

CHAPTER I INTRODUCTION

1.1. Background

The development of the fashion industry in Indonesia began in 1950 when almost all middle and upper class people in Indonesia became acquainted with the world of fashion (Annora, 2022). This year, all kinds of fashion that started to enter Indonesia were heavily influenced by fashion culture, which was becoming a trend at that time in Europe or even Asia. Every year, the development of the fashion industry in Indonesia is increasing rapidly. It was noted from CNBC Indonesia (2019) that the development of the fashion industry in Indonesia contributed 18.01% or around Rp. 116 trillion. One of the reasons for the development of fashion trends is technology which can lead to the emergence of the era of globalization where the internet can connect everyone (Setiawan & Sesilia, 2019).

Technology has changed modern life in many ways, especially in fashion trends. The fashion and technology industries are closely related and also have a reciprocal relationship. In the fashion industry, industries that use technology have become leaders. The growth in the use of digital technology is able to involve fashion industry consumers to be able to interact, influence, own, and become part of brands (Hostench et al., 2019). With the help of technology, fashion designers can find out about customer needs so they can increase productivity. In addition, easy access to the internet can also add to their insights because of the large amount of information available. One example, in 2012, New York Fashion Week is able to utilize media such as Instagram and Pinterest to facilitate visitors to be able to share pictures and comments that cause socialization among visitors online. But from the positive impact of technological developments, there are also negative impacts of technological developments. One result of technological developments in the fashion industry is increased competition (Ansari et al., 2021).

In Indonesia, the influence of technology on the fashion industry is enormous. This is due to the influence of technology and social media which make

it easier for people to be able to access the internet, making them have new views about fashion from several references they find on the internet. Technological developments can encourage several fashion industries in Indonesia to be more creative and adaptive in creating a product that is needed by consumers. In addition, technological developments also have a positive impact on society.

Social media is one form of trend phenomenon from technology. In industry, social media is a strategy that is the key to the marketing of an industry. Good marketing can affect the sales of an industry. Where the more unique and good the marketing of a product, the sales will increase. Therefore, social media has a very important role for the sales of an industry. Marketing through social media is considered important because it can make it easier for users to interact directly between sellers and buyers. Social media can reach a wide market at a relatively low cost (Fatmawati, 2021). Marketing through social media can increase consumer loyalty and trust. on Instagram, 60% of respondents discover new products on the platform and 75% of respondents take action after being inspired by a post (Facebook Business, 2018). Social media can also provide various information about a product that is needed by consumers. This is due to the time efficiency of a product marketing. Products that are displayed all the time on social media cause consumers because they don't need to reduce the time to come to visit to see the product in person. Marketing carried out on social media can increase consumer brand awareness of a product (Zhafirah, 2019). The high intensity of SOCIAL MEDIA use by consumers can increase consumer purchase intentions for a product. The more often consumers see advertisements for a product on social media.

Social media is highly respected by almost all people around the world. More than millions of people have used social media as a means of entertainment or even as a means to find and obtain information. Facebook, social media owned by Meta is the most popular social media platform with 2.9 billion monthly active users. If combined with all the number of Meta product users (Facebook, Messenger, Instagram, and WhatsApp) at the beginning of 2022 it is 3.64 billion (Widi, 2022). Currently, almost all individuals have spent time using social media

which will later produce a form of communication between individuals through social media.

In Indonesia, there are more than 170 million social media users which is about 62% of the total population. Indonesia is the second largest user of Facebook social media compared to other countries, with as many as 140 million people. The high level of social media use in Indonesia makes it easier for people to get information easily and quickly. Social interaction is also somewhat easier because of the many accesses that can be used to interact with other individuals. A survey on consumer shopping behavior shows that 92% of respondents in Indonesia prefer to shop online (Statista, 2023).

In Indonesia, social media and technology have a big influence in marketing product and one example is an Erigo Apparel. Erigo is a fashion brand in Indonesia that uses social media as a marketing technique. Erigo was established on November 20, 2010 with the brand “Selected and Co” which later changed its name to Erigo in 2013 (Kemenparekraf, 2021). Muhammad Sadad who is the founder and CEO of Erigo Apparel has carried out various business models to develop the Erigo brand which in the end can become very famous and familiar among Indonesian people. It was not easy for Muhammad Sadad to bring the Erigo brand to reach its current position. Many concepts have changed, starting from the concept of batik products to the concept of traveling with the theme of street style. It was this traveling concept that brought Muhammad Sadad to do photo shoots across the country. This shooting was done in Singapore and even Japan. According to Riani and Umanto (2022), Erigo was also able to take advantage of the pandemic situation to develop his business supported by digital transformation and marketing concepts through digital marketing, social media, e-commerce, brand awareness, brand equity and customer relationship management. Data from the Ministry of Tourism and Creative Economy (2021), In 2015, Erigo managed to get a profit of IDR 22 billion and in 2020, Erigo experienced an increase in orders of more than 10 times compared to the previous year.

Uses & Gratification (U&G) is a method used to provide an explanation why users find the form of a social media so attractive (Karimi et al., 2014). The

Uses and Gratification theory shows that social media users are responsible for choosing the organization and media that best serve their needs and that an organization or industry used by society can fulfill certain satisfactions (Egede & Nwosu, 2013). Hostench (2017) found that attitude, subjective norms, behavioral control, self-image congruity, social media intentions, social media use, purchase intentions on social media have an influence on sales. The researcher chose Erigo Apparel as the object of research because the researcher believes that Erigo Apparel is a local brand with high appeal among the public. Therefore, the researcher wants to know how the influence of attitude, social media intention, social media use, subjective norm, behavioral control, and purchase intention on the use of Erigo brand social media as an independent variable on community attractiveness as the dependent variable on Erigo brand sales.

1.2. Research Questions

1. Does uses & gratification have a positive effect on attitudes toward using Erigo brand's social media pages?
2. Does uses & gratification have a positive effect on user's intention to use Erigo brand's social media pages?
3. Does uses & gratification have a positive effect on the use of Erigo brand's social media pages?
4. Does subjective norm toward social media have a positive effect on the intention to use Erigo brand's social media pages?
5. Does attitude toward using social media have a positive effect on intention to use Erigo brand's social media pages?
6. Does behavioral control over using social media have a positive effect on intention to use Erigo brand's social media pages?
7. Does behavioral control have a direct and positive effect on the use of Erigo brand's social media pages?
8. Does the intention to use Erigo brand's social media pages have a direct and positive effect on the use of these social media?

9. Does the use of Erigo brand's social media pages have a direct and positive effect on users' purchase intention?

1.3. Research Objectives

1. To analyze uses & gratification positive impact on attitudes toward using social media pages on the Erigo brand
2. To analyze uses & gratification positive effect on user intention to use social media pages on the Erigo brand
3. To analyze uses & gratification positive impact on the use of social media pages on the Erigo brand
4. To analyze the subjective norm on social media has a positive effect on the intention to use social media pages on the Erigo brand
5. To analyze the attitude of using social media has a positive effect on the intention to use social media pages on the Erigo brand
6. To analyze excessive behavioral control using social media has a positive effect on the intention to use social media pages on the Erigo brand
7. To analyze behavioral control has a direct and positive effect on the use of social media pages on the brand Erigo
8. To analyze the intention to use social media pages on the Erigo brand to have a direct and positive impact on social media usage
9. To analyze the use of social media pages on the Erigo brand has a direct and positive effect on users' purchase intentions

1.4. Research Benefits

This research can be used by the entire fashion industry to increase sales of online fashion brand by understanding the factors that cause consumer purchase intention in a clothing brand through social media. So that the fashion industry can further develop in terms of sales, and be able to compete in the market.

a. Benefit Theoretical

The theoretical benefit of conducting this research is to provide insight for all readers regarding how social media can increase purchase intention for consumers.

b. Benefit Practical

The practical benefits of conducting this research aim to inform the Erigo Apparel brand that social media can increase consumer purchase intentions, so it is hoped that the Erigo Apparel brand can continue to provide a variety of interesting content to attract consumer attention which will increase consumer purchase intentions and provide various positive benefits to the Erigo Apparel brand.

1.5. Systematics of Writing**Chapter I: Introduction**

Chapter I will explain the background of the problem, problem formulation, research objectives, research benefits, research limitations, and writing systematics.

Chapter II: Literature Reviews

Chapter II will present the theoretical background regarding the variables used, previous research, hypothesis development, and research models.

Chapter III: Research Methodology

Chapter III will describe research types, data collection techniques, data measurement methods, sample/respondents, face validity, operational definitions and research indicators, descriptive analysis, and measurement tools used in research.

Chapter IV: Data Analysis and Discussion

Chapter IV will explain the results of the analysis of all variables used in the study using analytical tools.

Chapter V: Conclusion

Chapter V will contain conclusions from the research conducted, managerial implications, research limitations, and suggestions.