#### **CHAPTER I**

### INTRODUCTION

## I.1. Background of the Problem

In this competitive world, one of the key to successful business is to have a good marketing strategy. Every company sure has their own marketing strategy that determines whether they can or cannot compete in the business world. Therefore, having a good marketing strategy is very crucial. Marketing according to Ouwersloot & Duncan (2008) is "all activities companies undertake to bring their products (tangible goods and intangible services) to the market. (p. 8)". Based on the definition above, it can be concluded that marketing is everything that companies do to promote their product in any ways to their target market.

In this modern era, with the help of rapid development of technology, it makes it easier for business owners to market or to promote their brand through various digital platforms that are free and easily accessible by everyone. The rapid development of technology in this modern era open the access for people to digitalize everything. Mail has been digitalized as e-mail, newspapers has been digitalized as e-news, sports has been digitalized as e-sports, and even meeting can also be digitalized as e-meeting. In marketing, digital marketing is the example of the digitalization in business industry.

Digital marketing, if the communication aspect is strategically used, can be a great tool for the company to achieve the expected response that they wish to receive from the target audience. Digital marketing is a form of marketing that incorporates anything with a digital footprint such as all of the components of ecommerce, internet marketing, and mobile marketing (Clow & Baack, 2016). From
the definition, it can be concluded that digital marketing is a form of marketing that
uses electronic media rather than conventional media like televisions, newspapers,
or printed ads. Thus, marketing communicating through digital media is not limited
only to media that use internet, but everything that is computer-mediated.
Delivering marketing communication through digital media shows that living in the
Information Age enables us to utilize any digital platforms for business purpose
very easily. Communicating through digital media can be done in so many ways. It
can be done through website, social media, Search Engine Optimization (SEO),
interactive billboards, or anything that uses digital media or computer-mediated
media with the purpose to reach and communicate to the consumers.

However, among all those digital media mentioned above, one of the media that cost the least or nothing, and also easy to be accessed is social media. The presence of social media is a good news for business owner or a company because they can communicate their brand through various social media by doing online marketing with little or no cost. Social media is an online media in which the users can easily participate, share, and create content (Hadiwijaya, 2012). It can be said that social media is a forum that allows people to engage in social networking by sharing and creating content. A company can achieve so many things by communicating through social media. For example, a company can promote their brand by delivering the message that they want deliver to the audience through various social media platforms like Facebook, Twitter, or Instagram that do not cost

them a lot like traditional advertising (e.g. Television, radio, newspaper, billboard, etc.).

Choosing social media as a tool for marketing communication, also known as social media marketing, may be one of the most effective way since social media is widely used by people in the world. The fact that it is widely used is also proven by the data revealed by Hootsuite and We Are Social in 2018 that said 3.196 billion people in the world are active social media users (Figure 1.1). Hence, by looking at the number of active social media users, it is obvious that utilizing social media as a tool for marketing may be an effective strategy for a company to promote or to market their brand.

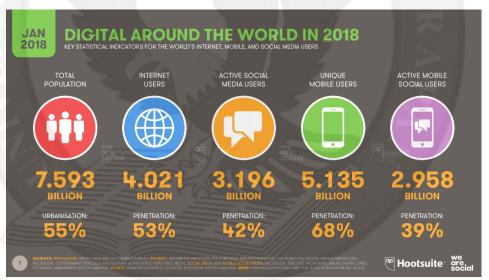


Figure 1.1 Digital around the world in 2018 Source: We Are Social, accessed on July 8, 2018

Another prove showing that social media marketing is effective, especially in Indonesia, is shown by the data also by Hootsuite and We Are Social. The data clearly show that Indonesia is in the top three list on the countries who spend the highest number of hours using social media each day via any device (Figure 1.2).

Hence, there are higher chance for a brand to be exposed when a medium for exposing the brand is highly used by people.

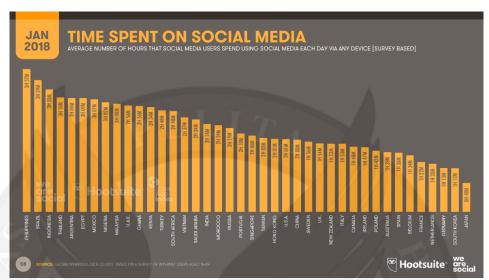


Figure 1.2 Time Spent on Social Media Source: We Are Social, accessed on July 8, 2018

Social media marketing in these technological era is widely used by many companies around the world. We can often see many companies starting from e-commerce companies, clothing brand, or even technology companies in Indonesia have their ads pop up on our screen whenever we scroll onto our social media timeline. In Indonesia itself, the number of companies or brand that use social media as a marketing tool is also not less.

Among so many companies that utilize social media marketing, one of the companies that is highly active in exposing their brand through social media is Micro-Star International Indonesia. Micro-Star International Indonesia is a representative of Micro-Star International Co., Ltd. or MSI, a multinational information technology corporation specialized in high-end gaming product that designs, develops, and provides gaming computer as well as its hardware, desktops,

motherboard, graphic cards, and other related products and services. MSI's headquarter is located in Taipei, Taiwan. MSI succeeded in establishing their first representative office in Indonesia called MSI Indonesia that is located in The Honey Lady Tower in Jakarta. Until today, MSI Indonesia has 12 official representative offices that are spread around Indonesia namely Jakarta, Semarang, Yogyakarta, Surabaya, Bandung, Bekasi, Medan, Makassar, Palembang, Pekanbaru, Balikpapan, and Padang.

Micro-Star International has clearly succeeded in introducing its consistency in gaming brand worldwide. The fact that MSI have highly succeeded in promoting itself as a gaming brand and become popular among the consumers, can be seen on the data shown by Google Trend in 2017 until 2018 (Figure 1.3). The data shows that MSI is the most frequently search gaming brand among four top gaming brand. This is of course, besides having an excellent reputation for quality and durability, also the result of having a good overall marketing strategy, including social media marketing strategy as well.

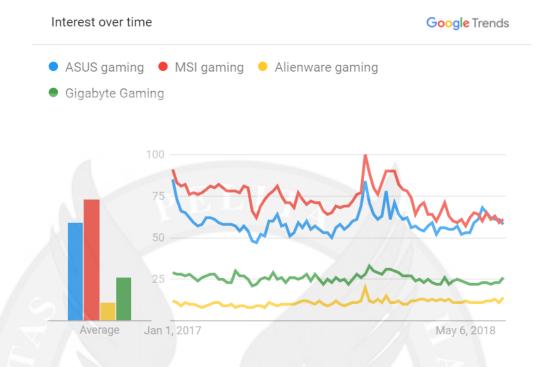


Figure 1.3 Search Frequency of Gaming Brand Worldwide Source: Google Trend, accessed on July 12, 2018

MSI is a brand that heavily supports environmental protection. Therefore, their marketing activities focus on eco-friendly strategies. Their marketing strategies highly adopted social media, which is not only low-cost and effective, but also decreases the amount of paper. In Indonesia itself, MSI is very active in promoting and advertising their product through social media such as Facebook, Instagram, and YouTube. The objective of their social media content is vary; it may have the objective to educate the audience about the products, to enhance engagement, or to persuade the audience to make a purchase. The success of MSI in consistently presenting itself as a gaming brand, especially through social media, prompts the intern to find out more and learn more about their plan and strategy in social media marketing by doing a 640-hour internship activity in MSI Indonesia.

# I.2. Purpose of the Internship

Through the internship program with Micro-Star International (MSI) Indonesia, there are several things that intern wish to acquire:

- To learn about and experience the process of managing social media marketing activity that is executed by Micro-Star International Indonesia.
- To learn about the role of social media in Micro-Star International Indonesia marketing activity.

## I.3. Scope and Limitation

Throughout the internship period, intern worked as a Digital Marketing Intern with fellow team members from Digital Marketing division. Intern was directly supervised by Digital Marketing Specialist, who was responsible in monitoring and making sure all projects in Digital Marketing division went according to the plan. Intern was responsible in exploring content creativity by creating concept and theme for social media content materials while focussing on the communication aspects. Besides, intern was also in charge in dealing with social media content production as well as scheduling on each posting. Intern controlled all MSI Indonesia's social media marketing activity during 640-hour internship program with the expectation that they were appealing enough to attract the target audience. All the work done by intern was checked by Digital Marketing Specialist, the supervisor from Digital Marketing division in MSI Indonesia, so that intern could produce work with maximum quality.

# I.4. Period and Location of the Internship

Period and location of the internship are as follow:

- 3) Period: 7<sup>th</sup> May 2018 10<sup>th</sup> August 2018
- 4) Location: Micro-Star International Indonesia, Honey Lady Tower 5<sup>th</sup> floor, #601C CBD Pluit Area, Jl. Pluit Selatan Raya No.1, North Jakarta 14440