

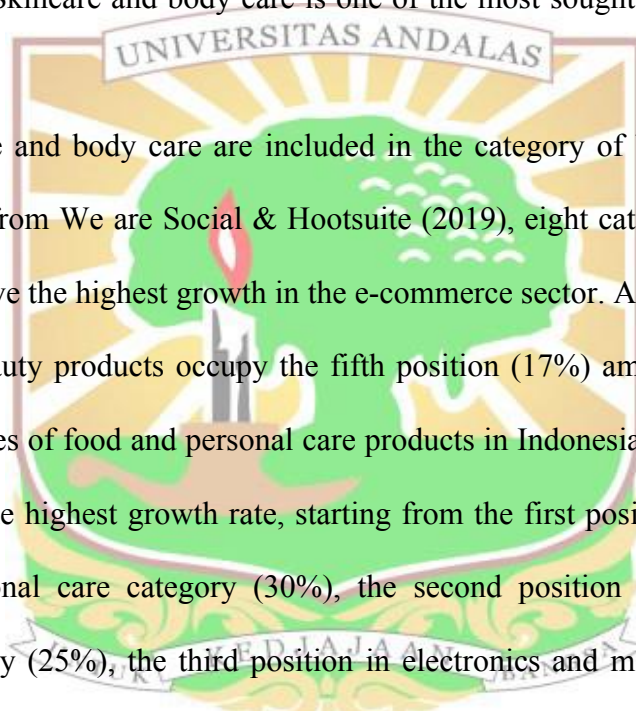
CHAPTER I

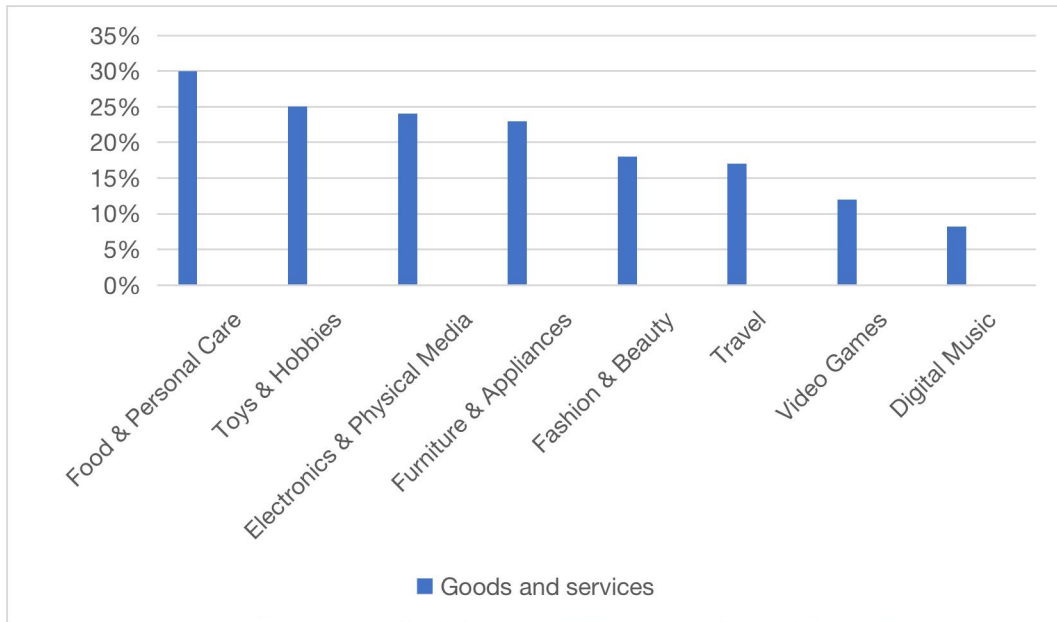
INTRODUCTION

1.1 Research Background

Skin and facial health are things that are most often considered by women and men because the skin and face are very visible parts in terms of appearance that must be cared for and maintained. Appearance really supports a person's level of confidence. Skincare and body care is one of the most sought-after by women also men.

Skincare and body care are included in the category of beauty products. Based on data from We are Social & Hootsuite (2019), eight categories of goods and services have the highest growth in the e-commerce sector. At the global level, fashion and beauty products occupy the fifth position (17%) among seven other categories. Types of food and personal care products in Indonesia occupy the first position with the highest growth rate, starting from the first position, namely the food and personal care category (30%), the second position in the toys and hobbies category (25%), the third position in electronics and media (24 %), the fourth position is furniture and appliances (23%), the fifth position is beauty products and fashion (18%) and followed by other categories.





Source: Kompas

Figure 1.1
Eight categories of goods and services with the highest growth in the e-commerce sector.

Increasing business competition in various industrial fields makes companies more competitive in designing strategies. Marketing strategy is very important for the company's success, with the right marketing planning strategy, marketing activities will run smoothly and marketing objectives will be achieved. Marketing strategy must begin with understanding the needs and desires of consumers for a product or service. An understanding of this can lead to a purchase decision.

Currently, consumers have diverse wants and need to fulfill their lifestyle so consumers have a high interest in choosing a brand, they tend to choose brands that can symbolize aspects of personality, appearance, and position and describe

their self-esteem so that they make consumption of goods luxury continues to increase. Considerations for purchasing decisions are gradually changing due to digital technology that allows everyone to access all information about a brand (Djafarova & Rushworth, 2017).

Consumption patterns can encourage someone to make a purchase decision. The purchase decision itself is a psychological process that is passed by consumers starting from the stage of attention to the goods or services offered, then the stage of interest in the product or service, the next is the stage of interest in the product and ends with deciding to buy or not. The change in consumption patterns in society is the latest challenge for marketers, companies need to play an active role in implementing strategies and innovations so that consumer purchasing decisions do not change and stay with the brand (Danial, 2019).

Brand Image through an advertisement becomes one of the alternative promotional strategies used to promote the brand or product of a company so that it can be recognized by consumers. According to Philip Kotler, advertising is a variety of presentations and promotions of a product that includes goods, services, and ideas, non-personally by a particular sponsor for which it is necessary to pay media for its broadcast. Another opinion says that advertising is a message that gives a buying inducement to someone. While advertising can be interpreted as one form of nonpersonal communication that is paid about organizations, products, services, or ideas intended for the development of attitudes, and awareness and send information to get a market reaction (Tasnim, 2021).

Companies are required to have a creative way of advertising to attract the attention of consumers to buy a product.

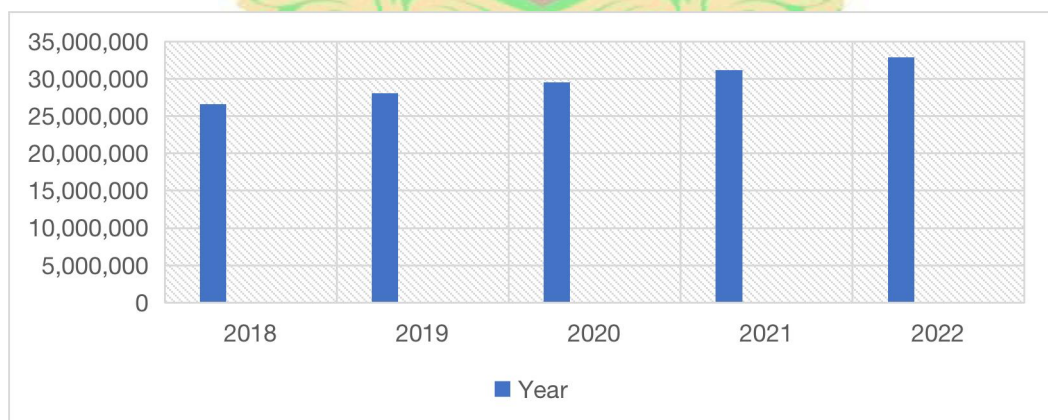
With the internet network, anything can be done either just looking for information or running a business. Through the internet, humans can interact directly. This interaction can be done using various social media such as YouTube, WhatsApp, Instagram, Facebook, and others. This requires companies to further improve their sales and product promotion strategies. One of them is by using social media which is widely used by Indonesians, especially teenagers, they live in rapid technological developments.

According to the Indonesian Internet Service Providers Association (2019), internet users in Indonesia are dominated by the millennial generation (aged 19-35 years). This is in line with a survey conducted by Hootsuite, We Are Social which said that Indonesians aged 19-64 years use the internet for 7 hours 59 minutes a day, while the time spent on social media is 3 hours 26 minutes. Thus, companies and producers can use social media to promote products which will later lead to the creation of word-of-mouth promotions by consumers who have purchased certain products.

One company that has marketing techniques through social media is a company from Scarlet. That this Scarlet product strives in such a way as to have a large brand image or brand image that can eventually attract consumers and result in purchasing decisions. Until now, the Scarlet Whitening brand is still actively using the services of influencers and artists to promote various products and even campaigns held. This is the use of social media that finally supports the purchase

decision of Scarlet Products. Indeed, using the services of influencers proved effective to build a brand image in the community, considering that influencers have a very strong influence to build, and change the perspective of people, especially followers. That is why, the opinions of Influencers become very important in building a brand, to get a positive response in the community.

The high interest in caring for facial and body skin has inevitably made the trend of skincare become a boom. In fact, skincare trends have recently targeted Adams. Various skincare and body care products specifically for men and women are now very easy to find on the market. This condition makes various skincare and body care brands appear on the market and skincare clinics also grow like mushrooms in the rainy season, which makes the growth of the country's cosmetic industry continue to experience a significant increase every year. In addition to the people's desire to have perfect facial and body skin, the high demand for skincare products is also based on the flood of skincare and body care brands in the country which has made the cosmetic industry more vibrant and growing rapidly.



Source: Kompas

Figure 1.2
Growth of Skincare market in Indonesia

From the picture above, we can see that from year to year the growth of the skincare market in Indonesia continues to increase. This happened despite the Covid-19 pandemic that occurred in the last two years. Not to mention the increasing number of competing brands, both locally and internationally, in increasing their sales in the country. One local brand that is currently being loved is Scarlett Whitening. This local brand was founded by a young Indonesian entrepreneur, Felicya Angelista.

Scarlett Whitening has superior quality and has been tested in helping people's skin problems such as helping to brighten the skin, moisturizing, treating, fighting the symptoms of premature aging, and giving a fragrance to the body. Because they are close to technology and social media, millennials are very suitable to be investigated regarding their acceptance of transgender people as celebrity endorsers or beauty influencers, considering that the concept of celebrity endorser is a concept that grows and develops in social media. In this study, researchers looked at one medium, namely Instagram from a very famous transgender, namely Lucinta Luna.



Figure 1.3

Lucinta Luna endorses body care from Scarlett

In Indonesia, transgender groups that are considered as groups that have a negative impact on the Indonesian state. The number of arrivals of transgender groups in Indonesia is also written in various media and news such as news.detik.com which says that when western countries urge Indonesia to accept Lesbian, Gay, Bisexual, and Transgender (LGBT) people, what the Indonesian government does is firmly reject the existence of LGBT on the grounds that it is not appropriate with the culture in Indonesia. It was also written in Kemenpppa.go.id which wrote that the Indonesian people in general condemned the LGBT group because it was considered a disease that had to be eliminated. What was even worse was that LGBT is scary for people because it transmits negative things. Transgender itself, has become a "taboo" in Indonesia, because transgender is someone who changes the gender.

Because of their nature, transgender actors often experience social discrimination. The term transgender has also had a significant transformation for the group previously referred to as a word that has a lower connotation, namely "banci". In short, a transgender is someone who has a gender expression that is not in accordance with their gender, while a transsexual is someone who has changed gender according to the sex they were born with. this research is a man who turns himself into a woman.

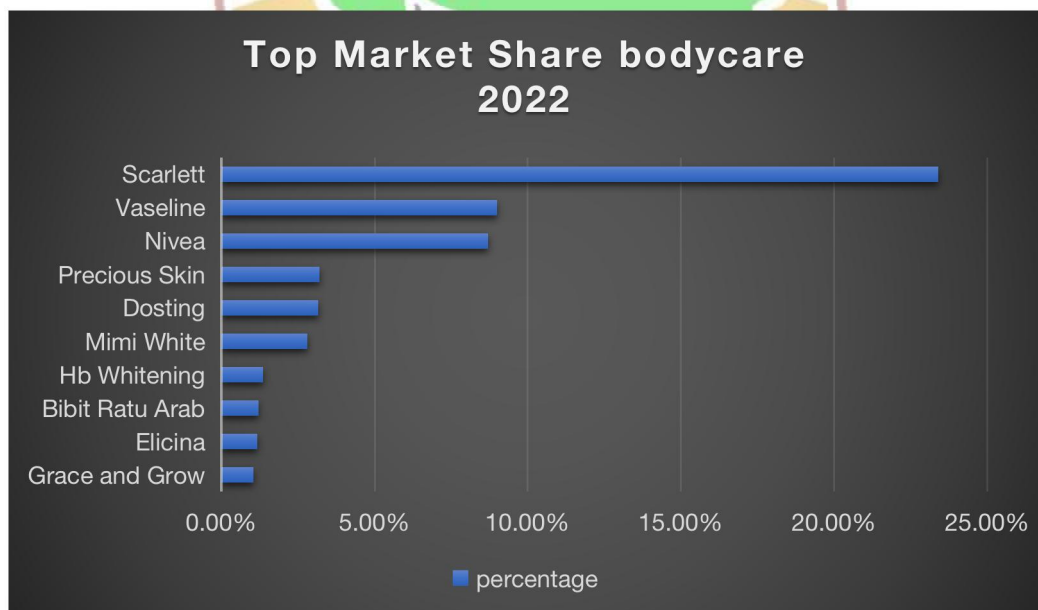


Figure 1.4

Lucinta Luna promotes Scarlett products on his Instagram account

Therefore, the emergence of beauty influencers or celebrity endorsers from minority gender circles, especially transgender people, is an interesting discussion to discuss, especially seeing how millennials accept transgender people. Moreover, a big brand Scarlett makes Lucinta Luna a transgender as their product endorser. Currently, transgender groups are starting to be recognized by the beauty industry. And began to be actively involved in various beauty events. In this context we can see several transgender Indonesians such as Lucinta Luna, Dena Rachman, Geby Vesta, Dinda Syarif, and Stasya Bwar becoming a beauty influencer, participating in many beauty events and being specially recruited to become ambassadors for several variants of beauty products. With the popularity

of transgenders starting to "up" lately, it will be interesting to see whether the beauty inherent in beauty influencers is a form of beauty or not. By seeing how millennials accept their existence. Moreover, according to Sari (2019) the notion that beauty is "belonging to" women is something that is rigid because at this time the word beautiful should be used for all groups. This condition can be seen through the beauty contest which currently applies not only to women but also to transgender people. There is a new assumption about the concept of beauty brought by an Androgynous as written in Jawa Pos dated April 1, 2019 which states that beauty does not only belong to women. Men can also be beautiful because the definition of beauty is not only physically, but holistically beautiful. Talking about transgender as a beauty influencer, the important thing to achieve first is the meaning of beauty influence.



Source: Kompas

Figure 1.5

Top market share body care in Indonesia

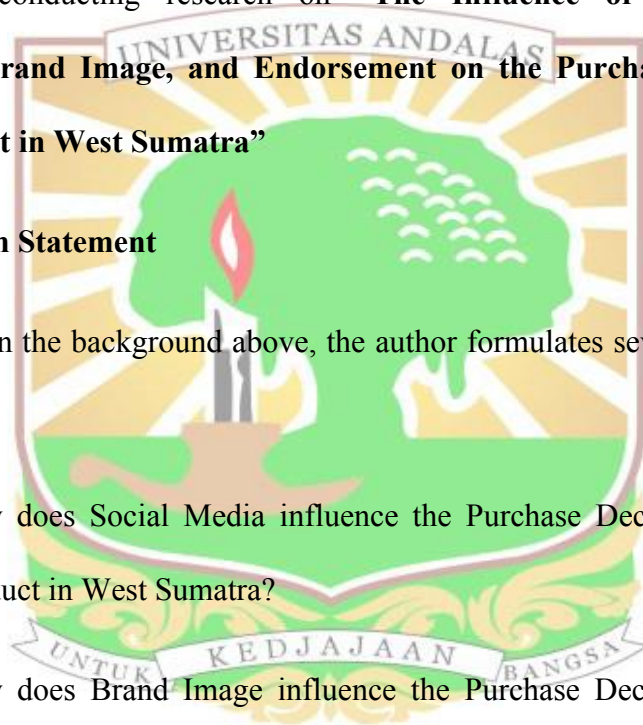
In West Sumatra, the majority of teenagers use Scarlet Products as one of the most popular products. This is because the existence of the product and the brand image built by Scarlett's products are very strong and ultimately influence consumer consumption decisions in West Sumatra. Consumers in West Sumatra who consume the most of Scarlet are teenagers, this is in accordance with Scarlet's target market, which is to give care to woman and teenagers.

Based on the explanations of the problem data above, the authors is interested in conducting research on **“The Influence of Social Media Orientation, Brand Image, and Endorsement on the Purchase Decision of Scarlet Product in West Sumatra”**

1.2 Problem Statement

Based on the background above, the author formulates several problems as following:

1. How does Social Media influence the Purchase Decision of Scarlet Product in West Sumatra?
2. How does Brand Image influence the Purchase Decision of Scarlet Product in West Sumatra?
3. How does Endorsement influence the Purchase Decision of Scarlet Product in West Sumatra?



1.3 Research Objectives

Based on the formulation of the above problem, the research objectives to be achieved are:

1. To analyze How does Social Media influence the Purchase Decision of Scarlet Product in West Sumatra?
2. To analyze How does Brand Image influence the Purchase Decision of Scarlet Product in West Sumatra?
3. To analyze How does Endorsement influence the Purchase Decision of Scarlet Product in West Sumatra?

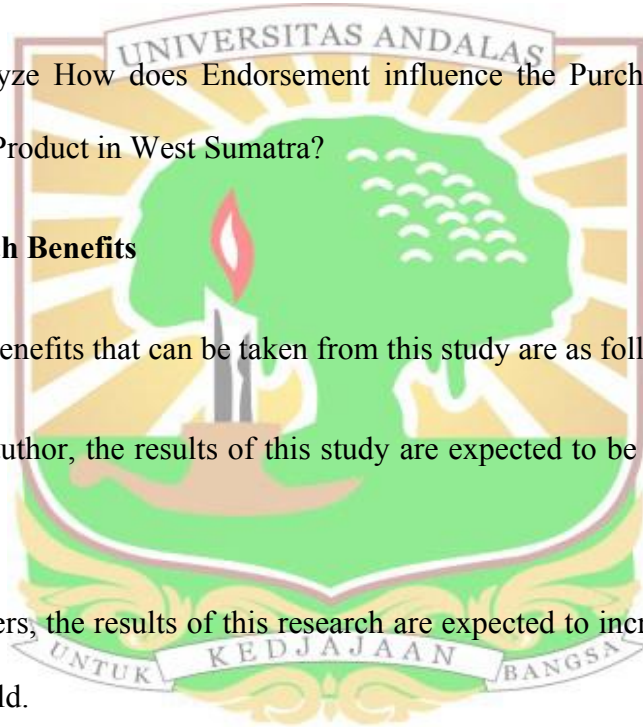
1.4 Research Benefits

Some of the benefits that can be taken from this study are as follows:

1. For the author, the results of this study are expected to be a useful science addition.
2. For readers, the results of this research are expected to increase knowledge in the field.

1.5 The Writing System

Broadly speaking, this discussion will be divided into five chapters, with systematics as follows:



Chapter I: Introduction

Consists of the background of the problem, the formulation of the problem, the purpose of research, the benefits of research, the scope of research, and systematic writing.

Chapter II: Literature Review

Describe theories related to topics based on literature, previous research, hypothesis development, and research frameworks.

Chapter III: Research Methods

Outlines about research design, population and sample, types and sources of data, data collection methods, operational definition, and research variables, data analysis methods.

Chapter IV: Results and Discussion

Discussing data analysis and discussion consisting of descriptive and data analysis results and hypothesis testing, as well as research implications.

Chapter V: Closing

This chapter consist of research conclusions, limitations of research, research implication, and suggestions.

