

CHAPTER I

INTRODUCTION

1.1 Research Objective Overview

1.1.1 Profile of Delia Hijab

For millions of Muslim women throughout the world, hijab as well as other varieties of Islamic veiling, is an important social, cultural, and religious symbol. Hijab is no longer just a means of protecting one's privacy from unrelated males, it has evolved into a fashion statement that reflects the wearer's personality.



Figure 1.1 Research Location

Source: Delia Hijab, 2021

The pictures 1.1 are offline store of Delia Hijab Delia Hijab is a Muslim fashion store that focuses on casual models with lively, simple, and current designs. Young people are currently in high demand for casual Muslim apparel as a trend for everyday wear. The latest Muslim clothing is simple and lively, and it does not

obstruct activities. With a design that is influenced by Indonesian culture. Delia Hijab was created to meet the needs of Indonesian women who wear hijab.



Figure 1.2 Delia Product

Source: Delia Hijab, 2023

The pictures 1.2 are some examples of the products made by Delia Hijab, ranging from headscarves, dresses, children's Muslim clothes and there are also Koko clothes for men which are released every season and are very well thought out "by Delia Hijab, as above is a little leak of the design of the clothes. family eid for 2023. Mrs. Dede Elia, who founded the MSME Delia Hijab, developed a firm in the field of Muslim fashion as an example of an MSME with the potential to earn huge profits. Furthermore, due to the numerous fashion trends that are popular among young people, the fashion industry is quite progressive.

The company's founder, has been in business in Sukabumi since 2006, growing her brand from traditional markets to malls to become one of Indonesia's top fashion stores. Initially, the company worked with a variety of brands, including Zoya, Elzatta, Nibras, and others, until Delia developed its own brands. Delia Hijab

initially concentrated solely on hijab, but Delia chose to meet market demand for dresses as well as Muslim fashion and accessories. Delia Hijab used a reseller network strategy to maximize market coverage.

In 2018, Delia Hijab created their website, Deliahijab.com, and the company began to flourish. Delia Hijab receives several requests to become a reseller or agent to resell their products; there are over 200 resellers throughout Indonesia, however the marketing strategy function is still not fully linked with Delia's objectives. Delia began using social media in 2019. The firm is running nicely, and Delia Hijab has planned a mobile application for consumers in 2021. Consumers may communicate directly with the store and have a better view of the products.

Delia Hijab's headquarters are located in Citimall Sukabumi, Jl. Ahmad Yani No. 121-127, BIF No.12-14A, Gunungparang, Kec. Cikole, Kota Sukabumi, Jawa Barat. The shop's location is also shown on Google Maps.

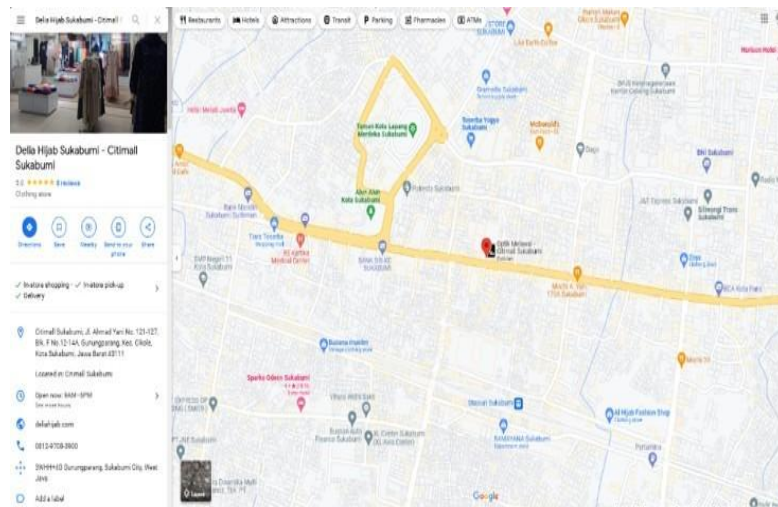


Figure 1.3 Google Maps Location

Source: Google Maps, 2022

Delia hijab already has two production sites in Bandung and Sukabumi. The vision of Delia Hijab is "Hijab Everyday, Hijab Everywhere," which indicates that Delia Hijab aims to be the trend setter and a daily fashion for young people. Delia Hijab outlined several missions to achieve the vision, for instances:

1. Delia hijab will provide customers with the greatest service in the form of facilities, products, brands, and quality networks at an affordable price.
2. Delia Hijab will lead the organization by optimizing human resources, developing mutually advantageous connections, and working together in a synergistic manner.
3. Delia Hijab and the rest of the staff work together to increase everyone's happiness.

Delia Hijab's organizational structure ranges from CEO and Commissioner to General Manager to Store and Online Manager. Each position has a distinct function, as evidenced by the organizational structure shown in figure 1.4:

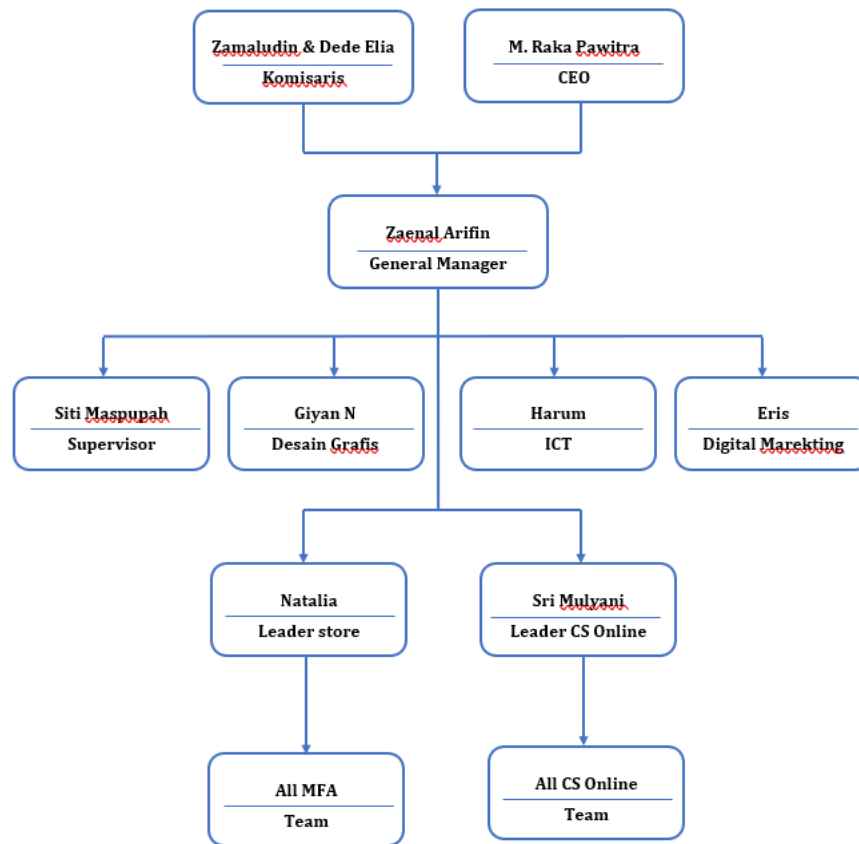


Figure 1.4 Organizational Structure

Source: Delia Hijab, 2021

1.2 Research Background

Human needs are limitless, humans are never satisfied, humans must have everything so that their satisfaction is fulfilled as the assumption of the theory of consumption "more is better". In this case, entrepreneurs are challenged to create business opportunities that are always liked by consumers over time so that the business they run can last a long time. Today, Fashion is one of the many business products that are very popular with the public. Fashion knows no time and easily adapts to the times. Seeing that Indonesia is a Muslim majority, the Muslim clothing and hijab business is the most popular now and in the future.

Muslim and Muslim fashion business is a type of business that we can easily find in various corners of cities and villages today. In the form of shops and boutiques of Muslim fashion. Coupled with the increasingly advanced world of the internet, there is now an online Muslim fashion store that provides various models and types of the latest fashionable and charming Muslim clothes. There are many national-scale online companies working on this business. Although the level of competition is quite high, the Muslim clothing business is still promising because the market is very wide and wide open. Especially when it comes to Eid al-Fitr and Eid al-Fitr, the profits of the online shop Muslim clothing business jumped sharply many times over.

The huge advantage of the Muslim fashion business online and offline can't be separated from the current trend of Muslim dress being in demand by many people, especially Muslims who are the majority in this country. They are aware that dressing is not only to look attractive but also to cover the nakedness which is one of the obligations. It is very easy to meet people who wear Muslim clothes in their daily lives. In addition to highlighting the religious aspect, it also displays an aesthetic aspect and beautifies the outer appearance.

Referring to Thomson Reuters data in the 2015 State of the Global Islamic Economy, the value of spending issued by the world's Muslim community is quite fantastic, around US\$230 billion for clothing and shoes in 2014. This amount represents 11% of the world's total clothing expenditure with an average growth of 3.8% per year. It is estimated that this number will soar to US\$322 billion in 2018 or reach 11.5% of total global spending. Currently, the countries that are export destinations for Indonesian Muslim fashion are the United States, Japan, Germany, Korea, Britain, Australia, Canada, United Arab Emirates, Belgium, and China.

The development of these businesses in Indonesia is a very interesting phenomenon to be studied, especially in the current era of globalization. This opens up opportunities for entrepreneurs to compete in attracting consumers in Indonesia and in the midst of global market competition, Muslim fashion industry players must

have a strong and superior foundation from upstream to downstream.

The Ministry of Tourism and Creative Economy estimates that the trade value of Indonesian Muslim clothing currently reaches USD 7.18 billion. From this figure, Bandung became the area with the largest contribution. Seeing these conditions, the government has made a blueprint that contains Bandung as the center of the Muslim fashion business and assesses the potential to become the world's Muslim fashion center because currently, Bandung is a trendsetter in Southeast Asia.

Companies' primary purpose is to develop products that are valuable to customers and the company should be profitable for the company. So, picking the correct product development and marketing strategy is vital for the company's success. Globalization has brought people together over centuries of technological development, and innovative products and services are part of that development (Romppanen, 2021).

Marketing strategies are essentially based on a mixture of human psychology, sociology and behavioral economical thinking, then simplified for wider adaptation in daily use for managers (Kotler, 2022). The process starts from understanding the current market situation and competition, then by analyzing the most profitable customer groups and finally tailoring a unique value, proposition (UVP) for that selected target audience. However, as markets mature it becomes increasingly more difficult to create UVP for customers, therefore companies have developed new engagement models to interact and engage with customers in digital channels (Kotler, 2022).

This study focusses more on a business which is Hijab business is also affected by the Corona virus or Covid-19 pandemic that is spreading in Indonesia, it is not easy for MSMEs to advance to class and penetrate the export market, especially last year the Covid-19 pandemic hit most MSMEs. However, technological developments and the presence of e-commerce have made MSMEs adapt, MSME actors can more easily market their products and reach a wider market. That way Delia hijab can survive and thrive despite the pandemic. Sales reports of Delia hijab

in 2019-2021 shows an up and down performance as seen in (Figure 1.5):

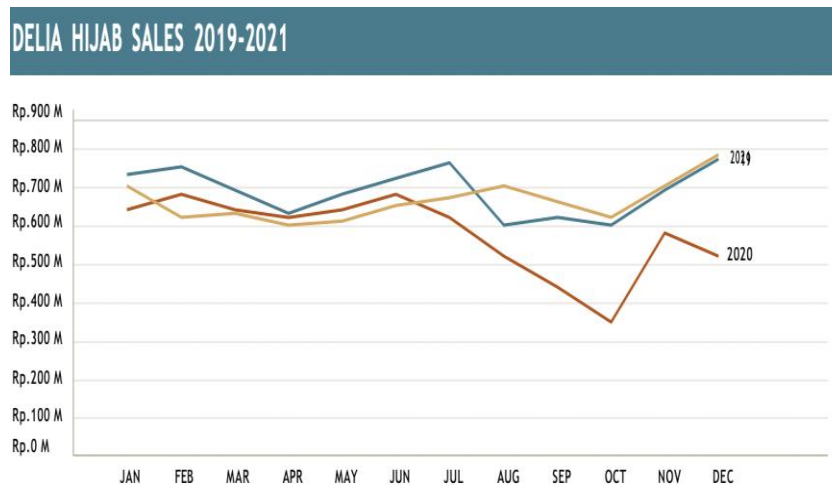


Figure 1.5 Delia Hijab Sales From 2019-2021

Source: Delia hijab sales report

According to the graph, the year 2020 has the lowest sales, which is owing to the pandemic's impact. Even though people used the internet in large numbers throughout the Covid-19 year, Delia Hijab Branch Manager explains that due to economic problems, people's willingness to buy things has decreased considerably. The enormous difference was somewhat observed as it was 6% in overall sales, and in 2021, the total sales were improving as it had grown sales by about 4%. According to figure 1.5, Delia hijab's consumer rate of purchase is highest in the middle of the year each year, because consumers are more likely to buy hijab as Ramadhan approaches and after Eid Fitr.

Following the data above, the Branch Manager stated that Delia Hijab's marketing strategy was rather expanded as they went online, and that Delia Hijab hopes that this marketing strategy will have a significant impact on the future of Delia Hijab, as the company previously believed that the segmentation of Delia Hijab

was already clear, and that the company as well realized their target or hijab product as well as how the company positioning should be.

Based on the information gathered above, this study went on to learn more about consumer purchasing decisions based on total sales information provided by Delia Hijab's Branch Manager. According to the findings of a study conducted by (Zhuang, 2016), there are several factors that influence consumer behavior, including brand awareness, brand image, and segmenting, targeting, and positioning (STP), all of which influence consumer purchasing decisions, with STP being the factor that has the most positive impact on the consumer. According to the findings of (Victor, 2018) research, there are various elements that influence consumer purchase decisions, including brand awareness, shopping experiences, intention, and the STP variable. According to the findings of the study.

This research is also backed and based on primary research done by (Khandelwal, 2020), which showed that the research is in accordance with the results, showing that fluctuating STP has a substantial impact on consumer purchasing decisions. Variable consumer purchase decisions based on analysis of determination are influenced by variable STP, according to the study. According to the explanation above, STP as a factor influences customer purchasing decisions has a major effect at Delia Hijab, thus when the marketing strategy is properly executed by using STP for Delia Hijab, sales will improve as well. The STP as Delia Hijab Marketing strategy is the foundation of the company's main success.

Based on the background stated above, the conducted a study by taking the title "Influence of *Segmenting, Targeting, Positioning* towards *Purchase Decision* at Delia Hijab Sukabumi"

1.3 Problem Formulation

STP (*Segmentation, Targeting, and Positioning*) is a market-focused strategic marketing technique that identifies how effectively a company is preparing various marketing actions to compete in that market and how Delia Hijab fits into the larger

picture. Nowadays, STP is regarded as a critical marketing strategy instruction because it is the primary cause of a company's market success or failure. As the market becomes more competitive and consumers become more discerning, STP assists in the analysis of important strategies for each product on the market. According to the STP method, the mass market is made up of a small number of generally homogeneous groups, each with its own set of demands and needs. As a result, marketers attempt to examine STP in order to comprehend each of the little segments of the market as well as the targeted segment of a certain product based on the merchandise. In sustainable business, segmentation is usually utilized to capitalize on the most essential competitive advantages as its primary analysis areas: focus strategy, differentiation, and low cost.

Delia Hijab is a hijab-specializing Muslim fashion company. The same sector has received various modifications as it increases its product line to offer Muslim apparel and other goods. In the new era of industry 4.0, when every organization moves and, at the very least, builds a digital line for its marketing, the author of this study sees segmentation, targeting, and positioning as in need of fresh changes. Delia Hijab sees a lot of potential in moving digital, and she learned that segmenting, targeting, and positioning are all based on management marketing. Consumer behavior is influenced not just by external causes, but also by internal company issues, according to Delia Hijab (Kalam, 2020).

Viewed from the company's point of view, the company's strategy includes market segmentation and positioning in influencing purchases. Meanwhile, if viewed from the point of view of the buyer it is intended to benefit them. Therefore, there should be a match between the company's marketing activity program and what consumers perceive as their expectations. The new marketing strategy will be successful and can run smoothly if the product being marketed is in accordance with the modern strategic marketing concept which says that satisfying needs is an economic and social requirement for the survival of the company. If the two things above can be realized in a company, it is very likely for the company to be able to

influence consumer purchasing decisions, in the end it is expected to be able to increase company sales and gain loyalty from consumers (Kotler and Keller, 2022).

1.4 Research Questions

Furthermore, digital marketing has had a significant impact on consumer behavior. From a business standpoint, consumer behavior provides a range of benefits, including higher brand exposure, improved customer experience, and a demonstrable return on overall sales. Online advertising, from the consumer's perspective, provides ease without jeopardizing privacy. The business STP, according to Delia Hijab Company, has a tremendous impact on consumer behavior, which can be favorable or negative depending on the situation. However, the efficiency of Delia's STP can vary greatly, as it is good after a pandemic but varies greatly between brands and sectors. As a result, a deeper understanding of consumer behavior will aid all firms in achieving more effective outcomes. As a result, the following issues must be addressed in this paper:

1. Do *segmentation* influence towards *purchase decisions* on Delia hijab customers?
2. Do *targeting* influence towards *purchasing decisions* on Delia hijab customers?
3. Do *positioning* influence towards *purchasing decisions* on Delia hijab customers?
4. Do *segmentation, targeting, and positioning* influence towards *purchase decision* on Delia hijab customers?

1.4 Research Objective

The purpose of this study is to answer the problem formulations described above, namely:

1. To examine the influence of *segmentation* towards *purchase decision* on Delia hijab customer.
2. To examine the influence of *targeting* towards *purchase decision* on Delia Hijab customer.
3. To examine the influence of *positioning* towards *purchase decision* on Delia Hijab customer.

4. To examine the influence of *segmentation*, *targeting*, and *positioning* towards *purchase decisions* on Delia hijab.

1.5 Research Benefit

In this study there are benefits as follows:

1. Academic Aspect

This benefit of this research is to adds our knowledge and insight about Influence of segmenting, targeting, and positioning towards PurchaseDecisions.

2. Practice

- a. Assisting organizational leaders or managers in achieving company objectives through segmentation, targeting, and positioning on purchase decisions.

- b. Assist fashion brand management in West Java in developing policies to improve segmenting, targeting, and positioning on purchase decisions in order to meet company objectives.

1.6 Systematically Writing

This systematics is designed to provide a general description of research. The systematics of writing are as follows:

1. CHAPTER I INTRODUCTION

In this chapter contains the research background of the issues that reveal the phenomenon of the Influence of STP on the purchasing decision, the reasons for theselection of topics, and the reasons for selection of research sites. Furthermore, this section also describes the formulation of problems, objectives and research and systematics writing.

2. CHAPTER II LITERATURE REVIEW

In this chapter contains descriptions of literature review theories underlie and support problem-solving, the frame of thought, research hypotheses, and scope of research.

3. CHAPTER III RESEARCH METHODOLOGY

In this chapter contains a description of research methods, namely the type of research, operational variables, population, and samples. Types and techniques of data collection, measurement scale, validity, and reliability test, and data analysis.

4. CHAPTER IV RESEARCH RESULTS AND DISCUSSION

In this chapter will be explained about the results of research and discussion of the characteristics of respondents, research results, and discussion of research results.

5. CHAPTER V CONCLUSIONS AND SUGGESTION

In this chapter is explained about the conclusions of the results of research that is accompanied by recommendations/suggestions for the companies studied.