

In Equation 3, M significantly influences Y ($b \neq 0$).

CHAPTER II

DESCRIPTION OF RESEARCH OBJECT

2.1 **Somehinc Makeup's Promotional Activity**

Somehinc is a local Indonesian beauty brand that focuses on skincare inspired by today's millennials who seek skincare and makeup products that are halal certified and suitable for their skin type issues. In 2019, Somehinc launched their skincare products made from high-quality and safe ingredients, with their skincare products being paraben-free and cruelty-free. For their debut, the brand introduced three skincare products: HYALuronic B5, Niacinamide + Moisture Beet Serum, and AHA BHA Peeling Solution. These three products were initially priced quite affordably at Rp. 115,000.

After overcoming initial challenges and experiencing the ups and downs of the business journey, in just two years, Somehinc's skincare products have seen rapid growth and successfully secured the top position in the largest skincare market share on the Indonesian digital platform, Shopee. Somehinc has also become the best-selling skincare brand #1 on the Indonesian e-commerce platform Shopee,

receiving this recognition nine times in a row in 2021. They have also become one of the top skincare brands in modern cosmetic stores. Additionally, Somethinc boasts an extensive distribution network and can be found on various e-commerce platforms and in thousands of cosmetic stores across 81 cities in Indonesia. To this day, sales of Somethinc skincare products continue to soar. This is evidenced by Somethinc.com data (2022), which shows that the average number of sales for Somethinc serum products sold at the official Somethinc online store has exceeded 10,000

Irene Ursula is the individual behind the cosmetics company Somethinc, which has remained one of the preferred local cosmetic brands among the public. Irene started this beauty business from scratch and faced various setbacks. Irene is a graduate of the Faculty of Economics majoring in Accounting, who began her business by successfully establishing the beauty e-commerce platform BeautyHaul, which has become a haven for beauty products for the Indonesian people.

Through this business, Irene observed the high enthusiasm of the public in using beauty products. However, she also noticed a market gap for beauty products that were usually sold at relatively high prices. This inspired Irene to ultimately decide to create her own cosmetics brand with quality that rivals foreign products and is sold at more affordable prices.

What sets Somethinc apart from other local skincare brands is its commitment to transparency regarding the composition of active ingredients in its products. This transparency allows them to educate their customers about product compositions, enabling customers to choose the skincare products that best suit their skin needs.

Seeing this success, Somethinc has become even more dedicated to developing products and embarked on a new journey by launching over 120 makeup products, ranging from lip products (lip matte, lip tint, lip balm) to eye makeup (eyeliner, eye shadows, brow products), and face base makeup products (concealer, foundation, powder). One of Somethinc's viral makeup products is its cushion foundation, which has garnered much praise due to its shade range suitable for Indonesian skin tones. Somethinc's makeup products are certified halal, non-comedogenic, hypoallergenic, and cruelty-free. Irene Ursula has set a significant mission for her brand, aiming to make Somethinc the first local brand to go global. "Our mission is very ambitious; we aim to be the first local brand that can enter the international market and become a representative of Indonesian unicorns that can expand overseas," Irene stated in an interview with fimela.com. Additionally, Irene aspires for her brand to be the top choice for cosmetic products among the people of Indonesia.

In contrast to the sales of skincare products which have succeeded in dominating the market and occupying the main position as the "Top Brand" of local skincare, Somethinc's makeup products still need to improve product quality and determine

an effective marketing strategy in order to compete with other local and imported makeup brands. Based on the sales trend of the best-selling local makeup brands for the April-June 2022 period, Somethinc Makeup is in 5th position with a market share of IDR 4.31%. Somethinc has to compete with brands that have been popular and dominating the local market, such as; Wardah; Make Over, Luxcrime, and Pixy. Other than competition between local brands, there is also still a negative stigma related to trust in the quality of local brands where there are still many people who think imported brands have better quality than local brands.

In her business journey, Irene certainly didn't work alone. The success of Somethinc is also influenced by the excellent performance of its resellers. Various forms of collaboration have been carried out with partners, including resellers. This cosmetics brand has also built good relationships with resellers, ensuring the sales of products are maintained. It starts with initial product education, business support programs, and even organizing various gathering events.

In terms of marketing, Somethinc employs various strategies to promote and boost the sales of their products, one of which is maximizing digital marketing. Somethinc utilizes several types of digital marketing to promote their products, including:

1. Instagram Social Media With a follower count reaching 1.3 million, Somethinc's marketing strategy on Instagram has been quite successful. Somethinc creates a variety of content on Instagram, including informative product feed photos,

testimonials from product users, and other engaging content. One of Somethinc's marketing contents that has attracted attention is challenging skincare enthusiasts to use Somethinc products for 4 weeks to see the results.

2. Through the Official Website Somethinc also conducts marketing through its official website. Various options are presented, such as new arrivals, skincare, makeup, and makeup tools. Somethinc's official website makes it easy for consumers to view and purchase their products.
3. 24-Hour Live Streaming on TikTok Social Media To boost the sales of skincare and makeup products, Somethinc has two official TikTok accounts, each dedicated to skincare and makeup product sales separately. The Somethincofficial account, which sells both products, has 2.2 million followers, while the Somethinc Makeup TikTok account has 250 thousand followers. On both accounts, Somethinc creates short videos that educate, promote, and entertain viewers about Somethinc products.

2.2 Live Streaming Shopping on TikTok Application

The presence of social media has influenced many aspects of people's lives. In addition to being a means of communication and obtaining information, social media also serves as a platform for business development. This can be easily felt through the rapid spread and acquisition of information. The ease of using social media provides advantages for business owners who want to promote their products to a wide audience all at once. Over time, as consumer demand continues to rise, social media platforms are constantly updating their features to make them even more user-friendly. One of the features developed is the "Live

Stream" feature on social media applications such as Instagram or TikTok, which can be utilized by businesses to conduct online sales.

TikTok is a relatively newer application compared to others. However, its benefits for businesses cannot be underestimated due to the presence of the "Live Stream" feature, complemented by the "TikTok Shop" feature, which makes it easy for consumers to shop for the products they desire. This feature facilitates businesses in conducting "Live Streaming Shopping" activities to support their product sales.

Live Streaming Shopping (LSS) is a new trend that allows business people to interact directly with consumers in real-time. Through LSS, business actors are indirectly able to present a shopping atmosphere in front of potential buyers. The picture is that business people can interact intensely with potential buyers in real time, offering products, providing detailed information about the product (product knowledge), answering questions from potential buyers, so that effective conversations arise regarding the product being promoted.

2.3 Somethinc's Makeup Live Streaming Shopping on TikTok Application

Somethinc Makeup, a brand that specializes in makeup products, has been conducting Live Streaming Shopping (LSS) through the TikTok application to enhance their product sales. Previously, Somethinc was a local brand well-known for their skincare products. However, following their successful venture into the

skincare market, they launched their own makeup products towards the end of 2021. While Somethinc had dominated the local skincare market, their makeup product sales require improvement to compete with established local makeup brands like Wardah, Make Over, Luxcrime, and Pixy. Apart from competition among local brands, there is still a lingering negative stigma related to trust in the quality of local brands, with many people believing that imported brands offer better quality than local ones. Therefore, in addition to enhancing the quality of Somethinc makeup products, they also need to intensify their marketing strategies to attract consumer interest and encourage them to purchase Somethinc makeup products. As a result, Somethinc Makeup needs to implement aggressive strategies to boost their sales and compete with other local cosmetic brands.

One strategy to boost makeup product sales is to enhance marketing communication. Marketing communications can be easily conducted with the existence of communication technology, through various online platforms such as websites, blogs, and social media. One of the social media platforms that Somethinc uses to intensify the promotion of their makeup products is TikTok, with its Live Streaming feature complemented by TikTok Shop.

Somethinc Makeup conducts 24-hour Live Streaming Shopping sessions on TikTok, filled with lively and interactive marketing activities aimed at potential buyers. These marketing activities include providing in-depth information about Somethinc makeup products, highlighting the benefits of using their products,

explaining how to use them, and engaging in interactive question-and-answer sessions between the live streamer and viewers regarding product information. Live streaming facilitates real-time interaction between sellers and buyers, allowing them to communicate through the chat section to boost sales (Marketeers, 2021). Any TikTok user can join these live streaming sessions at no cost, provided they have a TikTok account.