#### **CHAPTER I**

#### INTRODUCTION

## I.1 Background of the Problem

In the era of globalization, people are increasingly facilitated by technological developments in the digital world. People can access and process data easily through the internet. With internet, people can communicate with each other regardless time, place, and distance. The existence of the internet that facilitate and assist people in their daily life make internet become one of the crucial things in people's life.

The influence of internet in daily lives impact every aspect, including online businesses. Online businesses that provide products or services to transportation in the internet increases the efficiency for both buyers and sellers. Example of online business available in Indonesia, including Tokopedia, Shopee, and Gojek. For sellers, internet helps them to promote their products or services and find potential buyers. As for buyers, the internet helps them to make things easier because they can simply find whatever they want in the internet. With easy access and payment, buyers only have to wait for the product or services to arrive. Although there are several cases of the misuse of internet, the fact that the internet affects every day human life cannot be neglected. Through the data from the report created by we are social and Hootsuite, Indonesian e-commerce activities in 2018 can be seen in Figure 1.1.



Figure 1.1 E-Commerce Activities in Past 30 Days Source: We are social and Hootsuite Report 2018

Indonesia is one of the countries that has experienced rapid development in the world of e-commerce. According to Databoks (2017), the results of data by Nielsen entitled "Indonesia Ocean of Opportunities Overcoming Dead Win and Riptide 2017" predict that the market from Indonesian e-commerce will reach 52% of all e-commerce in Southeast Asia (Figure 1.1). From the data taken through Kominfo (2015), Government paid great attention to e-commerce. They predict if e-commerce can develop and run in accordance with the roadmap, then the projection of Indonesian e-commerce in 2020 can reach Rp130 billion.

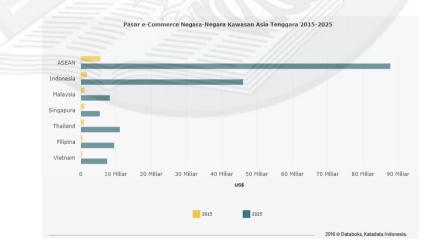


Figure 1.2 Indonesia Ocean of Opportunities Overcoming Dead Win and Riptide 2017 Source: Databoks.katadata.co.id

In order to utilize the opportunity from e-commerce to its full potential, the use of advertising become an important component by helping the companies to appear more prominently than their opponents. According to WIPO, World Intellectual Property Organization (2005),

"For most enterprises, especially small and medium-sized enterprises, advertising can be a costly affair. On the one hand, customers are getting bombarded with ever more information about new and allegedly superior goods and services, while, on the other hand, cash-starved enterprises need to be more and more creative to be cost-effective in advertising their wares. To be effective, an advertisement must first get noticed, and then be remembered long enough to persuasively communicate the unique selling proposition of a product or service, so as to make potential customers into actual ones. Advertising has become a race for creating a unique, cutting-edge, and enticing way of passing on relevant information to customers so as to facilitate and positively influence their buying decisions. A host of innovative digital advertising techniques in the online environment has created new possibilities for companies to expand the role of advertising beyond its traditional supporting role for a product or service. As a result, in a number of online business models, receipts from advertising is often the main or sole source of income for a business. At the same time, the Internet and digital technologies have created new potential problems because of the ease and speed with which advertising content can be assembled, reshaped and distributed worldwide."

The important elements in advertising consist of visuals and content to attract public attention. To get interesting visuals and content, it requires production costs which cover photographers or other photo equipment. Although the companies can utilize photos from the internet, it may be limited and classified as copyrighted materials. Thus, there may be watermarks on the photos which found on the internet. Therefore, to reduce the budget for making visual advertising, a photo stock business was formed.

Photo stock is a place where various kinds of photos are licensed for special use, such as for magazine publishing or advertisement creation (Peres, 2007). Besides helping companies, photo stock business also helps photographers sell their work. Photo stock site is a medium for photographers to sell their photos, and also become a place for companies to find attractive visuals with inexpensive prices.

The presence of Shutterstock and Gettyimage are still new especially in Indonesian market, while in fact they have more complete database compared other photo stock sites. Photos database of Shutterstock already reached 236,095,428 according to their website data. They also sell other products other than photos such as video, music, illustration and give an easy trial to edit the pictures using their database photos in their website.

In the world of advertising and graphic design industry in Indonesia, there is a huge need for visual that portrays Indonesian lifestyle. The lack of visual that portrays Indonesian lifestyle in foreign photo stock sites such as Shutterstock and Gettyimage, makes it less engaging to be used for advertising directed towards audiences in Indonesia. Therefore, a photo stock site of Indonesia emerged with emphasis on photos with Indonesian characteristics. The photo stock sites in Indonesia is Pixamola and Agenfoto.com.

Pixamola is a photo stock site that focuses on the culture and lifestyle of the Indonesian people themselves. Pixamola use the Royalty-Free License to purchase their photos. This license refers to a copyright license where the buyer has the right to use the image he has purchased in several projects with a single payment. That make companies or media that have bought photos from them can use these photos in several advertisements in one purchase. In reality, Pixamola is a brand that is still relatively new and has not gained high awareness from people.

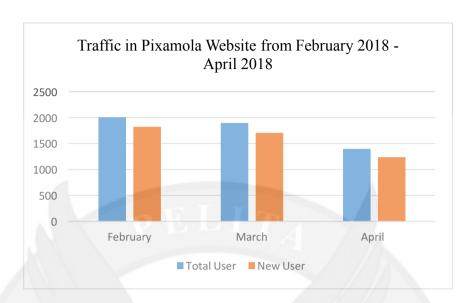


Figure 1.3 Traffic in Pixamola Website from February 2018 - April 2018 Source: Pixamola Database

By wanting to focus on increasing awareness in the public, Pixamola decided to further improve their digital marketing as well as customer research. By using social media, email marketing, and writing articles online to increase the SEO, Pixamola is trying to increase awareness and good impressions in the eyes of the public.

Therefore, in this internship report, the intern will focus on the strategy of Digital Marketing that PT. Komunika Lintas Maya used to increase Pixamola awareness through digital media platform.

## I.2 Purpose of the Internship

The objectives of this Internship at PT. Komunika Lintas Maya are:

1) To see the result of the digital marketing strategy that were applied during the internship period towards Pixamola awareness in the public that can be seen through the traffic of Pixamola website.

- 2) To learn more about digital marketing strategy that been used by PT. Komunika Lintas Maya to increase Pixamola awareness in the public. The digital marketing strategy that been used by PT. Komunika Lintas Maya consists of:
  - a. The implementation of targeting marketing strategy in PT.
     Komunika Lintas Maya.
  - The implementation of 10Ps digital marketing mix in PT.
     Komunika Lintas Maya.
  - c. The digital marketing tools that been used by PT. Komunika Lintas Maya.

### I.3 Scope and Limitation

The works that the intern done in internship was as Digital Marketer Internship under the direct supervision of the CEO of Pixamola in PT. Komunika Lintas Maya Mr. Rade Tampubolon. In reality, the intern was responsible in handling the social media content of Pixamola. To increase awareness of Pixamola, the intern was also responsible in creating articles to increase Search Engine Optimization and doing an email marketing to the media company and advertisement agency. Besides that, intern was also working in handling live chat in Pixamola website to help the customer and photographer with their question.

The tasks of the intern are considered as digital marketing, although only several of the components being utilized. According to Clow & Baack (2016), digital marketing is "a combination of all the components of e-commerce, internet

marketing, and mobile marketing, including anything with a digital footprint."

Hence, in Pixamola, the scope of digital marketing that they're more focus to Social Media, which are Instagram, Twitter, and Facebook, Website, Search Engine Optimization and Email Marketing.

# I.4 Period and Location of the Internship

The intern's work for the Internship started from 30<sup>th</sup> April 2018 until 29<sup>th</sup> July 2018. The official work time were Monday to Friday, 09.00 AM until 06.00 PM. Besides, the intern also did work outside office hours and on weekends to meet 640 hours.

The place for the internship would be in one of PT. Komunika Lintas Maya brand, which is Pixamola.



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