

CHAPTER I

PRELUDE

1.1 Background

PT Zyrexindo Mandiri Buana TBK is the oldest local personal computing brand in Indonesia. In 1996, the founder Timothy Siddik wanted to advance Indonesian technology to eliminate the gap between inland and overseas offerings. He continued in a recent interview, the way in which Zyrex achieves this is by providing products that are competitively priced and catered to the practical uses of everyday Indonesians (CNBC Indonesia, 2021). Their product line includes server equipment, B2B devices, desktops, and laptops as their main seller.

Though they have been in business for 26 years, these past few have been a time of significant change for Zyrex. In 2018, the brand made a comeback after an eight-year hiatus in 2010 (Afriyadi, 2018). The reason they cited was due to foreign challengers who were offering the lowest prices to compete for the largest market share, a market situation that Zyrex could not compete with. However, changes in consumer purchasing behavior and the still-low laptop penetration numbers were the reason Zyrex cited for their return. During the same year, their product lineup was bolstered with the addition of Internet-of-Things (IoT) devices, as Zyrex saw a shifting trend towards device ecosystems. Fast forward two years later, the global COVID-19 pandemic became yet another milestone for the entity. 2020 marked a time of transition for Zyrex to become retail-focused and digital-first, according to their company profile. This was yet another change, as Zyrex began by focusing on corporate consumers who were more reliable, less fickle, and less trend-conscious (Nursam in personal interview, 2022). In 2021, March the 26th to be exact, Zyrex has become a publicly traded company with the code ZYRX, releasing 333,333 million worth of stock which translates to roughly 25% of their starting capital (Intan, 2018). Needless to say, the Zyrex of yesteryear is a far cry from who they are now.

As Zyrex has marched on in the technology industry, it appears their current identity is becoming more and more inadequate. To be exact, it is lagging 10 years behind, which was the last time Zyrex has made a change in identity according to Nursam. A key tenet of the Zyrex brand is to become the best purveyor of Indonesian technology, a mentality of supporting fellow locals first. A survey done by the writer with 100 respondents concluded that consumers are having a hard time identifying Zyrex as such, with an aggregate of 47% suspecting them to be foreign and 25% seeing them as ambiguous. Furthermore, Only 28% of respondents knew of Zyrex and were correctly aware it was local. CEO of design studio SUNVisual Ismiaji Cahyono suggests it is because Zyrex's visual identity contradicts their value, as in their uses modern concepts of simplicity, sophistication, and innovation but does not inject attributes of Indonesia, making it indistinct (in personal interview, 2022). Furthermore, the survey results show that there was a 56% disinterest rate when asked if the respondents would want to share the brand's existence to their peers. Likewise, 66% of the audience showed ambivalence about learning further about Zyrex.

This is truly a misstep in brand strategy as there is an addressable market that is ripe for Zyrex to take. As it was hinted before, according to indonesiabaik.id, the percentage of computer ownership in Indonesia is only a measly 7.97%, which would translate to 1 out of every 12 citizens. This is still a far cry from the required 70% for a nation to be ranked as adequate in terms of Information and Communication Technology (ICT) achievements (Siddik in Evandio, 2021). This is compounded by the fact that 95% of laptops in circulation today are a product of foreign brands (Sasongko, 2021). A remedy to this situation is required, as Kemenperin's goals of Industry 4.0 for the electronics sector is to relieve Indonesia from having to depend on foreign manufacturers,

To make a dent in that statistic, it would require a large number of Indonesians to actively choose local products over foreign offerings. However, this may prove to be difficult for Zyrex as audiences are not aware of what separates the brand from others. With no perceivable difference, future consumers

would only continue to purchase foreign and more recognizable brands. This sentiment is echoed by David Brendi (personal interview, 2022) and the participants of the writer's Focus Group Discussion.

Ismiaji Cahyono (in personal interview, 2022) assessed that an aspect that could make Zyrex more distinct is the utilization of brand story to create an emotional connection with the audience. Being a local brand, Zyrex could hone in on the narrative of supporting a fellow countryman, would resonate with the consumers, garner empathy, and develop a sense of kinship. This strategy would make the brand irreplaceable in their eyes against the vast sea of competitors (Wheeler, 2012).

To summarize, Zyrex's current identity has not adapted to who they currently are, it has failed to communicate the brand's ideal of becoming the top Indonesian computer, it does not differentiate Zyrex from others, and its visuals do not elicit further engagement from the surveyed audience. As such, a redesigned visual identity would be beneficial. Wheeler (2012) wrote that there is ground for doing so if the brand has not communicated themselves with clarity, if they are imminently entering the stock market, if audiences are not aware of their existence, and if the branding no longer matches the output of the company. It is prudent to do the redesign immediately as, continued from Wheeler, a proper visual identity that is congruent with the company values would result in the fostering of a strong brand equity. This investment, in turn, would increase the company's reputability and potential for future success, which is among the most valuable assets for a now public entity. Burn & Guiliano (2021) adds, a renewed identity, before or after an IPO, is a valid strategy to increase or maintain a company's valuation and marks the beginning of a new chapter for the brand. Furthermore, Nursam has stated that Zyrex has, on numerous occasions, considered revamping their identity to no avail. As such, the writer initiated the creation of this Final Project, entitled 'Redesigning Zyrex's Visual Identity.'

1.2 Problem Formulation

How to properly execute a rebranding effort for Zyrex?

1.3 Problem Boundaries

To ensure a focused result, the writer elected to establish boundaries as such.

- 1) Sex : Men and women
- 2) Age : 20-29 years old ('Productive youth')
- 3) Education : A minimum of high school education
- 4) SES : B
- 5) Geographic : primarily DKI Jakarta, secondarily Jabodetabek

These prerequisites were determined based on a 2018 survey done by indonesiabaik.id. With a sample count of 2.012, the survey surmised that there is a large sum of laptop users from the 20-29 age range (27,59%) with high school education at minimum (64,82%) and reside in an urban environment (29,46%). Additionally, the writer chose DKI Jakarta as a survey done by Kredivo shows it has the highest number of purchases through digital mediums, something Zyrex mainly relies on (Nursam in personal interview, 2022). Lastly, SES B citizens were chosen considering that Zyrex offers value-oriented products and they have a higher tendency to choose local-made rather than foreign, according to Rahayu (2020).

- 6) Psychographic :
 - a) Is proud of Indonesia, expresses it through the things they purchase
 - b) Values the affordability and capability of a product
 - c) Reliant on laptops for productivity
 - d) Likes to know the tale and effort put behind the product

1.4 Purpose of Final Project

To properly execute a rebranding effort for Zyrex.

1.5 Benefits of Final Project

- 1) For the researcher

The completion of this Final Project would benefit the author as he would gain tremendous experience in applying the knowledge he has gained during his academic studies of branding and visual communication design.

The output of this research would prove to expand the writer's skill set and solidify his understanding of this field and its corresponding industry.

2) For the brand

Zyrex would also reap the benefits from this Final Project, as it would bring a new perspective for the brand to consider moving forward, that is through the lens of graphic design. Whether or not Zyrex chooses to implement the result of this paper, nevertheless it will give credence to the idea that Zyrex is a subject worthy of academic study by future scholars.

3) For the institution

Through this Final Project, the institution of Universitas Multimedia Nusantara would gain another worthy academic paper to add to their ever-expanding library. It would also stand as another example of Universitas Multimedia Nusantara producing an exemplary and diverse body of work.

