

CHAPTER I – INTRODUCTION

1.1 Background of the Study

Through the contemporary business environment, technological advancements and changes in consumer behaviour prompt numerous companies to continuously innovate their ideas, strategies, and solutions that aims to acquire and sustain a competitive advantage over their rivals. In a world where businesses must harness the power of the internet to foster sustainable growth, the utilization of social media activities has witnessed a significant surge over the years. Since the inception of the internet, its user base has evolved from a minority to a majority worldwide. In 2011, the global internet boasted 2.17 billion users, and by 2021, this number had doubled to an astounding 4.9 billion users (Flynn, 2023). This data unequivocally underscores the indisputable necessity of internet usage, thereby compelling brands worldwide to recognize the urgency and significance of leveraging the internet to fortify their businesses.

Moreover, the doubling of internet usage from 2013 to 2021 stands as one of the most transformative developments in recent years. The substantial adoption of social media serves as a primary driver behind this dramatic increase in internet usage (Ani Petrosyan, 2023). Social media refers to digital interactive communication technology that relies on the internet for operation, encompassing various social platforms such as Twitter (now known as X), Instagram, Facebook, WhatsApp, TikTok, and more. These major social platforms enable internet users to share their images, videos, opinions, and other social activities with a global audience. Notably, social media serves as a powerful

tool for marketing, as brands can employ these platforms to connect with their target audience and promote their products and services through sharing on these social media platforms (Henderson, 2020).

Figure 1.1 illustrates the exponential growth in the number of internet users in Indonesia over the years, surging from 70.5 million users in 2013 to a staggering 213 million users in 2023. In essence, this data signifies that within a span of a decade, the internet user base has tripled. This noteworthy data bears significant implications as it correlates with the rise of social media usage, given that social media relies on internet connectivity. Consequently, it can be inferred that the number of social media users in Indonesia has also experienced a threefold increase in the same timeframe.

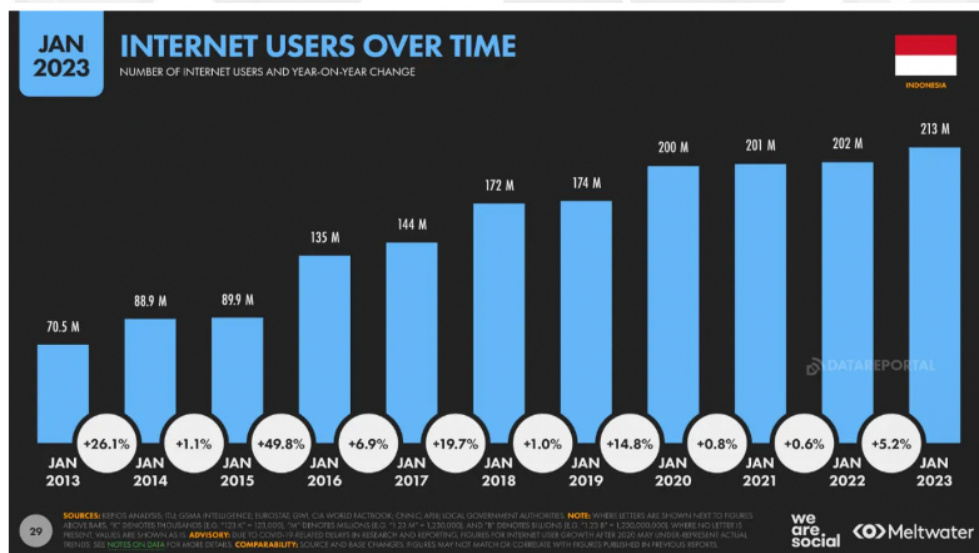


Figure 1.1 Internet users in Indonesia 2013 - 2023

Source: (Howe, 2023)

As both social media and internet users in Indonesia exhibit substantial and rapid growth, it becomes imperative for brands and businesses to incorporate social media marketing strategies and seize the immense opportunities it presents. The substantial user base underscores the vast audience potential for businesses to connect with and engage. Social media marketing, in particular, offers a means to foster high-quality social interactions that engender trust, authority, personality, entertainment, branding, and customer retention among their target audience (Dwivedi et al., 2021)

Figure 1.2's data also reveals a remarkable trend in the exponential growth of social media adoption over the years. Notably, in 2017, the count stood at 2.73 billion social media users, and by 2022, this figure had nearly doubled, reaching an impressive 4.59 billion users. In essence, this trend underscores how businesses have harnessed the potential matters of social media for the use of marketing. And a trend that has steadily evolved alongside the burgeoning rise of social media over the years. In other words, social media has fundamentally reshaped the dynamics of consumer-business interactions, offering limitless opportunities for communication and engagement with customers, who can now connect from anywhere in the world through the internet.

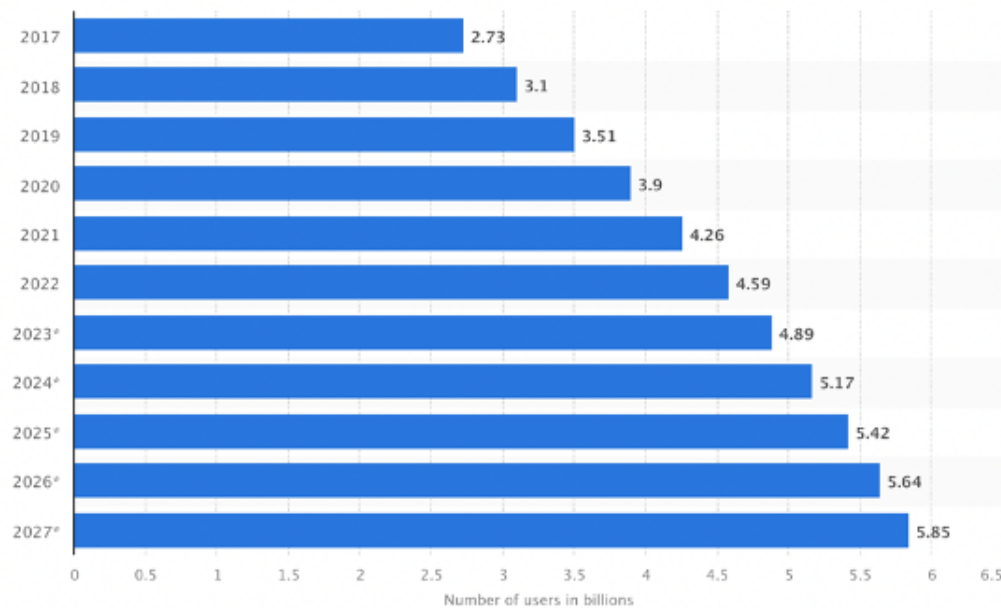


Figure 1.2 Number of Social Media Users Worldwide 2017 - 2027

Source: (Dixon, 2023c)

Furthermore, as both the global count of social media users and internet users continue to rise, this study focuses on specific social media platforms based on data from Statista. These platforms have gained widespread popularity among marketers worldwide, serving as prominent channels for advertising and brand promotion through social media.

according to Figure 1.3, it is illustrated that Facebook has the highest active numbers of users of social media platforms used by marketers all across the globe to advertise their brands and products, with an 89% result. Instagram is the second highest used social media used by marketers around the world with 80%, LinkedIn is the third

most used, YouTube is fourth, Twitter is fifth, and TikTok is the sixth used social media platforms by marketers. Additionally, the data is evident that Facebook stands out as the most widely utilized social media platform by marketers across the globe for advertising their brands and products, boasting an impressive 89% usage rate. Instagram follows as the second most favored social media platform among marketers worldwide, with a utilization rate of 80%. LinkedIn claims the third position, while YouTube, Twitter, and TikTok secure the fourth, fifth, and sixth spots, respectively, as the most utilized social media platforms for marketing purposes. According to the World Bank, Indonesia is fourth populous country in the world, and the largest economical industry of Southeast Asia (Thompson & Manning, 1974). And this study will therefore be focused on the social media platforms that are mostly used by marketers based on Figure 1.3.

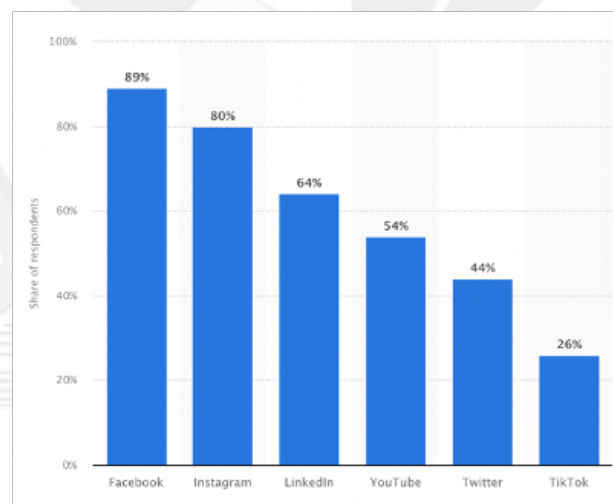


Figure 1.3 Leaders of social media platforms used by marketers worldwide

Source: (Dencheva, 2023)

Additionally, according to the statistics provided through the research, Indonesia is one of the leaders in all social media apps among Southeast Asia countries which can be seen in the figure provided. In other words, it would be effective to use the citizens of Indonesia for the study as it will give a substantial amount of data that can justify the hypothesis and understand the research questions and objectives. Moreover, these factors are the main reasons why this study will be conducting the research in the area of Jabodetabek, Indonesia.

Being the most used social media platform by marketers, there are 10 countries that utilize Facebook the most based on Figure 1.4. India is the largest country that has the most Facebook users worldwide with 314.6 million users, followed by the United States with 175 million users, then Indonesia with 119.9 million users, Brazil with 109.05 million users, Mexico with 81.75 million users, etc. and based on data provided above, Indonesia is the third largest country with the most Facebook users, this data shows that Indonesia is a social media active country and proving that social media is accessible in Indonesia.

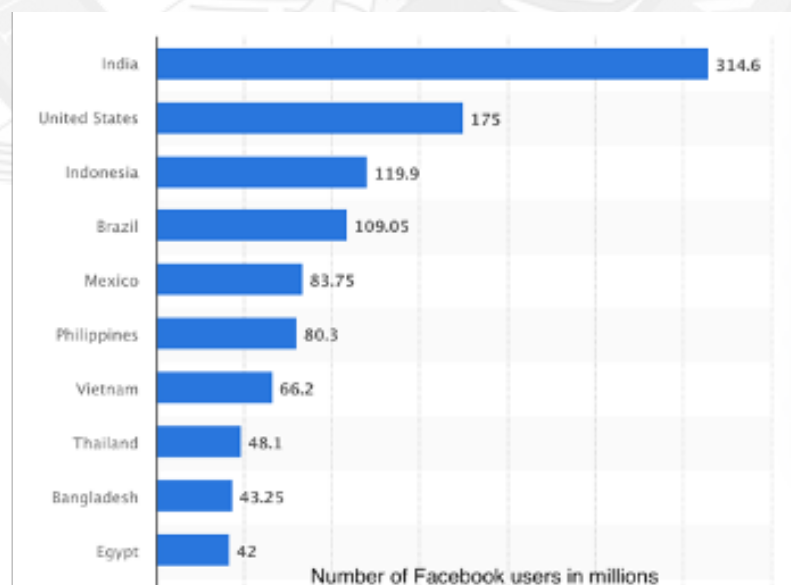


Figure 1.4 Top 10 Countries with the most Facebook Users

Source: (Dixon, 2023a)

In addition, Instagram is also a popular social media platform that is used by marketers to advertise their products. Based on Figure 1.5, India is the largest country with the most Instagram users with 229.55 million users, followed by the United States with 143.35 million users, then Brazil with 113.5 million users, Indonesia with 89.15 million users, Turkey with 48.65 million users, etc. based on the data provided above, Indonesia is still within the top 5 country with the most Instagram users, which also shows the potential of Indonesian citizens to be targeted by marketers due to the vast accessibility and social media influence in the country.

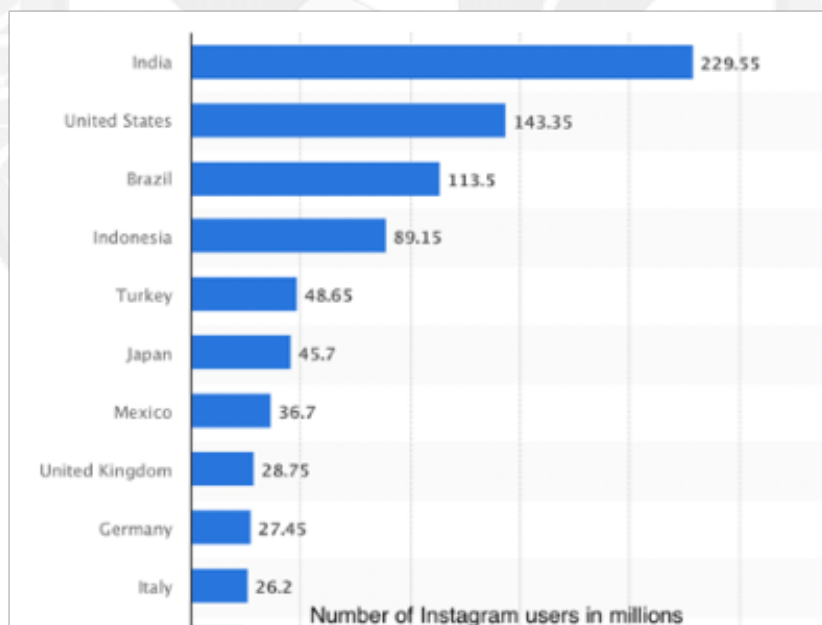


Figure 1.5 Top 10 Countries with the most Instagram Users

Source: (Dixon, 2023b)

Additionally, YouTube social media platform shows that it is the third used platform used by marketers to market their products. In which, figure 1.6 describes the top 10 countries with the most YouTube users where India has staggering 467 million users, while the United States has 246 million users, followed by Brazil has 142 million users, with Indonesia having 139 million users, and Mexico with 81.8 million users, etc. Based on the data provided, Indonesia is also one of the largest in the world being fourth rank again. In other words, this creates consistency for Indonesia for always having one of the most active social media users around the world, which attracts marketers all over the world to expand their business toward Indonesian audiences.

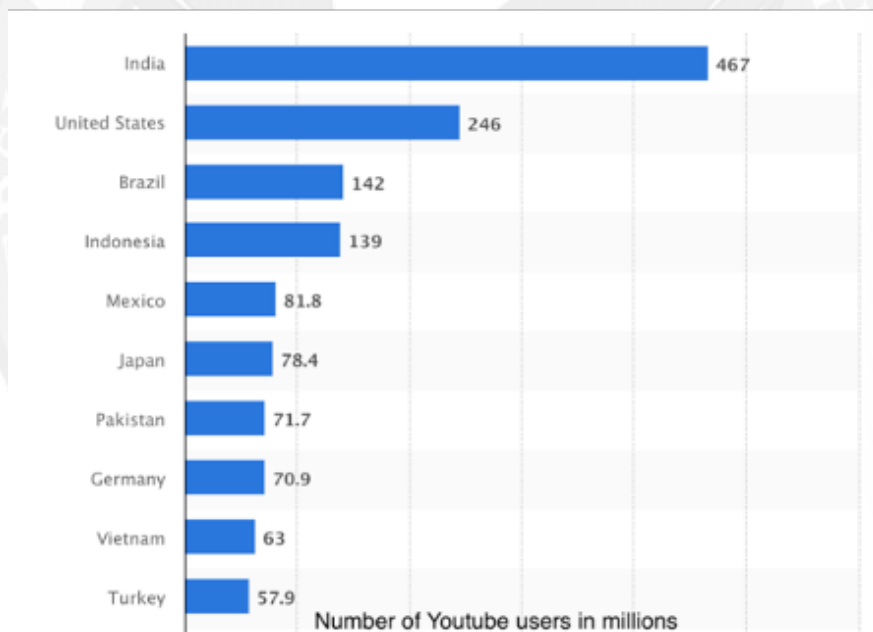


Figure 1.6 Top 10 Countries with the most Youtube Users

Source: (Statista, 2023)

Also, it is illustrated that TikTok became one of the rising stars of social media where marketers has manipulated the platform to attract their targeted consumers. Based on figure 1.7 of the top 10 countries with the most TikTok users, the United States has the largest amount of users with 116.5 million, following Indonesia with 113 million users, while Brazil with 84.1 million users, followed by Mexico with 62.4 million users, and Russia with 51.2 million users, etc. According to the data provided, Indonesia is the biggest Asian country with the most TikTok users and the second-largest amount of users in the world with only 3 million users behind the United States. This data demonstrates the power of Indonesia social media where marketers could see as a strong potential in advertising their product towards an active social media user country such as Indonesia.

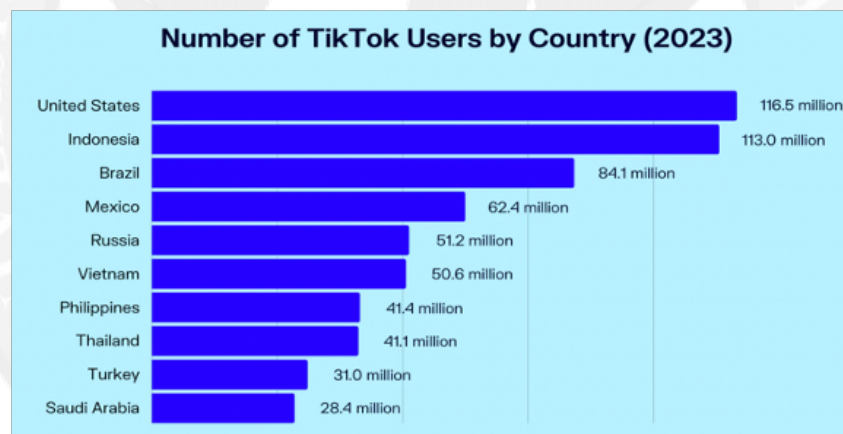


Figure 1.7 Top 10 Countries with the most Tiktok Users

Source: (Tiktok, 2023)

Furthermore, Twitter, which is now known as Xet is also one of the most used social media platforms used by marketers. Based on figure 1.8, the top 10 countries with

the most Twitter users are the United States with 95.4 million users, Japan with 67.45 million users, India with 27.25 million users, Brazil with 24.3 million users, Indonesia with 24 million users, etc. this data shows that Twitter social media platform does not have a similar amount of users compare with other brands, as it shows to be less used social media. However, it can be seen that Indonesia is the fifth largest Twitter user in the world and the United States is the largest in the world.

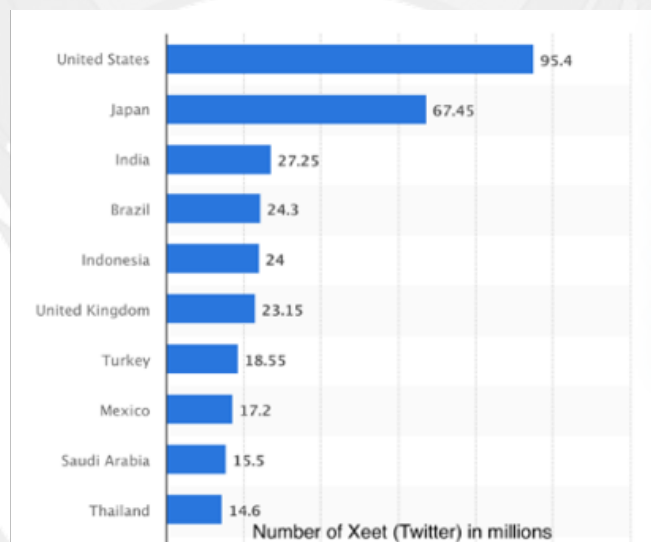


Figure 1.8 Top 10 countries with the most Twitter users

Source: (Dixon. S, 2023)

Additionally, LinkedIn is also one of the most used social media platforms used by marketers. Based on figure 1.9, the United States has 200 million users, India has 99 million users, China has 60 million users, Brazil has 59 million Users, Indonesia has 23

million users, etc. according to the data provided from figure 1.9, Indonesia is the seventh largest amount of LinkedIn users in the world.

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1. **United States:** 200M 🇺🇸
 2. **India:** 99M 🇮🇳
 3. **China:** 60M 🇨🇳
 4. **Brazil:** 59M 🇧🇷
 5. **United Kingdom:** 35M 🇬🇧
 6. **France:** 26M 🇫🇷
 7. **Indonesia:** 23M 🇮🇩
 8. **Canada:** 21M 🇨🇦
 9. **Mexico:** 19M 🇲🇽
 10. **Italy:** 17M 🇮🇹

Figure 1.9 Top 10 countries with the most LinkedIn users in 2023

Source: (“LinkedIn Users By Country and Statistics,” 2020)

In essence, Indonesia serves as a noteworthy exemplar of a nation that actively capitalizes on social media opportunities across various platforms. Consistently ranking among the top 10 countries with the highest user counts on each platform and holding a pivotal role in Asian social media usage, Indonesia stands as a compelling choice for research analysis. Consequently, conducting data research in Indonesia is not only strategically sound but also provides access to a wealth of data capable of robustly substantiating the study's hypotheses and facilitating a comprehensive exploration of the research questions and objectives.

Figures 1.1 to 1.9 provide a comprehensive overview of the global and Indonesian internet and social media user populations. As indicated by the title, this research not only addresses the broader topic of social media but also delves into the analysis of social media being potent marketing tool for cultivating brand awareness, shaping brand image, and fostering customer retention. Utilizing social media as a marketing tool serves four primary purposes that enhance a company's performance, namely: feedback and market research, business networking, reputation management and brand promotion, as well as customer relationship management and customer service (Yang et al., 2022).

Moreover, this research narrows its focus to the sports and apparel industry, a sector that substantially benefits from leveraging social media as a marketing tool. Prominent brands within this industry, including Nike, Adidas, Puma, and others, harness social media platforms to craft a compelling narrative for their target audience, showcasing how their brands encapsulate the world of sports. Additionally, these brands employ social media to enhance customer retention by actively engaging with consumers through various social media platforms (Dublino, 2023). Among the array of leading brands, this study places particular emphasis on Nike, given its global and local prominence.

In addition, to further initiate the reason behind Nike as the chosen brand instead of other sportswear, this research has initiated a survey of 20 respondents across Indonesia to find whether social media impacts the brand's awareness, brand image, fashion trends, and customer retention, and determine which sportswear brand is mostly used by citizens of Indonesia with a main focus on Nike. These data can

be seen in **Appendix A - Questionnaire**. And the goal of the survey is to understand the hypothesis whether or not Nike is the leading sportswear brand by discovering if consumer prefers Nike over other brands and how social media affect the customer's choice of Nike. Therefore, the first question states of the survey states "Do you use more of Nike's apparel than other sportswear brands such as Adidas, Puma, New Balance, Fila, etc.?" The result states that 85% of respondents use Nike more compared with other brands and 15% uses other sportswear brand than Nike. This Data shows that the majority of Indonesian sportswear consumer primarily uses Nike as their choice of sportswear apparel. The second question is "Do you have Nike apparel?" and the survey says that 95% of the respondents have Nike apparel.

The third question is "Do you have more than 3 Nike apparel?" and the survey shows that 90% of the respondents have more than 3 Nike apparel. In other words, question 2 and 3 demonstrates that the majority of Indonesian citizens have Nike apparel and it also shows that there are consumer retention since 90% of the respondents have more than 3 Nike apparel which illustrates that there are repurchase intentions. The fourth question is "Do you use Nike on a daily basis?" The survey shows that 75% of the respondents use Nike apparel on a daily basis, which also shows that the majority of consumers use Nike compared with other brands since only 25% of respondents use non-Nike apparel on a daily basis. Therefore, the first four questions demonstrate how Nike is the leader in the sportswear industry since the majority of respondents who represents Indonesian citizen uses Nike more compared with other brands. In which, the survey gave

this research the direction on which sportswear to be analysed through utilizing social media.

Furthermore, the next four questions illustrate the understanding of how social media marketing has an effect on Nike consumer behaviour and branding. The fifth question is, “Do you think Nike follows Fashion in terms of sports and style and general,” This question aims to understand and support previous questions about whether a consumer uses Nike apparel only for sports or for their fashion style on a daily basis. The result of the fifth question is that 95% believe that Nike is fashionable for sports and style in general, which covers the reason why the majority use Nike apparel on a daily basis. The sixth is “Does Nike’s social media advertisement lure you to purchase their apparel?” This question aims to understand the credibility and success rate of Nike’s social media strategy implementation that successfully attracts consumers into purchasing their apparel. According to the survey, 80% of respondents were lured into purchasing Nike’s apparel by watching and looking at Nike’s social media advertisements. In other words, this question may have answered the positive impact that social media has on consumer behavior and brand image 80% of which has been impacted through social media marketing.

The seventh question is “Do you think Nike positively interacts with its consumers through social media?” The survey demonstrates that 95% of respondents have a positive interaction with Nike through social media. In other words, this data shows that Nike has a positive interaction with their consumer through using their social media which also shows that Nike has a high brand awareness since 95% of respondents felt a good

interaction with Nike through the media. And lastly, the last question states “Does Nike’s branding in social media make you want to purchase their apparel?” The survey shows that 80% of respondents prove that Nike’s ability to brand itself on its social media also attracts consumers to purchase the apparel. In other words, this question proves that Nike may have successfully implemented social media as one of their marketing tools to attract consumer purchase intentions. In other words, through all eight questions that were asked to twenty respondents, it is illustrated that Nike’s brand image, awareness, customer retention, brand interaction, fashion trends, and customer repurchase intention have a strong impact on the sportswear industry and gave a good understanding of why this research will dive into Nike’s as the subject of this research.

Furthermore, to further understand the scope of the research and what creates the interesting aspect of the research is the correlation of SMMA or social media marketing activities on the variable of brand awareness, brand image, and customer repurchase intention. And according to prior research, SMMA has a positive effect on brand awareness, brand image, and repurchase intention (Faisal & Ekawanto, 2022). In other words, this research will be diving down and understanding a more in-depth analysis of how Nike implements marketing strategies through social media to create and improve their brand as a whole.

Based on figure 1.10 from Statista, it can be seen that over the years Nike has exponentially increased their advertising and promotion costs from the financial years of 2014 and 2022. Starting from 2014, Nike spent about \$3.03 billion and by 2022, Nike increased 20% of their budget on advertising and promotion cost to \$3.85 billion. These

budget that Nike provides for advertising and promotion are divided into a number of strategies such as celebrity endorsers, professional athletes sponsorship, professional and recreational group sponsorship, traditional media including TV and brochures, and online marketing like YouTube, Instagram, Facebook, TikTok, Tweeter, etc (Gregory, 2022). However, as this research focuses on the socialmedia as the marketing and advertising aspect for Nike, especially in Indonesia.

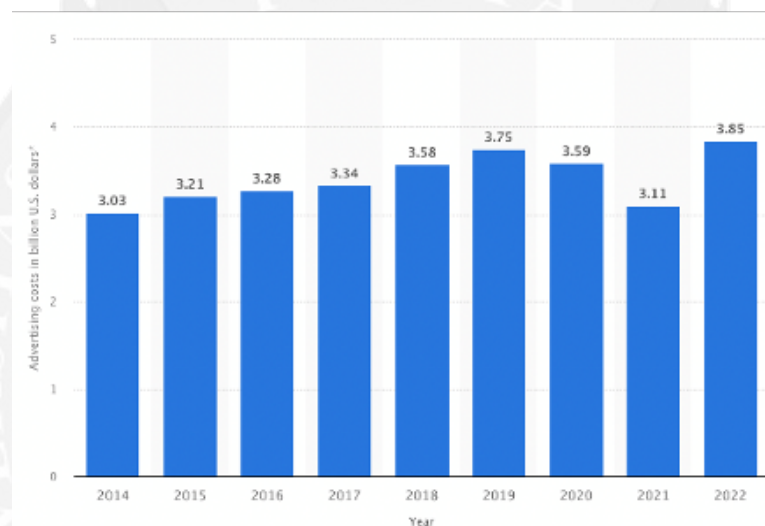


Figure 1.10 Nike's advertising and promotion expense worldwide from years of 2014 to 2022

Source: (statista, 2022)

Based on figure 1.11, it can be seen that over the years, Indonesia social media advertising will keep increasing exponentially, which creates a correlation with the previous figure where Nike advertisement and promotion budget also increase. In other words, the more advertisement created, the more budget Nike would have to spend.

Additionally, this study focuses on social media marketing which are these five independent variables, entertainment, trendiness, interaction, customization, and word of mouth (Yang et al., 2022). These five variables, it is mediated by brand image and brand awareness to build an understanding of repurchase intention. In other words, based on the main subject of the variables brand image, brand awareness, and customer repurchase intention.

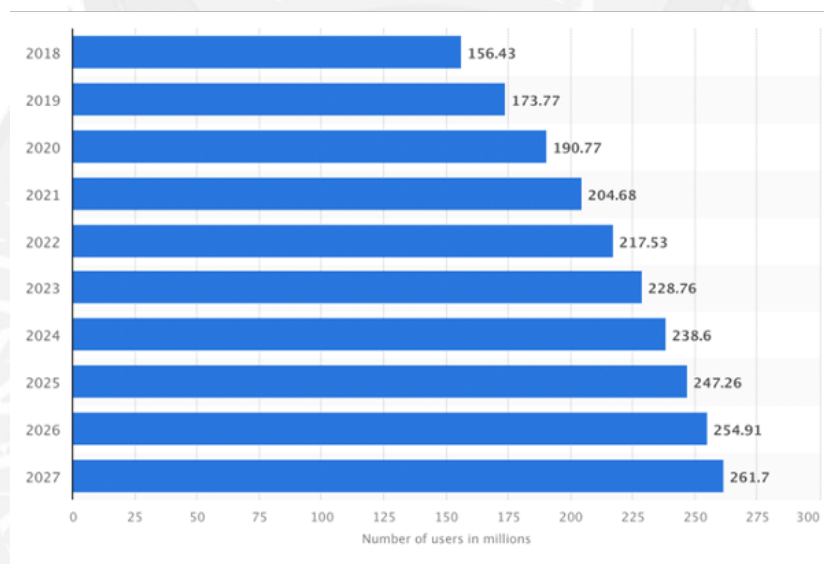


Figure 1.11 *Number of active users of social media advertising, Indonesia 2018-2027*

Source: Statista, (2023)

Furthermore, Brand awareness refers to brand recognition or memory of consumers it also relates to a company's ability to interact with its customers which can be guided through the utilizing social media (Febriyantoro, 2020). In addition, brand image can be illustrated as the perception of a brand that is reflected through the brand's association that affects the consumer perspective towards the brand, it is the value of a

brand that the consumer sees within their consciousness (Verdilla & Albari, 2018). Repurchase intention is an effective indicator that allows companies to understand the effectiveness of their advertisement and product where consumers willingly purchase their particular product repetitively as a necessity or a luxury (Febriyanto, 2020).

Moreover, by conducting and adapting the research, the author is able to implement different professional resources specifically from (Yang et al., 2022) which focuses on the impact of sustainable customer retention through utilizing social media marketing activities on the mediating effects of brand image and brand awareness and repurchase intention. However, the original study limited their study to primarily focused on high-end consumers which limits their outcome to generalize the market. On the other hand, this study will further investigate and research on all backgrounds of consumers that can support the hypothesis of social media influence towards brand awareness, brand image, and customer repurchase intention. In other words, based on the description above, this study will explain the relationship correlation and significance between social media marketing through SMMA on repurchase intention along with understanding the effects of brand image and brand awareness being the mediating variables in this relationship for Nike in Indonesia.

1.2 Background of SMMA

The Impact of Social Media Marketing Activities Social media marketing activities (SMMA) have become an integral part of modern marketing strategies (Wibowo et al., 2021). This thesis investigates the various impacts of SMMA on key marketing outcomes. We define SMMA as the integrated use of social media platforms

by an organization for communication, engagement, and influence, with the ultimate goal of achieving desired marketing results.

Our research identifies five key constructs that underpin SMMA: entertainment, interaction, trendiness, customization, and word-of-mouth strategies (Wibowo et al., 2021). Researchers argue that these constructs significantly impact brand equity, buying intentions, and other critical marketing outcomes. Prior research suggests that SMMA indirectly influences satisfaction through social identity and perceived value strategies (Wibowo et al., 2021). In which, this study will further demonstrate that SMMA positively affects brand awareness, brand image, commitment, and e-word-of-mouth. This thesis adopts a second-order reflective construct approach, where the five identified constructs are considered to be caused by the overall construct of SMMA.

This research builds upon existing knowledge and offers empirical evidence demonstrating how social media content influences consumer engagement through its impact on brand equity. It propose a refined and enhanced version of the existing SMMA framework, incorporating additional dimensions to further strengthen its efficacy. This study also positions the SMMA concept as a key foundation for structuring social media strategies in higher education, maximizing their positive contributions to brand equity of brand image and brand awareness

1.3 Background of Consumer Based Brand Equity

This research builds on the definition of brand equity as a brand's assets and liabilities, but expands upon it by introducing the concept of consumer-based brand equity

(CBBE). CBBE is comprised of four key elements: brand loyalty, brand association, brand awareness, and perceived quality (Ruangkanjanases et al., 2022). Drawing upon earlier research, CBBE is defined as the differential impact of brand knowledge on consumer response to branding activities. Brand awareness and brand image emerge as the two most crucial components, forming the foundation of the CBBE framework (Ruangkanjanases et al., 2022). However, it is acknowledged that the specific concepts and dimensions of brand equity may evolve or adapt depending on the unique characteristics of different product contexts.

1.4 Nike SMMA and CBBE ranking in Indonesia

Table 1.4.1 Nike SMMA & CBBE Ranking In Indonesia
Over the years

Brand	2019	2020	2021	2022	2023
Adidas	41.50	42.30	43	38.80	38
Nike	20.50	16.70	19.10	16.20	17.10
Puma	13.60	15.30	14.90	12.70	11.80
Converse	8.10	6.90	7.50	11	7.5
Reebok	5.80	5.40	8.30	7.50	10.20

Source: Top Brand Awards, Indonesia

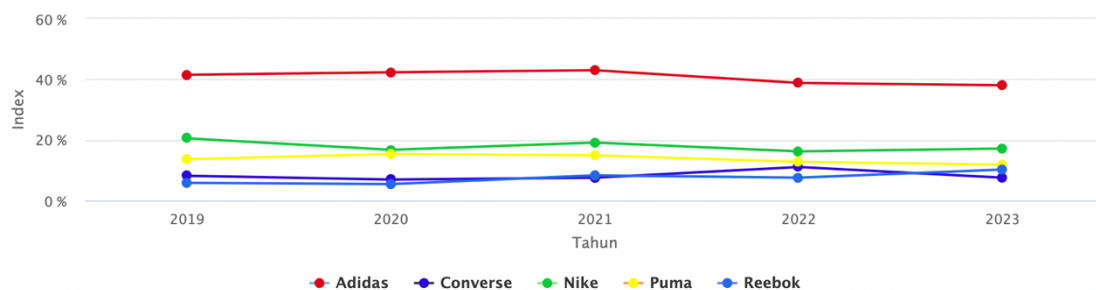


Figure 1.4.1 Nike SMMA & CBBE Index Ranking In Indonesia
Over the years

Source: Top Brand Awards, Indonesia

In Indonesia, the prestigious Top Brand Awards recognize and celebrate brands that demonstrate exceptional performance and build strong brand equity (CBBE). These awards measure a brand's impact across three key dimensions: Mind Share, which assesses its awareness and recognition; Market Share, which reflects its dominance in its category; and Commitment Share, which gauges its ability to cultivate customer loyalty. Achieving a Top Brand Award signifies a brand's success in creating a lasting positive impression, establishing itself as a leader in the market, and ultimately contributing to its overall brand equity (Top Brand Index, 2022). This recognition can significantly impact the brand's image and reputation, leading to increased consumer trust and loyalty, while also serving as a valuable marketing tool to differentiate from competitors and attract new customers. By recognizing and rewarding brands that excel in building strong brand equity, the Top Brand Awards play a vital role in shaping the Indonesian market (Top Brand Index, 2022).

Based on the data given from Top Brand Awards in table 1.4.1 and figure 1.4.1, it shows a consistent ranking that Nike brand index has been right below Adidas over the years from 2019 to 2023. It demonstrates that Adidas also has a better brand index doubling the size of Nike indicating that Adidas dominates the sportswear market in Indonesia compared with other sportswear competitors.

In terms of SMMA, the social media platforms that will be measured is through the social media platforms from Social Blade, which are Instagram, TikTok, Twitter, and YouTube. Social Blade ranking is a system that grades social media accounts based on their performance and influence. It uses factors like subscriber count, video views, and

engagement to assign letter grades system of (A, B+, C, etc.). A higher Social Blade ranking indicates a more popular and influential channel.

Table 1.4.2 Social Media Ranking – Social Blade

Brand	Instagram	TikTok	YouTube	Twitter
Nike	A++	B+	B+	A
Adidas	A	B+	D-	B+
Puma	A-	B	B	B+
Reebok	B+	D-	B	B

Source: Social Blade

Based on the data given from 1.4.2 of Social Blade ranking, it shows that Nike leads on all platforms compared with other competitors. However, even though Nike has a lower CBBE compared to Adidas in the top brand awards, the interesting data can be seen from Nike SMMA where it is the highest compared with the other sportswear competitor. In other words, the problem is evident that it has an issue in either SMMA or CBBE that causes Nike to not have the highest brand index even if their SMMA is better than the others.

1.5 Problem Formulation

Through considering the explanation above. The study can further understand the problem and formulate the research questions as follows:

1. Does entertainment have a positive and significant influence on brand awareness?
2. Does customization have a positive and significant influence on brand awareness?
3. Does trendiness have a positive and significant influence on brand awareness?
4. Does interaction have a positive and significant influence on brand awareness?

5. Does word of mouth have a positive and significant influence on brand awareness?
6. Does entertainment have a positive and significant influence on brand Image?
7. Does customization have a positive and significant influence on brand Image?
8. Does trendiness have a positive and significant influence on brand Image?
9. Does interaction have a positive and significant influence on brand Image?
10. Does word of mouth have a positive and significant influence on brand Image?
11. Does brand awareness have a positive and significant influence on repurchase intentions?
12. Does brand image have a positive and significant influence on repurchase intentions?

1.5 Research Objectives

The main objective of this research is to acquire an understanding and to identify the influence of Nike's social media marketing activities in Indonesia that may relate to the growth of Nike's brand awareness, brand image, and repurchase intention. Therefore, this study has included the following research objectives which are:

1. To investigate the positive and significant influence of entertainment on brand awareness.
2. To investigate the positive and significant influence of customization on brand awareness.
3. To investigate the positive and significant influence of trendiness on brand awareness.

4. To investigate the positive and significant influence of interaction on brand awareness.
5. To investigate the positive and significant influence of word of mouth on brand awareness.
6. To investigate the positive and significant influence of entertainment on brand image.
7. To investigate the positive and significant influence of customization on brand image.
8. To investigate the positive and significant influence of trendiness on brand image.
9. To investigate the positive and significant influence of interaction on brand image.
10. To investigate the positive and significant influence of word of mouth on brand image.
11. To investigate the positive and significant influence of brand awareness on repurchase intention.
12. To investigate the positive and significant influence of brand image on repurchase intention.

1.4 Research Contribution

The Research contribution will be divided into two categories which are practical and theoretical research. The practical contribution will be focused on conducting the research with the respondents across Indonesia through the study survey method. On the other hand, the theoretical contribution will focus on the data that are acquired from the research methods. And the object of this study is Nike.

1.4.1 Theoretical contribution and Practical contribution

For this study, will make a substantial theoretical contribution towards the required field of marketing and consumer behaviour through the investigation of the intricate relationships between SMMA, brand awareness, brand image, and customer repurchase intention. Through examining the variables within Nike, which is a global brand, this study also offers insights that are beyond the boundaries of a single company, which will contribute to a bigger perspective on marketing dynamics. In other words, this study will implement various strategies of SMMA, brand image, brand awareness, and customer repurchase intention. In addition, as we indulge in the strategic areas of the variables, through the future examinations of the relationship in the context of Nike, this study will also research on the extent of different case studies that will provide a wider range of perspectives, data, and applicability throughout the industry. And to focus on the specifics, this study will be focusing on Indonesia as the country of choice.

On the other hand, this study will analyse the strategies that marketing practitioners and business strategists can create a loyal relationship with their customers through the influence of social media. As the search on how the impact of social media marketing on brand image and brand awareness may have a positive perception, it is still an investigation that is required to fully understand the relationship significance between social media engagement and brand awareness that corresponds with repurchase intentions with the targeted audience. As this study focuses on Nike to represent the

industry, this research will investigate pragmatic business strategies that harness the full potential of social media marketing to influence customer retention.

1.5 Scope of Study

The scope of the research will include respondents of up to 560 individuals who live all across Indonesia and should be citizens of Indonesia. The respondents will include both females and males and will not focus on a particular age group since Nike's target audience ranges from different apparel styles. The research will be based on understanding the variables that are being studied which are SMMA tools (Entertainment, Interaction, Word of Mouth, Trendiness, and Customization), brand image, brand awareness, and repurchase intention.

1.6 Research Outline

The study will be divided into five different sections where each chapter has its own analysis goals and responsibilities. The first chapter will mainly focus on the introduction, the second will be the literature review, the third will be on research methodology, the fourth will be about the discussions and interpretation of results of findings, and the fifth will be on the conclusion.

Firstly, the first chapter will contain the background of the research, research questions, research objective, theoretical and practical research contribution, and scope of the study. Secondly, the second chapter will be on the literature review where each variable and sub-variable will be explained thoroughly that is based on the model of this study. It also includes the relationship between variables and hypothesis where this

research will further investigate the relationship between all the hypotheses along with the variables.

Thirdly, the third chapter focuses on the methods that are used in this research that will support the findings of data collection, analysis, and hypothesis testing throughout this study. Fourthly, the fourth chapter will focus on data interpretation describing the data that has been found from the methodology used to understand the relationship between variables and hypotheses of the study. Lastly, the fifth chapter will be about the conclusions that are based on the discussion results and closes the research with a satisfaction understanding of the variables that have an effect on the main subject of the study, which is Nike.

