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Investigating e-WOM via TikTok Impact on Purchase Intention: Brand "S"

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Abstract: This journal investigates the impact of social media marketing, particularly on TikTok, on the purchase intention of skincare products among Indonesian young adults, with a focus on the case study of skincare brand "S". The research employs a descriptive causal approach and utilizes the Technology Acceptance Model (TAM) and Information Adoption Model (IAM) as theoretical frameworks. The study explores the dimensions of information quality, quantity, credibility, and needs on TikTok, emphasizing its influence on consumer behavior. The findings of information quality, quantity, credibility, and needs indicate positive and significant relationships between these dimensions, highlighting the role of TikTok in shaping consumer decisions. But, information quantity indicates a negative relationship to purchase intention. Specifically, high-quality and credible information, along with addressing consumer needs, contribute to enhanced information usefulness, adoption, and ultimately purchase intention. The research underscores the strategic importance of skincare brands tailoring their TikTok marketing to deliver targeted, high-quality, and credible content that addresses specific consumer needs. Additionally, building and sustaining credibility on TikTok, particularly through authentic reviews, is crucial for fostering consumer trust. Overall, the study emphasizes a holistic approach for brands to maximize the impact of their digital marketing strategies on driving online sales and influencing purchase intentions.

Keyword: Information Quality, Information Quantity, Information Credibility, Information Needs, Purchase Intention

INTRODUCTION

People around the world are very interested in web 2.0 technologies and other social media sites, prompting businesses to view these platforms as effective tools for customer interaction. Social networking is acknowledged as a potent marketing tool for businesses, strategies, enhancing customer involvement, relationship management, and communication. Previous studies highlight the diverse contexts in which firms utilize social media, including information search, interactivity, promotion, and influencing customer buying behaviors (Alalwan, Rana, Dwivedi, & Algharabat, 2017). Kemp reported that in January 2021, Indonesia had a total of 202.6 million internet users and 170.0 million individuals engaged in social media. The social media user base in Indonesia expanded by 10 million, reflecting a growth of 6.3% from 2020 to 2021. In January 2021, the number of social media users in Indonesia represented 61.8% of the entire population (Kemp, 2021). From the data above, the role of digital marketing plays a significant role in conducting online businesses, particularly through the use of social media especially in Indonesia.

The concept of word of mouth (WOM), introduced over 60 years ago, has gained new significance with the advent of the Internet, leading to the emergence of electronic word of mouth (eWOM). eWOM is defined as statements about a product or company made by potential, actual, or former customers and shared online. The proliferation of digital technologies has amplified the impact of WOM on buying decisions (Rosario, Valck, & Sotgiu, 2019). In the era of social media, electronic word of mouth (eWOM) plays a crucial role in shaping purchase intention by leveraging the amplifying impact of online recommendations and reviews on consumer trust and decision-making. TikTok has emerged as the most rapidly expanding social network in the post-pandemic era. It secured the highest number of global downloads in both 2020 and 2021, totaling 1506 million, surpassing Instagram's 1048 million downloads. In 2020, 36.0% of US marketers utilized TikTok for influencer marketing (Barta, Belanche, Fernández, & Flavián, 2023). TikTok stands out as a highly visited social media platform among internet users in Indonesia. Globally, Indonesia holds the second position for the highest number of active users, surpassing 22 million monthly active users. The beauty/skincare category emerges as one of the most popular among the video content on TikTok. Businesses and individuals in the cosmetics sector leverage this trend to promote their products through TikTok, aiming to boost brand recognition and attract consumer interest (Azizah, Gunawan, & Sinansari, 2021).

The skincare industry in Indonesia is currently flourishing, and there are reports indicating that the skincare market in the country achieved a value of US\$1.78 billion in 2021 (Statista, 2021). Projections suggest further growth, with an expected total revenue of US\$2.60 billion and a compound annual growth rate (CAGR) of 5.65% by 2026 (Statista, 2022). Brand "S" is one of the well-known skincare brands in Indonesia. Brand "S" is developed and formulated by scientists in Canada, expanding its business to Indonesia for the first time in 2021 (Glints). Within less than a year, Skintific achieved remarkable success, receiving seven awards, including the Best Moisturizer from Female Daily, Sociolla, Beautyhaul, and TikTok Live Awards 2022. Additionally, the brand was honored as the Best Newcomer Brand of 2022 (Kompas 2023). Through TikTok, one of the most popular social media platforms in 2020, brand "S" has successfully conducted sales on this platform, generating approximately 12.59 billion per month or equivalent to 419 million per day (Kalodata). As the skincare industry increasingly embraces e-commerce channels, understanding the factors that drive online purchase intentions becomes crucial. We undertook this research with the purpose of exploring the buying inclination toward regional skincare products, given that purchase intention is recognized as a key outcome of electronic word-of-mouth (eWOM), ultimately contributing to enhanced sales.

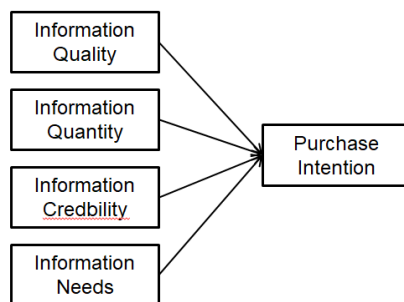
METHOD

Based on the purpose of the research, this study employs a descriptive causal approach with a qualitative method. The chosen research strategy adopts a survey approach, wherein qualitative data is acquired from participants through the administration of a questionnaire. This methodological selection facilitates a comprehensive investigation of the research subject, involving the collection and analysis of qualitative insights derived from survey participants.

Data collection and analysis technique

The Likert scale, ranging from 1 (strongly disagree) to 5 (strongly agree), was employed as the measurement scale in this study. Non-probability sampling, specifically purposive sampling, was utilized due to its focus on specific characteristics of respondents, allowing the samples to effectively represent pertinent information for the research. Taherdoost, H. (2021). The research determined the sample size using the Slovin formula, applying a significance level of 5% ($\alpha=0.05$ for a one-tail test).

Fig. 1 Information Adoption Model of this research



For the duration of the project, the process of collecting respondent data was carried out gradually over 1-2 months. In the initial stage, individuals were selected from the population to participate in the research through observation, treatment, or providing opinions on the investigated subject. Questionnaires were then distributed to targeted respondents who met specific criteria, with announcements regarding respondent criteria made through social media platforms to ensure a more precise selection.

Using the Slovin formula, the minimum sample size was determined to be 251 responses, with the focus on the population being Brand "S" followers on TikTok. The characteristics of the samples were described as Indonesian TikTok users who engage daily, are familiar with or have encountered Brand "S" content on TikTok, actively seek skincare product references on the platform, and may or may not follow Brand "S" on TikTok. The research successfully collected responses from 251 respondents, providing an overview of the characteristics of these participants. Throughout the data collection phase of this project, we carefully screened and selected respondents to ensure their active engagement on the TikTok platform, covering a diverse age range from teenagers to adults. The emphasis was placed on individuals who express a clear interest in skincare products. This meticulous approach was adopted to guarantee that the assembled sample accurately represents the characteristics of our target population. Consequently, the results of this research can be trusted to provide meaningful insights into the preferences and perspectives regarding Brand "S" among TikTok users who have a specific interest in skincare products. The phased data collection process over 1-2 months allowed for sufficient time to gather an adequate number of responses, ensuring the accuracy and quality of the data collected in this study.

RESULT AND DISCUSSION

This Research modifies the theoretical framework and modifies certain indicators of its variables, this research aims to do theory development and predict the constructs, as well as to analyze the influence of eWOM by using a modified [Motivation] Information Needs on information usefulness. To accomplish these objectives, the study utilizes partial least squares, a variance-based structural equation modeling technique known as VB-SEM. The collected data are processed and analyzed using IBM SPSS Statistics 20.

Measurement model evaluation

To assess the measurement model, it can be seen by the validity and reliability by using Cronbach Alpha (CA) and Regression analysis to see ANOVA values where significant value <0.05.

Table 1. Respondent Characteristics

Description	Percentage
Gender	
Female	93%
Male	7%
Age	
16 - 21 Years Old	14%
22 - 27 Years Old	71%
28 - 33 Years Old	15%
Education	
High School	5%
Bachelor's Degree	95%

Cronbach Alpha (CA) is a common technique used for testing reliability. The minimum value of CA 0.70 which is considered quite good reliability (Sahid Raharjo, 2003). Based on Table 3 and Table 4, the measurement model evaluation for validity and reliability is in a satisfactory state, according to the values for Cronbach Alpha (CA) is above 0.7 and Significant value is under 0.05.

Table 2. Notes: IQL = Information Quality, IQT = Information Quantity, ICR = Information Credibility, INE = Information Need, IUS = Information Usefulness, IAD - Information Adoption, PI = Purchase Intention.

Latent Variable	Item Code	CA	PCA		
Information Quality	IQL3	0.902	0.809		
	IQL4		0.763		
	IQL5		0.809		
	IQL6		0.883		
	IQL7		0.807		
	IQL8		0.845		
	Information Quantity		IQT1	0.839	0.933
			IQT2		0.933
Information Credibility	ICR1	0.925	0.765		
	ICR2		0.888		
	ICR3		0.890		
	ICR4		0.916		
	ICR5		0.929		
Information Needs	INE1	0.851	0.798		
	INE2		0.925		
	INE3		0.92		
Purchase Intentions	PI1	0.945	0.854		
	PI2		0.891		
	PI3		0.918		
	PI4		0.933		
	PI5		0.927		

Structural model evaluation

In the results shown in Fig. 3, all suggested hypotheses are supported, and the results are significant, given that the sig. values are < 0.05.

For the first hypothesis, the influence of information quality on purchase intention was found to be positive and significant (b = 0.194. T-value = 2.955). We can conclude that the information quality has a positive impact on purchase intention. The more high quality the information is, the more it helps consumers in assessing product performance and lead to purchase intention.

The second hypothesis, the influence of information quantity on purchase intention, was found to be negative and not significant (b = -0.153. T-value = -2.936). This research found that information quantity does not influences purchase intention. In *Examining the Influence of Customer-to-Customer Electronic Word-of-Mouth on Purchase Intention in Social Networking Sites*, a journal from Asia Pacific Management Review in 2019, Information quantity allows recipients to find useful information on online platforms but does not lead to purchase intention.

Table 3. Evaluation of structural model results

Hypothesis	Relationship	β Value	Standardized β Value	T Statistics	R ²	Sig.
H1	IQL -> IUS	0.194	0.186	2.955		0.000
H2	IQT -> IUS	-0.153	-0.179	-2.936		0.000
H3	ICR -> IUS	0.463	0.538	9.045		0.004
H4	INE -> IUS	0.292	0.333	5.793	0.672	0.003

For example, we can see for example TikTok's algorithm, if viewers usually like sport's content videos, TikTok will show more videos about sports. When viewers like beauty content such as Brand "S", TikTok algorithm will show more content about Brand "S".

The third hypothesis, the influence of information credibility on purchase intention, was found to be positive and significant (b = 0.463. T-value = 9.045). Credibility can help consumers reduce risk and uncertainty in the purchase decision processes (Filieri, Raffaele. 2015). For example in TikTok's review on a product, customers will have more trust in a product which has real review by other customers that the product works on them. This real review can increase information credibility and lead to purchase intention.

The fourth hypothesis, the influence of information needs (motivation) on information usefulness, was found to be positive and significant (b = 0.292. T-value = 5.793). This result adds empirical support to the research framework and strengthens the understanding of the relationship between [Motivation] Information Needs and purchase intention.

CONCLUSIONS

This research unveils the dynamics of TikTok marketing's profound impact on consumer purchase intentions within the skincare industry, using "Brand "S"" as a case study. The study systematically delves into the dimensions of information quality, quantity, credibility, and needs, highlighting their interconnectedness and their influential role in shaping consumer behavior. The findings underscore the significance of these dimensions on TikTok, demonstrating their substantial effects on purchase intention. High-quality information enables consumers to assess product performance, while quantity contributes to a rich informational environment. Credibility, especially on TikTok, emerges as a key factor in

reducing risk and uncertainty during the purchase decision process, as consumers trust authentic reviews. Addressing consumers' information needs on TikTok significantly enhances the perceived purchase intention. The research establishes a causal link between information usefulness, adoption, and purchase intention, emphasizing the pivotal role of TikTok in shaping consumer decisions through effective digital marketing strategies.

The study underscores the strategic importance of skincare brands, exemplified by Brand "S", embracing a targeted approach in their TikTok marketing endeavors. Focusing on the delivery of high-quality, credible, and quantity-appropriate information on TikTok emerges as a critical factor in shaping consumer perceptions and steering purchase intentions. Recognizing and catering to the specific information needs of TikTok consumers is imperative, emphasizing the impact of tailored content on enhancing information usefulness. Building and sustaining credibility on TikTok should be a priority, with a particular emphasis on authentic reviews and information to foster consumer trust. Furthermore, the study reinforces the applicability of technology acceptance models, in guiding brands toward effective digital marketing strategies. Finally, the emphasis on enhancing information usefulness, influenced by factors such as quality, quantity, credibility, and consumer needs, highlights the holistic approach brands should adopt to maximize their impact on driving online sales and influencing purchase intentions.

Appendix

The variables and the items of the questionnaire

Variable	Item	Questionnaire
Information Quality (Cheung et al., 2008); (Filieri, 2015); (Park et al., 2007)	IQL1	I think the information of Brand "S" on TikTok is based on facts
	IQL2	The information of Brand "S" on TikTok explains the product attributes
	IQL3	I think the information of Brand "S" on TikTok is clear
	IQL4	I think the information of Brand "S" on TikTok is detailed
	IQL5	I think the information of Brand "S" on TikTok is complete
	IQL6	In conclusion, I think the information of Brand "S" on TikTok is high in quality
Information Quantity (Lopez & Sicilia, 2013)	IQT1	I can rely on the amount of information of Brand "S" on TikTok
	IQT2	The amount of information of Brand "S" on TikTok can help me understand the product performance
Information Credibility (Erkan & Evans, 2018); (Filieri, 2015); (Weitzl, 2014)	ICR1	The information of Brand "S" on TikTok is convincing
	ICR2	I think the information of Brand "S" on TikTok is credible
	ICR3	I think the information of Brand "S" on TikTok is believable
	ICR4	I think the information of Brand "S" on TikTok is true
	ICR5	The information on TikTok about Brand "S" is trustworthy

[Motivation] Information Needs (Ahluwalia, 2002); (Chu and Kim, 2011)	INE1	I apply the information when buying Brand "S" on TikTok.
	INE2	I often use information on TikTok when not or little knowledge about Brand "S"
	INE3	I feel the information about Brand "S" through TikTok has significant benefits.
Purchase Intention (Erkan & Evans, 2016); (Ismagilova et al., 2017)	PI1	Brand "S" becomes my consideration to buy in the future
	PI2	Next time I need a Brand "S", it is likely I consider purchasing Brand "S"
	PI3	Next time I need a Brand "S", it is likely I will use Brand "S"
	PI4	It is very likely that I will buy the Brand "S" product
	PI5	I will try Brand "S" product

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