

## CHAPTER II

### DESCRIPTION OF THE RESEARCH OBJECT

#### 2.1 TikTok Shop Company Profile

TikTok Shop is part of the global technology company ByteDance, which was founded in 2012 by Zhang Yiming and Liang Rubo. ByteDance is known as the developer of various popular digital applications such as TikTok, Lemon8, and CapCut, which are widely used in many countries. As part of this ecosystem, TikTok Shop emerges as an innovation in the field of social media-based digital commerce.

TikTok Shop was officially launched on April 17, 2021 as an additional feature within the TikTok application with the concept of social commerce. This feature is designed to integrate entertainment and shopping activities in one platform, so users can discover, select, and purchase products without leaving the application. In this way, TikTok Shop connects producers, sellers, buyers, and content creators in one integrated digital ecosystem.

In its implementation, TikTok Shop offers various superior features such as short videos and live shopping that allow direct interaction between sellers and consumers. The entire transaction process, from product searching, communication with sellers, payment, to product reviews, can be done directly within the application. This becomes an advantage compared to other social commerce platforms such as Facebook Shop and Instagram Shopping, which generally still direct users to external pages to complete transactions.

Over time, TikTok Shop has experienced rapid growth, especially in Southeast Asia, including Indonesia, which is one of its largest markets. The platform's popularity increased significantly in 2022, with its Gross Merchandise Value (GMV) reaching around US\$ 4.4 billion or approximately IDR 68 trillion. In addition, the number of TikTok's monthly active users also increased to 1.6 billion users by the end of 2022, showing a high level of global adoption of the platform.

In Indonesia, TikTok Shop has also shown significant development since its initial launch. One of the early strategies was collaborating with public figures, such as Nagita Slavina, through the live shopping program "Toko Mama Gigi," which successfully attracted around 1.4 million viewers. This success shows that a creative and interactive content-based approach is able to increase consumers' interest in digital shopping.

At the end of 2023, ByteDance through TikTok officially acquired PT Tokopedia as part of its expansion strategy and market strengthening in Indonesia. This acquisition was then approved by the Ministry of Trade of the Republic of Indonesia in April 2024. After the integration process, TikTok Shop operations in Indonesia are managed under PT Tokopedia, with the "Shop Tokopedia" application serving as the main platform for managing trading activities, including transactions, user data, and collaboration with sellers.

Through an innovative and collaborative approach, TikTok Shop continues to support the growth of the digital economy, especially in Indonesia. This platform plays a role in empowering business actors, especially MSMEs and local brands, and also provides space for content creators to participate in digital marketing activities. By combining entertainment, technology, and commerce, TikTok Shop has become one of the fast-growing social commerce business models in today's digital economy ecosystem.

## **2.2 Company Vision and Mission**

### **2.2.1 Vision**

To become a “leading social commerce platform that connects creativity, entertainment, and digital trade to empower business actors and provide an enjoyable and interactive shopping experience for users around the world”

### **2.2.2 Mission**

- a. To encourage the empowerment of business actors, especially MSMEs, so they can develop their businesses through the use of digital platforms
- b. To provide a shopping experience that is practical, safe, and comfortable for users
- c. To build connectivity between sellers and buyers through the use of creative content and direct interaction

### 2.3 Logo

According to Adi Kusrianto (2009), a logo or visual symbol (picture mark) is an identity used to represent the image and character of an institution, company, or organization. Meanwhile, a logotype or word mark is a written form of the name of an institution, company, or product that is specially designed to show certain characteristics in a commercial context. The TikTok Shop logo can be seen in the following figure:



**Figure 2.1 TikTok Shop E-Commerce Logo**

Source: Tiktokshop.com

### 2.4 Categories of Products on TikTok Shop

TikTok Shop provides various needs for consumers. Products sold on TikTok Shop are organized into various categories to make it easier for consumers to find items that match their needs and interests. The product categories available on TikTok Shop are as follows:

#### 2.4.1 Fashion

The Fashion category includes a wide range of products designed to enhance personal appearance. Products in this category include clothing such as dresses, blouses, shirts, trousers, skirts, outerwear, and modest fashion items

such as hijabs and abayas. In addition, this category also covers bags, footwear, jewelry, and various fashion accessories.

#### **2.4.2 Beauty and Personal Care**

The Beauty and Personal Care category consists of products used to maintain and enhance physical appearance. Products in this category include skincare, makeup, body care products, hair care products, perfumes, and beauty tools such as beauty blenders and facial massagers.

#### **2.4.3 Health**

The Health category comprises products aimed at maintaining and improving consumers' health and well-being. Products available in this category include vitamins, dietary supplements, basic medical devices, herbal products, health monitoring equipment, and light fitness accessories.

#### **2.4.4 Mom and Baby**

The Mom and Baby category includes a variety of products designed for pregnant women, breastfeeding mothers, infants, and children. Products in this category include baby feeding equipment, baby clothing, diapers, educational toys, baby bathing supplies, and products that support mothers during pregnancy and breastfeeding.

#### **2.4.5 Electronics**

The Electronics category features a variety of electronic devices used for everyday purposes. Products sold in this category include speakers, earphones, smartwatches, cameras, gaming devices, LED lights, and various household appliances.

### 2.4.6 Home and Living

The Home and Living category encompasses products intended to meet daily household needs. Products in this category include cleaning tools, kitchenware, storage containers, home decor items, bathroom accessories, and various other household essentials.

### 2.4.7 Food and Beverages

The Food and Beverages category consists of a wide range of food and drink products, including snacks, packaged beverages, instant foods, frozen foods, and selected food ingredients.

### 2.4.8 Hobbies, Toys, and Collectibles

The Hobbies, Toys, and Collectibles category includes products related to entertainment and consumers' personal interests. Products in this category include action figures, children's toys, collectible cards, art supplies, musical instruments, and craft-making materials.

## 2.5 Respondent Distribution

### 2.5.1 Respondent Distribution Based on Gender

Respondent characteristics based on gender are used to determine the gender distribution of fashion consumers on TikTok Shop included in the research sample. This grouping provides an overview of gender dominance in online fashion purchasing activities, especially on the TikTok Shop platform.

**Table 2.1 Respondent Distribution Based on Gender**

	<b>Frequency</b>	<b>Percentage</b>
Female	67	67.0
Male	33	33.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.1, it can be seen that majority of respondents in this study are female, with 67 people or 67%, while male respondents are as many as 33 people or 33%. These results show that fashion consumers on TikTok Shop in this study are dominated by women. This dominance of female respondents indicates that women tend to have a higher interest in online fashion purchasing activities, especially through the TikTok Shop platform, because they are generally more active in following fashion trends, seeking product references, and making impulsive purchases compared to men.

### 2.5.2 Respondent Distribution Based on Age

Respondent characteristics based on age aim to identify the age group that dominates the use of TikTok Shop as a medium for purchasing fashion products. Age factors can influence consumption behavior, shopping preferences, and impulsive buying tendencies.

**Table 2.2 Respondent Distribution Based on Age**

	<b>Frequency</b>	<b>Percentage</b>
17–22 years	15	15.0
23–28 years	20	20.0
29–34 years	11	11.0
35 years	54	54.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.2, it can be seen that respondents aged over 35 years dominate with a total of 54 people or 54%. Furthermore, respondents aged 23–28 years account for 20%, those aged 29–34 years account for 11%, while respondents aged 17–22 years account for 15%. This shows that the majority of TikTok Shop users in this study come from adult age groups who have more stable purchasing power.

### 2.5.3 Respondent Distribution Based on Education

Respondent characteristics based on education level are used to identify the respondents' educational background. Education level can influence thinking patterns, how product information is evaluated, and purchasing decisions on digital platforms.

**Table 2.3 Respondent Distribution Based on Education**

	<b>Frequency</b>	<b>Percentage</b>
Senior High School/Vocational School	40	40.0
Diploma	16	16.0
Bachelor	43	43.0
Postgraduate	1	1.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

Source: Primary Data (2026)

Based on Table 2.4, the majority of respondents have a Bachelor's degree, totaling 43 people or 43%, followed by Senior High School/Vocational School (SMA/SMK) at 40%, Diploma at 16%, and Postgraduate at 1%. This shows that most respondents have a relatively high level of education, so they are more familiar with using digital platforms for shopping.

### 2.5.4 Respondent Distribution Based on Occupation

Respondent characteristics based on occupation aim to identify the respondents' professional background. The type of occupation can influence income level, consumption needs, and the intensity of fashion product purchases.

**Table 2.4 Respondent Distribution Based on Occupation**

	<b>Frequency</b>	<b>Percentage</b>
Private Employee	71	71.0
Student	6	6.0
Entrepreneur	11	11.0
Other	12	12.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.5, the majority of respondents work as private employees, totaling 71 people or 71%. This is followed by entrepreneurs at 11%, other at 12% and students at 6%. These results indicate that most respondents have stable jobs, which enables higher purchasing power and consumption activity.

### 2.5.5 Respondent Distribution Based on Shopping Expense per Month

Respondent characteristics based on shopping expense per month are used to identify respondents' consumption levels of fashion products. The amount of spending can reflect consumption patterns as well as the potential for impulsive buying in fashion purchases.

**Table 2.5 Respondent Distribution Based on Shopping Expense per Month**

	<b>Frequency</b>	<b>Percentage</b>
Rp 200.000 – Rp 500.000	58	58.0
Rp 500.000 – Rp 800.000	16	16.0
>Rp 800.000	26	26.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.6, the majority of respondents spend IDR 200.000–500.000 per month on fashion, accounting for 58%. This is followed by respondents spending more than IDR 800.000 at 26%, and IDR 500.000–

800.000 at 16%. This indicates that most respondents have a fairly active level of fashion consumption.

### **2.5.6 Respondent Distribution Based on the Duration of TikTok Shop Usage**

Respondent characteristics based on the duration of TikTok Shop usage aim to identify respondents' experience in using the platform. The length of usage can influence the level of trust, comfort, and shopping habits.

**Table 2.6 Respondent Distribution Based on the Duration of TikTok Shop Usage**

	<b>Frequency</b>	<b>Percentage</b>
< 6 months	11	11.0
6 –12 months	25	25.0
12 – 18 months	19	19.0
> 24 months	45	45.0
<b>Total</b>	<b>100</b>	<b>100.0</b>

Source: Primary Data (2026)

Based on Table 2.7, the majority of respondents have been using TikTok Shop for more than 24 months, accounting for 45%. This is followed by respondents with a usage duration of 7–12 months at 25%, 12 – 18 months at 19%, and less than 6 months at 11%. This indicates that most respondents have fairly long experience in using TikTok Shop.

### **2.5.7 Respondent Identity Based on the Frequency of Buying Fashion Products on TikTok Shop**

Respondent characteristics based on the frequency of fashion purchases on TikTok Shop are used to identify respondents' purchasing intensity within a certain period. Purchase frequency can reflect the level of respondents' involvement in online shopping activities.

**Table 2.7 Respondent Identity Based on the Frequency of Buying Fashion Products on TikTok Shop**

	<b>Frequency</b>	<b>Percentage</b>
1 time	20	20.0
2–3 times	36	36.0
4–5 times	17	17.0
> 6 times	27	27.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.8, the majority of respondents made purchases 2–3 times in the last three months, accounting for 36%. This is followed by more than 6 times at 27%, once at 20%, and 4–5 times at 17%. These results indicate that most respondents are quite active in purchasing fashion products through TikTok Shop.

### **2.5.8 Respondent Distribution Based on the Category of Fashion Products Bought**

Respondent characteristics based on the category of fashion products bought aim to identify the types of products most favored by respondents on TikTok Shop. This information can provide an overview of respondents' shopping preferences within fashion categories.

**Table 2.8 Respondent Distribution Based on the Category of Fashion Products Bought**

	<b>Frequency</b>	<b>Percentage</b>
Accessories	28	28.0
Hat	1	1.0
Sportswear	1	1.0
Clothes	60	60.0
Watch	1	1.0
Veil	1	1.0
Bag	1	1.0
Shoes	7	6.0
Total	100	100.0

Source: Primary Data (2026)

Based on Table 2.9, the majority of respondents most frequently purchase clothing, totaling 60 people or 60%, followed by accessories at 28% and shoes at 7%. Meanwhile, other categories account for a very small percentage. This shows that clothing is the most dominant fashion product category purchased by consumers on TikTok Shop, indicating a high level of demand and interest in these products.