

CHAPTER I

INTRODUCTION

A. Research Background

Competition between businesses, including those in the cosmetics industry, has increased due to the economy's rapid growth, especially in the business sector. Developing robust marketing strategies is necessary for companies to stay competitive. A well-crafted marketing approach can help businesses attract and retain customers. Cosmetics have become a prominent trend and lifestyle choice, with enthusiasts now including both women and men.¹

Indonesia has a fast-growing market for bodycare products. The variety of bodycare products, both local and foreign, is increasing. In Indonesia, there are local beauty brands that dominate the market in several categories, such as skincare and bodycare. Although the level of product purchases continued to increase at the end of 2021, there was an average decline at the beginning of 2022 and the end of March. Finally, this growth in cosmetic products led to stronger competition in the bodycare industry, with each company forcing its brands to compete selectively. This encourages all bodycare companies to compete in different ways.²

This research leads to one object, namely body care products, which generally consist of various types of treatments designed to maintain healthy body skin and support facial skin beauty. In this study, the bodycare product used is narrowed down to body serum. Maintaining body skin and facial beauty requires the use of body serum, which is one of the care products.

¹ Dewi Rosita and Ivo Novitaningtyas, "Pengaruh Celebrity Endorser Dan Brand Image Terhadap Keputusan Pembelian Produk Wardah Pada Konsumen Mahasiswa," *INOBI: Jurnal Inovasi Bisnis Dan Manajemen Indonesia* 4, no. 4 (2021): 494.

² Meyyfa Nuri Yanti, Muhammad Andi Sadat, and Dewi Agustin Pratama Sari, "Pengaruh Brand Ambassador, Brand Image, Dan Product Quality Terhadap Purchase Decision Produk Body Care Di Jabodetabek," *Jurnal Bisnis, Manajemen, Dan Keuangan* 4, no. 1 (2023): 99.

Over time, many people realize that each individual has different skin problems. Therefore, body serum comes as a moisturizer as well as solution to overcome various skin problems. However, body serum does not completely replace the role of body lotion. Body lotion plays an important role in hydrating the skin, although it sometimes leaves a sticky feeling after use. Body serums, on the other hand, have smaller molecules that penetrate the skin faster.³

Indonesia is among the countries with the largest Muslim population globally. As reported by the 2022 *MABDA* data from the Royal Islamic Strategic Studies Center (RISSC), the Muslim population in Indonesia stands at 231.06 million, constituting 86.7% of the total population. This creates substantial opportunities for the development of halal-based products and services.⁴

Bodyserum *Herborist* managed to occupy the second position after successfully displacing *Somethinc*, with an increase in sales revenue reaching Rp407.8 million. Based on market research conducted by *Kompas*, 18,502 units of the product were sold and received a positive response from consumers.⁵ *Herborist* products also have halal certification from *Majelis Ulama Indonesia (MUI)*, *Badan Pengawasan Obat dan Makanan (BPOM)* certified, and have special efficacy because they use the best ingredients. This has been proven by the level of position of *Herborist* body serum which is ranked number two in 2024 in the best bodycare index with the body serum category.⁶


³ Ngafifaturrohman, "Pengaruh Brand Image, Perceived Quality Dan Celebrity Endorser Terhadap Keputusan Pembelian Body Serum *Herborist* Di Aplikasi Tiktok" (Universitas Putra Bangsa, 2023).

⁴ Risa Qoniah, "Tantangan Dan Strategi Peningkatan Ekspor Produk Halal Indonesia Di Pasar Global," *Halal Research Journal* 2, no. 1 (2022): 52.

⁵ Salsabila, "*Herborist* Dan *Whitelab* Tembus Top 3 Body Lotion Lokal, Berhasil Geser *Somethinc*!," *Kompas*, 2024, <https://Kompas.co.id/article/body-lotion-lokal/>.

⁶ "Top Brand Index," Top brand award, 2024, https://www.topbrand-award.com/top-brand-index/?tbi_find=serum.

Table 1. Top Brand

Body Serum		
Brand	Tbi	
Scralett	26.80%	TOP
<i>Herborist</i>	17.70%	TOP
Ms Glow	17.60%	TOP
Ella Skincare	5.70%	
Bhumi	4.70%	
Bonavie	4.20%	
Dr. Brandon	3.00%	
Madam Gie	2.90%	
Flowwhite	2.70%	

Source: www.topbrand-award.com

The data presented in Table 1 shows the ranking of the top body serum brands in Indonesia based on the Top Brand Award survey in 2024. These rankings reflect brand performance in terms of customer satisfaction, loyalty and market share. This data was obtained from the official website topbrand-award.com in 2024. As seen in the table, Scarlett took the top spot with a market share of 26.80%, followed by *Herborist* (17.70%) and Ms Glow (17.60%), which are also categorized as “TOP” brands. Other brands, such as Ella Skincare (5.70%) and Bhumi (4.70%), have lower percentages but still maintain a competitive presence in the market.⁷

The focus of *Herborist* body serum should be on strengthening and enhancing purchasing decisions by ensuring product quality, building a strong brand image, and promoting positive online word-of-mouth. When making purchases, you have the option of choosing from two or more alternatives. To solve a particular problem, this entails selecting a course of action among a variety of possibilities. The process of making decisions uses a variety of methods to arrive at the best option.⁸

⁷ “Top Brand Index.”

⁸ Ravika Berliana Suwardi, “Pengaruh Kualitas Produk Dan Harga Terhadap Keputusan Pembelian Produk Sepatu Vans” 1, no. 5 (2022): 20.

Customers typically think about a product's brand image before making a purchase. Consumer associations with a brand, including both favorable and unfavorable ones, are collectively referred to as its image. Companies must successfully manage, enhance, and uphold their brand image since customers may quickly distinguish between these perceptions. The choice of a brand is more likely to be made by customers with a favorable opinion. Conversely, a bad brand reputation may cause consumers to choose products more carefully.⁹

Considering that Indonesia is a Muslim-majority country, it is crucial to develop a brand image that aligns with Sharia principles. In Islam, having a strong understanding of how to create a high-quality brand that adheres to Sharia guidelines is essential.¹⁰

The choice to purchase is heavily influenced by the quality of the product. The term "product quality" describes a product's capacity to satisfy consumer demands and requirements, making it appropriate for ownership, usage, upkeep, or consumption. Prospective customers frequently consider product quality to be a critical factor when choosing whether to acquire products or services. The majority of Indonesia's population is Muslim, it is essential to assess not only the quality of the product but also its compliance with halal standards. Halal is a quality standard that complies with Sharia law. All things that provide benefits to humans can be considered halal, unless there are things that violate Sharia or haram.¹¹

Research indicates that electronic word-of-mouth, or eWOM, is one of the key factors affecting consumer choices. eWOM is the term for

⁹ Crismeny Witaloca and Heryenzus Purba, "Pengaruh Citra Merek Dan Harga Terhadap Keputusan Pembelian Produk Online Di Shopee Pada Karyawan Di Kota Batam Crismeny," *Jurnal Ekonomi & Ekonomi Syariah* 6, no. 1 (2023): 317, <https://doi.org/https://doi.org/10.36778/jesya.v6i1.879>.

¹⁰ Lilis Kayawati and Esa Kurnia, "Membangun Citra Merek Sesuai Konsep Syariah," *Economic and Business Management International Journal (EABMIJ)* 3, no. 03 (2021): 41, <https://doi.org/https://doi.org/10.556442/eabmij.v3i03.81>.

¹¹ M Trihudyatmanto, Ari Prananditya, and Muhammad Amjed Iqbal, "Brand Image Islamic: Halal Food Product Quality in Relationship To Repurchase Intention," *Journal of Digital Marketing and Halal Industry* 4, no. 1 (2022): 4.

consumer-to-consumer sharing of product information or firsthand accounts, usually via digital channels. Before making a purchase, buyers may now more easily research products thanks to the development of internet technology. Potential consumers' interest or lack of interest in a product can be greatly influenced by this. Before making a purchase decision, potential consumers should look at reviews from other consumers rather than relying on advertisements. Furthermore, consumers gain trust and views on a product or service through E-wom.¹²

Research conducted by Yessica Oscar and Keni (2019) shows that there is an influence between brand image and price perceptions, and service quality on purchasing decisions.¹³ Then, researchers Iroh Magfiroh and Rufiatul (2022) show that there is a significant influence between product quality, price perceptions, and celebrity endorsement on purchasing decisions¹⁴ Additionally, a study by Endrawati, Edrawita, and Ria Widiarsari (2023) indicates a significant impact of both E-WOM and product quality on purchasing decisions.¹⁵

The use of variables from previous studies is what distinguishes this study from others by combining them into one research title. And there is also a problem that *Herborist* products have been around for a long time but have not succeeded in raising their brand reputation to the first rank. Drawing from the previously mentioned context, the researcher intends to investigate the choices Darussalam Gontor University students make while buying *Herborist* body serum goods. The study will concentrate on

¹² Venny Fraya Hartin Nst, "Pengaruh E-Wom Terhadap Keputusan Pembelian Dengan Dimediasi Citra Merek Dan Kepercayaan Merek Pada Indomaret Cabang Mandala By Pass," *Jurnal Ilmiah Metadata*, ISSN : 2723 - 7737 5, no. 2 (2023): 353.

¹³ Yessica and Keni Oscar, "Pengaruh Brand Image , Persepi Harga, Dan Service Quality Terhadap Keputusan Pembelian Konsumen," *Muara Ilmu Ekonomi Dan Bisnis* 3, no. 1 (2019): 20.

¹⁴ Iroh Maghfiroh and Rufial, "Pengaruh Kualitas Produk, Persepsi Harga, Dan Celebrity Endorsement Terhadap Keputusan Pembelian Skincare (Produk Serum) Di PT. AVO Innovation Technology (Avoskin)," *IKRAITH-EKONOMIKA* 5, no. 3 (2022): 215.

¹⁵ Erdawati, Ria Widiarsari, and Endarwita, "The Influence Of Electronic Word Of Mouth (E-Wom) And Product Quality On Skincare Purchase Decisions (Case Study Of Generation Y In Lubuk Sikaping)," *Journal of S Ocial and Economics Research* 5, no. 1 (2023): 185, <https://doi.org/https://doi.org/10.54783/jser.v5i1.82>.

examining how brand image, product quality, and electronic word of mouth affect these purchasing decisions The study will be titled:

“The Influence of Brand Image, Product Quality, And Electronic Word of Mouth on The Purchase Decision of *Herborist* Body Serum Products at University of Darussalam Gontor Female Campus.”

B. Research Question

From the background provided, the research questions can be outlined as follows:

1. Does brand Image affect purchasing decisions for *Herborist* body serum products?
2. Does product quality affect purchasing decisions for *Herborist* body serum products?
3. Does Electronic word of mouth affect the decision to purchase *Herborist* body serum products?
4. Do brand image, product quality, and electronic word of mouth influence the decision to purchase *Herborist* body serum products?

C. Research Objectives

Generally speaking, the following goals guide this research:

1. To evaluate how brand image affects the purchasing decisions related to *Herborist* body serum products.
2. To investigate how product quality affects consumers' decisions to buy *Herborist* body serum goods.
3. To look into how electronic word-of-mouth influences consumers' decisions to buy Herbalist body serum products.
4. To evaluate how buying *Herborist* body serum products is influenced by brand image, product quality, and electronic word-of-mouth.

D. Research Benefits

1. Academic Benefits

Specifically concentrating on the university of Darussalam Gontor Female Campus, the study aims to advance scholarly understanding of how choices to buy are influenced by eWOM, product quality, and brand image.

2. Practitioner Benefits

a. For Researchers

Researchers can use this study to expand their knowledge in the marketing domain, particularly when it comes to applying theories learned in lectures.

b. For the Company

- 1) It is anticipated that businesses would utilize this research as a roadmap for future company development and as an objective foundation for decision-making.
- 2) The study is useful for internal evaluation of Body Serum *Herborist* by providing data that helps assess the effectiveness of marketing strategies, identify the strengths and weaknesses of brand image, product quality, and e-wom, and support strategy improvements to improve performance and competitiveness based on empirical evidence.