CHAPTER I
INTRODUCTION

1.1   Background

The development of the internet today makes it easier for users to get information quickly, accurately, and in a wider space. Thanks to technological developments, people can enjoy various conveniences that can be accessed via the internet. Internet use in Indonesia is also increasing along with the proliferation of computers and smartphones. According to the latest data from the Indonesian Internet Service Providers Association (APJII) in 2020 it reached 196.7 million. From this data, internet users in Indonesia until the second quarter of 2020 reached 73.7 percent. Currently, many people use social media as a means of promotion and so on.
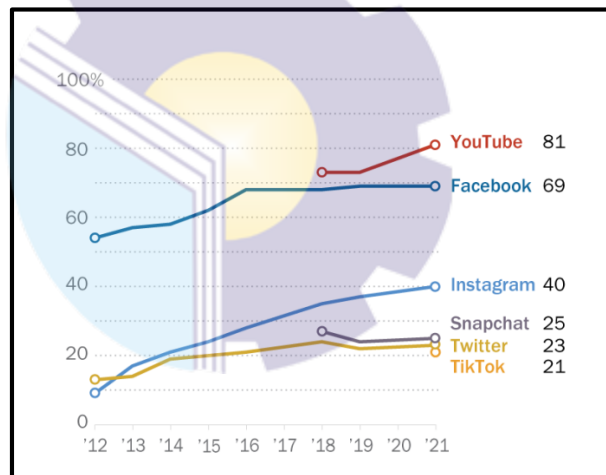

Figure 1.1 Social Media use in 2021
Source : Google

Based Figure 1.1 above, it is known that Youtube and Instagram are at the top of the list in Indonesia. However, Instagram has a lot of interesting content. Not only as a means of satisfying entertainment, Instagram is also a social media that has great opportunities in business activities. Based on other information contained in the warkakota, Indonesia is the largest community of Instagram users in Asia Pacific with the number of active users reaching 45 million people out of a total global user of 700 million people.

Seeing this, the company uses Instagram as a promotional medium. Promotion can be done in various ways, including advertising. Advertising is an information medium that is created in a certain way to attract the audience, is original, and has certain and persuasive characteristics. So that consumers are voluntarily compelled to do something in accordance with what advertisers want (Faela Sufa, 2012). An advertisement is shown to influence the feelings, knowledge, beliefs, attitudes, and images of consumers related to a product or brand. Businessmen are starting to think of strategies to increase the interest of potential consumers in their products.

Then, many companies and individuals who then use the internet in business activities, known as E-Commerce. E-Commerce is a commercial transaction that is carried out electronically by utilizing the internet (Yoldas, 2011). The e-commerce categories include Business to Business (B2), Business to Consumer (B2C) and Consumer to Consumer (C2C). The advancement of the internet has triggered many forms of Business to Consumer (online shop) to conduct electronic commercialization such as promotional activities because it is more effective and efficient than conventional media (Yoldas, 2011). Online business has begun to spread and provides its own advantages and conveniences for the perpetrators so that this actually triggers intense competition that utilizes the internet network, one of which is in the field of promotion through internet media. As many business people understand, promotion is a very important part that must be considered by a company. Without promotion, it is certain that a product or company will not be known by the wider community and will not be able to last long in the market.

Companies that provide goods and services flock to advertise on various social media such as Instagram, Youtube, Facebook, and Twitter, and Ecommerce companies are no exception. The digital world that is formed will slowly form a market or trading place which is often referred to as an emarketplace (Indarajit, 2011). This makes the growth of companies and small and medium enterprises (SMEs), startups in the selling sector develop and become more competitive. The

results of a recent study on the behavior of people who transact in E-Commerce stated that the millennial generation transacted the most in E-Commerce.

Promotions carried out by online shops can make it easier for consumers to choose the products offered freely anytime and anywhere, and save time. Promotional techniques and buying and selling through online shops are certainly more effective and efficient, because the prices offered are more affordable than shopping at malls or shops directly. With Instagram, Facebook and Tiktok, online shop businesses can provide information to consumers and build strong relationships between brands and consumers. Some online sellers use social networks Instagram, Facebook and Tiktok as promotional media with a large number of followers who follow the online shop account. Through social media, online shop business actors can observe and evaluate consumer wants and needs to then be able to provide and answer consumer needs.

Business people need media effective marketing with purpose expand its market. social media as a marketing tool of course related with marketing communications. In marketing communications there are marketing mix, one of which is promotion. The main reason someone does promotion is so that the product being marketed more and more people know. After product many people are known, then the sales results also increased. Main thing in promotion is to create a persuasive message that effective in attracting the attention of consumers. An effective message strategy is a message which can add promotional objectives. Based on the background described above, I hereby act as the author took the initiative to conduct research with the title **"Comparative Study of Promotional Tools Used on Social Media Instagram, Facebook and Tiktok***".*

1.2   Formulation of the Problem

Based on the background above, the author will identify the following problems: how to find out which promotional process tools are more dominantly used by online shop business actors on social media Instagram, Facebook and TikTok.

1.3   Purpose of the Study

Based on the formulation of the problem above, the purpose of this study is to find out which promotional process tools are more dominantly used by online shop business actors on social media Instagram, Facebook, and TikTok.

1.4   Significance of the Study

The results of this study are expected to provide benefits to the following parties:

1.   For researchers, this research is the application of the theories the author got while attending lectures. In addition, this research is also a requirement for the author to complete an applied undergraduate education (D-IV) in the international business administration study program at the Bengkalis State Polytechnic.

2.   For academics, the research results obtained can be used as a reference for marketing management, adding insight, knowledge, and increasing understanding of what process tools are used by Instagram, Facebook and Tik tok social media as online promotion media through observations and questionnaires.

3.   For online stores, this research is expected to provide more knowledge about what process tools are used by social media Instagram, Facebook and Tik tok as promotional media, so as to increase sales by utilizing the results of this research.

1.5   Scope and Limitation of the Problem

Based on the background previously described, the authors define the problem so that the scope of this research has clear boundaries.The problem boundaries that are made are this research, namely:

1. This research only focuses on what process tools are used by social media Instagram, Facebook and Tik tok as online promotion media in online stores.

2. This research was conducted on online shop business actors in the Bengkalis area.

1.6   Writing System

Systematics Writing to obtain an overview of the research conducted. Here is the order of writing:

CHAPTER 1 : INTRODUCTION

The introductory chapter describes the background, problem formulation, problem boundaries, objectives, benefits and writing systematics.

CHAPTER 2 : LITERATURE REVIEW

This chapter contains the theories needed to explain the variables studied, as well as the framework of thought. Theories that have to do with the subject matter selected and used as the basis for this writing.

CHAPTER 3 : STUDY METHOD AND PROCESS

The research method will describe the type of research, operational variables, research stages, data sources, sample and population, data collection methods and data analysis techniques.

CHAPTER 4 : RESULTS AND DISCUSSION

In this chapter 4 will explain the results and discussion after the authors conduct research based on data obtained through questionnaires of study.

CHAPTER 5 : CONCLUSIONS AND SUGGESTIONS

In this chapter 5 will explain the conclusions and suggestions of the study carried out.