

CHAPTER 1

INTRODUCTION

1.1 Research Background

Many companies use social media to market their products or services. Social media is also a means for companies to communicate with their customers. can't be denied, social media is one of the most effective and cost-effective marketing tools, that's why many companies do marketing through the media social. Prospective buyers are also facilitated by marketing through social media in this case, they only need to access the social media accounts of the products they want without need to go directly to the physical store. Supervision carried out by the Ministry Communication and Information Technology of the Republic of Indonesia in 2019, found that most people use social media platforms to sell products or services, but when they want to buy, they prefer to use electronic commerce (Kementerian Komunikasi Republik Indonesia, 2019). This proves that most potential customers will be interested in a product through social media, then decide to buy the product, the purchase is made through the company's e-commerce. Even though e-commerce has advanced features, social media may still be able to encourage people to buy products by providing activity content proper marketing (Wibowo, 2021). Therefore, the company must have the right content of marketing activities for marketing purposes company can be achieved.

Companies not only use social media as a means of marketing, but also to provide services to potential customers. In content marketing should not only present the commercial aspects, but it is also necessary to present a socially oriented aspect with interaction actively to prospective consumers (Kim, 2012). Deep communication with potential customers will result in a good relationship between the company with potential consumers. Creating marketing content on media is a challenge for companies, because companies must be able to present appropriate marketing content to be accepted by the target market (Wibowo, 2021).

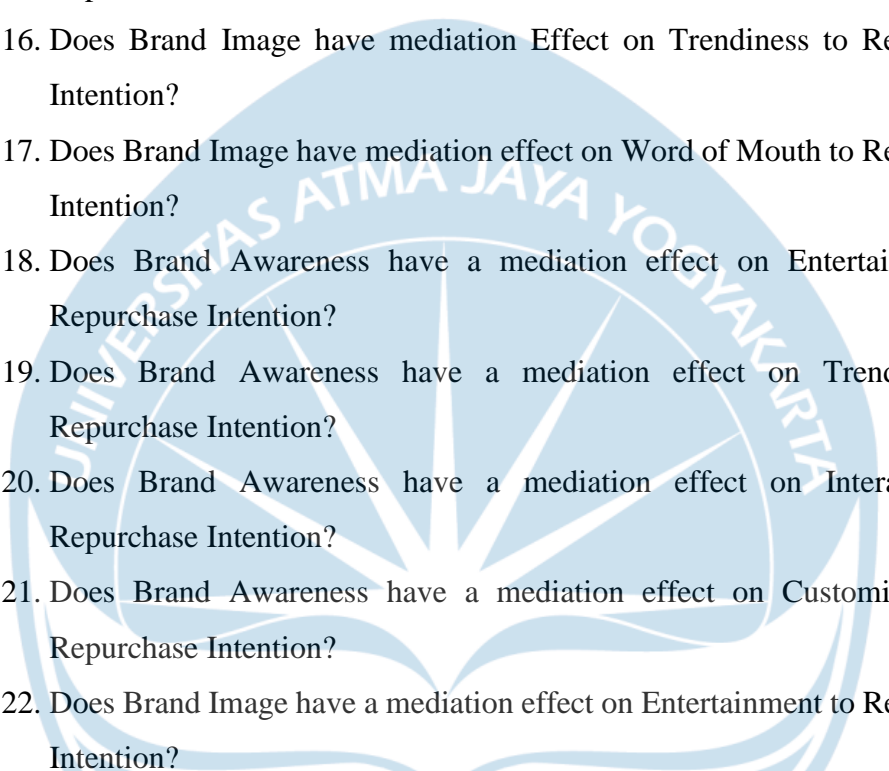
Research results from DataReportal stated that in January 2022, the number of users social media in Indonesia has reached 191.4 million users. This figure has an increase of 21 million users from 2021 (Prasetya, 2022). Instagram is a social media platform that has 99.15 million users in Indonesia, until Indonesia is included in the top 5 countries with Instagram users most in the world. Many companies advertise products through Instagram, by uploading content on the account the company's Instagram or using Instagram Ads. According to Instagram, as many as 62% of Instagram users stated that users found many new products from advertisements on Instagram (Ahlgren, 2022).

Entertainment is the result of fun and entertainment in using social media. Thus, the entertainment component of social media is deemed essential, whereby it enriches positive emotions and generates behaviors that involve purchase intentions. Interaction is the exchange of opinions and ideas occurring between social media and consumers. A stronger interaction on social media allows consumers a deeper understanding of brand content and empowers better brand comprehension of user ideas and preferences, thereby contributing to the brand's social media platform itself. Concurrently, consumers can also exchange realized social media platform experiences, whereas social media user-generated content (UGC) has emerged as an alternative brand-customer interaction (Seo E., 2018). Trendiness is crucial and otherwise defined using the term 'trends,' which details the provision of the latest information pertaining to any products or services (Yadav M., 2018). Tangentially, Valaei and Nikhashemi's (Valaei N., 2017). research has underlined brand style and price as particularly notable factors determining Generation Y consumers' willingness to buy fashion items. Therefore, the trends and styles positioned by brands can attract more consumers of the younger age range due to their likings for new trends and trendy brands (Ladhari R., 2019). Customization is defined as the degree to which a brand provides specific services to meet the unique tastes and needs exhibited by consumers (Thirumalai S., 2010). During the consumption process, most customers still want to obtain specific services. Therefore, the current research describes survey personalization as customer perception of social media in providing customized services and meeting their preferences. Accordingly, brands can provide private and customized experiences tailored to each customer based on

personalized portals and offline shops to improve further their brand image and brand loyalty (Zhang H., 2014). Besides, personalization will accurately help customers locate the products they require, thus indirectly promoting the purchases (Tong S., 2019). Word of mouth (WOM) is the most natural and common phenomenon encountered in consumer behavior (Zhang K. Z., 2016). It can denote a series of communication activities carried out by a company or product, which is usually regarded as noncommercial and private. Similarly, WOM is also a source of information in the purchase decision process in which consumers will consider product performance, changes before and after purchase, and consequences of the purchase decision. As a pioneer of fruit salad in Indonesia, Salad.Nyo has been active in this industry since 2018 by a student from Yogyakarta. started with a desire to make fruit salad that is sold at a low price, delicious, and can be enjoyed by all groups. now Salad.Nyo has dozens of outlets both in Yogyakarta and Central Java. This theme was chosen by the author because the author considers this brand interesting, from looking at its history it can be seen that this business was started from the bottom and has now achieved success, therefore, the author feels interested in exploring this brand.

1.2 Research Question

1. Does Entertainment affect brand awareness?
2. Does Entertainment affect brand image?
3. Does Customization affect brand awareness?
4. Does Customization affect brand image?
5. Does Trendiness affect brand awareness?
6. Does Trendiness affect brand image?
7. Does Interaction affect brand awareness?
8. Does Interaction affect brand image?
9. Does Word of mouth affect brand awareness?
10. Does Word of mouth affect brand image?
11. Does Brand awareness affect repurchase intention?
12. Does Brand image affect repurchase intention?

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13. Does Brand Image have a mediation effect on Customization to Repurchase Intention?
 14. Does Brand Image have a mediation effect on Interaction to Repurchase Intention?
 15. Does Brand Awareness have a mediation effect on Word of Mouth to Repurchase Intention?
 16. Does Brand Image have mediation Effect on Trendiness to Repurchase Intention?
 17. Does Brand Image have mediation effect on Word of Mouth to Repurchase Intention?
 18. Does Brand Awareness have a mediation effect on Entertainment to Repurchase Intention?
 19. Does Brand Awareness have a mediation effect on Trendiness to Repurchase Intention?
 20. Does Brand Awareness have a mediation effect on Interaction to Repurchase Intention?
 21. Does Brand Awareness have a mediation effect on Customization to Repurchase Intention?
 22. Does Brand Image have a mediation effect on Entertainment to Repurchase Intention?

1.3 Research Objective

1. To analyze whether Entertainment affects brand awareness.
2. To analyze whether Entertainment affects brand image.
3. To analyze whether Customization affects brand awareness.
4. To analyze whether Customization affects brand image.
5. To analyze whether Trendiness affects brand awareness.
6. To analyze whether Trendiness affects brand image.
7. To analyze whether Interaction affects brand awareness.
8. To analyze whether Interaction affects brand image.

9. To analyze whether Word of mouth affects brand awareness.
10. To analyze whether Word of mouth affects brand image.
11. To analyze whether Brand awareness affects repurchase intention.
12. To analyze whether Brand image affects repurchase intention.
13. To analyze the mediating effect of Brand Image toward Customization to Repurchase Intention.
14. To analyze the mediating effect of Brand Image toward Interaction to Repurchase Intention.
15. To analyze the mediating effect of Brand Awareness toward Word of Mouth to Repurchase Intention.
16. To analyze the mediating effect of Brand Image toward Trendiness to Repurchase Intention.
17. To analyze the mediating effect of Brand Image toward Word of Mouth to Repurchase Intention.
18. To analyze the mediating effect of Brand Awareness toward Entertainment to Repurchase Intention.
19. To analyze the mediating effect of Brand Awareness toward Trendiness to Repurchase Intention.
20. To analyze the mediating effect of Brand Awareness toward Interaction to Repurchase Intention.
21. To analyze the mediating effect of Brand Awareness toward Customization to Repurchase Intention.
22. To analyze the mediating effect of Brand Image toward Entertainment to Repurchase Intention.

1.4 Research Benefits

1.4.1. Theoretically and Practically

Theoretically, this research is expected to be useful in contributing for the field of marketing science related to marketing activities through Instagram, especially regarding the influence of entertainment stimulus, customization, trendiness, interaction, and word of mouth on brand awareness and brand image and its effect on repurchase intention. This research is expected to become a more complete rationale for contributions social media marketing activity and the quality of the relationships it can trigger purchase intention of potential consumers. Practically, this research is expected to help companies to considering the importance of marketing activities through Instagram, especially regarding the influence of entertainment stimulus, customization, trendiness, interaction, and word of mouth it can be built through doing activities marketing via Instagram, which will also affect brand awareness and brand image and its effect on repurchase intention.