### CHAPTER I

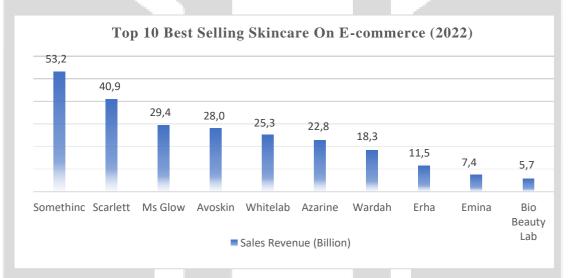
# INTRODUCTION

#### 1.1 Background

Social media has become one of the important instruments in digital marketing strategies. Reportal data recorded as many as 139 million people in Indonesia as active social media users in early 2024 (Kemp, 2024). This data shows the great potential of social media in supporting the marketing success of a product or brand. More than just a means of social interaction, platforms such as TikTok, Instagram, Twitter and YouTube also serve as effective channels for spreading marketing messages. A Hootsuite (We Are Social) survey shows that 73% of marketers consider that social media marketing is very effective for their companies (Vorecol, 2024). This figure shows the great potential of social media as an effective marketing tool for various industry sectors, including the beauty industry.

The beauty industry in Indonesia has shown rapid growth. BPOM RI noted that the industry grew by 21.9% from 2022 to November 2023, with MSMEs (Micro, Small, and Medium Enterprises) dominating the market at 83%. This development is closely related to the increasing public awareness of the importance of skincare. The ZAP Beauty Index survey revealed that 50.1% of Indonesian women feel insecure about the condition of their facial skin (Maria Anggita, 2023). The data reflects the high demand for skincare products, which drives competition in the local beauty industry to innovate and produce quality products.

Somethinc emerged as the answer for consumers looking for quality beauty products. A Compas survey (2022) shows that Somethinc beauty products occupy the first position as the best-selling brand in Indonesian e- commerce in the second quarter of 2022. The brand was founded by PT Royal Pesona Indonesia in 2019 and carries a modern concept that suits the needs of young consumers. Somethinc also won the Brand Choice for Health & Beauty 2023 award from Trans N CO Indonesia and was included in the top five most frequently used basic skincare brands in Indonesia (Alessandrina, 2022). These achievements confirm Somethinc's reputation and product quality in the Indonesian beauty industry.



Soure: compas.co.id (2022) Figure 1.2

#### Best-Selling Skincare Brands on E-Commerce

Somethinc has shown its existence through various achievements, but has not made it into the Top Brand Index. Top Brand has been widely used as a reference in measuring brand performance and awarding the best brands in Indonesia (Top Brand Index, 2023). The award not only reflects the brand's position in the market, but also indicates that the brand is trusted by customers. Another challenge faced by Somethinc is the decline in market share in 2023 due to increasing competition from new brands offering similar products at more competitive prices (Ramadhanty, 2024). This suggests that Somethinc needs to strengthen its marketing strategy to maintain competitiveness in the market. The tight competition in the beauty industry requires every brand to continue to innovate in order to attract consumer attention and increase product sales.

Consumer perception and behavior are often influenced by social media influencers who represent a brand. Social media influencers are individuals who have extensive social networks and openly share their personal experiences, opinions, information, and personal lives openly on various platforms (Ki & Kim, 2019). Influencers do this by maintaining a close relationship with their followers, which has a tremendous influence on consumer decisions. The use of influencer marketing is one of the strategies Somethinc relies on to strengthen its position. Social media influencers, such as Tasya Farasya, Lifni Sanders, Suhay Salim, and Nanda Arsyinta have joined forces to strengthen this brand's marketing (Fadilla et al., 2023). The effectiveness of this strategy depends not only on the influencer's number of followers, but also on the emotional connection between the influencer and their audience.

Encouraging consumer purchase intention is a critical aspect of marketing programs. Purchase intention reflects the likelihood of consumers buying a particular product (Y. Purwanto et al., 2022). Factors such as consumer attitudes toward the product, subjective norms, and perceived behavioral control significantly contribute to shaping purchase intention. Consumers evaluate products based on perceived value, encompassing both quality and benefits received. This is particularly pertinent in the beauty industry, where claims of effectiveness made by influencers often serve as a key benchmark for consumer judgment.

Consumer purchase intention may arise when their self-image aligns with the image projected by the influencer. Shen et al. (2022) emphasized that the rapid increase in the use of social media makes the concept of self-congruity more relevant to understand the relationship between followers' self-image and influencers' image. Consumers tend to choose products or brands that reflect their identity, be it actual-self, ideal-self, and social-self (Acar et al., 2024). This alignment is believed to be able to create a stronger emotional bond between consumers and influencers, thus encouraging consumers to have a positive attitude towards the promoted message or brand (Kian Yeik et al., 2023). Self-congruity facilitates interactive behavior between influencers and their followers and influences the formation of consumers' parasocial interactions (Shen et al., 2022). Garg & Bakshi (2024) note that research on these dynamics in the context of the beauty industry is still limited.

Emotional closeness between influencers and audiences is also often built through a more personalized approach from influencers. Lu et al. (2023) revealed that openness in sharing personal experiences makes the audience feel more emotionally connected to the influencer. Intimate self-disclosure plays a critical role in bridging the emotional gap, facilitating deeper social interactions, and fostering a connection between the influencer's experiences and the audience's perceptions (Lee & Eastin, 2021). The influence of intimate self-disclosure on parasocial interactions is evident in its ability to reduce the psychological distance between influencers and their followers (Lu et al., 2023). This approach is commonly employed in marketing content, such as product reviews, tutorials, and inspirational stories. These interactions help to establish trust, which in turn encourages consumers to make purchasing decisions based on influencer recommendations. While the impact of such interactions is well-documented, research on intimate self-disclosure within the context of influencer marketing remains limited.

Jason Tedjasukmana, Head of Corporate Communications at Google Indonesia, stated that watching influencer content often makes viewers feel a personal connection. Parasocial interaction is defined as an illusory experience where consumers feel engaged with a public figure as if they are in a mutually beneficial relationship (Stein et al., 2024). Marketers utilize interactions to create the impression that influencers and their followers are friends. Parasocial interactions are formed through various forms of content such as unboxing videos, product usage tutorials, or even live Q&A sessions. The illusion of closeness felt through parasocial interactions encourages audiences to trust the messages conveyed by influencers, thereby strengthening consumer purchase intentions. However, research into the influence of parasocial interaction in emerging markets remains limited (Garg & Bakshi, 2024).

One of the reasons is the wrong choice of influencers, which results in low consumer engagement with the product. Therefore, it is important to explore the triggering factors of parasocial interaction between influencers and audiences that can influence purchase intention, especially from the psychological side of consumers. Garg & Bakshi (2024) have examined the same topic, but they have not considered audience characteristics such as self-congruity and intimate selfdisclosure with influencers, and have not examined specific brands. This study also aims to fill these limitations. The results of this study are expected to provide new insights for Somethinc companies in choosing the right influencers and optimizing their marketing strategies through social media.

#### **1.2 Problem Statement**

Based on the background that has been explained, the problem formulations in this study are as follows:

- 1. Does self-congruity of beauty influencers have a significant effect on audience parasocial interaction?
- 2. Does intimate self-disclosure of beauty influencers have a significant effect on audience parasocial interaction?
- 3. Does the parasocial interaction between beauty influencers and their audiences have a significant effect on the purchase intention of Somethinc products?

# 1.3 Research Aim

Based on the formulation of the problem above, this research aims to:

- 1. Analyzing the significance of the influence of self-congruity of beauty influencers on parasocial interaction in the audience.
- 2. Analyzing the significance of the influence of intimate self-disclosure of beauty influencers on audience parasocial interaction.
- 3. Analyzing the significance of the influence of parasocial interaction between beauty influencers and audiences on the purchase intention of Somethinc products.

#### **1.4** Benefits of Research

The benefits of this research are expected to impact several parties, including:

a. For Researchers

This study can add insight and knowledge to researchers about the influence of self-congruity and intimate self-disclosure between audiences and beauty influencers on purchase intention through parasocial interaction of Somethinc products

b. For Somethinc Company

This research can provide input in optimizing influencer marketing strategies, especially in choosing the right influencer and increasing consumer purchase intention.

c. For Readers

This research can be a reference for readers who are interested in the topic of influencer marketing and the factors that influence consumer purchase intention.

## 1.5 Systematics of Proposal Writing

This proposal is organized into three chapters with the following details:

# **CHAPTER I : INTRODUCTION**

This chapter contains the background of the problem, problem formulation, research objectives, research benefits, and systematics of research writing

# **CHAPTER II : LITERATURE REVIEW**

This chapter outlines the theoretical foundation for hypothesis formulation and research analysis, including a review of previous studies. It also explains and describes the research data framework.

# CHAPTER III : RESEARCH METHOD

This chapter contains a research design that provides an overview of the initial stages of research to the methods that will be applied to solve research problems.

# CHAPTER IV : DESCRIPTION OF RESEARCH SUBJECTS AND DATA ANALYSIS

This chapter contains description of research subjects, data analysis, and discussion.

## **CHAPTER V** : CONCLUSIONS, LIMITATIONS, AND SUGGESTIONS

This chapter contains conclusions from the research results, limitations found during the research process, and suggestions that can be given to related parties based on the research results.