



Analysis of Implementation of the Bandwagon Effect to Build and Sustain A Business

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ABSTRACT

Nowadays, internet developments can be adopted to increase a business through deployment information, thus stimulating the effect of following the news. The following phenomenon or trend is called the bandwagon effect and can be used to build a business by utilizing the trends. At this time, one of the trends is the rise of the viral culinary idea. Nielsen reported that foods are on the first rank in the contribution of consumer spending. So opening a culinary business is an opportunity. The method used is qualitative descriptive. The data resources were obtained from primary data through in-depth interviews with Sobat Ngelak. This research found that when used well, the bandwagon effect will be a good business opportunity. However, the bandwagon effect can not last long without being balanced with opportunity recognition. Ability to analyse an opportunity and create an idea required as a consequence of Sobat Ngelak to follow the trend on social media. The bandwagon effect has the benefit to give of contributing to increasing the demand of the market.

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1. INTRODUCTION

The Internet has changed the rules of communication and socialization habits (Ismagilova et al., 2019). Social media is a central pillar in supporting social interaction and information delivery; furthermore, it can be used to introduce a product to restore and increase a business (Rahbi, 2017). As He et al. (2017) research, social media can be adopted to increase a business besides communication.

Social media has changed behavior to search for and follow product, service, and consumption information from fellow social media users so that it has the effect of following existing news trends (Lou & Yuan, 2019). The bandwagon effect is also called

the bandwagon effect. This psychological phenomenon adopts a majority point of view and the tendency of individuals to follow specific trends because of the desire to conform to the masses (Bindra et al., 2022). Start from lifestyle trends, online shopping, business innovation, slang words, and entertainment, which has become common to follow, although sometimes doing that is not on purpose (Kelly, 2020).

Besides that, Leibenstein (1950), bandwagon effect theory give a contribution to the increasing demand for the product; the bandwagon effect also being to push consumption people even more when the goods or activity is favorite or a trend in public. In line with the results of research from Wang & Zhu (2019), Bandwagon makes individuals choose products or consumption with relatively high popularity, so bandwagon effects play a role in introducing the product more broadly. Das et al. (2021) found the popularity of the product can increase the perception of excellent quality, causing the beginning of the bandwagon effect that can increase purchase intention and consumer attitudes toward the product.

Therefore, the bandwagon effect gives the impacts of consumptive behavior that arises from psychology factors, sociology, and economic Fattah & Indriayu (2018) which consists of: (1) Conformity, the individual tendency to change perception, opinion, and behavior to be consisting of the norms Suminar & Meiyuntari (2015); (2) Interpersonal Influence, the desire to match the expectations of others to buying decisions or use the product and the tendency others to learn about product and service by observing others or searching information from others Alfisyahr & Devita (2019); and (3) Status seeking, searching higher social status, increase self regards, more valued and respected by society or prestige (Paskov et al., 2017). Based on this phenomenon, the phenomenon can be used as an opportunity to establish a business.

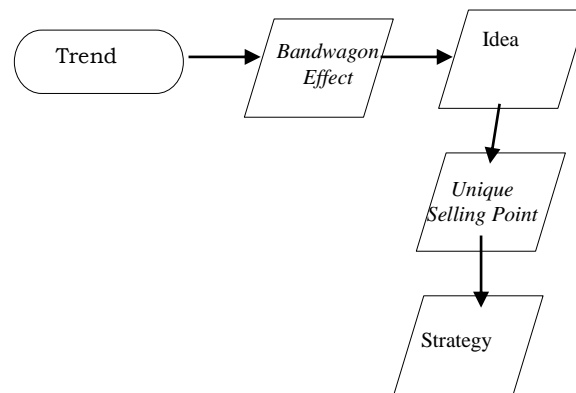
Currently, the bandwagon effect has been widely applied to sales psychology, which is an element in marketing and sales strategies (Bindra et al., 2022). The bandwagon effect also happened in the culinary business; it is seen in the data about consumer expenditure. This data was obtained from (Databoks) 2022, through BPS explaining that after the covid-19 pandemic subsided, the growth of the food and beverage industry grew by 2.54%, and in the first quarter of 2022, public spending increased, and the highest was in the food and beverage sector.

Based on the data, the food industry is a potential market to develop because the demand in that industry will not run out of time (Ayuni et al., 2019). It can be applied same with the bandwagon effect. Based on the development of the internet and the bandwagon phenomenon, that can be used as a business opportunity. A person must have a solid social network to identify opportunities because, through social interaction, information can be shared, which stimulates creative thinking in finding and recognizing these opportunities (Filsler et al., 2020). The ability to identify an opportunity, create new business, and skill to search for information about the market and technology is called opportunity (Angelsberger et al., 2017). A business must deeply understand that opportunities are valuable (Ding, 2019). Opportunity Recognition can identify factors that influence business opportunities (Ferreira et al., 2019).

Based on the background above, the research problem can be drawn as (1) How did the idea of Sobat Ngelak come? (2) What trends do you follow? (3) How to bring out your uniqueness? (4) How does the marketing strategy stand up in your business? Next, this research aims to add literature about the bandwagon effect and opportunity recognition with a qualitative approach.

2. RESEARCH METHOD

This research uses a qualitative descriptive approach. The qualitative descriptive approach is a research procedure which more emphasizes on process aspect of an action that is observed comprehensively. The action process can be presented as follows:



Graphic 1. Sobat Ngelak's Action Process

Data resources in this research were obtained from primary data taken directly from respondents. This research has been done with the collection of data by interview technique. A deep interview has done to get answers to questions that underlying the problem in this research. An interview is conducted with the owner. The respondent is chosen by criteria such as (a) the owner, (b) using social media for selling, and (c) being ready as a respondent. The respondent chosen according to that criteria is Sobat Ngelak. Culinary business located in Salatiga.

3. RESULTS AND DISCUSSIONS

3.1 Respondent Profile

Sobat Ngelak was initially a popular beverage with some variant flavors. *Boba* drinks with melted chocolate are called *choco lava*. This business, established on November 8, 2020, began in his house, Argomulyo Salatiga before he decided to move to another place. Before having this business, Mr. Putut, as the owner, was working in a company, but because of the COVID-19 pandemic, Mr. Putut was experiencing layoffs. Before deciding to open a culinary business, he tried to sell cloth, cosmetics, and perfume. Because of his product's stock accumulation, he is rethinking new business until he creates Sobat Ngelak and development until now.

3.2 Following the Trends

Start from arose popular beverage trends with some variant flavors and toppings. According to Mr. Putut, following this trend makes it easy to manage his business because many people know it. Besides that, he realizes that the movement does not always guarantee the industry not have some challenges. But otherwise, because of following that trend, it won't be easy to create a unique and bring up competitors. Because of this, he did not want to lose social media and will continually monitor the trend and the innovation that rise in the culinary business on social media. The trend follows, such as a new variant of beverage, visual product, packaging design, promotion content, design, or business model. By following the directions, the idea and innovation will also rise.

3.3 Business Idea

Building Sobat Ngelak starts with searching for business ideas and utilizing business phenomenon development. The business phenomenon developing at that time, around 2020, was the emergence of many modern or contemporary culinary businesses—the number of development variations or innovations in the realm of the culinary business. Mr. Putut became interested in finding information about the culinary business. Not only looking at the surrounding environment, but Mr. Putut also looks for information

through social media. Through social media, Mr. Putut got a business idea by taking advantage of the phenomenon of the development of the culinary beverage business. The result of the business idea obtained through social media is a contemporary drink with various flavors with *boba*.



Picture 1. Beverage Variations

3.4 Unique Selling Point

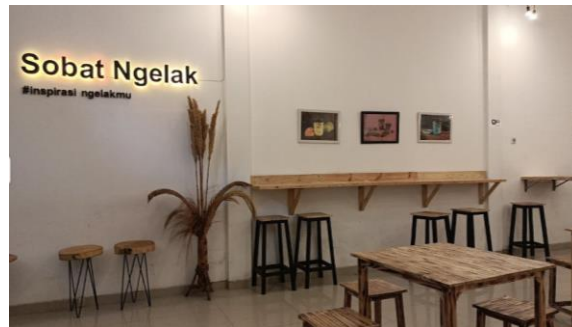
After having a business, Sobat Ngelak does not necessarily stop selling drinks with various flavors. Mr. Putut realized that establishing a beverage business was not a pure idea but was inspired by social media and the environment. This means that not only one person sells contemporary drinks, but there are many people selling these types of products. The number of current drink sellers creates competition and a large number of competitors.

Sobat Ngelak understands these conditions and consequences. Because to compete with other competitors, he makes a drink unique. The uniqueness created by Sobat Ngelak is by presenting *Chocolava*. *Chocolava* is the mainstay of Sobat Ngelak, made from selected chocolate that is melted and served as a topping. In addition to *chocolava* as a mainstay, Sobat Ngelak competes by providing prices below its competitors. Drink variety starting from IDR 5,000 to IDR 10,000. According to the evaluation results conducted by Mr. Putut, the price is affordable for school children.

Not only in terms of products, but Sobat Ngelak also has a unique business location. The third business location has a cafe concept and can be used for meetings.



Picture 2. Choco Lava



Picture 3. Sobat Ngelak's Cafe

3.5 Strategy

Based on the situation in the field, which includes competition, changing trends, and the development of the culinary industry, Sobat Ngelak has a strategy to survive and improve his business. Starting social media, Sobat Ngelak also uses social media as a marketing strategy. Social media is used to inform about its business, location, menu, promos, and other information. The social media used are Facebook and Instagram. Social media is also used to monitor the development of trends.

In addition to social media, Sobat Ngelak also uses another marketing strategy: registering online transportation service applications such as Gojek, Grab, and local online transportation services.

In addition to electronic media, the strategy used is to open stands at several points, including tourist attractions such as Dusun Semilir, expos, roadside areas, opening cafes, and currently managing a canteen at one of the universities, where the entire menu is Sobat Ngelak.



Picture 4. Sobat Ngelak's Instagram



Picture 5. Sobat Ngelak's Business places

3.6 Discussion

The rise of the current beverage business spread on social media, followed by Mr. Putut bringing up the idea to open a business Sobat Ngelak. The idea obtained from this phenomenon is in line with previous research that the rise of news and postings on social media also stimulates the effect of following the current news (Lou & Yuan, 2019). The bandwagon effect, meaning a follow-up phenomenon that causes the level of absorption of beliefs, ideas, fashions, and trends to increase and be adopted by others (Bindra et al., 2022).

Sobat Ngelak felt the results of taking advantage of the rampant trends on social media, namely that products are easier to identify, thereby increasing purchase requests. This is in line with the theory of Leibenstein (1950), The theory of the bandwagon effect contributes to an increase in demand for an item, and the bandwagon effect becomes a driving force for someone to consume, especially when the general public favors the item or activity. Previous research from Das et al. (2021) found that the bandwagon effect can positively impact the high purchase intention and consumer attitudes towards the product. There are other findings that following trends also have a negative impact; namely, it is more difficult to create uniqueness and create competitors. However, these findings have not been found in previous studies.

Sobat Ngelak can answer unique and competitive challenges by continuing to hone the ability to identify and analyze opportunities to create new ideas. This ability is in line with the understanding of research Filser et al. (2020) that opportunity recognition is a process where an individual can identify, see, recognize, and find opportunities and then generate new potentially profitable business ideas (Angelsberger et al., 2017). The idea is to expand wider and increase the types of menus sold.

4. CONCLUSION

Based on the research conducted on Sobat Ngelak, the conclusion is that the bandwagon effect, if used correctly, can become a promising business opportunity. The bandwagon effect can occur without realizing it because of the proliferation of news and posts on social media (Lou & Yuan, 2019). However, the bandwagon application cannot last long if it is not balanced with opportunity recognition. The ability to analyze

opportunities and create ideas is needed because Sobat Ngelak follows social media trends. The bandwagon effect contributes to an increase in the demand for an item, and the bandwagon effect is a driving force for someone to consume, especially when the general public favors the item or activity (Leibenstein, 1950).

In this study, it was found that another thing that has not been discussed in previous studies is that the bandwagon effect can have a negative impact, namely the difficulty of making uniqueness and bringing up competitors in the same type of business. This study has limitations; namely, it has not been compared with several other respondents, so results have been obtained that focus on Sobat Ngelak's business only, not general results. This research can contribute to increasing the growth of new businesses through the use of the bandwagon effect phenomenon on developing trends. In addition, this study shows that entrepreneurs must have opportunity recognition so that the business can survive.

This study implies that if the bandwagon phenomenon is not used correctly as an opportunity to open a business, then the benefits of a trend that has the opportunity to generate profits are not achieved and can lead to negative impulsive buying. This research also provides practical implications. If wisely utilizing the bandwagon phenomenon, it will be able to impact aspects of the development of business ideas.

This study has limitations, namely that it has not examined whether the bandwagon effect affects the level of demand for products from Sobat Ngelak. The limitations of this study are the number of responses. So that future research recommendations can examine the bandwagon effect to more respondents.

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