

CHAPTER I

INTRODUCTION

1.1 Research Background

A franchise is a business development strategy in which a company gives local individuals or entities permission to use its products, services, operating system, and business standards. Franchises use a method to create businesses with names, trademark to products, and materials from existing businesses (Hidayat Nugroho & Respati Kusumasari, n.d). The franchisee must pay royalties for the use of the brand and the product production process in line with the conditions of the written agreement that forms the basis of the agreement. A franchise agreement gives someone else the right to utilize a specific brand or method that belongs to the owner of the intellectual property rights or other know-how (Redjeki et al., 2011). Numerous elements are business-related to the franchise strategy, such as employment in the franchise industry, reputation, trust, experience, and conflict resolution(Wu, 2015). Franchises in Indonesia have constantly growing business potential.

The growth of businesses with franchise strategies in Indonesia is accompanied by the emergence of new innovations that continue to be developed to generate economic value benefits for Indonesia. Businesses with Franchise strategies are important to the economy, as franchisees play a key role in increasing the success of franchise providers (Wu, 2015). The food and beverage (F&B) industry is among those with a dominant franchise approach. The food and beverage sector has been expanding favourably during the last four years, The way to know the economic health of a country, one of the key indicators that is often highlighted is the Gross Domestic Product (GDP). Gross Domestic Product (GDP) is one aspect of the national accounts that describes the market value of all goods and services produced in a region in a given period (Directorate of Production Accounts, 2024). The table 1.2 demonstrates that this sector's in GDP contribution has not significantly decreased, while not rising as quickly as it once did.

TABLE 1.1
F&B SECTOR IN GDP CONTRIBUTION IN PERCENT

2020				2021				2022				2023				2024	
Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
6,52	7,04	7,01	6,82	6,80	6,66	6,74	6,26	6,56	6,17	6,26	6,32	6,47	6,39	6,59	6,74	6,97	6,74
Total				Total				Total				Total				Total	
6,84				6,61				6,32				6,55				-	

Source: Internet (Statistics Indonesia (BPS), 2024)

Based on the table 1.1 the positive trend of this business sector will continue as said by the Director General of Agro-Industry of the Ministry of Industry (Kemenperin) Putu Juli Ardika, said that the food and beverage industry (F&B) is a strategic sector in supporting Indonesia's economic growth. Strong brands are one of the reasons why the food and beverage (F&B) business is growing rapidly in Indonesia, having a widely recognized brand helps attract customers faster (Antara News, 2024). Any brand's success depends on the appropriate design and choice of components. Additionally, effective marketing is responsible for this business's quick growth, with the mass media serving as a supporting element. Until the Internet becomes a major enabling component. The Internet indeed makes it incredibly simple for firms to advertise their goods locally. A marketing strategy known as "internet marketing" makes use of blogs, social media, websites, and ads. As a result, more individuals are using websites, media devices, and even internet-based applications (Maulidiyah, 2023). This creates vast business opportunities for food and beverage (F&B) franchises, allowing their marketing strategies to spread widely among Indonesians.

Fast food is one of the food and beverage (F&B) industry sectors that is expanding quickly in tandem with rising urbanization and modern lifestyles in large cities. The lifestyle component is one of the elements that ultimately becomes the determining factor of (Sholikah & Edwar, 2015). Street food served as Indonesia's fast food equivalent before the arrival of foreign fast-food establishments; Bakmi GM, the country's first well-known fast-food restaurant, opened its doors in 1959. International

chains like McDonald's (1991) and KFC (1979) gradually started to make inroads into the Indonesian market (CNN Indonesia, 2021). This has resulted in the emergence of local brands that have the same concept, but adapted to the Indonesian market and appear at a more affordable price because it adapts to the purchasing power of the lower middle class, which is the largest market segment in Indonesia.

Based on figure 1.1 proves that goods and services supplied at more affordable prices are usually more attractive to Indonesian consumers. Therefore, corporate plans that emphasize competitive and reasonable pricing are more likely to succeed in the Indonesian market.

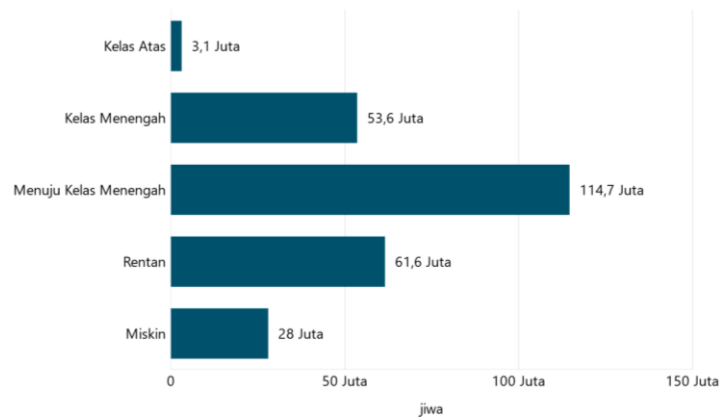
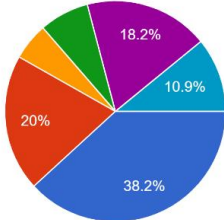
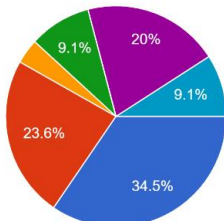
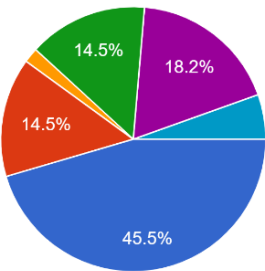


Figure 1.1 Comparison of Society class levels in Indonesia

Source: databoks.katadata.co.id (2024)

The following are table 1.2 the results of pre-research conducted by the author analyzing the situation of fast-food brands in Indonesia with a grouping of brand awareness levels targeting the lower middle-class market.

TABLE 1.2
SITUATION ANALYSIS

Pre-Research on local fast food brand positioning middle to lower middle class															
Analysis of question no. 1	What brand do you first think of when you hear the word fast food? 55 responses  Legend: - D'Besto - Labbaikchicken - Chicago Fried Chicken - Lazatto - Hisana - Sabana <table border="1"> <thead> <tr> <th>Brand</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>D'Besto</td> <td>38.2%</td> </tr> <tr> <td>Labbaikchicken</td> <td>20%</td> </tr> <tr> <td>Chicago Fried Chicken</td> <td>10.9%</td> </tr> <tr> <td>Lazatto</td> <td>18.2%</td> </tr> <tr> <td>Hisana</td> <td>2%</td> </tr> <tr> <td>Sabana</td> <td>0%</td> </tr> </tbody> </table>	Brand	Percentage	D'Besto	38.2%	Labbaikchicken	20%	Chicago Fried Chicken	10.9%	Lazatto	18.2%	Hisana	2%	Sabana	0%
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Analysis of question no. 2	If you're looking to buy fast food, what local brands come to mind 55 responses  Legend: - D'Besto - Labbaik Chicken - Chicago Fried Chicken - Lazatto - Hisana - Sabana <table border="1"> <thead> <tr> <th>Brand</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>D'Besto</td> <td>34.5%</td> </tr> <tr> <td>Labbaik Chicken</td> <td>23.6%</td> </tr> <tr> <td>Chicago Fried Chicken</td> <td>9.1%</td> </tr> <tr> <td>Lazatto</td> <td>9.1%</td> </tr> <tr> <td>Hisana</td> <td>20%</td> </tr> <tr> <td>Sabana</td> <td>9.1%</td> </tr> </tbody> </table>	Brand	Percentage	D'Besto	34.5%	Labbaik Chicken	23.6%	Chicago Fried Chicken	9.1%	Lazatto	9.1%	Hisana	20%	Sabana	9.1%
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Analysis of question no. 3	From the following list, which brand are you most familiar with? 55 responses  Legend: - D'Besto - Labbaik Chicken - Chicago Fried Chicken - Lazatto - Hisana - Sabana <table border="1"> <thead> <tr> <th>Brand</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>D'Besto</td> <td>45.5%</td> </tr> <tr> <td>Labbaik Chicken</td> <td>14.5%</td> </tr> <tr> <td>Chicago Fried Chicken</td> <td>14.5%</td> </tr> <tr> <td>Lazatto</td> <td>18.2%</td> </tr> <tr> <td>Hisana</td> <td>2%</td> </tr> <tr> <td>Sabana</td> <td>0%</td> </tr> </tbody> </table>	Brand	Percentage	D'Besto	45.5%	Labbaik Chicken	14.5%	Chicago Fried Chicken	14.5%	Lazatto	18.2%	Hisana	2%	Sabana	0%
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Source: Author Compilation

Based on the table 1.2 findings of the pre-research, brands were grouped according to the respondents' level of brand awareness. According to the questions distributed by the author using brand awareness indicators, D'besto is the top-of-mind local fast-food brand, with 38.2% of the 55 respondents, followed by Labbaik chicken (20%). Sabana and Hisana fall within the category of brand recall. This indicates that when consumers see or hear the corresponding product categories, they can recall these two brands quite easily, though not as well as D'Besto and Labbaik chicken. Lazatto is classified as a brand recognition. Consumers recognize these brands when they see them, but they may not immediately recall them without a clue. Chicago fried chicken with the lowest percentage shows that there are still many consumers who are unfamiliar or don't even know this brand exists.

This makes the reason the author compares with local competitor brands Labbaik chicken and D'Besto is that the two brands have become top of mind among the public. The results of the pre-research above also strengthen the author reasons for collaborating in the design of this work. In making commercial advertisements to increase brand awareness of Chicago fried chicken.

In 2015, PT Chicago Star Corp. opened Chicago Fried Chicken in Jakarta, Indonesia, to cater to the country's largest market segment, the lower middle class, which has the highest purchasing power. It all started with a recipe for crispy fried chicken, and the founders' desire to give people access to high-quality food at an affordable price. Our founders established Chicago Fried Chicken to realize that dream and started putting food into the mouths of their customers. Chicago Fried Chicken started with three locations but continued to expand to meet the growing demand (Chicagofriedchicken, 2021). This has made Chicago continue to develop its business into a business that uses a franchise strategy but adapts to the purchasing power of the lower middle class, which is the largest market segment in Indonesia.

The franchise package offered has many variations, the following table compares the franchise package with top-of-mind local competitor brands:

TABLE 1.3
PRICE COMPARISON WITH TOP-OF-MIND LOCAL BRAND
COMPETITORS

Brand Name	Franchise Package	Franchise Price
Chicago Fried Chicken	Lite Booth Package	Rp. 23.000.000
	Simple counter table package	Rp. 25.000.000
	Standard counter table package	Rp. 28.000.000
	Simple Booth Package	Rp. 28.000.000
	Kios K package	Rp. 70.000.000
	Mini resto package	Rp. 180.000.000
Labbaik Chicken	Corner package	Rp. 300.000.000
	Express package	Rp. 600.000.000
	Prestige package	Rp. 1.000.000.000
D'Besto	Partnership package	Rp.200.000.000

Source: Authors Compilation

Based on table 1.3 Chicago excels with cheaper partnership package prices and has many options. This is very important when viewed from its brand positioning which targets the lower middle class. This opens up opportunities for potential partners who want to try a business in the food and beverage (F&B) sector. Chicago fried chicken has the advantage that the quality of the products offered is quality at an affordable price, this is evidenced by the author interview with internal information from Chicago fried chicken when asked about the quality of the products being marketed.

Quality as a top priority ensuring every product selected meets high standards. Supported by trusted suppliers from Chicago, the products have been verified through various certifications, including Certificate of Eligibility (CoE), Veterinary Control Number (NKV), and Halal certification. In addition, the company maintains

transparency through detailed records covering the origin of the breeder, the manufacturing process, and the processing stage. This commitment demonstrates the company's dedication to providing the best products to customers. The maintained quality does not make the price more expensive.

The following table 1.4 is a price comparison of the main menu of Chicago fried chicken with a local fast-food brand that targets the lower middle class and has become top of mind among the public:

TABLE 1.4
FRANCHISE PRICE COMPARISON WITH TOP-OF-MIND FAST FOOD
LOCAL BRAND

Brand Name	The Menu	Price
Chicago Fried Chicken	<i>Paha Bawah/ Sayap</i>	Rp. 8.000
	<i>Dada/Paha Atas</i>	Rp. 12.000
Labbaik Chicken	<i>Sayap</i>	Rp.10.000
	<i>Paha</i>	Rp. 11.000
	<i>Pot. Besar Original</i>	Rp. 14.000
D'Besto	<i>Paha Bawah</i>	Rp. 10.000
	<i>Sayap</i>	Rp. 9.000
	<i>Dada dan Paha Atas</i>	Rp. 12.000

Source: Author compilation

Based on table 1.4 In terms of price, Chicago fried chicken is by the positioning of the brand itself, which is to target the lower middle-class market, where this target market has a large presentation in Indonesia. Despite the results of comparisons with local competitor brands, Chicago is superior when it comes to prices that target the lower middle-class market. According to the internal informant, in an interview with the author, when asked about the Chicago fried chicken target market, he said Price is a key consideration for the lower middle-class market, in contrast to the upper-middle-class goal, a price rise of Rp.1000 by itself may represent a substantial increase. with

a more affordable price, Chicago fried chicken pays attention to the product's quality. According to Kotler and Armstrong (2024), "A lower price will trigger sharply increased demand and lead to higher revenues and profits. This practice makes sense as long as the extra costs of producing and selling more do not exceed the extra revenue"

As time goes by Chicago Fried Chicken does not only sell fried chicken, an interview was conducted with an internal informant in an interview, according to the findings of the internal sources interviewed regarding how much Chicago Fried Chicken adjusts to shifting consumer demands and trends, the company no longer sells only fried chicken. Every three to four months, Chicago Fried Chicken adjusts its product lineup to meet market demand. To give customers more choices, the company offers a variety of products other than chicken, such as potatoes, steaks, burgers, chicken satay, mushroom sauce, and various sauces. It emphasized that this strategy supports the company's sustainable development, keeps the products competitive in the market, and makes it easier for business partners to adapt and manage their operations. The informant's statement is in line with the product verification theory. In addition, new products offer opportunities to develop customers and foster customer loyalty. In addition, companies gain a competitive advantage from product variations (Syafi'i et al., 2023).

Chicago fried chicken Chicago Fried Chicken is also very sensitive to marketing communications, where this is one of the main drivers of a business's efforts to market its goods to a wide audience. The use of marketing communications is essential as it allows a business to disseminate information about its products to its target audience, increase sales, and raise public awareness of its products, all of which contribute to a positive company image. Brand awareness is crucial in making consumer decisions and increasing brand awareness will increase the likelihood of purchasing that brand (Hameed et al., 2023).

Chicago fried chicken is very aware that its brand awareness needs to be built in the minds of customers, this can be verified when the author conducted in interviews

with internal informants regarding the marketing strategies implemented by Chicago Fried Chicken, it was explained that the company uses various offline marketing activities to build brand awareness among consumers. These activities include drawing competitions and participation in exhibitions, which aim to increase awareness. In addition, the company's marketing strategy is also reinforced by the use of conventional advertising, although this method requires considerable costs. This holistic approach is designed to expand the reach and influence of the Chicago Fried Chicken brand in the market.

Along with the times, Chicago fried chicken conducts marketing communication activities through social media or called digital marketing. The advertising of goods and services through digital media, including websites, email, digital television, and social media, is known as digital marketing (Riadi, 2023). Chicago fried chicken utilizes the development of this era regarding marketing through social media, Chicago creates a digital marketing team and collaborates with outside parties. Digital marketing strategy has a positive effect on consumer buying interest (Hiola, 2022). To execute the Digital marketing plan in the form of marketing through social media or called social media marketing, Chicago Fried Chicken uses various digital platforms. The official website, Facebook, Instagram, YouTube, and TikTok are actively used as promotional media to attract a larger audience and increase brand awareness.

Chicago Fried Chicken displays various information through its digital platforms regarding products, promotions, and ongoing activities to attract customers. Chicago fried chicken packages their social media marketing content in several forms such as photos, videos, and posters. The following table 1.6 is advertisement content that has been published through the Chicago fried chicken social media platform:

TABLE 1.5
CHICAGO FRIED CHICKEN ADVERTISING CONTENT THROUGH THEIR
SOCIAL MEDIA

No	Chicago Fried Chicken's social media content	
1	Content Title	Promo <i>kemitraan</i> Chicago fried chicken 2023
	Content-Type	Commercial Advertising Video
	Number of Views	1.200
	Source	Chicago Fried Chicken Indonesia YouTube channel
	Attachment	
2	Content Title	<i>Makan hemat di</i> Chicago fried chicken
	Content Type	Instagram post (reels)
	Number of Views	266
	Source	Chicago fried chicken Instagram

brand stories, companies can stand out amidst the flood of online information (Rachman et al., 2024). In addition to compelling storytelling, audio and visual elements are essential to create strong emotions. Strong emotions can make ads more relevant and significant to the audience, thus increasing their engagement and recall of the ads they watch.

Advertising is an activity to communicate a business organization with all its attributes to the public or the community at large, using paid communication media, in this case, advertising media (L. adi Wibowo & Priansa, 2017). Advertising objectives are specific communication tasks that must be achieved with a specific target audience over a specific period. Advertising objectives can be classified based on their primary purpose to inform, persuade, or remind (Kotler et al., 2024). Advertising has a very important role in modern marketing strategies, Chicago fried chicken faces challenges in the form of low brand awareness among consumers. With the creation of advertising content that aims to inform, persuade, or remind so that Chicago fried chicken brand awareness increases in the minds of consumers.

In the creation of effective commercials advertisement, the creative director's involvement in developing innovative strategies is crucial. Leading the creative team in developing innovative ways to develop storytelling concepts, audio, and visual elements to complement relevant material requires creative thinking and an understanding of the audience to achieve the desired vision. In order to reach the desired goal and a larger target audience, creative directors are in charge of coming up with original and captivating advertising concepts (Khairunnisa, 2023). This proves that the role of the Creative Director is very important for the success of an advertisement.

Advertisements that have interesting messages and visuals is very easy for audiences to accept, this is because Creative directors make it easy to design messages and narratives on content according to the target market. Chicago fried chicken prioritizes the quality of the products sold. With the quality provided. But Chicago fried chicken is still less in demand and even still not known because the promotion

carried out by Chicago fried chicken is still not optimal. This can be corroborated by the results of pre-research conducted by the author above proving that Chicago fried chicken is still not widely known. This creates an opportunity for Chicago Fried Chicken to increase brand awareness through various promotional efforts to compete and increase brand awareness among consumers.

Brand awareness is a condition when customers can identify and obtain a clear picture of the quality of a business's products, both in terms of product quality, service, logo, and other marketing elements. Brand awareness is often used as a benchmark by many people to recognize a product. Because they feel secure and have faith in the products or services, consumers frequently purchase well-known brands.(Hertita, 2024) Brand awareness is very important in making consumer decisions and increasing brand awareness will increase the likelihood of purchasing the brand (Hameed et al., 2023). Therefore, Chicago fried chicken must be able to convince consumers to buy the products available at Chicago fried chicken.

The author took the initiative to make a commercial video advertisement on increasing brand awareness utilizing aspects of brand storytelling, Brand storytelling is the art of shaping a company's identity through the use of narratives and storytelling techniques facilitate an emotional response and establish meaningful connections (Walter & Gioglio, 2018). which aims to inform the wider community regarding the brand awareness of Chicago fried chicken. The selection of commercial video advertisements raising Chicago fried chicken is considered very important by the author because the wider community is still not aware of this brand. this is due to the lack of enthusiasts due to the lack of information and advantages related to the brand, the brand image on social media is not prominent enough to attract new consumers. There is no visual differentiation or distinctive message that distinguishes this brand from its competitors, which results in low attraction and engagement on digital platforms. it is hoped that the audience will understand the advantages of this product and build an emotional connection so that the audience knows and is even moved to taste this product. Therefore, a commercial advertising video is one of the right tools

to provide this message in a visual display. This commercial ad will be aired on the Chicago fried chicken Youtube platform.

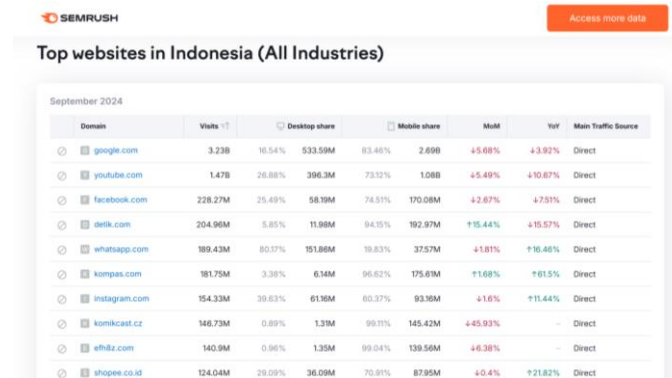


Figure 1.2 Top Website in Indonesia

Source: Internet (Semrush,2024)

Based on figure 1.4 YouTube is the second most frequently accessed website by internet users in Indonesia. YouTube is a video-sharing platform that allows users to watch, upload and share videos online. The reason for choosing the YouTube platform as online media in commercial advertising videos provides a significant opportunity for Chicago fried chicken. It allows them to reach a wider range of consumers, increase brand awareness, and interact more deeply with consumers. Thus, YouTube has become one of the promotional marketing media tools for Chicago fried chicken.

Based on the phenomena that have been described, the author wants to try to provide solutions to the conditions being faced by Chicago fried chicken through “The role of a Creative Director in increasing brand awareness through Commercial Video Advertising for Chicago fried chicken” based on information that has been obtained through questionnaires that have been distributed previously.

1.2 Problem Statement

Based on the background above, the problem formulation that the author identifies is how to design Chicago fried chicken commercial advertising videos to increase brand awareness.?

1.3 Design focus

The design of the work in this proposal is to produce a commercial advertising video for Chicago fried chicken to increase brand awareness.

1.4 Purpose of the work

Based on the results of problem identification and design focus, this final work aims to:

- 1) Develop an effective and attractive commercial advertising module to support the brand's marketing strategy, so as to increase the brand's visibility and attractiveness in the market.
- 2) Improve brand manager education by giving them access to engaging, easy-to-understand creatives.
- 3) Participated in the creation of educational materials based on commercial advertising videos to assist in the use of more contemporary marketing strategies that resonate with today's consumers.
- 4) Ensure the creation of commercial advertising videos used for marketing meet strict quality requirements and can communicate messages well and clearly in accordance with the desired promotional objectives.

1.5 Benefits of the work

1.5.1 Benefits of Theoretical Work

Theoretically, the author hopes that this work can provide benefits for academics in understanding the concepts and practices of effective commercial advertising video production. This work is also expected to be a relevant reference for students for the design of final assignments in the Communication Science major in the field of Marketing Communication studies, especially those who explore the design of video works.

1.5.2 Practical Benefits

The practical benefits of this work can be an efficient and effective learning tool for similar fast-food franchise brands. The use of this work is expected to help to learn to make commercial advertising videos.

1.6 Activity Schedule

The schedule of activities that will be presented in this sub-chapter is a series of activities that will be carried out by the author in the process of designing the final work. The activities carried out by the author are starting from writing proposals, pre-production, production, to post-production stages of the work. The following is the author schedule of activities:

TABLE 1.6
ACTIVITY SHCEDULE

No.	Type of Activity	October				November				December				January			
		1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
1	Proposal Writing																
2	Chapter Writing 1-3																
3	Production																
4	Writing Chapters 4-5																
5	Session																

Source: Author Compilation

1.7 Systematization of Writing

A. CHAPTER I INTRODUCTION

1.1 Background

1.2 Problem Identification/Resolution

1.3 Design Focus

1.4 Purpose of the Work

1.5 Benefits of the Work

1.6 Schedule of Activities

1.7 Writing Systematics

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2.2 Reference Works

C. CHAPTER III METHOD AND CONCEPT

3.1 Subject and Object Overview

3.2 Data Collection Method

3.3 Problem Analysis

3.4 Communication Concept

3.5 Creative Concept

3.6 Design Scheme

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4.1 The Process of Designing the Work

4.2 Discussion of the Result of the Work

E. CHAPTER V CLOSING

5.1 Conclusion of the work

5.2 Suggestion