

CHAPTER 1

INTRODUCTION

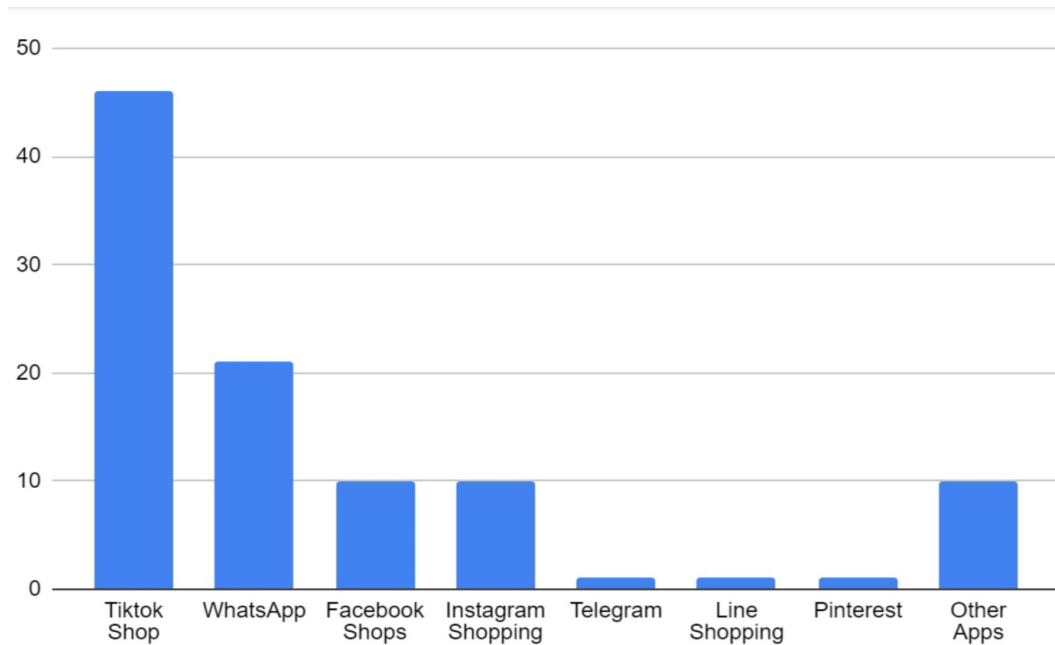
A. Research Background

The development of technology has also influenced people's lifestyles, including their shopping interests. In this era of rapid technological advancement, people can shop in two ways: through e-commerce and social commerce. Although e-commerce has a very high reputation, many still conduct transactions through social media, which is then referred to as social commerce. Currently, social networking sites like Facebook, Twitter, Pinterest, and now TikTok are places where users not only connect with others and consume news but also obtain information about products and even shop (Wongkitrungrueng & Assarut, 2020).

The evolution of shopping lifestyles is also driven by companies promoting their products through e-commerce and social commerce, as these platforms are considered capable of providing an engaging, efficient, and satisfying shopping experience for customers (Felix & Rembulan, 2023). With the increasing popularity of online shopping, the interest in social commerce shopping among Indonesians can be seen in the following diagram, which is processed from databooks.katadata.id based on a 2022 survey;

Diagram 1.1 Social Media Used by Respondents for Shopping (July-

August 2022) reprocessed from databooks.katadata.id



Based on the diagram above, it can be seen that various social commerce platforms are highly popular in Indonesia. According to Harianto & Ellyawat (2023), these social media platforms have experienced a drastic increase in users. One of the most popular social

media applications is TikTok, which is dominated by young people or Generation Z. As the most favored social media platform today, many businesses are taking advantage of this phenomenon, including skincare products like Scarlett. Scarlett Whitening is a beauty care product from Indonesia. Scarlett Whitening was founded in 2017 by Felicya Angelista, a public figure who has appeared on Indonesian television.

On Scarlett's TikTok account, which has 3.9 million followers and 29 million likes (based on data obtained on January 12, 2024), live streaming is frequently used to sell Scarlett Whitening products. In this era, live streaming is often used as an alternative for promotion because it can remove communication barriers between brands and consumers and focus on short-term sales promotions by combining brand marketing and performance marketing to increase company marketing efficiency (Qing & Jin, 2022). Thus, it is not uncommon for Felicya Angelista, the business owner and celebrity, to conduct these live streams on the @Scarlett_Whitening account. Felicya Angelista also often does live streaming on her personal account. This approach targets Scarlett Whitening's market, which is the age range of 12-40 years, as it is known through katadata.id that 90.3% of TikTok users are aged 13-44 years, aligning with the majority target of the brand. Therefore, it is no wonder that TikTok has become one of the avenues used by Scarlett Whitening to market its products and generate significant profits.

According to the journal written by Eugene Aw & Labrecque (2020)

titled "Celebrity Endorsement in Social Media Contexts: Understanding the Role of Parasocial Interactions and the Need to Belong," celebrities now have the ease of communicating with their fans, allowing consumers to interact with celebrities through social media and experience increasingly intensive intimacy as if they know the celebrities personally (Kim, 2015). However, according to (Johns & English, 2016), the role of celebrities in building brands on social media has not been widely covered in the literature (Aw & Labrecque, 2020).

In their research, Eugene and Lauren found that parasocial interaction fully mediates the relationship between social media interaction and attachment to celebrities. Celebrity attachment directly and indirectly influences purchase intentions through cognitive elements (brand credibility) and affective elements (brand appeal). The need to belong moderates the relationship between social media interaction and parasocial interaction, and it also moderates the relationship between celebrity attachment and brand credibility.

Based on this background, the researcher decided to study the influence of social media interaction occurring on TikTok Live Streaming on parasocial interaction, brand credibility in this case Scarlett Whitening, and the involvement of the celebrity, Felicya Angelista, as a live streamer on purchasing decisions for the brand. Therefore, the researcher titled the study "The Effect of Celebrity Felicya Angelista on TikTok Live Streaming Trend on Scarlett Product Purchasing Decisions."

B. Research Problem

From the background above, the researcher wants to formulate several problems to be studied in this research, namely:

1. Does Social Media Interaction have an effect on parasocial interaction?
2. Does Parasocial Interaction have an effect on Celebrity Attachment?
3. Does Social Media Interaction have an effect on Celebrity Attachment?
4. Does Celebrity Attachment have an effect on Purchase Decisions?
5. Does Celebrity Attachment have an effect on Brand Credibility?
6. Does Brand Credibility have an effect on Purchase Decision?
7. Does Parasocial Interaction as a mediating variable have an effect on Social Media Interaction and Celebrity Attachment?
8. Does Brand Credibility as a mediating variable have an effect on Celebrity Attachment and Purchase Decision?

C. Research Objective

Based on the research problems above that the author wants to research, the research objectives in this study were as follows:

1. Assessing the significance of the influence of social media interaction on TikTok Live Streaming on the development of parasocial interaction.

2. Assessing the significance of Parasocial Interaction on Celebrity Attachment to Felicya Angelista as a celebrity streamer on TikTok Live.
3. Assessing the significance of Social Media Interaction on TikTok Live Streaming towards Celebrity Attachment to Felicya Angelista as a live streamer.
4. Assessing the significance of Celebrity Attachment to Felicya Angelista as a live streamer on TikTok towards Purchase Decision.
5. Assessing the significance of the influence of Celebrity Attachment to Felicya Angelista on the Brand Credibility of Scarlett Whitening.
6. Assessing the significance of Scarlett Whitening's Brand Credibility on the Purchase Decision of the brand.
7. Assessing the significance of Parasocial Interaction as a mediating variable between Social Media Interaction on TikTok and Celebrity Attachment to Felicya Angelista.
8. Assessing the significance of Scarlett Whitening's Brand Credibility as a mediating variable between Celebrity Attachment to Felicya Angelista as TikTok Live Streamers and Purchase Decision.

D. Research Benefits

The researcher hoped that the results of this research will provide benefits and continuity in the field of business and further research, as follows:

1. Business Sector

This research is expected to provide knowledge and references for business actors who sell products on social commerce, especially Tiktok Shop, in utilizing celebrities in sales made on Tiktok live streaming.

2. Education Sector

It is hoped that this research will provide benefits to future knowledge and research regarding the use of social commerce and the involvement of celebrity streamers in live streaming as a means of selling digital era products.