

Increasing Brand Awareness of Oranger Mobile

Amaania Rizkia Nuurul Falah¹, PrawiraFajarindraBelgiawan²

¹*School of Business and Management, Bandung Institute of Technology, Indonesia*

²*School of Business and Management, Bandung Institute of Technology, Indonesia*

**Corresponding Author: Amaania Rizkia Nuurul Falah¹*

ABSTRACT : *The shift of the consumer to a digital lifestyle and reliance on e-commerce during pandemics affect the significant increase in the demand for delivery services. The new online delivery services use technology for their services and sharing model. As a state-owned company, PT.Pos Indonesia also adapts in using a partnership model for its driver, called Oranger. One type of Oranger is called Oranger mobile, responsible for pick-up service and direct selling. Based on the data in 2021, the number of Oranger has not reached the target and for 2022 the company has doubled the target for Oranger. The low number of Oranger indicates a lack of awareness of Oranger mobile. This research is focused on increasing brand awareness of Oranger mobile. The data collected from customer analysis distributed through questionnaire to potential Oranger. The result of quantitative data is processed using the SEM-PLS method. The qualitative data will be used to measure brand awareness. The result shows that brand awareness of Oranger is considerably low. The company can do advertising across media platforms, apply publicity techniques, and become a sponsor for events as a strategy to increase Oranger brand awareness.*

KEYWORDS—*Application-Based Delivery Service, Delivery Service, Driver-Partner, Employer Brand Awareness, Online Delivery Service*

I. INTRODUCTION

The total internet users in Southeast Asia reached 440 million in 2021, with a growth rate of 10% from the previous year. Of Indonesia's internet users, 80% have already purchased online at least once and are also referred to as digital consumers [1]. The shift of the consumer to a digital lifestyle and reliance on e-commerce during pandemics affect the significant increase in the demand for delivery services because the business needs to deliver the goods to the customer's doorstep. In the technology development in the last-mile delivery, drivers are at the heart of the platforms because the driver provides a private vehicle to transport [2]. The new entrants in the last-mile delivery try to find ways to a more lucrative value chain by leveraging technology and the new sharing business model, including using a partnership model for its driver. The digital transformation of the business has forced the established delivery companies to introduce their delivery application in the highly competitive market and adapt to using the partnership model as its driver. It is pretty challenging for some of the existing last-mile delivery to compete because one of the problems is the lack of digital culture and outdated technology.

One state-owned company that focuses on mail and package delivery services is PT. Pos Indonesia. The business conditions have forced PT. Pos Indonesia in 2019 to do the business transformation. One of the business transformations performed by PT. Pos Indonesia is developing the application as the platform to provide a digital courier service called PosAja! with Oranger as their partner. The Oranger contributes 17% to revenue in mail and delivery services. As one of the channels in the courier business, Oranger has contributed to an increase in the company's income from package delivery services. Oranger is the courier responsible for the pick-up, delivery, and connecting PT. Pos Indonesia directly to the customers. The Oranger type responsible for the pick-up service, point-to-point delivery, and direct selling is the Oranger mobile. The increase in package delivery services aligned with an Oranger significant increase from 2019 to 2021.

Even though it increased significantly, the number of Oranger in 2021 did not reach the target because PT. Pos Indonesia set the target of 10,000 Oranger in 2021, which could only reach 5,306 or 53% of the target. With its significant role as the partner for direct selling and pick-up services, PT. Pos Indonesia has set the target higher for the number of Oranger in 2022, which is 20,000. The low number of Oranger achieved indicates a lack of brand awareness about the Oranger among the non-oranger partners; this is supported by the data from the interview results with non-Oranger partners; three out of five respondents do not know about Oranger partners from PT. Pos Indonesia. Hence to achieve the goals of the number of Oranger, the company needs to develop marketing and business strategies to increase the Oranger brand awareness first to potential driver-partner.

II. LITERATURE REVIEW

2.1 Employer Branding

The workers' model in the digital platforms enhances labor market competition and leads to a severe decline in wages and working conditions [3]. As the platform connects people and drivers, creating a trilateral relationship structure between platform-worker-client. From the employer's perspective, the increasingly competitive labor market resulted in a strong need for marketing promotion regarding the job offered. The effort of the firm recruit job seekers is using similar ways to attract consumers to purchase the product or services [4]. As a result of applying marketing principles to human resources management, the notion of employer branding has arisen. This employer branding aims to promote to the existing and potential workers that the firm is a desirable workplace [5].

2.2 Employer Brand Awareness

Adapting to the customer brand awareness theory, the lowest level of employer brand awareness is unawareness, or lack of awareness, such as the people are unaware of the organization. A slightly more significant level of familiarity is known as recognition, in which a job seeker recognizes the employer's name based on limited prior exposure to the employer. Then the higher level of familiarity is recalled; this can be indicated when job seekers are aware enough of an employer so that they can recall the employer when they are given cues about the organization. The last stage and the highest level of awareness are top-of-mind when job seekers recall the organization first time [6]. Several variables are used as early recruitment activities to increase brand awareness, such as advertising, publicity, word-of-mouth, and sponsorship[4]. Further, these variables are used in the study of Oranger mobile.

III. RESEARCH METHOD

This research was conducted using mixed-method designs; the mixing of approaches and strategies in searching for an answer to research questions and objectives involved a mixture of research methods[7]. The research method combines the qualitative method with the in-depth interviews as the research strategy and the quantitative method with the survey as a research strategy. Qualitative data is being collected to measuring the brand awareness. Moreover, quantitative data collected to analyze the factors that influence brand awareness. The quantitative data is processed using Structural Equation Modelling (SEM) using Partial Least Square (PLS). The result from both analysis is combined to find the business and marketing strategy to increase brand awareness of Oranger.

IV. RESULT AND DISCUSSION

Based on the calculation, the sample size for quantitative data required is 155 respondents for analysis using PLS-SEM. The criteria set for the respondents are people aged between 17-35 years old and who have a motorcycle. The questionnaire used closed format questions that were measured using a 1-5 Likert scale—the data collected from 175 respondents for this research.

4.1 Results of Measuring Brand Awareness

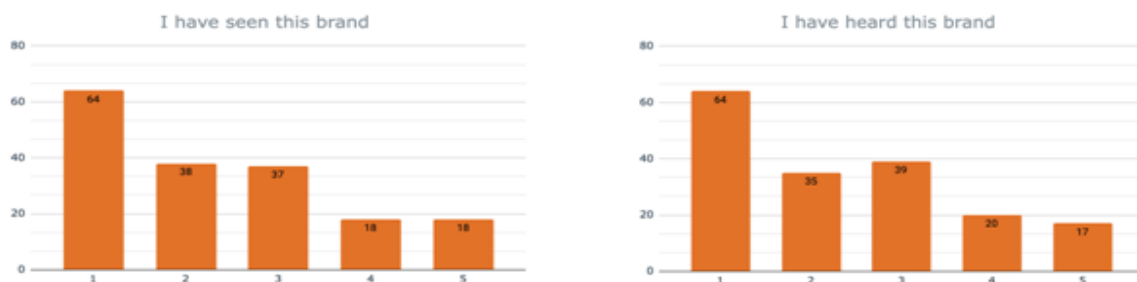


Figure 1. Brand Recognition of Oranger

In identifying brand recognition, the two questions asked in the questionnaire are "Have you ever seen this brand before?" and "Have you ever heard this brand before?". The results for the first question in Fig.1 show that 64 of 175 respondents strongly disagree that they have seen the Oranger, and 38 of 175 respondents disagree that they have seen the brand, so 58.28% of the respondents disagree that they have seen the brand. The second question in Fig.1 shows that 64 of 175 respondents strongly disagree that they have heard the brand, and 35 of 175 respondents disagree that they have heard the brand means that 56.57% of the respondents disagree that they have heard the brand. The result indicates that most of the respondents do not know about Oranger.

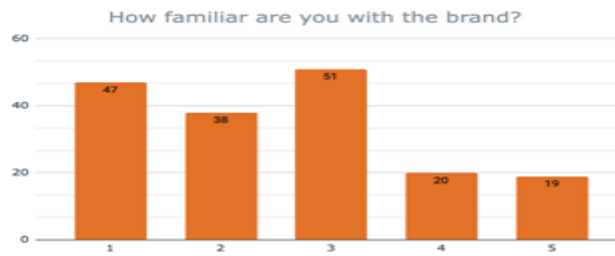


Figure 2. Familiarity of Oranger

The other question asked are "How familiar are you with the brand?" and "In the past year, how often have you listened to people talk about the brand?". The results of respondents' familiarity with the brand in Fig.2 show that 47 respondents strongly disagree and 38 disagree that they are familiar with the brand, which means that 48.57% of the respondents disagree that they are familiar with it. 29.1% of respondents were neutral, and 22.29% agreed they were familiar with the brand. The percentage of disagreeing is still higher even though it is less than half of the respondents compared to the percentage of neutral and agree.

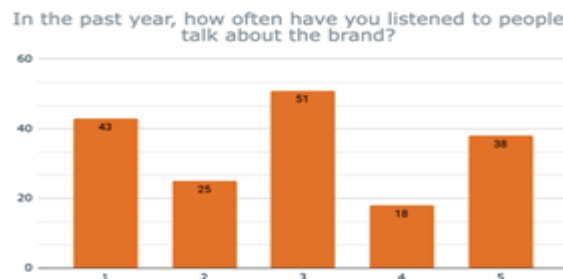


Figure 3. Frequency of Listened to People Talk About the Brand

The last question about how often respondents listened to people talking about the brand within one last year in Fig.3 shows that 43 respondents strongly disagree, and 25 disagree. It shows that 38.86% of the respondents disagree that they often listened to people talking about the brand within one last year. The rest, 29.14%, are neutral, and 32% agree that they often listened to other people talking about the brand within one last year. The disagree percentage is still highest compared to the neutral and agree. From the four questions, the brand recognition of Oranger can be concluded into low as from the four questions, the level of disagreement is higher than other percentages.

4.2 Results of Quantitative Data Analysis

Data collected from questionnaires are processed using SmartPLS software to analyze the relationship between indicators and constructs. There are several steps in analyzing the result of PLS-SEM: First is to create a PLS path model as shown in Fig.4, then assess the PLS-SEM results of measurements, and last is to assess the PLS-SEM results of a structural model.

4.2.1. Measurement Model (Outer Model)

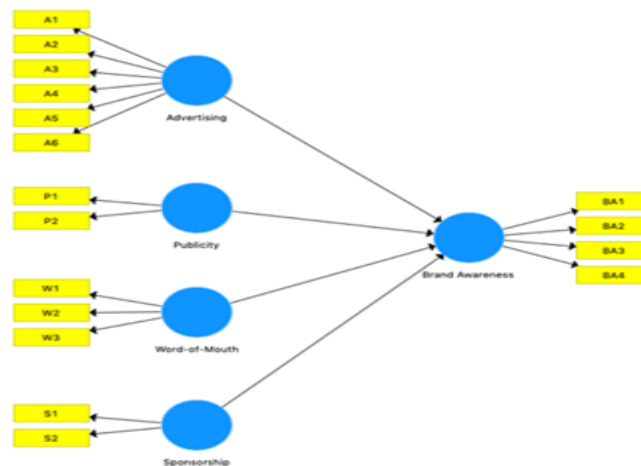


Figure 4. Brand Awareness Path Model

Increasing Brand Awareness of Oranger Mobile

The evaluation of the reflective measurements model includes checking for reliability and validity, which consists of several evaluative measures.

Internal Consistency Reliability (Cronbach Alpha & Composite Reliability)

Table 1. Cronbach's Alpha and Composite Reliability

	Cronbach's Alpha	rho_A	Composite Reliability
Advertising	0,972	0,976	0,977
Brand Awareness	0,925	0,936	0,947
Publicity	0,945	0,949	0,973
Sponsorship	0,963	0,964	0,982
Word-of-Mouth	0,964	0,975	0,977

By looking at the data on the table, the Cronbach alpha value and composite reliability value are higher than 0.7, so the data have a high internal consistency. Hence, there is evidence that the data construct reliability was confirmed.

Convergent Validity

Table 2. Outer Loadings of Brand Awareness

	Advertising	Brand Awareness	Publicity	Sponsorship	Word-of-Mouth
A1	0,930				
A2	0,922				
A3	0,960				
A4	0,936				
A5	0,950				
A6	0,924				
BA1		0,922			
BA2		0,942			
BA3		0,938			
BA4		0,807			
P1			0,976		
P2			0,972		
S1				0,983	
S2				0,982	
W1					0,963
W2					0,968
W3					0,967

The high value in outer loadings means that the linked indicators have a lot in common and are well represented by the construct. The outer loadings from the indicator in this research fulfil the criteria as it has a value above 0.708. Therefore, all of the indicators' outer loading is statistically significant.

Table 3. Average Variance Extracted (AVE)

	Average Variance Extracted (AVE)
Advertising	0,878
Brand Awareness	0,817
Publicity	0,948

Increasing Brand Awareness of Oranger Mobile

Sponsorship	0,965
Word-of-Mouth	0,933

The AVE should have a value of 0.50 or higher, based on data, AVE has a value higher than 0.50, indicating a sufficient degree of convergent validity. In other words, the latent variables can show more than half of the indicators' variance.

Discriminant Validity

Table 4. Cross Loadings

	Advertising	Brand Awareness	Publicity	Sponsorship	Word-of-Mouth
A1	0,930	0,507	0,673	0,714	0,644
A2	0,922	0,415	0,671	0,775	0,672
A3	0,960	0,502	0,711	0,776	0,707
A4	0,936	0,553	0,721	0,725	0,687
A5	0,950	0,475	0,672	0,766	0,689
A6	0,924	0,531	0,710	0,708	0,702
BA1	0,519	0,922	0,662	0,371	0,566
BA2	0,506	0,942	0,638	0,338	0,525
BA3	0,473	0,938	0,585	0,296	0,478
BA4	0,428	0,807	0,496	0,328	0,471
P1	0,721	0,668	0,976	0,616	0,739
P2	0,722	0,623	0,972	0,642	0,799
S1	0,789	0,367	0,628	0,983	0,689
S2	0,766	0,357	0,640	0,982	0,687
W1	0,750	0,595	0,794	0,682	0,963
W2	0,677	0,474	0,740	0,675	0,968
W3	0,681	0,555	0,746	0,672	0,967

The cross-loadings compare the outer loadings from every construct; the criteria is that the outer loadings of a particular construct should be greater than any other outer loadings from other constructs. All of the outer loadings from each construct are higher than the outer loadings from other constructs, which means that the value is met with the criteria.

Table 5. Fornell-Larcker Criterion

	Advertising	Brand Awareness	Publicity	Sponsorship	Word-of-Mouth
Advertising	0,937				
Brand Awareness	0,535	0,904			
Publicity	0,741	0,664	0,974		
Sponsorship	0,792	0,369	0,646	0,982	
Word-of-Mouth	0,730	0,566	0,789	0,700	0,966

The value in the diagonal needs to be higher than all correlation values in both rows and columns. Overall, the square root of AVE in the table is higher than other latent variable correlations means there is evidence for the constructs' discriminant validity as the latent variables share more variance with its indicators rather than with another latent variable in the structural model.

4.2.2. Structural Model (Inner Model)

Increasing Brand Awareness of Oranger Mobile

The structural model, also known as the inner model, includes the relationship between latent variables and the predictive capabilities of the structural model. There are steps in assessing the structural model: 1) Assessing the collinearity; 2) Assessing the significance of the path coefficient; 3) Assessing the level of R^2 ; 4) Assessing the effect size of f^2 ; 5) Assessing the predictive relevance Q^2 and the q^2 effect size.

Collinearity Assessment

Table 6. Variance Inflation Factor

	Brand Awareness
Advertising	3,614
Brand Awareness	
Publicity	3,134
Sponsorship	2,935
Word-of-Mouth	3,242

Based on the data in the table, the VIF value of each latent variable is below 5.00. There is evidence that the data has no multicollinearity.

Significance of Path Coefficient

Table 7. Mean, Standard Deviation, T Statistics, P Values

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T Statistics (O/STDEV)	P Values	Finding
H1: Advertising → Brand Awareness	0,241	0,252	0,119	2,035	0,021	H1 supported
H2: Publicity → Brand Awareness	0,540	0,536	0,101	5,343	0,000	H2 supported
H3: Sponsorship → Brand Awareness	-0,286	-0,297	0,117	2,438	0,007	H4 supported
H4: Word-of-Mouth → Brand Awareness	0,164	0,167	0,102	1,603	0,054	H3 not supported

According to the data of the t value, the relationship from advertising to brand awareness, publicity to brand awareness, and sponsorship to brand awareness have empirical t values of 2.035; 5.343; 2.438, respectively. All of those values are higher than the critical value of 1.65, which means that the relationship between advertising, publicity, and sponsorship to brand awareness is significant at a level of 5%. The relationship between word-of-mouth and brand awareness is insignificant as it has empirical t values lower than 1.65.

After assessing the t value, the next value that needs to be considered is the p-value. With a significance level of 5%, the p-value should be below 0.05 to be significant. Based on the data in Table 7., advertising, publicity, and sponsorship have a significant relationship with brand awareness because it has a p-value below 0.05. In contrast, word-of-mouth does not have a significant relationship with brand awareness because it has a p-value larger than 0.05.

From the t value and p-value, advertising, publicity, and sponsorship has a positive relationship with brand awareness; thus, it supported the hypothesis. Word-of-mouth does not have a positive relationship with brand awareness. By taking a look at the t value, if it is sorted from the most influential variables to brand awareness are publicity (5.343), sponsorship (2.438), and advertising (2.035).

Coefficient of determination (R^2 value)

Table 8. R Square

	R Square.	R Square Adjusted
Brand Awareness	0,475	0,462

Increasing Brand Awareness of Oranger Mobile

The R square value is 0.462, meaning that advertising, publicity, word-of-mouth, and sponsorship explain 46.2% of the endogenous variable brand awareness variance. Thus, the R square value can be considered moderate.

Effect size f^2

Table 9 Effect Size of f^2

	Brand Awareness
Advertising	0,031
Brand Awareness	
Publicity	0,177
Sponsorship	0,053
Word-of-Mouth	0,016

Based on the data in Table 9. the exogenous variable advertising, publicity, sponsorship, and word-of-mouth has f^2 effect sizes of 0.031, 0.177, 0.053, and 0.016, respectively. It can be interpreted that advertising, sponsorship, and word-of-mouth have a small effect on brand awareness. Meanwhile, publicity has a large effect on brand awareness.

Assessing the predictive relevance Q^2 and the q^2 effect size

Table 10. Predictive Relevance Q^2

	SSO	SSE	$Q^2 (=1-SSE/SSO)$
Advertising	1050,000	1050,000	
Brand Awareness	700,000	438,046	0,374
Publicity	350,000	350,000	
Sponsorship	350,000	350,000	
Word-of-Mouth	525,000	525,000	

As seen in the table, Q^2 of brand awareness is above zero. Thus path model has predictive relevance for brand awareness. In other words, the path model can predict the observed value.

Table 11. q^2 Effect Size

	Brand Awareness
Advertising	0.014
Publicity	0.117
Word-of-Mouth	0.010
Sponsorship	0.029

To measure, values of 0.02 indicate small predictive relevance, 0.15 indicate medium predictive relevance, and 0.35 indicate large predictive relevance. From the data in the table, q^2 effect size of advertising, word-of-mouth, and sponsorship have small predictive relevance for brand awareness, and publicity has medium predictive relevance for brand awareness.

V. CONCLUSION

The company should develop a business and marketing strategy to improve brand awareness in the potential Oranger. To increase brand awareness, the company may consider several things such as advertising, publicity, word-of-mouth, and sponsorship. For the advertising and publicity, the company can improve as it has a positive response based on quantitative research. For the sponsorship, it becomes the opportunity to be developed by the company as it affects brand awareness. For advertising, the company can plan to use advertising across media platforms to increase potential driver-partners exposure to information about Oranger. Then for publicity, the company can apply publicity techniques to introduce Orange mobile to make the media cover the good story about Oranger mobile. Then the company can become a sponsor for events as the new media to introduce Oranger mobile to potential driver-partner. However, the proposed strategy has limitations as

it only focuses on marketing and business strategy without further calculating the cost.

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*Corresponding Author: Amaania Rizkia Nuurul Falah¹
¹(School of Business and Management, Bandung Institute of Technology, Indonesia)