# ONLINE BUSINESS STRATEGY ANALYSIS THROUGH TIKTOK SHOP DIGITAL NETWORK PLATFORM MARKETPLACE

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## ABSTRACT

Digital marketing also facilitates communication between producers, marketers and consumers or buyers in sales activities. The phenomenon of online shopping has become something that continues to be discussed to this day. One of the app providers of online shopping features is stickers. TikTok has an interesting feature that the business shop can benefit from the use of tikTok. The research discusses how online sales can be applied on touch platforms, knowing strategies and knowing promotions that can be used. The research uses a qualitative method with a phenomenological research design to analyze the meaning of the social media platform TikTok as an online business marketing strategy. TikTok has interesting features and a comprehensive database. In addition to the increasing popularity of TikTok applications, there is a possibility that can benefit from the use of tikTok. Tiktok has many advantages and promotional features that are very profitable to sellers and consumers, such as affiliate tags and some profitable strategies that can facilitate promotions such as trend hashtags and view ads.

Keywords: Affiliation, Market Place, Tiktok Shop

#### I. INTRODUCTION

The evolution of an era that is constantly changing, characterized by the increasing advancement of technology is undeniable. Marketing has undergone a significant transformation in Indonesia, with the presence of e-commerce digital transactions change the culture of shopping that before face-to-face into online (Opreana & Vinerean, 2015) which eventually emerged new market development, namely digital inbound marketing (Patrutiu-Baltes, 2016), where this new type of marketing is focused on attracting consumers who choose to interact with a particular company that gives something useful. (Hajriyanti & Akbar, 2021). Digital marketing is a marketing activity with a promotion strategy that makes use of the Internet, which can be used as a connection with consumers. Digital marketing also facilitates communication between producers, marketers and consumers or buyers in sales activities. Digital marketing can also help to facilitate potential consumers, because consumers can find information about products easily by simply accessing the Internet to process the product search.

The phenomenon of online shopping has become something that continues to be discussed to this day. Through online shopping, consumers not only buy a product, but also imagine how the product and consumption practices. Online shops shift the pattern of people's

habits in shopping that is usually done face-to-face in one real space. Now it's a meeting in a virtual space without a face-to-face.

TikTok has been popular in various countries, including Indonesia itself; as a result, it creates new options and increases the commercial potential for certain individuals. It is important to note that TikTok has interesting features and a comprehensive database. In addition to the increasing popularity of TikTok applications, there is a possibility that can benefit from the use of tikTok. TikTok's objectives in the corporate world are shifting from entertainment media platforms to tools for business strategy. In connection with this, Rongers argued in Cangara (2014), that a communication strategy is one of the designs intended to influence human behavior on a larger scale through the transmission of new ideas. Choosing a strategy in communication planning should be done very carefully as the outcome can be disastrous if the approach is chosen incorrectly, especially the losses that can be incurred in terms of time, resources, and energy. (Ridho, 2018). Then the research will discuss how online sales can be applied on the touch platform, know strategies and know promotions that can be used.

## II. LITERATURE REVIEW

A. Market Place

Angga Kurnia Putra (Putra, 2017) describes Marketplace as an online (web-based) internet-based media platform that facilitates commercial activities and transactions between buyers and sellers. Buyers have the ability to find as many potential suppliers as possible who meet their requirements to receive rates that are consistent with market norms. Meanwhile, Brunn, Jensen, and Skovgaard (Peter & et al, 2002) define markets as an interactive e-business community that offers markets where can engage in business-to-Business electronic trading and/or other types of e-commerce. According to some of these definitions, a marketplace is an online platform for product marketing that serves as a meeting place for a large number of consumers and sellers involved in commercial activities of each other. According to Apriadi and Saputra (2017), a marketplace is supported by several components, including the following:

- 1. The Internet attracts users from all over the world, who then become corporate customers.
- 2. There are millions of different retail vendors on the Internet, each displaying their trades and offering them to buy.
- 3. Products and services can be found in physical and digital form. Digital products are products that have been digitized and then distributed via the Internet.
- 4. The infrastructure to be built to operate the market includes things like network infrastructure, hardware, and software.
- 5. The front-end interface is used in the marketplace to facilitate interaction between buyers and sellers. These front-end components include auctions, search engines, electronic catalogues, shopping carts, and sales portal.
- 6. Back-end operations include things such as order acceptance and order fulfillment, inventory management, vendor purchases, accounting and finance, payment processing, packaging, and shipping. Back-end operations also include such activities.

# **B. Social Media**

According to Cross (2013), the following is the definition of social media: "The term "social media" refers to a variety of technologies used to bring people together in a spirit of collaboration, facilitate the sharing of information, and foster communication through web-based message content. As the Internet is constantly evolving, many technologies and functions made accessible by consumers are also undergoing consistent transformation. According to Parks, the concept of social media is as follows: "The three components that make up social media are the information infrastructure and tools used to produce and distribute media content, media content that can be personal messages, news, ideas, and products of cultural products in digital form, and individuals, organizations, and industries that produce and consume media content in digital format. Social media is one of the three forms of social media.

## C. TikTok Shop

TikTok is a social media platform containing a collection of short videos that contain entertainment and education to its users, TikToc founded in 2018, and began to become a trend in 2020. The current social media trend presents a variety of features to create videos with a duration of less than 30 seconds and in it has interesting special effects and is supported by sound effects like music. With the ease of creating videos with various effects instantly that ultimately encourages its users to become a content creator, in addition, online business owners also feel helped in promoting their products, because they can easily corrupt a digital content, starting from videos or photos of products, after which they can promote the content to attract potential consumers.

TikTok shop is a new feature of TikToks platform and one of the most popular online shopping sites that is currently crowded and becomes a marketplace that customers are currently visiting. As the name suggests, TikTok Shopping provides a way for users to purchase products in the app without opening a web browser to go to a separate e-commerce store. TikTok Shopping is a series of solutions, features, and tools that give the opportunity to leverage the power of trading in tikTok. TikTok shop has a special shopping tab on its profile, represented by the shopping bag icon. Customers can then browse and select products in TikTok and then buy the product, either in TikTok or transferred to the online store for checkout.

#### D. Affiliated

Affiliate marketing is a method of selling goods or services to third parties without having to pay or take physical ownership of such goods and services. According to the terms of the agreement, this affiliate system uses a scheme for earnings or commissions. (Lenti, 2017). According to McClelland in Munandar (2006), the desire to be affiliated is the need for warmth and comfort in relationships with others. This need motivates behavior to develop personal relationships with others. The need to nurture and maintain certain mutually beneficial interpersonal relationships is implanted into the demands of affiliation itself as its underlying motivation. Developing interpersonal relationships can be achieved with activities such as updating a person's status, exploring new friendships, and confirming existing friendships. It is true thatining interpersonal relationships can be done through interactions that are often carried

out during status updates by exchanging comments between other users, but it is also true that if this behavior isined it will give its own rewards, especially the positive feelings associated with intimacy in interpersonal relationships. If a level of closeness or intimacy has been established, the individual will usually also feel, understand, and pay attention when the other party shares personal information. This results in the formation of a sense of mutual trust, which is necessary for affiliation because all these factors are required.

## III. RESEARCH AND METHODOLOGY

#### A. forms of research

The research uses a qualitative method with a phenomenological research design to analyze the meaning of the social media platform TikTok as an online business marketing strategy.

Qualitative research seeks to understand and interpret a meaning to a particular event in a particular situation. In qualitative research, the researcher is a key instrument, so in collecting data must jump directly into the field. Qualitative research considers an object as something dynamic, the result of the construction of thought and interpretation of the observed symptoms, as well as holistic because each aspect of the object has an inseparable unity.by Sugiyono, 2013 Qualitative research aims to explain reality and develop an understanding of one or more of the phenomena faced. Research that uses qualitative research aims to understand the object studied in depth.

B. data collection

Data collection techniques used in this study include field work, techniques that may be used among other things:

- a. interview.
- b. observe

Library research (library research), collections of data that are assessed by reading, studying and quoting from the book literature, magazines, and other sources that are closely associated with this writing, such as:

- a. documentation
- b. bibliography

#### C. data analysis technique

In qualitative research, more data analysis is done in conjunction with data collection. The stage in qualitative research is the entry-entry stage with the grand tour and the question monitor, the data analysis with domain anlysis. The second stage is to establish focus, the data collection technique with the question monitor, the data analysis is done with a taxonomi analysis. Moving forward at the selection stage, the question used is the selection question, the data analysis with the component analysis. After analysis of the exponential continues the theme analysis. (Sugiyono, 2008:294).

#### IV. RESULT AND DISCUSSION

Technological developments have an impact on human activities, including shopping. Shopping can be done anywhere and when by anyone online. Many entrepreneurs no longer have a physical store but run their business online using existing technology. In addition to using ecommerce sites, now business operators also use social media as a container to market their products. Driven by the shopping features provided by social media, helping entrepreneurs in developing their business.

One of the social media that has online shopping features is TikTok. The feature known as TikTok Shop has only appeared in Indonesia since the beginning of 2021 and is increasingly used to this day. The features in TikTok Shop include that consumers can make transactions directly, give product reviews, and evaluation of the store. The feature has become superior because it is not owned by other social media that is also used as a product marketing media by the entrepreneur. The feature of direct transactions on TikTok Shop makes it easy for consumers so it does not require a third party to make a purchase. This feature is not owned by other social media platforms in Indonesia.

Sales used in the app tick have a variety of marketing strategies and some types that can be classified, the development of tick is not without the stage that through the initial tick only part of the marketing or promotional strategy used in business, as human innovation that has no limit tick has caused development in providing online marketplace or marketplace. Ticking apps in the present time have been widely supported by various groups, even the convenience and strategies created through these social media are very influential in sales that businessmen can enjoy.

Tiktok Shop is a solution, feature, and also a tool that can provide business opportunities for anyone who wants to focus on selling online. This feature can be found in our personal Token account profile section, with the icon of a shopping bag or yellow basket if there is an influncer who wants to market its product. Through tok shop, people can shop online like through ecommerce in general. They can also pay by transfer method or by COD. (cash on delivery). Shoppepay, gopay, and other transactions that can facilitate consumers in shopping. Therefore, the role of the Tick Shop app can help business owners in building their online business. With this ease, consumers do not need to be tired of spending time, transportation money to shop in the market or mall because all products are already provided in one app and free shipping costs are delivered directly to the consumer home.

#### Selling in Tiktok Shop

The advantages of selling in Tiktok Shop For online business operators and also beginners in business, the advantages are as follows:

1. P-ISSN: 2655-1934, E- ISSN:2655- 6685 6 Usually, when we open up social media and find the products we like, we will get out of the sosmed and directed to an e-commerce website. Once this platform appears, you no longer need to bother scrolling in the marketplace because Tiktok makes it one platform. In addition to playing on social media, you can also while selling online and shopping online anytime, anywhere through this feature.

2. For those already experienced in terms of online sales, this feature can also be a new way to expand the business. With the number of token tap users, the steps to further expand the market are more open-ended. This can increase business sales.

#### **Strategy of Marketing Tiktok**

#### 1. Use of hastag

Hastag or tagar is used to gather them in one place that shows similar performances used by others, this makes it easier for consumers to find clothes and shops marketed by the seller. In this marketing trend on goods gives interest to potential consumers, thus making consumer decisions in shopping through taps. This strategy is more focused on its followers, so the followers are the primary target in this used marketing. This start-up is very influential to the sales that the businessmen do, but it is also one of the promotions that anyone can use without paying any cost. The emerging trend is not merely created by itself, but the trend is created by the user himself, and prospective buyers see it from various aspects can be seen from the uniqueness, nuance, needs or other aspects of things that are the principal focus of the buyer in the decision to buy the item. This marketing usually appears on the siscoveri page or below the caption that the user makes, marketing is also assisted by influencers in using the hashtag to be followed by their followers.

#### 2. Affiliated

Affiliate strategies are strategies used by users to profit from the sale of goods or services to third parties but avoid the need to pay for such products or services or actually own such goods and services. This affiliate program uses the structure for the outcome or commission-based, as set out in the terms of the agreement. usually this is also done by the affiliate on the live that they dedicate to fishing customers and earning profits. The need for affinity and pleasure in one's interaction with others is what drives the need for attachment. This impulse serves as a driving force behind activities that foster intimate relationships with others. The urge to attachment in itself serves as a driving force behind the need to build and maintain certain interpersonal interactions that benefit all parties involved. Developing an interpersonal relationship can be achieved through a variety of actions, including pursuing new friendships, confirming existing friendships, and improving a person's status, among others. It is possible to maintain interpersonal relationships by interacting frequently during status updates by exchanging comments with other TikTok users. However, it is also true that if this behavior isined, it will give its own reward, especially the positive. emotions in interpersonal interactions associated with a sense of closeness or intimacy.

#### 3. Top View Ads

TikTok users who are above the FYP are more likely to see OpView Ads than those below. In terms of increased sales, the TikTok plan that leverages TopView Ads is undoubtedly the most successful advertising technique. Because the ads you upload will consistently be placed at the top of the FYP list. You will gain access to more possibilities to enhance brand recognition, and those chances will be better.

#### V. CONCLUSION

TikTok has been popular in various countries, including Indonesia itself; as a result, it creates new options and increases the commercial potential for certain individuals. It is important to note that TikTok has interesting features and a comprehensive database. In addition to the increasing popularity of TikTok applications, there is a possibility that can benefit from the use of tikTok. TikTok's objectives in the corporate world are shifting from entertainment media platforms to tools for business strategy. Tiktok has many advantages and promotional features that are very profitable to sellers and consumers, such as affiliate tags and some profitable strategies that can facilitate promotions such as trend hashtags and view ads.

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