

# CHAPTER I

## INTRODUCTION

### 1.1. Background of Study

The pillow industry in Indonesia has experienced rapid development in recent years. Growing public awareness of the importance of quality sleep and health is driving the industry forward. One of the main players in the pillow industry in Medan is PT Proton Pillow, which offers various pillow and bolster products under the Emirates Pillows and WYNSLEEP brands.

To be able to compete effectively amidst intense competition, PT Proton Pillow needs to implement a comprehensive marketing strategy. In today's digital age, digital marketing is becoming an increasingly important strategy for companies. Digital marketing utilizes digital technologies to accomplish marketing objectives by employing channels like search engines, social media, email, and websites. These platforms help reach and engage target audiences, increase traffic, and ultimately support business goals (Chaffey & Ellis-Chadwick, 2022). Through digital marketing, PT Proton Pillow can reach consumers more widely and efficiently.

Product quality refers to the extent to which a product fulfills or surpasses customer expectations and requirements. It includes factors like performance, reliability, durability, and adherence to specifications. High product quality is achieved through effective quality management practices, which involve continuous improvement, adherence to standards, and a focus on customer satisfaction (Goetsch

& Davis, 2022). Consumers are now increasingly critical in choosing pillow products that suit their needs and desires.

Brand image refers to how a brand is perceived, based on the associations stored in consumers' memories. It is influenced by the brand's attributes, benefits, and the overall impression it conveys. Brand image is the result of both the tangible and intangible factors that influence how consumers view and experience the brand, including brand communications, marketing activities, and direct interactions with the product or service (Keller, 2020).

Previous research has shown that digital marketing, product quality, and brand image individually and together can influence consumer purchasing decisions. The purchase decision is the point in the consumer decision-making process where, after evaluating all available alternatives, the consumer decides to buy a specific product or service. This decision is influenced by prior stages, such as need recognition, information search, and evaluation of alternatives. External factors, including digital marketing, product quality, and brand image, can shape this choice. While the consumer has made a selection, factors like promotions, stock availability, or peer recommendations can still influence the final outcome of the purchase (Kotler & Keller, 2021).

Therefore, this research aims to analyze the affect of digital marketing, product quality and brand image on pillow purchasing decisions at PT Proton Pillow. It is hoped that the results of this research will provide valuable insight for PT Proton Pillow in designing more effective marketing strategies to increase

pillow sales amidst increasingly fierce competition. At PT Proton Pillow Medan, the use of Dacron polyester as the main filling material for pillow products is the main focus in improving product quality. The use of this material not only improves sleeping comfort, but also adds value to the product through durability and ease of maintenance. With increasing consumer awareness of the importance of quality sleep, innovations in pillow filling materials such as Dacron polyester have become very relevant.

Grasping consumer needs and their buying processes is essential for creating a successful marketing strategy. By understanding the steps buyers take—such as recognizing a problem, seeking information, evaluating options, making purchase decisions, and post-purchase behavior—marketers can gain key insights into fulfilling consumer needs.

The integration of the internet, social media, mobile apps, and other digital communication technologies into daily life is undeniable. Future consumer marketing will increasingly focus on digital platforms, especially social and mobile media. To adapt, it's essential to study and understand consumer behavior in these digital environments. Marketers need to leverage digital channels like search engines, social media, email, and websites to engage with current and potential customers.

Online shopping through platforms such as Tokopedia, Shopee, TikTok Shop, Facebook, and TikTok enables consumers to find product information and make purchases directly from sellers or online shops. The convenience and cost-

effectiveness of using social media and the internet are key reasons for their global popularity. Utilizing these platforms for daily needs is now a widespread practice.

The business sector, particularly E-commerce and online shopping, has greatly benefited from the rapid growth of the internet. Digital marketing, which relies on computers to identify, produce, and store product information, allows for continuous operation and has become a dominant strategy.

The advancement of digital technology has inevitably influenced the marketing landscape. Social media, being one of the most accessible digital marketing tools, has enabled businesses to communicate with millions of people and created new marketing opportunities. PT Proton Pillow Medan leverages digital marketing extensively, using internet-based media to promote their brand and products. They actively use digital platforms to ensure consumers can see, purchase, and review their products.

Digital media allows for timely, direct, and relevant engagement with consumers. Satisfied customers typically leave positive ratings and comments, while those who are disappointed provide negative feedback. This dynamic interaction is crucial for businesses to maintain and improve their reputation and customer satisfaction.

In digital marketing, it is essential to expand across various platforms and ensure prompt responses to all customer inquiries and complaints. Product quality should be consistently maintained, with careful attention to size and taste, alongside ensuring the safe and speedy delivery of products. For brand image, continuous

efforts should be made to enhance and sustain the brand's reputation to remain competitive with similar shops.

Ratings on Tokopedia and Shopee help users determine the quality of a product. Typically, a product's rating becomes visible after purchase. For instance, when a customer buys a product from PT Proton Pillow Medan, they receive a notification to rate the product once it arrives. These ratings significantly impact future customer purchase decisions, especially if a product receives a low rating.

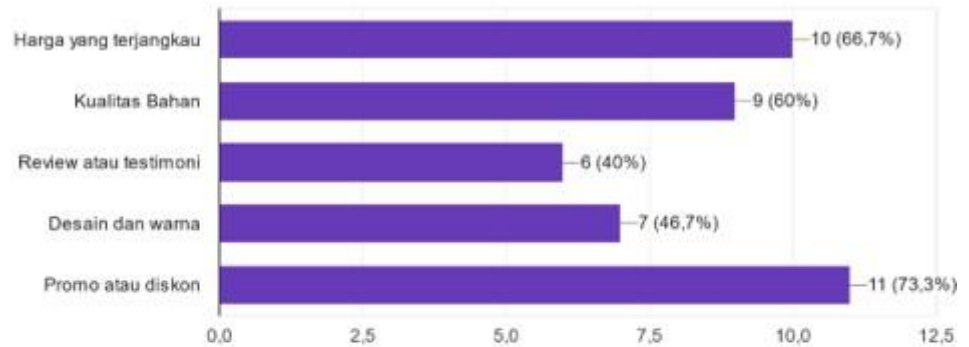
PT Proton Pillow Medan has several important challenges that affect consumer purchasing decisions which include the areas of digital marketing, product quality and brand image.

In digital marketing, PT Proton Pillow Medan has not been able to reach the right audience because advertising and digital marketing campaigns have not fully reached the audience who are truly interested in pillow products. In addition, inaccurate market segmentation can cause advertising to be ineffective, resulting in wasted marketing budgets. In the future, PT Proton Pillow Medan must be able to produce interesting and relevant content so that it can win the very tight competition on social media and other digital platforms.

Here is a diagram obtained from a pre-survey obtained from 15 respondents with a target age of 20-60:

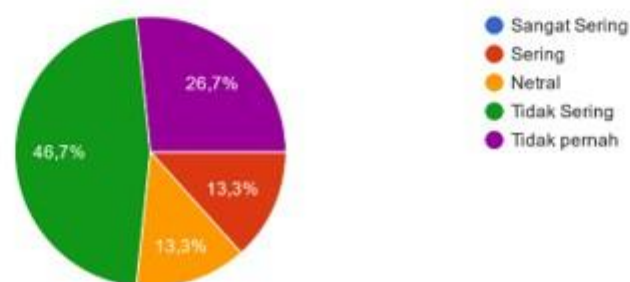
Apa yang biasanya Anda cari saat membeli bantal secara online?

15 jawaban



Seberapa sering iklan digital terhadap bantal merek Wynsleep dan The Emirates Pillow

15 jawaban



**Figure 1. 1 Presurvey for Digital Marketing**

Source: Prepared by the writer (google form, 2024)

Data collected from a pre-survey reveals a critical issue in PT Proton Pillow Medan's digital marketing strategy. The majority of respondents purchase pillows online through popular platforms such as Shopee, Tokopedia, and TikTok Shop. However, many are unfamiliar with the brand, with respondents indicating a lack of recognition for competitors like Wynsleep and The Emirates Pillow. This suggests that despite the company's digital marketing efforts, they are not effectively reaching potential customers or competing with well-known brands. Furthermore, respondents prioritize factors like affordable prices, product reviews,

and material quality when purchasing pillows, indicating that PT Proton Pillow Medan must focus on content that addresses these needs to resonate with their target audience.

The use of this material not only improves sleeping comfort, but also adds value to the product through durability and ease of maintenance. With increasing consumer awareness of the importance of quality sleep, innovations in pillow filling materials such as Dacron polyester have become very relevant.

Regarding product quality, the biggest challenge faced by PT Proton Pillow Medan is ensuring consistency of quality. Apart from that, PT Proton Pillow Medan must be able to manage the production process and supply chain to avoid product defects.

The challenge that must continue to be considered is the ability to maintain a balance between innovation and production costs. Every customer's feedback and review are an asset that must be utilized to improve product quality. Companies must be able to manage negative reviews and ensure necessary improvements are made effectively because consistent product quality and a strong brand image can increase consumer confidence in the product, encouraging them to make a purchase. It cannot be denied that customers' positive experiences with products and their interactions with digital campaigns can increase satisfaction and loyalty, encouraging repeat purchases. Here is the bad review from product quality:

**Bad Product Quality Review:**



namorarizki.lubis



2024-09-06 11:31

Kenyamanan: guling ok tapi bantalnya kurang padat

Desain: Biasalah kainnya putih lembut

Tekstur: lembut

Bantalnya kurang padat tapi lumayan menopang sdgkan gulingnya padat good lah



Royal King - Set Paket 1 Bantal Tidur ...



f\*\*\*\*\*9



2024-03-18 16:40

Lama lama di pake nyusut dan makin kecil



nadyaduta12345



2024-04-24 20:37

Kualitas Bahan: kapas kasar dan kotor



Kapas Dakron Regular/ MURAH | 500 ...



dienisya2k



2024-04-22 20:42

Sangat jelek kualitasnya... ga padat isinya  
bantal nya kopong duh nyesel belinya



Sweet Dream - Paket Bundling 1 Set ...



W\*\*\*\*\*U



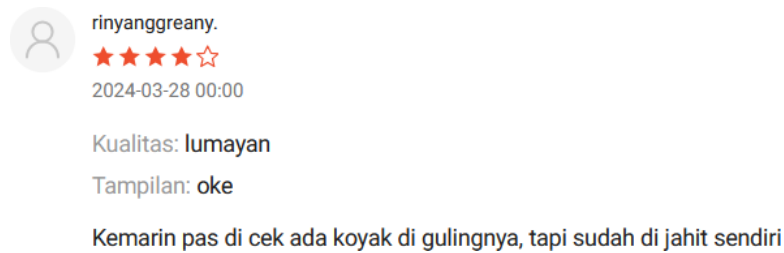
2024-04-06 23:13

kurang empuk



Duck Pillow Blu - Bantal Tidur Hotel 4...





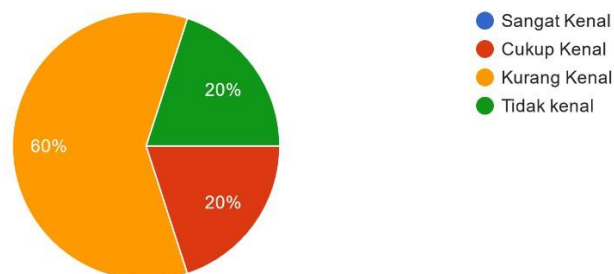
**Figure 1. 2 Bad review for product quality**

Source: Prepared by the writer (Shopee, 2024)

In brand image, PT Proton Pillow Medan still has challenges in building and maintaining a positive brand image in the eyes of consumers and maintaining that reputation in the long term. PT Proton Pillow Medan must also provide a solution in dealing with reputation crises or negative reviews that can damage the brand image. To improve performance in this case, coordinate between the marketing and sales teams so that there are no inconsistencies in the messages conveyed. The brand image that is built must be able to differentiate itself from competitors by displaying unique values and product advantages that differentiate the brand from competitors.

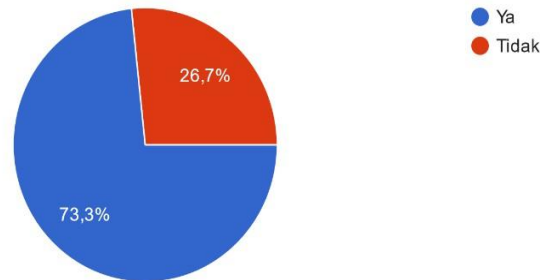
Here is a diagram obtained from a pre-survey obtained from 15 respondents with a target age of 20-60:

Seberapa Anda mengenal merek Wynsleep atau The Emirates Pillow sebagai produsen bantal?  
15 jawaban



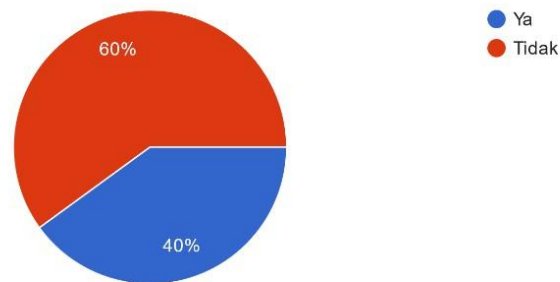
Apakah Anda lebih memilih membeli produk dari merek terkenal seperti King koil, Florence dibandingkan merek produk tersebut?

15 jawaban



Apakah anda pernah melihat iklan dari produk Wynsleep dan The Emirates Pillow?

15 jawaban



**Figure 1. 3 Presurvey for brand image**

Source: Prepared by the writer (Google Form, 2024)

Based on data from the pre-survey that has been carried out, it appears that PT Proton Pillow Medan is still facing challenges in building a strong brand image. Pre-survey results show that the majority of respondents are not familiar with pillow brands such as Wynsleep and The Emirates Pillow. This can be seen from the majority of respondents who answered "Not familiar" or "Not familiar" with these brands. Apart from that, most respondents admitted that they did not often see digital advertisements from the brand, which shows that brand image is still low.

Brand preference is also an important indicator that shows problems with brand image. Many respondents prefer products from well-known brands such as King Koil or Florence compared to less popular brands, such as WYNSLEEP and The Emirates Pillow. This shows that the brand image of PT Proton Pillow Medan has not been able to compete with big brands in terms of consumer trust.

With this data, it is evident that PT Proton Pillow Medan needs to improve their digital marketing strategy to build better brand image and create strong differentiation compared to competitors. Survey results diagrams can help show clearer evidence of consumers' lack of recognition and preference for less popular brands.

Building on the previous discussion, the writer is interested in conducting research titled "The Effect of Digital Marketing, Product Quality, and Brand Image on Customer Purchase Decisions at PT Proton Pillow Medan." This study aims to analyze and determine how digital marketing, brand image, and product quality impact customer purchase decisions at PT Proton Pillow Medan

## **1.2. Problem Limitation**

With the breadth of the case field as well as the limitations of the place, time and expertise of the researchers found and so that the case review is not too widespread, so the researchers took the initiative to limit each research case only to the effect of digital marketing, product quality, and brand image on purchasing decisions at PT Proton Pillow at Medan.

### **1.3. Problem Formulation**

The following is the formulation of the problem in this study:

1. Does digital marketing affect Purchase Decision at PT Proton Pillow Medan?
2. Does product quality affect purchase decisions at PT Proton Pillow Medan?
3. Does brand image affect the Purchase Decision at PT Proton Pillow Medan?
4. Does digital marketing, product quality and brand image affect simultaneously on the Purchase Decision at PT Proton Pillow Medan?

### **1.4. Objective of the Research**

Understanding the importance of digital marketing, product quality and brand image and how they affect the purchase decision of the customers is the main purpose of this research. Here are some objectives of the research that the writer has made to solve the problem in this study, which are:

1. To find out whether promotion through digital marketing affects Purchase Decision at PT Proton Pillow Medan
2. To find out whether product quality affects purchase decision at PT Proton Pillow Medan
3. To find out whether brand image affects the Purchase Decision at PT Proton Pillow Medan

4. To find out whether promotions, product quality and brand image affect simultaneously on the purchase decision at PT Proton Pillow Medan Medan.

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

According to the objective and problems found during the research, the writer has conducted that there will be two types of benefit generated, which are:

### **1.5.1. Theoretical Benefit**

The theoretical benefit of this research is to determine whether digital marketing product quality and brand image and how they affect the purchase decision of the customer.

### **1.5.2. Practical Benefit**

The practical benefit from doing this research are as follows:

- a. For the writer, the research helps the writer to add insight and more knowledge, and also ensure to compare the theories in a real-life setting and brings an understanding of digital marketing, product quality and brand image and how they affect the purchase decision of the customers
- b. For the company, the research result is expected to be used as a guide to finding out how the digital marketing, product quality and brand image and how they affect the purchase decision of the customers so it can be used as the feedback to enhance its performance in the future

- c. For other researchers, the research can serve as a basis and reference for other academic work which is related with the topic of digital marketing, product quality and brand image and how they affect the purchase decision of the customer.

