

CHAPTER II

SOMETHINC'S INFLUENCER MARKETING STRATEGY AND CONSUMER'S ATTITUDE TOWARD ADVERTISING

2.1 Somethinc's Marketing Strategy

The beauty and personal care market is rapidly growing and its consumer market growth is one of the fastest, primarily driven by the cosmetics and skincare sections. The way young consumers now entering the market is the main reason for this amazing growth. All these changes are strengthened by the emergence of social media, internationality, and e-commerce, that proven to have a long-term effect on purchasing behavior when it comes to beauty products.

At the beginning of 2021, the beauty care category outperformed sales transactions in e-commerce by 46.8%. In addition, the total value of transactions in the beauty care category in the online market itself has managed to penetrate up to 40 billion rupiahs (Haasiani, 2021). Transactions in the cosmetic category itself have reached 893 million rupiahs in January 2021 and the data shows facial cosmetics have the biggest sales in the cosmetics category (Haasiani, 2021).

Local beauty brand begins to grow from the end of 2020 to 2021 and these brands achieve a really good development. In addition to increasingly varied product innovations, local cosmetic ingredients are usually adapted to the skin conditions of people living in tropical climates, so that the products are more suitable for use by the people of Indonesia.

As one of the top-selling local makeup and skincare brands, Somethinc created high-quality beauty products that are halal-certified and affordable at the same time. Somethinc wants to meet the needs of their consumers that are highly critical when choosing beauty products that they will use. Somethinc launch its beauty products in 2019 and the founder of Somethinc explained that since the beginning, Somethinc has managed to get many positive reviews and responses from the public. Niacinamide serum by Somethinc is one of the top-selling local beauty products (Forums and Lists, 2020).

The growth of the beauty industry is highly influenced by the internet and social media. A lot of people used social media to exchange information online about some products. The internet and social media have created a place for advertisers and marketers to constantly exposed their consumers to various messages and information that aimed to encourage them to change their attitudes.

Somehinc is one of the brands that utilize social media for their marketing campaign and strategy, especially Instagram. Somehinc currently has 1.3 million followers on their Instagram. Somehinc not only pays attention to the best quality for its beauty products, but they also prioritize visual marketing in its Instagram feeds. Visual marketing is an important point that every brand must pay attention to. Visual marketing is useful for attracting customers' attention with infographic media, videos, or brand images displayed by a brand. Somehinc always makes interesting visuals in every post on Instagram and also provides informative information for consumers.

As one of the most efficient and influential tools to affect other's lives, social media is explained as a form of a new media that let the users interact with one another and create a relationship, users are also allowed to create and share content created by them and most importantly, they can promote their business. It surely gives consumers more access to engage with brands and it has changed how brands do online advertising.

Businesses strategically leverage different content types and digital platforms to build and develop this relationship with consumers, and marketing strategies that rely on influencers to be the center of attention. From a marketing perspective, influencers are the type of information communicators who influences the perception, attitude, and behavior of the recipient of the information, and influencers can make a sizeable impression on the target marketing.

2.2 Social Media Influencers Marketing

The emergence of social media has made a lot of consumers become active social media users and many of them also follow certain people that are considered influential and admired by people. As such, brands take advantage of the relationship created between influencers and consumers to increase their sales. Influencers influenced consumer decision-making through a synthesized piece of information that they share on a particular brand of product. Hence consumers are stimulated to buy one product over another and this activity is effectively achieved if the influencer disseminates the information, at the right time and in the right place.

Influencer marketing is one of the best tools to get customers in an online setting. This tool can also be a cost-effective way to promote products and services that naturally reach target groups. An influencer is an individual with a great following count on social media and that is paid by a brand to promote their products to those followers. The goal is to persuade followers

to buy the product. An influencer's authority, knowledge, position, or relationship with their audience has the power to influence other people's buying decisions.

Social media influencers are experts in certain fields, such as beauty, sports, fashion, and many others. The immense influence of social media and the power of dissemination in the cosmetics industry drives consumers to accept and buy new products. There are four key influencer levels (Vyatkina O. L., 2020):

1. Mega Influencers/Celebrities (1 million+ follower). This level of influencers usually comes from the entertainment industry, such as actresses or movie stars, and is usually used to increase brand awareness.
2. Macro Influencers (more than 100.000 - 1 million followers). This level of influencers creates high-quality content that is very targeted to a specific market and they usually have the highest openness when it comes to brand collaboration.
3. Micro Influencer (more than 10.000 – 100.000 followers). Their followers may be few, but they have a high authenticity. Their small audiences are usually loyal so it gives these influencers a high level of trust and engagement. Using micro influencers is viewed as a cost-efficiency way.
4. Nano Influencers (1000 – 10.000 followers). this level of influencer has a great impact on a particular community. Because of the credibility that they have in a specific area, the sponsored content created by them is seen as friendlier and it affects the engagement rates they have.

Mega-influencers don't work for every brand. Mega influencers may have a large following, but they don't always have a huge impact on consumers. Just because someone can recognize a celebrity's name, doesn't mean they respect them enough to buy the product they recommend. On the other hand, some people think that with the few small followings that nano-influencers have, they will make too little impact. However, to commend brands to a narrow or specific segment, using nano influencers is often a more convenient choice.

The emergence of engagement between followers and influencers occurs because of communication that is built consistently by influencers with a reputation that is in accordance with the products offered. In general, social media influencers have three main roles. The roles are to inform, to persuade, and to entertain. The first role aims to inform the audience about a product or brand so that they are interested in buying the product. The second role is influencers

trying to convince the audience to accept their point of view or ask to adopt their feelings and behavior, while the third role related to the content provided by influencers is persuasive and the message conveyed from the product or brand can be well received.

2.3 Social Media Influencers of Somethinc

As one of the most popular local brands, Somethinc uses many influencers to advertise its product through sponsored content. These influencers consist of different levels of popularity, there are Mega, Macro, Micro, and Nano. As can be seen below, there are a few of Somethinc's influencers categorized based on the level of their popularity.

Table 1 Somethinc's Social Media Influencers

MEGA INFLUENCERS		MACRO INFLUENCERS	
Sophia_latjuba88	3M followers	crvhons	235k followers
fitaanggriani	1,2m followers	bellindap	109k followers
hansoljang110	1,4m followers	astaririri	667k followers
alicenorin	1m followers	niputuchandara	151k followers
nandaarsynt	2,1m followers	ameliandanii	698k followers
siscakohl	1,5m followers	sabrinachairunnisa_	596k followers
jeromepolin	5,2m followers	puchh	155k followers
hanummegaa	1,4m followers	abellyc	995k followers
boywilliam17	4,2m followers	giiralda	11,8k followers
tomoyama23	1,1m followers	tarabasro	627k followers
dwiandaanda	1,9m followers	sararobert	173k followers
tasyafarasya	4,7m followers	vinnagracia	614k followers
nanamirdad_	3m followers	joviadhiguna	761k followers
zaskiadyamecca	19,2m followers	titantyra	680k followers
		inivindy	560k followers
		sarahayuh_	803k followers
		jasminenadiko	306k followers
		molita_lin	315k followers
		ririeprams	272k followers
		catwomenizer	244k followers
		sanlyliuu	158k followers

		cindercella	889k followers
		dillaljaidi	908k followers
		mandce	176k followers
		agustine_gozali	129k followers
		yuliafirstian	144k followers
		raniethaa	107k followers
		ayie0608	154k followers
MICRO INFLUENCERS		NANO INFLUENCERS	
aureliamanda	22k followers	alexandracgunawan	3k followers
lifnisanders	74k followers	nindy.permaisuri	9k followers
darayanza	21,7k followers	glennadwiputri	9k followers
affiassegaf	82,2k followers	elisaaaac	10k followers
deszell	31,3k followers	budiartiannisa	8k followers
jessicaalicias	35,7k followers	mrafflyyy	10k followers
ludovicajessica	95,6k followers	sheltindirzas	1,6k followers
ayachoiriyah	40,3k followers	nathasiaa20	4,5k followers
fitriani_rachmawati	25,3k followers		
henyharum	92,7k followers		
danangwisnu	65,6k followers		
heidinatjahjadi	54,3k followers		
cclaracr	74,1k followers		
tjutimani	21,4k followers		
hankyy	28,8k followers		
rndhst_22	11,5k followers		
mbiew	11,1k followers		
ayachoiriyah	40k followers		
tarachika	13k followers		
yessica.riany	22,7k followers		
brandchen	18,8k followers		
evelinerestuasmoro	59,5k followers		

The market keeps changing, companies must always develop their strategies so that they can be relied on for today's needs. Choosing relevant influencers to promote their products or

services is important because each level of influencer provides a different output. Something used different levels of popularity of influencers in their marketing strategy to reach different audiences. It is worth noting that these individuals are not simply marketing tools but assets of social relationships with which brands like Something can collaborate to achieve their marketing goals.

2.4 Message Disclosure in Social Media Marketing

Social media influencers build trust with their followers over time compared to celebrities and are considered a more reliable source of information because advertising with social connections is perceived to be more profitable and has a more positive impact on consumer attitudes. With the rise of social media influencers, there is more sponsored content on social media platforms.

Influencer marketing has become a very popular advertising technique, but some institutions criticized the technique because in some cases the paid relationship between brands and influencers is undisclosed. It can also create the impression that the post created by the influencers are based on their own opinion and not influenced by any form of compensation. In response to these criticisms, Instagram, one of the largest platforms for influencer marketing, introduced an ad disclosure feature in October 2017 (Preckeler J, 2019).

Instagram has created a disclosure feature that influencers can use when they post sponsored content. Once brands or influencers create a post or story and tag it on a business account as a Business Partner, the feature 'Paid partnership with [Business Partner]' will appear at the top of the post or story and it is a hyperlink pointing directly to the business page. The use of a paid partnership feature is common among influencers, making the platform a more trusted brand referral source by increasing the level of transparency for influencers and brand advocates on the platform.

The feature increases transparency with the audiences, offers access to insights, and removes the risk of negative consequences from sponsored content. A post from a social media influencer is often seen as non-commercial content and as a result, is considered more trustworthy than traditional marketing communications. However, advertising disclosure like "Paid Partnership" can reveal its persuasion intention. Disclosure can protect users but at the same time, it harms the social media influencer industry.

While, in other media contexts, consumers may even be able to identify non-disclosure commercial content, it is imperative to use disclosure on social media. Identifying sponsored content without any disclosure might be difficult because it closely looks like non-sponsored content and consumers might not recognize it. Therefore, sponsored Instagram posts that are not disclosed as advertisements, can lead to deceptive persuasion and, as such, strongly challenge the notion of openness and transparency.

2.5 Ad believability and consumer's attitude

In today's business environment, advertisers and marketers have seen to overstate the claims of their products and services to increase their market share. Therefore, it is highly important to evaluate the effectiveness of the advertisements. Advertising may appear convincing, but it is vulnerable to consumer bias, which may be fueled by varying degrees of advertising skepticism and the need for cognition.

Individuals have various perceptions or experiences with a brand, product, or service, where viewers perceive claim advertising as redundant and/or false, existing levels of skepticism and suspicion of advertisers can be triggered, leading to negative reactions and evaluations of advertisements and brands/products. However, highly skeptical individuals will generally have a more negative orientation towards an advertiser's claims or offers than less skeptical individuals.

Consumer skepticism can a curse but at the same time, it is a blessing in the eyes of marketers and advertisers. The marketplace cannot cope with skepticism, but it cannot do without it either (Obermiller and Spangenberg 1998). Marketing practices, often characterized by exaggeration and bias, rely on some level of consumer skepticism. On the other hand, consumers are hoped to recognize the true message of advertising. Furthermore, skepticism can cause consumers to become suspicious of honest marketing practices (Koslow 2000) and can cause them to ignore or reject truly profitable "deals" (Mohr et al. 1998). A situation like that would not interest anyone. The state that consumers want appears to be one where they can decide when there is a need to be skeptical (i.e. when they run the risk of being misled or deceived) and when there is no need (i.e. in situations where being skeptical would be counterproductive).

2.6 Consumer Skepticism of Advertising

Skepticism is usually seen as part of attitudes towards advertising and has become a defining concept in recent years (Boyer, Albert, and Valette-Florence, 2006; Koslow, 2000). Studies found that skepticism about advertising is not only related to an overall state of mind, or

personality trait but is also the result of a learning process related to interactions with the market (Boyer, Albert, and Valette-Florence, 2006).

Skepticism toward advertising is defined as the tendency toward disbelief in advertising claims (Obermiller and Spangenberg, 1998). From this perspective, skepticism is based on "stable, generalizable market beliefs". It can be thought of as an implicit theory of how markets operate (Friestad and Wright, 1994), derived from consumers' social interactions (indirect learning) as well as their personal experiences (direct learning). In this sense, skepticism of advertising is positively correlated with the level of consumer knowledge about persuasive methods.

Consumer skepticism regarding promotions could weaken the efficiency of promotion holistically (lack of purchase intention for promotions in general) as well as in detail (influence on mediating variables of perceived savings and complexity). Skepticism of advertising affects a specific set of consumer responses. Shorting advertisements and seeking information from other sources is one response. In addition, highly skeptical consumers had weaker beliefs related to the brand, more negative attitudes towards advertising, and weaker purchase intentions for the products featured in the advertisements.

There are multiple factors that cause advertising skepticism. Ad skepticism is positively associated with ad avoidance, irritation, and privacy concerns among consumers (Baek and Morimoto, 2012). Advertising literacy is also seen as a factor that causes ad skepticism (i.e. the viewer's ability to analyze or recognize advertisements) (O'Donohoe and Tynan, 1998), in a way that once the ad literacy of a person is high, it will create a high ad skepticism and eventually the attitudes of a consumer's toward ad will be negative (Shen et al., 2016).