# DIGITAL MARKETING STRATEGY ANALYSIS OF PRODUCT PURCHASING DECISIONS AT THE TIKTOK SHOP

By

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Received: 21-01-2024 Revised: 29-01-2024 Accepted: 24-02-2024

#### Keywords:

Digital Marketing Strategy, Purchasing Decisions, Electronic Word of Mouth **Abstract:** The aim of this research is to analyze digital marketing strategy analysis of product purchasing decisions at the TikTok Shop. This type of research is survey research. The population in this research are buyers who have a TikTok account and have shopped at the TikTok Shop. Because the population is so large, the sample taken was limited to 50 respondents. Data analysis in research uses simple linear regression using the partial (t) test. The research results show that electronic word of mouth has a positive and significant effect on product purchasing decisions at the TikTok Shop.

## **INTRODUCTION**

The digital economy is an economy based on products produced by electronic devices and traded through electronic commerce which is related to electronic production and management processes linked through internet transactions (Tambunan et al., 2024). The digital economy produces innovative superior services, including better ways of business transactions, both transfer services, business models, and purchasing decisions (Alimuddin et al., 2023).

Purchasing decisions is a process of selecting references for the product to be purchased. It is important for sellers to carry out digital marketing strategies as an effort to make product purchasing decisions by buyers. With increasingly easy internet access for buyers and internet network connections, it can be accessed anywhere, so that quite a few buyers convey information via social media such as Facebook, Instagram, TikTok, and other social media, either through displaying testimonials in the form of statuses, photos, and videos about products that have been used on their social media. These testimonials can lead to increasing buyer interest in using a product. Purchasing decisions is a repurchase

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activity carried out by the buyer for a product with the same brand without being followed by any meaningful feelings towards the product. Of the various factors that influence buyers in purchasing products (Pandiangan, 2023).

Marketing strategy is an integrated, unified and comprehensive plan in the field of product marketing. Marketing strategy is a method used by sellers to increase income or the seller's way of determining marketing targets to determine buyers. Marketing strategy can also be interpreted as one of the bases used in preparing overall sales planning (Pandiangan et al., 2023). A digital marketing strategy is needed by sellers who want their products to be accepted in the market. Therefore, the seller's success in marketing the product must be based on the right marketing concept to be able to determine a marketing strategy that leads to the seller's target market.

Many factors influence purchasing decisions through digital marketing strategies, one of which is electronic word of mouth. Electronic word of mouth is a digital marketing strategy that is currently widely used by sellers. Electronic word of mouth has several characteristics in common with traditional word of mouth communication which can be differentiated in several dimensions such as platform assistance, concern for other consumers, positive self-enhancement, social benefits, and helping the company (Swastha and Irawan, 2016).

The increasing use of electronic word of mouth is influenced by more information about products being found through online communication compared to traditional communication. Apart from that, electronic word of mouth information is more trusted by customers because it provides information about the experiences of users of the product. Electronic word of mouth phenomenon continues to develop, making electronic word of mouth a great opportunity for companies to use it as an easier and cheaper marketing strategy. The increase in the main function of electronic word of mouth as a source of online information is closely related to the increasing use of internet services. The greater the number of internet users, the more workers will be absorbed, both in companies and as digital entrepreneurs. The potential for digital business development in Indonesia is very large, this is shown by the number of internet users in Indonesia which has reached 213 million people as of January 2023 (Databoks Katadata, 2023). This number is equivalent to 77% of Indonesia's total population of 276.4 million people.

TikTok is an application that has been developed by ByteDance China which operates in the field of 12 technologies. TikTok can be downloaded via the App. Store, Google Play, Android Applications, and others by its users. More than 500 million times the TikTok application has been downloaded, and it has reached 10 billion daily video viewers with the largest users being in the USA and Great Britain. TikTok makes users' cellphones like a running studio, where users can interact through video content that is approximately 15 seconds long. The videos presented in TikTok also vary, where this application presents various effects that users can use to be creative. So TikTok also allows creators to develop their talents without limits.

The aim of this research is to analyze digital marketing strategy analysis of product purchasing decisions at the TikTok Shop.

Journal of Innovation Research and Knowledge

ISSN 2798-3471 (Cetak) ISSN 2798-3641 (Online)

## LITERATURE REVIEW Electronic Word of Mouth

Word of mouth is the action of a customer distributing relevant marketing information to other customers regarding information about a product or service and has the power to make decisions in using the product. Word of mouth is informal communication, in informal communication it is said that the sender is not speaking in the capacity of a professional or commercial communicator, but tends to be a friend. This communication is also called word of mouth communication which tends to be persuasive because the sender of the message has no interest at all in the actions of the recipient (Swastha and Irawan, 2016).

Electronic word of mouth is a traditional concept of word of mouth that was developed, electronic word of mouth is a dynamic and continuous process of exchanging information between existing consumers, actual consumers or potential consumers regarding a product, service, brand or company that is open to many people and institutions Through the internet.

The difference between word of mouth and electronic word of mouth is as follows:

- 1. Electronic word of mouth is electronic and allows communication without face to face between the two parties.
- 2. Electronic word of mouth is unsolicited, that is, it can be sent to those who do not currently need any information about a product or service and do not necessarily want to receive that information.

The intensity of electronic word of mouth can be measured through the following indicators:

- 1. Frequency of accessing information on social networks.
- 2. Frequency of interaction between social network users.
- 3. The large number of reviews written by social network users. The valence of opinion indicators are as follows:
- 1. Positive comments from social network users.
- 2. Consumer recommendations from social networks.
- 3. Negative comments from social network users.

Content indicators are as follows:

- 1. Product quality information on social networking sites.
- 2. Price information offered on social networking sites.
- 3. Information on comfort, cleanliness, and service on social networking sites.

## **Purchasing Decisions**

Purchasing decisions are a decision process that combines attitudes, knowledge, to evaluate two or more alternative behaviors and choose one of them (Setiadi, 2016). Purchasing decisions are several stages carried out by buyers before making a decision to repurchase a product. Consumers have a choice and are ready to make a purchase or exchange between money and a promise to pay for the right to own or use a product. In other words, a purchasing decision is a problemsolving process that consists of analyzing or recognizing needs and desires to behavior after purchase.

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In repurchase decisions, generally there are five roles that a person can play, namely:

- 1. The initiator is the first person to realize that there is an unfulfilled desire or need and proposes the idea of purchasing a product.
- 2. Influencers are people who provide views, advice or opinions so that they can help with repurchase decisions.
- 3. The decision maker is the person who determines the repurchase decision, whether to buy, what to buy, how to buy, or where to buy.
- 4. The buyer is the person who makes the actual purchase.
- 5. Users are people who consume or use products that have been purchased.

## **RESEARCH METHODS**

This type of research is survey research. According to Kurdhi et al. (2023), survey research is used to obtain individual opinion data. Apart from that, the primary data collection method is by asking questions to individual respondents. Survey research is research conducted to obtain facts about existing symptoms and look for factual information without investigating why these symptoms exist.

Population is a generalization area consisting of research objects and subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions drawn (Yoppy et al., 2023; Pandiangan, 2024). The population in this research are buyers who have a TikTok account and have shopped at the TikTok Shop. The sample is a part or representative of a population that has the same traits and characteristics and fulfills the population being investigated (Pandiangan et al., 2023; Ratnawita et al., 2023). Because the population is so large, the sample taken was limited to 50 respondents.

The data collection method uses (Pandiangan et al., 2023):

- 1. A questionnaire is a form of data collection instrument in the form of a list of written questions, especially those related to research variables.
- 2. Documentation, namely to collect secondary data to support primary data obtained from company documents such as a brief history of the company and other data.

Data analysis in research uses simple linear regression using the partial (t) test. Regression is a study of the relationship between one variable, namely the variable that is explained, and one or more variables, namely the variable that explains. If there is only one independent variable, then the regression analysis is called simple linear regression. If there is more than one independent variable, then the regression analysis is known as multiple linear regression. It is said to be multiple because there are several independent variables that influence the dependent variable. The t test is a statistical test to find out whether the independent variables individually have an effect on the dependent variable (Pandiangan et al., 2024).

# RESULT

# **General Description**

TikTok is a social and music video network that was launched in 2017. TikTok is an application that has been developed by ByteDance China which operates in the field of 12

technologies. TikTok can be downloaded via the App. Store, Google Play, Android Applications, and others by its users. More than 500 million times the TikTok application has been downloaded, and it has reached 10 billion daily video viewers with the largest users being in the USA and Great Britain. TikTok makes users' cellphones like a running studio, where users can interact through video content that is approximately 15 seconds long. The videos presented in TikTok also vary, where this application presents various effects that users can use to be creative. So TikTok also allows creators to develop their talents without limits.

In 2018, the TikTok application was blocked by the Ministry of Communication and Information, but in the current era, TikTok has become a very popular culture among Indonesians. Popular culture is also built through several contexts, namely culture that is built on pleasure that is not substantial and relieves people from feeling bored after working all day, popular culture that destroys traditional culture, culture becomes a problem from an economic and cultural perspective.

TikTok can become a popular culture in Indonesia for several reasons, namely:

- 1. Short videos that are close to real life and general situations, which are usually made by creators who are close to the reality of society, wrapped in entertainment, fashion, etc. to attract an audience.
- 2. A simple short video service, where creators are free to make short videos of around 15 seconds to 1 minute which makes it easier for creators to create their content and choose the songs they want.
- 3. Friendly application interface, where TikTok provides TikTok users to choose their own music interface, add effects, slow motion to their videos.
- 4. Advanced production level, implementing the function of pushing accurately produced content that suits preferences and needs.
- 5. Freedom for users, people can easily express themselves and immortalize daily activities.
- 6. 6.Discussing current trends, TikTok users follow current trends.
- 7. 7.Celebrity effect.
- 8. 8.Attractive marketing, increasing fun content and can contribute to the rapid distribution of videos.

#### Partial (t) Test Results

Table 1. Coefficients <sup>a</sup>			
Model	Unstandardized Coefficients (B)	t	Sig.
Electronic Word of Mouth	0.347	4.380	0.000

The research results show that electronic word of mouth has a positive and significant effect on product purchasing decisions at the TikTok Shop.

Social interaction is the relationship between people and individuals, between groups and other groups, or between individuals and groups. When someone meets, social interaction occurs at that moment. In social interaction, there must be a reciprocal relationship between the two, in the sense that there must be a response from both.

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Social media is a media platform that focuses on the existence of its users and facilitates them in their daily activities and collaboration. In essence, social media can carry out various two-way activities in the form of exchange, collaboration, getting to know each other in written, visual, and audiovisual form.

The importance of applying intensity as the first dimension of electronic word of mouth, because consumers have the right to provide information, interact and even give opinions about the products marketed by the company, especially among fellow consumers and social networks. In this case, the company needs to update information about the car products the company markets so that consumers and social networks have the correct and latest information that does not mislead other social networks.

Companies also need to realize that sharing negative experiences through the publication of online comments can help consumers to reduce dissatisfaction related to their negative emotions. Negative electronic word of mouth that is spread will prevent other people from having the same experience as they have experienced so that their purchasing decisions will decrease.

## CONCLUSION

The research results show that electronic word of mouth has a positive and significant effect on product purchasing decisions at the TikTok Shop.

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