# Chapter 1
# Introduction

## 1.1 Background Of The Study

Nowadays customers demand more than the useful of a products, In this modern era customers also demand an experience and a relationship from a brand before they make a decision to purchase goods from certain brand, due to that phenomenon the marketing methods that a company use to attract customers became really important factors for customers.In past decades marketing methods that the company use as a promotion to attract the customers are more simple but nowadays the methods that one company use to attract their customers are changing dynamically.

One of the trend of marketing methods that a company use to promote their products is event marketing.Event marketing is the activity of designing or developing a themed activity, occasion, display, or exhibit (such as a sporting event, music festival, fair, baking demo, or concert) to promote a product, or services. Event marketing is a tool for experiential marketing that focuses on consumer experiences, and treats emotionally and rationally driven consumption as a holistic experience, Experiences often involve "sensory, emotional, cognitive, behavioral and relational values that replace functional values" (Schmitt, 1999 ; 26).

Event marketing became one of the most efective way for a marketers to reach out their customers and introducing their products to the customers. In past few years event marketing has a rapid changing

in the trends especially the factors that can drive the customers to join or engage with the event. Many of the changes have been driven by technological advances within the industry. Other changes have been driven by shifts in what people want to experience when attending events.Event marketing is no longer about creating sales pitch opportunities. It's about getting customers to form a connection with a brand and building relationships.

Customers who see a good deal, might make a purchase. Customers who feel emotionally connected to a brand will make a purchase, but the customers will also recommend those products and services to others. They will also tend to continue to be loyal to that brand into the future.To create an event marketing, marketers has different motives, factors and measurement about the effectiveness of the programs, it can be measured by the way marketers communicate their event to the audience and customers.

In contrast event-marketing is aimed at positively influencing customers's familiarity, image, attitude and emotional attachment to the brand. In reality costumers are encouraged to actively experience the brand by becoming part of event marketing in comparison to classic marketing communications. While in advertising a contact remains rather accidental, consumers actively seek to engage with this communication strategy. However, in order to utilize its full potential, any event-marketing strategy must be designed in a way that consumers want to take part in a brand's hyper reality.

Thus, marketers must have an understanding of what needs consumers seek to satisfy by participating in marketing-events.Due to

that many company in Indonesia using event marketing as main way of marketing methods they use to promote their products, brand, organization to the market. For the flour market in Indonesia event marketing such as baking demo or food bazaar are plays a big role in the way company create brand image and attract the customers to purchase their product. In indonesia there are many flour mills company such as Bogasari,Sriboga, Panganmas,Pundi kencana and Eastern Pearl. And the last report from Indonesian Flours Mills Association stated that Bogasari has the biggest market share in Indonesia, about 57,3 %. Even Bogasari has many business rival for flours industry in Indonesia whether from the local producers or import , Bogasari still manage to maintain their big market share in the market. Bogasari use many methods of marketing to attract their customers such as by magazine advertisement, online advertisement, co-branding and giving a promotional attribute like kitchen ware to their customer and also doing several event marketing to maintain their brand image to the customers.

In process of planning a marketing events Bogasari really pays attention to the goal of the events, to whom the event is targeted, due to that Bogasari has many marketing events for different audience with different goals, such as "LCKR" (lomba cipta kreasi resep) , Bogasari Expo , and "SBB" (sajian bersama bogasari).For example "SBB" or "Sajian Bersama Bogasari" event is expected to reach a goal where Bogasari wanted to pass a message to the customers that to process flour are easy and didn't need a complex utensil such an oven, and to build a brand image that Bogasari is a brand of flour that is care about

women empowerment especially in financial sectors for the housewives, encourage them to be an entrepreneur.

Brand image is one of the important variables in marketing. "Brand image is the current view of the customers about a brand. It can be defined as a unique bundle of associations within the minds of target customers. It signifies what the brand presently stands for." (Management study guide, MSG 2013).A brand image means the public"s perceptions about the brand.On the other hand through event marketing "Sajian Bersama Bogasari" that Bogasari planned, Bogasari wanted to create a customer satisfaction among the audience, Customer satisfaction (often abbreviated as CSAT, more correctly CSat) is a term frequently used in marketing. It is a measure of how products and services supplied by a company meet or surpass customer expectation.

Customer satisfaction is defined as "the number of customers, or percentage of total customers, whose reported experience with a firm, its products, or its services (ratings) exceeds specified satisfaction goals.Bogasari as the biggest player in flour mills market has to come up with many way to maintain their position. One of the way is by make sure that the event marketing they create already meet their expectation and effective.

**1.2. Observation Problem**

According to the background, the problems can be formulated as follows :

  a) Does "Sajian Bersama Bogasari" already effective based on company goal?

b) Does "Sajian Bersama Bogasari" already create a good brand image for bogasari ?

c) Does brand image of "Bogasari" that "Sajian Bersama Bogasari" event marketing create have positive effects toward the attendee ?

## 1.3 Objectives of The Observation

The research aims to :

a) Identify and analyze the effectiveness of event marketing "Sajian Bersama Bogasari"Identify and analyze the positive effects of event marketing "Sajian Bersama Bogasari" towards brand image of Bogasari.

b) Identify and analyze the positive effects of brand image towards the customer satisfaction of Bogasari

## 1.4 Scope of The Observation

This observation will explain to the readers about the effectiveness of event marketing especially baking demo, and how it will give an impact to company's brand image and customer satisfaction.In this case the event marketing that chosen to be the object is "Sajian Bersama Bogasari". Event marketing, brand image and customer satisfaction will be explained in details. Those variables will be a measurement to measure the effectiveness of event marketing of Bogasari especially in surabaya.

**1.5  Advantage of The Observation**

The result of this observation will be generate some advantages such as :

### 1.5.1  Academic Advantage

The result of this observation can be used as the reference to the one who do the similar study research or continual study especially about the effectiveness of event marketing Sajian Bersama Bogasari.

### 1.5.2  Practical Advantage

This result of this observation can give information for Bogasari about the effectiveness of event marketing and can be use as a guideline to plan next event marketing.