

CHAPTER I

INTRODUCTION

1.1 Background

The Indonesian beauty industry has seen tremendous growth in past few years (Ferdinand & Ciptono, 2022). The Central Statistics Agency (BPS) reports that the cosmetics industry expanded by 9.61% in 2021. Additionally, the number of cosmetic companies grew drastically, increasing by 20.6% from 819 in 2021 to 913 in mid-2022. This number increased to 1,024 companies by June 2023, representing a 12.16% increase over the prior year (Fakhreza & Siregar, 2023). Furthermore, it is anticipated that the market will expand in the upcoming years.

On the other hand, people all over the world have had life-changing consequences as a result of social media's rapid growth (Khanom, 2023). Practically speaking, social media is a group of software-based digital technologies that provide users with access to digital spaces where they can share digital content or information through an online social network (Appel et al., 2020). These technologies are usually displayed as websites and apps. The increasing number of social media users in Indonesia, particularly on Instagram, highlights the platform's growing influence on digital engagement and everyday interactions. While the total number of social media users has fluctuated over the years, Instagram has maintained a strong presence, with user numbers rising from 99.15 million in early 2022 to 100.9 million in January 2024 (Kemp, 2024). This steady growth indicates Instagram's deep integration into Indonesian society, shaping how individuals communicate, consume content, and engage with brands. The platform's popularity also reinforces its role for business opportunity in Indonesia.

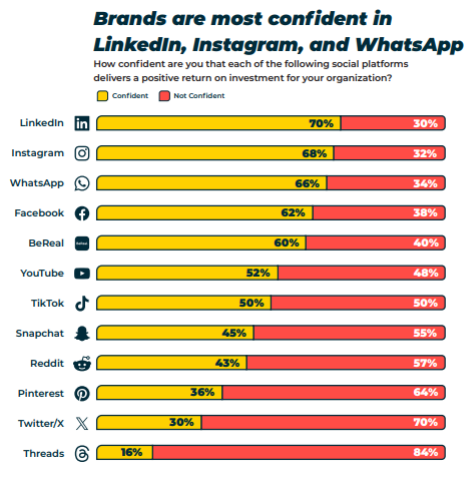


Figure 1. 1 Most Confident Brand in Get Positive Investment

Source: (Escaño & Rapuch, 2024)

The Instagram platform, coupled with a growing market for beauty products, opens up exciting business opportunities for beauty brands. Instagram is ranked second only to LinkedIn as a social media platform that is expected to offer businesses a positive return on investment, according to data from the Hootsuite Social Trends 2024 Survey (Escaño & Rapuch, 2024). In addition to providing a platform for communication and entertainment, Instagram's features let marketers launch their brands, advertise their goods, and even let consumer make purchases with its most recent feature (Miller, 2020). Alves (2021) noted that Instagram users can upload photos and videos, add locations, hashtags, and apply filters. Over the following years, the app started to add new features like explore, direct message, IGTV, reels, advertising, and most recently, Instagram shop. This illustrates the benefits Instagram provides to the Indonesian beauty industry.

Inevitably, despite the benefits, Instagram's growth as a social media platform and the growth of the beauty industry have had unintended consequences, such as reinforcing unrealistic beauty standards (Henriques & Patnaik, 2020). Numerous research studies have demonstrated the impact of social media's beauty standards on individuals, particularly women. Mañas-Viniegra et al. (2020) discovered that images promoting the slender beauty ideal seen by adolescents cause body dissatisfaction problems due to comparisons to other users' appearances. Nagara and Nurhajati (2022) also argue that beauty standards have a significant impact on the lifestyles of young women in Indonesia. These standards perpetuate societal expectations, which can lead to cyberbullying. Wiryawan and Sutantri's (2023)

study found that six out of ten people faced online harassment because of their appearance, demonstrating how social media reinforces beauty standards and fosters bullying.

The beauty industry also promotes idealized beauty standards, which can lead to low self-esteem in women and changes in consumer behavior. Veloo and Mustafa's (2023) study of millennial women in Klang Valley, Malaysia, discovered that frequent comparisons to advertising models diminished their confidence. This is due to the prevalence of beauty advertisements that exaggerate these standards. Furthermore, many consumer have unrealistic expectations of beauty products based on how they are portrayed on social media. This is because social media marketing content and advertisements frequently feature carefully designed visuals that often depict unrealistic beauty standards. This is particularly evident in advertisements featuring models with flawless skin, hairstyles, and perfectly contoured faces that complement the appearance of the advertised product (Veloo & Mustafa, 2023). In addition, social media advertisements frequently present products in an idealized, polished manner, utilizing visual enhancements such as filters and professional editing. Retouched photos are also used in beauty product advertisements to make models appear more flawless (Rohmah & Suhardi, 2020). This can lead to consumer disappointment when actual results do not match the idealized image depicted in marketing campaigns.

Feelings about beauty vary depending on one's upbringing, customs, and country. Sugiura and Sugiura (2021) define beauty as the absence of irregularities in shape or form. It shifts to acceptance of each individual's uniqueness. The perception of beauty is influenced by people's individual experiences of identifying something or someone as beautiful (Sugiura & Sugiura, 2021). That is why beauty brands, as pioneers in shaping beauty perceptions, must raise awareness through the use of social media platforms such as Instagram in order to eradicate existing stigmas about beauty standards (Saraharah & Ningtyas, 2023). According to Utami et al's (2023) research, there has been a shift in values and culture toward the beauty standards of Indonesian female students, who have begun to accept that the skin color of Indonesian women does not have to be always bright. People gradually come to accept inclusive beauty and diversity in society. According to Candi et al. (2024), both white and dark-skinned women value and strive to embody the beauty

of people with darker skin. As consumer become more aware of the consequences of rigid beauty standards, there is a growing demand for brands to implement inclusive practices that reflect diverse representations of beauty (Tayal, 2023).

There have been several previous studies discussing inclusivity. According to Morley and McMahon (in Basile et al., 2024), inclusivity involves ensuring the brand more accessible and relatable to a wider and more varied audience. Furthermore, inclusive content as marketing helps eliminate stereotypes and biases, making sure all consumer feel valued and respected (Sahoo et al., 2024). Indonesian beauty brands have noticed the importance of breaking the stigma of beauty standards by using social media, particularly Instagram, to promote inclusivity while promoting their products. According to Salsabila and Apriliyanty's (2022) research, inclusive marketing's brand experience has a positive impact on brand image, trust, and love. Campaigns that promote body positivity and self-acceptance are becoming more common, as an inclusive brand image can boost brand trust and consumer satisfaction, ultimately strengthening consumer loyalty (Ong et al., 2024).

Still, while people generally support diversity messages, the portrayal of individuals in advertisements and the brand's credibility are critical (Wilkie et al., 2023). Marketers have to employ non-stereotypical portrayals in their advertisements because stereotypes can be unfavorable to individuals (Eisend, 2022). Marketers must also emphasize authenticity in their advertising movements, as brand authenticity and transparency have received increasing attention in recent years (Papadopoulou et al., 2023). Since diversity and inclusivity become greater opportunities for brands to express their identity and align with consumer values, implementing diversity and inclusivity as a marketing strategy must be executed properly or consumer may perceive the initiatives as inauthentic (Ferraro et al., 2023). Mirzaei et al. (2022) suggested that a brand committed to addressing social issues is more likely to be perceived as authentic if it remains neutral and inclusive of all target audience groups. A brand's authenticity is more likely to be acknowledged if it adopts a position that appeals to a wide range of audiences and incorporates it into their marketing and advertising. As a result, marketers should align brand values and actions with inclusion messaging to increase credibility in their marketing and advertisements (Pelletier et al., 2020).

Marketing on social media, particularly Instagram, through inclusive content that represents diverse identities plays a part in shaping consumer attitudes toward brands. Brands that promote inclusivity in their marketing efforts frequently resonate with consumer who appreciate these values (Wibowo et al., 2021). Also, an inclusive approach to brand communication can influence positive consumer satisfaction and loyalty (Ong et al., 2024). As long as a brand demonstrates its authenticity, takes a stance on an issue, and incorporates it into their marketing strategy, the brand has a good chance of being perceived positively by consumer because it is credible (Confetto et al., 2023). Ferraro et al.'s (2024) findings also suggest that diversity representation in social media and brand campaigns may be a powerful strategy to engage audiences. Diversity representation, such as Inclusive content, may provoke emotional responses from audiences, resulting in stronger connections with the brand. This emotional connection promotes brand loyalty because consumer prefer to support brands that they believe understand and represent them (Verbytska et al., 2023). This is consistent with Nickerson et al.'s (2023) research, which found that inclusive brand marketing strategies are more likely to be supported by underrepresented and marginalized consumer when brands consider their needs and circumstances. As consumer perceptions of inclusion improve, support from underrepresented consumers and the majority of consumers who share the same principles may influence their choices regarding purchases.

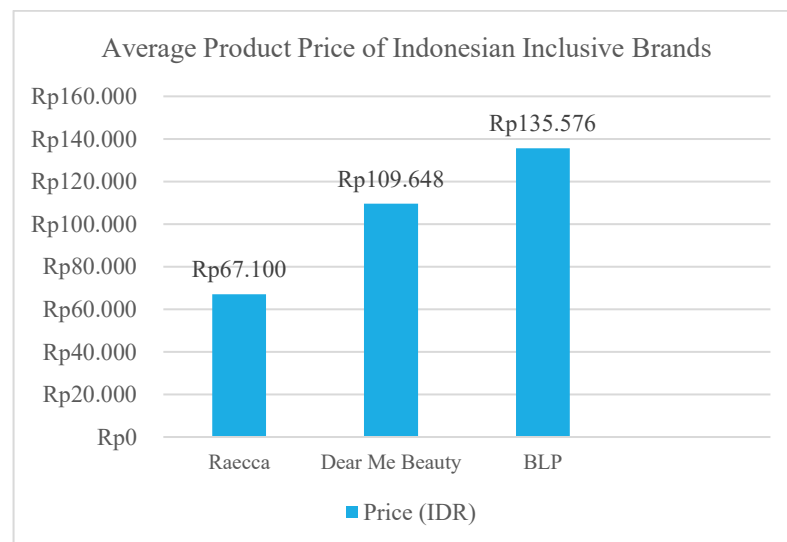
The Theory of Reasoned Action (TRA) has been extensively used to study consumer behavior in many kinds of industries, including beauty and cosmetics. The central premise of TRA is that people's actions are motivated by their intentions, which are influenced by two factors: attitudes and perceived norms (Fishbein & Ajzen, 2010). This study will look into how social media marketing uses inclusive and diverse concepts on social media content to drive consumer purchase intention, which is influenced by consumer attitude. This theory is especially relevant to understanding consumer behavior in the Indonesian beauty industry, which is rapidly expanding due to social media influence.

This research topic focuses on whether inclusivity and diversity in social media marketing affect consumer purchase intention. This topic is critical for understanding the relationship between social issues and marketing effectiveness,

as well as demonstrating whether brands can balance societal expectations with commercial goals. It can also prove whether brand has a good marketing management. Marketing management is about identifying the right audience, attracting and retaining consumers by providing unique and superior value. The goal is to understand consumers deeply so that the product naturally meets their needs and sells itself (Kotler et al., 2022).

This study investigates Raecca, as an Indonesian beauty brand that advocates for inclusivity. Based on the latest recent release from PT Tricruise in April 2025, the top five most popular local lip makeup products in Indonesia are Emina Glossy Stain, Raecca Lippie Lip Cream, Fanbo Chiffon Matte Lip, ESQA Satin Lip Crayon, and Luxcrime Ultra Lip Matte. Raecca ranked second, just one level below Emina, a well-known brand in the market (Tricruise, 2025). This achievement demonstrates that Raecca, a relatively new local brand, can compete effectively with more established brands.

Product prices are also a major contribution to purchasing choices in the increasingly competitive local beauty industry. This study compares the average price of Raecca products compared to those of other inclusive beauty brands in Indonesia, namely Dear Me Beauty and BLP.



Source: (Researcher processed data, 2025)

Based on the average price data, it is clear that the Raecca brand provides products at the most affordable price, which is approximately IDR 67,100. Meanwhile, Dear Me Beauty is in the middle with an average price of IDR109,648, while BLP has the highest average price of the three at IDR135,576. This price

difference reflects different market segments, with Raecca targeting consumers who prefer affordable prices while still prioritizing quality and inclusive value.

Futhermore, Raecca is the focus of this study because it is known for bold to be different in its marketing. This can be seen through Raecca's social media marketing. Raecca's social media marketing strategy is very effective and in line with its mission of promoting inclusivity in the beauty industry. Previously, other Indonesian beauty brands such as Dear Me Beauty and BLP has already claimed to promote inclusivity before Raecca. BLP Beauty promises and promotes "Beauty for All" in its marketing. BLP claims inclusivity by creating content, campaigns, and advertisements featuring models from various backgrounds (Salsabila & Apriliyanty, 2022). Dear Me Beauty, similarly to BLP, incorporates inclusive values by using models of various ethnicities to advertise their diverse foundation shades (Yasin et al., 2024). Thus, the following is a comparison of these three brands in terms of inclusivity and their social media content.



Figure 1. 2 BLP's Content



Figure 1. 3 Dear Me Beauty's Content



Figure 1. 4 Raecca's Content

According to these images, both BLP and Dear Me Beauty content do not consistently portray the inclusiveness that they have claimed. This is demonstrated by their content, which uses already-polished images of models with attractive appearances. This may raise the question of their authenticity. Meanwhile, Raecca is more daring in depicting their models, with dark and two-toned lips. The important thing to note is that this occurs on a regular basis, not just during campaigns.



Figure 1. 5 Raecca's Product Swatch on Deep Skin Tone

Source: (Instagram @raeccaid, 2024)

In one of its posts, for example, Raecca promotes their lip products by featuring models with deeper skin tones, demonstrating that the results of Raecca's lip products are still appealing regardless of skin color. This allows consumers with the same skin color to predict the results of the products that Raecca offers because it can relate to them.



Figure 1. 6 Raecca's Inclusivity and Diversity Content

Source: (Instagram @raeccaid, 2024)

One of Raecca's main approaches is the concept of branding diversity, which aims to break the stigma and encourage women to feel confident with themselves

(Sinuhaji, 2024). Recently, Raecca also posted a video on Instagram with the hashtag #RaeccaIsForEveryYou, in which Raecca features models with various skin colors, body shapes, hair types, and facial features to encourage audience to accept and appreciate their own uniqueness while advocating for inclusivity. In the caption of the post, Raecca stated that Raecca is for everyone without exception, demonstrating the brand commitment to embracing diversity and inclusiveness. Raecca's diversity branding concept is their attempt to market through social media while challenging the existing "beautiful" stereotype. Clarissa Natania, Raecca's Public Relations Manager, stated in a press release obtained by IDN Times that diversity branding can increase the closeness between brands and consumers across all boundaries. Raecca wishes to demonstrate that different is beautiful and that everyone has the right to be confident in themselves (Persiana, 2024).

Raecca's social media marketing, that embraces the concepts of diversity and inclusiveness, is an interesting research topic. Raecca is an Indonesian beauty brand that has used inclusiveness and diversity as their brand identity in content shared on social media, particularly Instagram. Previous research has primarily focused on the relationship between social media marketing on brand image and purchase intention, but as far as researchers have found, research on the relationship of social media marketing through the diversity and inclusiveness content on purchase intention mediated by consumer attitude based on the reasoned action theory is still limited.

1.2 Problem Identification

Based on the background that has been discussed before, the identification of the problem in this research is as follows:

1. Is there a relationship of social media marketing (Raecca's inclusive content) on the consumer attitude on Raecca's content?
2. Is there a relationship of social media marketing (Raecca's inclusive content) on Raecca's follower purchase intention?
3. Is there a relationship of consumer attitude on Raecca's content on Raecca's follower purchase intention?

4. Is there a relationship of social media marketing (Raecca's inclusive content) on Raecca's followers purchase intention through consumer attitude on Raecca's content?

1.3 Research Objectives

Based on the identification of the problem above, the purpose of this research is as follows:

1. To find out the relationship of social media marketing (Raecca's inclusive content) on the consumer attitude on Raecca's content
2. To find out the relationship of social media marketing (Raecca's inclusive content) on Raecca's followers purchase intention
3. To find out the relationship of consumer attitude on Raecca's content on Raecca's followers purchase intention
4. To find out the relationship of social media marketing (Raecca's inclusive content) on Raecca's followers purchase intention through consumer attitude on Raecca's content

1.4 Uses of Research

1.4.1 Theoretical Use

This research is expected to be one of the positive contributions in the field of communication science, especially the concentration of marketing communication related to social media marketing, consumer attitude, and purchase intention and provide knowledge about its relation to Reasoned Action theory. This research is also expected to increase knowledge about inclusiveness as a social media marketing strategy, emphasizing how diversity in representation affects consumer behavior. In addition, this research is expected to complement previous research.

1.4.2 Practical Use

1. For marketers: This research is expected to help marketers to direct their efforts in marketing beauty products on social media. This research offers actionable insights for Raecca and similar brands in optimizing their social media content.

2. For the community: This research is expected to provide better awareness about the importance of inclusiveness and diversity.

1.5 Research Time and Period

Types of Activities	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	June 2025
Submission of Research Topic									
Chapter I Writing									
Chapter II Writing									
Chapter III Writing									
Desk Evaluation Submission									
Chapter IV Writing									
Chapter V Writing									
Thesis Submission									