

The Use of TikTok Ads as Digital Marketing Strategy to Increase Product Sales at PT Hongzhou Official

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Abstract: Marketing activities that were originally carried out conventionally are now turning digital, which is often referred to as digital marketing. Digital marketing is a digital-based technology marketing activity using the internet. Among the many digital media available, TikTok is becoming a trend because it is the most frequently used platform for digital marketing and online shopping activities. Therefore, many brands use the application for marketing activities to support their business. Including PT Hongzhou Official which uses the TikTok Ads feature in the TikTok application to increase sales. Therefore, this study aims to determine and describe how the use of TikTok as a digital marketing media for PT. Hongzhou Official in increasing sales. The method used is descriptive qualitative with data collection techniques by conducting observations, interviews with Firiana, Andy Nur Wahyu and Niken as the digital marketing team of PT. Hongzhou Official. The data that has been obtained is then reduced, data presentation and conclusion drawing. The results showed that PT Hongzhou Official uses 2 features of TikTok Ads, namely first, in feed videos in the form of marketing videos in the form of mini drama entertainment, and videos regarding detailed product information (demonstrations). Second, the hashtag challenge, namely by adding #hongzhou in every marketing video content. With the use of these features, PT. Hongzhou Official's products are increasingly recognized and able to increase sales until 600%.

1 INTRODUCTION

Nowadays, business people prefer digital marketing over traditional marketing because it can be done anywhere and has a wide reach. It cannot be denied that the Internet is now an essential part of our lives.

There are so many benefits that are felt when in contact with the internet, including as a source of various knowledge, entertainment, more efficient use of time, communication media and has a major contribution to the success of the internet. efficient use of time, communication media and has a major contribution in the success of the business world.

One of the digital marketing that is widely practiced by the public is through social media. Social media is a tool or method used by consumers to share information in the form of text, images, audio, and video with other people and companies or vice versa. (Kotler & Keller, 2016)

One of the most widely used social media by Indonesians is tiktok. It can be seen that Indonesia is the second largest user in the world in July 2023, which is 99.79 million. (Rizaty, 2023) Moreover,

Tiktok shop has a business facility called Tiktok For Business to support business activities and company marketing, where business people can access Tiktok Ads Manager and Tiktok Business Center and have an online store called Tiktokshop. (TikTok, 2023)

There are many successes obtained when using the TikTok application for business, one of which is UMKM promoting ice products in the form of video marketing that can get billions of rupiah in profits. Because many business people with various brands and even public figures are trying new opportunities through TikTok.

Several studies also indicate that companies that actively utilize TikTok experience significant increases in brand visibility and product sales. (Dewa & Safitri, 2021) While previous research also explains that creative and entertaining video content on TikTok can easily attract and engage audiences, and encourage consumer action in the form of purchases. (Andhika, Hamzah, Pasaribu, & Putri, 2022)

One of the companies that also sees this opportunity is PT Hongzhou, which is a company that

provides home & living products. PT. Hongzuo uses Tiktok social media with the account name @hongzhuoofficial since 2021 and already has 915.5K followers and 2.6M likes. Based on observations with similar brands. PT. Hongzuo is among those who have the most development of followers and the highest number of likes.



Figure 1: Akun tiktok PT. Hongzuo.

Based on this background, researchers are interested in seeing and describing PT Hongzuo in utilizing the TikTok application to increase sales of its products.

2 LITERATURE REVIEW

2.1 Digital Marketing

Digital marketing is a marketing activity that utilizes the internet as a consequence of technological development to be able to reach a wider market. (Agustin, et al., 2023).

Digital Marketing is all forms of efforts made in terms of marketing or marketing by utilizing internet-connected devices with a variety of digital strategies and media which in turn can communicate between companies and experts: potential consumers through online communication channels. (Kotler & Amstrog, 2016).

Thus it can be concluded that Digital marketing is a marketing activity utilizing the internet and digital media that does not just promote products but also uses strategies and steps so that consumers get the best information possible. Some examples of digital marketing are as follows 1) website, 2) search engine

marketing, 3) email marketing, 4) Social media Marketing 5) Online Advertising, 6) Video Marketing. (Yasmin, Tasneem, & Kaniz, 2015)

Content is an important part of digital marketing, content should be utilized as well as possible. It usually contains information about the products and services being marketed. The form can vary from photos, videos, or texts that are tailored to the needs of business managers.

2.2 Social Media: TikTok

TikTok is a social media platform that provides the possibility for its users to be able to create short videos with a duration of up to 3 minutes supported by music features, filters, and various other creative features. The following are the features on TikTok: 1) Video upload, 2) Caption, 3) Comment, 4) Hashtag 6) Like, 7) Live Streaming,

In addition, TikTok also has a TikTok ads feature, which is a feature provided by TikTok to develop the business you have through advertising on TikTok. Tik Tok ads features also vary including In feed video, Brand take over, Hastag challenge, Brandeed Augmented Reality, and Top View Ads.

In several studies, it has been shown that TikTok positively influences consumer behavior through emotional, entertaining and informative videos so that it can increase consumer buying interest. (Araujo, Perater, Quicho, & Jr, 2022).

3 METHODS

This research method uses qualitative with descriptive type to reveal, explain and describe how PT. hongzuo in utilizing Tiktok to increase sales. The data collection technique used is observation to see and observe directly tiktok @hongzhuoofficial. The next data collection is interviews. Informants in this study are divided into 2 categories, namely key informants and additional informants. The key informant is Fitriana as the Digital Marketing Leader @hongzhuoofficial. While supporting informants are Andy Nur Wahyu as Graphic Design and editing @hongzhuoofficial and Niken the manager & talent of tiktok content @hongzhuoofficial.

After the data is collected, the next step is to analyze the data by reducing the data and interpreting the data, so that the data is ready to be presented and produce conclusions. (Sugiyono, 2016).

4 RESULTS AND DISCUSSION

4.1 PT. Hongzhuo Profile

PT Hongzhuo is a company that sells home & living products that was established in 2019 until now. Products sold with affordable prices and good quality. PT Hongzhuo is based at Jl. Kapuk Kayu Besar Jl. Rawamelati No.18B, RT.12/RW.1, Kamal Muara, Kec. Penjaringan, Jkt Utara, Daerah Khusus Ibukota Jakarta 14470.



Figure 2: PT. Hongzhuo Logo.

The marketing of the products is done online either through Marketplace, Social Media and e-commerce. The products sold consist of 3 categories namely kitchen tools, home & living, baby & kids.



Figure 3: Contoh Produk.

Here is the Vision and Mission of PT Hongzhuo
 Vision

"Building Branding With Distinctive Characteristics That Can Be Well Received"

Mission

"Making kitchen and homeliving products with the best quality at low prices so that they can be used by many people"

4.2 TikTok Ads as a Digital Marketing Media PT Hongzhuo

In accordance with the objectives of this study, one form of digital marketing carried out by PT Hongzhuo is using social media marketing. The social media used varies, namely Instagram, Facebook and TikTok.

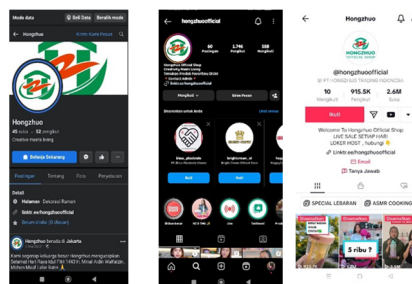


Figure 4: Hongzhuo Social Media.

"For Instagram, there are only a few. About 1,742 followers, for fb we have started to be inactive. Currently we are focusing on tiktok social media, with followers now 919k followers." (interview with Informant Andy, 2023)

TikTok is of concern to PT Hongzhuo because at this time TikTok is a platform that dominates public attention, this potential can reach a larger audience. So that it is the right choice for marketing efforts and increasing sales of company products.

In using Tiktok, PT Hongzhuo utilizes the Tiktok Ads feature, which is a special feature provided by TikTok for business people in providing services in promotion. Of the 5 forms of Tiktok Ads, PT Hongzhuo only uses 2 superior features, namely In Feed Video and Hashtag challenge.

"Of the 5 types of TikTok ads, we only use two. in-feed video and hastag challenge according to the results of our team's analysis that the right TikTok Ads features are 2 types." (interview with Informant Andy, 2023)

In-feed Video is an advertisement that will appear on another user's account page or for your page (FYP). This in feed video is of course in the form of a promotional video. (Novita & Yuliani, 2022) In general, this promotional video is almost the same as other videos, even many users do not realize that the ads in feed video is a promotional video. The difference is that at the bottom of the video, there is a promoted button that can direct users to the product profile link of the ad maker. In feed video content also has its own criteria in order to attract user attention.

In this case Hongzhuo calls infeed video an inorganic video, while ordinary video content is categorized as organic video.



Figure 5: In feed video layer capture, Hongzhou.

The next TikTok Ads feature used by PT Hongzhou is the hashtag challenge. Where PT Hongzhou provides a challenge for TikTok users to include a predetermined hashtag. This is done to increase the name Hongzhou and its products. In addition, PT Hongzhou itself also embeds hashtags in all PT Hongzhou content both in organic and inorganic videos.

The most frequently used hashtag is #hongzhou, which has 55.7M views.

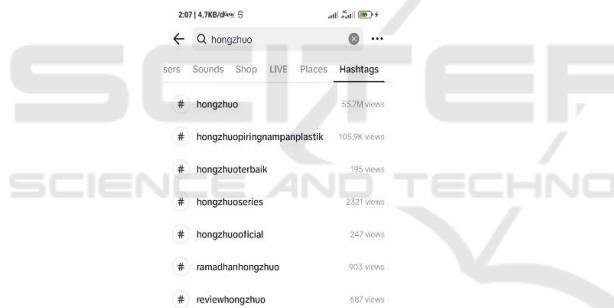


Figure 6: Variety of hashtags used by hongzhou.

4.3 PT Hongzhou's Strategy in Using TikTok Ads

In feed videos and hashtag challenges utilized by PT Hongzhou will only run if there is content being produced. Hongszhuo's strategy in utilizing TikTok Ads is divided into 2 types, namely entertainment content, informative content.

Entertainment content is created with the aim of building closeness with followers or users to improve product image and consumer confidence, of course the hope is to increase sales. This entertainment content is made as natural as possible and does not focus too much on the product, usually in the form of stories or comedies.

"For the strategy of running TikTok ads itself, of course we use content, there are 2 types of content,

namely entertainment content and product information content. Now for this entertainment content, our goal is at the same time soft selling, not so much to emphasize the product, to attract consumers to explore the product further)." (interview with Informant Niken, 2023)

Soft selling is a form of indirect sales approach by stimulating the feelings or emotions of the audience. (Kurniawati, 2022)

Meanwhile, informative content is a follow-up content to entertainment content. This content is deliberately created and focused on providing information about products in more detail, such as prices, materials, how to use, where to buy, quality, how to use, how to maintain and others with the aim of increasing sales.

"So, this type of informative content is intended or conceptualized specifically to provide product information to potential customers or customers in more detail. The focus is more on product sales or we often call it short-term hard selling, usually we also support it by providing discounts or limited bonuses, so prospective customers or customers are interested in buying as soon as possible, we are deliberately directed there." (interview with Informant Andy, 2023).

Hard selling is often interpreted as the act and technique of selling advertised products or services in a to the point, as it is, direct, loud, and point to the point. Hard selling will emphasize directly on the point of the offer, nothing else besides the point of the offer. (Agustrijianto, 2022)

In creating this content, PT Hongzhou also has its own strategy in creating its content, which is as follows:

- Make videos vertically with a resolution of 9: 16 PX according to the TikTok format
- Using Hook tiktok with interesting and surprising statements at the beginning of the video



Figure 7: Example of Tiktok hook.

- Short duration used
- Following the trend that is currently busy on tiktok
- Utilizing user generated content by involving artists.

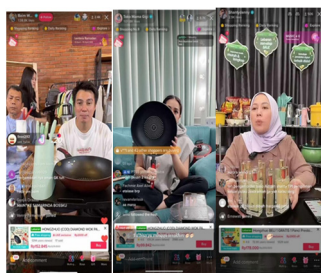


Figure 8: Ragam hashtag yang digunakan hongzhuo.

4.4 The Impact of Using TikTok Ads as a Digital Marketing Media

Based on the results of data analysis, the use of TikTok Ads as a digital marketing media for PT Hongzhuo has a positive impact, namely

- a. PT Hongzhuo's products are increasingly recognized by the public, this can be seen from the increasing number of viewers and likes
- b. Can catch up and outperform competitor products with similar products.

"at the beginning of making the tiktok account, we really monitored its development, even competitors, namely @xxxxx and @xxxxx but after evaluating we managed to outperform them. And our competitor standards have changed from before" (interview with Informant Andy, 2023).

- c. There was a rapid increase in product sales. However, researchers cannot display the original documents because they are categorized as confidential company documents. So that researchers can only provide an overview according to the results of interviews with informants as follows:

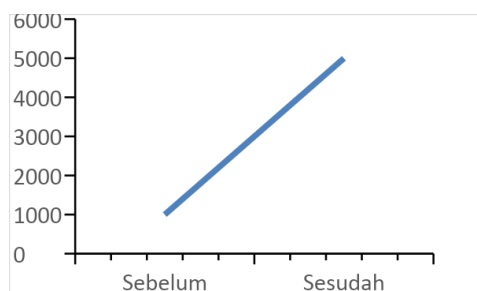


Figure 9: Grafik peningkatan penjualan.

"Before using TikTok Ads, orders were stable from 1000-2000. However, after using TikTok Ads there was an increase to 5000-6000. These results are not yet when the twin date event occurs, sales can reach 12000 orders" (interview with Informant Niken, 2023).

5 CONCLUSION

Based on the analysis and discussion that has been carried out, it can be concluded that PT Hongzhuo uses and utilizes TikTok Ads as a digital marketing media for its products, namely the In feed video and hashtag challenge features. To optimize these two features, PT Hongzhuo uses two types of content, namely entertainment content and informative content, which have their respective functions. Entertainment content carries out the softselling function and informative content carries out the hardselling function. After using TikTok Ads as a digital marketing media, PT Hongzhuo can increase sales by 600%.

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