

CHAPTER 1

INTRODUCTION

1.1 Background

We are witnessing the changing ways of how people market a product through technology. Back to the era when social media was used for entertainment purposes instead of the business platform it currently serves, it takes a huge amount of money and time to start a business. The process line between product introduction stages and costumers' purchase willingness can be excessively unpredictable business. On the other hand, now people choose the instant way of product introduction by displaying them on the bazaar using social media. Traditionally, the bazaar was permanently enclosed marketplace where the distinct products are sold or exchanged by various traders. The differentiation among its product is slightly less varied compared to modern market. Displayed goods on the traditional bazaar are intentional to fulfill daily needs (vegetables, herbs, fruits, probably daily clothes, etc.) in which differ from modern market concept that is to follow product trend.

In this research, WTF Market at Tunjungan Plaza as an object of current study is one of the modern temporary marketplace serves as a platform for a public repeat event conducted in shopping center' atrium and/or convention center that has to be huge enough areas to include the entire tenants in the designed pop-up space. The event held twice a year. Typical products they sell include ready-to-

eat food and beverage covered with unique packaging, apparel, accessories, etc. These modern concepts of bazaar have successfully reached out the market, proven by the growing number of the young entrepreneurs who want to show their creativities in business from scratch. For instance, Headquarters Market, Basha Market, Fellas n Fun Market, WTF (We The Future) Market, TGIF. Market, etc.

Shopping has now become a lifestyle rather than fulfilling needs, especially for the youngster. For that reason, WTF Market as one of the leading modern bazaar event always organizes the event with the latest trend in order to present shopping experiences. For instance, WTF Market holds some games called the WTF Challenges, it includes Marshmallow Challenge, Smoothies Challenge, WHAT'S IN THE BOX?, and Spicy Challenge on every day throughout the bazaar with total prizes up to five million rupiahs for the participants who won the challenges. For even more entertaining, there are live performances and a photo booth for everyone. (Tribun, 2017. Andy Prayogo, Editor. [Online]. Site: <http://wartakota.tribunnews.com/2017/08/22/materi-press-release-wtf-market-jakarta>)

In addition, bazaar such as Basha Market as one that pioneered the thematic pop-up market concept in Surabaya shows that modern bazaar appears to be a promising platform since the vendor that has participated is consistently increasing since its beginning. The main idea is to gather all young entrepreneurs who do not have physical store or place to sell their product (Jawa Pos,

2015. Devina dan Erin, Founder Basha Market. [Online]. site: <http://www2.jawapos.com/baca/artikel/15979/Devina-dan-Erin-Founder-Basha-Market#>)

Pop-up market keeps innovating their strategies by presenting attractive thematic concepts and endorsements by the latest public figure, discount, unique packaging, music or decoration to set up a certain atmosphere, etc., to catch up to such a high demand. Each vendor who takes part in the event also provides appealing offer such as promotion and eye-catching and/or "Instagram-able" packaging. These strategies received positive reaction and have been proved affecting the way customers desire to stop by and particularly purchase something even among a wide array of product available in the market.

Defining the tactic used by the vendor, sales promotion means marketing offer that provides more profit than what consumers receive from the sale position of a product by creating demand (Banerjee, 2009). Some vendor in the modern bazaar applies the same understanding; they offer a discount or special price for multiple purchases. Sales promotion contains both methods, in which to increase sales in the short run and minimizes the costs of advertising. The main features of sales promotions usually offer better value for customers (De Pelsmacker, 2001). They believe sales promotion has a strong ability to add value that it would henceforth bring forward future sales (Branssington, 2000).

Along with sales promotion, social media also give important insight as a way to interact with customers at minimal cost whenever they need to. In this case, modern bazaar is making use of technologies in order reaches out to targeted market long before the event is held by informing the masses on social media. Getting the most out of social media marketing function are one of the key objectives (Hanaysha, 2016). The efficiency of social media has empowered the marketers and customers with fast interaction and communication processes to enhance customer service, increase brand awareness and build strong customer-brand relationships. Using social media tools, consumers will have the chance to express their opinions to a larger number of individuals, also to find the desired information quickly without incurring much cost (Severietal, 2014).

As important as other factors, store atmosphere that suits the targeted market may affects customers' purchasing behavior. Sabrina (2014) studies result show that store atmosphere associated to consumer behavior despite of different perceived behavior by each individual. Customers will tend to spend more time as well as to purchase something if they find it attractive. It also has a chance for them to go back.

Such a business is intensely competitive among other pop-up markets. The market trend will change so does the customers' demand. A pop-up marketer needs to look at new alternatives to innovate in order to gather more vendors and to attract the customers.

This study will take WTF Market as an object and the purpose will be focusing on observe whether sales promotion, social media marketing, and store atmosphere has an impact on purchase decision at WTF Market (Pop-up Market). The reason for taking WTF Market as an object of the study is mainly because the event held more frequently and hence can be found in many cities such as Jakarta, Surabaya, Medan, and Makassar compare to another similar event. This study is done to explore the way customers make a purchase decision in the modern bazaar. The researcher hopes that this evaluation will benefit for the next research and upcoming pop-up market event to a certain extent.

1.2 Research Questions

- a. Does sales promotion have an impact on customers' purchase decision at WTF Market?
- b. Does social media marketing have an impact on customers' purchase decision at WTF Market?
- c. Does store atmosphere have an impact on customers' purchase decision at WTF Market?

1.3 Research Objectives

- a. To examine the correlation between sales promotion and purchase decision at WTF Market.
- b. To evaluate the correlation between the social media marketing and purchase decision at WTF Market.

- c. To analyze the correlation between store atmosphere and purchase decision at WTF Market.

1.4 Significant of the Study

- a. Theoretical

To produce new empirical knowledge and insights for readers and entrepreneurs regarding the impact of sales promotion, social media marketing on purchase decision in WTF Market. Also, present a source as a reference for another researcher.

- b. Practical

For the marketer, specifically modern bazaar, the study can be used as reference to generate potential customer in the next event.

1.5 Systematic of Writing

The order of this research is organized as follow:

CHAPTER 1: INTRODUCTION

The introduction includes background, research questions, research objectives, significant of the study, and systematic of the writing. The purpose of the introduction is to break down the current phenomenon and to elaborate the variables that have a considerable impact on the related business.

CHAPTER 2: LITERATURE REVIEW

This segment contains set of relevant theories gathered from the previous researchers that will develop the fact and sum up hypothesis out of each connecting variable.

CHAPTER 3: RESEARCH METHOD

This chapter clarifies the entire processes by demonstrating research design, identification of variable, operational definition, type of source data, variable measurement, data collection method, population, sample and sampling technique, data analysis technique, validity and reliability, fitness model task, and hypothesis testing.

CHAPTER 4: DISCUSSION AND ANALYSIS

This chapter will break down the result in form of research data description, data analysis, and discussion.

CHAPTER 5: CONCLUSION

The final chapter will summarize the findings and the suggestion for both theoretical and practical aspect.