

CHAPTER I

INTRODUCTION

1.1. Background

Minimarkets are businesses in the retail sector that provide daily necessities for the general public. The minimarket business is classified as a venture requiring significant capital, as it demands precise location selection and the availability of a complete stock of goods. In general, the retail sector is a business field that will continue to grow as it aligns with the population growth of a specific area. The retail sector also expands because, as times change, consumers increasingly prioritize convenience and ease. Minimarkets, which offer comfort and accessible locations, can leverage this trend. In terms of competition, the minimarket industry faces very tight competition, where the majority of minimarkets most frequently used by the general public are dominated by a few large companies. Furthermore, there are many other important aspects that need to be considered when starting a business in the minimarket sector, such as strategic location selection, choosing good distributors, providing excellent service, and implementing effective promotion and marketing. One business operating in the minimarket sector is Olive Mart.



Figure 1. 1 Olive Mart Logo
(Source: Personal Document, 2024)

Current societal needs incline towards a minimarket that is not only functional but also offers added value in terms of comfort and additional services, particularly among school and university students. This age group tends to have high mobility and a preference for fast and practical services. This demographic represents the target audience Olive Mart aims to reach. Olive Mart focuses not only on providing daily necessities but also offers a variety of ready-to-serve food and beverage options, equipped with a seating area that allows customers to relax or consume products on-site. The Olive Mart brand image is designed to prioritize values of practicality, comfort, and special attention to the needs of students. Therefore, the development

of Olive Mart's visual communication is crucial to support a brand image capable of effectively attracting its target audience.

Olive Mart is a minimarket business established in 2023 by Mrs. Laksmi Hapsari. Based on an interview conducted with Mrs. Laksmi Hapsari, she established PT Laksmi Grosir Belanja Terpadu to manage the Olive Mart business. However, in addition to Olive Mart, PT Laksmi Grosir Belanja Terpadu also owns a supporting business called Olive Canteen, an eatery, where both businesses support and complement each other. Olive Mart and Olive Canteen are located within the Grand Dharmahusada Lagoon apartment complex, situated at Jl. Raya Mulyosari, Mulyorejo, Kec. Mulyorejo, Surabaya City. At its inception in 2023, the business possessed only a simple name and logo. The name "Olive" in Olive Mart and Olive Canteen was derived from the name of the apartment tower where the business was first established. Based on the interview with the business owner, initially, there was no deep meaning behind the choice of the business name. However, over time, and with the hope that the business will expand in the future to include multiple branches within Surabaya and other cities, the name "Olive" is expected to serve as a symbol marking the business's place of origin. Based on the interview with the owner, there are plans to build another branch within the city of Surabaya to expand reach in the future.



Figure 1. 2 Olive Mart Store Signage
(Source: Personal Document, 2024)

Olive Mart and Olive Canteen provide retail and restaurant services for the residents of the Grand Dharmahusada Lagoon apartment and the community living in the surrounding area, thereby making it easier for apartment residents or the local community to obtain the items needed in their daily lives. Olive Mart is a minimarket focused on providing daily necessities, such as food supplies, as well as the incidental needs of school and university students. However, what distinguishes Olive Mart from conventional minimarkets is its commitment to

providing various types of snacks, light bites, as well as ready-to-serve food and beverages that can be immediately prepared by consumers on-site using various available machines. This aligns with the needs of consumers who desire practicality. Additionally, Olive Mart is equipped with a simple seating area that allows customers to enjoy food and drinks on-site, making it not only a shopping location but also a comfortable social space. Olive Mart has a vision to become a modern minimarket that is comfortable for shopping for daily needs and practical for enjoying ready-to-serve meals in a relaxed atmosphere. Furthermore, Olive Mart has a mission to provide daily necessity products as well as school or university student needs that are easily accessible, and to offer various snacks and light beverages that suit the tastes of young consumers.

Due to their location within an apartment complex, Olive Mart and Olive Canteen currently target only the apartment residents and the surrounding community living in the vicinity. One of the challenges faced by Olive Mart and Olive Canteen is the difficulty in reaching a wider market; since the stores are situated inside the apartment complex, the customer base is limited to residents and the immediate community. Currently, the marketing strategy employed by Olive Mart and Olive Canteen relies solely on offline media, such as brochures and similar materials. Given Olive Mart's target audience of teenagers and young adults aged 15–25 years, offline marketing is considered a less suitable and ineffective strategy. According to (C. Smith et al., 2017), as many as 69% of consumers use the internet and social media to share information about products and services, presenting an opportunity for business operators to engage in online marketing to expand their reach. Conducting online marketing is also beneficial for a business because the current presence of digital media increasingly facilitates promotional activities carried out by sales & marketing teams; this is because marketing techniques can be executed online without the need for direct selling to potential consumers (Arifianto, 2021).

According to an interview conducted by the designer with the business owner, a company logo is highly necessary to fulfill the corporate identity, enabling the creation of supporting media to be installed at the business premises and facilitating collaboration with partners. Due to the logo creation process being rushed and lacking professional involvement, the visual identity present in the current Olive Mart logo fails to represent the nature and characteristics of the business, and the logo bears a distinct resemblance to a competitor's logo. A logo is a crucial element in the brand image of a product or business. A brand must clearly differentiate itself from its competitors and demonstrate its uniqueness to consumers (Randall,

2000). The logo is one of the most important design elements in a company's visual identity because it is the element most frequently seen and noticed by the general public and consumers alike. Therefore, the logo needs to be capable of representing and reflecting the entire brand image and character. The logo also serves as a differentiator from competitors, making it easier for consumers to remember and choose a brand. Furthermore, the logo serves as the foundation for the development of other visual identity elements to ensure brand consistency.

Visual Identity is the accumulation of all visual design elements created for a company, as well as a system of design elements that consistently represent a brand's character and image to build recognition and a strong perception among the audience. A brand's visual identity can also be referred to as corporate identity, which plays an essential role in shaping the brand's image and character. In modern times, corporate identity plays an increasingly significant role in product marketing activities because visual consistency can enhance recall, trust, and consumer interest in the brand. Overall, based on the results of interviews and direct observations conducted by the researcher, Olive Mart does not yet possess a strong visual identity and lacks consistency in the application of the visual media used. Considering the potential of the products and services offered by Olive Mart, visual identity represents one of the primary methods to unlock that potential. This is because advertisements with poorly managed visuals—such as errors in color combinations, layout arrangement, typography selection, and illustrations—can trigger ambiguity in communicating with the target audience and become ineffective in conveying messages to consumers (Arifianto, 2018).

Based on the description above, this design project aims to create a new visual identity for Olive Mart through rebranding, in order to convey the brand image and company vision and mission which are currently not well communicated. According to (Muzellec & Lambkin, 2006), rebranding is an effort made by a company or brand to totally transform or update an existing brand to improve it without disregarding the company's initial objectives. The term "re-branding" originates from the words "re" and "branding." "Re" means "again" or "back," while "branding" is the process of building a brand image that connects with the hearts and minds of consumers. Rebranding for the Olive Mart business is necessary to redesign various media utilized to create a more consistent, unique, and attractive visual identity, allowing Olive Mart to become more widely recognized by the general public. Based on the results of the interview conducted by the designer, it can be concluded that Olive Mart needs to undergo a brand identity change to increase sales and open opportunities to expand its market, which initially originated solely from apartment residents. According to (Todor, 2014), in an

increasingly fierce market competition, it becomes more difficult to achieve success based solely on product quality; therefore, a greater focus on a strong brand identity is required so that the business can operate in accordance with its vision and mission and enhance various other benefits.

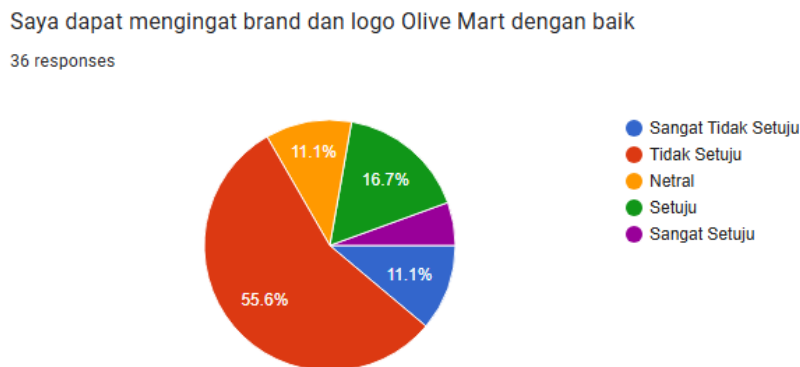


Figure 1. 3 Questionnaire Results via Google Form
(Source: Personal Document)

Based on the questionnaire results involving 36 respondents who are residents of the Grand Dharmahusada Lagoon apartment and Olive Mart customers, 66.7% of respondents disagreed and 55.6% strongly disagreed that they could remember the Olive Mart brand and logo well. This indicates that Olive Mart's current brand identity still lacks a strong character and has been unsuccessful in increasing brand awareness. However, when reflecting the image of a minimarket, 69% of respondents agreed that Olive Mart's logo and visual identity already reflect a convenience store.

The majority of Olive Mart customers feel that Olive Mart needs to improve the quality of their visual identity design. Based on the questionnaire, the majority of customers disagreed (55% disagreed, 25% strongly disagreed) that Olive Mart has a unique and memorable visual identity. This finding supports the necessity for rebranding to improve the quality of Olive Mart's brand identity, consequently enhancing brand awareness and increasing sales. This is further supported by customer opinion, with 91% agreeing that redesigning Olive Mart's visual identity can influence consumer purchasing decisions

Based on references from previous research and the questionnaire results above, this study is important and aims to create a new visual identity as a medium for brand awareness for Olive Mart. According to (Anas, 2019), Brand Awareness is the presence of a brand in the consumer's mind, which can become a determinant in several categories that usually play an important role in brand equity. Based on this quotation, a brand's awareness is highly important because if a brand possesses a high and favorable level of awareness in the consumer's mind,

it helps guide the consumer's purchase decision. Therefore, in brand marketing communication, brand awareness requires high priority, necessitating an in-depth analysis of how to increase brand awareness among the consumers who constitute a brand's target market. This reasoning led the designer to pursue a design project entitled "Rebranding Design of Olive Mart as Brand Awareness" through this final project work. The designer hopes that the Olive Mart business will experience an increase in the number of consumers and become more widely known by the people of Surabaya and beyond.

1.2. Problem Identification

1. Based on interviews, Olive Mart's Visual Identity is still ineffective and lacks character. The owner admitted to being unaware of the importance of brand awareness and did not involve professionals in the creation of the logo and visual identity.
2. Based on questionnaire results, brand awareness of Olive Mart among the public and customers is still low, as the results show that 66% of respondents could not recall the Olive Mart brand and logo well.
3. Based on observations conducted by the researcher, Olive Mart's existing Visual Identity consists of a logo and several supporting media located in the store. The current Visual Identity appears unattractive and lacks consistency in its implementation.
4. Based on research by (Justin et al., 2022) in the *Jurnal Seni Rupa*, in a competitive market with many competitors, a brand requires a differentiator so that consumers can distinguish a brand's products from those of others. This is crucial for Olive Mart, as the existing logo closely resembles a competitor's logo, failing to create differentiation through visual identity.
5. Based on interviews conducted by the researcher, the brand logo serving as the company's visual identity does not yet have a Graphic Standard Manual (GSM), resulting in the visual identity not being conveyed consistently overall.
6. Based on interviews with the business owner, Olive Mart only uses offline media for its business promotion. This is a less effective marketing strategy because the majority of Indonesian society, particularly teenagers, uses the internet and social media to obtain information about products or services.

1.3. Problem Formulation

How to design the rebranding of Olive Mart in order to create an appealing brand identity for consumers and serve as brand awareness?

1.4. Project Scope

1. This design project addresses the rebranding of Olive Mart with the aim of increasing brand awareness and introducing the Olive Mart convenience store business.
2. The creation of supporting media such as: Logo, Menu Board, Brochures, Social Media, and Stamps.
3. This design is only aimed at the scope of Olive Mart's visual identity and does not aim to influence Olive Mart's business strategy.

1.5. Project Objectives

1. To design the rebranding of Olive Mart so that it possesses a visual identity aligned with the business's characteristics.
2. To increase brand awareness so that the wider public can better recognize the Olive Mart convenience store business by designing a stronger and more unique brand identity.
3. To create branding media that is consistent with Olive Mart's brand identity and image.

1.6. Benefits of the Project Results

1.6.1. Benefits for the Author

1. To increase experience and understanding in systematically applying the visual identity design process, starting from research, analysis, conceptualization, up to the final visualization
2. .To provide real experience in designing for a client, which can then become a professional portfolio in the field of visual communication design.
3. To assist the author in completing the final project as a requirement for graduation.

1.6.2. Benefits for the Company

1. To help enhance the company's image and professionalism through a new visual identity that is more modern, consistent, and easily recognizable.

2. To help strengthen brand awareness so that consumers can more easily identify the brand amidst the competition in the retail market.
3. To help provide added value for the company in building differentiation and increasing competitiveness.

1.6.3. Benefits for the Community

1. To provide a more comfortable, clear, and easily recognizable visual experience when interacting with Olive Mart.
2. To help consumers obtain information more effectively through structured and consistent visual media.
3. To inform the general public about the existence of an alternative minimarket business besides the large minimarkets that already exist.

1.7. Design Framework

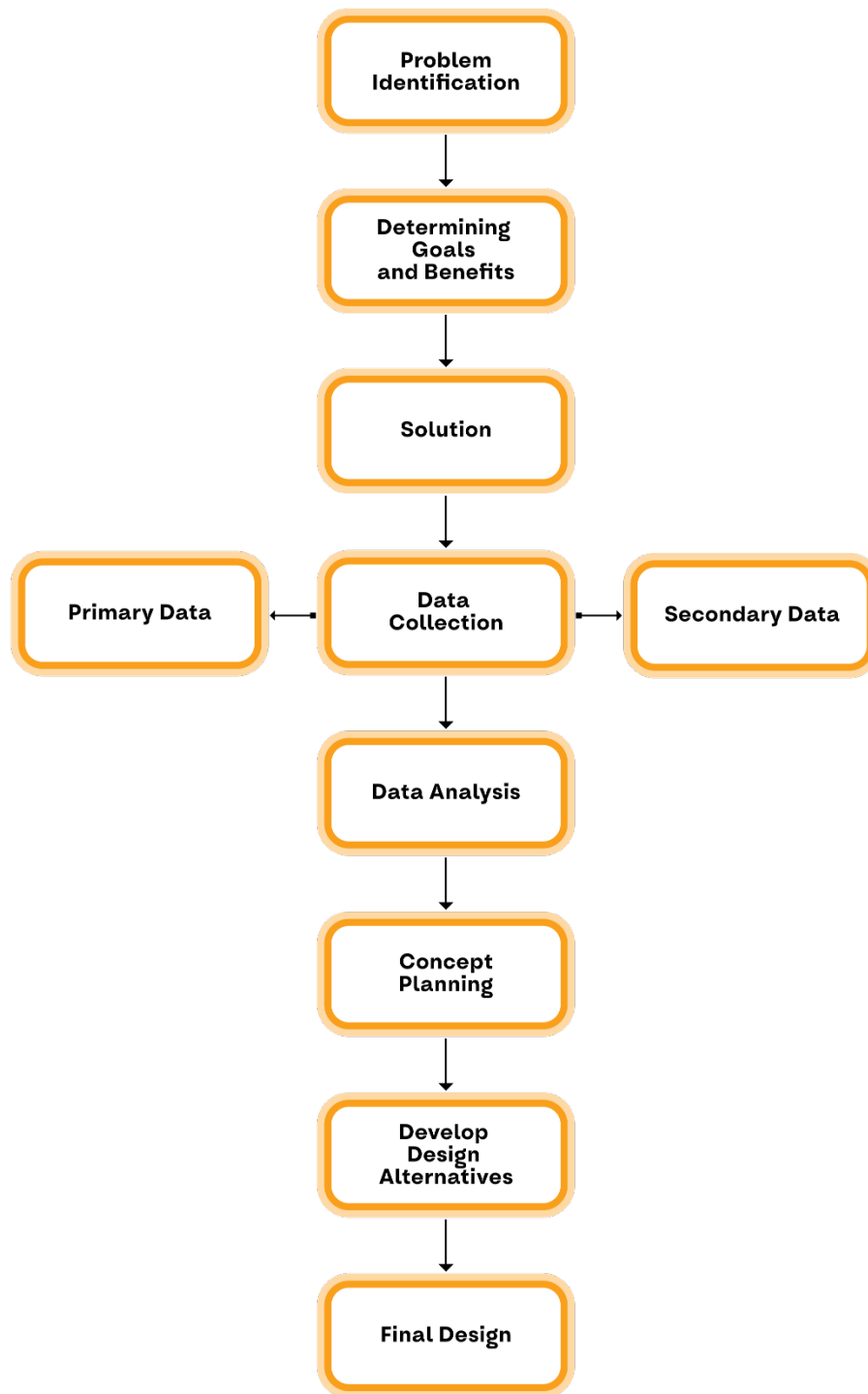


Figure 1. 4 Design Framework
(Source: Personal Data)