Exploring the Impact of TikTok E-WOM on Product Purchase Decisions through Social Media

Harun Adisua Toding Rante¹, Muhammad Akbar¹, Alem Febri Sonni¹

¹ Department of Communication Studies, Hasanuddin University, Makassar, Indonesia
rantehat22e@student.unhas.ac.id

Abstract. This research explores the impact of Electronic Word-of-Mouth (E-WOM) on the TikTok platform on consumer purchasing behavior and interest in social media. The study employs a literature review conducted by searching for relevant references related to the identified case or issue. The data used consists of findings from relevant literature studies within the last five years, focusing on the effects of E-WOM on TikTok on social media-based product purchase decision-making. The collected data is then analyzed using a descriptive method. The results of the literature review indicate that E-WOM on TikTok has a positive impact on consumer purchase intent, particularly among Generation Z, who are the most active TikTok users. Generation Z relies heavily on informative content and E-WOM recommendations in their purchasing decision-making process. Factors such as the quality, quantity, and credibility of E-WOM also play a significant role in influencing purchase intent. Brand image mediates the relationship between E-WOM and purchase intent, emphasizing the importance of maintaining a positive brand image. Consequently, this research provides a strong foundation for smarter marketing strategies that harness the influence of E-WOM on TikTok to impact consumer purchasing decisions.

Keywords: Social Media, Electronic Word of Mouth, Purchase Decisions.

1 Introduction

Media communication has experienced rapid growth in recent decades, aligned with advancements in technology that enable people to communicate without geographical constraints. The digital era has brought about significant changes in how people disseminate information and interact with others. In addition to traditional media such as television, radio, and newspapers, there is now strong competition from new media, known as "new media." The term new media encompasses a set of communication technologies made possible by digitization and widely available for personal use as communication tools (McQuail, 2020:136). New media's scope includes online platforms like websites, social media, blogs, and mobile applications, which increasingly influence how people communicate, share information and even make decisions.

One of the most prominent platforms in this development is TikTok, a short video-sharing platform that has revolutionized the way individuals interact, share information and express themselves creatively. According to We Are Social's report, this short video
app had 1.09 billion users worldwide as of April 2023. Thus, TikTok has become a global phenomenon with over one billion active users worldwide. This platform not only fosters creativity but also provides an attractive channel for marketers to reach and influence consumers.

This research will focus on phenomena related to Electronic Word-of-Mouth (E-WOM) on TikTok. E-WOM is a term used to describe how individuals share information, product reviews, and recommendations with others through social media platforms and digital communication. It represents a form of user interaction that can influence opinions and purchasing behavior.

E-WOM is a growing phenomenon in the digital era, and to gain a more comprehensive understanding, it is necessary to grasp the concept of traditional Word-of-Mouth (WOM). Traditional WOM is the process by which individuals share information, product reviews, and brand recommendations with others through oral or face-to-face communication. Before the advent of social media and the internet, traditional WOM often occurred in everyday conversations between individuals, social gatherings, or recommendations given by friends, family, or colleagues.

In the modern era, consumers have become increasingly skeptical of traditional advertising. E-WOM on TikTok and other social media platforms has become a significant source of information in purchasing decisions. Therefore, research that explores the influence of E-WOM on TikTok on purchasing decisions is crucial for a deeper understanding of the role of social media in current marketing and consumer communication.

Understanding the role of E-WOM within the TikTok ecosystem and how it affects consumer behavior and purchasing decisions is essential. E-WOM on TikTok covers various aspects, including product reviews, brand recommendations, user testimonials, and video vlogs discussing personal experiences with specific products. This literature review aims to examine and analyze existing literature on the influence of E-WOM on TikTok in the decision-making process for a product. In this context, the researcher will explore previous research findings and expert perspectives that have contributed to understanding how E-WOM on TikTok influences consumer behavior.

Although TikTok is a relatively new platform, several studies have explored the role of E-WOM on TikTok. Previous research has attempted to identify how E-WOM on TikTok affects purchasing decisions. To summarize these findings and understand emerging trends, this literature review will analyze existing academic publications and related literature. The researcher will look for common patterns and findings that can help create a more comprehensive understanding of how E-WOM on TikTok influences consumer behavior in product purchasing decisions.

The results of this literature review are expected to provide in-depth insights into the phenomenon of E-WOM on TikTok. It will also enhance our understanding of digital communication dynamics in the context of evolving social media platforms. Furthermore, this literature review can serve as a strong foundation for further research on this topic and assist brands and marketers in designing more intelligent strategies to leverage the influence of E-WOM on TikTok to impact consumer purchasing decisions.
2 Research Method

This research utilizes a literature review conducted by seeking relevant references related to the identified case or issue. According to Creswell (2017), a literature review is a written summary of articles from journals, books, and other documents that describe theories and information, both past and present, organizing the literature into the topic and documents needed. The data used consists of findings from relevant literature studies within the last five years, focusing on the impact of E-WOM on TikTok on social media-based product purchase decision-making. The collected data is then analyzed using a descriptive method. The descriptive method involves describing the facts and subsequently conducting an analysis, not merely outlining but also providing understanding and explanations.

3 Result and Discussion

Various studies presented in different contexts regarding the influence of Electronic Word of Mouth (E-WoM) through the TikTok platform on purchasing behavior and consumer interest in Indonesia provide a compelling insight into the vital role of social media in marketing and product consumption. E-WoM on TikTok has been shown to have a significant impact on various aspects of purchase intent and consumer behavior.

Based on a report by We Are Social in 2023, TikTok users in the 18-24 age group, categorized as Generation Z, ranked first as the most active users. Generation Z makes purchasing decisions for products on TikTok based on the availability of informative product information in video content, which is their primary consideration before making a purchase. Research by Fadhilah and Ginanjar Saputra in 2021 highlights the significant role of content marketing and recommendations from Electronic Word of Mouth (E-WoM) in influencing the purchasing decisions of Generation Z consumers on TikTok. These findings underscore the importance of creating engaging content and leveraging E-WoM to attract and influence Generation Z consumers on TikTok.

Various factors of E-WoM, such as quality, quantity, and credibility, play a crucial role. Positive E-WoM regarding a product increases consumer trust and purchase intent, whereas negative E-WoM regarding a product's quality, quantity, and credibility diminishes consumer trust and purchase intent. For example, a study by Malva Deandra Perkasa Putri and Osa Omar in 2023 reveals the influence of the Electronic Word of Mouth (E-WoM) on the TikTok social media platform in Starbucks Indonesia. The research states that the quality, quantity, and credibility of E-WoM have a positive and significant impact on the purchase intent of Starbucks products in Indonesia. In more detail, detailed and informative product reviews of Starbucks on TikTok are considered high-quality E-WoM. The quantity of E-WoM refers to how frequently the information is shared by users. If many people share positive reviews about Starbucks on TikTok, it is seen as a high-quantity E-WoM. Lastly, the credibility of E-WoM relates to the trustworthiness and expertise of users sharing information. If a renowned food blogger provides a positive review of Starbucks on TikTok, it is considered a high-credibility E-WoM.
Additionally, the role of brand image in mediating the relationship between Electronic Word of Mouth (E-WoM) on TikTok and the purchase intent of specific products is a crucial aspect in the context of marketing and consumer behavior. Studies conducted by Camelia Hasena and Eko Sakapurnama in 2021, as well as Alya Farras Az Zahra and colleagues in 2022, reveal how a brand image can be a key link in the influence of E-WoM on purchasing decisions. The brand image reflects the positive or negative perception of consumers towards a brand or product. Research shows that E-WoM on TikTok can affect how consumers perceive a brand and its products. When high-quality and trusted E-WoM is generated by TikTok users, it can shape a positive brand perception. Brand image plays a crucial role as a mediator between E-WoM and the desire to make a purchase. Consumers with a positive perception of a brand are more inclined to purchase products offered by that brand. Therefore, in the era of social media like TikTok, maintaining a positive brand image is key to success, and marketers must ensure that the information circulated through E-WoM creates a positive brand image for potential consumers.

On the other hand, a survey conducted by Milleu Insight on katadata.co.id in October 2022 reported that beauty products were one of the most sought-after video content categories by TikTok users in Indonesia, ranking second after travel recommendations. Beauty product video content has become highly popular and sought after by TikTok users in Indonesia. In this regard, research conducted by Khevin Angga Putra and Sastra Bangsawan in 2022, Desi Rahmaningsih and Devilia Sari in 2022, as well as Alodia Lastri Dwiputri and Syahputra in 2023, reveals that E-WoM on TikTok has a positive impact on the purchase intent of products, especially in the context of skincare and cosmetics. Thus, the popularity of beauty products on TikTok creates opportunities for brands to leverage E-WoM in influencing consumer purchase intent, considering the proven positive impact of E-WoM in these studies.

### 4 Conclusion

This research reveals the impact of Electronic Word of Mouth (E-WoM) through TikTok on consumer behavior in Indonesia. The TikTok social media platform has become a major pillar in product marketing and influencing purchase intent. Generation Z, who dominate TikTok users, pays significant attention to informative information in video content before deciding to purchase products. Factors such as the quality, quantity, and credibility of E-WoM play a crucial role in shaping consumer trust. The brand image also plays a key role in connecting E-WoM with purchase decisions. In the context of beauty products, TikTok has become an extremely popular platform, and E-WoM has proven to have a positive impact on the purchase intent of skincare and cosmetics products. Thus, TikTok has transformed marketing and consumer behavior in Indonesia, with E-WoM and brand image playing vital roles in shaping consumer preferences and purchase decisions.
References


Open Access This chapter is licensed under the terms of the Creative Commons Attribution-NonCommercial 4.0 International License (http://creativecommons.org/licenses/by-nc/4.0/), which permits any noncommercial use, sharing, adaptation, distribution and reproduction in any medium or format, as long as you give appropriate credit to the original author(s) and the source, provide a link to the Creative Commons license and indicate if changes were made.

The images or other third party material in this chapter are included in the chapter's Creative Commons license, unless indicated otherwise in a credit line to the material. If material is not included in the chapter's Creative Commons license and your intended use is not permitted by statutory regulation or exceeds the permitted use, you will need to obtain permission directly from the copyright holder.