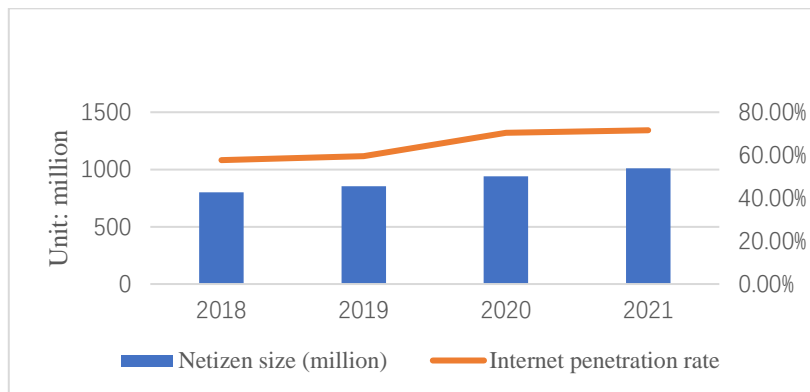


# CHAPTER 1 INTRODUCTION

## 1.1 The Background of the Research

With the arrival of the mobile Internet era, in the face of information bombing and fragmentation information, consumers have gradually taken the initiative to search in massive information from the original passive to enterprise marketing information and obtain valuable content (Chen & Chang, 2021). The short video relies on low thresholds, strong participation, strong connection ductility, becoming a new type of pop culture and social language. Whether you rest at noon, the centralized time of the evening entertainment is still the critical time of commuting on the road, it has become a key scene for people to browse short videos (Du & Lee, 2020). Therefore, it can be seen that the short video content consumption successfully breaks through the wall barrier. And in the face of the short video content of interest, people are willing to participate in the interaction, comments, sharing, and other interactions (Holliman & Rowley, 2014). Figure 1.1 Graphic Represent The Growth Of Netizen Size And Internet Penetration Rate 2018-2021.

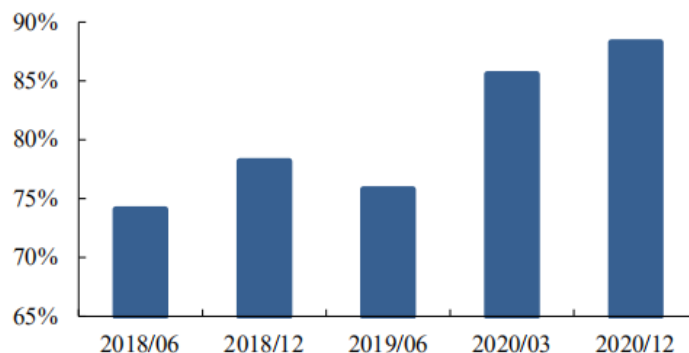


Source: China Internet Network Information Center (CNNIC) (2022)

**Figure 1.1 The Growth of Netizen Size and Internet Penetration Rate 2018-2021**

Figure 1.1 shows the 48th "China Internet Development Status Statistics Report" released by China Internet Information Center (CNNIC) mentioned that as of June 2021, China netizens reached 1,011 million, more than 2020 In December, an increase of 21.75 million, and the Internet penetration rate was 71.6%. Ten billion users

entered the Internet, forming a new form of digital society, Internet applications, and services, the largest Internet application and service of digital society, Internet applications and services (Liu & Zhang, 2020). Among them, 888 million people watch the short video, 638 million people watch the live, short video, and live broadcast is becoming a new lifestyle; 812 million people online shopping, 469 million people are called takeaway, people's shopping methods, catering methods have changed significantly; 325 million people used online education, 2.39 million people used online medical care, and online public services were further facilitated (Long & Tefertiller, 2020). Figure 1.2 Short Video Industry Penetration In China Until The End Of 2020

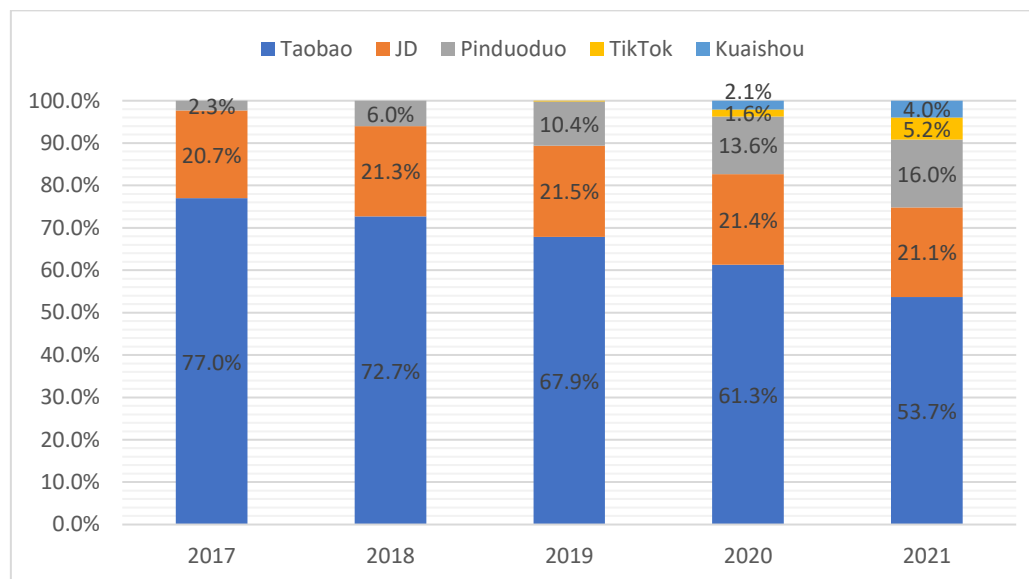


Source: Quest Mobile data (2021)

**Figure 1.2 Short Video Industry Penetration in China by The End of 2020**

Figure 1.2 shows Quest Mobile data, as of the end of 2020, China Short Video Monthly Active User (MAU) reached 870 million, the penetration (number of MAU/Internet users) reached 88%, and became the second-largest network application type only after instant messaging, at the same time, Short video users have transcended instant messaging, and the per capita online is 110 minutes. China's short video has passed the budding period of 2012-2014 and the high-speed growth period of 2015-2017, and the growth rate gradually became smooth after 2018 (Du & Lee, 2020). At present, more and more home choices use short video recording the good moments in life, work, and learning (Long & Tefertiller, 2020). The short video platform with huge users is commercial marketing in the form of a short video of e-commerce, and the total amount of goods exceeds 100 billion yuan in 2020 (Wang et al., 2021). It can be seen

that new e-commerce models such as "Short Video + E-commerce" will become the mainstream mode of future e-commerce models (Zhao, 2020). Figure 1.3 The Marketing Share Of E-Commerce Platform 2017-2021



Source: [www.stock.pingan.com](http://www.stock.pingan.com) (2022)

**Figure 1.3 The Marketing Share of E-Commerce Platform 2017-2021**

Figure 1.3 shows before 2017, the competition pattern of e-commerce was the competition between Taobao and JD (Sci, 2020). After 2018, with the rise of Pinduoduo, Pinduoduo's market share continued to increase. In 2020, the market share of Taobao, JD, and Pinduoduo was 61.3%, 21.4%, and 13.6%, respectively. In September 2020, TikTok e-commerce disconnected external links to strengthen its closed-loop e-commerce capabilities (Chen & Chang, 2021). Kuaishou followed suit in December, with content platforms upstream of e-commerce traffic fully entering the e-commerce industry (Inoue et al., 2022). In 2021, TikTok e-commerce will develop rapidly and continue to occupy the market share of clothing accessories, cosmetics, and other categories, while the market share of traditional e-commerce platforms continues to decline (Wu, 2019). The market share of TikTok and Kuaishou, two short-term frequency platforms, will increase from 0 to 5.2% and 4.0%, respectively, in two years under their late-mover advantage. Looking ahead to the next five years, the competition pattern of e-commerce will continue to divide, and the market share of TikTok and Kuaishou will increase (Liu.H, 2022).

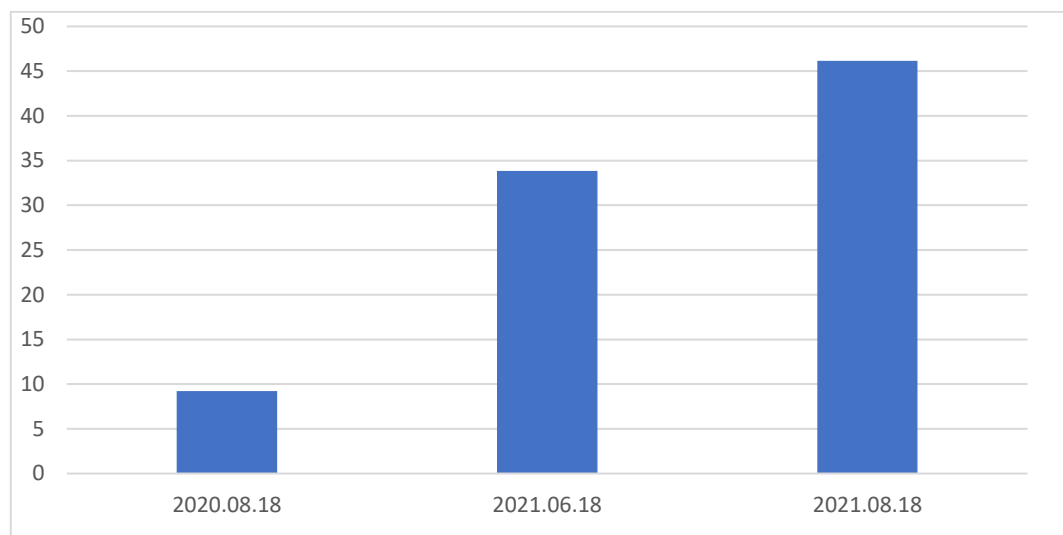
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*STUDY ON THE INFLUENCE FACTORS OF SHORT VIDEO CONTENT MARKETING ON CONSUMERS' PURCHASE INTENTION (Survey on Three Squirrels TikTok followers in China)*

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In addition, as the short video platform products and functions are increasing, short video traffic is constantly increasing, from the initial pure entertainment platform to entertainment and commercial hybrid platform (Z. Liu et al., 2020). Users are also willing to support their favorite internet celebrities, letting them will be willing to produce better short video content. It is making a cycle that internet celebrities create quality content attracting traffic, users buy the product which internet celebrities promote, internet celebrities gain income and have the motivation to create more quality content (Cespedes-Dominguez et al., 2021). It brings more business opportunities and benefits, and the short video industry has gradually been seen and paid attention by more companies and merchants and becomes the key area of enterprise marketing investment (Wu, 2019).

The quality content of TikTok attracts a lot of network traffic and has attracted a large number of merchants to settlement, forming different consumption behavior patterns of e-commerce and short video integration. From the product level, the short video is more intuitive than pictures and text, carrying more information, and the short video is extremely easy to instigate emotions, resonate with the user, thus guiding user consumption (Du & Lee, 2020). From the perspective of user scenes and consumption context, the short e-commerce video breaks the isolation between images and shopping (Zhao, 2020). Users can watch the video while shopping. Meanwhile, the short e-commerce video also puts the virtual scene with the real scene so that it integrates symbiosis, such as combining traditional retail industries with Live and short video. E-commerce short video covers three different scenarios, which are content consumption, social communication, and online shopping, and connects users, products, and content organically (Du & Lee, 2020). Figure 1.4 Gross Merchandise Value (GMV) Of Tiktok Event Point



Source: www.chanmama.com (2021)

#### Figure 1.4 Gross Merchandise Value (GMV) of TikTok Event Point

Figure 1.4, it is shown that the GMV of Tiktok 818 event in 2020, 618 event in 2021 and 818 event in 2021, the GMV of Tiktok 618 event in 2021 increased significantly compared with the GMV of 818 event in 2021, and the total GMV is 330 million dollar, increased 3.7 times compared with the last year (H. Liu, 2022). The GMV of 818 event in 2021 continued to grow, and the total GMV increases 1.4 times compared with 618 event in 2021. So, it can be seen that the short video platform have a great potential in E-commerce industry, especially in the time of pandemic (Chen & Chang, 2021). Table 1.1 The Price Range Of Top 5000 Sales Product In The Key Event 2020-2021.

**Table 1.1**

#### The Price Range of Top 5000 Sales Product in The Key Event 2020-2021

Price range (dollar)	818 event in 2020	618 event in 2021	818 event in 2021
0-6	54.20%	67.50%	69.40%
6-15	23.40%	17.60%	17.40%
above 12	22.40%	14.90%	13.20%
Total	100%	100%	100%

Source: www.chanmama.com (2022)

In the Table 1.1, It can be seen that products which is in 0-6 dollar take more than 50% sales, the sales is increasing year on year. It is shown that low-price product is more popular on short video platforms, such as clothes, snacks, daily necessities. it

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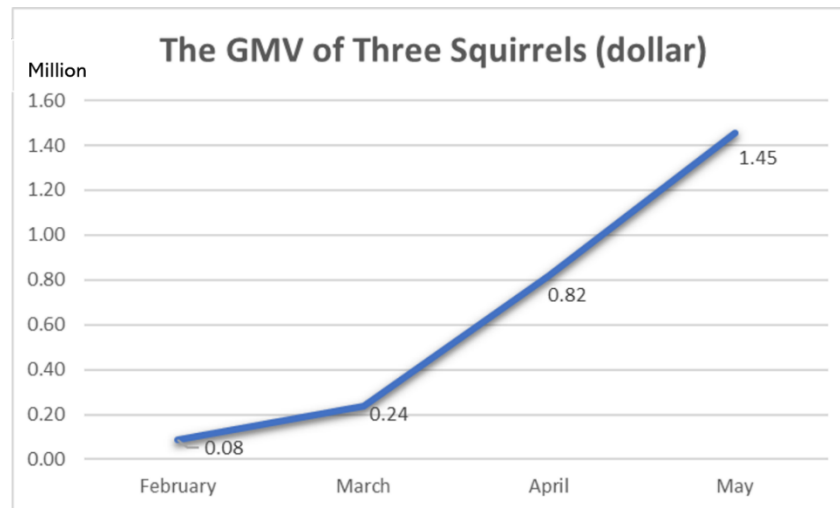
is shown Top 5 Sales category in TikTok China in Table 1.2, and the snack category already become the second largest sales in TikTok E-commerce (H. Liu, 2022).

**Table 1.2**  
**Top 5 Sales Category in TikTok China in 2021**

No	Category
1	women's clothes
2	snacks
3	fresh food
4	Fashion accessories
5	make-up product

Source: www.chanmama.com (2022)

Comprehensive report information can be seen that the size of the snack market is large, there is a vast development space, and the growing number of consumerous young consumers have also made this emerging market with great development potential. So, the Tiktok e-commerce that gradually emerged. And the snack market is both opportunities and challenges for merchants (Mao, 2020).



Source: xd.newrank.cn (2022)

**Figure 1.5 The GMV of Three Squirrels from February to May**

Figure 1.5, it is shown that the GMV of Three Squirrels from February to May, which is 0.08 million dollars in February, 0.24 million dollars in March, 0.82 million dollars in April, and 1.45 million dollars in May. It can be seen that the GMV grows rapidly by month. The reason why it grows rapidly need to explore deeply.

In the context that short video platforms have become e-commerce platforms and the head short video creators can also become merchants, it becomes vital to enhance users' purchase intention. Purchase intention in consumer behavior is in the purchase decision phase. Consumers form a preliminary understanding of products or brands through searching information and then form an individual purchase preference (Liang, 2021). Purchase intention is an important inquiry in the field of consumer behavior. Mehrabian and Russell proposed the "Stimulating-Organism-Reaction Model" (SOR Model) in 1974 (short-handed "Sor Model"), which is the concept of a purely psychological level, which is used to describe that people make a specific mechanism of a series of behaviors under the influence of various environments (Saputro & -, 2020). The core concept of the SOR model is that some environmental features can influence people's emotional experiences and make them choose corresponding behavior. Later, US Marketing Scholars Jacoby (2001) introduced them into marketing, and some specific descriptions were given to this model to better explain consumer behavior.

In today's competitive and changing business environments, retailers' strength and customer demand levels are growing, and the long-term relationship between expansion and customers is critical and necessary for producers' success and survival. Previous studies have shown that prices are an important variable, but other variables such as products and services are also important in the customer's purchase decision-making process (Giovanisetal., 2013). The client in this era is the goal of mass media, and they change the way consumers through emotions and needs. Market researchers and organizations spend billions of dollars in consumer research to determine an important factor affecting consumer decisions. Analysis of consumer behavior can effectively detect the orientation of consumer behavior (Tahpa, 2011). Compared to traditional shopping methods, e-commerce live can bring a more pleasant shopping experience to consumers. E-commerce live entertainment is an important factor affecting consumer shopping decisions (Chen Yan, 2020).

Mao Zhaoan (2021) found that in the process of watching e-commerce short videos, consumers' purchase intention is positively influenced by four factors: personal

attractiveness, online reviews, content quality, and trust of online celebrities. Constanza and Cristobal (2021) find that the consumers evaluate congruence between celebrity and brand based on their concern about the environment, then consider brand ethicality and later brand credibility, which generates an attitude toward the brand and purchase intention. Karina and Hajer (2020) conducted a study that Instagram and YouTube bloggers' physical attractiveness and social attractiveness positively influence credibility and para-social interaction through and para-social interaction, positively influencing purchase intention. These studies have explored the relationship between the celebrity's personal and appearance characteristics and consumers' willingness to purchase, but less so for content created by creators. However, content marketing plays a significant role in short-form video platforms (Pikuła-Małachowska, 2017). So this study focus on the relationship between content marketing and purchase intention.

The main difference between content marketing and other marketing model is motivation, and there are pieces of literature that mention motivation of content marketing mainly includes enhancing consumer interactions and participation, improving brand loyalty, and closing consumers and businesses. The Content Marketing Association (2010) indicates that the purpose of content marketing is to cultivate customers to form long-term viscosity rather than short-term profits. Lieb (2012) believes that the key to content marketing is to create valuable and entertaining content. Lorenz (2011) launches research from the corporate position, a discovery that companies will provide content marketing as tools that establish long-term contacts with consumers and lead consumers to produce intentions for products or brands. Although many companies put content marketing in an important strategic status, the actual marketing effect is often unlikely, as Jefferson and Tanton (2015) point out that the real potential to be developed, in other words, the market expansion effect behind the content marketing still needs to be explored. However, content marketing is a newer concept in the market.

Compared with traditional e-commerce and offline shopping channels, TikTok e-commerce connects high-quality product content with a large number of interested



users through recommendation technology, which inspires new consumption experiences and demand of users and brings new business increment to merchants. The typical consumer path is "interest-demand-purchase" through content to stimulate consumer interest. Firstly, users' interests are identified through content recommendations. Then, based on users' continuous attention to the product content, the expectation and emotional resonance of product use are stimulated to create new motivation for consumption and bring new business increment. In TikTok, merchants and experts integrate the usage scenarios of products into high-quality content. Users are inspired by the content and stay for a long time to watch, discovering their potential needs and placing orders directly. At the beginning of viewing, users do not have the motive and purpose of buying product, but the use demand is latent and not realized by users. The product content recommendation is to add commodity transformation and user precipitation data to the recommended model so that the product have accepted the potential consumers with the carrier's contents. The merchant has achieved "growth" as the user size and the continued accumulation of the transaction data. Connect the traffic acquisition and zoom in to enable the business to enter the "growth cycle".

There are many theories in content marketing theory. Most of them are very similar. Pulizzi and Barrett (2009) define content marketing as a means of attracting and retaining customers by making and disseminating diversified educational or entertainment. Copy Blogger (2013) believes that content marketing means creating and sharing valuable free content to attract and transform potential customers into customers and convert customers to repeat customers. He Aizhong (2016) emphasizes that content marketing is concerned with customers' exchange and interaction, and the viable associated information is transmitted for different types of consumers. So, in the new era, content marketing is to create active content, attracting consumers' attention, and the necessary information to consumers when they have decisive.

Yan Xuan (2019) found that knowledge-based content, entertainment content, emotional content, and interactive content in corporate content marketing significantly impact brand loyalty, and interactive content has the most significant impact. Chen and

Quan found that consumers' perceived informative and entertainment value of branded content and the perceived functional value of the brand's YouTube channel positively shape their experiential evaluation of the brand, which in turn leads to greater brand loyalty. Wang Zhou and Wang Qin (2021) investigated and analyzed the content marketing factors that influence farmers' perceived value and found that product content such as discounts, brands, and services positively impacts farmers' perceived value. These studies demonstrate the positive impact of different types of content marketing on increasing brand loyalty and better-perceived value of products. However, few studies have examined the relationship between content marketing and purchase intention.

According to the table 1.2, the snack category is second popular sales category, and Three Squirrels is a well-known enterprise in the industry (Chang, 2018). The company has ranked first in the sales of nuts snacks in mainstream e-commerce channels for many years in China Compared with other snack online stores, Three Squirrels has their own brand cartoon image, and make series short video which get a lot of likes and views. So author prefer choose Three Squirrels as the research object (X. Wang, 2021).

**Table 1.3**

**The Short Video Content Type from January to March in 2022**

<b>NO</b>	<b>likes</b>	<b>comments</b>	<b>content type</b>	
1	1044	113	entertainment,	interactive
2	1401	438	entertainment,	
3	487	18	entertainment,	
4	570	23	entertainment,	interactive
5	587	22	entertainment,	Product, interactive
6	1006	43	entertainment,	product
7	2679	34	entertainment,	interactive
8	711	23	entertainment,	
9	1332	67	entertainment,	
10	1003	26	entertainment,	
11	1553	23	entertainment,	product
12	257	22	Product	
13	1744	47	entertainment,	interactive
14	2451	42	entertainment,	product
15	1306	52	entertainment,	interactive
16	2028	467	entertainment,	product
17	1158	73	entertainment,	interactive

NO	likes	comments	content type
18	1725	560	entertainment
19	935	182	entertainment, product, interactive
20	2709	25	entertainment

Source: Three Squirrels TikTok account (2022)

In Table 1.3, Author summary the short video which Three Squirrels release in TikTok China from January to March in 2022. And it can be seen that there are three types of content, which are entertainment, Product, interactive. And the average likes of video is above 1300, the average comments of video is above 100. The entertainment content appears 19 times, attracting peoples' attention; the product content appears 7times, showing people the product; the interactive content appears 7 times, increasing the interactive level. The data is collected by author from the video which released by the Three Squirrels TikTok account from January to March in 2022.

Many studies on the factors that affect purchase attention, including opinion leaders, interactivity, entertainment, discounts, professionalism, and other factors. Friedlander and Mathilde (2017) explore the user's motivation to participate in the E-commerce live. Apiradee and Nuttapol (2018) have studied the consumers' purchase behavior and integration behavior under the live situation, respectively. Chen Haishu, Jiman (2020) also validated product quality by triggering consumers' perception of products, which in turn affected the purchase intention. And there are also many people who have launched research about the factor affecting the purchase intention of different products. Jay Trivedi & Ramzan Sama (2020) found that consumers think that experts' opinions are more important than the opinions of internet celebrities when they buy electronic products. Jassim & Abdullah have found that good content marketing will increase the product's EWOM when consumers buy green foods, thus improving consumers' willingness. However, how do the different types of marketing content impact consumers purchase intention? What is the impact difference between different types of content marketing? These problems have not been answered. Although content marketing has gradually become most enterprise marketing options, but not bringing expected returns to all companies, the overall relevant content marketing is still in its infancy, and more in-depth analysis is needed (Tsai & Honka, 2021).

In summary, based on the background of the research, the main problem is what is the impact mechanism of the content marketing on purchase intention. this study will choose the interactive content, entertainment content and product content from content marketing, and then explore the relationship between these factors and purchase intention. So, the authors took a study entitled " Study on The Influence Factors of Short Video Content Marketing on Consumers' Purchase Intention".

### **1.2 Problem Formulation**

Based on what has been stated, the problems in this study are formulated as follows:

1. How does description of content marketing and purchase intention?
2. How does content marketing impact purchase intention among TikTok users?
3. How does interactive content impact purchase intention among TikTok users?
4. How does product content impact purchase intention among TikTok users?
5. How does entertainment content impact purchase intention among TikTok users?

### **1.3 Research Objectives**

The purpose of this research is:

1. To make description of content marketing and purchase intention.
2. To find out the effect of content marketing on purchase intention.
3. To find out the effect of interactive content on purchase intention.
4. To find out the effect of product content on purchase intention.
5. To find out the effect of entertainment content on purchase intention.

### **1.4 Usefulness of Research**

This research is expected to provide benefits or uses as follows:

#### **1) Theoretical Use**

First of all, existing studies on content marketing mostly focus on consumer brand loyalty, perception attitude, and other aspects, while there are relatively few articles exploring content marketing's influence on purchase intention. Thus this article selects the content marketing as independent variables, and the reference pieces of literature, exploratory from functional and entertaining content, social interaction content three dimensions, are in full swing on the path of content

marketing effect on purchase intention to explore, to a certain extent enriched the content based on the present situation of Chinese marketing theory research. It reveals the essential logic and meaning of content marketing, improves the influence path of short video content marketing on consumers' purchase intention, and enriches and expands relevant theories in the field of marketing.

## 2) Practical Use

Content is the key to the success of content marketing. Users will only selectively stay and pay attention to the content they are interested in. High-quality content will prompt users to participate in the interaction of products and brands spontaneously, achieving twice the result with half the effort. From the practical level, this paper research content the inherent connection between marketing and consumer purchase intention, help enterprises to find their content marketing deep connotation and essence, guide video creators targeted and efficient to create high-quality content, guide enterprises to accurately advertise, enhance the user viscosity, attract people attention, arouse their purchase intention, to guide consumption, It is of practical significance to maximize the use of short video as a differentiated marketing tool to cultivate their core competitiveness.

## 1.5 Writing System

As for facilitating the discussion in this study, the systematics of writing was compiled as follows:

### CHAPTER 1 INTRODUCTION

In this chapter, it explains the background of the study, the formulation of the problem, the objectives of the research, the use of research, and the systematics of writing.

### CHAPTER 2 LITERATURE REVIEW, RESEARCH FRAMEWORK, AND HYPOTHESIS

In this chapter, author describe the theory of concepts and the results of previous relevant research. This chapter explains the theoretical concepts of the definition,

dimensions, and model of each variable and the framework of thought and hypothesis in this study.

### CHAPTER 3 OBJECT AND RESEARCH METHODOLOGY

In this chapter, author provide an explanation of the research method used as a tool to answer research questions formulated in this study.

### CHAPTER 4 RESULTS AND DISCUSSIONS

In this chapter, author introduce the profiles of TikTok and Three Squirrels, and make quantitative analysis based on data, including Descriptive analysis, Reliability and Validity Test, Variable Correlation Analysis, Multiple regression analysis. And make the conclusion based on the result.

### CHAPTER 5 CONCLUSIONS AND RECOMMENDATIONS

In this chapter, based on the results, author give conclusions and recommendations to the content creators and the company which use short video platform to sell their products.

### REFERENCES

A list of sources that contains relevant literatures used in this study.