

# CHAPTER I

## INTRODUCTION

### 1.1 Background of the Study

Technology has brought about profound changes in every area of human life. The internet is one of the essential parts of technology. A platform for interaction and advertising of products and services by individuals, companies, and others to increase market share has been made possible by the internet. (Manzoor, et al., 2020). Kurniasari & Budiarmo (2018) mentioned that the internet was formerly only used for information sharing and communication, but it is now also a medium for online advertising and commerce. Because there are so many market prospects in this era of globalization, marketers need to be astute and sensitive to every aspect of the consumer market.

Muflichah & Muslichah (2022) mentioned that social media has become an indispensable instrument for fostering human connections. Social media is being used by users to trade content and have online conversations with friends and peers. The two parties involved in social media are users and online publishers, and the platform facilitates their communication and information sharing. According to Widi (2023), the number of active social media users in Indonesia was 167 million people as of January 2023. This figure represents 60.4% of the total population of the nation.

The sharing of ideas and information online via technological means is the essence of social media. The development and growth of social media has created

numerous commercial opportunities that can help businesses to increase their sales and profit margins (Yen, et al., 2022). Customers must come in person to obtain the required item since people used to buy and sell items in traditional stores. Despite the fact that these tasks can now be performed online, neither buyers nor sellers need to travel far or take a lot of time to do them. This phenomenon is an innovation that allows vendors to advertise their products for free on social media sites like Instagram, Facebook, and other marketplaces (Kurniasari & Budiatmo, 2018).

Dermawan, et al., (2021) believe that changes in societal living patterns are a result of development, which forces all businesses to compete by releasing fresh, inventive products in an effort to pique consumers' intention in making a purchase. It is believed that businesses need to determine what influences consumers' intention to purchase a product. Kurniasari & Budiatmo (2018) explained that the term "purchase intention" refers to the steps that customers take in order to make a decision about what product or service to buy after taking into account a number of factors. This is the phase in which buyers select from a range of brands that are part of the choice set and ultimately buy the option that they ultimately find most appealing.

For a business to succeed in the competition, a marketing strategy is necessary. That is why a business needs to be active on social media. Social media marketing is popular because it may reduce costs and save time. Additionally, prospective clients would be able to communicate with the marketers and readily find out information about the desired good or service (Oktriyantoa, et al., 2021). In the same vein, customers can choose social media marketing based on their

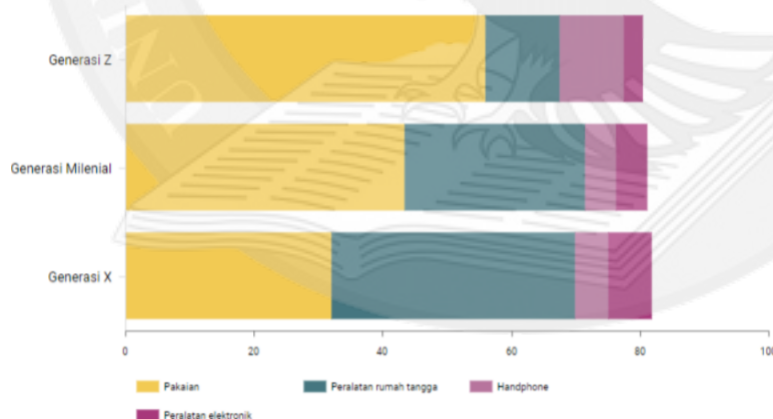
requirements and preferences, thus social media marketing must adapt to what customers seek out through social media marketing (Sianturi, et al., 2022)

Apart from social media marketing, brand awareness can also influence consumer purchase intentions. According to Khrisnanda & Dirgantara (2021), customers would take into account all the brand-related information they had learned about and begin to mentally assign the brand name to various positions depending on the type of information they had learned and how they perceived the brand. Upadana & Pramudana (2020) explained that a well-known product brand can make consumers feel safe because they can avoid risks that can harm consumers. Companies need to approach consumers in an effort to form brand awareness in the minds of consumers so that it is easy to recognize the brand of a product among other brands.

A business can only possess a competitive advantage if the marketer can fulfill customer expectations. Consumer preferences and needs, which are always rising, must be taken into consideration so that the company can subsequently grow its market share. In order to stand out from the competition and appeal to consumers specifically, businesses need to be distinctive through storefront windows, product variations, company brands, and promotional tactics (Alfeel & Ansari, 2019). The evolution of the corporate world has regulated social media's capabilities as a tool for building brand recognition and expansion. Web 3.0's impact on business has aided organizations in creating marketing plans and gauging brand recognition using online social media platforms (Ansari, et al., 2019).

The fashion business is one of those that has grown fairly quickly. With the help of the inventiveness and ingenuity of young designers, Indonesian fashion has developed pretty quickly. Despite the fact that international brands used to dominate the market in Indonesia in the past, there are now a number of domestic brands that are present and prepared to compete for customers' attention. The existence of social media platforms is currently creating online shopping habits among the public (Shwastika & Keni, 2021). According to Dwi & Widyastuti (2022) in tempo. co, from 10 online-selling products that will be best-selling in 2023, fashion products occupy the second position after health and lifestyle products. This is because the return to normal situation has aroused people's great desire to look fashionable.

Annur, (2022) mentioned that the findings of the Alvara Research Center show that clothing is the product most routinely purchased by young customers in Indonesian which is as follows:



**Figure 1.1 Data of Most Purchased Products**  
**Source: Databoks (2023)**

Based on Figure 1.1 above, the most routine clothing products are purchased by Generation Z. The percentage is 56%. Followed by the millennial generation

with 43.3% and Generation X with 32%. The percentage in the data above indicates that the young generation's interest in fashion in Indonesia is very high. Furthermore, a large number of new brands have emerged as a result of Indonesia's high sales of fashion items. The rivalry will be fiercer the more clothes products there are on the market. For organizations to thrive in the current competitive landscape, they must augment their sales figures. Therefore, in order to boost sales, businesses must be aware of and have a deeper comprehension of the elements that influence consumers' buy intentions (Shwastika & Keni, 2021).

Coconut Island is one of the fashion products under the auspices of PT. Warna Mardhika. The brand was founded in 2007 with a focus on t-shirts with the Brazilian culture adaptation and contemporary pop art. PT Warna Mardhika itself was founded by Eddy Hartono and has had its head office in Indonesia since 1987. PT Warna Mardhika started the business in 1987 by launching the Hammer brand, which is a ready-to-wear collection.

At the beginning of its appearance, Coconut Island was quite successful in getting attention from consumers. Coconut Island has succeeded in managing its business network so that it has stores that spread across various regions in Indonesia. However, over time, Coconut Island's image began to fade and was replaced by another fashion brand. Apart from that, the emergence of various fashion brands that are more attractive to consumers is the reason for the decline of the Coconut Island business.

Here is the data of Coconut Island stores in some big cities in Indonesia as shown below:

**Table 1.1 Coconut Island Stores in 3 Big City**

City	Number of Stores	
	Operating	Closed
<b>Bali</b>	1	2
<b>Jakarta</b>	4	2
<b>Makassar</b>	2	0
<b>Medan</b>	1	0
<b>Surabaya</b>	1	1

Source: Prepared by Writer (Google)

Based on the data above, it can be seen that Coconut Island used to have 3 stores in Bali but only 1 store still operates and 2 are temporarily closed. In Jakarta, Coconut Island used to have 6 stores in Jakarta, but 4 stores still operate, and 2 stores have permanently closed. In Makassar, Coconut Island has 2 stores. In Medan, Coconut Island has only 1 store. Meanwhile in Surabaya, Coconut Island used to have 2 stores but 1 store remains and the other one has permanently closed.

A pre-survey was conducted among 30 respondents aged 22-35 who are considered as people with an income to observe their purchase intention towards the Coconut Island brand. The result of the pre-survey is as follows:

**Table 1.2 Pre-Survey of 30 Respondents about Coconut Island**

Statement	Respondent's Answer		
	Yes	Doubt	No
<i>I have the desire to buy clothes from Coconut Island</i>	9	14	7
<i>I will give a reference to my friend to buy clothes from Coconut Island</i>	7	11	12
<i>I believe that clothes from Coconut Island are of good quality</i>	6	14	10
<i>I often visit Coconut Island stores either physical or online stores</i>	9	12	9
<b>Total</b>	<b>31</b>	<b>51</b>	<b>38</b>
<b>Percentage</b>	<b>25.8%</b>	<b>42.5%</b>	<b>31.7%</b>

Source: Prepared by Writer (2023)

Based on the result above, it can be seen that 31 votes, or 25.8% of the respondents answered yes for the statements, 51 votes or 42.5% of the respondents



answered doubt for the statements and 38 votes or 31.7% of the respondents answered no for the statements. Therefore, it can be concluded that most of the respondents were doubtful of all the statements regarding their intention in Coconut Island.

The growing interest in fashion among young people has increased the author's interest in further research regarding Coconut Island as a brand that has been around for quite a long time, thus leading to an investigation into several main factors that have the potential to increase Coconut Island's sales. This examination mainly centers on social media marketing and brand awareness which have the potential to influence customer purchasing intentions. The writer gathered insights from customers in the realm of e-commerce and social media to discover more social media activity of Coconut Island.

The writer explored the social media platform of Coconut Island and another clothing brand to compare their followers and the results are as shown below:

**Table 1.3 Followers on social media of Clothing Brand**

<b>Clothing Brand</b>	<b>Instagram Followers</b>	<b>Instagram Feed</b>	<b>TikTok Followers</b>	<b>TikTok Video</b>
<b>Erigo</b>	2.4 M	7,118	1.8 M	1,201
<b>Coconut Island</b>	46.8 K	1,161	1.2 K	281
<b>Giordano</b>	342 K	1,327	59.7 K	546

Source: Prepared by Writer (2023)

Based on Table 1.2 above, it can be seen that in the Instagram platform, Erigo has the most followers with 2.4 million followers and 7,118 posts. Coconut Island has 46.8 thousand followers and 1,161 posts. Giordano has 342 thousand followers and 1,327 posts. Meanwhile, on the TikTok platform, Erigo has the most followers with 1.8 million followers and 1,201 posts. Coconut Island has 1,2

thousand followers and 281 posts. Giordano has 59.7 thousand followers and 546 followers. It can be concluded that Coconut Island is the least active on social media compared to Erigo and Giordano.

In order to identify more about the social media marketing of Coconut Island, the writer compared the percentage of chat replied by Coconut Island and other clothing brand on Shopee e-commerce and the results is as follows:

**Table 1.4 Chat Replied Percentage of Clothing Brand on Shopee**

T-Shirt	Chat Replied (%)
<b>Erigo</b>	100%
<b>Coconut Island</b>	55%
<b>Giordano</b>	90%

Source: Prepared by Writer (2023)

Based on Table 1.3 above, it can be seen that in Shopee e-commerce, Erigo replied 100% of the chat received on Shopee. Coconut Island recorded a 55% response rate to received chats on Shopee. Meanwhile, Giordano recorded a 90% response rate to received chats on Shopee. Sholawati & Tiarawati (2022) explained that through marketing initiatives on social media, social media marketing aims to increase a company's exposure. Social media marketing reaches a larger audience by using online social media and online communities as marketing tools. Thus, it can encourage people's intentions to purchase goods with this, especially social media users.

However, in practice Coconut Island has fewer followers and less feed activity compared to other fashion brands. Besides, Coconut Island still has a far lower percentage in replying or responding to consumers in e-commerce. This reduces the opportunity for businesses to utilize social media marketing to increase



a company's exposure. Based on previous research conducted by Simorangkir, et. al. (2022) titled “Pengaruh Sosial Media Marketing Terhadap Minat Pembelian Produk Nabeezku” shows that social media marketing has a positive effect on the buying interest of Nabeezku products.

Regarding brand awareness, based on information stated by Anjani (2022), quite a lot of local brands today have stolen the attention of fashion lovers. Of the many local fashion brands, the top five are occupied by Erigo, Calla the Lable, TVF Footwear, Shining Bright, and 3Mongkis. It is clear from the previous explanation that Coconut Island does not rank among the top fashion destinations. The writer conducted a pre-survey of 30 respondents aged 22-35 years to find out their answer regarding brand awareness of Coconut Island and the results is as follow:

**Table 1.5 Pre-Survey of Brand Awareness Variable**

Statements	Answer		
<i>When you are asked about clothing, Coconut Island is the first brand that comes to mind</i>	Yes	12	40%
	No	22	60%
<i>If you see one of Coconut Island's products, you can simply recognize it.</i>	Yes	19	63%
	No	11	37%
<i>Coconut Island is an alternative choice when you consider buying clothes</i>	Yes	16	53%
	No	14	47%
<i>You know the special characteristics of Coconut Island clothing products.</i>	Yes	20	67%
	No	10	33%

Source: Prepared by Writer (2023)

Based on the table above, it can be seen that when people were asked about a clothing brand, as many as 12 out of 30 respondents, or 40% answered that Coconut Island is the first brand that came to mind. Meanwhile, 19 out of 30 respondents, or 63% answered that they can simply recognize the Coconut Island brand when they see the products. Then 16 out of 30 respondents or 53% will

consider Coconut Island as an alternative of choice and 20 out of 30 respondents or 67% know the special characteristics of Coconut Island clothing products.

According to Shwastika & Keni (2021) customers that are familiar with a brand will have little trouble recalling its features. A brand that consumers are more familiar with will be easier for them to remember. Thus, a transaction won't happen if customers don't have a strong brand awareness of a product. In fact, Coconut Island today is not part of top famous brand and pre-survey also shown that still many people not really aware of Coconut Island brand. This is what makes Coconut Island no longer the choice of consumers and they are more interested in buying other brands that they recognize.

Additionally, Coconut Island uses social media less frequently than its rivals, which results in fewer followers. A company can significantly benefit from increasing brand recognition by focusing on its target market or prospective clients. They are becoming more familiar with the brand that the company represents, which has led to the beginning of brand trust. Customers will clearly choose to purchase our items over those of our competitors when given the alternative due to their high brand awareness. Based on previous research conducted by Octaviani & Nurseno (2022) titled "Pengaruh Pemasaran Media Sosial dan Kesadaran Merek Terhadap Minat Pembelian Pada Bisnis (Studi Kasus Pada Konsumen @Palett.es)" shows that social media marketing and brand awareness simultaneously have a significant positive effect on the purchase intention.

Based on the explanation above regarding how low purchase intention of Coconut Island due to less social media marketing and brand awareness, the writer

would like to conduct research titled “**The Influence of Social Media Marketing and Brand Awareness on Purchase Intention of Coconut Island Clothing Brand (Case Study of Millennial in Medan)**”

### **1.2 Problem Limitation**

This research will be conducted at the Coconut Island store in Center Point Medan. The sample used for this research will be millennials male and female ranging between 26 – 42 years old who have their own income and ever purchase Coconut Island Cloting products. This research will only be focusing on social media marketing and brand awareness as independent variables that can influence the dependent variable which is purchase intention. Each variable has its own indicators restricted to, such as:

1. Social Media Marketing: content, communication, collaboration, connection (Bakhtiar & Hidayat, 2023; Sanjaya,2020).
2. Brand Awareness: recall, recognition, purchase, consumption (Mulyanto, 2019; Sholawati & Tiarawati, 2022).
3. Purchase Intention: transactional interest, referential interest, preferential interest, explorative interest (Mulyanto, 2019; Dahmiri, 2020)

### **1.3 Problem Formulation**

Based on the explanation in the background study, the research problems proposed are as follows:

1. Does social media marketing partially influence the purchase intention of the Coconut Island Clothing Brand ?

2. Does brand awareness partially influence the purchase intention of the Coconut Island Clothing Brand?
3. Do social media marketing and brand awareness simultaneously influence the purchase intention of the Coconut Island Clothing Brand?

#### **1.4 Objective of Research**

The objectives of this research are as follows:

1. To analyze whether social media marketing has a partial influence on the purchase intention of Coconut Island Clothing Brand.
2. To analyze whether brand awareness has a partial influence on the purchase intention of Coconut Island Clothing Brand.
3. To analyze whether social media marketing and brand awareness have a simultaneous influence on the purchase intention of the Coconut Island Clothing Brand.

#### **1.5 Benefit of the Research**

##### **1.5.1 Theoretical Benefit**

The academic purpose of this research is to provide useful data and information for topics that are related to this research, including the concepts of marketing, social media marketing, brand awareness, and purchase intention. This research can also be used as a reference by readers when they do more research on the factors that influence customers' purchase intention. Academicians and

practitioners could also understand the importance of purchase intention in order for a business to compete and sustain in the market.

### **1.5.2 Practical Benefit**

This research aims to provide benefits for several parties such as:

1. For Writer

This research expands the understanding of the writer by examining the factors that influence customers' purchase intention such as social media marketing and brand awareness.

2. For Company

This research provides an in-depth analysis of the factors that influence purchase intention. Therefore, the company can evaluate its business performance and develop its brand and social media activity that can increase customers' interest in purchasing.

3. For Other Researchers

This study can provide as a starting point, point of reference, or informational source for further research on purchase intention.

## **CHAPTER II**

### **LITERATURE REVIEW AND HYPOTHESIS DEVELOPMENT**

#### **2.1 Theoretical Background**

##### **2.1.1 Concept of Marketing**

###### **2.1.1.1 Definition of Marketing**

Marketing is a comprehensive system of commercial activities intended to plan, price, advertise, and distribute goods and services to meet current and future consumer needs. The goal of marketing is to recognize and satisfy social and human needs (Walintukan, et. al., 2018).

According to Barreto, et. al. (2023), marketing is described as one of the actions taken by a business in an effort to ensure its existence, to grow, and to make money. Along with other tasks, marketing is a crucial business activity. A corporate function known as marketing identifies client wants and selects the target market that can be best addressed. By fostering relationships with clients that are mutually beneficial, this marketing seeks to increase customer happiness.

Marketing is the process of analyzing, planning, implementing, and controlling programs designed to create, build, and maintain profitable exchanges with target buyers in order to achieve organizational goals or company objectives. Marketing management is responsible for promoting the company's products, thereby achieving long-term profitability for the company and ensuring its sustainability and growth (Rizeki, 2022).



Cinthy (2020) stated that marketing combines elements of science and art. Individuals in charge of marketing need to possess a solid grasp of diverse marketing concepts and practices, effective communication skills, analytical abilities, and the capacity to maintain fruitful customer relationships. This equips them to strategize and implement marketing plans effectively.

Based on the explanation above, it can be concluded that the process and practice of developing, promoting, providing, and trading offerings of value with partners, consumers, clients, and the general public is known as marketing. Marketing starts with meeting people's requirements, which develop into people's desires.

#### **2.1.1.2 The Importance of Marketing Management**

According to Cinthya (2020), there are several importance of marketing management such as below:

1. Market Opportunity Analysis

Marketing management gathers and analyzes information related to consumer needs, desires, and demands, competitor marketing strategies, market trend changes, and preferences. This helps identify market opportunities.

2. Target Market Determination

Marketing management helps identify the desired target market for the organization to offer its products.

3. Planning and Decision Making

Marketing management aids in planning for the future. Planning has to do with diversification and new product release. Marketing management makes choices on distribution channel selection, pricing, and promotion mix selection.

#### 4. Customer Acquisition

Consumers determine the future of the market. Therefore, providing the best products to consumers according to their preferences is a crucial marketing task. Marketing management helps create new customers and retain current ones.

#### 5. Assisting in Profit Enhancement

Marketing serves the varied and limitless needs of consumers. Marketing management helps increase profits and sales volume. This is achieved through market expansion and customer growth.

#### 6. Improved Quality of Life

Marketing management aims to provide innovative products and services to customers. Marketers continually strive to incorporate new technology and mechanisms into their products to provide greater satisfaction to customers than before. This improves the quality of life and makes consumers' lives easier than before.

#### 7. Employment Opportunities

The marketing process is a combination of various activities such as market research to assess the marketing environment, product planning and development, promotion, product distribution to customers, and after-sales services. The marketing process requires researchers, production engineers, various distribution intermediaries, and sales personnel, creating employment

opportunities in advertising and related fields. Thus, marketing management creates various job opportunities.

## **2.1.2 Social Media marketing**

### **2.1.2.1 Definition of Social Media marketing**

Social media marketing is the application of technology, social media platforms, and software to generate offers, exchanges, and forms of communication that are valuable to an organization's stakeholders. (Taan, et. al., 2021). According to Mileva (2019), social media marketing is a marketing technique that uses social media to promote products or services more specifically. Good content display can make visitors to online product or service websites interested in the products and services that are displayed.

Dahmiri (2020) stated that social media marketing is a novelty in the world of marketing that can be used to establish communication, including integrated marketing planning. The organizational principle that connects with the target market constitutes integrated marketing communications. The scope of integrated marketing communications includes advertising, promotion, personal selling, public relations, sales promotion and direct marketing.

On the other hand Oktriyantoa, et. al., (2021) mentioned that Social media platforms are used as a promotional tool in social media marketing, a kind of online marketing approach. Creating content that consumers find valuable and spread to their social networks is the aim of social media marketing, which helps businesses increase brand awareness and reach a wider audience.

Using social media platforms like blogging, microblogging, and social networking to raise awareness, recall, and even take action for a brand, product, company, person, or group—directly or indirectly—is known as social media marketing (Kurniasari & Budiatmo, 2018).

Manzoor, et. al. (2020) explained that social media marketing is a strategy that enables individuals to promote their blogs, products, or services online, reaching a broader audience beyond traditional channels. To put it simply, it's the process through which businesses leverage social media platforms to direct traffic to their official websites. However, it goes beyond that; organizations can also utilize social media to keep potential customers informed about company events, launch new ideas or products, and share company news.

From the various opinions mentioned above, it can be concluded that social media marketing is the utilization of technology through the internet as one of the marketing strategies employed by companies to interact and collaborate with customers. This is achieved by creating engaging content that captures the attention of readers, encouraging them to visit the company's website through social media, and motivating them to share it with other readers.

#### **2.1.2.2 Indicator of Social Media marketing**

According to Bakhtiar & Hidayat (2023) ; Sanjaya (2020), there are 4 indicators to measure social media marketing as explain below:

1. Context

Context is the language, structure, or framework that we use to communicate ideas to the public in a certain way. A word's meaning is determined by its context, and when that context shifts, so does the word's definition.

## 2. Communication

Communication is the way of conveying or sharing a message and also listening, responding, and developing the message so that it is well-received or delivered. Communication consists of admin responses, conveyed information, message delivery style, and message effectiveness.

## 3. Collaboration

Collaboration is an activity in which two or more parties work together by combining their knowledge, experiences, and skills to achieve goals that result in benefits for stakeholders.

## 4. Connection

Connection is a long-lasting relationship built and maintained over time between the sender and receiver of messages.

### **2.1.2.3 Advantage of Social Media marketing**

According to Arsath (2018) ; Khanom (2023), there are five advantages of implementing social media marketing as explain below:

#### 1. Cost-Effective

Arsath (2018) mentioned that social media marketing stands out for its cost-effectiveness. Unlike traditional marketing, where campaigns can be extremely costly, most social media platforms are free to use for creating profiles and

posting content. Even for businesses, many social media tools are accessible without significant expenses.

## 2. Social Interaction

New media has revolutionized social interaction by increasing online communication activities. People now spend a substantial portion of their online time engaging in communication through channels like emails, instant messaging, and social networks. Social networking sites have become immensely popular, broadening the scope of online communication and influencing behaviors in new ways (Khanom, 2023).

## 3. Interactivity:

Khanom (2023) stated that online social networking emphasizes user-centered interactions with machines, messages, and other users, enhancing the overall networking experience. Greater interactivity, ranging from simple to complex interactions, can lead to increased user engagement, more positive attitudes toward websites, and enhanced source credibility.

## 4. Targeted Marketing:

Arsath (2018) explained that social media platforms empower marketers to target specific audiences based on user interests and preferences, as well as their social connections. This "smart" marketing approach ensures that marketing efforts reach individuals who are genuinely interested in the products or services being offered.



## 5. Customer Service

Effective customer service is a critical aspect of social media marketing. Websites can sometimes be complex, requiring thoughtful customer support systems. Providing links to Frequently Asked Questions (FAQs) and access to online representatives assists customers in their decision-making and purchasing processes. Marketers should offer multiple channels of assistance, including the option for customers to call the company for more convenience (Arsath, 2018).

### 2.1.3 Brand Awareness

#### 2.1.3.1 Definition of Brand Awareness

Basically, brand awareness is the ability of a prospective buyer to recognize and recall a brand as part of a specific product category. According to Shwastika & Keni (2021), brand awareness is the gauge of how easily a brand comes to a customer's mind, and it can be assessed by testing brand recall. Brands become readily memorable when they are firmly entrenched in the hearts and minds of consumers.

Brand awareness represents a foundational stage of brand familiarity, encompassing at least the recognition of a brand's name or a structure built upon comprehensive information. It serves as the primary and initial hurdle in any brand-related exploration, signifying a consumer's capacity to identify and remember a brand in various contexts (Shahid, et. al., 2017).

Before making a purchase, consumers should be able to accurately recognize a brand according to its category. Therefore, the ability to recognize a brand as an element of a product before making a purchase is known as brand awareness. Through this capability, a brand's power to inspire customers to develop purchase intentions for things they are familiar with will grow (Kurniadi, 2023).

Muflichah & Muslichah (2022) explained that an impactful corporate presentation regarding its brand has a direct impact on brand awareness, which is the capacity of customers to recognize and recall the brand when provided with guidance. Enhancing brand recognition and reputation is among the most significant objectives. Brand awareness serves as a platform through which individuals can access information and become acquainted with the brand's name, thus ensuring that they remember and recognize the brand.

Brand awareness goes beyond mere memory; it's a learning process for consumers concerning a brand. Establishing brand awareness typically takes a considerable amount of time because memorization is achieved through repetition and reinforcement. In fact, brands with a strong recall factor are often well-established brands with a history. Consumers tend to prefer products from brands they are already familiar with compared to products from brands that are still unfamiliar to them (Pandjaitan, 2019).

From the various opinions mentioned above, it can be concluded that brand awareness is a company's ability to implant awareness of its brand in consumers, enabling consumers to remember a product when they intend to make a purchase in the market.

### **2.1.3.2 Indicator of Brand Awareness**

According to Mulyanto (2019); Sholawati & Tiarawati (2022), there are 4 indicators to measure brand awareness as explain below:

#### **1. Recall**

Recall refers to how well consumers can remember when asked which brands they can recall. Simple, easily pronounceable brand names with clear meanings make a brand more likely to come to mind for consumers.

#### **2. Recognition**

It is about how well consumers can identify a brand, including categorizing it within a particular category.

#### **3. Purchase**

It measures how likely consumers are to consider a brand as one of their options when buying a product or service.

#### **4. Consumption**

Consumption gauges how well consumers can recognize a brand when they are using a competitor's brand.

### **2.1.3.3 Stages in Building Brand Awareness**

According to Afifah, et. al. (2019), there are 3 stages in building brand awareness as explain below:

#### **1. Attention**

Attention in building brand awareness involves capturing the audience's initial interest and piquing their curiosity. It's the moment when a brand successfully stands out from the noise, often through eye-catching visuals, compelling

storytelling, or unique marketing campaigns. Attention is crucial because it serves as the first point of contact, providing an opportunity for further engagement and exploration.

## 2. Comprehension

Comprehension is the phase where consumers begin to grasp the essence of a brand. It involves conveying the brand's core message, values, and benefits clearly and consistently. Effective comprehension ensures that consumers understand what the brand represents, what it offers, and how it differs from competitors.

## 3. Retention

Retention plays a pivotal role in building brand awareness over the long term. It ensures that consumers remember and recall the brand even when they are not actively interacting with it. Consistency is key, as brands need to maintain a uniform identity, messaging, and visual elements across various touchpoints.

### **2.1.4 Purchase Intention**

#### **2.1.4.1 Definition of Purchase Intention**

Purchase intention is a mental statement that a consumer describes through a purchase plan for a particular product (Dahmiri, 2020). Sianturi, et. al. (2022) added that consumer purchase intention refers to a customer's inclination to acquire a particular product or service within a specific timeframe. It serves as a precursor to the actual purchasing decision and is influenced by a multitude of factors.

Panjaitan (2019) defined purchase intention as a psychological declaration made by consumers that signifies their intention to purchase specific products from a particular brand. Marketers rely on this information to understand consumer preferences for certain products. Both marketers and economists utilize this variable of interest to forecast consumer behavior in the future.

Purchase intention is the process that customers go through to purchase an item or service based on various factors. It is the stage where consumers form their choices among several brands that are included in the choice set and ultimately make a purchase at the alternative that they like the most (Kurniasari & Budiarmo, 2018).

Kurniadi (2023) explained that psychological, social, and marketing mix elements can all lead to an increase in purchase intentions. An individual is the source of psychological elements. On the other hand, social aspects are the outcome of an individual's conduct that is shaped by their culture and social milieu. The marketing mix elements, such as product, price, promotion, and distribution channels, used by the company as a manufacturer of related products, then become the source of the marketing mix variables.

#### **2.1.4.2 Indicator of Purchase Intention**

According Mulyanto (2019); Dahmiri (2020), there are 4 indicators use to measure purchase intention as explain below:

1. Transactional Interest

The inclination of a consumer to acquire a product, signifying their intent to buy a specific item that fulfills their needs or desires.

## 2. Referential Interest

An individual's wish to recommend products to their close friends and family, wherein customers who already contemplate making purchases will suggest similar products to their social circle.

## 3. Preferential Interest

Actions reflecting a person's fondness for a particular product, wherein their choice can be influenced by how well the product aligns with their preferences or tastes.

## 4. Explorative Interest

This interest represents the inclination to seek more information about a product that has piqued one's curiosity, with the aim of finding details that might spur them to make a purchase

### **2.1.4.3 Factors that Affects Purchase Intention**

According to Sholawati & Tiarawati (2022); Kurniadi (2023), there are several factors that can affect purchase intention such as explain below:

#### 1. Psychological factor

Psychological factor originate from an individual's characteristics, including age and life stage, occupation and economic circumstances, personality and self-concept, as well as lifestyle and values. Because many of these characteristics have a direct impact on consumer behavior, it's important for marketers to closely monitor them.

#### 2. Social factor



Social factor stem from an individual's behavior influenced by the social environment and culture. Reference groups, families, social roles, and status are examples of social elements that impact consumer behavior.

### 3. Marketing mix factor

Marketing mix factors come from the marketing mix elements that a company, as a product manufacturer, employs. These elements include product, price, promotion, and distribution channels. A company's marketer must be diligent in observing and predicting phenomena related to changes in consumer behavior to use them as valuable information and a crucial reference when formulating a marketing strategy.

#### **2.1.5 Relationship between Independent and Dependent Variable**

##### **2.1.5.1 Relationship between Social Media Marketing and Purchase Intention**

A business that utilizes social media marketing will use those platforms to share information about its products. Purchase intentions can be produced when customers have looked at and researched products from a company using information shared on social media (Octaviani & Nurseno, 2022).

Social media marketing reaches a larger audience by using online social media and online communities as a marketing tool. In order to encourage people's intentions to purchase things through this, especially social media users (Oktriyantoa, et. at., 2021). Dermawan, et. al., (2022) mentioned that social media marketing generally makes it simpler for customers to learn about a product, which encourages them to make a purchase intention.

Having an interest in social media marketing is beneficial to the business. This method of determining what customers want and need is efficient. Social media is also utilized to facilitate direct communication between businesses and customers. Companies are paying more attention to social media marketing because it may save marketing costs, boost revenues, exchange information, expand company networks, and create better long-term relationships with customers. Companies that market their goods through social media can also increase the likelihood that customers will buy those goods (Shwastika & Keni, 2021).

H<sub>1</sub>: Social Media Marketing partially has influence on Purchase Intention of Coconut Island Clothing Brand.

#### **2.1.5.2 Relationship between Brand Awareness and Purchase Intention**

Brand awareness is known as the capacity of customers to identify and remember a brand when provided with cues, is significantly shaped by how a company presents its brand. One of the most crucial objectives of company is to raise its brand recognition or reputation. Brand awareness is an important consideration in any brand-related search and has a direct impact on consumers' buying intentions (Muflichah & Muslichah, 2022).

Consumer preferences for product or service quality often show a connection between recognized brand names and perceived quality, highlighting that consumer choices are influenced by their awareness of product brands. This awareness tends to lead them to consider purchasing from brands they are already familiar with (Khrisnanda & Dirgantara, 2021).

According to Sholawati & Tiarawati (2022), the capacity to recognize a brand from an individual toward a product that might arouse consumers' trust and lead to purchase intentions for the product is known as brand awareness. Shwastika & Keni (2021) added that customers that are familiar with a brand will have little trouble recalling its features. A brand that consumers are more familiar with will be easier for them to remember. Thus, a transaction won't happen if customers don't have a strong brand awareness of a product. Stated differently, there exists a negative correlation between brand awareness and purchase intent.

H<sub>2</sub>: Brand Awareness partially has influence on Purchase Intention of Coconut Island Clothing Brand.

### **2.1.5.3 Relationship between Social Media Marketing and Brand Awareness on Purchase Intention**

Sholawati & Tiarawati (2022) stated that social media marketing is a type of marketing approach used to increase brand or product exposure among a larger target audience. In order for people to notice and become aware of a product that is marketed on social media, which in turn increases their desire to purchase the product. In order to improve consumer buy intentions, social media marketing or social media marketing gives customers shipping deals that become viral and immediately attract their attention.

Khrisnanda & Dirgantara (2021) explained that there are several factors that can influence brand performance and ability in the context of brand market rivalry, resulting in the product being considered by customers as a potential purchase. Each company should strive to stand out from the competition's other brands in terms of

brand recognition because that will cause customers to give that brand's product more thought when making a purchase.

Based on previous research conducted by Octaviani & Nurseno (2022) titled “Pengaruh Pemasaran Media Sosial dan Kesadaran Merek Terhadap Minat Pembelian Pada Bisnis (Studi Kasus Pada Konsumen @Palett.es)” shows that social media marketing and brand awareness simultaneously have a significant positive effect on the purchase intention.

H<sub>3</sub>: Social Media Marketing and Brand Awareness simultaneously have influence on Purchase Intention of of Coconut Island Clothing Brand.

## **2.2 Previous Research**

In order to support the current research, the writer will use references from previous research conducted by several authors as shown below:

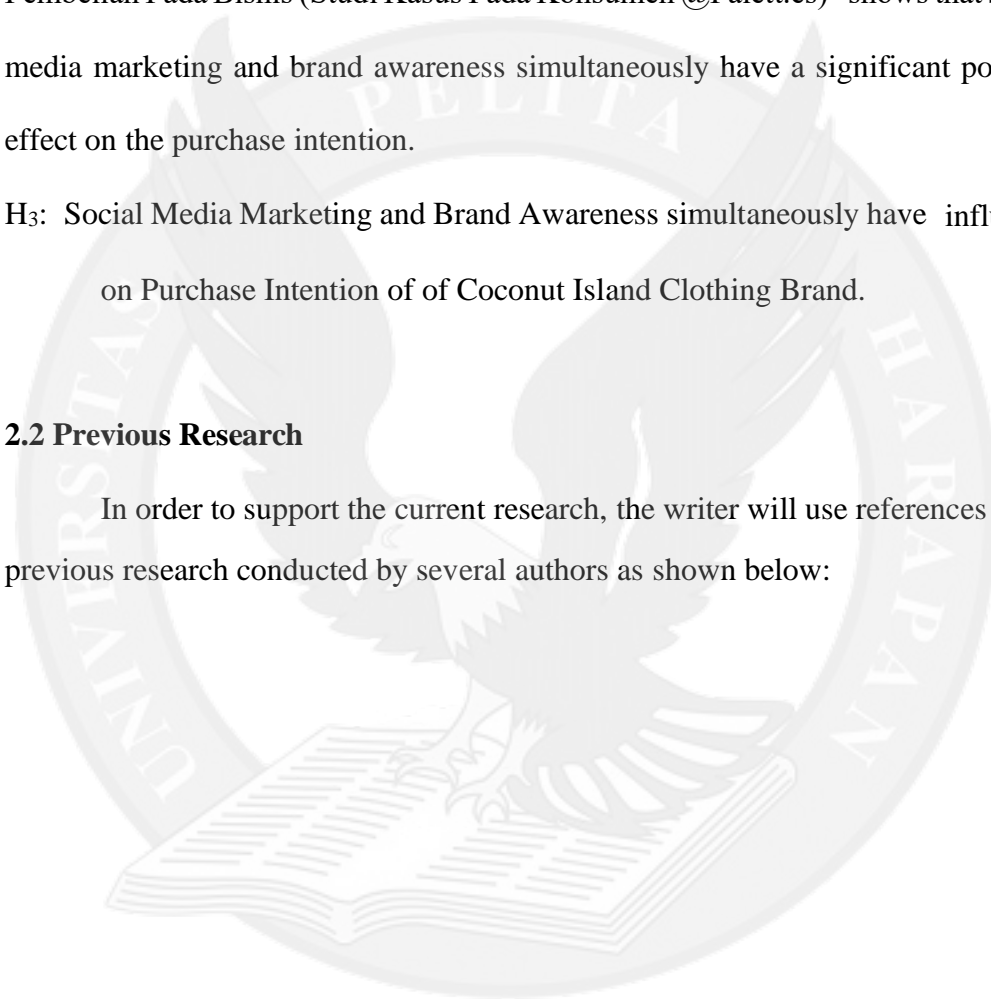


Table 2.1 Previous Research

No.	Author	Title	Research Method	Result of the Research	Similarities	Differences
1.	Octaviani & Nurseno (2022)	Pengaruh Pemasaran Media Sosial dan Kesadaran Merek Terhadap Minat Pembelian Pada Bisnis (Studi Kasus Pada Konsumen @Palett.es)	Multiple Linear Regression	The results of the study shown that both social media marketing and brand awareness partially has a significant positive effect on purchase intention. Social media marketing and brand awareness simultaneously have a significant positive effect of on purchase intention in the @palett.es business.	Both of the research implement Multiple Linear Regresion method by using questionnaire to collect data.	The previous reseach collected data from 120 respondent by using purposive sampling method. This research collected data from 97 respondent by using convenience sampling. Besides, the previous research was conducted at Jakarta while this research will be conducted at Medan.
2	Ardiansyah, et. al. (2023)	Pengaruh Citra Merek, Kesadaran Merek, Social Media Marketing Terhadap Minat Beli Brand Lokal Sepatu Patrobas Di Kota Bandung	Multiple Linear Regression	The results of the research shown that brand image and social media marketing partially has influence on purchase intention while brand awareness does not have influence on purchase intention. Brand image, brand awareness and social media marketing simultaneously have influence on purchase intention of Patrobas shoe products in Bandung.	Both of the research use questionnaire to collect data and implement Multiple Linear Regression method.	The previous reseach collected data from 100 respondent by using purposive sampling method. This research collected data from 97 respondent by using convenience sampling. The previous research has three independent variables while this research only focus on two independent variables. Besides, the previous research was conducted at Bandung and this research will be conducted at Medan

3.	Shwastika & Keni (2021)	The Effect of Brand Awareness, Social Media Marketing, Perceived Quality, Hedonic Motivation, and Sales Promotion Towards Consumers Intention to Purchase in Fashion Industry	Partial Least Squares - Structural Equation Modelling (PLS-SEM)	The findings indicate that, while social media marketing and hedonic buying incentive have no impact on purchase intention, there is a significant positive influence between brand awareness, perceived quality, and sales promotion on customer purchase intention.	Both of the research use questionnaire to collect data with convenience sampling method. The questionnaire also distributed by using Google Form.	The previous research implemented Partial Least Squares - Structural Equation Modelling (PLS-SEM) while this research implement Multiple Linear Regression method. Besides, the previous research collected data from 154 respondents and this research collected data from 96 respondents.
4.	Satya, et. al. (2022)	Pengaruh Social Media Marketing Terhadap Purchase Intention Dimediasi Customer Bonding	Path Analysis Method	The results of the analysis shown that the social media marketing variable has a positive and significant effect on purchase intention on DHD distributions in Petemon Pejeng Kelod Gianyar.	Both research implement quantitive method by using questionnaire to collect data	The previous research implemented Path Analysis method while this research implement Multiple Linear Regression method. The previous research used accidental sampling method while this research used convenience sampling method. Besides, the previous research was conducted at Gianyar while this research will be conducted at Medan
5.	Wicaksono & Putri (2021)	Pengaruh Brand Awareness Produk Mischief Denim Terhadap Minat Beli Konsumen	Simple Linear Regression	The results shown that brand awareness has effect on purchase intention of Mischief Denim Product specifically among the young generation.	Both research use questionnaire to collect data and analyze data by using linear regression method.	The previous research obtained data from 100 respondent s while this research obtained data from 97 respondents. Besides, the previous research was conducted at Bandung while this research will be conducted at Medan

Source: Octaviani & Nurseno, 2022 ; Shwastika & Keni,2021 ; Ardiansyah, et. al., 2023 ; Satya, et. al., 2022 ; Wicaksono & Putri, 2021



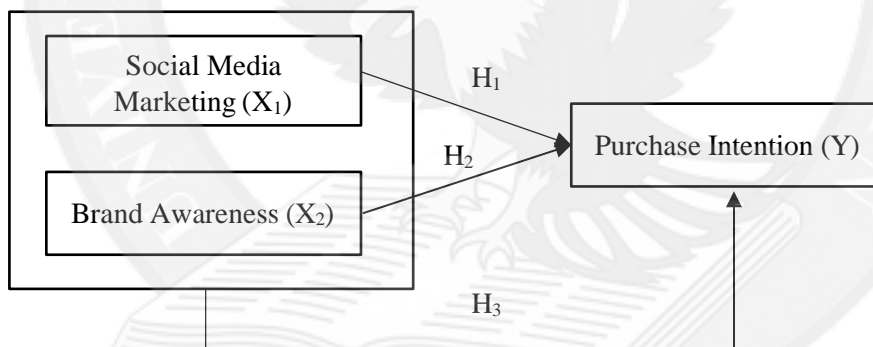
### 2.3 Hypothesis Development

Hypothesis development is a description of the logical relationship between two or more variables expressed in the form of a statement that can be tested. Below is the hypothesis formulated in this research

- H<sub>1</sub>: Social Media Marketing partially has influence on Purchase Intention of Coconut Island Clothing Brand.
- H<sub>2</sub>: Brand Awareness partially has influence on Purchase Intention of Coconut Island Clothing Brand.
- H<sub>3</sub>: Social Media Marketing and Brand Awareness simultaneously have influence on Purchase Intention of Coconut Island Clothing Brand.

### 2.4 Research Model

The research model of this study is shown as below:



**Figure 2.2 Research Model**

Source: Prepared by Writer (2023)

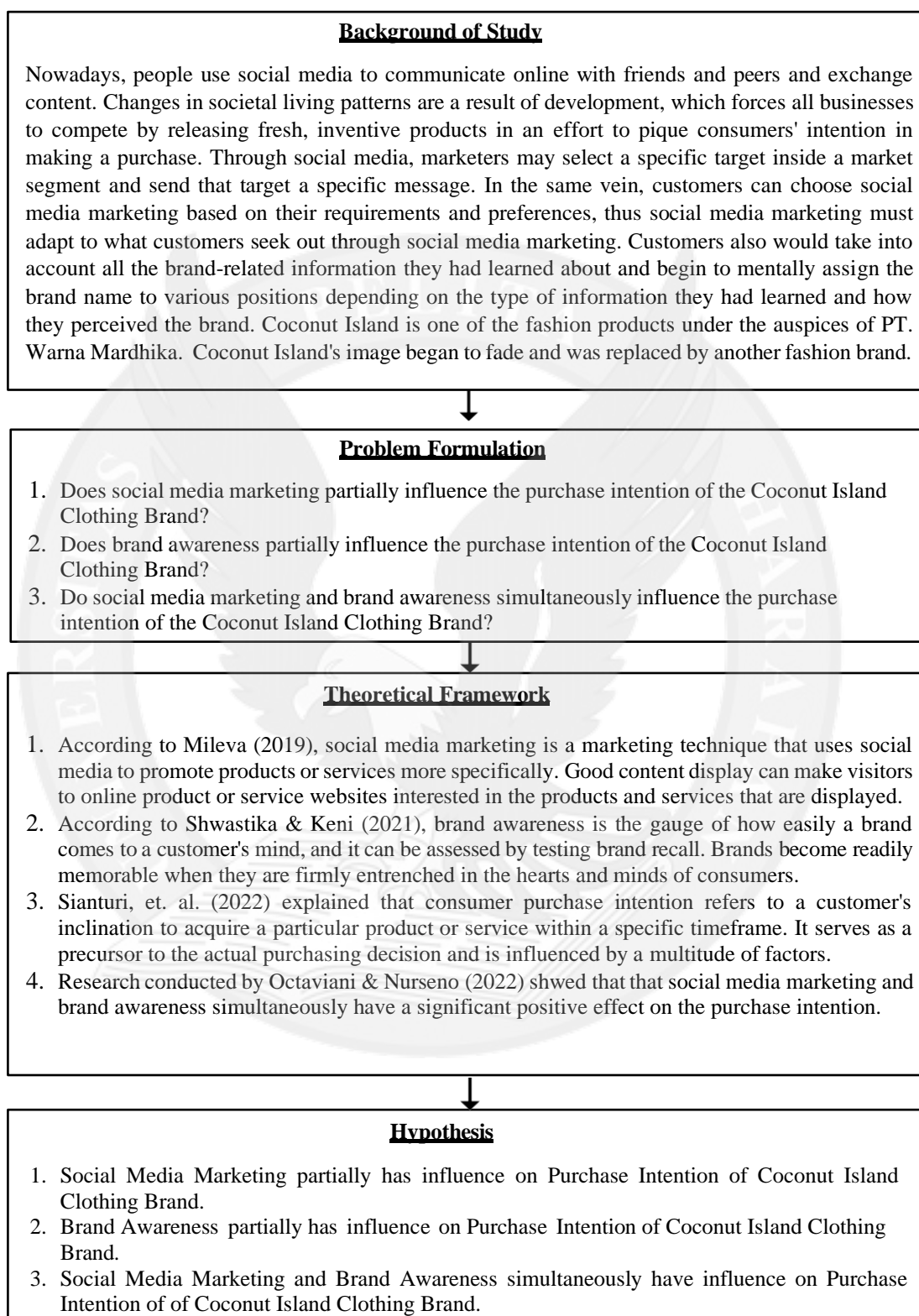
Based on figure 2.2 above, the variables used in this research are as follow:

Variable X: Independent variables that influence variable Y, which are Social Media Marketing (X<sub>1</sub>) and Brand Awareness (X<sub>2</sub>).

Variable Y: Dependent variable influenced by variable X, which is Purchase Intention (Y).



## 2.5 Framework of Thinking



**Figure 3.2 Framework of Thinking**

Source: Prepared by Writer (2023)