Engagement Behavior Generation Z on TikTok Case Study: Cosmetic Brands

Cristy Natalia Lontoh[1], Faika Amelia Suyuthi[2], Julia Natassya Irena Christy Sagala[3]
[1,2,3]Management Department, Universitas Bina Nusantara, Indonesia
cristy.lontoh@binus.ac.id

Abstract

Indonesia is one of the countries that has an important role in the growth of digital globally. Data Reportal (January, 2020) reported that Indonesia is ranked third in the world as a country that has the largest number of internet users in the world. The number of internet users in Indonesia increased by 17 percent or worth 25.3 million users in a year. In addition, the Indonesian Internet Service Providers Association (APJII) also presented a survey that in 2019 to the second quarter of 2020 there has been an increase in the number of internet users in Indonesia which reached 196.7 million users. Various applications are available and accessed by the people of Indonesia. One of them is TikTok which also has a variety of content with a number of popular categories, such as comedy, street vlogs, fashion, makeup, lipsync, dancing and food. Based on searches on the TikTok app, the number of hashtags #makeup and #skincare has been viewed by 91.2 billion and 32.7 billion. This shows that TikTok is able to provide business opportunities for Cosmetic Products such as makeup and skincare in Indonesia. The study aims to test the relationship between marketing theory and its effect on TikTok's social media use with a quantitative approach and variable test. The results of this study show that TikTok social media users, especially generation Z, use TikTok social media in making decisions in determining the cosmetics they need.

I. Introduction

The development of increasingly modern times is characterized by advances in the field of technology. In fact, technology has become one of everyone's basic needs regardless of age or social status. This can be seen from the development of mobile phone technology that was once just a communication tool, now it has innovated into a communication tool that can take pictures or videos, play and listen to music and even access the internet anywhere and anytime (Swastika, 2015).

Research published by We Are Social and Hootsuite in July 2020 shows that the internet, mobile and social media are inseparable from all the activities of everyone in the world. Currently, the total population around the world has reached 7.79 trillion with the number of internet users amounting to 4.5 billion and the number of social media users who have exceeded the number of 3.96 billion. This shows that almost 60 percent and 51 percent of the world's total population has started using the internet and social media (Data Report, July 2020).

In Indonesia alone, TikTok continues to show good development because this video editing application managed to generate 100 new videos every day with a total of 21 billion views per month. In addition, TikTok is becoming increasingly viral because of the many public figures and celebrities who upload videos of TikTok's creations, so that the

wider community becomes interested and participates in making videos on the TikTok application. In addition, TikTok also has differences in terms of its features, namely watermarks that make it easier to recognize when shared to other social media (Librianty, 2019). Social media is an example of a relatively recent development of information technology (Marbun *et al*, 2020).

TikTok also has a wide variety of content with a number of popular categories, such as comedy, street vlogs, fashion, makeup, lipsync, dancing and food (Libriyanti, 2019). Angga Anugrah Putra as Head of Content and User tikTok Indonesia stated that fashion beauty content became one of the most popular content because it featured videos about makeup and skin care that dominated user interest (Baskoro, 2020). Based on searches on the TikTok app, the number of hashtags #makeup and #skincare has been viewed as many as 91.2 billion and 32.7 billion as of November 26, 2020. This shows that TikTok is able to provide business opportunities for Cosmetic Products such as makeup and skincare in Indonesia (Raekhan, 2020).

In Indonesia alone, the population of Generation Z amounted to 27.94%, while generation Y or commonly referred to as the millennial generation amounted to 25.87% and generation X amounted to 21.88% (BPS, 2021). According to Ananda (2020), one in four women in Indonesia has now had beauty treatments before the age of 19 years or 45.4% of the total population in Indonesia. Even based on a survey from The Pull Agency 60% of Generation Z have made purchases of cosmetic products before they turn 14 years old (In-Cosmetics, 2020). The WGSN report in 2020 also revealed that annually generation Z spending on cosmetic products rose by 18 percent (Saunter & Shin, 2020). Yosanova Savitry as Chief Operation MarkPlus Institute who was directly involved in the survey also explained that almost all spending from generation Z is used to buy cosmetic products, namely makeup and skin-care, while generation Y only spends 30 percent of its expenditure on cosmetic products and generation X only spends 5 percent (Sari, 2020). This shows that generation Z is a generation that is classified as very consumptive to cosmetic products, especially makeup and skin care.

II. Review of Literature

There are three main reasons underlying this study, namely: First, empirical research that analyzes the influence of social media factors such as trustworthiness, media richness and expertise to understand Social Media Engagement Behavior (SMEB) has not been done much (Cao, Meadows, Wong, & Xia, S, 2020). Second, this research has never been done in Indonesia. Third, TikTok is a new social media platform and generation Z is its biggest user but has not been widely researched. Through this study, researchers want to contribute to the research gap in order to provide a broader understanding of Social Media Engagement Behavior based on the context of Media Richness, Trustworthiness, and Expertise.

2.1 Media Richness

Media Richness Theory was first put forward by Daft & Lengel (1986) where it was said that individual performance in communicating is a match between the characteristics of the media used and the goals to be achieved. The level of media richness consists of the richest in features and the lean in features (leanest). According to Rice (1992), the richest medium is face-to-face communication, followed by telephone, voicemail, e-mail, and website.

Lipowski & Bondos (2018) conducted a study that analyzed the different effects of perceived media richness from three marketing channels, namely offline, online and phone channels in three different generations, namely Baby Boomers, Generation X and Generation Y. The results of this study indicate that the media richness of the online channel has an influence on the usage intention of the three generations, namely the Baby Boomers generation, generation X and generation Y. That is, the higher the media richness of the online channel, the greater the intention to use it. Media Richness Theory is very useful in explaining the media choices made by consumers. In this study it was found that online communication channels should be enriched by providing more personal information to consumers through social media platforms.

2.2 Source Credibility Theory
a. Trustworthiness

According to Ohanian (1991), trustworthiness is the consumer's belief in the source in providing information with a clear and honest purpose. Trustworthiness also describes the level of trust of communicators to communicate statements that are considered valid (Li & Yiyi, 2018). Supporting the previous opinion, trustworthiness describes the attributes of dignity, trustworthiness, and honesty possessed by endorsers and observed by consumers (Erdogan, 1999), which depends on the perception of the target audience.

Wang and Scheinbaum (2018) in their research analyzed the influence of the Source of Credibility Theory component (attractiveness, trustworthiness, and expertise) from celebrity endorsers in an effort to increase the credibility of a brand and purchase intention on an airline. The results of this study indicate that of the three components in the source of credibility theory, only trustworthiness has an influence on consumers, both for consumers with a high level of involvement and consumers with a low level of involvement in the aviation industry. This study also proves that choosing an influencer that is trusted by consumers when advertising can increase the credibility and purchase intention of a brand promoted by the influencer.

b. Expertise

Expertise refers to sources of information that are considered to have the ability to make true statements. Someone who is considered an expert has enough experience is knowledgeable, qualified, is generally a valid source (Erdogan, 1999), and has skills in a particular area (Ericsson & Hakansson, 2005). Meanwhile, according to Ohanian (1990), the sources of information in question are people, both salespersons, celebrities, and influencers who have knowledge of the products or services offered.

Thomas & Johnson (2017) in their research analyzes the effect of celebrity expertise in advertising products on purchase intention. The respondents in this study were aged 18-67 years at Mahatma Gandhi University in India. The results of this study suggest that celebrity experts have a significant effect on consumer intentions to buy products. Thus, companies must focus on selecting celebrities to endorse. This is in line with research conducted by Shimp (2013), which suggests that if consumers are interested in the endorser, then the consumer will adopt the preferences, beliefs, behavior, and interests of the endorser.

c. Theoretical Framework
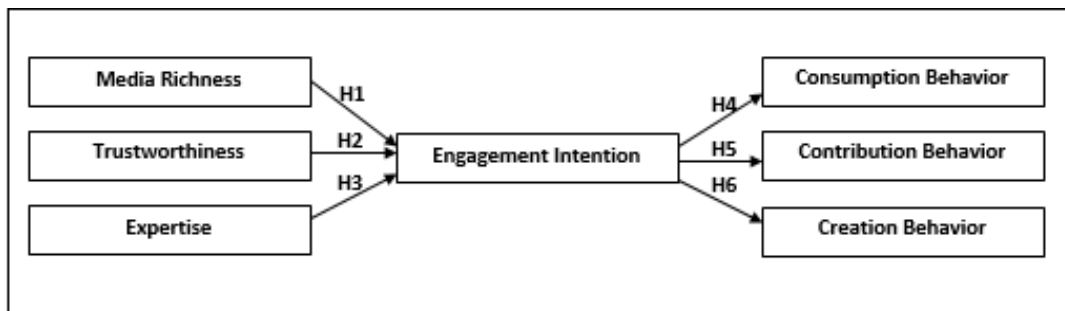
The framework used for this research is as follows:

Figure 1. *Research Model*

2.4 Hypothesis

The hypothesis used for this research is as follows:

a. Media Richness has an influence on generation Z engagement intentions on TikTok

b. Trustworthiness has an influence on generation Z engagement intentions on TikTok

c. Expertise has an influence on generation Z engagement intentions on TikTok

d. Engagement Intention has an influence on Generation Z Consumption Behavior on TikTok

e. Engagement Intention has an influence on Generation Z Contribution Behavior on TikTok

f. Engagement Intention has an influence on Generation Z Creation Behavior on TikTok

III. Research Method

The author uses quantitative research by distributing questionnaires to generation Z as respondents who have followed cosmetic brand accounts on TikTok, and have liked, commented or shared on cosmetic brand video content on TikTok. Data was collected through an online survey using purposive sampling method and answered by 260 respondents who were valid to be used in data processing. The variables in this study are media richness, trustworthiness, engagement intention and social media engagement behavior. The data obtained were analyzed using the PLS-SEM model which includes measurement models and structural models. The validity and reliability of the data were measured by the measurement model. The construction model determines whether each hypothesis in the proposed conceptual framework is accepted or rejected.

IV. Results and Discussion

4.1 General Description

The *pre-test* was conducted after obtaining data on 100 respondents who were Tiktok social media users. *Pre-tests* are performed on *items* owned by each variable to test their validity and reliability. In measuring validity and reliability, the study used Confirmatory Factor Analysis (CFA) and Composite Reliability (CR). The reliability and validity indicator is declared valid judging from the AVE value with a minimum limit of 0.5, Factor Loading has a minimum limit of 0.7 and CR with a minimum limit of 0.7 (Hair , Hult, Ringle, & Sarstedt, 2011). Seeing this, the resulting value in the pre-test shown in table 4.1 can be declared valid and reliable. In addition, from the results of the pre-test it can be concluded that, 4 items from Media Richness, 3 items from Trustworthiness, 3

items from Expertise, 4 items from Engagement Intention, 4 items from Consumption, 4 items from Contribution and 4 items from Creation have valid values and can be declared reliable.

4.2 Respondent Characteristic

Obtained 83.5% of respondents domiciled in Jabodetabek with the majority of respondents educated last high school / equivalent by 75% and still status as students / undergraduate students by 68.8%. In addition, the number of respondents obtained also has regular expenditures per month of Rp3,000,001-Rp5,000,000 with a percentage amount of 61.9% with expenditures on cosmetic products in one-time spending as much as Rp100,001-Rp300,000 with a percentage amount of 43.5%.

4.3 Hypothesis Test Results

The hypothesis test is the last part of the analysis that is the conclusion of the results of the hypothesis test in this study. The purpose of this analysis is to look at the relationships between variables and draw conclusions from each hypothesis. There are several measurement requirements in this test, namely by looking at path coefficient, t-statistic and p-value. In this study, the confidence level used was 95% so the t-statistic must reach more than >1.96 and p-value <0.05 for the conclusion of the hypothesis to be accepted.
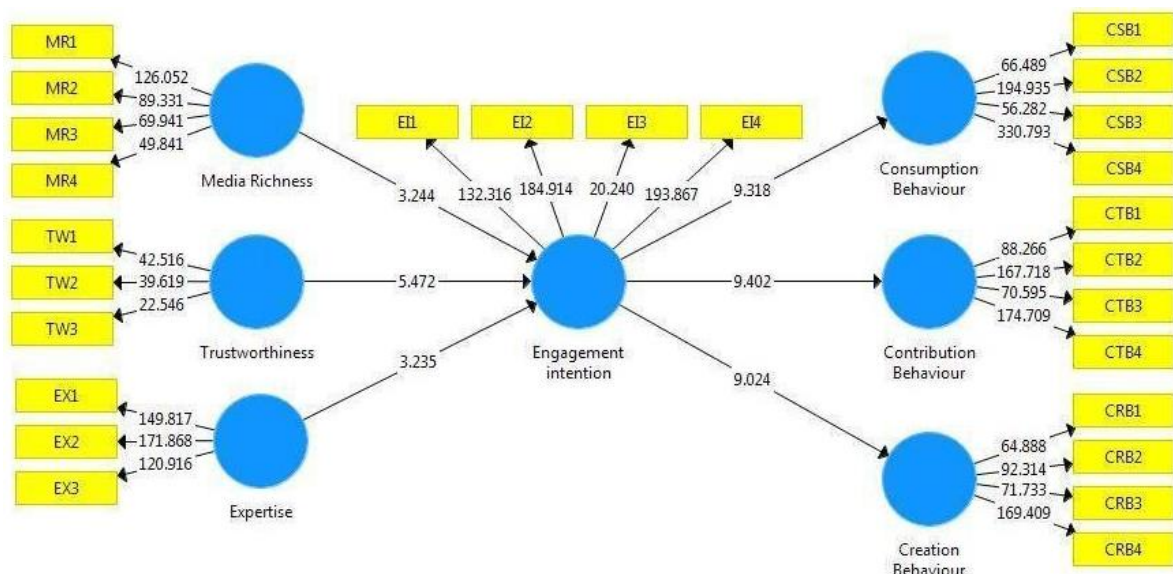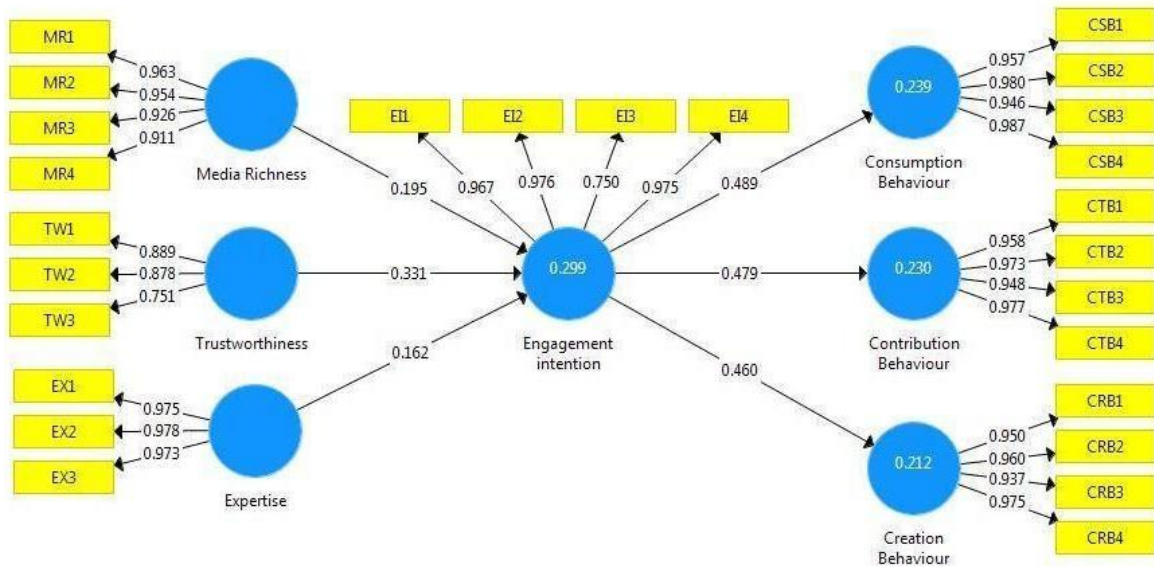

Figure 2. T- Statistics
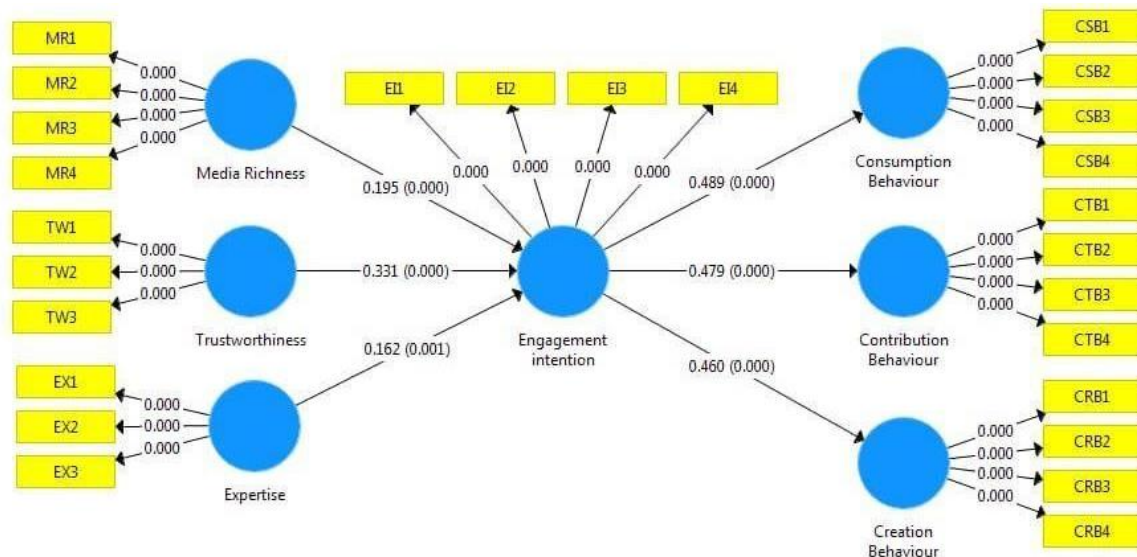
Figure 3. *Path Coefficient Images*

Figure 4. *P-Value*

The first hypothesis (H1) in this study is that media richness variables have an influence on engagement intentions. Based on the results of data processing it can be concluded that the media richness variable affects engagement intentions. This is supported by the significance value derived from the p-value of 0.001. The results obtained in accordance with research conducted by Hasim, Shahrin, Wahid, & Shamsudin (2020) show that media richness has an influence on purchase intentions.

Trustworthiness variables have an influence on engagement intentions. This is supported by the significant value obtained from the p-value of 0.000. So it can be stated that H2 is acceptable. The results of data processing in this study also proved that the highest indicator of trustworthiness variables is TW3 "Cosmetic brand on TikTok can be trusted because it is a verified official account" with a mean value of 3,381 so it can be concluded if respondents agree that with a verified brand account increases trust that affects a person's interest to want to engage with the brand. The existence of a verified account itself is a service of tiktok social media platform intended for celebrities, influencers, non-profit organizations, and brands making it easier for social media users to

know the authenticity of content from the brand and influencer accounts they follow (TikTok, 2019). This is in line with Weismueller's research (2020) where in the results of his research suggested that the source of brand or product information on social media that provides accurate and reliable information affects consumer intentions.

Expertise variables affect *engagement* intentions, this is supported by the significance value obtained from the *p-value* of 0.001, so that it can be stated that H3 is acceptable. Therefore, it can be concluded that respondents agree that the expertise of *influencers* in presenting cosmetic products affects a person's intention to *engage in* a cosmetic *brand*. The results of this hypothesis test are also supported by the results of research from Thomas & Johnson (2017), where *Expertise* has an influence on intention, in this case *purchase intention.* Through the results of statistical tests obtained, it can be seen if the highest mean is found in ex3 items with a value of 3,269 which states "Cosmetic brands on TikTok display *influencers* who have adequate knowledge of products". These results conclude that *influencers* who have knowledge of the product and understand the product of the *brand* influence the intention of consumers to *engage in* the *brand*. This is in line with research from Tsai *et al.* (2010) where the results of his research showed that *influencers* who understand and understand the products offered affect consumer intentions.

V. Conclusion

The findings of this study show that media richness has an influence on generation Z engagement intentions on TikTok. This is because the respondents in this study are generation Z who on average work as students or students who have the characteristics of digital natives and consider social media as a means of communication and entertainment to interact. This is evidenced by research that states that respondents are very concerned about the richness of features of social media such as likes, comments and shares. Therefore, the first hypothesis in this study is accepted.

The results of this study are also in accordance with previous research that Trustworthiness has an influence on generation Z engagement intentions on TikTok. This is due to the characteristics of respondents who are not easily influenced by hoaxes or fake news, because this generation is happy to explore and find out more about the information they receive. This is in accordance with the results of the study which states that respondents trust and choose a cosmetic brand that has been officially verified, which proves that the authentic and trustworthy aspect is an aspect that is considered important by respondents, thus supporting the second hypothesis.

Expertise has an influence on generation Z engagement intentions on TikTok. Respondents in this study were generation Z who trusted the recommendations or suggestions given by influencers and even bought products on the advice and recommendations of influencers. This is evidenced by the results of research that states that respondents trust influencers who have a good knowledge of their products. Therefore, influencers who are experts in promoting products play an important role, thus supporting the third hypothesis.

Engagement Intention has an influence on generation Z Consumption Behavior on TikTok. This is because the respondents in this study are generation Z who have characteristics that like to see posts about brands on social media. This is evidenced by the results of research that states that respondents click on the link store contained in the brand profile to see the product and content of the brand after seeing the content impressions of the brand. Therefore, the fourth hypothesis is accepted.

Engagement Intention has an influence on Generation Z Contribution Behavior on TikTok. This is because generation Z as respondents in this study are always happy to interact and communicate on social media. This is evidenced by the results of this study which states that respondents agree to make contributions such as likes, comments or upload videos on TikTok.

Engagement Intention has an influence on generation Z Creation Behavior on TikTok. This is due to the characteristics of Generation Z who are strong enough contributors in participating and interacting on social media, and are happy to comment on a brand. This is evidenced by the results of research that states that respondents conduct a review of a brand's product. Therefore, the sixth hypothesis in the study was accepted.

Based on the conclusions from the results of this study, the recommendations that can be given are that companies need to pay attention to important factors, namely the expertise of influencers in introducing products from the company. Moreover, from the results of the study found that consumers trust the advice or recommendations of influencers. Expertise from influencers influences consumer engagement intentions towards the brand, so that at the time of influencer selection, brands have considered things that affect consumer engagement intentions, such as influencers have a good knowledge of the products offered, have the ability to convey their product messages, and influencers who are experienced in their fields. Influencers must have good product knowledge because influencers are a reflection of the company. In addition, TikTok does not have a swipe up feature to make it easier for users to access the link store directly. Therefore, TikTok needs to enrich the accessibility of its features, such as adding swipe up features such as Instagram in order to increase user intentions to engage with brands on TikTok.

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