

CHAPTER I

INTRODUCTION

1.1 Object Overview

1.1.1 Social Media

Social media describes internet-based platforms that enable users to create, share, and exchange information, ideas, and content in various forms, including text, images, videos, and audio. These platforms, which include well-known sites such as Facebook, Twitter, Instagram, and YouTube, facilitate interactions among individuals and communities, allowing users to maintain and expand their social networks. Social media has become a central part of daily life for millions of people globally, involve activities such as communication, entertainment, socialization, and information-seeking (Ostic et al., 2021).

The definition of social media has evolved to cover a wide range of online tools and websites designed to promote social interaction. These platforms serve as a means for individuals to connect with friends and family and as a venue for professional networking, marketing, and public relations. In addition, social media has significant implications for consumer behavior, mental health, and societal norms, influencing how information is disseminated and perceived across different demographics (Gale, 2022; NCSBN, 2023). As the digital landscape continues to expand, the impact of social media on public discourse and individual behavior remains a crucial area of investigation (Dwivedi et al., 2021).

1.1.2 Somethinc Brand

PT. Royal Pesona Indonesia is the developer of the local cosmetics brand Somethinc. The company launched its brand in 2019. People looking for high-quality skincare and makeup with Halal Certification have inspired the business. Some have obtained MUI and BPOM certifications, and the company asserts that it does not test any of its goods on animals." The tagline for the Somethinc brand is as follows: The slogan "Halal, Breathable, Be You Be Somethinc!" summarize the brand's ethos. The brand's slogan, "Skin First, Makeup Second, Glow Always," indicates that the company aims to provide beauty products that meet the needs of

consumers seeking halal-certified, high-quality, and affordable products. Somethinc offers a wide range of products, including serums, essences, cleansers, toners, moisturizers, masks, and eye gels. These products are available in various variants and are specifically designed to meet the different needs of consumers' skin (Ellitan et al., 2022).

Somethinc offers a range of skincare products that follow clean beauty principles, using the most effective formulations and incorporating the latest technological advances. These products are certified halal and are offered at competitive prices (Ellitan et al., 2022). The brand also sells makeup tools (somethinc.com, 2023). Somethinc's marketing channels are on Facebook, Instagram, YouTube, TikTok, and their official website.

1.2 Research Background

In the context of digital technology 4.0, it is important to understand the behavior of digital consumers or digital customer behavior. Consumer behavior in the digital era differs from that observed in the previous non-digital era. Consequently, marketing activities must be adapted to align with the evolving consumer behavior (Indrawati et al., 2023). Rapid advances in technology and information have changed the marketing strategies of entrepreneurs and retailers. There is a growing body of research interest in the social sciences and technological studies of internet-based digital platforms, such as social media, mobile applications, and other digital communication and engagement technologies that have become usual in people's lives (Krings et al., 2021). Internet trends are common among Indonesians. Currently, with the existence of the internet, Indonesian people tend to look for various information about what they want to know on the internet (Indrawati et al., 2023). Experts consider Indonesia the second largest contributor to global skincare growth, highlighting the country's significant market potential (Utami & Sugiati, 2023).

The literature has not fully addressed the effects of social media influencer persuasion on consumer well-being (Vrontis et al., 2021). social media exposure to attractive influencers, luxurious lifestyles, and upward social comparison to adverse

health outcomes. In the fast-changing field of digital marketing, consumer well-being has become a key area of research. Scholars are exploring how marketing strategies can align with ethical business practices to improve consumers' quality of life. Additionally, mindfulness in marketing and consumption has gained attention, highlighting the importance of making informed choices for the well-being of society, businesses, and individuals. By combining social marketing and service research, scholars have tried to understand how personalized advertising on social media affects consumer well-being (Keyzer et al., 2024). Some have suggested frameworks to review the literature on this topic systematically. This growing interest emphasizes the importance of consumer well-being in modern marketing discussions, reflecting a move toward more responsible and sustainable business practices (Johns, n.d., 2020). Therefore, we compared the effects of influencer characteristics on consumer well-being and purchase intention across social media influencers.

In Indonesia, social media serves as a platform for people to gather, discuss, and express their opinions. On social media in Indonesia, new topics and conversations emerge daily. Here are some of Indonesia's most interesting social media statistics in 2024.

Table 1.1
Social Media Statistics of Indonesia 2024

Total Population	277.7 Million
Active Social Media Users	191.4 Million
Number of Internet Users	204.7 Million
Number of Mobile Internet Users	192.62 Million

Source : the global statistic, 2024

Indonesia's active social media users reach 191.4 million by 2024. In Indonesia, 68.9% of the population uses social media. The number of active social media users will grow at a rate of 12.6 percent in 2024, 21 million more than in 2022. Social media has become one of Indonesia's most important aspects of daily internet use.

Table 1.2
Most Used Social Media Platforms In Indonesia 2024

Top Social Network Platforms in Indonesia	Percentage	Active Users (in Million)
Instagram	84.80%	173.59
Facebook	81.30%	166.42
TikTok	63.10%	129.17
X	58.30%	119.34
Pinterest	36.70%	75.12
Kuaishou	35.70%	73.08
Linkedin	29.40%	60.18
Discord	17.60%	36.03
Likee	14.20%	29.07

Source: The global statistic, 2024

Instagram is the most popular platform among Indonesian internet users, with 84.80%. Approximately 81.30% of respondents reported regular use of Facebook, approximately three times as many as those who reported regular use of Instagram (29%). TikTok and Twitter are underutilized, with 63.10% and 58.30% of Indonesians reporting regular usage, respectively.

In 2024, Instagram was Indonesia's most widely used social media platform, with 84.80% of internet users (173.59 million) joining. Many of Indonesia's leading brands use Instagram to interact with their consumers. Facebook, owned by Meta, was ranked second on the list, with 81.30% of internet users in Indonesia. Many Facebook users in Indonesia are young people, particularly teenagers. 166.42 million people in Indonesia use Facebook, representing 81.30% of the country's internet users, demonstrates this

The third most popular social media platform in Indonesia is TikTok, with a percentage of 63.10%. With 58.30%, X is Indonesia's third most popular social media platform. Pinterest, an image-sharing site with 75.12 million users, is ranked fifth with 36.70%. Other popular social media platforms in Indonesia include Kuaishou (35.70%) and LinkedIn (29.40%), a business and employment-oriented site. With 17.60%, Discord is next on the list, with 36.03 active users. The last one is the Likee platform, with 14.20 percent.

The prevalence of these social media platforms is closely tied to the demographics of Indonesia's population, particularly the dominance of Gen-Z. According to statistics released by the Ministry of Manpower of the Republic of Indonesia in 2023, Gen-Z comprises nearly 75 million people, or 27 percent of the national population. This significant demographic group is not only the largest age group in the country but also plays a crucial role in shaping digital trends. Generation Z are digital natives, deeply engaged with social media and influencers (Erwin et al., 2023). Known for their strong values on social responsibility and ethical consumption, they prefer brands and influencers that align with their beliefs (Nugroho et al., 2022). They also value personalized and authentic experiences, impacting their interactions with brands (Salam et al., 2024). With substantial influence over purchasing decisions, Gen Z is particularly relevant in understanding modern consumer behavior (Djafarova & Bowes, 2021).

As a generation that has grown up with digital technology, Gen-Z's preference for platforms like TikTok, X, and Pinterest highlights their influence in driving the popularity of these social media sites. Their inclination toward dynamic and visually engaging content aligns perfectly with what these platforms offer, further solidifying their status as trendsetters in Indonesia's digital landscape. Given the dominance of Gen-Z in Indonesia and their preference for digital platforms, these findings further affirm that TikTok has solidified its position as a primary source of information for this generation.

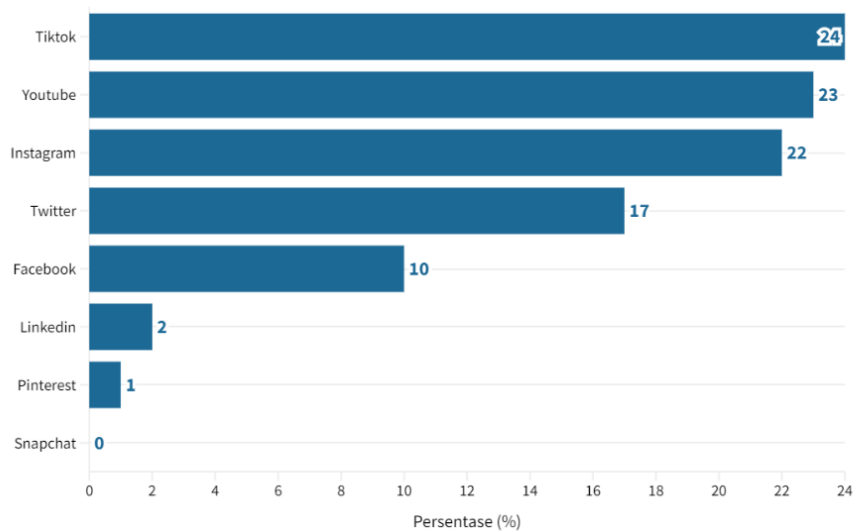


Figure 1.1
Social Media Used by Gen Z as a Source of Information (2023)
 Source : Widi, 2023

Based on the figure above, TikTok is Prepared to become the primary social media platform Generation Z uses for information. The survey, conducted every month throughout the year with 1,329 respondents born between 1997-2012, revealed that 24% of Generation Z respondents actively utilized TikTok as a source of information. It is worth noting that the survey ensured a high level of accuracy in the survey, with a margin of error set at 3%, affirming the platform's growing significance as a go-to source for information among Generation Z.

An influencer is a person who uses social media and has a large following to motivate others to take action (Hariyanti & Wirapraja, 2018). Influencer marketing is a popular strategy for product promotion used by many businesses. Nowadays, influencers use social media as a marketing platform. A marketing tactic known as influencer marketing involves having someone with influence promote a product (Lengkawati, 2021). The ability of social media influencers to efficiently develop and translate marketing messages highlights their critical role in comprehending the rhetoric of social media marketing (Ge & Gretzel, 2018). Previous findings from Aryudi (2021) showed that influencer marketing had a significant positive relationship with purchasing interest. Eighty percent of the

organizations questioned aim to set aside at least 10% of their marketing budgets to influencer marketing, with two-thirds increasing their spending in 2021 (Influencer Marketing Hub, 2022). Studies have indicated that about 60% of organizations employ influencer marketing to accomplish their social media communication goals (Influencer Marketing Hub, 2022). This shows that influencer marketing is now essential for businesses and brands to communicate with consumers.

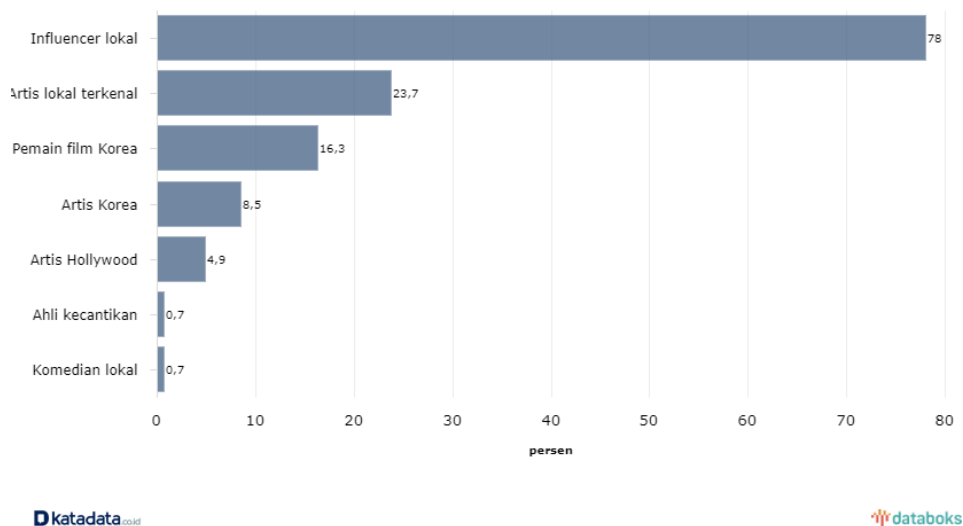


Figure 1.2

The proportion of types of influencers who influence the choice of beauty products and services (2023)

Source: Muhamad, 2023

Survey results align with the observation that female respondents in Indonesia exhibit an increasing interest in the influence of local influencers when selecting beauty products. Notably, a substantial 78% of female respondents express a stronger inclination toward local influencers, including Instagram celebrities, YouTubers, TikToks, and local Twitter celebrities, as opposed to Korean artists. This extensive survey engaged around 9,010 female respondents across Indonesia, providing valuable insights into the prevailing preferences and choices within the beauty product landscape among the surveyed demographic.

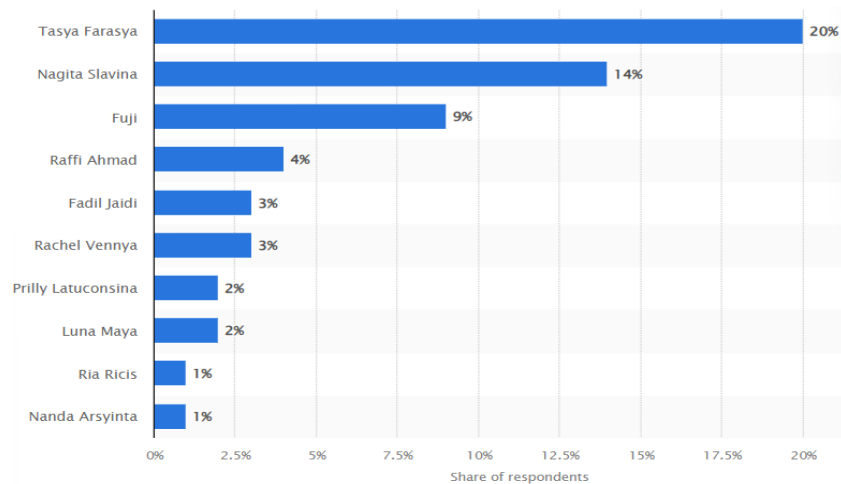


Figure 1.3

Leading influencers for endorsing fashion and beauty products in Indonesia as of October 2023

Source : Nurhayati, Hanadian, 2023

A survey conducted in Indonesia in 2023 revealed that approximately 20% of respondents identified Tasya Farasya as the most prominent influencer in fashion and beauty endorsements. This was followed by Nagita Slavina and Fuji, with 14% and 9% of respondents, respectively.

The table below provides data on Tasya Farasya's social media followers and endorsement rates. It lists the number of followers on different platforms and the corresponding rates she charges for endorsements on each platform.

Table 1.3

Tasya Farasya's Social Media Followers and Rate

Applications	Followers (in Million)	Rate Endorsement
Instagram	6.8	Post : 30000K Story post : 12500k Story session : 30000k Reels : 70000k
TikTok	3.8	Video :65000k
YouTube	4.24	Youtube Exclusive : 120000k Placement : 75000k

The most prominent influencer in the field of fashion and beauty endorsements is Tasya Farasya; she has 3.8 million followers and 139.8 likes on TikTok, 6.8 million on Instagram, and 4,24 million subscribers on YouTube. She has collaborated with some beauty products, and Something is one of the products she collaborated with. Tasya Farasya's endorsement rate is quite high; as stated in information from Ya (2022), one of the rates of Tasya Farasya for one TikTok post is about 65 million IDR. Tasya Farasya's social media presence may be examined with her influence on beauty and lifestyle trends.

Table 1.4

Something Data on Social Media Platform

Social Media	Followers	Hashtag Views
Instagram	1.4M	3.5M
TikTok	3.5M	3M
YouTube	218K	5K

The development of the beauty products industry in Indonesia has seen significant growth, with a 5.59% increase in 2020 and a further 7% increase in 2022 within the cosmetics market (Afina & Widarmanti, 2022). This growth reflects the rising demand for beauty products, which is also evident in the expanding social media presence of brands like Something. The table above presents data on Something's social media presence, including the number of followers on various platforms (such as Instagram, TikTok, etc.) and the total views of hashtags related to Something. This data highlights the brand's online reach and engagement through follower counts and hashtag activity. The table indicates that Something has the highest hashtag views on Instagram, reflecting strong engagement. It also shows that Something has the most followers on TikTok, with 3.5 million followers, demonstrating its substantial popularity on this platform.



Figure 1.4

5 Best-Selling Facial Care Brands in Indonesian E-commerce

Source: Kompas, 2022

The figure shows the top five best-selling facial care brands in Indonesian e-commerce, according to data from Kompas (2022). Somethinc has the highest sales revenue among these brands, reaching 53.2 billion IDR. This highlights Somethinc's significant market presence and consumer preference within the Indonesian facial care industry. The high sales figure reflects the brand's effective marketing strategies, product appeal, and customer engagement. This performance positions Somethinc as a leading player in Indonesia's competitive e-commerce landscape for facial care products.



Figure 1.5

Best-Selling Skincare Brand in E-commerce

Source: Kompas, 2022

The figure above illustrates data from a survey conducted by Kompas in 2022. Sales in e-commerce during the period of April to June 2022 reached an impressive IDR 292.4 billion, with a total of IDR 3.8 million transactions. It highlights Somethinc as the leading skincare brand in e-commerce, with total sales amounting to IDR 53.2 billion from April to June 2022. This data underscores the significant presence and popularity of Somethinc within the skincare market, particularly in the realm of e-commerce sales.

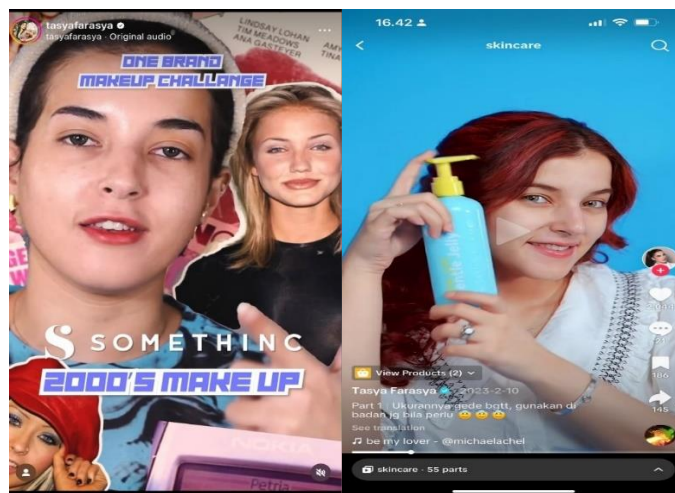


Figure 3.1

Tasya Farasya's Review Video

Source :Instagram and TikTok

On In the figure above, Tasya Farasya reviewed Somethinc's skincare and makeup products on social media. She praised the Facial Wash for its gentle yet effective cleansing, noting how it left her skin fresh and hydrated. Demonstrating Somethinc's makeup, she highlighted the foundation's smooth application and long-lasting, natural finish. Tasya's enthusiastic and detailed review captivated her millions of followers, driving significant interest and sales for Somethinc's skincare and makeup lines.

Thus, the primary objective of this study is to deepen our understanding of marketing dynamics and to explore potential relationships among the variables of Argument quality, source credibility, kindness, Consumer well-being, and purchase

intention. By focusing on the research theme, “THE IMPACT OF SOCIAL MEDIA INFLUENCER CHARACTERISTICS ON CONSUMER WELL-BEING AND PURCHASE INTENTION TOWARD SOMETHINC PRODUCTS AMONG GENERATION Z IN INDONESIA.”

1.3 Problem Statements

Concerns about the efficiency and reach of influencer marketing in influencing Generation Z's interest in buying Indonesian skincare products have been raised concurrently with the rapid growth of e-commerce and the surge in digital advertising, the necessity for a thorough investigation to improve and optimize marketing strategies in this dynamic environment.

The rapid rise of social media platforms, particularly among Indonesia's Generation Z, has significantly altered consumer behavior. This presents a significant challenge for marketers looking to understand and leverage social media influencers' influence over consumers' decisions to buy local skincare products. One example is Somethinc's decision to market its products by endorsing Tasya Farasya. The company invests heavily in promoting its products through Tasya Farasya's social media channels. Somethinc is one of the best-selling and well-known skincare brands among Gen Z, yet there has yet to be research directly linking Somethinc's customer growth to the influence of influencers.

Building on this context, the research aims to determine whether influencer marketing drives Somethinc's sales growth and best-selling status. Specifically, it will examine Tasya Farasya's impact on the sales of Somethinc products among Gen Z in Indonesia. The findings could provide valuable recommendations for effective marketing strategies based on analyzing social media influencer impact.

1.4 Research Question

1. How much are the rate of argument quality, source credibility, and kindness of Tasya Farasya as an influencer of somethinc product according to Gen Z respondents?
2. How does consumer well-being of Somethinc look like?

3. How much is the purchase intention of respondents toward something?
4. Do argument quality, source credibility, and kindness of Tasya Farasya influence the consumer well-being of Something products?
5. Does consumer well-being influence the purchase intention of respondents towards something product?

1.5 Research Objectives

1. To find out the rate of argument quality, source credibility, and kindness of Tasya Farasya as an influencer of Something products according to Gen Z respondents.
2. To find out is consumer well-being of something product.
3. To find out the purchase intention of respondents toward something product.
4. To find out argument quality, source credibility, and kindness of Tasya Farasya influence the consumer well-being of something product?
5. To find out consumer well-being influences the purchase intention of respondents towards something product.

1.6 Significance Of The Study

This study's significance lies in social media influencers' impact on Generation Z's choices and purchases in the Indonesian beauty product market. It provides valuable insights into evolving consumer well-being and purchase intentions, aiding in developing targeted marketing strategies. The study highlights significant growth potential for businesses by focusing on local beauty products. Understanding social media influencer strategies can optimize influencer marketing efforts. The findings will benefit marketers by helping them align their strategies with Generation Z's preferences, thereby boosting market reach and sales. This study is crucial for understanding modern consumer trends and enhancing marketing strategies.

1.7 Scope Of The Study

The scope of this study includes several important dimensions. Geographically, the study will focus on Generation Z social media users in Indonesia. Regarding demographics, Generation Z, which often refers to people born in Indonesia during the mid-1990s and early 2000s, will be the main focus. The content, interaction tactics, and audience reach of a particular subset of Indonesian social media influencers known for promoting beauty products. Additionally, the study will concentrate on locally-made skincare items sold on the Indonesian market.

This study will investigate how social media influencers dramatically affect Generation Z's interest in consumer well-being and purchase intention for local brands. It will also examine how social media influencers' material about beauty products affects Generation Z.

1.8 Systematic of Writing

In order to provide an overview of the study, the author has organised a systematic document which details the information on the materials and topics covered in each chapter. The systematic structure of this research is outlined as follows:

CHAPTER I INTRODUCTION

This chapter is a general explanation of the object overview, research background, problem statements, research questions, research objectives, the significance of the research, scope of research, and systematic writing.

CHAPTER II LITERATURE REVIEW

This chapter presents a summary of the theory, previous research, framework thinking, and hypotheses.

CHAPTER III RESEARCH METHOD

This chapter explains the description of the type of research, operational variables, stages of research, population and research sampling techniques, data collection, and analysis techniques data used in research.

CHAPTER IV RESULTS AND DISCUSSION

This chapter contains findings in the data that have been successfully analyzed by proving the research hypothesis.

CHAPTER V CONCLUSIONS AND SUGGESTIONS

This chapter discusses conclusions and suggestions as a final result and writing this final project.