

THE EFFECT OF SOCIAL PRESENCE ON THE TRUST AND REPURCHASE OF SOCIAL COMMERCE TIKTOK SHOP USERS

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ABSTRACT

This comprehensive study delves into the fascinating realm of social presence (SP) and its pivotal role in shaping consumer behavior within the TikTok Shop ecosystem. The investigation meticulously dissects three pivotal facets of SP's influence: SP emanating from the platform itself, SP stemming from the perceptions of other users, and the dynamic SP experienced through interactions on TikTok LIVE. Furthermore, the study meticulously scrutinizes the extent to which various features within the domain of social commerce act as moderators, shaping the influence of each SP factor. To meticulously probe these aspects, the research employs advanced structural equation modeling techniques, illuminating the intricate relationships at play. A substantial dataset of 200 survey responses was thoughtfully collected through an online survey. The compelling findings unveil that not one, but two distinct social presence characteristics wield a significant impact on consumer trust. Notably, even after the meticulous control of social commerce features, one pivotal component of SP emerges as a trust-building catalyst. Consequently, this engenders a heightened likelihood of repeat purchases among consumers navigating the TikTok Shop landscape. This study, by meticulously dissecting the multifaceted interplay of SP and social commerce features, provides valuable insights into enhancing consumer trust and fostering repeat engagement within TikTok Shop, thereby offering actionable guidance for businesses operating in this burgeoning social commerce sphere.

Keywords: *social commerce, live stream shopping, TikTok shop, trust, repeat purchase*

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INTRODUCTION

Shopping for daily needs is an essential thing that we often do, ranging from primary, secondary, to tertiary needs. In line with the development of the Industrial Revolution that started in 2011, Indonesia began to adopt its movement in 2016. The phenomenon of online shopping was present gradually, starting from ordering through websites through a browser on a personal computer or laptop to the concept of online ordering through accounts on social media such as Facebook, Instagram, and Twitter that sellers forward through the Whatsapp channel. Then several online-based marketplaces such as Lazada, Shopee, Tokopedia, Bukalapak, Blibli, and JD.ID was introduced, not to mention fashion-specific online marketplaces such as Zalora, Pomelo, Berrybenka, Hijabenka, and Orami.

Shopping through online marketplaces is getting stronger in Indonesia, in addition to the introduction of applications on mobile phones, so buyers do not need to retype through the browser but can directly access the items needed through the application. The phenomenon of this online marketplace is also integrated with the development of features on social media that are widely used by people in their daily lives (Ibis World, 2021). Regarding TikTok, to date, 63% of social media users in Indonesia have downloaded and used TikTok. TikTok has become one of the Top 5 Most Used Social Media, following in the footsteps of WhatsApp, Instagram, Facebook, and Telegram. Ninety-nine million people have downloaded the TikTok app, making it the Most Downloaded App in 2021 (Hootsuits, 2022; Wong, 2010).

Compared to competitors, social media applications with the same characteristics as TikTok are Snack Video, Snapchat, and Likee. Compared to its direct competitors, TikTok has a superior position; Snack Video is in second place with 35.7% of users (Kemkominfo, 2020).

Based on its definition, social commerce is a form of internet-based social media that allows people to actively participate in the marketing and selling of products and services in online marketplaces and communities (Yu et al., 2018). The integration allows consumers to access the website or marketplace application through a link, and users can see the prices offered directly from the Facebook social media channel. Facebook also presented this feature to its subsidiary Instagram in the same year (Solomon, 2018).

Through photos, videos, and integration into marketplace applications, online shopping is more complex than just ordering online and viewing catalog photos on social media channels. Departing from the concept of integration, in 2019, Shopee Indonesia also introduced the Shopee Live feature in its application so that the realm of social commerce is increasingly expanding its spectrum, now extending to marketplace applications (Shin et al., 2020). Then the author also sees that TikTok's increasing popularity is in line with the evolution of the features it offers. With more and more users, the variety of TikTok content from lip sync, comedy, and dance covers has increased, such as food reviews, DIY content or tutorials, music, sports to life, and financial tips increasingly color this application in 2021. TikTok also presented the TikTok LIVE feature in July 2021; the TikTok LIVE concept also has similarities to other Live Video features; even TikTok Live offers the Live Battle (PK) feature, Live Guest up to 3 people makes a factor that distinguishes TikTok Live from other applications. The rapid increase in the number of TikTok users has led TikTok to expand by introducing its newest business unit, which is presented as a social commerce feature in its application, namely TikTok Shop.

The rapid rise of the social commerce phenomenon is also supported by secondary data found by the author, which states that the social commerce market size on a global scale was \$0.62 trillion in 2021 and is expected to reach \$7.03 trillion by 2030, representing a CAGR of 30.8% over the period 2021-2030. It is also supported by the forecast that social commerce sales in the United States in 2021 are expected to increase to USD 36.62 billion, with an increase of more than 35% (Wu & Li, 2018).

In this study, Social Presence Theory (SPT) is employed as the theoretical lens to understand the impacts of social shopping features in social commerce. To account for various aspects of social commerce, a multi-dimensional conceptualization of social presence specifically on social presence of interactions is proposed based on previous studies (Biocca et al., 2003; Caspi & Blau, 2008; Lu et al., 2016; Shen & Khalifa, 2009; Zhang et al., 2021). Then the influences from the social presence of interactions are examined in a research model by using trust as the key mediating variable that will drive the intention to repurchase on social commerce. In sum, this study tries to offer several potential contributions.

The novelty of this study, in contrast to the two previous studies, the authors combined the research model of (Lu et al., 2016; Zhang et al., 2021), where the scheme of this research model is based on social presence as an independent variable where the existence of supporting features in TikTok Shop increases trust for consumers shopping on social commerce as a variable to moderate. In addition, researchers also refer to several previous studies to refine the

indicators of the variables, while the study is the work of (Ho & Chung, 2020) to refer to constructs related to repeat purchase intention and social commerce features.

METHOD

This research uses two types of research: exploratory and descriptive. This study has three independent variables: the social presence of the TikTok Shop platform, the social presence of others, and the social presence of interaction on TikTok LIVE. The dependent variable in this study is repeated purchase intention; the mixed variable is trust in social commerce, while the moderating variable used is engagement with social commerce features. The hypothesis developed by the researcher is as follows:

- H1: Social Presence of the Platform in the TikTok Shop app positively engenders TikTok Shop shopping trust.
- H2: The social presence of others towards TikTok Shop positively creates trust in shopping TikTok Shop.
- H3: Social presence of interaction on TikTok LIVE positively engenders trust in shopping TikTok Shop.
- H4: Trust in Social Commerce positively increases Repeat Purchase Intention at TikTok Shop.
- H5a: Social Commerce Features can strengthen the positive influence of the Social Presence of the Platform on Trust in Social Commerce
- H5b: Social Commerce Features can strengthen the positive influence of the Social Presence of Others on Trust in Social Commerce
- H5c: Social Commerce Features can strengthen the positive influence of Social Presence of Interaction on TikTok LIVE on Trust in Social Commerce.

The population of users registered on TikTok is 92 million users. Finally, the researcher took a sample that could be submitted for marketing research needed as many as 200 respondents. In this study, the collection technique was a questionnaire using a Likert scale model. Researchers chose a data processing method with a regression method that uses multivariate tests, namely validity and reliability tests using SEM-PLS (Smart PLS).

RESULTS AND DISCUSSION

SEM Validity Test Stage

As seen in the table below, each variable's correlation value with its variable has the highest value, so the variables in this study are considered valid.

Table 1. Validity Test Results Using Fornell-Larcker

Fornell-Larcker Result	Repeat Purchase Intention	Social Commerce Features	Social Presence of Others	Social Presence of Platform	Social Presence of TikTok LIVE	Trust in Social Commerce
Repeat Purchase Intention	0.801					
Social Commerce Features	0.626	0.729				

Fornell-Larcker Result	Repeat Purchase Intention	Social Commerce Features	Social Presence of Others	Social Presence of Platform	Social Presence of TikTok LIVE	Trust in Social Commerce
Social Presence of Others	0.463	0.418	0.821			
Social Presence of Platform	0.638	0.628	0.37	0.797		
Social Presence of TikTok LIVE	0.599	0.669	0.573	0.667	0.794	
Trust in Social Commerce	0.751	0.711	0.471	0.729	0.673	0.763

Source: Author's Process from SmartPLS 4.0

Then, to test the validity, the author also looks at the results of cross-loading, where we can see the correlation value between indicators and the variable concerned is higher when compared to other variables. When viewed in the table below, the correlation value between indicators and related variables is higher, so it can be concluded that all indicators used in this questionnaire are valid.

SEM PLS Reliability Test Stage

A construct can be declared reliable at the reliability test stage with a Cronbach's Alpha and Composite Reliability value ≥ 0.70 (Hair et al., 2019). As exposed in the table below, it can be confirmed that all indicators in each latent variable can be declared reliable.

Table 2. Reliability Test Results Using Cronbach Alpha & Composite Reliability

Variable	Cronbach's alpha	Composite reliability (rho_a)	Composite reliability (rho_c)
Repeat Purchase Intention	0.887	0.891	0.914
Social Commerce Features	0.705	0.711	0.819
Social Presence of Others	0.758	0.775	0.861
Social Presence of Platform	0.856	0.858	0.897
Social Presence of TikTok LIVE	0.805	0.814	0.872
Trust in Social Commerce	0.76	0.78	0.847

Source: Author's Process from SmartPLS 4.0

Overview Through R-Square

As for this study, the two R-square values are at a value of 0.564 for the repeat purchase intention variable and a value of 0.675 for the trust on social commerce variable, which means according to Hair et al., 2011 it is stated that for an R-square of 0.5, the variable is considered moderate.

Table 3. R-square value of research

Variables	R-square	Adjusted R-square
Repeat Purchase Intention	0.564	0.562
Trust in Social Commerce	0.675	0.663

Source: Author's Process from SmartPLS 4.0

Q-Square Review

As in this study, as described in the table below, the Q-square value of the two variables is more than 0, so both are considered to have predictive relevance.

Table 4. Q-square value of research

Variables	Q ² predict > 0
Repeat Purchase Intention	0.457
Trust in Social Commerce	0.588

Overview Through F-Square

It can be seen in the table below that the independent variables that have a moderate influence on the dependent variable are the social presence of the platform, with a value of 0.24, and social commerce features, with a value of 0.15.

Table 5. F-square value of research

Variables	Trust in Social Commerce	Repeat Purchase Intention
Trust in Social Commerce		1.3
Social Commerce Features	0.15	
Social Presence of Others	0.03	
Social Presence of Platform	0.24	
Social Presence of TikTok LIVE	0.02	
Social Commerce Features x Social Presence of Platform	0.04	
Social Commerce Features x Social Presence of TikTok LIVE	0.03	
Social Commerce Features x Social Presence of Others	0.01	

Source: Author's Process from SmartPLS 4.0

Overview through Model Fit

In this study, the SRMR value is 0.08 and has an NFI value of 0.72, so this model is suitable for use.

Hypothesis Testing Stage

The following is a description of the author's hypothesis testing; it can be interpreted that of the seven hypotheses made, three hypotheses were rejected. H1, H2, H4, and H5b are accepted hypotheses because they have fulfilled the stated criteria: a positive path coefficient, a t statistic value above 1.645 (Yamin & Kurniawan, 2011), and a p-value smaller than 0.05.

Table 6. Hypothesis Test Results from the Main Test

Hypothesis	Path	Path Coefficient	T statistics (O/STDEV)	P values	Results
H1	Social Presence of Platform -> Trust on Social Commerce	0.401	6.101	0.000	Hypothesis Accepted
H2	Social Presence of Others -> Trust in Social Commerce	0.124	1.928	0.027	Hypothesis Accepted
H3	Social Presence of TikTok LIVE -> Trust on Social Commerce	0.124	1.478	0.070	Hypothesis Rejected
H4	Trust on Social Commerce -> Repeat Purchase Intention	0.751	23.407	0.000	Hypothesis Accepted
H5a	Social Commerce Features x Social Presence of Platform -> Trust on Social Commerce	-0.161	2.346	0.009	Hypothesis Rejected
H5b	Social Commerce Features x Social Presence of Others -> Trust on Social Commerce	-0.048	0.729	0.233	Hypothesis Rejected
H5c	Social Commerce Features x Social Presence of TikTok LIVE -> Trust on Social Commerce	0.153	1.861	0.031	Hypothesis Accepted

Source: Author's Process from SmartPLS 4.0

The authors also present a picture of the research results to strengthen the test results in the table and provide an overview to readers of this study. The figure below depicts the research model, which has been accompanied by the results of hypothesis testing based on each variable's path coefficient value, r-square, and p-value.

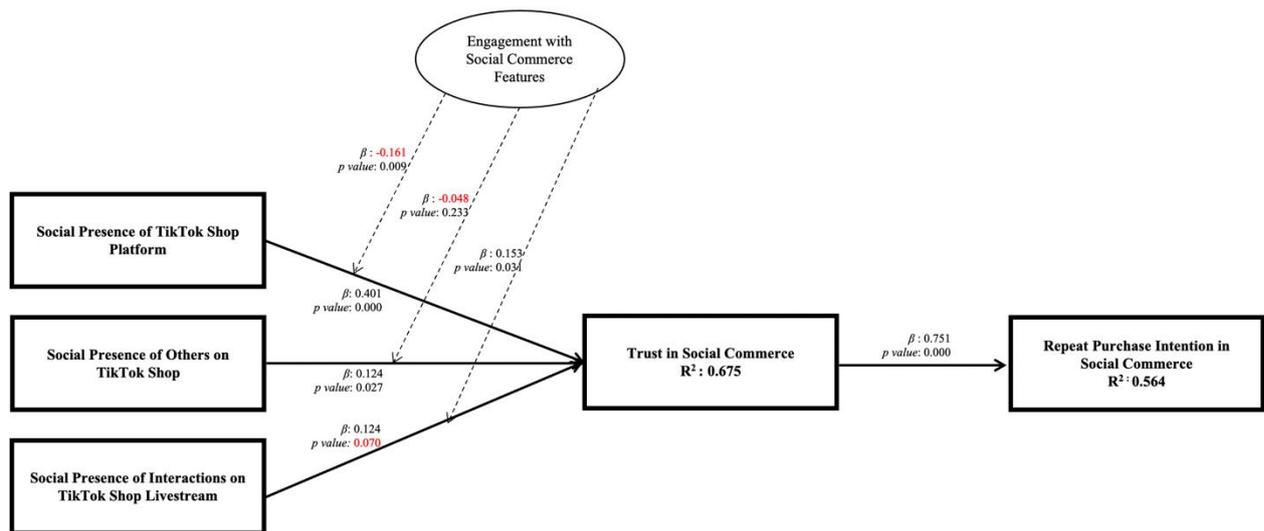


Figure 1 Structural Model Analysis Results
Source: Author's calculation from SmartPLS 4.0

The Effect of Social Presence of Platforms on Trust on Social Commerce

Based on the results of the hypothesis testing conducted by the author, the social presence of the platform in the TikTok Shop application significantly positively influences the emergence of user confidence to shop on social commerce. It can be seen through the positive

path coefficient value (0.401), followed by a statistical t-value of more than 1,645, 6,101, and a p-value of less than 0.05, 0.000. So hypothesis 1 is accepted, which aligns with previous research by (Lu et al., 2016), which states that the web's social presence positively impacts seller trust.

Trust in platforms that provide the best product choices with explanations related to product information supported by algorithms that adjust to the needs or interests of users will increase trust in social commerce.

The Effect of Social Presence of Others on Trust in Social Commerce

Based on the analysis table, the social presence of others on the TikTok Shop application positively influences the emergence of user confidence to shop on social commerce, even higher than the first hypothesis. This is supported by a positive path coefficient value of 0.124, a t-statistic value that exceeds 1.645, namely 1.928, and a p-value that is less than 0.05, namely 0.027, which, when concluded, this second hypothesis can be accepted. Questioning the comparison of this hypothesis with previous research, which happens to be the same construct as H1, namely from Lu et al. 2016, the social presence of others also positively affects trust in sellers. Seeing the above phenomenon, the author concludes that the form of testimonials and information related to shopping experiences on a platform, in this case, the TikTok Shop social commerce, will increase the trust of other users to shop on the platform.

The Effect of Social Presence of Interaction on TikTok LIVE on Trust on Social Commerce

Continuing the next hypothesis test, the author then finds that based on the analysis table, the social presence of interaction on TikTok LIVE has a negative influence on the emergence of user trust; this is because this hypothesis has a negative path coefficient value, the t statistic has a value below 1.645, namely 1.478 and the p-value is above 0.05, namely 0.07 so it can be concluded that the hypothesis is rejected. It contradicts previous research conducted by (Lu et al., 2016), which is a reference for the construct of this hypothesis, precisely the interaction that is present through online embed chat has a positive influence on sellers, in contrast to the context of the research conducted by the author, because the author refers to a sense of trust in the platform, namely TikTok Shop, it cannot be denied that TikTok, which is social media, is different from e-commerce platforms or marketplaces that are better known for their Livestream Shopping such as Shopee so that there needs to be something that can moderate the Livestream feature on TikTok to be trusted.

The Effect of Trust on Social Commerce on Repeat Purchase Intention

At the hypothesis analysis stage of the dependent variable trust on social commerce, it can be seen in the table of hypothesis test results that this hypothesis has a favorable path coefficient value and is the highest compared to others, indicating a reasonably high significance. In addition, the t-statistic value obtained is more than 1,645, even though the value is 23,407, and is supported by the p-value obtained below 0.05, namely 0.000, which can be concluded that this hypothesis is accepted. Then when referring to previous research conducted by (Lu et al., 2016; Pavlou & Gefen, 2002), the level of user trust in the seller positively gives the intention to shop again, so this also applies to this study which is named if there is trust on social

commerce, in this case, TikTok Shop, the tendency for users to shop again is increasing because as a platform TikTok Shop is considered trusted.

Social Commerce Features moderate the effect of the Social Presence of Platform on Trust in Social Commerce

When viewed in the hypothesis table, H5a shows a negative path coefficient value which means that it negatively affects the moderation carried out, even though the t statistic has a value above 1.645, namely 2.346, and a p-value below 0.05, namely 0.009. However, because the effect is negative, the hypothesis is rejected. It differs from the research conducted by (Ho & Chung, 2020; Zhang et al., 2021), which states that moderating variables significantly strengthen the positive effect of the central hypothesis. User interaction with the platform has not been able to show product quality in the choice of TikTok Shop algorithm, and the way products are presented to consumers by sellers is still not reliable, including the choice of brands presented.

Social Commerce Features moderate the influence of the Social Presence of Others

Similar to H5a, hypothesis H5b is also rejected because the path coefficient's negative value is supported by a t-statistic value below 1,645, 0.729, and a p-value above 0.05, 0.233. If further analyzed, this is also different from previous research conducted by (Ho & Chung, 2020; Zhang et al., 2021), where the moderation variable significantly strengthens the central hypothesis, so it can be concluded that the KOL review feature that supports product reviews is more genuine (actual) and less complicated selling so that consumers trust the reviews more. Moreover, product reviews from KOLs can only be accessed when we visit the seller/brand account or through algorithms in the TikTok feed; there is a need for additional features to make this video review a form of product review on the product review page on TikTok Shop.

Social Commerce Features Moderate the Effect of Social Presence of Interaction on TikTok LIVE on Trust in Social Commerce

In contrast to other moderating variables, social commerce features moderate the effect of social presence of interaction on TikTok LIVE on trust in social commerce, where the hypothesis at the main hypothesis stage is rejected. Meanwhile, after being moderated, this hypothesis can be accepted, which means that social commerce features on TikTok Live help increase trust in TikTok. It is evidenced by the positive path coefficient value and supported by a t-statistic value above 1.645, namely 1.861, and a p-value below 0.05, namely 0.031. Then when viewed from previous research conducted by (Ho & Chung, 2020; Zhang et al., 2021), the moderating variables both significantly strengthen the central hypothesis. It can make implications for TikTok Shop to improve the quality of TikTok LIVE and be accessible more efficiently for all users. Not only through notifications or feeds but also through direct messages, for example, and can be activated with a teleconference feature that is real-time life.

CONCLUSION

Based on the results of the analysis and discussion above, it can be concluded that, 1) of the three social presence factors, the interaction of social presence with the platform and also social presence with other users at TikTok Shop has a positive influence on increasing trust in social

media-based shopping platforms or commonly known as social commerce; 2) in terms of the influence of trust on social commerce on repeat purchase intention, it turns out that most users who already trust TikTok Shop have the intention to make repeat purchases so that the leading homework for TikTok Shop is how to create trust in potential users to shop at TikTok Shop, and 3) in this study there is only 1 moderating variable that positively increases user trust in TikTok Shop, namely the moderation of the social commerce feature in TikTok Live, namely pinned products to make it easier to review a product according to viewer requests, allowing sellers to better explain product details according to viewer requests which further increases trust in TikTok Shop as a social commerce platform.

The social presence of the TikTok platform positively affects the trust of its users, but there is a need to improve its quality as a shopping platform; until now, TikTok has not explicitly shown TikTok Shop and has made it only an optional menu. There needs to be an attractive promotion for consumers to experience shopping at TikTok Shop; until now, TikTok Shop has yet to aggressively promote its platform as new social commerce in Indonesia to create a positive public perception of the brand. There needs to be a branding campaign carried out by TikTok Shop to promote its platform. So that more consumers shop on this platform, the perception of the brand will increase.

Furthermore, there needs to be an additional menu that can moderate to access top sellers according to the product needs customers seek. In addition, TikTok Shop is good enough to compete with Shopee, Lazada, and Tokopedia. However, there is a need for improvement in branding, curated product choices, and ease of accessibility so that repeat purchases are the primary goal of becoming a first-choice brand among other e-commerce brand choices. The choice of products and brands in TikTok Shop needs to be improved, user ratings are not enough to increase trust; there is a need to improve the menu of choices and reference product algorithms to the latest promotional information to make TikTok Shop look like a complete marketplace. Similar to the social presentation of the platform, the KOL review and product tagging features have not maximally increased the level of trust in TikTok Shop; these reviews need to be published still and used as branding campaign material so that there are more testimonials, especially e-WOM about the shopping experience at TikTok Shop. Finally, the features in TikTok LIVE are good enough and only need an effort from TikTok to make access to TikTok LIVE specifically for shopping easier and not confuse it with non-shopping TikTok LIVE.

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