

CHAPTER I

INTRODUCTION

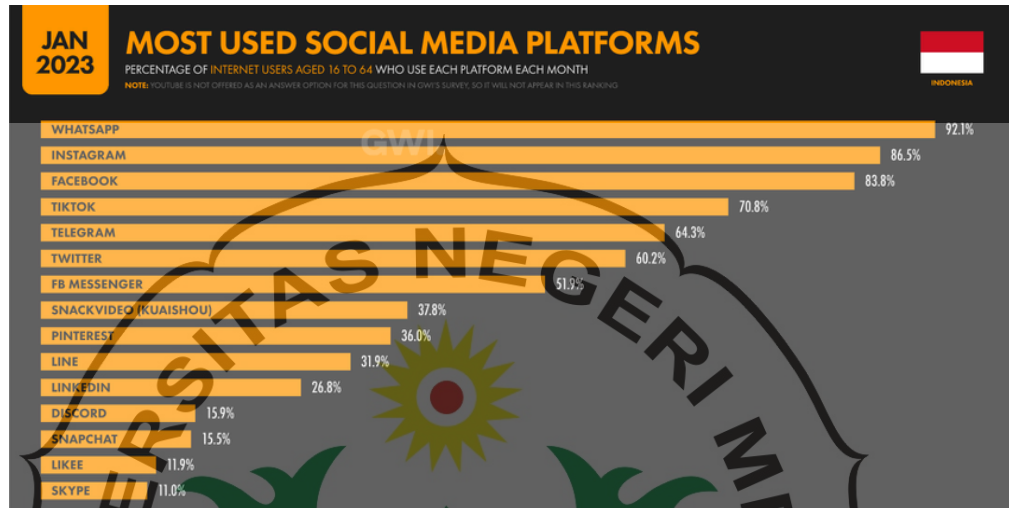
1.1 Background of the Study

The internet is rapidly developing into one of the sources of information that can be accessed easily. People can do many things such as socializing, looking for various information, reading, creating and even marketing the products they own or shopping online. According to Ekantoro et al. (2023), digital marketing is a product or service marketing strategy that leverages digital media. It utilizes platforms such as the internet, social media platforms, and smartphones for targeted promotional activities. This form of marketing involves leveraging digital tools and platforms to effectively reach and engage a wide audience, aiming to swiftly and efficiently capture consumer interest and encourage specific behaviors.

Marketing used to be mostly applied conventionally (offline), however in the current marketing trend, digital-based marketing (online) is more popular. This can be seen from the increasing number of internet users today. With the development of this technology, sellers and buyers can now carry out transactions without having to meet face-to-face. People can have a wider scope in searching for information and carrying out transactions at any time or in real-time with this strategy. As business develops today, competition is getting sharper in the business world to capture market share, companies are required to be able to empower their resources effectively and efficiently so that companies can have an advantage in competing (Saputra & Ardani, 2020).

One of the business industries that grows rapidly in Indonesia is the fast fashion industry. According to Aurell (2022), the fast fashion industry in Indonesia is experiencing significant growth, with the creative economy sector contributing 4.04% to the country's Gross Domestic Product in 2021. The user penetration in the fashion e-commerce market is projected to reach 31.6% in 2022 and is expected to increase to 40.8% by 2025. Additionally, the fashion industry is one of the largest foreign exchange earners for Indonesia, dominating the export portion of the creative economy sector (Asmoro, et al., 2022).

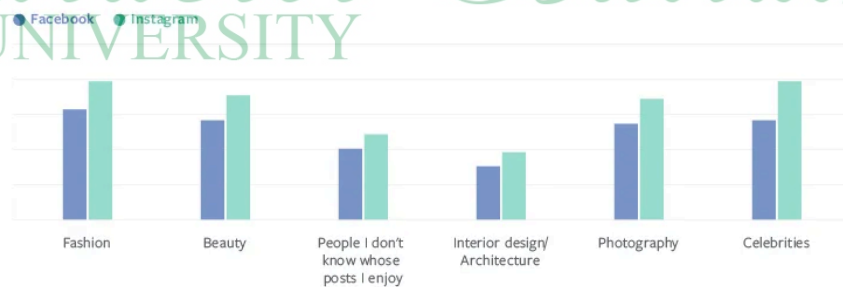
Chloe Time is a recently established business within the fashion industry, distinguished by its unique approach to product releases aligned with the four distinct seasons. Despite Indonesia having only two seasons, Chloe Time seeks to provide its audience with clothing options suitable for each seasonal change, allowing audience to enjoy collections that resonate with global fashion trends. Strategically, Chloe Time has opted for Instagram as its primary digital marketing platform with the aim of effectively reaching a specific demographic of women, particularly university students or career-oriented females aged approximately 18 to 30, as its target audience and capitalize on the digital landscape. Chloe Time aims to enhance its visibility and engage with a broader audience, fostering a connection between the brand and potential customers within the dynamic and competitive realm of the fashion industry. The decision is supported by Indonesia's significant presence on Instagram, as the platform ranks second among the most used social media platforms as of January 2023, according to Kemp (2023), as shown in Figure 1.1.



source: Kemp, S. (2023)

Figure 1.1 Most Used Social Media Platforms in Indonesia

The most used social media platforms in Indonesia as of January 2023 are WhatsApp, Instagram, and Facebook. WhatsApp has the highest penetration rate at 92.1%, followed by Instagram at 86.5%, and Facebook at 83.8%. This indicates that nearly all internet users in Indonesia aged 16-64 actively use these platforms. While WhatsApp is primarily designed for private, one-on-one, or group communication, Instagram stands out as an application primarily aimed at social networking and content sharing, in contrast to Facebook, TikTok, and Twitter.



source: Facebook.com (2016)

Figure 1.2 Millennials Seek Style on Instagram

Following the survey which was conducted by Facebook in 2016, millennials are more likely to look for fashion, beauty, and design content on Instagram than on Facebook. According to Clark-Keane (2023), teenagers under 18 make up only about 7% of Instagram users. Notably, a substantial majority, exceeding 60%, of Instagram users fall within the age bracket of 18 to 34, with women constituting a slight majority within the demographic. The demographic distribution implies that if the target demographic for potential customers primarily lies within the age range of individuals in their twenties and early thirties, especially women, Instagram stands out as an optimal platform for effectively engaging with the intended audience.

Chloe Time's business Instagram, @chloetime.id, only has 165 followers as of January 18th, 2024. Therefore, Chloe Time wants to increase organic engagement, while minimizing associated costs, particularly with content presented in the form of reels to build long-term relationships and trust with the audience. The following Table 1.1 is a table of insights from the engagement of the last few contents on Instagram @chloetime.id without using Instagram ads.

Table 1.1 Insights from the Engagement on @chloetime.id's Instagram

Content	Insight				Total Engagement
	Like	Comment	Share	Saved	
Reels 1	23	4	5	3	35
Photo 1	14	0	0	2	16
Photo 2	14	2	0	3	19
Reels 2	29	2	6	1	38
Reels 3	14	0	0	0	14

source: Instagram @chloetime.id (2024)

Based on Table 1.1 above, it can be seen that the engagement of the content in the form of reels has higher engagement than content in the form of photos on Chloe Time's Instagram. This is also supported by Emplifi's latest research (2023) "Unleashing the Power of Video: Key Trends Driving Social Media Engagement", Instagram Reels generated 55% more interactions than single-image posts and 29% more than standard video posts. Emplifi's research also revealed that Instagram Reels have been found to outperform other content types in terms of engagement.

Assessing audience feedback is a method for evaluating a message, and this can be accomplished by gauging the reaction of the intended audience. This assessment may involve utilizing metrics like engagement rates or responses obtained from surveys (Soputra et al., 2023). Referring to Khan (2023), prevalent metrics for Instagram engagement rate are likes, comments, shares, and saves. The engagement rate for content in the form of reels on Chloe Time's Instagram is calculated utilizing the formula:

$$\text{Engagement Rate} = \frac{\text{Total engagements on video post}}{\text{Total video views}} \times 100$$

The calculation involves analyzing the total engagement received on the specific video post in relation to the total views of the corresponding Reels, expressed as a percentage. Based on the aforementioned formula, the engagement rate of a few recent Reels featured on Chloe Time's Instagram has been computed and is presented in detail in Table 1.2.

**Table 1.2 Engagement Rate on Chloe Time's Instagram Reels
(Feb - Oct 2023)**

Content	Total Engagement	Total Views	Engagement Rate (%)	Engagement Category
Reels 1	17	728	2.3	Moderate
Reels 2	15	469	3.2	Moderate
Reels 3	14	345	4.1	High
Reels 4	38	1464	2.6	Moderate
Reels 5	35	1257	2.8	Moderate
Avg.			3.0	Moderate

source: Instagram @chloetime.id (2024)

According to Soraya (2021), an engagement rate is considered low if it falls below 1%. In the range of 1% to 3.5%, the engagement rate is categorized as moderate. A high engagement rate is indicated when the figure falls between 3.5% and 6%, while an engagement rate surpassing 6% is classified as very high. From the data above, it can be seen that Chloe Time's Instagram reels received an average engagement rate of 3.0% between February and October 2023. Four out of five reels have an engagement rate below 3.5%, indicating stagnancy at a moderate level.

Chloe Time found this as a problem as they aim to enhance their engagement with the customer through Instagram Reels. As Reels has become a popular platform for showcasing products and engaging with customers, it is important to use the most effective copywriting formula to create compelling video. Researching the best copywriting formula can provide valuable insights for creating compelling and persuasive video content.

A previous study conducted by Jesslyn & Agustiningsih (2021) revealed that persuasive content is among the tools utilized by companies to promote their products. Persuasive content incorporates visual and copywriting elements, with the application of copywriting being crucial for the creation of engaging content. Kartsivadze (2022) also mentioned that copywriting is not only an important aspect of content marketing, but it also plays an important role in the success of a brand's overall marketing and advertising plan.

Copywriting is an important tool of marketing communication that helps to build the overall face of the brand, awareness, and interest of the target audience. Several copywriting formulas can be used to structure persuasive content. There are 3 frameworks that are most widely used in advertising, namely AIDA (Attention, Interest, Desire, Action), PAS (Problem, Agitate, Solution/Solve), and FAB (Feature, Advantage, Benefit) (Nurtiar, 2020).

Effective copywriting in Instagram Reels can help to increase engagement by persuading viewers to take the desired action, such as engaging on the post or following the account. Researching which copywriting formula is the best can help Chloe Time create reels that are more likely to drive engagement in terms of like, comment, share, and saved. Based on the background of the study above, the researcher is interested in writing a scientific work titled "Digital Marketing Analysis of AIDA and PAS Copywriting Frameworks Towards Customer Engagement on Chloetime.id".

1.2 Identification of Problem

Based on the background provided in the study, the researcher has identified several problems, such as Chloe Time experiencing stagnancy in the engagement rate, encountering difficulty in enhancing and increasing customer engagement on its Instagram account, and struggling to find the right copywriting framework to create compelling content that improves engagement.

1.3 Scope of the Study

According to Kartsivadze (2022), the copywriting framework plays a crucial role in the effectiveness of digital marketing. Therefore, this study will limit its analysis to implementing and comparing the efficacy of two copywriting frameworks within the context of Chloe Time's Instagram Reels content. Specifically, the scope of the study includes:

1. The analysis is restricted to the use of the AIDA and PAS copywriting frameworks in the creation of Instagram Reels video content.
2. The measurement of copywriting effectiveness is focused on Instagram engagement rate metrics, which include likes, comments, shares, and saves, following Khan's (2023) study on calculating Instagram engagement rates.
3. This study does not include an analysis of sales conversions or other business metrics beyond Instagram engagement rate.

1.4 Problems of the Study

From the identification of problems previously mentioned, the researcher formulated several problems in this research:

1. How does Chloe Time's digital marketing strategy increase customer engagement?
2. Which copywriting framework between AIDA and PAS is more effective in increasing Chloe Time customer engagement on Instagram?

1.5 Objectives of the Study

Based on the problems of the study stated above, the objectives of the study can be concluded as follows.

1. This study aims to analyze Chloe Time's digital marketing strategy to increase customer engagement.
2. This study aims to analyze whether the copywriting framework between AIDA and PAS is more effective in increasing customer engagement on Chloe Time's Instagram.

1.6 Significance of the Study

The findings of the study were expected to provide specific benefits. The research has two implications; theoretical significance and practical significance.

1. Theoretical Significance

It is expected that this research can contribute to the idea of digital marketing strategies in the form of copywriting in the fashion industry and can be used as a reference for the development of knowledge in the field of Digital Business as well as being a relevant source for further research.

2. Practical Significance

This research might optimize the digital marketing strategy carried out by Chloe Time, particularly in terms of copywriting, so that it becomes a solution

for increasing customer engagement. Ultimately, it is hoped that this research could become a reference that could be implemented in the Digital Business field during lectures to increase knowledge, experience, and understanding of its thinking process.



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