's purchase intention described by Keller (2012:113) is a measurement of how likely consumers are to buy a brand or product and how likely consumers are to switch from one brand to another. Purchase intention is also expressed by Suwandari in Rizky and Yasin (2014: 42) in the four indicators in consumer purchasing decisions: first, the lack of attention (attention), the second is the interest (interest), and the emergence of a desire (desire) and the finally create a purchase action (action).

Through the discussion about the background of the research above, the author chooses Instagram social media @Speedtuner_Indonesia Bandung as the object of research and will raise problems that occur in the social media marketing process on Instagram @speedtuner_indonesia social media and also the brand awareness that exists among Speedtuner Indonesia consumers in Indonesia. Instagram social media which will discuss how the influence of Instagram social media and brand awareness on the process of influencing consumer's purchase intention. On this basis, the author is interested in finding out the problems that often occur in Instagram @speedtuner_indonesia social media marketing and brand awareness of consumer's purchase intention with the research title "The Influence of Social Media Marketing Through Instagram and Brand Awareness on Consumer's Purchase Intention of Speedtuner in Indonesia".

1.3. Research Focus

The research focus is also known as the problem boundary. In this study, the authors limit the problems on Instagram @Speedtuner_Indonesia social media and brand awareness on consumer's purchase intention.

1.4. Problem Identification

In connection with the background that has been described, the authors will identify the problems in this study, namely:

a. How is the influence of social media marketing of Speedtuner Indonesia on consumer's purchase intention?

b. How is the influence of brand awareness of Speedtuner Indonesia on consumer's purchase intention?

c. How is the influence of social media marketing and brand awareness of Speedtuner Indonesia on consumer's purchase intention?

1.5. Research Objectives

Based on the formulation of the problem that has been stated, the objectives of this research are:

a. To analyze the influence of social media marketing of Speedtuner Indonesia on consumer's purchase intention.

b. To analyze the influence of brand awareness of Speedtuner Indonesia on consumer's purchase intention.

c. To analyze the influence of social media marketing and brand awareness of Speedtuner Indonesia on consumer's purchase intention.

1.6. Research Benefits

a. For The Company

This research is expected to be an input or reference and a basis for decision making by a company or a brand, especially in product marketing on social media to increase consumer's purchase intention.

b. For Future Research

This research is expected to provide experience in writing research proposals and expand knowledge and information about marketing management, especially social media marketing and its' influence on consumer's purchase intention. Moreover, this research is expected to be a reference or reference in

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understanding marketing, especially on Instagram social media and consumer's purchase intention. In addition, this research is expected as a reference for further research on similar research topics.

1.7. Writing Structure

Chapter I Introduction: Contains of general description of research object, research background, research focus, problem identification, research objectives, research benefits, writing structure, and research time and period.

Chapter II Literature Review: Contains of the grand theories, theories of each variable, previous research, and research framework.

Chapter III Research Methods: Contains of type of research, operational variable, measurement scale, stage of research, population and sample, data collection tools, data testing techniques, and data analysis techniques.

Chapter IV Research Results and Discussion: Contains of the results and discussions in this study.

Chapter V Conclusions and Suggestions: Contains of the conclusions and suggestions obtained based on the research results in this study.

1.8. Research Time and Period

This research was conducted by taking objects at Speedtuner Indonesia, the research period was carried out for six months (May 2021 - Jan 2022).