

# CHAPTER I

## INTRODUCTION

### 1.1 Research Background

According to MarkPlus Insight (2013) that survey the technology and internet market in Indonesia shows the fact that many of the Indonesia e-commerce consumers access social media to search their needs whether products or services, thus it became a digital culture in Indonesia. Also, the development of digital technology is currently affected by several factors including the usage of the internet, smartphones and the emergence of social media. It cannot be denied that nowadays, any kinds of products and services can be discovered in social media, thus it makes the development of e-commerce and increase people using digital media (Umami, Z & Darma G. D, 2021). Also, research shows that social commerce such as facebook, instagram and others was more popular than the e-commerce main site. From here it can be seen that Indonesian people were mainly closed with things that involved “social”.

A job of a designer aims at solving problems by intervening in a particular way, including an interior design business, which provides design consultation services in solving space problems to improve people's lives, both indoor and outdoor spaces. The construction of houses, apartments, offices, shops, and other buildings making the ever-increasing needs of interior design began in demand by consumers. As it plays in the creative industry, it requires more creative resources

derived from human creativity and physical resources, especially the media role (Aziz, F & Larzo, D., 2014).

Every client had different tastes in terms of design styles. As the times progressed, design models also developed from shape, color and material play. Due to this, with the existence of interior design services, it allows clients to organize the room and realize their want to design the room itself (Aziz, F & Larzo, D., 2014). Haddad, R., (2014) stated that what the clients wanted when looking for designers in the present was different from fifteen or twenty years ago. In the present, clients look first at the designer's experiences with the projects that they handled which represent the company's identity. With those considerations, it evaluates the ability of the interior company to finish the project on time within the budget that has been set, the design output and the accuracy in making estimations and specifications.

With that being said, it is common that clients need to recognize the company's ability and identity to make the decisions whether they want to use their service or not, especially a design consultant company. The International Corporate Identity Group (ICIG) proposed a definition that stated '*Every organization has an identity. It articulates the corporate ethos, aims and values and presents a sense of individuality that can help in differentiating the organization within its competitive environment*' (Batraga, A & Rutitis, D., 2012). According to Ragin-Skorecka (2010), company's identity recognition helps the company to achieve long-term benefits externally both in creating positive perspectives as well as better recognition towards the company's service (Munajjed N & Sulaiman, S., 2015). It

also helps each company to differentiate with one another. Therefore, company identity or characteristic is controlled by the organization in the company, whereas in an interior design company, it is controlled by the service's output created by human creativity.

With the increase of digital and internet users in these modern days, everyone relies more on social media, online advertisements to find information and recommendations for everything they are looking for. It also becomes a primary need for people to connect with each other and with other platforms (Aziz, F & Larzo, D., 2014). Other than that, it also became an important role in business life, in terms of marketing as well as connecting with suppliers and clients. In the business world nowadays, digital marketing has become the most strategic way to market the company's identity and service they provide to the public. The growth of social media networks makes marketing more effective to reach attractions. Therefore, many of the design companies used digital marketing to show their designers' creativity output in the finished design or as the company's online portfolio (Aziz, F & Larzo, D., 2014). To expand a company's identity to be known more in the public could come from the strategy of creating relationships with customers in mind. It became a sufficient strategy to gather more audiences faster from online and have them recognize the insights of the business, knowing that there are many good competitors that also compete in the same market (Surjeet, 2016).

The media to deliver the value of the products or service and building company-customer's relationship with digital marketing could be achieved through

content marketing, web quality and online advertising strategies. Content marketing plays a role that involves gathering, distributing and strengthening relevant business content information and makes it exciting and helpful for the audience (Hollensen et al., 2017). Web quality affects on how the marketing that are delivered with best quality in order to increase customers involvement in the platform (Febrian, A et al., 2022). As for online advertising strategy, it generally delivers advertisements about the business to online users through the internet such as websites, emails, softwares and smartphones (Rajalakshmi C & Purusothaman U, 2017). When building company-customer relationship became success, it generates value (Ballantyne & Varey, 2006) and customers became aware of the brand of the company, it makes the brand became an impact to the customers' minds (Cizmeci, F & Tuğçe E, 2015) that makes them aware, remember and get used to a specific brand (Bilgin, 2018) thus grow the intention to buy the brand.

Other than digital marketing influence towards brand awareness and the intention to buy, it also influenced by price. Price's role in business mirrored the quality of the product (Levrini G & Dos Santos, M., 2021) which affect the customer's options to decide whether to associated with the brand or not.

In this research, the researcher will focus on the impact of the content digital marketing, web quality, online advertising strategy as well as price in interior design companies towards the customer's intention to buy through realizing the brand awareness from the perspective of the interior designers. The value of this paper is provided by the researcher's focus on the way of digital marketing strategy which corresponds to the high usage of technology development that became the primary

need and habit in this generation. It has become the key to a successful design selling company that benefits both parties, thus achieving the company's brand awareness and produce the customer's intention to buy. It is also important to know that price also have its role in helping company's selling and gain profit.

## **1.2 Research Questions**

According to the research background explanation, the questions that the researcher wanna focus on are:

1. Does content marketing strategy give an impact on brand awareness in interior design business?
2. Does web quality give an impact on brand awareness in interior design business?
3. Does online advertising strategy give an impact on brand awareness in interior design business?
4. Does price give an impact on brand awareness in interior design business?
5. Does digital marketing strategies give an impact on a customer's intention to buy in interior design business?
6. Does price give an impact on a customer's intention to buy in interior design business?
7. Does brand awareness give an impact on a customer's intention to buy in interior business?
8. Does content marketing, web quality, online advertising and price give an impact on a customer's intention to buy that are mediating by brand awareness in interior design business?

### **1.3 Research Objectives**

According to the research questions above, the research objectives will be:

1. To identify the impact of content marketing strategy towards the brand awareness in interior design business.
2. To identify the impact of web quality towards the brand awareness in interior design business.
3. To identify the impact of online advertising strategy towards the brand awareness in interior design business.
4. To identify the impact of price towards the brand awareness in interior design business.
5. To identify the impact of digital marketing strategies towards a customer's intention to buy in interior design business.
6. To identify the impact of price towards a customer's intention to buy in interior design business.
7. To identify the impact of brand awareness towards a customer's intention to buy in interior design business.
8. To identify the impact of content marketing, web quality, online advertising and price give an impact on a customer's intention to buy mediating by brand awareness in interior design business.

### **1.4 Research Benefits**

There will be two beneficial applications that this research paper will be a benefit to the society:

### **1.4.1 Theoretical Implication**

The purpose of this research theoretical implication is to observe the relation between digital marketing strategy application and price with customer's intention to buy through building brand awareness. The researcher will explain and deepen the understanding about the impact of digital marketing in these modern days to market company's services that focus on interior design business and also the price that comes from discussing the project planning. On the other hand, the researcher will explain its relation with the variable of customer's intention to buy through the mediation of brand awareness.

### **1.4.2 Managerial Implication**

This research study will benefit interior design businesses in Indonesia. Through the explanation and analysis of this study, interior design businesses and readers may understand the benefits of using digital media as a strategy to market the company's service as well as how the strategy works to boost their company recognition to the public. Other than that, it also makes readers understand the impact of price to gain customer's recognition about the company's service and became aware of the company's brand thus making them had the urge to buy its service.

### **1.5 Research Limitations**

This research will consist of two kinds of research subject with its limitations. The limitation for this research was the subject of millenials and Gen-z people, who are the active users and more familiar with digital media. The purpose for selecting this type of generation was to make it easier to gather different points

of view of the generation that grew around technologies. The researcher's purpose for selecting this research subject was to understand their point of view on the way of interior design marketing through digital media.

## **1.6 Chapter Outline**

The purpose of chapter outline is to make readers understand the meaning of the research. This outline will be divided into five chapters which are:

### **CHAPTER I INTRODUCTION**

The first chapter will include the background of the research explanation before entering further, research problems, research objectives, research benefit, research limitations, and finally the chapter outlines.

### **CHAPTER II LITERATURE REVIEW**

The second chapter includes theories of each variable that will be material supports for the researcher in finding facts and analyzing further of the case research. Each theory is divided into interior digital marketing, customer value and customer satisfaction.

### **CHAPTER III RESEARCH METHOD**

The researcher used a quantitative and qualitative research method and will be described further in this chapter. The research method aims to give structured and organized data that the researcher gathers to support the data analysis. Besides that, this chapter also includes the data collection process, the sample that became the focus of the research, data result conclusion and the testing of data validity.

### **CHAPTER IV DATA ANALYSIS**



This fourth chapter includes analysis and discussion of the data that have been collected through surveys and tested with the theories and research method to further analyze the 3 variables. With those research materials, the researcher can achieve the analysis outcomes.

#### CHAPTER V CONCLUSION AND SUGGESTION

The last chapter will consist of the researcher's conclusion of the data analysis result from the whole research process that has been studied. It also includes result implication, suggestions and directions for future researchers.

