

Chapter 1. Introduction

1.1 Introduction

This chapter will explain why the research was conducted and discuss several points, namely: Background of the research, Problem statement, Research objectives, Research questions, Significance of the research, Scope of the research, Limitations of the research, Definition of key terms, Structure of the proposal, Chapter conclusion.

1.2 Background Of The Research

Promotion is a marketing effort to inform, seduce, and remind consumers so that they can influence their opinions or desires so that they are interested in what is being promoted. its purpose is to influence the actions of people or organizations from the target market. promotional objectives include creating awareness, providing information, retaining loyal customers, increasing product use, and identifying potential customers, as well as teaching potential service clients what it takes to "co-create" the services provided. promotions are usually packaged as attractively as possible so that potential consumers are interested in trying or seeking information about the product. To be able to attract consumers, the company's marketing is trying to prepare a marketing strategy that suits the company's conditions. One of the promotional strategies that are suitable for companies is advertising.

According to Jaiz (2014: 4) Advertising is defined as all forms of messages about a product that are conveyed through the media, shown to some or all of the community. from the quote above advertising is a method of promotion which provides information about products or services to potential consumers. There are many media that can be used to advertise products such as word of mouth and using the media as intermediaries. Currently technology has developed so that advertising can be done using social media. Many people in this world use social media. even social media now as a necessity such as entertainment, seeking information can even

become a business. Companies must be able to see the potential that develops in society, namely social media. There are many social media used by the community, namely Facebook, YouTube, Google, WhatsApp and others. Social media can be an intermediary media in advertising products. this is known as online promotion. In Chaffey and Smith (2013:12), identify that there are five main types of forms of Digital Marketing (Online Promotion):

- a. Transactional e-commerce site. Manufacturing companies, travel services, retailers, which make marketed products available online. Examples of e-commerce sites, such as shopee.co.id, tokopedia.com and so on.
- b. Service-oriented relationship building sites that provide information to attract customers and build relationships. Regular products are not available online. Information is provided through the website, along with e-mail marketing, to inform purchasing decisions.
- c. Brand-building sites that provide an experience to support the brand. Products are usually not available online, but the site is usually used to sell knick-knacks/merchandise.
- d. Portal or media site, which aims to provide information and content. Online News Sites, such as Kompas.com, Detik.com, and so on
- e. Social networks or community sites. Sites that allow interaction community between different consumers. Popular examples include Facebook, Instagram, Whatsapp, Twitter and so on.

B2C or business to consumer is one of the most popular sales models. According to Investopedia, B2C is the process of selling products and services directly from businesses to consumers who are end users. According to TechTarget, B2C is a retail model in which products move directly from businesses to end users who purchase products or services for personal use. So, there is no middleman between the company and the customer. Companies distribute their products or services directly to customers. B2C has been around for a long time. If a customer

buys clothes at the mall, eats at a restaurant, and buys vegetables at the market, it can be said to be B2C.

With the development of food information technology, B2C has developed into online-based B2C such as Amazon, eBay, and Priceline. In Indonesia, examples of online B2C are Bhinneka.com, Blibli.com and others. has developed, online-based B2C promotion strategies have also developed. Usually, B2C-based companies use social media to promote their products or services, especially during the COVID-19 pandemic when they are not allowed to leave their homes to fulfill their daily needs. So based on the description above, the research can be assumed to study more deeply about the Effective Promotion Strategy for B2C Online (Business To Consumer) with social media as an intermediary medium in advertising online B2C.

1.3 Problem Statement

Many platforms or social media are now developing. which was originally social media only for entertainment, now social media can be an application in developing a business. This happened with the start of technological developments, especially the internet, which had spread to various fields, especially business. This can be proven by many social media adding store features where companies or customers can sell their products or services and can even promote their goods or services. In addition, companies can pay for social media applications to promote products or services. and what is most popular today is that online companies can advertise their products by using the services of people with a large number of followers to promote.

We recognize many online Business to Customer e-commerce brands such as Lazada, Carefour, Blibli, Alfaonline, etc. Competition between online Business to Customer is getting tougher. In order to remain competitive, companies must determine which promotion strategy is the most appropriate in attracting customers. However, since the onset of COVID-19, the world economy has declined and even has an impact on international businessmen. During this covid-19 pandemic, many

companies, especially B2C, have no customers due to this pandemic. In this Covid-19 era, the company is struggling to maintain its business in various ways.

However, many companies especially B2C, are not aware of the potential development of social media today. This can be seen from the people affected by COVID-19 who have to spend their time at home. Activities that are usually done outside the home now have to be completely online, such as online work, online learning, and even online shopping. This is a bright spot for the company in determining its marketing strategy. By taking advantage of people who spend their time viewing social media like YouTube, Facebook, Instagram, TikTok and many more.

From the problems above, that is the problem of this research. In this study, we will focus on how effective b2c companies are at promoting products using factors such as attractiveness, content, and view frequency.

1.4 Research Objectives

In this reaserch describes an effective promotion strategy for online B2C (Business To Consumer) with intermediary media namely Instagram, facebook and Youtube with the factors of ease of use of the application, the reach of the application and the design of the application.

1.5 Research Question

Based on the background described previously, the formulation of the problem in this study is:

1. Does the attractiveness of advertising on social media have a positive effect on an effective online promotion strategy for Business to Consumer?
2. Does advertising content on social media have a positive effect on an effective online promotion strategy for Business to Consumer?
3. Does the frequency of ad serving on social media have a positive effect on an effective online promotion strategy for Business to Consumer?

4. Do ad attractiveness, ad attractiveness, and ad serving frequency together have a positive effect on an effective online promotion strategy for Business to Consumer?

1.6 Significance of The Research

This research study was conducted to answer the research objectives, thus providing literature from both an academic and managerial perspective. There are several studies that almost lead to the effectiveness of online promotion strategies for B2C companies with the following factors: attractiveness, content and frequency of views. Theoretically, it will increase knowledge about how effective online promotion is for online B2C companies related to the factors mentioned above.

Finally, this research will help companies to see how the structural model relates to attractiveness, content and frequency of views of customers viewing online advertisements. This finding will contribute new knowledge for online B2C companies in the use of social media as a medium for promotional strategies. This study will add to the literature on Effective Promotional Strategies For Online B2C (Business To Consumer). It will also provide an empirical background for future studies of similar topics.

1.7 Scope Of The Research

This study focuses on describing an Effective Online Promotion Strategy for B2C (Business To Consumer). This research is limited by social media as an intermediary in promoting online B2C companies. The chosen promotion strategy is advertising on social media. This study focuses on an effective promotion strategy for online B2C with several factors as a reference to determine the effectiveness of the promotion strategy, namely attractiveness, content, and frequency of viewing. This research activity was carried out around the Management Saints Univercity Shah Alam campus, Malaysia with the target respondents being students...

1.8 Limitations of The Research

Research boundaries describe things or variables that are included in the broad scope of research. However, they could not be included in the study and were beyond the control of the researcher due to certain methodological or procedural difficulties. This study focuses on describing an effective promotion strategy for online B2C. The promotional strategy studied was a promotional strategy with advertising as a promotional strategy using an intermediary media, namely social media as an advertising medium. In accordance with the identification of the problem, this research focuses on Effective Online Promotion Strategy for B2C (Business To Consumer) by limiting 3 factors, namely attractiveness, content and broadcast frequency.

1.9 Key Terms

To avoid misunderstandings in this study, an explanation of the terms used in this study is provided:

1. Promotion

Promotion is a binding of rank or position of employees in the organizational structure of the company. Whereas in the world of marketing, promotion is an activity carried out in order to increase the development of something, be it a brand, product, or the company itself. But this time we will focus more on discussing promotions in the marketing field.

So, in the world of marketing, promotion is a communication activity carried out by a person or company to the wider community. The goal is to introduce the product to the public and influence them to buy and use the product. That is, promotion is an activity that is very commonly carried out by marketers to be able to provide information related to a product and also encourage potential consumers to want to buy goods or services offered by the company.

2. B2C

Business to consumer is a business that provides services or sales of

goods and services to consumers as end-users. So, a business will sell goods or services to individuals or groups directly. This means that consumers will not resell goods that have been purchased to any party. The b2c business model also does not require any intermediary between the company and the customer.

3. Attractiveness advertising

Advertising is any form of non-personal presentation and promotion of ideas, goods or services by a particular sponsor that requires payment (Kotler 2002). While Shimp (2003) defines advertising as an indirect persuasion process, which is based on information about the advantages of a product that is arranged in such a way that it creates a pleasant feeling that will change people's minds to take action or purchase so that according to the author in question. Advertising here is an activity that is used by a person or group of people to influence and direct the minds of others to a certain goal by using certain media.

4. Ad Content

According to the literature that has examined how time spent on web pages with advertisements that affect users' ad memory and recall (eg danaher and mullarkey, 2003; goldstein, mcafee and suri, 2011, 2015; uhl, nabout and miller, 2020). So the content in the ad must have an appeal so that it affects the minds of social media users.

5. View Frequency

According to Lee and Cho (2010), the emphasis on advertising frequency stems from the general belief that repetition will increase advertising effectiveness. The study also revealed that the frequency of exposure is a major determinant of advertising effectiveness.

1.10 Structure Of The Proposal

The structure of the thesis has been presented in this section. There are six chapters in this research. In chapter one the problem is related to the discussion which begins by introducing chapter and then introduce the background of the topic followed by a statement of the problem, research questions, research objectives, research significance, research scope, research limitations, key terms, proposal structure, and chapter conclusions.

Chapter two reviews the literature related to the topic of advertising and B2C promotion strategies as well as support with several factors of an effective promotion strategy namely advertising attractiveness, advertising content, and serving frequency followed by the underlying theory, research framework and hypotheses, and chapter conclusions.

Chapter three shows the methodical section which includes chapter introduction, elements of research design, population and sampling, variable measurement, instruments and data collection, data analysis, and chapter conclusions. Chapter four shows the conclusions of the study and the researcher expects contributions from learning. Chapter five shows research references. And chapter six shows the research attachment covering the research period and questionnaire.

1.11 Conclusion Chapter

Conclusion is a part that is in the last position on something, or becomes the last part of a result. Each thing can be categorized into certain sections, and to get a deeper understanding. Usually one can get it from the end of a thing. Overall, this chapter discusses the beginning of the research, which includes: introduction and background to the problem to be studied. Explain the problem formula that is clearly explained to facilitate the research process, explain the object of study, and know the objectives of future research.