

# **CHAPTER I**

## **INTRODUCTION**

### **1.1 Background of Study**

Traveling has always been an enjoyable activity for many people since it allows them to refresh or recharge from the daily activity and spend quality time with friends and family. However, planning a trip requires thorough planning, which includes purchasing airline tickets, making hotel reservations, creating an itinerary of activities, and taking care of other practical matters. One way to deal with this planning problem is the travelers can choose a travel agency to organize all of the activities and reservation for their trip. But unfortunately, in 2020 people are forbidden to travel due to the pandemic covid-19 and required to only stay in the house. This problem also impact to the travel company or agency since all the travel activity such as the airlines, hotels, indoor and outdoor entertainment are closed during the pandemic.

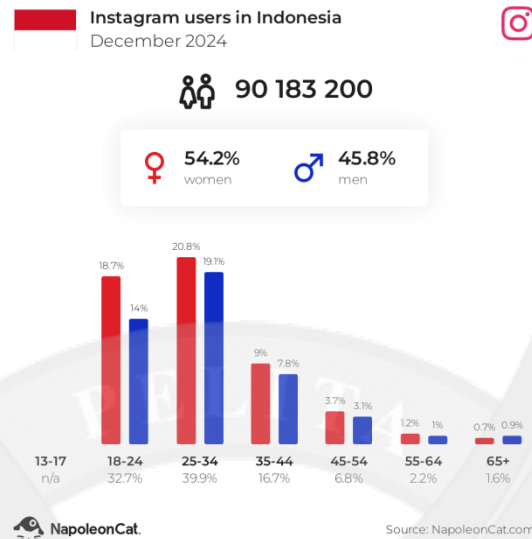
Travel Company has been through a lot since the pandemic hit the world in 2020 and the effect of this problem is the travel company has to close their business for about 2 years. The global hospitality and tourism sector is undergoing substantial transformations, driven not only by the impact of COVID-19-related travel restrictions but also by groundbreaking digital innovations. Travel, tourism and the hospitality business including the hotels, restaurants and airlines suddenly had to temporarily close down the operation. This is the first response from the

government to the travel, tourism and hospitality business in facing the pandemic (Ivanov et al., 2022).

Tour and travel agencies are an established business type that continues to maintain its potential as a promising venture. This sector also plays a key role in attracting international tourists to Indonesia, as they can easily find tour and travel services online to assist with their journeys (Damayantiet al., 2021).

In this globalization era, most of the time people spend their time on the phone whether to see news, study, work, entertainment and even shopping. Social Media is one of the media that is popular right now where by this social media, people can share their thought by posting a picture, video and etc. Social Media is not a platform that use for an individual needs but also the platform that use by many people to promote their business by ads. Two of the social media that will used in this research is Instagram and TikTok.

The demand of travel industry has been increasing a lot since the pandemic especially in Medan. There's a lot of travel company that open in Medan that's mean every travel company has a challenge to make their own specialty so people can know and attracted to join the travel in that company. The travel company can give the uniqueness by the technic marketing through social media especially Instagram, TikTok , Brand image, and Facilities.

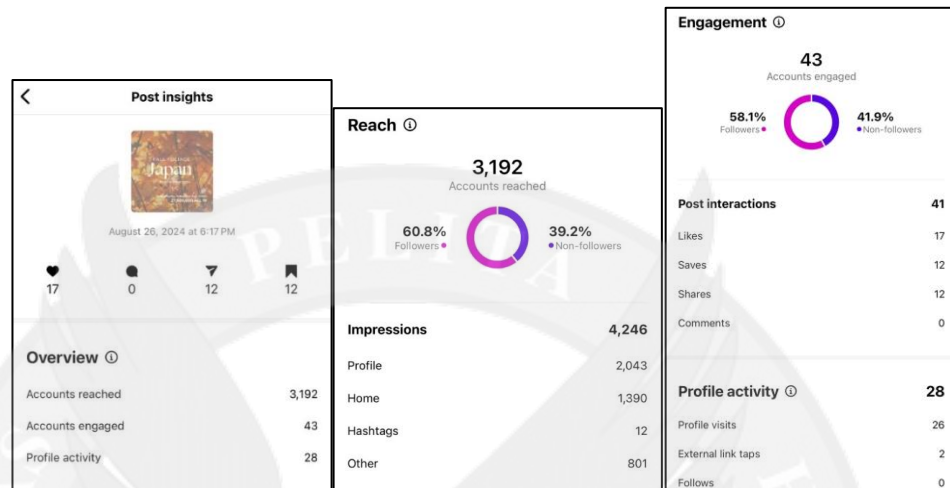


**Figure 1. 1 Data of Instagram Users in Indonesia per December 2024**

Source: NapoleonCat.com, 2024

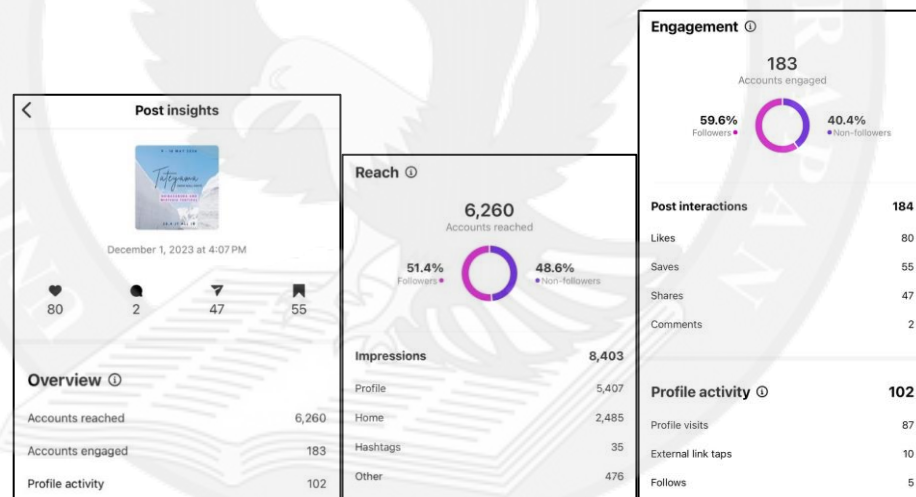
According to the data above, in December 2024 there were 90.183.200 Instagram users in Indonesia, representing 31.8% of the country's total population (NapoleonCat.com, 2024). Instagram become one of the most popular social media in Indonesia due to the features that provides to the users. Instagram's growth has led to its present reputation as the social media platform that works best for an organization's marketing communications, which emphasizes the significance of brand communication activities which is branding (Kusumasondjaja, Tomo, Ramadhan, Alfayed, Rusnadi, et al., 2023). Instagram has evolved from being merely a platform for individuals to a valuable tool for businesses. The photo-sharing application enables companies to create free business accounts, providing a platform to promote their brands and products effectively. Business accounts also grant access to complimentary engagement

and impression analytics, allowing companies to assess their performance. (Augustinus & Agnes, 2020).



**Figure 1. 2 Japan Autumn Instagram Post Insights**

Source: Kimchi Hana Tur Instagram (2025)



**Figure 1. 3 Japan Tateyama Instagram Post Insights**

Source: Kimchi Hana Tur Instagram (2025)

This shows that higher social media engagement leads into higher message acceptance, demonstrating that the audience accepts and reacts enthusiastically to the information presented through Instagram post (Kusumasondjaja et al., 2023).

TikTok is another social media platform that used in this research to see whether this TikTok marketing can impact to the purchase decision in a travel company. TikTok give a feature to the user to post a video, direct message and live. We can see that TikTok feature is less than Instagram's feature. TikTok also give the opportunity for the businesses to put a promotion by ads. TikTok can be a channel for the businesses to make content on TikTok so people will know about the company and as a sales promotion content so people will interested and purchase the product or service that is given by the company. TikTok is widely regarded as a highly effective platform for product promotion. With hundreds of thousands of users across the globe, TikTok offers extensive reach and visibility for promoted products. Numerous individuals and businesses leverage TikTok to market their products and services, with many achieving significant success in their endeavors (Martini et al., 2022).

Brand image is the general impression, perception, and associations any given customer has about a brand. The perception of a brand's image is influenced by a multitude of factors such as their prior experiences with the brand, its products/services, and how much they personally relate with the brand's identity. Brand image encompasses the attributes and advantages associated with a brand that distinguish it and set the company's offerings apart from those of its competitors ( Siddiqui et al., 2021). It is essential for the image to be distinct and

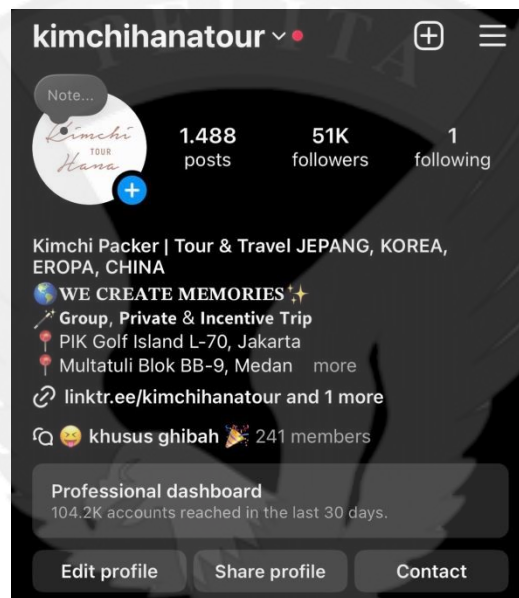
to highlight the brand's competitive advantages over others. Additionally, the creation of a brand image is heavily influenced by the experiences consumers have with the brand (Ali et al., 2021).

Brand Image is very important since the impression before and after using the product and service in the company will influence on customer purchase decision. If the company have a higher brand image it will lead to the higher purchase decision in the company (Rihayana et al., 2022).

A strong marketing program highlighting unique and distinctive products can help establish a positive brand image. Companies focus on developing a brand image to shape how consumers perceive their products. This perception enables consumers to evaluate and compare the product's quality and value against competitors (Fitriani & Ahmad, 2021).

Facilities are the key of determining the quality of services that will be received by the customer. The high quality facilities will attract more customer and encouraging the customer to make a purchase (Minarta et al., 2023). Tourist facilities serve as essential complements to tourist destinations, designed to fulfill the needs of travelers during their trips (Jayaprakash & Mythili, 2017). Tourism facilities include airports, restaurants, and hotels. Additionally, attractions offered by travel companies, such as scenic spots, are also considered part of the facilities provided to customers. However, the growing demand for facilities like hotels and transportation has become increasingly significant. (Qian et al., 2021).

The availability of facilities at business establishments now plays a crucial role in attracting consumer interest. The more comprehensive the facilities provided, the greater the customer satisfaction, which increases the likelihood of repeat purchases. Well-designed facilities that meet customer needs create a sense of being well-served (Imalia & Aprileny, 2020).



**Figure 1. 4 Instagram of PT Kimchi Hana Tur Medan**  
Sources: PT Kimchi Hana Tur Medan, 2025





**Figure 1. 5 TikTok of PT Kimchi Hana Tur Medan**  
Sources: PT Kimchi Hana Tur Medan, 2025

This research is taken place in PT Kimchi Hana Tur. PT Kimchi Hana Tur is a travel agent based in Medan, North Sumatra and was founded in 2016 which initially provided tour services to South Korea and in 2018 PT Kimchi Hana Tur expanded its business by providing tours to Japan but unfortunately in 2020 PT Kimchi Hana Tur must closed the office temporarily due to Covid-19 era and reopen the office in 2022. For now, PT Kimchi Hana Tur have open trip are Japan, Korea, China and Europe.

As we know that there are many travel company that is more popular and known by people especially in Medan, it's a challenge for PT Kimchi Hana Tur to become one of the popular travel company in Medan.





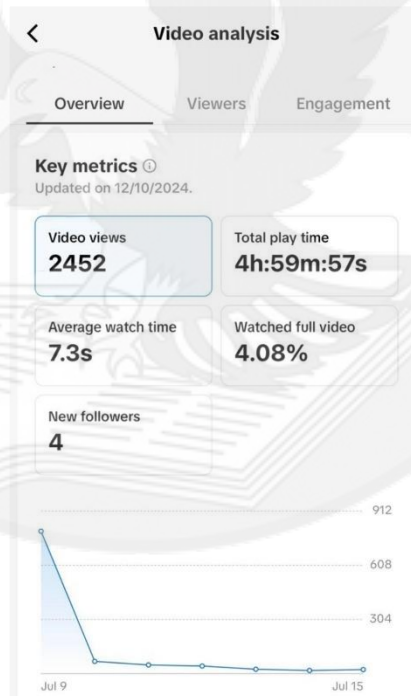
**Figure 1.6 Instagram Insight 17 December 2024 – 15 January 2025**  
 Sources: Instagram PT Kimchi Hana Tur, 2025



**Figure 1.7 Instagram Insight 11 November 2024 – 10 December 2024**  
 Sources: Instagram PT Kimchi Hana Tur, 2025



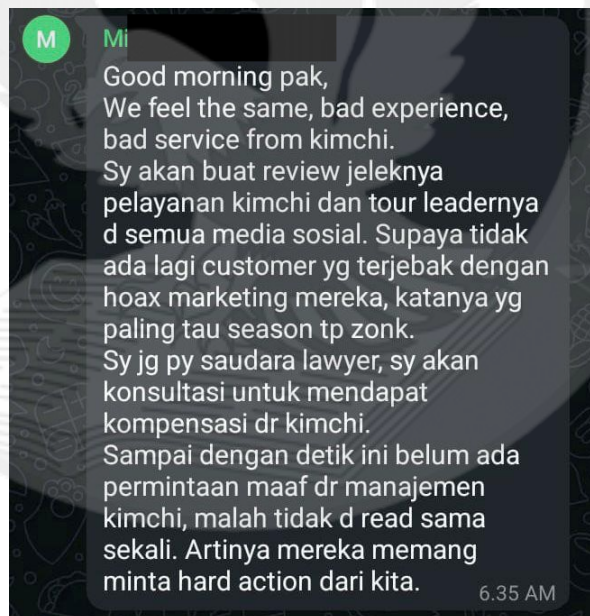
**Figure 1.8 TikTok Video Analysis June 2024**  
Sources: TikTok PT Kimchi Hana Tur, 2025



**Figure 1.9 TikTok Video Analysis July 2024**  
Sources: TikTok PT Kimchi Hana Tur, 2025



**Figure 1.10 TikTok Video Analysis August 2024**  
 Sources: TikTok PT Kimchi Hana Tur, 2025



**Figure 1.11 Review of PT Kimchi Hana Tur Medan**  
 Sources: PT Kimchi Hana Tur, 2025

Based on the data shown in the image, it is evident that PT Kimchi Hana Tur Medan has received a strongly negative review from a customer who expressed dissatisfaction with both the service quality and the tour leader's

performance. The customer also mentioned intentions to share their bad experience across social media platforms. This kind of feedback highlights a serious issue in customer service and brand trust, which directly affects the company's brand image, and purchase decision factors.



Figure 1.12 Kimchi Hana Tur Medan's Facilities Review

Sources: PT Kimchi Hana Tur, 2025

The review in the image highlights a key issue related to the facilities provided by PT Kimchi Hana Tur Medan, particularly concerning the quality and appropriateness of meals during the tour. The customer, who follows a vegetarian diet, expressed disappointment with the food options, criticizing the company for serving unhealthy and unsuitable meals like Korean instant noodles. This reflects a lack of attention to dietary needs and overall meal quality, which are important components of the facilities offered during a travel experience.

Table 1. 1 Total Customer and Sales (2023-2025)

| TRIP | TOTAL<br>CUSTOMER | SALES |
|------|-------------------|-------|
|------|-------------------|-------|

|                                   |    |  |
|-----------------------------------|----|--|
| Korea Autumn October 2023 Batch 1 | 29 | 29 pax x Rp 25.000.000<br>= Rp 725.000.000 |
| Korea Autumn October 2023 Batch 2 | 36 | 36 pax x Rp 25.000.000<br>= Rp 900.000.000 |
| Japan Autumn October 2023         | 30 | 30 pax x Rp 26.700.000<br>= Rp 801.000.000 |
| <b>Total Sales</b>                |    | <b>Rp 2.426.000.000</b>                    |

| <b>TRIP</b>                      | <b>TOTAL<br/>CUSTOMER</b> | <b>SALES</b>                               |
|----------------------------------|---------------------------|--|
| Kawazuzakura Japan February 2024 | 36                        | 36 pax x Rp 26.500.000<br>= Rp 954.000.000 |
| Tateyama Japan May 2024          | 33                        | 33 pax x Rp 28.400.000<br>= Rp 937.200.000 |
| Korea Autumn October 2024        | 18                        | 18pax x Rp 24.500.000<br>= Rp 441.000.000  |
| Japan Fall November 2024         | 2                         | 0 (cancelled trip)                         |
| <b>Total Sales</b>               |                           | <b>Rp 2.332.200.000</b>                    |

| <b>TRIP</b>                      | <b>TOTAL<br/>CUSTOMER</b> | <b>SALES</b>       |
|----------------------------------|---------------------------|--------------------|
| Winter Korea January 2025        | 15                        | 0 (cancelled trip) |
| Kawazuzakura Japan February 2025 | 9                         | 0 (cancelled trip) |
| Tateyama Japan May 2025          | 6                         | 0 (cancelled trip) |
| <b>Total Sales</b>               |                           | <b>0</b>           |

Source : PT Kimchi Hana Tur Medan (2025)

The data above show that the total customer per trip was decreasing and that means purchase decision in PT Kimchi Hana Tur has been declining and some for the trip have to be canceled since the nominal of people who join the trip is not reach the minimum packs. This is the problem that faced by PT Kimchi Hana Tur.

Based on the background, the writer is interested in conducting research with the title “The Influence of Instagram Marketing, TikTok Marketing, Brand Image, and Facilities Towards Purchase Decision at PT Kimchi Hana Tur Medan”

## **1.2 Problem Limitation**

In this research, the writer has limited the research which is Instagram Marketing, TikTok Marketing, Brand Image, and Facilities as the independent variables and Purchase Decision as the dependent variable. The tour packages selected by the writer for this research are among the most popular and sought-after destinations offered by PT Kimchi Hana Tur Medan. These packages include Kawazuzakura Japan (February 2024), Tateyama Japan (May 2024), Korea Autumn (October 2024), Japan Fall (November 2024), Winter Korea (January 2025), and Kawazuzakura Japan (February 2025). These destinations have been chosen due to their high demand among travelers and their alignment with seasonal attractions that appeal to a wide range of tourists. The respondent of this research will be only limited for the customer of PT Kimchi Hana Tur Medan.

## **1.3 Problem Formulation**

Based on the background study and the problem limitation that is stated above, the problem formulation can be formulated as follows:

1. Does Instagram Marketing have partial influence on purchase decision at PT Kimchi Hana Tur Medan ?
2. Does TikTok Marketing have partial influence on purchase decision at PT Kimchi Hana Tur Medan ?
3. Does Brand Image have partial influence on purchase decision at PT Kimchi Hana Tur Medan ?



4. Does Facilities have partial influence on purchase decision at PT Kimchi Hana Tur Medan ?
5. Does Instagram Marketing, TikTok Marketing, Brand image, and Facilities have simultaneous influence toward purchase decision at PT Kimchi Hana Tur Medan ?

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

The objectives of the research are as follows:

1. To identify the influence of Instagram marketing towards purchase decision at PT Kimchi Hana Tur Medan
2. To identify the influence of TikTok marketing towards purchase decision at PT Kimchi Hana Tur Medan
3. To identify the influence of brand image towards purchase decision at PT Kimchi Hana Tur Medan
4. To identify the influence of facilities towards purchase decision at PT Kimchi Hana Tur Medan
5. To identify the influence of Instagram marketing, TikTok marketing, brand image, and facilities towards purchase decision at PT Kimchi Hana Tur Medan

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

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



This research can be beneficially for the research and reader mainly for the theory of “ The influence of Instagram Marketing, TikTok Marketing, Brand image, and Facilities towards Purchase Decision of PT Kimchi Hana Tur Medan “.

### **1.5.2 Practical Benefit**

1. For PT Kimchi Hana Tur Medan

PT Kimchi Hana Tur gets the overview and recommendation especially in Instagram marketing, TikTok marketing, brand image, and facilities to increase the purchase decision in the company.

2. For the writer

The writer gets an opportunity to know new knowledge especially in Instagram marketing, TikTok marketing, brand image, facilities and purchase decision.

3. For the other researcher

The other researcher can use this research as the references especially in related topic of Instagram marketing, TikTok marketing, brand image, facilities and purchase decision.