

# CHAPTER I

## INTRODUCTION

### 1.1 Background

Gadgets such as smartphones, laptops, tablets, computers, and other electronic devices have been an essential part of a lot of people's daily lives all around the globe. Indonesia is not an exception, based on data researched by Datareportal, active smartphone users in Indonesia have been increasing consistently each year, from fifty-four million active users in 2015 to approximately 209,3 million active users in 2023 (Andalas, 2024). According to Worldwide Quarterly Mobile Phone Tracker by the International Data Corporation (IDC), in the first quarter of 2024, Indonesia's smartphone market grew by 27,4% with 10 million units shipped (Aurelia, 2024). At the same time, Worldwide Quarterly Personal Computer Computing Device Tracker by the same corporation, IDC, also noted a 17.9% growth year-on-year in the Indonesian PC Market (Adiatma, 2024).

Despite these increases, the gadget market in Indonesia is still dominated by global brands. In fact, over 60% of the Indonesian mobile market share is owned by global products, led by Oppo, Samsung, and Xiaomi (Siahaan, 2024). While the Indonesian tablet market share is occupied by brands such as Samsung, Apple, and Xiaomi, making up 88,06% of the market (Statcounter, 2024). However, there is one notable local brand in the PC market that holds a significant share, Axioo, having around 4.7% of the PC market share in 2Q 2024 (Adiatma, 2024). Other local brands such as Advan, Evercross, and Polytron also have presences in the budget segmentation, focusing primarily on budget-conscious consumers, but failing to capture a significant amount of market share (Siahaan, 2024).

In the efforts to improve the competitiveness of local gadget brands in Indonesia, the Indonesian government has implemented several regulations, such as the limitation for product imports stated in Permendag Number 36/2023, and electronic products import in Permendag Number 3/2024. Yet, due to bad outcomes

and negative impacts these regulations caused in the Indonesian PC market, they were quickly lifted (Adiatma, 2024). Before it was lifted, Andry Satrio Nugroho, an economist from the Institute for Development of Economics and Finance (INDEF) stated that this movement was a mere shortcut, only temporarily solving the issue by inherently shutting down competition (Singgih, 2024).

Other efforts done by third parties to improve the reputation of local brands include “Bangga Buatan Indonesia” campaign initiated by the government to encourage citizens to support locally made products, partnerships with major local e-commerce platforms such as Tokopedia and Bukalapak, which also included “Bulan Produk Lokal” campaigns, promoting local products on certain months, social media and influencer marketing, and offline retail store partnerships. But all of these campaigns and efforts are neither specialised for gadgets and electronics, nor strategized properly to reach the correct audience effectively. As such, there has yet to be a campaign that successfully educate and promote local gadgets.

If no measures are effectively implemented to support local gadget brands, a few negative outcomes might happen. International brands will keep their dominance in the Indonesian market, increasing the market’s dependency on global brands. Local brands will have difficulties in growing, stagnating the IT Industry, and hindering innovation. Indonesia will miss technological advancements and experience a reduction in job opportunities. All of this impact could potentially harm the Indonesian economic stability and economic growth.

Therefore, to increase Indonesian people’s awareness about the quality of Indonesian-made gadgets that have increased and could compete with global products, an incentive such as the creation of an educative and persuasive social campaign is needed. According to Rogers & Storey, a campaign is a communication method that aims to cause a certain impact (Venus, 2018), in this case, to make people aware of locally produced gadgets. This campaign will use various media, both printed and digital media, to attract attention, provide information, and initiate a movement towards the specified targets.

## **1.2 Problem Formulation**

Based on the background that has been described, here are the following problems that were found in the aforementioned situation:

1. Indonesian citizens still have a relatively heavy dependencies towards imported electronic gadgets, which cause them to build trust and prefer imported gadgets over local brands. This happened due to the public's perception that local brands don't have the means and quality to compete against global brands.
2. Persuasion efforts executed by various parties to try and promote local gadget brands are ineffective in transforming the public's perspective that locally produced gadgets are inadequate to compete in regard to quality, innovation, and exclusivity.

Therefore, the author decides to formulate the problem as follows:

How is the campaign design to raise awareness towards locally produced electronic gadgets?

## **1.3 Scope of Problem**

The campaign design that will be carried out for this final project is aimed for regular electronic device users in Indonesia, men and women in their young-adult age, between 22—34 years old, from the B socioeconomic segments, with the main focus being to increase awareness about the competitiveness of locally produced electronic gadgets. This campaign design will cover the introductions of local brands and products through information media such as advertisements and a digital website, and invitations for audiences to consider purchasing locally produced electronic gadgets in the form of digital promotions.

## **1.4 Purpose of the Final Project**

Based on the formulation and scope of the problem that has been identified, the author decides that the purpose of this final project is to design the campaign that raise awareness towards locally produced electronic gadgets.

## **1.5 Benefit of the Final Project**

The process of making this final project will produce various benefits for several parties involved, both theoretical benefits and practical benefits. The following are the benefits produced:

### **1.5.1 Theoretical Benefits**

The benefit that is hoped to be produced from the making of this campaign is to increase the public's awareness that locally produced electronic gadgets are capable to compete with imported device and will need the people's support, through a campaign that introduces and promotes local electronic gadgets. This final project is also hoped to become an example for the study of Visual Communication Design and potentially provide references for several researchers and academicians seeking to improve and broaden their knowledge on both campaign designs and the topic of this final project.

### **1.5.2 Practical Benefits**

This campaign design is hoped to provide references for academicians, lecturers or other researchers that intend to deepen their understanding of campaign designs in the Visual Communication Design studies, or the campaign topic that is being made, which is about electronic gadgets that are locally produced in Indonesia. Apart from that, it is also hoped that this campaign design would provide benefits for other students that have an interest on the process, result, or topic discussed in this paper, the making of a campaign about locally produced gadget.