

CHAPTER I

INTRODUCTION

1.1 Background

To begin with, the changes and advancement that has been made possible by technology, contributes greatly to almost every aspect of humanity in the past few decades, including the way people communicate. It alters not only people's way of living in a day-to-day basis, but it also stepped up the game for both professional worlds and business sectors all over the world. This massive development of communication technology was initiated by the existence of internet, which then diminish the barrier between the real world and the sophisticated cyberspace. Internet has brought major shifts to almost every industry that exist, and continues to evolve until this present time, making the business industry never been this dynamic (Rachinger, Rauter, Muller, Vorraber, & Schirgi, 2011).

In a communication context, this digital era is characterized by the fact that people are now engaged in a new form of communication that signifies two ways of communication and high level of interactivity. Correspond to that, this applies not only in communicating with other individual, but also in terms of perceiving and interpreting brands or businesses (Mcquail, 2011).

Due to that, for businesses to survive in these circumstances and continue to exist, they must be able to adapt and adjust in any way that is possible. With this in mind, the changing way of communication and the emergence of numerous communication channel forces big corporation to be dynamic instead of rigid, because with everything integrated altogether, still competing with the old

conventional ways will not be beneficial for the company. Conventional businesses, including gigantic retail still need to keep updated with the latest trend, in order to maintain communication and relation with both their existing customer and potential customer (Hassan, Nawaz, Lashari, & Zafar, 2015).

One of the turning point in the rapid growth of internet was signified by the birth of social media. Since then, this new virtual based communication platform has also been considered as one of the latest trends in the digital way of branding and marketing. Social media was initially begun as a way of socializing and connecting among people in the digital village. But it has evolved to become a significant platform with numerous features that can create influential impact to businesses that can utilize it well. To this day, there has been 1.074 billion people listed as Instagram users worldwide, and in Indonesia itself, the number reach 82.320.000 with 52.6% of it is women.

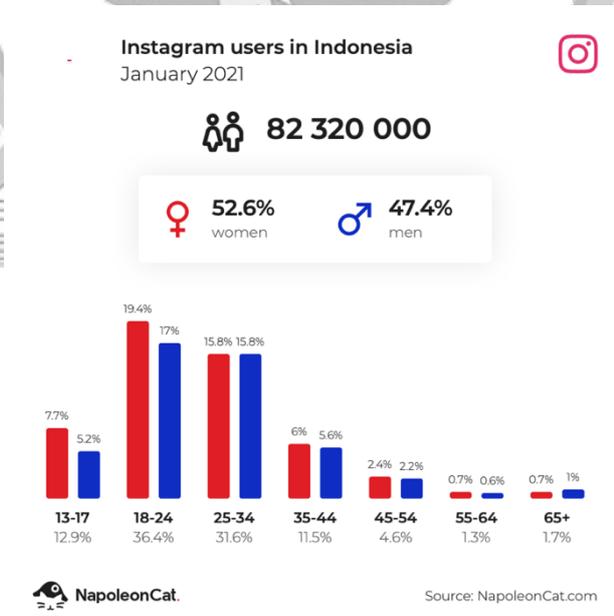


Figure 1.1 1 Instagram Users in Indonesia

Source: (Napoleoncat, 2021)

To be more specific, social media marketing in this research specifically focused on Instagram as an influential platform. With that big of a number, companies across all industries are competing to increase their digital presence in Instagram, which can lead to reaching more potential customers, and at the end escalating the conversion rate from audience to buyers (Elsemina, Wijanto, & Halim, 2015). There are various tools and strategy to be implemented depends on the brand objectives. But in the age of social media, digital influence is one of the keynotes that plays an important role in terms of persuading or changing one's behavior (Forest, 2021).

The term of digital influence involves influencer which refer to the main subject who have influence over others. In this case, when an influencer has a lot of people following his or her account, and a high level of engagement rate with their audience, when he or she speaks, their audience will listen, act, and even purchase things (Henessy, 2018).

In the recent days, the implementation of digital influencing by influencer or so-called influencer marketing strategy has become one of the highlights in terms of marketing communication tools for various brands to put into practice. Skechers, as a sportswear brand is not an exception. In general, the sportswear industry has always been big and massive, with a stable global demand and supply. Indonesia is not an exception, with more than 50 million Indonesian people now climbing their way up to be categorized in the middle-class economy (Kementrian Keuangan, 2019), along with the rise of the younger generation that tends to be more aware of health and wellness (Gustafson, 2017). After a massive drawback in the year 2020,

where lots of major companies took a huge bullet and bled badly for months during the covid-19 pandemic, including major retail corporations, the global sportswear, including both footwear and apparel are expected to experience a market grow approximately up to 11% during 2020-2024. This was triggered by the changing lifestyle and growing fitness trend during and post pandemic. The future projection of the industry incline towards a more positive side from business perspective in 5 years' time (Technavio, 2020).



Figure 1.1 2 The Latest Market Research of Activewear Apparel Market 2020-2024

Source: (Technavio, 2020)

Correspond to the data, this is an opportunity for the industry, with the ongoing pandemic where people spent most of their times on their phones, watching, talking, and shopping. This has been an opportunity for brands and companies to make sure that they are communicating with their customers and potential customers in every way possible. The use of influencer is significant to increase brand awareness, build a specific brand image, and even increase sales at the very end of the journey. The case will vary depends on the extent of the influence that one has. According to Hennessy, authenticity is the backbone of a trustworthy and reliable influencer. One

must be able to present his or her original and authentic self to the audience in order for him or her to gain their trust (Henessy, 2018). According to the latest research conducted by Twitter, and an analytics company, Annalect, more than 40% of the respondents admitted that they have purchased an item online after seeing it endorsed by an influencer on Instagram, Twitter, Vine, or Youtube. With this in mind, influencer marketing has turned into a vital tool for brand to reach a larger scope of potential customers through social media as a web-based marketing platform (Oppenheim, 2016).

Skechers, one of the brands managed by PT Mitra Adiperkasa (MAP) Tbk, counts as one of the most famous footwear brands worldwide. With MAP as one of the legal distributors in Indonesia, they have to make sure that they have invested enough to utilize social media, in this case is Instagram and all its features so that Skecher's can have a stronger brand image and awareness, in the online world. One of the social marketing strategies that is put into practice by Skechers is partnership and collaboration with influencer. As stated in the recent journal by Jacksen, content such as videos and images, constitutes as a new way of promotions tools. These contents are generated and published by influencer in a certain platform, with the purpose of increasing traffic and brand awareness or other objective depends on the campaign. As mentioned before, the term digital influence in social media refer to the phenomena where individual received information from the media and passed that information through their social media account. This process has the potential to influence their peers and shape their perception to be aligned with a specific message (Neubaum & Winter, 2016).

1.2 Purposes of Internship

Below are the purposes of interning in PT Mitra Adiperkasa (Tbk):

- (1) To describe and elaborate the mechanism of influencer usage in social media marketing strategy of Skechers in PT Mitra Adiperkasa (Tbk)
- (2) To analyze Skechers' implementation of Gunelius' social media marketing theory in PT Mitra Adiperkasa

1.3 Scope of Internship

During the internship, intern carry out activities in PT Mitra Adiperkasa as the junior brand marketing intern of Skechers. Due to the regulation issued by the government as response of the pandemic of COVID-19, some part of the internship is conducted in the form of working from home (WHO) while the rest is still done from the office of PT Mitra Adiperkasa. All work carried out by intern is supervised and accounted by the head of brand and marketing communication division of PT Mitra Adiperkasa.

As part of the marketing communication division, intern is assigned to prepare monthly content seeding from the very beginning of the process to the post campaign activities. Intern was responsible to conduct a thorough research in terms of selecting the potential influencer that suits the market segment of the upcoming product in the upcoming campaign. Intern was also in charge of approaching the influencer regarding the offer for partnership and collaboration. From this, intern

was also assigned to brief the approved influencer regarding the brand and campaign brief. This to make sure that all contents that will be published are aligned with the campaign message and the brand vision and mission. During the campaign, intern was also in charge of supervising all the contents created by the influencer. And for the postproduction, intern is also expected to report the insights from every content that has been posted, by the influencer which refer to the engagement between audience with the Instagram of the influencer that partnered with Skechers Indonesia of PT Mitra Adiperkasa

1.4 Location and Time of Internship

The internship is conducted in the management head office which located in Sahid Sudirman Centre, in the street Jend. Sudirman No.Kav. 86, RT.10/RW.11, Karet Tengsin, Kecamatan Tanah Abang, Kota Jakarta Pusat, Daerah Khusus Ibukota Jakarta 10220. As mentioned before, due to the limitation of employees that working at the office, most part of the internship also managed from the intern's home.

The internship started from June 7th, 2021, and ended on December 7th, 2021, with the estimated total of 1.440 hours. Every Tuesday, Wednesday, and Thursday, intern is working from home. While for every Monday and Friday, intern is working at the head office from 9.00 AM to 5.00 PM.



Figure 1.4 ISudirman Sahid Center

Source: (MAP, About Us: Mitra Adiperkasa, 2019)

