

CHAPTER I

INTRODUCTION

1.1 Research Background

Digital technology has changed how businesses communicate with consumers and carry out marketing. Wider internet access and more digital platforms give companies new ways to promote products, build brand awareness, and shape purchase decisions. Marketing now extends beyond television, radio, and print advertising. Businesses use digital platforms to reach consumers directly and respond to them more quickly. These channels also support fast information sharing and more personal marketing experiences. Traditional media could not easily provide the same level of interaction (Zhang et al., 2023). This shift lets firms adjust messages as consumer behavior changes. It also places marketing inside the online activities consumers already use.

Social media plays a role in modern digital marketing. Lots of people around the world use it every day. On media users talk, share information and interact with each other through text, pictures and videos. These platforms do more than just help people connect with each other. They also help businesses reach an audience and influence what consumers buy. Companies use media to promote their products talk to consumers and build relationships with potential customers. The two-way format of media gives consumers a bigger role than traditional media. Their reactions can also help businesses make promotional decisions later on.

The growing number of people using the internet in Indonesia has helped digital marketing and social media become more popular. According to data from the Indonesian Internet Service Providers Association (APJII) 221.5 million people in Indonesia used the internet in 2024. This is 79.5 percent of the total population. This high internet penetration rate means many Indonesian consumers can access platforms. As more people get online they use these platforms to find information communicate with others and shop online. This broad access creates

an audience for online shopping. It also makes looking up product information a part of everyday life, for consumers.

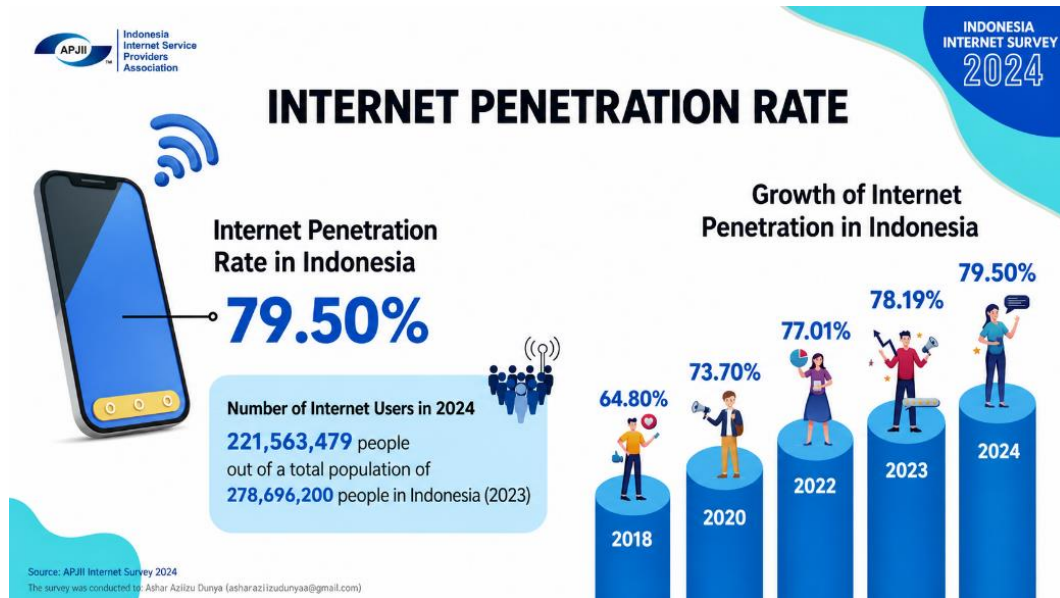


Figure 1.1 The Number of Internet User in Indonesia

Source : APJIII (2024)

Figure 1.1 shows that the number of internet users in Indonesia has risen sharply in recent years. The number of people using platforms in Indonesia is going up. This is also why more people in the country are using media. Some recent reports say that Indonesia has around 185.3 million people who use media, which is more than half of the people living in the country. Indonesian consumers use media to talk to each other have fun find information and discover new products. Businesses think these platforms are ways to promote and market themselves. This is a reason for businesses to put money into online channels. When more people are connected to the internet businesses can reach people and sell more things online.

TikTok is getting really popular among media platforms. It is a deal for digital marketing now. People make videos and share them then they talk to each other by commenting, liking and sharing. TikTok can spread videos fast. This helps people who make videos and users reach a lot of people quickly. Some numbers from recently say that TikTok had around 126.8 million users in Indonesia who're 18 years old or more at the start of 2024. This makes Indonesia

one of the markets for TikTok in the world. The fact that many people use TikTok makes it a good platform for businesses to promote their products in Indonesia. TikTok can show people brands even before they start looking for something to buy. Social media platforms, like social media are very important for businesses to reach Indonesian consumers and social media users. Indonesian consumers and social media users are using media and TikTok all the time.



Figure 1.2 Tiktok User in Indonesia

Source : DataReportal (2024)

Figure 1.2 presents the number of TikTok users in Indonesia. This reflects the platform's rapid growth and its value in marketing and consumer interaction. TikTok changed the way people consume entertainment. It has also opened new opportunities for digital marketing and online trade. Later, TikTok integrated e-commerce with the introduction of TikTok Shop. Sellers list and sell their products within the platform. Customers can search for products, view promotional content and complete purchases all in the application. This combination of social media and online shopping is called social commerce. integrated format cuts the distance from content discovery to purchase. It also maintains product information and the buy option in the same user experience.

Social commerce refers to the application of social media platforms for product promotion, consumer engagement, and online transactions (Sun et al.,

2022). It allows for a more direct interaction than traditional e-commerce. Consumers can contact sellers before buying, ask questions about products, read user reviews and watch demonstrations. These kinds of activities help to reduce uncertainty and make the consumer more confident about a purchase. The process gives consumers a number of ways to check out a product before deciding. The extra contact can take some of the guesswork out of shopping online.

Live streaming marketing is a popular promotional method on social commerce platforms. Sellers, influencers or hosts showcase products live and talk directly to the audience. They can demonstrate product features, describe benefits, field questions, and offer discounts or limited-time offers. This direct communication makes online shopping more lively and interesting than traditional e-commerce methods (Wongkitrungrueng & Assarut, 2022). Viewers can ask for the details that matter to their own needs. Then the host can modify the explanation while the session is still live.

Live streaming commerce is a digital environment where entertainment, communication and shopping are combined. Make this format more engaging with influencers. They interact with viewers during a live stream, demonstrating how the products work and giving recommendations based on their own experience. Such contact can help to develop consumer trust and to influence how consumers evaluate the promoted products (Sun et al., 2022). This combo can hold attention longer than a static product page. It also lets viewers judge the influencer's reaction in real time.

Influencer marketing is widely used in social media. It involves people with a large following who sell products or services to their audiences. These influencers have built up relationships with their followers over time, and so their followers may see them as credible. Therefore, product recommendations and personal stories appear more credible and believable than old-fashioned advertisements (Kim & Kim, 2021). Consumers tend to compare the endorsement to the normal content of the influencer. Consistency can help the recommendation seem more credible.

Lifestyle, fashion, beauty, technology and many other interests are all areas in which influencers create content. They use the content to launch products, to demonstrate how to use them and to provide their own opinions. They are usually knowledgeable and relatable to their followers. Their endorsements can then affect attitudes toward products and brands. Hence, many companies use influencer marketing to influence purchase intention. Clear demonstrations help followers relate the recommendation to the actual use of the product. That connection can attract interest into a purchase decision.

The fashion industry has been transformed by influencer marketing and social commerce. Fashion products have a strong visual presentation, so they fit in image- and video-based platforms. Influencers can show how the clothes fit, share the material and recommend how to style each piece. These demonstrations allow consumers to have clearer product information. This might give them more confidence in their buying decision. And seeing the proof is especially helpful when consumers can't touch or try the item. This allows them to judge the fit, style and appearance before they purchase.

Muslim fashion is an increasing part of the fashion industry. The global Muslim population is booming, and the demand for modest clothing that adheres to Islamic values but still offers modern style is growing. Muslim fashion is modest but contemporary in its design. Indonesia has the world's largest Muslim population and is a key market for these products. Consumers in this segment tend to look at religious values and personal style together. Sellers have to deliver products in a manner that satisfies both needs.

The clothing worn by Muslim males plays an integral role in the overall fashion industry of Muslims. In Indonesia, Muslim males use such products as baju koko when involved in religious practices, formal occasions, or during their daily activities. Before the emergence of digital technology, people usually purchased these products from traditional retail shops. Today, social commerce and digitalization have shifted shopping to online media. Most of the sellers nowadays present products of Muslim men's clothing using videos in TikTok

Shop. Video presentations allow presenting features that pictures cannot.

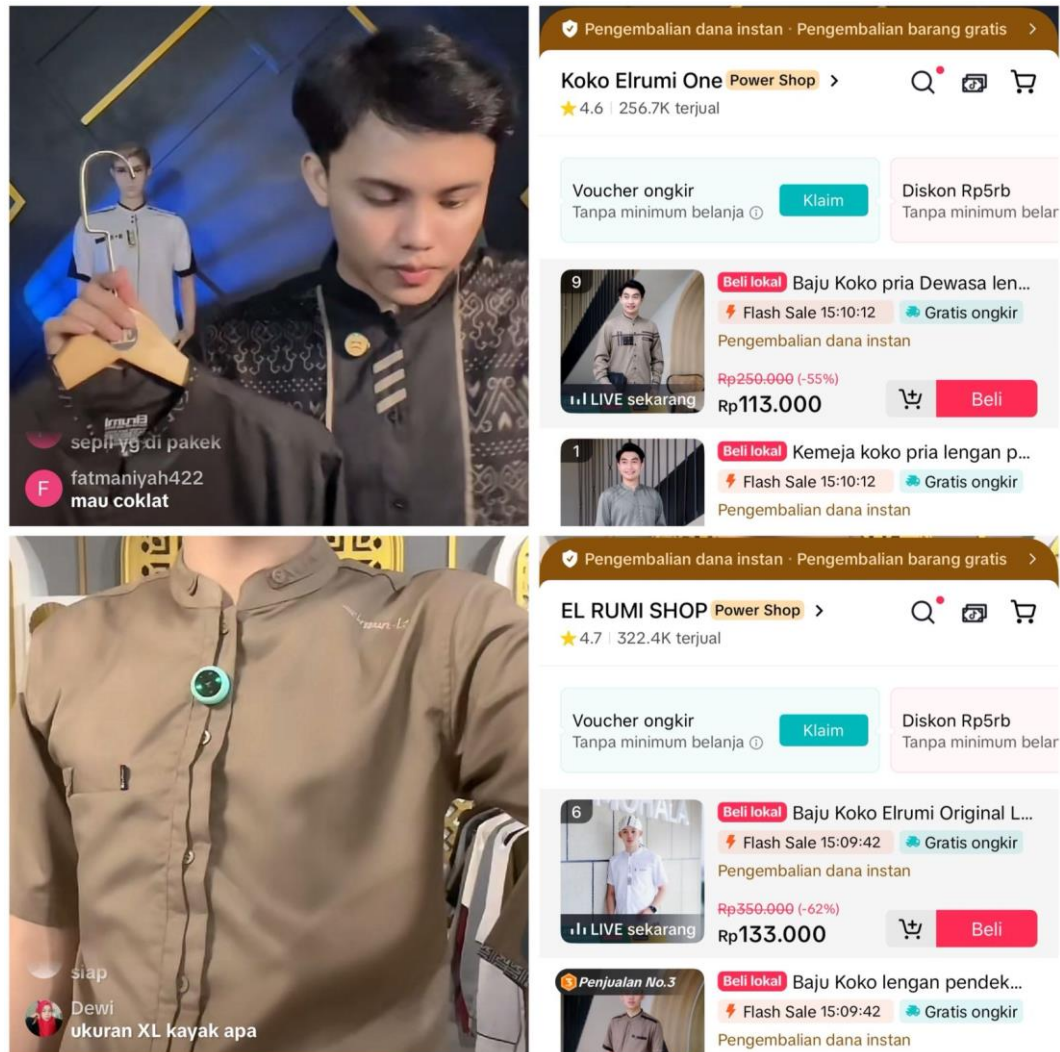


Figure 1.3 Tiktok Live Streaming Sessions and Tiktok Shop

Source : El Rumi Shop, TikTok Live Streaming Sessions

Figure 1.3 shows how TikTok live streaming works with TikTok Shop. The sellers communicate directly with the customers to make the sale. In marketing research, purchase intent is considered one of the variables that determine customer behavior. Purchase intent is the probability or predisposition of a customer to purchase products as a result of advertisements. It is one of the key factors in consumer decision making. Customers with high purchase intents are bound to make purchases in the future (Sun et al., 2022). This variable can be used to predict customer behavior in the future.

There are several factors concerning the influence that can have an effect on whether individuals are willing to purchase. Buyers evaluate the influencer's credibility, knowledge, and expertise, and based on this judgment, decide to accept the recommendation of the influencer. When the influencer is seen as credible and knowledgeable about the product, the buyer feels more inclined to believe what the influencer says. The attitude towards the product is also more positive, which contributes to the willingness to make a purchase. All of these evaluations happen simultaneously and cannot be separated from each other.

The latest research indicates the impact of the influence marketing approach on shaping the purchasing intention within social commerce. Chen et al. (2024) established that an influencer's credibility and knowledge have a significant impact on the consumers' purchasing intention in the case of interactive platforms like live streaming. In this context, consumers react better to influencers perceived as credible and knowledgeable, and thus, their desire to purchase the product advertised becomes greater. The notion means that the role of a message source is as crucial as the presentation of the product itself.

The increasing usage of social media, the popularity of TikTok Shop live streams, and the increased demand for clothing meant for Muslim men have been observed. Taking all of these trends into account, there is an urgent need to explore the effect of influencer marketing on people's purchasing intention within the domain of social commerce. This study seeks to investigate the impact of influencer marketing through TikTok Shop live streams on customers' intentions to purchase clothing meant for Muslim men.

1.2 Problem Statement

1. Does influencer marketing in TikTok Shop live streaming affect consumers' purchase intention for Muslim men's clothing?
2. How does influencer credibility affect consumers' purchase intention for Muslim men's clothing in TikTok Shop live streaming?
3. How does influencer expertise affect consumers' purchase intention for Muslim men's clothing in TikTok Shop live streaming?

4. How does interaction in TikTok Shop live streaming affect consumers' purchase intention for Muslim men's clothing?

1.3 Objectives of Research

1. To assess how influencer marketing in TikTok Shop live streaming affects consumers' purchase intention for Muslim men's clothing.
2. To examine how influencer credibility affects consumers' purchase intention for Muslim men's clothing in TikTok Shop live streaming.
3. To determine how influencer expertise affects consumers' purchase intention for Muslim men's clothing in TikTok Shop live streaming.
4. To assess how interaction in TikTok Shop live streaming affects consumers' purchase intention for Muslim men's clothing.

1.4 Contribution of Research

1. Theoretical Contribution

The present research will help marketers understand more about their customers in relation to influencer marketing, social commerce, and consumer behavior. This research will contribute to the body of knowledge related to the effects of influencer marketing through live streaming in relation to purchase intentions. In addition, this research sheds light on how influencer credibility, influencer expertise, and live streaming interaction affect purchase intentions toward male Muslim fashion.

2. Practical Contribution

The current research contributes valuable information that may be used by businesses, e-commerce websites, and marketing professionals who use social media as a sales platform, with a special focus on live-streaming on TikTok Shop. The findings demonstrate the role of credibility, expert status, and direct contact in affecting purchase intentions of consumers. Clothing retailers who sell Muslim men's clothes can use the findings to develop effective influencer marketing campaigns. These

campaigns have an ability to attract potential buyers and generate more sales.

3. Managerial Contribution

The findings of this study can assist businesses and online retailers in selecting influencers as well as conducting live streaming sessions. Knowledge of the different factors influencing the purchasing behavior of consumers can help managers develop effective strategies for social media marketing in order to prosper in the ever-growing online business environment.

1.5 Scope of Research

This study examines the effect of influencer marketing on live streams of TikTok Shop on the purchase of Muslim men's clothing. Credibility of influencers, expertise of influencers, and interactions of viewers on the live stream are the key variables for the analysis. The target respondents for the research include TikTok users who watched live streams of TikTok Shop on Muslim men's clothing.

1.6 Systematic of the Research

CHAPTER I: INTRODUCTION

The first chapter introduces the study and explains its background. It establishes the context for the problem examined in the study. The chapter also shows why the topic deserves research.

It also presents the problem statement, research objectives, scope, and structure of the research. These sections define what the study asks and what it seeks to achieve. They also guide the discussion in the following chapters.

CHAPTER II: LITERATURE REVIEW

The second chapter reviews the main theories and explains each variable. It also presents the hypotheses and research framework. The chapter uses these ideas to build the relationships tested in the study.

CHAPTER III: RESEARCH METHOD

This chapter explains the research method. It covers the research design, population, sample, research object, data types, measurement, data collection, operational variables, and data analysis. It also explains the procedures used to collect and evaluate the data.

CHAPTER IV: DATA ANALYSIS AND CHAPTER DISCUSSION

This chapter reports the data analysis used to test the hypotheses. It also describes the respondents, research variables, and questionnaire results. The discussion connects the statistical findings with the theory and earlier research.

CHAPTER V: CLOSING

The final chapter presents the study's conclusions, implications, limitations, and suggestions. It summarizes what the results mean for research and practice. The chapter also identifies areas that later studies can improve.

