

CHAPTER I

INTRODUCTION

1.1 Background

The development of the times and the increasingly modern Lifestyle of this society can also lead to the development of increasingly varied and complex consumer needs. One of them is the need for transportable vehicles. Along with the increase in community mobility, which requires convenience in all its activities, and as a result of the increase in human population, it has a huge impact on meeting the needs of transportation, especially two-wheeled vehicles. Motorcycles, unlike cars, are in high demand compared to cars as they allow fast travel.

Motorcycles are the most popular among the public. Many other means of transportation. Compared to public transportation, Motorcycle are chosen to support daily life. Motorcycles are considered more practical and agile in order to get through the congestion that often occurs in Indonesia. In choosing a Motorcycle, people are increasingly selective in choosing a Motorcycle. Because of the many interests of the public in Motorcycle, the Motorcycles industry competes to attract the attention of consumers with various kinds of Motorcycle innovations and effectiveness (Pratama and Hayuningtias, 2022).

Nowadays, technological advances and competitive market competition make every business actor try to win the competition and seek attention by implementing the right marketing strategy. Companies must pay attention, understand and respond quickly to changes in consumer needs and desires to be able to win in this intense competition. In addition, to be successful in marketing a good or service, every company must have competitive product quality competing (Rizky et al. 2022).

Advertising is a process used by consumers to select, organize, and interpret information about a product that comes from Advertising (Hakim, 2013) in Rokhmawati et al. (2022). Advertising will have a big influence in attracting

consumer interest, therefore advertisements must be right on target and effective in order to attract consumers to make purchasing decisions. Every consumer has a different interpretation of a message in an advertisement. If consumers interpret messages in advertisements as positive, the more likely consumers are to make purchasing decisions.

According to Kotler and Keller 2016 in Ali et al. (2021), Brand Image is the consumers perception of a brand as a reflection of the associations that exist in the minds of consumers. Brand Image is an association that appears in the minds of consumers when remembering a particular brand. The association can simply appear in the form of certain thoughts and images associated with a brand. The image of the brand is related to attitudes in the form of beliefs and preferences for a brand. Brand Image consists of consumer knowledge and beliefs about the brand. Consumers who have a positive perception of a brand mean that the brand has a strong message compared to competitors brand messages.

Lifestyle is one of the factors that influence the decision to buy a product. Kotler and Keller in Prakosa and Tjahjaningsih (2021) reveal that the way individuals live their lives is shown by their activities, hobbies, and opinions. Activity, hobbies, and individual attitudes prove their Lifestyle. At this time, along with the development of existence, information and technology, the Lifestyle of these consumers or the general public tends to follow changes. One of the main elements that can stimulate consumer interest in life-enhancing products is a dynamic way of life. Now days, consumers have various needs, and businesses must match these needs by producing various goods and services. As consumers demands and Lifestyles are constantly changing, marketers can no longer focus solely on finding their needs and wants.

Purchase Decision according Philip and Keller (2016) in Rizal and Yani (2022) state that the core of consumer Purchasing Decisions is a process that combines knowledge to evaluate two or more cognitive behaviors and choose one of them. Purchasing Decisions are an important problem-solving process for most consumers, whether they are individuals or organizations, going through a similar mental process in deciding which products and brands to buy. Consumer behavior

is influenced by several main factors, namely cultural, social, personal and psychological, each of these factors consists of smaller elements that form a unity of how humans in their economic life.

Honda itself has various types of Motorcycle. Starting from duck Motorcycle, sports Motorcycle, and automatic Motorcycle or commonly called scooters. The most popular type of Honda Motorcycles is an automatic Motorcycles, one of which is Scoopy. This Honda Scoopy automatic Motorcycle is a type of Honda Motorcycle that is of interest to the people of Indonesia, especially among young people. This Honda Scoopy Motorcycle has a contemporary design and also the toughness of the engine that has been tested to be the most important factor in determining the choice of an automatic Motorcycle. In addition, there are supporting features such as a cellphone charger, spacious luggage, and much more. Because of the many features, the sophistication of Honda Scoopy, many people decide to buy Honda Scoopy (Pratama and Hayuningtias, 2022).

Sales of automatic Motorcycles are increasing as a result of modern Lifestyles that want things that are easy, practical, and look attractive. This encourages every Motorcycle manufacturer to compete to make new Motorcycle to meet the needs of the community and to remain the ruler of the Motorcycle market share, especially matic Motorcycle. Currently, automatic Motorcycles are one of the choices of the public in choosing motorized vehicles. This can be seen from the AISI (Indonesian Motorcycle Industry Association) data for 2021-2022 Indonesia's Matic Motorcycle Market Share as follows:

Table 1.1 Indonesia Matic Motorcycles Market Share in 2021-2022

No	Producer	Year	
		2021	2022
1	Honda	77,68 %	68 %
2	Yamaha	21,04 %	48,04 %
3	Kawasaki	0,86 %	0,86 %
4	Suzuki	0,36 %	0,36 %
5	TVS	0,04 %	0.04 %

Source: Data AISI (2021-2022)

The data above illustrates that there is an increase in Honda matic Motorcycles users from 2021-2022, Honda is the largest matic Motorcycles companys in Indonesia with a market share of 77.68% in 2021 and 68% in 2022.

Despite the decline, Honda still maintains the top spot. Yamaha is in second place with a market share of 21.04% in 2021 and an increase to 48.04% in 2022. Suzuki, Kawasaki, and TVS have smaller market shares in 2022. Only Honda managed to increase Motorcycles sales from the previous year.

PT Astra Honda Motor (AHM) offers a variety of matic motorcycles in Indonesia. One of which has a unique character is the Honda Scoopy. The name Honda Scoopy comes from the word Scooter + Scoopy which means a scooter with a shape like a spoon (round or curve). Motorcycle concept Scoopy follows the Retro Modern flow which has a classic feel but packed with modern touch. Since its first release in May 2010, this motorcycle has often confirmed itself as the King of Retro Scooters in Indonesia. Honda Scoopy matic motorcycle has been Scoopy has spread to almost all provinces in Indonesia. This is evidenced by the existence of the Association of Scoopy Association (Septiani and Kusmayadi 2021).

Looking at the above phenomenon that based on AISI data for 2021-2022, sales of Honda brand Motorcycle dominate the first position in the market. In addition, Honda Scoopy Motorcycle are more attractive to consumers than other brands of automatic Motorcycle. Therefore, The Author is interested in testing and measuring how much influence Advertising, Brand Image and Lifestyle have on purchasing decisions, in this case The Author conducted research on the Honda Scoopy Motorcycles in Bengkalis.

Based on the description above, The Author are interested in conducting research with the title "**The Effect of Advertising, Brand Image and Lifestyle on Purchasing Decisions for Honda Scoopy Motorcycles (Case Study of Honda Scoopy Motor Bikers in Bengkalis)**". The results of this study this research is expected to find out how the effect of Advertising, Brand Image and Lifestyle on Purchasing Decisions.

1.2 Formulation of the Problem

Based on the above background, the formulation of the problem taken from this research is how The Effect of Advertising, Brand Image and Lifestyle on Purchasing Decisions for Honda Scoopy Motorcycles in Bengkalis.

1.3 Purpose of the Study

Based on in the formulation, The Author can state the objectives of this research are:

1. To determine the effect of Advertising on Purchasing Decisions for Honda Scoopy Motorcycles in Bengkalis.
2. To determine the effect of Brand Image on Purchasing Decisions for Honda Scoopy Motorcycles in Bengkalis.
3. To determine the effect of Lifestyle on Purchasing Decisions for Honda Scoopy Motorcycles in Bengkalis.
4. To determine the effect of Advertising, Brand Image and Lifestyle on Purchasing Decisions for Honda Scoopy Motorcycles in Bengkalis.

1.4 Significance of the Study

Each research is carried out to obtain benefits that are beneficial to all interested parties. The benefits that are expected by The Author in conducting this research include the following:

1. For Author
This research is expected to train The Author knowledge so that the author can continue to explore knowledge and information about things that the author has never known, both theoretically to be studied and in good writing and through this research can also be a graduation requirement to graduate and get a bachelor's degree (one) at The Author campus.
2. For International Business Administration Study Program
The research that The Author has done is expected to be a useful library in the study program which one day will be achieved for academic purposes.
3. For Other Parties
The benefit for other parties is to provide more knowledge to other agencies as a result of the research conducted. And as a reference for further research.

1.5 Scope and Limitation of the Problem

To avoid expanding the discussion and confusion in analyzing the problem, this research is given a scope limitation on of Honda Scoopy Motor Bikers in Bengkalis. This study uses dependent variable and independent variables. The dependent variable in this study is the Purchase Decision, while the independent variables are Advertising, Brand Image, and Lifestyle.

1.6 Writing System

The systematics of writing the Final Project Analysis of The Effect of Advertising, Brand Image and Lifestyle on Purchasing Decisions for Honda Scoopy Motorcycles (Case Study of Honda Scoopy Motor Bikers in Bengkalis) are as follows:

CHAPTER I: INTRODUCTION

In this chapter, The Author explains about the background, problem formulation, research objectives, research significance, scope and limitations of the problem, as well as the writing system.

CHAPTER II: LITERATURE REVIEW

This chapter describes the literature review and the previous theoretical basis that will be used in completing the research.

CHAPTER III: RESEARCH METHODOLOGY

This chapter will describe the research method, which consist of location and place of research, starting from the location, time and object of research, types and sources of data, data collection techniques, data analysis methods and types of research.

CHAPTER IV: RESULTS AND DISCUSSION

This chapter will explain the results, discussion and limitations of the research results. The results of the Thesis are made in the form of tables, graphs, photos or pictures or other.

CHAPTER V: CONCLUSIONS AND SUGGESTIONS

This chapter will explain the conclusions and suggestions obtained from the discussion that will be submitted by The Author.