

CHAPTER I

PRELIMINARY

1.1 Overview of Research Objects

1.1.1 Eiger Profile

The logo of the Eiger brand is as shown in the following picture.



Figure 1.1 Eiger Logo

Source: Eiger (2022)

EIGER was first launched in 1989 as a product to meet the various needs of equipment and tools for the lifestyle of outdoor activists. The name EIGER itself is inspired by Mount Eiger, which is 3,970 meters above sea level and is the 3rd most difficult mountain in the world, located in the Bernese Alps, Switzerland. Now, EIGER provides three main product categories, namely Mountaineering which is oriented towards mountaineering activities; Riding that focuses on motorcycle exploration; and Authentic 1989, which was inspired by the classic style of outdoor adventure lovers, manifested in a casual and stylish design. Referring to the foundation of its vision and mission, EIGER not only contributes to outdoor activities, but also gives great attention to environmental sustainability in order to realize the mission which includes aspects of Education, Inspiration, Greenlife, Expedition, and Responsibility. Until now, EIGER already has a distribution network throughout Indonesia and will continue to expand its reach to foreign countries (Eiger, 2022)

1.1.2 Eiger Vision

Eiger in running its business line has a vision that underlies each of its activities, namely "To be a blessing company in the lifestyle business" (Eiger, 2022).

1.1.3 Eiger Mission

A vision can be achieved by implementing the mission that must be passed to achieve that vision.

The mission of Eiger is "With a passion for sustainability, we provide a full satisfaction experience for customers in the lifestyle business." (Eiger, 2022).

1.2 Background

The development of the times brought a change to the cycle of human life. Changes that occur can be external or internal. One of the industries with high development and change is the fashion industry. Based on Vogue (2023) the fashion industry is a dynamic realm that undergoes significant changes over time, and the fashion industry never stops moving and is constantly experiencing rapid changes.

The fashion industry is an industry that includes the design, manufacture and sale of clothing and accessories. Fashion industry refers to the interconnected system of activities involved in the production, marketing, and distribution of clothing, accessories, and related products, encompassing design, manufacturing, retail, and various supporting services (Investopedia, 2022). Today, as it is a highly globalized industry, it includes many sectors, including,

1. Production of raw materials (e.g., leather, textiles)
2. Creation of fashion items by designers, manufacturers and more
3. Retail commercialization, and
4. Marketing communications (IGI, 2020)

Based on Preuss (2019) state that One of the contributing factors to the dynamic nature of the fashion industry is the creative ideas generated by renowned fashion designers, which are subsequently embraced and adapted by fashion brands before being implemented. The fashion industry is highly dynamic, driven by the creative visions of renowned designers that are adopted and customized by fashion brands for implementation. One of the factors that causes the high level of change in the fashion industry is the result of creative ideas by various well-known fashion designers which are then adopted by every fashion brand to be adjusted and then implemented.

Belinda (2023) mentioned that in Indonesia today, there are many fashion brands with various characteristics and models that they use as role models in making each of their fashion products. Of course, with the breadth of creative ideas in producing a fashion product, it opens up opportunities for every community to be able to produce and engage in the fashion world. Because basically, making

fashion products does not require a special skill, such as having to be a graduate from a well-known university with a background in fashion textile craft, or others. Because industry 4.0 encourages collaboration aspects in running a business, where when someone wants to do business and does not have the expertise to do production, it is enough to collaborate with colleagues who have the ability to produce products to be traded (World Economic Forum, 2019)

Due to the ease of entering the fashion industry in Indonesia, this has an impact on the growth of the fashion industry in Indonesia, which continues to increase from time to time. Based on a report by Kemenprin (2022), it was reported that the fashion industry was recorded as the industry with the highest growth over time compared to other industries.

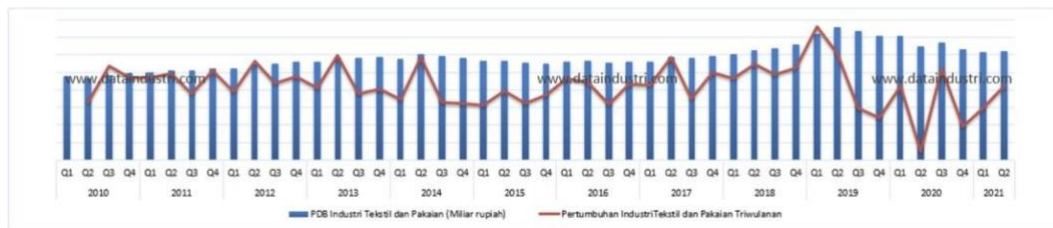


Figure 1.2 Indonesia's Fashion Growth 2010-2021

Source: Dataindustri (2022)

Based on pictures. 1.1, it can be seen that the fashion industry has experienced quite high growth fluctuations, because every quarter from 2010 to 2021 shows an increasing and decreasing value, indicating a graph that shows sufficient stability. In addition, there was a decline to the lowest value in the 2nd quarter of 2020 and the increase to the highest value in the 1st quarter of 2019. This shows that competition in the fashion industry is very high due to the unstable value of growth from time to time.

In addition, based on Figure 1.1, it can also be seen that the GDP of the fashion industry continues to increase in value from time to time, especially from 2010-2019. Then in 2020 and 2021 there will be a decline. This shows that the value given by the fashion industry to the country is quite stable, but still needs to be increased to maximize the function of the fashion industry and state revenue.

Based on the explanation, it can be seen that the fashion industry has less stable growth or fluctuates, and the fashion industry is quite stable in providing GDP value to the country. At this time there are many types and brands spread throughout Indonesia. However, one brand that has a track record that has been around for a long time is Eiger. Eger is currently one of the fashion brands that is

well known and recognized for its quality. As a fashion brand, Eiger is also listed as one of the well-known brands and is included in the top category.

| Brand | TBI 2018 | | BRAND | TBI 2019 | | BRAND | TBI 2020 | |
|---------|----------|-----|-----------|----------|-----|------------|----------|-----|
| Carvil | 29.15% | TOP | Carvil | 19.2% | TOP | Carvil | 25.1% | TOP |
| Eiger | 20.72% | TOP | Bata | 11.1% | TOP | Bata | 12.2% | TOP |
| Homyped | 6.31% | | Neckerman | 10.3% | TOP | Neckermann | 10.5% | TOP |
| Ardiles | 6.24% | | Kickers | 10.0% | | Kickers | 8.8% | |
| Bata | 5.93% | | Eiger | 8.8% | | Eiger | 8.1% | |
| Nike | 4.73% | | | | | | | |
| Crocs | 4.28% | | | | | | | |
| Adidas | 1.40% | | | | | | | |

Figure 1.3 Results of Top Brand Awards 2018-2020

Source: Topbrandaward (2022)

Based on Figure 1.2, it shows that in 2018, Eiger became a TOP category brand with a TBI of 20.72%, then in 2019 Eiger was not a TOP category with a TBI of 8.8%, and in 2020, Eiger was not a TOP category with a TBI of 8, 1%. This shows that there is a decline in the performance of Eiger as a brand in the outdoor fashion industry. This can be the first phenomenon where the value of the top brand eiger index decreases from 2018-2020.

Gold (2023) mentioned that a renowned business and financial publication, discusses the prominence of top brands in the outdoor sports products sector and their commitment to delivering exceptional products: "Leading brands in the outdoor sports products industry excel in providing innovative, high-performance gear that delivers on quality, functionality, and durability, elevating the outdoor experience for enthusiasts. In addition, it is also known that Eiger, which is engaged in the fashion industry and a mainstay for outdoor adventure lovers, also uses Instagram as a marketing medium. Besides Eiger, there are several brands that do marketing through social media. Similar to other brands, Eiger uses Instagram as a platform to communicate with its customers, interacts and is quite active in advertising through Instagram. In the Eiger Instagram account, there is not only product promotion content but also tips and tricks, lifestyle, quotes, events, as well as entertainment and interactions with followers as well as several other social campaigns.

One of the marketing activities utilized by companies is by using social media (Adriana & Widodo, 2019). Eiger's marketing activities through social media Instagram are one of the efforts to increase Eiger's brand awareness and brand image in the eyes of consumers. Utilization of this social media can be used

considering that social media Instagram is widely used to find vendors or online stores. Eiger's marketing activities on social media, especially Instagram, are quite interesting. Eiger has the number of followers below Rei for the outdoor equipment category. There are several outdoor gear brands that do marketing through social media. Eiger itself has a following of about 2.1 million followers as of January 7, 2022.

Table 1.1 Followers of IG Brand Fashion Outdoors as of 7 January 2022

| Brand Name | Instagram name | Number of Followers |
|------------|------------------|---------------------|
| Rei | @rei | 2.3 million |
| Eiger | @eigeradventure | 2.1 million |
| Consina | @consinaofficial | 766 thousand |

Source: Data processed (2022)

Based on table 1.1, it can be seen that in terms of marketing through Instagram social media, eiger is still under Rei, which is in second position among its competitors, with a total of 2.1 million followers, so it can be concluded that, the target consumer of the eiger market through social media is still not maximum because the number of followers is still less than its competitors. This can be used as a second phenomenon due to the lack of followers, of course, the target market is also reduced.

Based on Newberry (2022) stated a leading social media management platform, highlights the influence of Instagram followers on market opportunities: a substantial Instagram following offers businesses valuable market opportunities, enabling them to leverage the platform for product promotion, audience engagement, and enhanced brand exposure. Eiger also has its own market, namely consumers who like to be outdoors and like to explore themselves. As a brand that provides these products, of course, Eiger has its own value in the eyes of its consumers. One of the assessments can be seen from the results of reviews of lovers of outdoor activities, such as the following forum backpackerindonesia.com which displays the brand names that are most in demand by backpacker travel lovers when traveling.

Table 1.2 Most popular brands in 2021

| Brand Name | Rank |
|------------|--|
| Consina | First in the category of brands most frequently purchased for outdoor equipment in Indonesia |
| Rei | The second most frequently purchased brand category for outdoor equipment in Indonesia |
| Eiger | The third most frequently purchased brand category for outdoor equipment in Indonesia |

Source: Backpacker (2022)

Based on table 1.2, it can be seen that, Eiger is in the third position as a brand category brand that is most often purchased for outdoor equipment in Indonesia compared to other brands. This indicates that Eiger has not been able to meet the needs and desires of consumers so that consumers are satisfied and willing to make repeat purchases to Eiger so that Eiger can become the most desirable brand. Based on Up (2016) stated that a prominent business publication, recognizes the correlation between brand popularity and acquisition opportunities: as a brand gains popularity and establishes its presence in the market, it becomes increasingly attractive to potential buyers who recognize the value and growth potential it holds.

In addition, to clarify the situation of the Eiger, interviews were conducted with 10 people who had bought Eiger products. The summary of the interview can be seen in the following table.

Table 1.3 Results of Initial Interviews with Eiger Consumers

| Question | Summary of Respondents' Answers |
|--|---|
| Have you ever bought an Eiger product? | All answered that they had bought products from that brand |
| What do you think about the quality that Eiger products give you? | The dominant sources answered that, Eiger products have good quality, especially in terms of durability, this product is very durable, but the models provided are sometimes not according to consumer tastes. |
| In your opinion, what makes Eiger less than optimal in its performance as a provider of fashion products for outdoor activities? | Products from the Eiger brand line have a very minimum choice of models, then the determination of color designs that sometimes don't match, and the need to follow the development of the fashion world, especially being able to benchmark with its competitors. In addition, there are also problems regarding the convenience of using these products, especially when doing activities or sports |
| Please mention what made you decide to buy Eiger products? | The dominant sources answered, the factors most mentioned were price and durability, besides that there were also those who said it was comfortable to use. |

Source: Data Processed (2022)

Based on the results of the summary of Table 1.3, it can be concluded that, Eiger has instability in terms of processing the production of its products, alsodoes not maintain the quality of its products, thus making consumers not 100% sure to have a level of interest in buying products from the Eiger brand.

Based on Pagget (2023) stated that reviews have a significant impact on purchase decisions, serving as a valuable source of information and social proof

that influences how consumers perceive and evaluate a product or service. As a fashion product brand, of course, Eiger has an attractiveness and quality value that is not inferior to other competing brands. However, based on the observations explained above, Eiger is still not optimal in winning the hearts of its consumers or existing institutions to maximize its performance and income. One aspect that has an impact on a person's desire to make a purchase is, if the person has a strong reason to buy a brand. Because based on Kotler and Keller (2018), it is stated that the stronger the consumer's reason for buying a brand's product, then the brand is able to meet the preferences needed by its consumers.

Self-preference is a greater preference for one alternative over another or the other. Based on Kotler and Keller (2018) preferences are a person's reasons for an alternative choice that make that alternative has more value to be chosen than other alternatives. There are many aspects that influence a person's preferences in choosing an alternative decision. As stated by Kotler and Armstrong (2018), that a person's preference for a product is determined by factors of quality, price and the benefits that the product will provide to consumers. In other words, the better the quality provided, the cheaper the price provided and the benefits that consumers want are fulfilled, the more. The strong alternative is a consumer choice.

Based on research conducted by Yanuar et al. (2021) stated that a person's preference factors in choosing and making purchases at a fashion retail are the service, location, presentation and culture displayed by the fashion retail brand. However, this is different from the research conducted by Putri (2019) which states that a person's preference when purchasing a product is determined by service, product quality, product price and benefits provided. There are so many preference factors, and seeing the phenomena that occur in the Eiger, the authors are interested in conducting research with the title "Consumer preference factors in buying Eiger products in Indonesia".

1.3 Problem Formulation

The high fluctuations in the growth of the fashion industry resulted in unstable performance and income values, also impacting the value of GDP contributed by the fashion industry to the country, which resulted in its value also fluctuating, so that it was not optimal and had an impact on the Indonesian economic situation. Eiger, as a fashion brand for outdoor activities whose performance has decreased based on top brand award institutions, it was also found

that the number of followers was not maximized and became the third choice brand for outdoor activity products compared to its competitors based on the results of a backpacker forum survey in Indonesia. In the previous study, there was no explanation and discussion on the preferences for fashion products in purchasing decisions, which necessitates further research to provide a more detailed overview of the attributes, levels, and stimuli of preferences for fashion products, especially those related to outdoor activities.

This will have an impact on the performance and income of Eiger as a fashion brand, so to develop the right strategy in building accurate marketing that is right on target to consumers, it is necessary to be based on consumer preferences in choosing Eiger products, so as to provide satisfaction to consumers, foster loyalty, and growing word of mouth, so research is needed to determine consumer preference factors in buying products at Eiger. This is done so that Eiger sales increase and are more stable as well as maximum company performance as a fashion industry and can provide maximum benefits for the country, because based on Kotler and Keller (2018) states that, the more suitable products and services with preferences will increase consumer loyalty and make repeat purchases. This attracts researchers to conduct research with the following research questions.

1. What is the most important attribute of consumer when purchasing Eiger's product?
2. What is the most advantages level of consumer when purchasing Eiger's product?
3. What is the most liked stimuli of consumer when purchasing Eiger's product?
4. What are the preference factors that consumers are most interested in when buying Eiger products in Indonesia?

1.4 Research Purposes

The aims of this research are as follows.

1. Knowing what is the most important attribute of consumer when purchasing Eiger's product.
2. Knowing what is the most advantages level of consumer when purchasing Eiger's product.
3. Knowing what is the most liked stimuli of consumer when purchasing Eiger's product.
4. Knowing what preference factors consumers are most interested in when

buying Eiger products in Indonesia.

1.5 Research Benefits

The benefits of this research are divided into two parts as follows:

1.5.1 Theoretical Aspect

The theoretical aspect of this research is to apply the theories that have been obtained during lectures, provide information about marketing, especially the preference field and provide information for students who are looking for information about their relationship with the current fashion business and conjoint analysis techniques as well as assignments. End of undergraduate education at the International ICT Business study program, Telkom University.

1.5.2 Practical Aspect

The practical aspects of this research can be used by Eiger as a source of developing strategies for development, innovation, and collaboration increation and preparation of marketing and production strategies for their products. So that Eiger will use the right strategy and achieve the desired and right target.

1.6 Final Project Systematics

The systematic writing of this research is as follows:

a. CHAPTER I INTRODUCTION

The first chapter shows a general, concise, and concise explanation of the phenomenon and research content

b. CHAPTER II LITERATURE REVIEW AND SCOPE OF RESEARCH

The second chapter describes clearly, concisely, and concisely, the theories related to the topic and research variables to be used as the basis for the preparation of a framework of thought and the formulation of hypotheses.

c. CHAPTER III RESEARCH METHODS

The third chapter provides an explanation of the approaches, methods, and techniques used to collect and analyze data that can answer or explain research problems.

d. CHAPTER IV RESEARCH RESULTS AND DISCUSSION

The fourth chapter describes the results of the research conducted by the author on the object along with a discussion of respondents' analysis of variables, statistical analysis, and analysis of the influence of variables.

e. CHAPTER V CONCLUSIONS AND SUGGESTIONS

The fifth chapter is part of the research which contains conclusions from the

results of the research discussion and suggestions given by the author which are expected to be useful both for the object of research and other interested parties.