

CHAPTER 1

INTRODUCTION

1.1 Research Background

Clothing is one of the primary needs of everyone in the world, an outfit with good quality and attractive design will certainly be in demand by the public. Famila in (Devy & Imanudin, 2020). This can be called a trend fashion, trend Fashion in Indonesia is influenced by Europeans and Asians who come and live in Indonesia, which gives rise to a new term, namely Fashion Business. The Ministry of Industry (2018) in Devy & Imanudin (2020) the minister of industry, Airlangga Hartato, at the 2018 Muslim Expo event which took place at the Plaza of the Ministry of Industry said "The fashion industry remains a source of income with an export value of US\$ 8.2 billion until July 2018 (122 Trillion). This shows that the value of export growth is 8.7%, with this performance it can be seen that products from the Indonesian Fashion sector can dominate 1.9% of the fashion market in the world". In Indonesia, the fashion industry is one of the largest contributors to the national Gross Domestic Product/GDP, which is 3.76% with the value of exports in 2017 of USD 13.29 billion, an increase from the previous year of 8.7%. The Director General of Small and Medium Industries (IKM) of the Ministry of Industry, namely Gati Wibawaningsih, gave a positive response. Indonesian fashion has high competitiveness on an international scale".

In the industrial revolution 4.0, digital technology is a major capital that is needed by business owners who aim to develop their businesses. The industrial revolution 4.0 is proof that the development of the industrial sector cannot be separated from technology that continues to develop today. Developments in the industrial sector along with technology that continues to develop will have a positive impact on a country, which can improve the economy of a country. A country can use digital technology to push the country's economy to a digital economy. Indonesia is one of the countries that has great potential to develop the digital economy. Google & TEMASEK (2018) in Latifah (2019) the results of the study show that one of the things that can support the development of the internet in the economic field in Indonesia is the large number of internet users in Indonesia.

Mabry (2010) in Beneke et al., (2014) this is a concern, due to the increasing use of sites from network social and social media where as tool marketing a number of year last . Perdue (2010) in Beneke et al., (2014) brands use opportunity this to set targets for customers and make online relationship becomes more strong . Zakaria (2017) in Bulan & Sudrajat (2019) Indonesia has many very products famous local Indonesian , in the field of fashion one of them is in form shirt . In IDN Times there are 10 local brands that are known by the public:

Table 1.1 Indonesian Local Brands

No	Brand	Instagram Followers
1	Erigo	376,000
2	Thanksinsomnia	373,000
3	Dreambirds Artwear	334,000
4	Sunday Sunday CO.	298.000
5	Kamengski	136,000
6	Yogs	133,000
7	Thinkcookcook	97,300
8	monstore	44,900
9	Sans	17,000
10	Oomao	3.495

(Accessed March 31, 2022 At 7: 4 0 , source:

<https://ejournal.umm.ac.id/index.php/sospol/article/view/8505/pdf>)

Kertamukti (2015) in Moon & Sudrajat (2019) if seen from number of Instagram followers, in September 2018 Erigo is a brand with rating the first to have the most followers among other local Indonesian brands as many as 367,000 followers. Based on Rossiter and Percy and those who have developed Kertamukti , followers work for determine something popularity , so could said that Erigo is a local brand that has known by the Indonesian people. Jersley et al., (2016) in Xiong et al., (2021) in the product market where each other competitive one each other,

company pay more attention to brand building, because this can be a supporter of business or business growth. Popularity from Key Opinion Leaders (KOL) is on social media such as Facebook, Instagram, Youtube , WeChat, and Douyin . They could influence development effort you know business by fast . Turcotte et al. (2015) in Xiong et al., (2021) Key Opinion Leader is a someone who has influence in social media , they expressive with share life personal , and social skills . Zhao et al. (2018) in Xiong et al., (2021) they are conceptualized as individuals who can influence the thoughts and behavior of others.



Figure 1.1 Logo Erigo

(Accessed on March 31, 2022 at 7:47 PM, source:

<https://glints.com/id/companies/erigo-indonesia/8f7fd66f-32a2-467e-9aff-6acd9fa786b9>)

Erigo is a brand that is struggling in the fashion world with high quality in Indonesia that has a product design that is suitable for everyday use. Erigo produce clothes for men and women , excellence Erigo for teenagers _ is appearance the latest products , with a semi-formal design, comfortable, and relaxed. In Indonesia, Erigo is a quality clothing brand __ high and best on the market. Moment this Erigo already start enter trading international and ready for compete with other brands , where is Muhammad Sadad? as CEO of Erigo Store saw opportunity in the world of fashion and tourism so that push Sadad for set up Erigo . On November 28, 2010 was beginning from the CEO of the Erigo Store entered

fashion industry with its first brand i.e. SELECTED AND CO, after that's the brand changed name Becomes Erigo on the moon June 2013 by presenting a new and fresh concept (Erigostore.co.id, 2022) .

beginning _ establishment Erigo , Muhammad Sadad as CEO of Erigo start his business in Depok in a room with a studio type. In the beginning, all the production was still done alone without the help of others, even at the time that not yet use name Erigo , moment it's Muhammad Sadad sell something products with the concept of batik and ikat. However, as time goes by, the concept is getting less and less attractive to the public. In the end , Muhammad sadad follow an event called JakCloth in mid- 2013, and made Erigo start known and loved by the public. Muhammad Sadad felt that it was not easy to build a business . so that he once go home without bring any profit (Utami , 2021) .

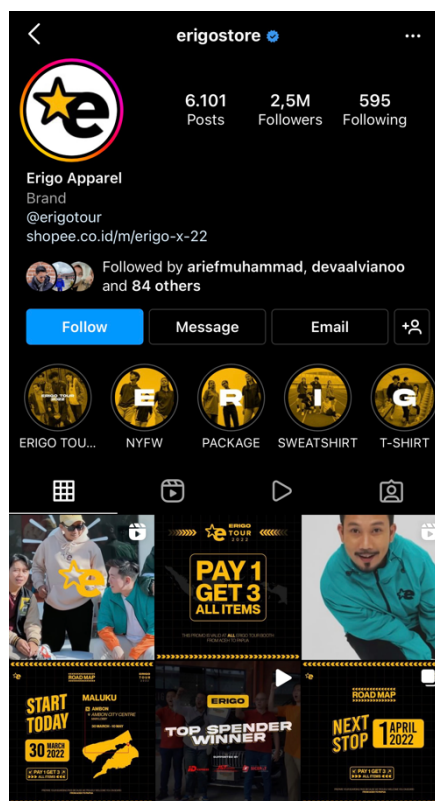


Figure 1.2 Erigo Instagram Account

(Accessed on March 31, 2022 at 20:17, source:

https://instagram.com/erigostore?utm_medium=copy_link)

Behind business Erigo who walks with well done , Erigo have experience big loss _ when To do promotion product Erigo , Erigo too _ experience big losses

when making bazaars in Makassar, Surabaya , and Malaysia. Due to loss that , Muhammad Sadad as CEO of Erigo Keep going attempted for increase sale Erigo . In 2015, Erigo succeed increase sale Erigo (Utami , 2021) . Erigo as a brand engaged in fashion and business have a number of products made and sold in the market. Following is products from Erigo :

Table 1.2 Product Erigo

No	Product
1	Shirt
2	Shirt
3	Hood
4	Jacket
5	Jogger pants
6	Chino pants
7	denim pants
8	Shoe

(Source: Managed by researchers, 2022)

In the business world in launching a business , company start for promote business , there are also businessmen who promote the business use popularity of a person, known as a Brand Ambassador. Judging from the phenomena above, the researchers are interested in seeing how much influence the Gading Marten as Brand Ambassador for Brand Image Erigo , so that could prove is with using the community 's Gading Marten Brand Ambassador could more know and have high interest _ against the Erigo brand . Erigo doing a fashion show at New York Fashion Week in September 2022, Erigo launch Erigo X made by exclusive special for shown at the Fashion Show in New York, product this showing 16 views for confirm Erigo X, who has meaning spirit young soul . Success Erigo , who brought Indonesian products internationally, received appreciation of the Minister of Tourism and Creative Economy that is Sandiaga Uno delivered via Instagram Live (Astutik, 2021) .

Ekhveh & Darvishi (2015) in Samuel & Alexander (2018) brand awareness is the ability possessed by customers in recognize brand various situations and conditions that show customer awareness of a brand. Crouch et al (2016) in

Marland & Wagner (2020) conducting regular interactions with Brand Ambassadors can have an influence on emotional, cognitive, and social engagement with customers. Prawira (2012) in Cece (2015) Brand Ambassador is someone who becomes representation image or portrait best something product . Representation this usually from among people who are popular or celebrity . Brand Ambassador or ambassador brand is a communicator who holds role important in convey message related something products offered _ to customers. D nature Fashion Show event in New York , Erigo brings artists and influencers from Indonesia who will display 16 displays of Erigo X products (Haya, 2021) . Here is the number of followers of the artists and influencers brought by Erigo :

Table 1.3 Followers Instagram Brand Ambassador Erigo Store

Name	Instagram Followers
Ivory Marten	21.3 Million
Feby Rastanty	8.2 Million
Rachel Vennya Roland	6.6 Million
Arief Muhammad	4.8 Million
Enzy story Leovarisa	3.3 Million
Denny Sumargo	2.1 Million
Omar Daniel	722 Thousand
Den Dimas	404 Thousand
Reza Chandika	222 Thousand

(Source: Managed by researchers, 2022)

Erigo choose artists and influencers for become a Brand Ambassador who will showing 16 appearances product Erigo X is Gading Marten, Feby Rastanty , Rachel Vennya Roland, Arief Muhammad, Enzy Storia Leovarisa , Denny Sumargo , Umar Daniel, Den Dimas, and Reza Chandika.

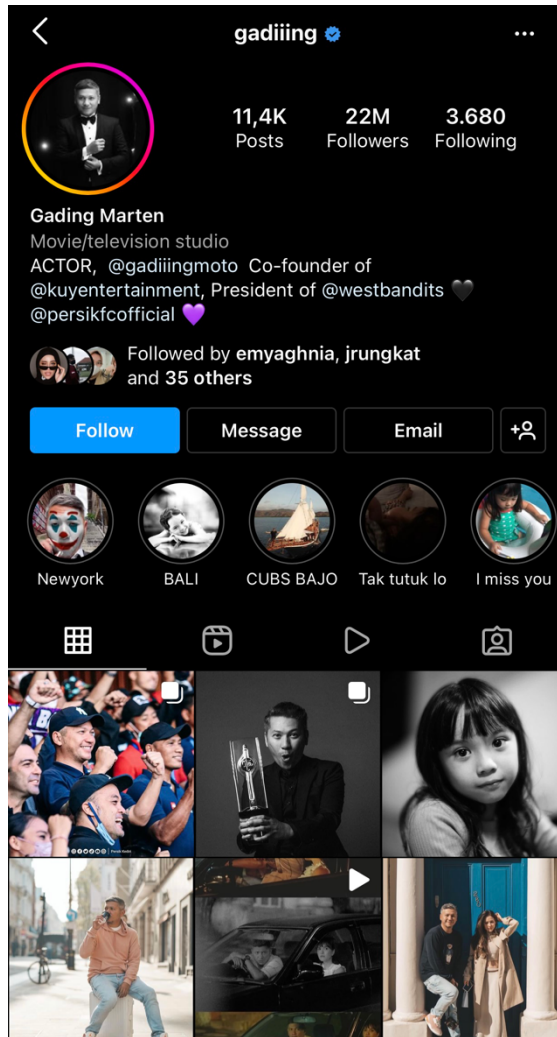


Figure 1.3 Gading Marten's Instagram Profile

(Accessed on March 31, 2020 at 22:47, source:

[https://instagram.com/gadiiing?utm_medium=copy link](https://instagram.com/gadiiing?utm_medium=copy_link))

Royan (2004) in Semuel & Alexander (2018) celebrities greatly influence brands by have credibility , such as being trustworthy, being expert at something, and having a liking for something. On research this , researcher choose Gading Marten as erigo 's brand ambassador will be investigated . election this based on number of Instagram followers Ivory marten far away more high compared to other Influencers who are erigo 's Brand ambassadors like listed in table 1.2.

Gading Marten was born in Jakarta, on May 8, 1982, 40 years old. From Gading Marten's marriage to Gissela Anastasia, Gading Marten has one child named Gempita Nora Marten. Gading Marten is a graduate of Atma Jaya University, Faculty of Management Economics, Gading has a hobby of photography and collecting motorcycles. Beginning of career Gading Marten is as

footballer , with closeness and support family in entertainment make it pursue career in entertainment (Dailysia.com, 2021) . From the table above, it can be seen that Gading Marten is an artist who has the most Instagram followers among artists and influencers who display product Erigo . Not only that, Gading Marten also has awards others who can take effect in enhancement the Erigo brand image . In 2012, Gading Marten received AMI Awards for Creation Best Rhythm & Blues production (B1, 2012) . In 2018, Gading Marten received the Citra Trophy for Best Male Leading Actor (Zefanya, 2021) . In 2019, Gading Marten received AMI Awards in Male Lead _ Favorite (Noviandi & Sumarni , 2019) .

Study this have journal before entitled " Influence " The Use of Celebrity Endorser Arif Muhammad on Instagram Against the Erigo Store Brand Image "made by Setia Indah Setara & Ratih Hasanah Sudrajat with results study there is positive influence _ Among variable celebrity endorser Arief Muhammad (X) on the brand image variable (Y) on the Erigo Store brand is 50.1%, which means could concluded that Arief Muhammad as a celebrity endorser on Instagram @erigostore is able affect the brand image of the Erigo Store. With existence change of brand ambassador erigo from Arief Muhammad became ivory marten then Researcher interested for do study this . Researcher want to see is Ivory Martin also gave influence as the Brand Ambassador of Erigo Store for the Brand Image of Erigo Store.

1.2 Problem Identification

Based on the background of the research that has been made, it can result in the identification of this research problem, as follows:

- How big is the influence of the brand Gading Marten ambassador for the brand image Erigo among Erigo 's followers ?

1.3 Research Objectives

Based on the identification of the problems that have been made, the objectives of this study are as follows:

- To find out how much influence the brand has Gading Marten ambassador for the brand image Erigo among Erigo 's followers .

1.4 Research Uses

The results of this study are expected to be useful for all parties. The usefulness of this research is grouped into two, namely theoretical and practical. The uses obtained from this research are as follows:

a. Use of Theory

This research is expected to provide results that can be used to add to existing knowledge, especially in the field of marketing. Especially regarding, purchasing decisions. And hopefully this research can be a reference for future research.

b. Practical Use

This research is expected to provide input for Erigo . To improve all services, to improve consumer purchasing decisions on their brands.

1.5 Research Time and Period

This research was conducted by taking the object of research, namely Erigo customers . And to conduct research, researchers need time from September 28, 2021 to August 2022. The following is a breakdown of the time and period of the research to be carried out:

Table 1.3 Time and Period of Research

No	Research Stages	Oct	Nov	Des	Jan	Feb	Mar	April	May	Jun	Jul	Aug
1.	Research preparation											
2.	Determine topic and title											
3.	Arrange Chapter I-III											
4.	Research Proposal Revision											
5.	Proposal Defense											

6.	Proposal Defense Revision												
7.	Research												
8.	Arrange Chapter IV-V												
9.	Thesis Defense												

(Source: Researcher Processed Data, 2022)

1.6 Research Writing Systematics

To make it easier to read, in general, this research will be divided into five chapters consisting of:

a. Chapter 1 Introduction

This chapter contains a general explanation that can describe the content of this research. This chapter includes Research Overview, Background, Problem Identification, Research Objectives, Research Uses, Research Systematics.

b. Chapter 2 Literature Review

This chapter contains the theoretical basis, which is a reference for this research. This chapter includes a Review of Research Literature, Past Research, Framework for Thinking, Scope of Research.

c. Chapter 3 Research Method research

This chapter contains approaches, methods, and techniques that collect and analyze data that can answer and explain research problems. This chapter includes Types of Research, Operational Variables, Population and Sample, Data Collection, and Data Analysis Techniques.

d. Chapter 4 Results and Discussion

This chapter contains the results and discussion of the characteristics of respondents viewed from various aspects, discusses and answers research questions, and the results of data analysis calculations that have been carried out.

e. Chapter 5 Conclusions and Suggestions

This chapter contains conclusions from the analysis results, suggestions for the parties concerned, and directions for further research.