

CHAPTER 1

INTRODUCTION

1.1. Background

With the advancement of technology nowadays, people can easily obtain information about what they want to know, like news and many more. The advanced in technology developed a program called internet, that make information from all over the world can be obtained easily and faster than before, including things in the business world. Internet is a network of networks that consists of millions of private, public, academic, business, and government networks of local to global scope, linked by a broad array of electronic, wireless, and optical networking technologies (Schreuder , 2014).

With a lot of internet benefit, the user of Internet has seen tremendous growth. From 2000 to 2015, the number of Internet users globally rose from 394 million to 3.174 billion (Statista, 2016). By 2010, 22 percent of the world's population had access to computers with 1 billion users every day (Antara news, 2011). Nowadays, internet has become a primary need in human daily life.

Internet is seems to be the one that has direct impact on business world, because it has certain use in business world. Internet can analyze a new trend product and size, it can be a media to gather labor forces, can be a search engine to browse and make a research of a new business opportunity, and internet can connect all people in

the world through social media that being developed. According to Buettner (2016) Social media are computer-mediated tools that allow people or companies to create, share, or exchange information, career interests, ideas, and pictures/videos in virtual communities and networks.

Furthermore, social media depend on mobile and web-based technologies to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. They introduce substantial and pervasive changes to communication between businesses, organizations, communities, and individuals (H. Kietzmann, Jan; Kristopher Hermkens, 2011). For examples are Instagram, YouTube, Facebook, and Twitter. It is seems to be a perfect media to make an Advertisement for a Company to promote their product.

Social media can be a powerful business tool. Some of the opportunities and benefits of social media can include (Range, 2015). First, the most obvious opportunity is to generate revenue. This can be done through building a community or advertising your products or services within the social media platform. Sometime, advertise in social media can make it own benefits. Example, people will pay for make an advertisement in your blog. Second, using social media allows your customers to connect and interact with your business on a more personal level.

Third, social media can be a good way of attracting new customers. A Company can try to attract followers with promotions

or giveaways. Once the company have a lot follower, the company can focus on more personalized social media campaigns to encourage them to stay. Fourth, social media is effective enough to gather data and information, even if it not suitable to build a business or look for opportunity. Social media can keep the benefits of giving information of the company's competitors doing and can get the evaluation from customer towards a company's product.

Fifth, networking can be a valuable way to exchange ideas with intelligent people to improve the strategy of the company, can also by using knowledge sharing and word of mouth referrals. Sixth, some organization use social media to advertise vacant positions. Job networking sites like LinkedIn are dedicated to the job market and can help a company use networks to attract skilled people. The last one, a company website's ranking in the search results of various search engines can sometimes be affected by the size and influence of the company social network. The follower grows, the visibility of the company in search engines may also increase

From the information above, the viewer can see the definition and the benefits of Social Media in business. The author conclude that implementing a social media communication as marketing strategy, can be a stepping stone for a company to the performance of Marketing Strategy.

Company X is one of many companies that use social media in the marketing strategy through YouTube, Facebook, and Twitter. This company established on 29 November 1971 with the first

manufacturer in Jakarta, and on 10 July 1972, they opened the second manufacture in Surabaya, both of the manufacturers can produce flour with the total capacity of 3,2 million ton of wheat flour per year. Company X is primarily a producer of wheat flour, with business supported by its own shipping and packaging units. The researcher may conclude that company X is a big size company, that also a market leader in their area. The emergence of internet just made business world become more competitive than before.

With the tight competition in business world, it is crucial for a company to update their marketing strategy, not just updating but they should know the adequate of their implementation of strategy, one of the marketing strategy to be concern about is social media communication. Nowadays the use of social media communication become a common strategy in marketing world, it is seems that social media communication become a must in marketing world. The company would be better-off if they use unique approaches to attract customers, and win the competition with others through this. Company X has implemented social media as marketing strategy with the reason of adapting to customer lifestyle, and also as a market leader, Company X should be a pioneer in the marketing environmental growth, when traditional promotion tools become internet based promotion tools. And to win the competition, Company X should have an appropriate social media promotion tools. This is the reason researcher want to discuss about the social media marketing in company X, to know the adequate level of social

media marketing through YouTube, and to help the company X measuring their video effectiveness in YouTube, also give suggestions to improve their video effectiveness.

1.2. Research Questions

The research questions of this study are:

1. Does YouTube social media marketing of Company X effective to gain viewer engagement?
2. How YouTube social media marketing in Company X can improve its effectiveness based on the benchmarking study?

1.3. Research Objectives

The purposed of this study are:

1. Identify the effectiveness of YouTube Social Media Marketing towards viewer engagement of Company X.
2. Benchmarking the effectiveness of YouTube Social Media Marketing in Company X with the best practice cooking video.

1.4. The Significance of the Research

1.4.1. Academic Benefit:

Provide an explanation of the whole picture of social media communication through YouTube at Company X in Indonesia.

1.4.2. Practical Benefit:

1. To know the relationship between business strategy and marketing strategy.
2. To help Company X in terms of measuring the effectiveness of their videos in YouTube.
3. To give suggestions for Company X to increase their video effectiveness towards viewer engagement in YouTube.

1.5. Writing Systematic

1. BACKGROUND

This chapter is about the reason why we need to do this research, it's contains background of study, scope of the research, purpose of the research, significance of the research, and writing systematic.

2. LITERATURE REVIEW

This chapter contains theoretical basis and thinking framework that become the basis of this study.

3. RESEARCH METHODOLOGY

This chapter explains research design, the type and source of data, data collection method, object of study, and procedure of data analysis.

4. RESULTS AND DISCUSSION

This chapter contains of the results of the research methodology and the discussion about the each factors.

5. CONCLUSION AND RECOMMENDATIONS

This chapter contains of the Conclusion and Suggestion about the problem and overall information we have.