

# CHAPTER I INTRODUCTION

## 1.1. Object Overview



Figure 1. Marvel Entertainment Company's Logo

*Source: Marvel Company's Website*

The Marvel Entertainment Group, Inc., is an entertainment company founded in the late 1930s by Martin Goodman and publishes comic books under the name of Marvel Comics, Marvel Comics was not always called Marvel Comics, but Timely Comics.

In the 1990s, television and film had gained a lot of traction, but writers in Marvel Comics managed to keep the story in the Marvel Comics interesting and engaging, by introducing new characters and writing successful runs like The Avengers. In 1986, Marvel Entertainment LLC was founded, marking the beginning of the MCU, as Marvel Entertainment was first introduced as Marvel Productions. Going forward with their already owned characters, but an original story nothing like the comics, Marvel Entertainment produced a project, the project is called Marvel Cinematic Universe or more commonly known as MCU (Roederer, 2019).

The Marvel Cinematic Universe, or MCU for short, is a Marvel Studios superhero film series that portrays the stories of some of the most well-known superheroes of all time. Marvel Studios splits its films into phases, each of which

consists of a group of films released over a period of time. The phases are dictated by both release dates and subject matter. While each Marvel film can be enjoyed on its own, movies in each phase build on each other, with overlapping characters and narrative themes, and each phase consists of a series of films that are loosely connected and share an overall plot arc and a cast of characters.

Phase one began with the release of Iron Man in 2008, phase one is defined by the Avengers, with films highlighting them both individually and as a team. Iron Man, the Hulk, Thor, and Captain America are among well-known comic superheroes who have had film adaptations. This phase started from 2008 and concludes in 2012.

The second phase (2013 to 2015) explores the effects of The Avengers' Movie. It continues to follow the journeys of the Avengers superheroes, which include Iron Man, Thor, Captain America, and Black Widow. Phase 2 introduces a number of new superheroes, such as Ant-Man, Falcon, Quicksilver, and Scarlet Witch. The Phase Two films, like the Phase One films, each feature their own distinct plot arcs while also expanding on the events of past Marvel films. This phase concludes with Avengers: Age of Ultron, where The Avengers must band together once more to defeat a frightening foe.

Phase three (2016–2019) continues the story of the Avenger superheroes, with the stakes rising to greater heights following the events of Avengers: Age of Ultron. Several films in Phase Three introduce numerous older Marvel characters to the big screen, including Doctor Strange, Captain Marvel, Spider-Man, and Black Panther, in addition to films that center on more-familiar characters like Captain America and Thor. Phase Three, as with the previous phases, this one is a climactic team film that puts the Avengers against a threat that threatens to end the world. Movie like Spider-Man: Far From Home closes this phase. Phases One through Three are referred to as the "Infinity Saga."

Marvel Studios made a ground-breaking move when they hinted to the presence of a larger, shared cinematic universe in the movie's final sequence, also known as the Mid Credit Scene and End Credit Scene. The MCU revolutionized storytelling and fan engagement. It altered the way we viewed franchise films and how they could be developed around one another in a single connected universe.

On August 31<sup>st</sup>, 2009, Disney made a statement stating their intention to acquire Marvel Entertainment for \$4 Billion. Marvel shareholders would receive a total of \$30 per share in cash plus approximately 0.745 Disney shares for each Marvel share they own. The two companies made an agreement on December 31<sup>st</sup>, 2009, thus making it official that The Walt Disney Company owns Marvel Entertainment entirely (Walt Disney, 2009).

## **1.2. Research Background**

Nowadays, movies play a major role to entertaining people. There is various genre in movies category, such as, horror, sci-fi, documentary, superhero, etc. People have a tendency to cling into a specific genre, specifically superhero. One of the companies that produces superhero movies are Marvel Entertainment.

One of the largest entertainment corporations, Marvel Entertainment creates superhero movies based on comic books. The majority of Marvel's films are rated PG-13, which implies viewers must be 13 or older to enjoy them.

Intellectual property is a hybrid good composed of equal parts information and law, Van Lindberg in (Bochańczyk-Kupka, 2019). Adding to that, (World Trade Organization, 2023) defines intellectual property rights as the rights provided to individuals or groups over products of their imagination.; these rights often grant the author the only right to utilize his or her work for a specific amount of time. Marvel movies are an intellectual property of Marvel Entertainment Company, and the term "intellectual property" is frequently used to refer to any invention of the human mind, making it fundamentally intangible.

When thinking about goods and assets usually people associate them with the word physical and tangible, this statement is supported by (Kotler & Keller, 2021) as he explains that a product is a collection of physical services and symbolic details that are intended to satisfy or profit the buyer.

In our current time, technology has made it possible for a goods and assets to be a nonphysical product, as explain by (International Financial Reporting Standards, 2023) in their International Accounting Standards (IAS) 38 about Intangible Assets, any monetary or non-monetary thing qualifies as an intangible asset, something cannot be touched physically. Intangible assets include computer

software, licenses, trademarks, patents, movies, copyrights, and import limits. On the same topic, goods could also be an intangible, this statement is supported by O. Koppius in (Bochańczyk-Kupka, 2019) where he stated that the literal definition of 'intangible products' allows for the development of a colloquial definition of 'being a product that you can drop on your foot without feeling it'. Thus, it can be said that movies produce by Marvel is considered an Intangible Goods

This study focused on how the marketing mix affects consumer loyalty and satisfaction with movies, particularly those produced by Marvel Entertainment. Marvel Entertainment is one of the biggest entertainment studios, and films like Avenger: End Game, Avenger: Infinity War, and Spider-man: No Way Home have brought in a sizable amount of money for the company. The information is displayed in table 1.

**Table 1. Revenue of Top Marvel's Movies**

<b>Movie Name</b>	<b>Worldwide Box Office Income</b>
Avenger: End Game (2019)	\$2,794,731,755
Avenger: Infinity War (2018)	\$2,048,359,754
Spider-man: No Way Home (2021)	\$1,910,048,245

*Source:* (The Numbers, 2023)

According to Table 1, the highest-grossing film produced by Marvel is Avenger: End Game, which brought in \$2,794,731,755; it is followed by Avenger: Infinity War, which brought in \$2,048,359,754; and Spider- man: No Way Home, which took in \$1,910,048,245.

Marvel creates a number of films after No Way Home, including Shang-Chi and the Legend of the Ten Strange in The Multiverse of Madness, Thor: Love and Thunder, and their most recent Wakanda Forever.

**Table 2. Marvel's Movie Revenue After No Way Home**

<b>Movie Name</b>	<b>Worldwide Box Office Income</b>
Shang-Chi and the Legend of the Ten Rings (2021)	\$432,224,634
Eternals (2021)	\$401,731,759
Doctor Strange in The Multiverse of Madness (2022)	\$952,224,986
Thor: Love and Thunder (2022)	\$760,928,081
Black Panther: Wakanda Forever (2022)	\$830,762,010

*Source:* (The Numbers, 2023)

The movies with the highest box office after No Way Home are Doctor Strange in The Multiverse of Madness (\$952,224,986) and Eternals (\$401,731,759), respectively, according to Table 2. Spider-Man: No Way Home's box office success prevented Marvel's movie from coming close to matching it.

In order for Marvel to identify the cause of this trend of dropping revenue and the decline in the number of viewers of Marvel's films following No Way Home, this decline in revenue needs to be looked into.

One of the competitors that challenge Marvel's position in superhero movies market is DC Entertainment Company. DC Entertainment highest grossing movie is Aquaman (2018) with \$1,143,758,700 in global box office. Peter and Olson (in Hayuningtyas, 2020) argued that marketing strategies seek to increase the possibility that customers will have good attitudes and thoughts about particular goods, services, assess the brand's goods, services, and subsequently acquire the good on a consistent basis. With that, it is safe to assume that marketing strategies are one of many important factors for the success of products and brands, the movie industry is no exception. As said by (Nasir & Öcal, 2016) to reach the largest possible audience, movie marketing is required. The development of efficient promotional techniques by film production firms is crucial to the achievement of a profitable box office performance. Movie production businesses must concentrate

on Publicity efforts as part of their promotional tactics in order to attract and convince moviegoers.

In order to more effectively compete with their rival, concentrate on growing their revenue, and satisfy customers to earn their loyalty to Marvel's films, Marvel must develop their marketing strategy. Wahab in (Hayuningtyas, 2020) satisfaction of a customer is crucial in gaining their loyalty. In such a circumstance, A company's marketing mix of product, price, place, and promotion might assist company identify the factors that contribute to consumer satisfaction and loyalty.

Based on the theory of (Kotler & Armstrong, 2020) when dealing with goods or products, 4P of Marketing Mix is used, those are: Product, Price, Place, and Promotion. Marvel Entertainment produces its own movies, producing their own scripts and offering a location for filming. The budget for Marvel's movie production is then established, as is the ticket price. Marvel then sold their product to theaters and promoted their own product through trailers and press releases.

In the hands of a good business, the marketing mix factor could contribute to customer satisfaction. Service providers who have a thorough understanding of the marketing mix aspects will have an impact both on potential and existing clients, converting them to loyal consumers and aiding them in maintaining their business existence (Simangunsong et al., 2018). Marvel should employ these four components in order to generate the desired response from the target market.

This research is titled "**The Impact of Marketing Mix on Customer Satisfaction and Customer Loyalty on Marvel Entertainment Movies (Study Case in West Java)**" and it is crucial to conduct relevant research on the impact of the marketing mix on influencing customer satisfaction and loyalty.

### **1.3. Problem Statement**

Product, place, price, and promotion are four of the factors that determine whether the customers are satisfied. Having a good quality product, with affordable prices, and easy-to-access movies, with this it is highly likely that customers will be satisfied with the brand's product therefore customers will be loyal to the brand.

The formulations of the problem stated in this study are based on the facts presented above:

1. Does Marketing Mix positively related and has a significant impact on Customer Satisfaction on Marvel Entertainment movies?
2. Does Marketing Mix positively related and has a significant impact on Customer Loyalty on Marvel Entertainment movies?
3. Does Customer Satisfaction positively related and has a significant impact on Customer Loyalty on Marvel Entertainment movies?

#### **1.4. Research Objectives**

The objective of this study is to find out and analyze:

1. Marketing Mix is positively related and has a significant impact on Customer Satisfaction on Marvel Entertainment movies.
2. Marketing Mix is positively related and has a significant impact on Customer Loyalty on Marvel Entertainment movies.
3. Customer Satisfaction positively related and has a significant impact on Customer Loyalty on Marvel Entertainment movies.

#### **1.5. Significance of Research**

The significance of this research is classified as follows: advantages, theoretical, and practical, which will be explained below:

##### a) Theoretic Benefit

This research is to find out whether Marketing Mix has an impact on Customer Satisfaction and Customer Loyalty and could be used as literature in future research.

##### b) Practical Benefits

This research is expected to be a suggestion and recommendation for Marvel Entertainment in improving the Marketing Mix to increase Customer Satisfaction and Customer Loyalty.

#### **1.6. Writing Systematic**

This study developed by systematics of writing as follows:

##### A. Chapter I Introduction

This chapter confers the background, problem statement, research objectives, and system of writing.

B. Chapter II Literature Review

This chapter provides an overview of the research literature, prior research, the theoretical framework, the hypotheses, and the study's objectives.

C. Chapter III Research Methodology

This chapter confers a method that will be used in this research.

D. Chapter IV Research Result and Study

This chapter confers respondents' characteristics, research results, and study of research results.

E. Chapter V Conclusion and Recommendation

This chapter confers the conclusion and recommendation.