

The Five A’s Framework and Brand Productivity Metrics: Analysis on Pay TV Brand in Indonesia (IndiHome TV)

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ABSTRACT: The key objective of this research to analyze the current condition of IndiHome TV brand awareness, to analyze the current level of IndiHome TV brand productivity, and solution of the bottleneck to increase their brand awareness. The approach of this study was a mixed-methods research design. Gathering and analyzing both qualitative and quantitative data. The study found that the current condition of IndiHome TV brand awareness using the Five A’s framework, using some key questions of every stage of the framework. The current level of IndiHome TV brand productivity it can be concluded that IndiHome TV as a brand are effective converting their awareness into the action to purchase and advocacy. There are the four bottlenecks after conducting the Five A’s Framework and can be concluded that IndiHome TV will focus on their brand attraction with the solution of the bottleneck. The proposed solution for IndiHome TV that can be taken during the process is by doing a repositioning and increase the marketing communication that can help the product and brand to set the attractive value proposition and executed by a good brand communication with the synergy within the company and group.

KEYWORDS : Five A’s Framework, Brand Productivity Metrics, Brand Awareness, IndiHome TV

I. INTRODUCTION

Indonesia remains the most populated country in Southeast Asia, standing at 275.8 million at the end of 2022, which equates to 69.9 million households based on Badan Pusat Statistik Indonesia. It is undeniable that television is part of the Indonesia society that highly consume by most of the household in this country. Although television still play a big role in the media industry consumption, but the consumption pattern has changed.

According to the Media Partners Asia (MPA), Pay-TV is the distribution of TV channels for the subscription fee. Pay-TV often combined with additional services, including high definition (HD) TV, video-on-demand (VOD), pay-per-view (PPV), near video-on-demand (NVOD) and digital video recorders (DVRs). These services are distributed over analog and digital cable, direct-to-home (DTH) satellite and via closed network IP-enabled DSL and fiber (FTTx) broadband, as well as, in certain instances, digital terrestrial TV (DTT) (Media Partners Asia 2022:10). MPA determines Pay-TV penetration by number of TV households that have at least one Pay-TV service, with some homes having more than one subscription, which are cable and Internet Pay TV (IPTV). The reason behind this driven market growth is because of the rising demand for premium and High Demand (HD) resolution content. The recent trend of watching live broadcast such as news, sport events, entertainment, and other programs.

| MARKETS | PAY-TV SUBS (000) | | | | CAGR 2022-23 | PAY-TV PENETRATION OF TV HOMES (INCLUDES SUBSCRIBERS TO MULTIPLE PLATFORMS %) | | |
|--------------------------|-------------------|---------|---------|----------------------|--------------|---|------|------|
| | 2021 | 2022 | 2023 | % Y/Y Growth 2021-22 | | 2021 | 2022 | 2023 |
| Australia | 2,094 | 1,985 | 1,551 | -5.2% | -4.8% | 22% | 21% | 16% |
| China | 552,420 | 578,200 | 610,500 | 4.7% | 1.1% | 86% | 92% | 92% |
| Hong Kong | 2,888 | 2,867 | 1,964 | -1.0% | -1.0% | 79% | 78% | 71% |
| India | 119,638 | 120,000 | 122,766 | 0.4% | 0.4% | 67% | 67% | 65% |
| Indonesia | 5,078 | 4,180 | 3,927 | -17.7% | -3.4% | 71% | 66% | 56% |
| Japan | 13,871 | 13,507 | 11,980 | -2.2% | -2.4% | 25% | 24% | 22% |
| Korea | 36,678 | 36,314 | 36,814 | 0.6% | -0.1% | 100% | 100% | 100% |
| Malaysia | 3,575 | 3,280 | 2,870 | -8.3% | -2.6% | 47% | 43% | 37% |
| New Zealand | 580 | 560 | 505 | -3.4% | -2.0% | 31% | 30% | 27% |
| Pakistan | 14,336 | 14,428 | 14,644 | 0.6% | 0.3% | 55% | 54% | 53% |
| Philippines | 2,774 | 8,406 | 10,186 | 8.5% | 3.8% | 34% | 36% | 37% |
| Singapore | 650 | 570 | 400 | -12.3% | -6.8% | 46% | 44% | 33% |
| Sri Lanka | 2,405 | 2,440 | 2,582 | 1.5% | 1.1% | 52% | 52% | 52% |
| Taiwan | 6,800 | 6,696 | 6,315 | -1.5% | -1.2% | 79% | 77% | 71% |
| Thailand | 4,291 | 4,110 | 3,880 | -4.2% | -6.9% | 20% | 19% | 13% |
| Vietnam | 13,238 | 13,094 | 14,262 | 3.5% | 0.8% | 69% | 71% | 71% |
| Total APAC | 785,453 | 811,122 | 845,168 | 3.3% | 0.8% | 70% | 71% | 71% |
| Total APAC (excl. China) | 233,033 | 232,927 | 234,868 | -0.05% | 0.1% | 50% | 50% | 48% |

Figure 1. Pay-TV Industry Subscriber Growth Asia Pacific Country (MPA, 2023)

Pay-TV in Indonesia has been experiencing modest growth and relatively low penetration compared to the other Asia Pacific countries. In the next five years, MPA predicts that pay-TV subscriber in Indonesia will grow at 3.4% CAGR over 2022 to 2027, reaching 4.9 million by 2027, representing 9.4% of TV homes.



Figure 2. Indonesia Pay-TV & IPTV Subscriber 2020-2024 (MPA, 2023)

In general, the figure above shows the number of Pay TV subscribers in Indonesia (Cable, DTH, IPTV) is projected to decline with a CAGR of -3% until 2024, due to the disruption of low-cost freemium and premium OTT services which are more demanded by customers. However, the IPTV market in Indonesia is projected to grow at a CAGR of 7.1% until 2024.

There are some reasons behind the dynamic market of Pay-TV, which are: Indonesia with their well-developed free-to-air (FTA) TV sector, Indonesia has more than 210 private analogue FTA TV stations and numerous digital FTA TV stations. Indonesia is currently transitioning from analogue to digital FTA with The Ministry of Communication and Informatics policy regarding Analog Switch Off (ASO) and government expected more growth in the market penetration. The growth of fixed and mobile broadband connectivity, Throughout the years 2021–2026, Indonesia's total revenues from telecom and pay-TV services will increase at a CAGR of 2.8%, mostly due to contributions from the fixed broadband and mobile data sectors. For the period of 2021–2026, mobile data will continue to contribute the most to revenue, it happens because of the rising 5G subscriptions brought on by operator-led 5G network expansions as well as rising mobile data ARPU. Fixed broadband revenue will rise over the course of the projected period, helped along by rising demand for FTTH services with higher ARPUs and continued fiber infrastructure upgrades by operators. (Indonesia Telecom Operators Country Intelligence Report, 2022). IPTV are the main driver of the Pay-TV industry growth, IPTV still the main driver of the Pay-TV Industry. IndiHome TV as one of the players in the IPTV market take a lead compared with the other players. Despite the other two type of Pay-TV products, cable TV and DTH. IPTV are projected growth in 2024 by 4% than 2019.

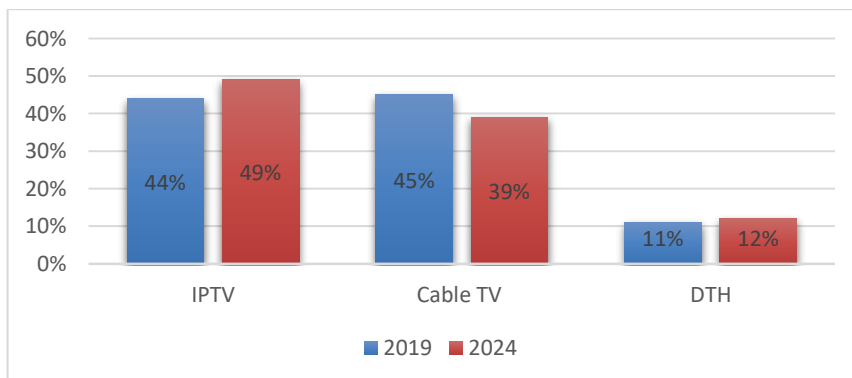


Figure 3. Shares of Pay-TV Subscriber by Technology (MPA, 2022)

Piracy content and unauthorized Pay-TV, Piracy remains without a doubt one of the main challenges to Pay-TV market. Asia Video Industry Association (AVIA) are saying although it's difficult to accurately determine the extent of piracy in Indonesia it is estimated that 6-8 million watch unauthorized content on Pay-TV and it's estimated that as many as 15 million watch illegal content online. (Indonesia in View, 2022). Online

video services from OTT, the traditional pay TV sector continues to struggle in the face of growing popularity of online video services with their subscribe-based scheme. The online video players in Indonesia are dominated by the global OTT player, in terms of numbers of paying subscribers, Disney+ Hotstar leads the way with close to a 29% share while Vidio, Viu and Vision each hold between a 11-20% share. However, in terms of revenue, Netflix is in the top position with a contribution of 34% of the total revenue of US\$ 367 Miles in 2022 followed by Disney (Media Partner Asia, 2023).

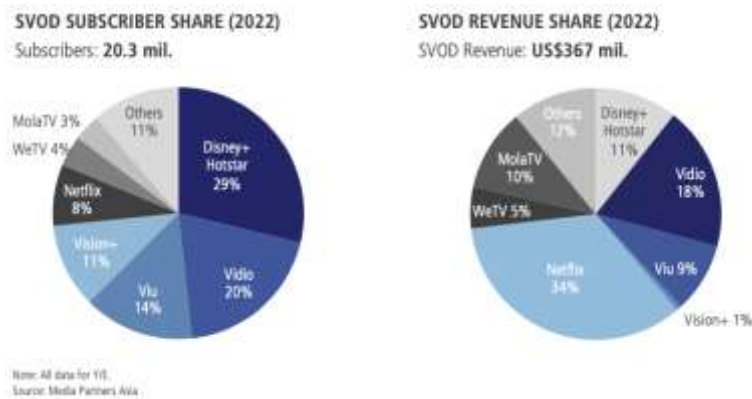


Figure 4. SVOD Subscriber Share OTT Platform 2022 (MPA, 2023)

Despite all the dynamic in the Pay-TV industry, there still an opportunity for IndiHome TV to keep adapting with the market by develop the right strategy to increase their brand awareness while mitigating the future changing and threats.

II. RESEARCH METHOD

The approach of this study was a mixed-methods research design. Gathering and analyzing both qualitative and quantitative data for one study is characterized as a "mixed-methods research design" (Creswell and Plano Clark, 2018). To collect data for this study, the researcher used both quantitative and qualitative methodologies. Observation, source from internal data were used to get data using the qualitative method, and for the quantitative method will conduct on the questionnaire. Researchers undertake qualitative research to define the problem or develop an approach." (Malhotra & Naresh K, 2014:118). The qualitative research method will conduct by observation and collecting data from several sources such as from internal data and the other report. This approach is to get in detail and will define more about the problem and the condition of the business invironment form the internal perspective. Quantitative research is a process to collect the data using the structural instruments such as questionnaires, surveys or pollings where the result of the analysis is based on the sample which is the representative from the population (Bacon & Shone, 2015). The quantitative research will conduct online questionnaires to generate the market knowledge about IndiHome TV brand using the Five A's Framework (aware, appeal, ask, act, advocate). To determine the sample size on the research is based on how important the decision, the type of research, the type of analysis, the sample sizes used in similar studies, the number of resources available, and statistical factors. (Malhotra & Naresh K, 2014:274).

| Type of Study | Minimum Size | Typical Range |
|--|--------------|---------------|
| Problem-identification research (e.g., market potential) | 500 | 1,000-2,500 |
| Problem-solving research (e.g., pricing) | 200 | 300-500 |
| Product tests | 200 | 300-500 |
| Test marketing studies | 200 | 300-500 |
| TV/radio/print advertising (per commercial or ad tested) | 150 | 200-300 |
| Test-market audits | 10 stores | 10-20 stores |
| Focus groups | 2 groups | 10-15 groups |

Figure 5. Sample Sizes Used in Marketing Research Studies (Malhotra & Naresh K, 2014)

Researcher will conduct the market studies test research to gather some information regarding the IndiHome TV brand awareness. Therefore, minimum size required on this research is 200 respondents. The criteria of respondent are detailed as: 1) The respondent has television; 2) The respondent is in the productive age (20-59 years old); 3) The respondent is never and not currently subscribing IndiHome TV as a pay TV. Researcher used the online form to gather to the 235 respondents that fulfil all the criteria during the two (2) weeks or fourteen (14) days of collecting data period.

III. RESULT AND DISCUSSION

Five A's Framework

Researcher will use Five A's framework to analyze the consumer analysis. There are some key questions of every stage of the framework. The result will help Researcher to analyze the brand awareness of IndiHome TV until the possibility to subscribe the service:

a. Aware Stage

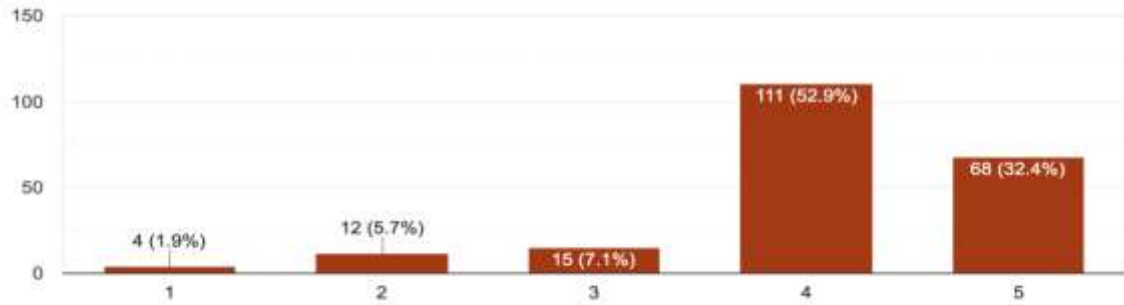


Figure 6. Survey Summary of “Familiar with IndiHome TV brand?” Questions

Based on the surveys, the aware stage of IndiHome TV brand is considered high. As the respondent who have not subscribe the services yet, they are quite aware with the brand. The survey shows that 32.4% of respondent are very familiar with IndiHome TV brand and that 52.9% are familiar with the brand. And the remaining 14.7% respondent shows that they are rarely familiar or not familiar with the brand. Most of them are aware of IndiHome TV because they exposed by the information regarding the services from advertisement at least one time that shows on social media, digital advertising, posters, and other promotional media.

b. Appeal Stage

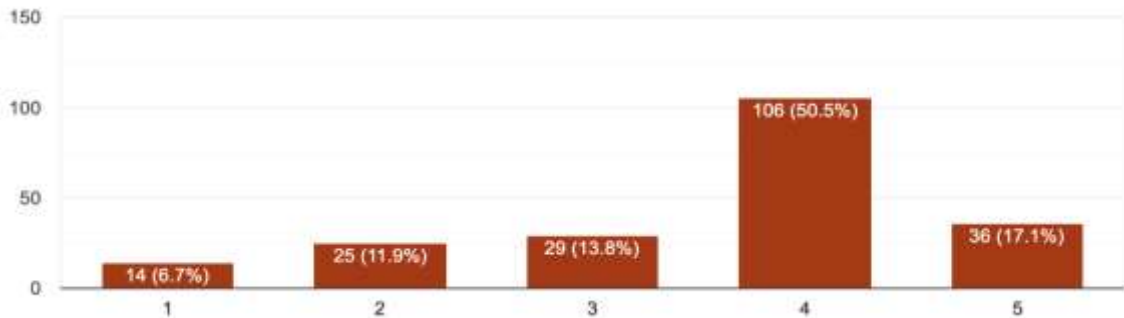


Figure 7. Survey Summary of “Does IndiHome TV is one of the pay-tv brands that cross your mind?” Questions

On the appeal stage, IndiHome TV brand is considered high. Most of the respondent are currently exposed by the product information and what the company offered through their product. Researcher is asking about the question about does the IndiHome TV considered as one of the Pay-TV brand that cross the respondent mind. The survey shows that 17.1% respondent are strongly agree about the appeal impact of the brand and 50.5% of respondent are very agree. For the rest answers of respondent show a slightly different about they are neutral and disagree regarding the questions.

c. Ask Stage

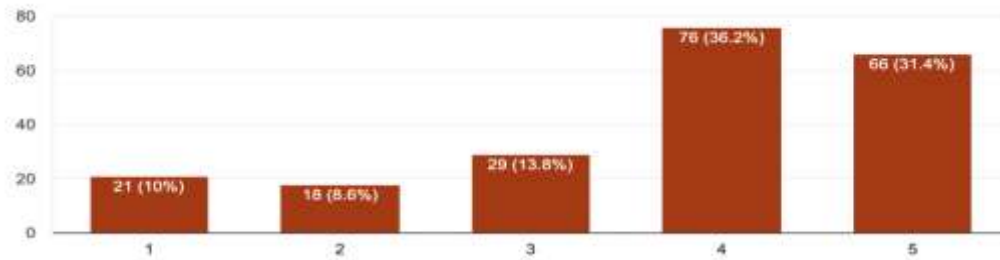


Figure 8. Survey Summary of “Interested to finding out more about IndiHome TV services?” Questions

On this stage, customers are trying to fulfil their curiosity, by doing a research to gain more information regarding the brand and product. The customer might be interest of the product and trying to get more details. Most of the respondent are currently exposed by the product information and what the company offered through their product. The result of the ask stage, IndiHome TV brand is also considered high. The survey shows that 31.4% very interested and 36.2% are interested to get more information about IndiHome TV. The rest of respondent answer neutral with 13.8% and the others are not interested and very not interested to finding out more reagrding the services.

d. Act Stage

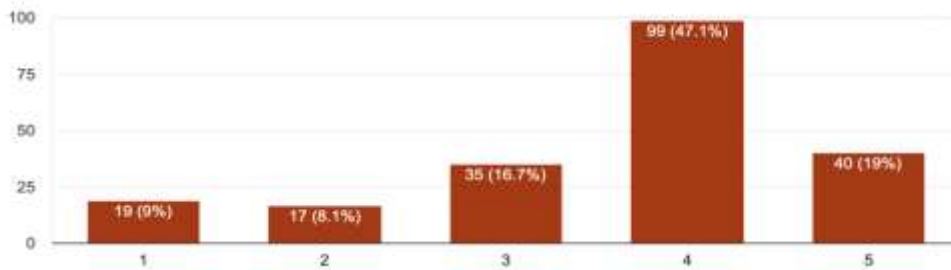


Figure 9. Survey Summary of “Interested to subscribe IndiHome TV?” Questions

On this act stage, customers are already decided subscribe the IndiHome TV services. With almost half of the whole respondent are interested with subscribing the services with the result 47.1%, and very interested with 19% respondent. The rest of respondent answer neutral with 16.7% and the others are not interested and very not interested to subscribe the IndiHome TV services as their pay-TV. The result of the act stage, IndiHome TV brand is also considered high.

e. Advocate Stage

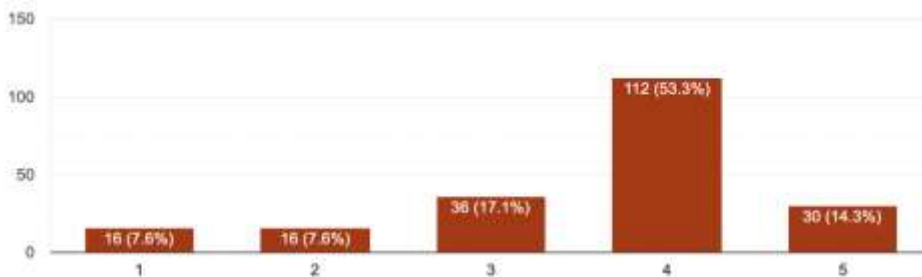


Figure 10. Survey Summary of “How likely are you to consider IndiHome TV pay-TV brand to others?” Questions

On the final stage of the framework, customers are on the advocate stage when they already consume the product or services and might recommend the product by reviewing or share their testimonial regarding the exprience and journey. On the advocate stage, the customers are doing the post-purchase phases. According to the survey result, more than half of the respondent are interested and very interested to considered IndiHome TV brand to their relatives with 53.5% and 14.3%. And the 17.1% respondent shows a neutral answer when the rest of the respondent are not willing and not very willing to give any recommendation about IndiHome TV services to others with the result 7.6% on the both answers.

Brand Productivity Metrics (PAR and BAR)

Researcher will use the brand productivity metrics to understand the brand performance of IndiHome TV by calculating the Purchase Action Rate (PAR) and the Brand Advocacy Ratio (BAR).

Table 1. IndiHome TV Five A's Framework

| Five A's | Score (%) |
|----------|-----------|
| Aware | 85.3% |
| Appeal | 67.8% |
| Ask | 67.3% |
| Act | 66.4% |
| Advocate | 67.3% |

Based on Kotler (2017), the calculator result of Brand Productivity Metrics of IndiHome TV result as follows:

a. Purchase Action Ratio (PAR)

$$PAR = \frac{Act}{Aware}$$

The result of PAR is 77.84%. The result shows there are 8 out of 10 people who are aware of IndiHome TV as a pay-TV provide and decided to subscribe the product.

b. Brand Advocacy Ratio (BAR)

$$BAR = \frac{Advocate}{Aware}$$

The result of BAR is 78.9%. The result shows there are 8 out of 10 people who are aware of IndiHome TV as a pay-TV provide and recomend the product to others. The final result from the both the PAR and BAR from IndiHome TV shows a high-performing score. It can be concluded that IndiHome TV as a brand are effective converting their awareness into the action to purchase and advocacy. Researcher try to identify the bottleneck based on the result from the analysis above and found the result below:

Table 2. IndiHome TV Brand Bottleneck

| Five A's | Aware | Appeal | Ask | Act | Advocate |
|-----------------------------------|---------|--------|--------|---------|----------|
| Score (%) | 85.3% | 67.8% | 67.3% | 66.4% | 67.3% |
| Attraction Appeal/Aware | 79.48 % | | | | |
| Curiosity Ask/Appeal | 99.26% | | | | |
| Commitment Act/Ask | | | 98.66% | | |
| Affinity Advocate/Act | | | | 101.36% | |

Based on the Kolter (2017:79), a lower conversion rate in any given stage a cross the five A's reveals a bottleneck. The bottleneck in the journey will reduces the productivity of the entire customer path. Identifying the bottle neck that limits PAR and BAR scores will helps company to focusing the solve the pain from the stages and trying to solve the problem. On Five A's stages, the are four bottleneck which attraction, curiosity, commitment, and affinity. And the result of IndiHome TV bottleneck shows that the least score are came from the attraction. While the others are on the good range. The other bottleneck can be focused also and improved and maintained the bare minimum score in 100%.

Summary of the Issues and Situation

In order to take an action to avoid the possibility of further decline number to fulfill the 2023 IndiHome TV target subscriber after the annoucement of the rebranding of UseeTV became IndiHome TV. And answering all the dynamic in the Pay-TV industry, there still an opportunity for IndiHome TV to keep adapting with the market by develop the right strategy to increase their brand awareness while mitigating the future changing and threats. The issues that has been found after several analysis and data collecting from the research, there are a bottleneck on the brand productivity of IndiHome TV that has been conducted by the Researcher on the consumer analysis, the smallest result from the four bottleneck of IndiHome TV is attraction with 79.48 % as the result.

Solution of the Bottleneck

Focusing on the brand attraction will help company to solve the bottleneck and not ruined the whole customer path. By build the brand attraction, the brand will be appealing by most of customers. The possible action from IndiHome TV that can be taken during the process is by doing a repositioning and increase the marketing communication (Kotler 2017: 81. It can help the product and brand to set the attractive value proposition and executed by a good brand communication. Helped by the advantages of Telkom Indonesia and Group as a Telecommunication and IT company, to gain more information regarding their current customers and potential market. The optimization of data analytics will help the the assessing the behavior and preferences of the market to increase their value proposition and can be executed by the marketing communication.

IV. CONCLUSION

Researcher analyze the current condition of IndiHome TV brand awareness using the Five A's framework, using some key questions of every stage of the framework. The result will show the how the brand awareness of IndiHome TV can be converted to the possibility of subscribing the service. The result shows the score of each stage on the framework are Aware Stage (85.3%), Appeal Stage (67.8%), Ask Stage (67.3%), Act Stage (66.4%), and Advocate Stage (67.3%). The current level of IndiHome TV brand productivity based on the analysis about the brand productivity metrics is to understand the brand performance of IndiHome TV. Researcher try to calculate some metrics such as the Purchase Action Rate (PAR) and the Brand Advocacy Ratio (BAR). The PAR result of IndiHome TV is 77.84%. It shows there are 8 out of 10 people who are aware of IndiHome TV as a pay-TV provide and decided to subscribe the product. Meanwhile the BAR result of IndiHome TV is 78.9%. The result shows there are 8 out of 10 people who are aware of IndiHome TV as a pay-TV provide and recommend the product to others. The result from the both the PAR and BAR from IndiHome TV shows a high-performing score. It can be concluded that IndiHome TV as a brand are effective converting their awareness into the action to purchase and advocacy. The result out of the four bottleneck shows that the smallest bottleneck is on IndiHome TV's attraction with 79.48 % as the result. Focusing on the brand attraction IndiHome TV can make the brand more appealing by most of customers. The possible action that can be taken by the company is by doing a repositioning and increase the marketing communication by the synergy of Telkom Indonesia and Group.

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