Effect of Social Media "Instagram" as a Tool of Distributor Promotion of Oriflame Masayu Aliyah

Ainun MARDLIYYAH[1], Arindia UTAMI[2], Elly KURNIATI[3], Meilina[4], Novri YANTI[5], and Ali IBRAHIM[6]

[1]*Computer Science, Faculty of Sriwijaya University, Indonesia*
[*]*Corresponding author: aliibrahim@unsri.ac.id*

ABSTRACT

Social media provides a place for people around the world to communicate with, share, comment, and also influence each other. In addition to facilitating communication, social media also can be used as a business tool such as utilizing social media for CRM, so that a new term appears in CRM, namely Social Customer Relationship Management or SCRM. The influence of sizable social media such as Instagram provides a different advantage for business actors, and one of them is Distributor Oriflame Masayu Aliyah who makes social media as a promotional field. In product marketing, Distributor Oriflame Masayu Aliyah introduces its products by using books that contain products offered and offer the products to the consumer one by one. This type of promotion costs a lot of money, time, energy and causes a limitation to reach potential customers. Consumers that are out of reach do not know about the product and the benefits of this product. By using Instagram as a media promotion, consumers will know about the advantages of the product. Widespread internet can make the brand better known to the wider community. The promotion aims to increase awareness, create interest, produce sales or create brand loyalty. Based on the explanation above, this study aims to analyze the influence of social media, Instagram, as a promotional tool for the loyalty of Oriflame customers. This study uses a descriptive research method with a quantitative approach which aims to obtain an overview of the influence of Instagram SCRM as a Distributor Oriflame Masayu Aliyah Promotion Tool. The results show that the quality of goods offered and the convenience of customers shopping cosmetics have the highest presentation value with a percentage of 98.1% and 94.2%, respectively. So it can be concluded that social media, Instagram, as a promotional tool greatly assists the marketing of Distributor Oriflame Masayu Aliyah products.
Keywords: *Customer Relationship Management, social media, Instagram*

INTRODUCTION

Technological developments have indirectly a real impact on all aspects of people's lives. The development of internet technology makes it easy for people to communicate and interact. Based on the results of Hootsuite Wearesocial research released on January 31, 2019, social media users in Indonesia reached 150 million or 56% of the total population. In addition to facilitating communication, social media can also be used as a business tool such as utilizing social media for CRM, so that a new term appears in CRM, namely Social Customer Relationship Management or SCRM. SCRM can be interpreted as a marketing strategy supported by social media technology.

In marketing, promotion refers to all types of marketing communication used to inform or persuade target audiences about the relative benefit of a product, service, or brand. The promotion aims to increase awareness, create interest, generate sales or create brand loyalty. The promotion covers the methods of communication that a marketer uses to provide information about its product. Promotions can be held in physical environments at special events such as concerts, festivals, trade shows, etc. These activities are only held in certain locations so that only people who are in those locations that could be reached. Promotion using traditional media such as newspapers, magazines, radio, television, has a high cost of promotion, both in terms of media and promotional costs.

The benefits of using SCRM are increasing information delivery about products and services, and increasing customer involvement. The influence of social media is great enough to provide its advantages for businessmen. By optimizing social media as a promotional field, the entrepreneurs can reduce the cost of advertising every month and bring in many customers from all walks of life. Media social will become the main weapon that is capable of offering to execution, then customers can provide comments, suggestions or reviews of products issued. Consumer loyalty to the brand can be measured based on brand influence variables, brand trust, loyal attitude, and loyal behavior [1]. Based on the explanation above, this study aims to analyze the influence of Instagram social media as a promotional tool for the loyalty of Oriflame customers

LITERATURE REVIEW

Media is one of the main trainers of public opinion. Thus, social media can form a media crisis that is fast enough to

reduce the public attractiveness of companies or politicians. In this way, using certain social media tools, companies can obtain important information to evaluate customer satisfaction [2]. Social media has become a domain for investment for companies and is recognized as a means of maintaining long-term relationships with their customers. Companies investing in resources to integrate social data into existing Customer Relationship Management (CRM) systems enable them to understand customers and at the same time fulfill their best interests [3].

Research provided theoretical insights on the importance of introducing customer relationship management (CRM) to libraries. CRM is defined as a system or software for storing or analyzing data, but also as a customer-oriented strategy and change in organizational culture [4]. The problem of the successful implementation of social CRM in the company is still less explored and in the area of marketing management, its application is weak. Managers often don't know modern techniques and metrics to assess the social implementation of CRM. The purpose of this journal is to create a system for successful social CRM applications in the company based on detailed source analysis and research conducted [5].

CRM social strategy is a new version of CRM that is empowered by social media technology that offers a new way to effectively manage customer relationships. This study aims to predict the predictors of CRM social strategy adoption by small and medium enterprises (SMEs) [6]. Integrating social client relationship management (CRM 2.0) in a built environment can improve the relationships between organizations and clients to maintain long-term and lasting collaboration [7]. So that institutions must provide a determining factor for the success of implementing a social CRM system [8].

Cooperation from customers is very important to the success of the products and services of a company. Through advertising with social media [9]. The knowledge that is increasingly recognized as an important organizational resource that provides competitive advantage Managing knowledge assets can be a challenge for organizations, especially their external knowledge such as customer base information [10]. The use and disclosure of personal information trends are recognized in modern information societies. The integration and aggregation of information introduce potentially critical privacy issues, such as unwanted information disclosure [11].

Managing customer relationships is important and the most efficient technique in creating and managing strong relationships with customers. According to the research results, Dynamics CRM for telecommunications services will achieve good results in the target to make better business relationships with customers, assist in customer custody and encouraging sales growth [12].

How customer relationship management systems (CRM) support the process of creating customer knowledge management, including socialization, externalization, combination, and internationalization. CRM systems are categorized as collaborate, operational, and analytical [13]. A CRM term is deviated from the old view and presents CRM narratives in the context of non-profit public institutions. Using practitioner-based research explores various CRM initiatives implemented by Higher Education institutions (HE) to achieve effective Information Technology (IT) service delivery [14]. Companies that can build reciprocity and success with their clients can gain

greater profitability in their marketing relationship inversion. This study adopts the TOE model to consider technological factors (technology competency), organizational factors (innovation and support employees) and environmental factors (customer management information) to define the perceived benefits of mobile CRM [15].

Conceptualization and measurement of CRM social capabilities is the first contribution of the contribution of using social media technology and customer-focused management systems to enterprise-level customer relationship management (CRM) capabilities [16]. CRM needs to adapt to the rise of social media. The convergence of social media and CRM creates traps and opportunities, which are explored [17]. In research using regression tests to test the effect of Customer Relationship Management (CRM) on customer loyalty of PT. Nasmoco Pemuda Semarang. The results showed that CRM had a positive and significant effect on customer loyalty, with a determination coefficient of 46%. The results of this study indicate that to increase customer loyalty, PT. Nasmoco Pemuda Semarang needs to pay attention to CRM factors which consist of HR, processes, and technology [18].

Previous research used Twitter as a promotional tool with the title "Influence of Twitter Social Media as a Promotional Tool for Customer Loyalty (Case Study of Fred Perry Plaza Indonesia). Fred Perry Indonesia (@FredPerryId) Twitter was considered successful and well, so this research affects customers to make Fred Perry as a favorite brand of customers and customers to buy Fred Perry products at Plaza Indonesia repeatedly, and Social Media Twitter as a promotional tool has a significant relationship with loyalty customers Fred Perry Plaza. In its development, Twitter In that year more and more was used, while in recent years Instagram was increasingly in demand, so the writer reexamined the use of social media, in this case, Instagram which is being loved in promotional products [19][20].

RESEARCH METHODOLOGY

This study uses a descriptive research method with a quantitative approach. The purpose of using the descriptive research method in this study is to obtain an overview of the influence of SCM Instagram as an Oriflame Masayu Aliyah Distributor Promotion Tool. Descriptive research is research that aims to determine the development of certain physical facilities or the frequency of occurrence of certain aspects of social phenomena and to describe certain phenomena in detail.

In implementing this descriptive method, survey techniques are used. Surveys are used to measure existing symptoms without investigating why they exist. The activities that will be carried out in the development of this system are the first formulation of the problem. At this stage, the formulation of the problem is carried out. This stage will also determine the need for concepts required and the need for information originating from the field as well, in this case, the faculty. The second stage is a literature study. This stage is a stage of conducting literature studies. In this literature study, the literature on the use of Information Technology, namely the Internet, is sought. The third stage is the stage of preparing the instrument[21]. This stage is to prepare the instruments used. The fourth

stage is to collect data. In this stage, collecting research data relating to the Internet is taken from the students. The next stage is data analysis. Data that has been collected is then analyzed. The last stage is formulating conclusions. The final stage of this research is to conclude [20]. The description of the research method can be seen in Figure 1.
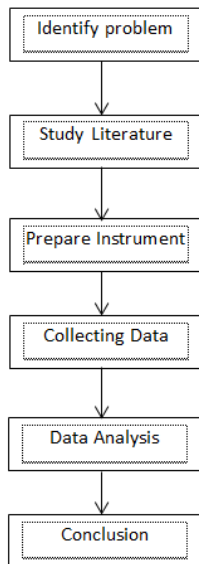

Figure 1. Research method

Identify Problem

Products that are directly marketed to the consumers is far behind in delivering information compared to products that are marketed by social media. Although, in reality, the products sold have the same quality and price or better in quality and affordable prices. Products and better management of information will get better sales revenue. This statement is also supported by the increasing use of social media. It will have an impact on both sales, customer loyalty, and the existence of a product. Therefore, an analysis of customer loyalty towards products promoted through Instagram social media is conducted.

Study Literature

A literature study conducted in this research is to find theoretical references following the recent issues. Data collection is obtained from various sources, such as journals, articles, and others. The purpose of this literature study is to facilitate problem-solving by looking for previously written writings. Literature studies are also conducted so that there is a deep understanding related to this research, then the research conducted will not fail.

Prepare Instrument

The data collection technique used surveys. The researchers prepare a list of questions related to Instagram social media usage for the promotion of Oriflame Masayu Aliyah Distributor. The questions consist of several aspects which are:

Table 1. The aspect of evaluating the use of Instagram as a promotional tool

A. Complete product	Are the products available complete and printed on the Instagram account as a promotional tool?
B. Admin service	Are the responses given good and fast?
C. Quality product	Is the quality of the product as good as buying the product directly?
D. Product price aspect	Is the price affordable or at least the same as buying directly?
E. The convenience of shopping	When doing the buying and selling process feel comfortable?
F. Information on product	Our complete product details available in the account?
G. Product packaging	Is the product packaging in good quality?
H. Product delivery	Were our product deliveries done on schedule / not late according to the specified time?

Collecting Data

Before performing data collection, first, the data sample is determined. The method used is probability sampling using simple random sampling, and the formula:

$$n = \frac{N}{(1+(N \times e^2))}$$

$$(1)$$

Description:
n = sample size

N= population size
e = percent clearances due to sampling errors that can still be tolerated.

So,

$$n = \frac{N}{(1 + (N \, x \, e^2))} = \frac{60}{(1 + (60 \, x \, 0.05^2))} = \frac{}{(1 + (6}$$
(2)

Based on the calculation above, the number of respondents needed in this research was 52 respondents.

RESULTS AND DISCUSSION

A total of 52 respondents completed the questionnaire. Noticeably, all of the respondents were females, 19.2% were under 21 years old, 63.5% were found within the age group 20-25 years old, 15.4% between 26 and 30 years old, and 1.9% over 30 years old. Most of respondents were found as college students (69.2%) meanwhile 15.5% employee, 3.8% students, 1.9% teacher, 5.8% housewife, and 3.8% trader.

Table 2. The survey result of evaluating the use of Instagram as a promotional tool

Question	Yes	Possible
Are the products available complete and printed on the Instagram account as a promotional tool?	92.3%	7.7%
Are the responses given good and fast?	90.4%	9.6%
Is the quality of the product as good as buying the product directly?	98.1%	1.9%
Is the price affordable or at least the same as buying directly?	84.6%	15.4%
When doing the buying and selling process feel comfortable?	94.2%	5.8%
Are our complete product details available in the account?	90.4%	9.6%
Is the product packaging in good quality?	92.3%	7.7%
Were our product deliveries done on schedule / not late according to the specified time?	90.4%	9.6%

In the first question, the respondent answer that the completeness of the products displayed through the Instagram of Distributor Oriflame Masayu Aliyah is considered complete with a percentage of 92.3% and 7.7% stating it is possible. This shows that with Instagram media, Distributor Oriflame Masayu aliyah can provide information about the completeness of the products offered without having contact one by one customer and Instagram makes the promotion of information dissemination more widespread.

In terms of admin services using graphical media based on graphs which stated 98.1% of respondents stated admin services as well and quickly as stated as possible. In terms of product quality, 98.1% of respondents said buying products through social media Instagram is the same as buying products directly and 1.9% said it was possible. In terms of the price of products offered through Instagram media, 84.6% of respondents answered that the prices are affordable and the same as the prices purchased directly and 15.4% say it is possible. 94.2% of respondents said that it was comfortable to buy through media and 5.8% said it was possible.

90.4% of respondents stated information provided by Distributor Oriflame Masayu Aliyah through complete social media Instagram and 9.6% stated it was possible. Information provided through Instagram media can make customers more familiar with and know what products are available at the Distributor Oriflame Masayu Aliyah. In terms of product packaging, 92.3% of respondents said safe packaging and 7.7% said it was possible. And in terms of product delivery, 90.4% of respondents said that fast delivery and 9.6% said it was possible. Based on the explanation above, proven social media Instagram is a promotional tool needed by customers to get information about the latest products and as a sales enhancement tool for Distributors Oriflame Masayu aliyah.

CONCLUSION

The analysis of the survey results to the original customer Distributor Oriflame Masayu Aliyah following the previous diagram shows that Instagram social media has a very important role in the promotion of the Distributor Oriflame Masayu Aliyah. According to the results of the customer questionnaire, the points that have the highest presentation are the quality of the goods offered and the convenience of customers shopping cosmetics at the Distributor Oriflame Masayu Aliyah with a percentage of 98.1% and 94.2% respectively.

The point that has the lowest percentage is the price offered with a percentage of 84.6%. So from that, the price of the product offered to the customer must be considered again. Based on the percentage diagram produced, it can be concluded that the use of Instagram social media greatly helped the marketing of Distributors Oriflame Masayu Aliyah products, in each question some respondents said yes / agreed and a small part stated it was possible.

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