

CHAPTER 1

INTRODUCTION

1.1 Background of the Study

Technology plays an important role in today's digital era because everything can be done only by utilizing technological advances, for example, such as shopping, getting to know the outside world and even helping to make work easier. As during this pandemic, everyone is required to carry out all activities from home and technology plays an important role in all these processes. Technology is a direct manifestation of evidence of human intelligence. Understanding technology is a form of process that increases added value. The running process can use or produce a particular product, where the product is not separated from other existing products. It also states that technology is an integral part of being embodied in a particular system. **(According to Miarso 2019).**

In this digital era, E-commerce plays an important role in the life of a digital society as it is now. E-commerce really helps make it easier for users to find the items they want without having to bother. E-commerce not only helps make it easier for people to buy goods but can also be a source of people's income because combining businesses in E-commerce can create greater business opportunities. E-commerce is an online channel that accessible to a person via a computer, which is used by businesspeople in carry out their business activities and are used by consumers to obtain information by using the help of a computer which in the process begins by providing information services to consumers in making choices. **(According to Kotler & Armstrong 2019),** Brand Ambassadors have

their own roles and responsibilities in maintaining their corporate image because they have an obligation to be the face of the company, and the impact of using brand ambassadors as a promotional tool is getting stronger currently where social media and e-commerce are growing rapidly. And Blibli is one of the e-commerce in Indonesia. Blibli is an E-commerce company from Indonesia that was founded in 2011 and already has quite several sellers who join Blibli applications like other E-commerce Blibli also provide many discounts and easy access for its users. But there is one drawback of Blibli, namely the lack of consumer trust in them.

Figure 1.1. Top marketplace in Indonesia 2020



Source: Kompas.co.id

From **Figure 1.1.** it can be seen that in 2020 Blibli is the E-commerce in Indonesia that has the least development, the main reason for this is the many complaints that customers have submitted to Blibli, and the many disappointments caused by Blibli to customers.

Figure 1.2. Customer complaints against Blibli

1. Transaksi pembelian di acara 10.10 tanggal 10 oktober dibatalkan setelah sekitar 15 menit transaksi berhasil dibayar. Saat diminta penjelasan melalui email dan telepon, alasan yang diberikan selalu sama: transaksi tidak sesuai dengan syarat dan ketentuan berlaku. Saat itu saya memakai voucher yang didapatkan dari blibli dan mendapatkan potongan sebesar Rp 30100, dan transaksi dilakukan melalui shopback sehingga saya kehilangan potensi cashback sebesar 1 juta.

Source: Pikiranrakyat.com

Figure 1.3. Customer complaints against Blibli



Source: Mediakonsumen.com

As in **Figure 1.2. & Figure 1.3.** Blibli’s service to customers is not very good because it does not help customers find the best solution and causes disappointment with Blibli and causes a decrease in customer confidence in using Blibli as their preferred E-commerce.

Figure 1.4. Blibli brand ambassador



Source: Google image

As explained earlier that brand ambassadors have an important role for a company, that's why in 2021 Blibli uses a Korean artist named Park Seo jun **Figure 1.4.** As their brand ambassador to attract buyers' attention because interest in Korean ginseng country in this era is very influential, and a big influence also occurs in Blibli after they decided to use Park seo jun as a brand ambassador.

Figure 1.5. Indonesia E-Commerce Ranking

Rank	Brand	Revenue (IDR)	Market Share (%)	Active Users (Millions)	Transaction Volume (IDR)	Number of Transactions	Number of Sellers
1	Shopee	2,415,111,000,000	38.5%	100.0	1,000,000,000,000,000	1,000,000,000	1,000,000
2	Tokopedia	1,450,000,000,000	22.8%	80.0	500,000,000,000,000	500,000,000	500,000
3	Blibli.com	1,100,000,000,000	17.2%	60.0	300,000,000,000,000	300,000,000	300,000
4	Lazada	800,000,000,000	12.5%	40.0	200,000,000,000,000	200,000,000	200,000
5	JD.ID	600,000,000,000	9.3%	30.0	150,000,000,000,000	150,000,000	150,000
6	Alfamart	500,000,000,000	7.7%	25.0	100,000,000,000,000	100,000,000	100,000
7	WarungPaku	400,000,000,000	6.2%	20.0	80,000,000,000,000	80,000,000	80,000
8	Indomart	300,000,000,000	4.7%	15.0	60,000,000,000,000	60,000,000	60,000
9	WarungMaju	200,000,000,000	3.1%	10.0	40,000,000,000,000	40,000,000	40,000
10	WarungKelinci	150,000,000,000	2.3%	7.5	30,000,000,000,000	30,000,000	30,000

Source: Google Image

From Figure 1.5. Blibli is ranked 5th out of all e-commerce in Indonesia and the picture above is a ranking of the number of e-commerce users.

Brand image is the customer's view of the image of a company that will greatly influence the buyer's decision when shopping because that's why brand awareness is also very important in attracting the attention of customers. according to *mediakonsumen.com*, "Disappointed with Blibli's service" from a source it said that the response to a complaint against Blibli was very slow, like one customer with a premier member at BLIBLI made a complaint against the purchase of a sharp FJ-M189N refrigerator, The product written in the description is an 8 shelf refrigerator but the refrigerator that the customer received is only a 6 shelf refrigerator and this has been reported by the customer from June 1, 2021 but until June 17, 2021 there is no solution for this and the BLIBLI only notifies the customer that the description that the buyer reads in the BLIBLI application is a wrong description, the correct one is that the refrigerator purchased only has 6 shelves. **(Sugiono, 2019)**

From the problems faced by the company regarding the problem of customer purchase decisions, the author will conduct an explanation of how brand ambassadors and brand image can affect customer purchases in BLIBLI

“INFLUENCE OF BRAND AMBASSADOR AND BRAND IMAGE ON CUSTOMER PURCHASE DECISION AT BLIBLI INDONESIA”

1.2 Problem Formulation

From all the data above, it can be seen from **Figure 1.1.** that the percentage of Blibli is the smallest percentage which can be concluded that Blibli is still not difficult if it wants to compete with other E-commerce in Indonesia because of the lack of user trust in Blibli because of the many disappointments Blibli has caused.

Based on the background described, the problem formulation questions that will be explained in this research are as follows:

1. Does brand ambassador have a positive influence toward customer purchase decision Blibli Indonesia?
2. Does brand image have a positive influence toward customer purchase decision Blibli Indonesia?
3. Does brand ambassador and brand image have a positive influence toward customer purchase decision?

1.3 Objective of the Research

The objective of the research is:

1. To examine is there a positive influence between brand ambassadors toward customer purchase decision Blibli Indonesia.
2. To examine is there a positive influence between brand image toward customer purchase decision Blibli Indonesia.
3. To understand is that a positive influence between brand ambassador and brand image towards customer purchase decision.

1.4 Benefit of The Research

1. Theoretical Benefit

From theoretical we can help provide more insight and knowledge about the topic we are working on and can help provide information.

2. Practical Benefit

the results of this research can be useful in the practice of corporate life to develop for the better.

- For Company

This research can help provide direction and input to companies related to this research and can help provide advice and input that is the voice and opinion of many people.

- For Writer

This research can help writers understand more about the influence of brand ambassadors and brand image on customer decision making.

- For Researchers

For people who are looking for information on the topics I describe, my journal will be very helpful.