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Social Media Marketing and its Effects on TikTok Users

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ABSTRACT

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The aim of this thesis was to discover whether social media marketers were indeed reaching their target audience successfully by generating sales through the social media app, TikTok. This topic was chosen because the author, a TikTok user herself, was approached by a brand and asked to make videos promoting their products. This led the author to question whether these tactics work.

The theoretical framework opens in the second chapter by explaining the basics of marketing. The chapter then goes on to explore the differences between traditional marketing tactics and digital marketing tactics. The theory continues into the next chapter, detailing the use of social media marketing as a marketing tool. Current marketing strategies that are employed by some platforms are discussed, and *influencer marketing* is introduced as well. The final chapter in the theoretical framework introduces TikTok as a new marketing platform.

The empirical study and the chosen research method are then described and the research results are disclosed. The data was collected using the quantitative research method in the form of an online questionnaire. 59 responses were collected. These responses revealed that though 90% of participants have seen a promotional video, and 41% had purchased products after seeing them in a TikTok video, only 8% used an influencer's promotional code. This leaves room for more studies to be conducted.

Keywords   Social media marketing, influencers, TikTok

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1. INTRODUCTION

As technology rapidly evolves, companies rush to keep up with the new marketing opportunities this presents. A survey conducted in 2017 reported an estimated 46% of Americans check their phone first thing in the morning; 66% of them being younger Millennials (ages 18-24). 31% of those people check their social media apps first. (Reporter Linker 2017) The rise in popularity of these social media apps allows companies to market to their target audiences in new and innovative ways.

According to We Are Social's 2020 report, companies have a chance to reach 3.8 billion online users through social media. That's 3.8 billion potential consumers. Over 800 million of those potential consumers can be reached through the social media app, TikTok. (We Are Social 2020; Kemp 2020) As TikTok's active user count continues to grow, so do the marketing opportunities.

This thesis aims to evaluate the effectiveness of social media marketing campaigns. The research performed will answer the question of do social media marketing campaigns successfully reach their target audiences. The research in this thesis will focus on the social media app "TikTok." The quantitative research included in the thesis will consist of a questionnaire sent out to active TikTok users.

1.1. Thesis Background

Being an active user of TikTok myself, I come across numerous daily videos containing what users will call "brand deals." In these videos the "influencer" will normally show off a product; the creator will then give a code that the viewers can use to obtain a discount if they purchase this product.

Since downloading TikTok in October of 2019, I have amassed a following of 32.8 thousand users on the app. According to my analytics, my most popular videos had to do with my hair or makeup. Because of this, I was approached by a small business to do a brand deal video for them. They had asked me to promote their cosmetics, but because of the COVID-19 situation their company went out of business before we could follow through with the promotion. This experience led me to think about

whether these social media marketing campaigns are successful for other companies. This thesis was created in order to determine if these types of videos on TikTok achieve the companies' desired results.

1.2. Thesis Purpose

All students must complete a thesis before receiving their Bachelor's Degree from VAMK. This thesis determines the student has understood the lessons over 3.5 years to a sufficient standard. Furthermore, a thesis demonstrates the student's capacity to continue their development within the field and their ability to communicate effectively. Typically, a student produces a project plan, communicates this with their thesis supervisor and agrees to a time schedule. The student then works on their project while maintaining communication with their supervisor in order to deliver the finished product in relation with their original schedule.

1.3. Thesis Structure

This thesis will be broken down into seven chapters, the first of which is this introduction. The introduction contains an explanation of how this topic was formed, and what research question the thesis aims to answer. In essence, the introduction will describe how and why this thesis was created as well as the parameters of the research for the thesis.

Chapters two, three, and four of this thesis will be theoretical framework. The reader will be given a better understanding of general marketing, how that evolved to adapt to marketing in social media, and how companies cater to their target audiences. In addition, popular social media platforms will be explored and TikTok will be introduced in greater detail for readers to understand how marketing through the specific app can be beneficial.

The fifth chapter will introduce the research methodology and implementation. Quantitative and qualitative research will be given further explanations in order to understand why the chosen research method was selected and the approaches used in

collecting data will be presented. Furthermore, the reliability and validity of the research will be described.

In chapter six, the questionnaire will be presented, and its results will be analyzed. From these results, conclusions will be drawn in chapter seven. The research questions will be answered and suggestions for further research will be offered.

1.4. Research Question and Objectives

Through this thesis, social media marketing and its benefits will be explored. The goal of the study is to determine whether social media marketing campaigns on TikTok are effective in reaching targeted audiences. The study will achieve this objective by focusing on the following question: do TikTok social media marketers successfully reach their target audiences? Here, a "successful" campaign would be one that resulted in sales using the promotional codes given to viewers by an influencer.

2. WHAT IS MARKETING?

As marketing evolves, so does its definition. The AMA (American Marketing Association) reviews its definition of marketing every three years. As of 2017, the AMA defines marketing as "…the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large." (American Marketing Association, 2017) Marketing focuses on customers and building or maintaining relationships with them. Fundamentally, marketing is a company's way to connect with their audience. A company will obtain information about their customers in order to understand their needs, wants, and demands.

Gary Armstrong aids in distinguishing the difference between these needs, wants, and demands. A human's basic needs are further broken down into physical needs, social needs, and individual needs. Physical needs consist of things like food and safety; social needs include belonging and affection; individual needs involve needs for things like knowledge and self-expression. Armstrong goes on to describe wants as needs that are "shaped by culture and individual personality." A consumer may *need* shelter, but *want* to stay in a certain hotel. These wants, combined with the consumer's resources, then become *demands*. (Armstrong, Kotler, & Opresnik, 2020, 32)

Once a company can understand what their customers' demands are, they can see that those demands are met. Companies strive to demonstrate to consumers that they should choose their products or services over that of their competitors. To do this, the companies must create customer value in order to build a relationship that keeps those customers coming back. How can this be done? Well, this is where marketing strategies and campaigns come in. Marketing strategies refer to a company's plan of action for engaging their audience, whereas a campaign is how that strategy is then executed. (Levin, 2020) After this process, companies are hopeful that their tactical marketing reaches their intended audience, which will in turn drive their profits up. (Armstrong et al. 2020, 30) This entire process, in essence, is marketing.
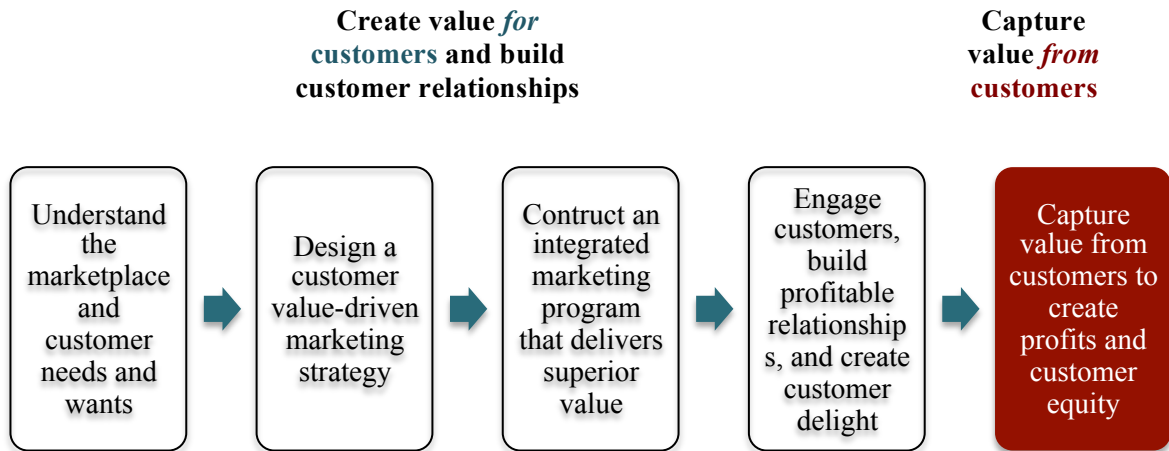
Figure 1 The marketing process (Marketing *An Introduction* Armstrong et al. 2020, 31)

2.1. Market Segmentation/Target Audiences

To understand how to make a product more appealing to a customer, a company must first have an understanding of whom their product is intended for. This is done by using market segmentation; in which a company divides the market based on geographic, demographic, psychographic, and behavioral segments. Those segments are further broken down into things such as climate and population density for geographic segmentation, age and gender for demographic segmentation, lifestyle and personality for psychographic segmentation, and occasions for behavioral segmentation. Often, segments are mixed and merge in order to find groups that are "perfect" consumers for certain products. The following figure shows a few simple examples of multiple segmented consumers and what they might purchase based on those segments.
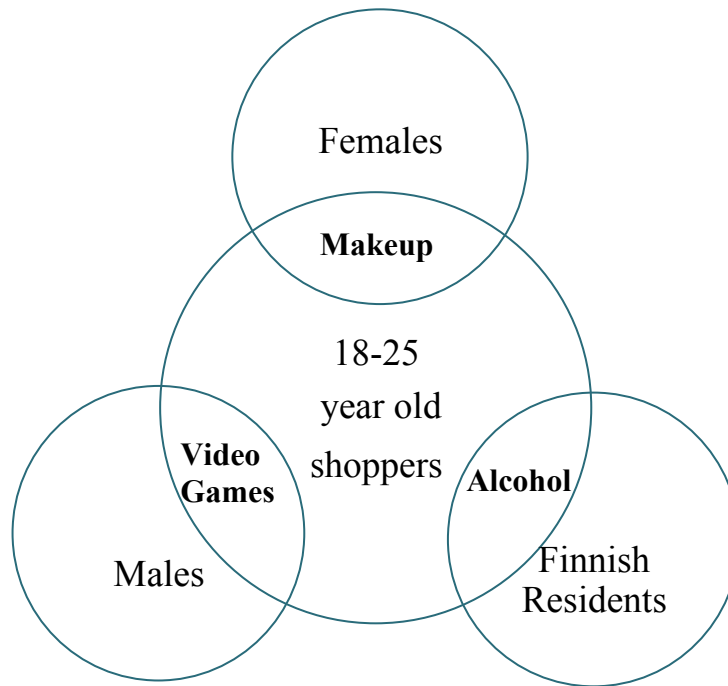
Figure 2 Market Segment Variations

Companies then select which segment, or mix of segments, they'd like to target. Different segments have different needs, and companies will consider which needs they can best serve in order to choose which segments to target. This will then be their *target audience*. (Armstrong et al. 2020, 199-204) In turn, a mix of segments can demonstrate a gap in the market. This illuminates a consumer demand that is not currently being met, and can highlight opportunities for companies to meet those demands.

2.2. Forms of Marketing

When marketing is mentioned, often people's minds go towards television commercials and billboards, however, as with all things, marketing has evolved over time. There are two main forms of marketing: traditional marketing and digital marketing. Within those two categories are sub-categories and both traditional and digital media have their advantages and disadvantages. David Meerman Scott described a recent instance in which he felt a company's website (a form of digital marketing) was advertising their product *to* him rather than building a relationship

with him, reiterating the importance of companies connecting with consumers. Scott went on to describe another instance where he described some universities' advertising efforts as "completely wasted" on his daughter, referring to the brochures they received in the mail (a form of traditional marketing). These mass produced brochures arrived after the young woman had done her own research and chosen a university fit to tailor her needs. (Scott, 2020) While there is a clear divide between traditional and digital media, these examples exhibit that neither form is without its faults.

2.2.1.   Traditional Marketing

"Traditional marketing refers to any type of marketing that isn't online." (Carmichael, 2021) Though the spotlight may be pointed at online digital marketing in recent years, traditional marketing continues to be a key marketing strategy for most companies. This can be demonstrated in the copious ads people receive along with their daily mail. This is a form of traditional marketing is known as *direct mail marketing*. While this offers flexibility and personalization for companies to reach their target audiences, it also costs U.S. marketers an annual $42 billion. (Armstrong et al. 2020, 479) The number may seem high, however, when the costs of running one direct mail marketing campaign are totaled, the billions spent annually begin to make sense. The obvious cost is actually mailing the ads; other costs include photography, layout design, logo design, and artwork. These costs are just for the design of the advertisement, businesses must also factor in the costs of paper, printing, and obtaining mailing lists. (Safko, 2020) The costs to produce is high, and the number of new customers these ads bring in varies, but with $42 billion solely invested in direct mail marketing, this form of traditional marketing will not become obsolete any time soon.

The same can be said about television advertisements. Though costly, marketers continue to invest in these ads and show no signs of stopping. The cost of running a television ad is based on the time of day a company would like that ad to run. The fewer viewers during that time, the cheaper it will be to run the ad. This is why big

companies like McDonald's can afford to run their ads throughout all television networks during "prime" hours. However, this makes it more difficult for smaller companies to reach their target audiences. (Safko, 2012) Moreover, reaching any audiences through television ads becomes especially difficult when most people use these commercial breaks as just that: breaks. This then drives companies to spend even more money to create an ad that they hope can hold the viewers' attention. (Scott, 2020)

But, while consumers are bombarded daily by advertisements, they have also become desensitized to them. The direct mail marketing advertisements are labeled "junk mail" and tossed in the trash; people use the advertisements on television as a time to go get snacks before their show continues; thousands of cars will drive by a billboard and immediately forget the name of the company that was advertised. (Sakfo, 2012) An advertisement loses its purpose if the consumers choose to ignore it.

2.2.2. Digital Marketing

While it is true that in the early days of marketing, direct forms of mass advertising were encouraged, nowadays, companies seem to have other things in mind. The goal of marketing and advertising has shifted from reaching as many people as possible in hopes of gaining their patronage, to establishing a connection with an audience and building that relationship. The creation of the Internet created a space for companies to do just that. However, digital marketing can be just as passive as traditional marketing strategies because reaching the masses has also become easier and more cost effective. Those ads that were sent via direct mail marketing can now be emailed, the television ads people didn't stop to watch can play while a consumer scrolls through a website; and while these consumers can still choose to ignore them, marketers are saving money by choosing these digital methods over traditional marketing methods. (Lodish, Morgan, Archambeau, & Babin, 2015)

Digital marketing refers to any form of marketing done online. As stated, this can be included in things like emails, websites, and mobile apps. With 52% of the global population now online, there are more than 4 billion consumers for digital marketers

to target. (Armstrong et al. 2020) Marketing in the digital age did not change all that much to marketing via traditional forms. Websites and advertisement campaigns were similar to the ones seen printed in newspapers, magazines, and billboards. Digital marketing in its early stages continued to rely on hopes of "interrupting" consumers and creating campaigns that would hold their attention. (Scott, 2020) Moreover, marketers continued to appeal to the masses and worked to have their products seen by as many consumers as they could. This again was held over communicating with their target audience and maintaining a relationship with them.

Though digital marketing has been around for over 20 years in some form or other, until recently it was still only a one-way street for marketers to "push" their products. (Safko, 2012) There was no sense of community and no communication between consumers and businesses. Enter social media.

3. SOCIAL MEDIA

Over the past decade, a shift in marketing has occurred. The rest of this thesis focuses on that shift towards social media marketing. But, what is social media? For some, it may be easy to pull out their phone and give an example but for others, providing an accurate definition may be more complicated than that, because just as quickly as social media evolves, so does its definition. Alan Charlesworth, a Senior Lecturer in marketing, describes social media as "any web presence where users can add their own content but do not have control over the site in the same way as they would their own website. (Charlesworth, 2015) Using Charlesworth's definition as a basis, it can be reasoned that social media refers to a website or smart phone app that allows users to create content and share that content with other users. This content can then be spread and shared with like-minded individuals. The following chapter will discuss popular social media platforms and how companies are using them to their advantage.

3.1. How Companies Use Social Media to Market

The creation of social media ushered in new opportunities for companies to reach their consumers. Even within the social media platforms, various forms of marketing exist. Throughout all these forms of marketing, however, one thing remains the same: the need for engagement. Whereas marketing before social media placed more importance on impressions, meaning the amount of people who see the advertisement, now the need for engagement took precedence. "…with social media, you want to "engage" your audience through promotions, contests, content, articles, video, etc. Whatever it takes to get people talking to you and with you and talking to other people" (Kelsey and Lyon, 2017) Marketing is now focused on two-way communication instead of the one way "push" referred to in the previous chapter, and social media networks are the perfect platforms for businesses to generate the kind of engagement it takes to get consumers talking. (Safko, 2012)

Word of mouth is significant in social media marketing; what better way to reach new audiences than to have current audiences praise a company's products. To do so organically, a campaign must reach a significant amount of people; this can be done

when a campaign goes viral. In 1990 "Steve Jurvetson defined 'viral marketing' as 'network-enhanced word-of-mouth'." (Charlesworth 2015, 138) This simplified definition of *viral* aids in understanding just how vital it is to engage an audience and encourage them to share campaigns, using "network-enhanced word-of-mouth" to the companies' advantage. The idea that certain demographics share likes and dislikes could certainly work in favor of these companies marketing on social media when their content is shared. However, just as easily as a strong social media presence can gain a company thousands of admirers, it can also attract thousands of critics.

Psychologist Jeanne Croteau details how difficult it can be to change people's opinions after they are formed. Once a social media user has made up their mind, they are free to share their opinions and experiences with the rest of the world, which in turn can influence the way other users view their own experiences. (Coteau, 2019) As stated, this can be beneficial for businesses if the response is positive, but this "mob mentality" on social media can end up having negative impacts for them as well. When users or consumers have a negative experience, they are often more quick to write a bad review or comment than when they have a pleasant experience. Social media amplifies this by allowing a response from the business. This is especially important when replying to a negative comment. Silence can be deafening for upset users. Responding and offering aid demonstrates to the users that the business cares, furthering the connection between them. "When you reply to user messages in real time, not only do you keep the customer up to date, but you also show the world through your public feed that you're engaged." (Scott 2020) As previously stated, engagement is a two-way street. Thus, it is imperative that businesses create social media accounts that are interactive and give consumers the satisfaction of quick responses. Even when facing backlash, responsive businesses can maintain good relationships with their target audiences so long as they address the matters at hand rather than staying silent and hoping the issues go away on their own.

When done correctly, marketing on social media platforms can be profitable for many businesses. Through market research, these businesses can determine which social media marketing strategies work for them. In the following subsections, the thesis

will detail a few major marketing strategies companies currently employ in hopes of engaging their audience and inciting viral campaigns.

3.1.1. Company accounts and posts

When beginning social media marketing, a business' first step is obvious: create an account. For most businesses, all social media accounts will be monitored and run by a social media manager in order to have a cohesive account with consistent content. How do businesses decide what content to post? This leads back to market research and target audiences. A business can curate, create, or collaborate for fresh new content to stay relevant in an environment of constant change. Curating content can be a foundation to build upon, this includes finding collecting relevant material to inspire the businesses' own content. Creating original content is ideal when it comes to social media marketing. Businesses can gather information about their target audiences and use that to create content that can garner their interest. This can be done by asking the audience directly, giving them even more of an interactive experience. Collaboration refers to working with others in order to generate content; this can be other businesses or consumers themselves. (Kelsey, 2017) The goal of all of these things is to tell a story through the content that makes consumers want to invest in the business by at least following the account or at best, purchasing their products. As an example, Starbucks is one of the leaders in social media marketing. They have over 30 accounts spread throughout five various social media platforms, and in one of their first social media promotions they had one million people show up to their stores to claim a free pastry. This resulted in profit because the offer was contingent on customers purchasing a drink. (Armstrong et al. 2020) Though content is important, it is also important for businesses to understand where to place the content in order for their target audiences to see it and engage with it. (Lodish et al, 2015)

3.1.2. Promotional Pricing

"…discount codes, sales and limited offers can be great ways of attracting attention and generating new business." (Nahai, 2017, 37) Promotional pricing refers to

temporarily reducing the prices of products in order to build excitement around a purchase. Often, businesses will set a time limit on the promotions to create a sense of urgency, buyers will then feel "lucky" to have gotten these products at what they feel is a great price. However, used too often, this can create customers who will only purchase products during a sale, because they know eventually the business will have one. A great example of this is American brand Bed Bath & Beyond. The high amounts of coupon redemptions have recently affected the business' profit margins. (Armstrong, 2020, 310-311) Besides having limited time offers, promotional pricing campaigns can have *calls to action.* This means they entice consumers to do something in order to "earn" the discount or promotion. A call to action should detail the action the consumer should take and why they should do it (what they receive in return.) (Lodish, 2015) In 2009, fast food brand Burger King launched a promotional campaign for their "Angry Whopper" burger. The campaign required Facebook users to delete 10 of their friends in order to redeem a free burger. (Charlesworth, 2015, 58)

3.1.3. Facebook and Targeted ads

With an estimated 2 billion active monthly users, Facebook offers some of the biggest opportunities for real-time marketing ads. Real-time marketing works by monitoring the current trending topics and events going on around the world. Though Facebook began as a website for friends to connect with each other, by 2015 it became the second biggest advertising publisher. (Lodish, 2015) With users providing all their information to sign up, Facebook has collected that user profile data in order to carefully target groups, making it easy for businesses to display their ads to their target audiences. (Armstrong et al. 2019, 51) Facebook's "do it yourself" ad program uses a unique algorithm to help marketers find their target audience by narrowing demographics for them. Before the ads can be displayed, businesses must first bid against each other for impressions and ad clicks on the social network. The buyers are then updated in real-time about how their ads are doing and what adjustments can be made in order to maximize the ad's reach and ensure the businesses meet the promotional goals they had originally set. (Scott, 2020)

3.1.4.   Instagram and Influencer Marketing

In 2012, Facebook acquired Instagram for $1 billion. At the time, Instagram was two years old and was not generating any revenue. However, a year after the acquisition, Instagram integrated paid advertising on the app. The popular photo-sharing social media app is now valued at an estimated $100 billion, with $7 billion in ad revenue being projected in 2019. The app accomplished this by blending advertisements into users' feeds. Any consumer could scroll through their Instagram feed and based on their information, have an ad placed between posts of people they chose to follow. Businesses on Instagram can again decide who their target audience will be based on algorithms the app generates, just like parent company, Facebook. They have the option to post images, seamlessly blending into a user's feed instead of interrupting them, or businesses can post video ads, which automatically play as a user scrolls. These paid advertisements can attract new consumers to the business' own Instagram account and users can then click the follow button to see more of the company's posts on their feeds. This is when businesses can benefit from original content they post, or they can choose to use their "stories" feature. (Armstrong et al. 2019, 472-473) Unlike sponsored posts that appear on feeds, these company stories aren't paid advertisements. Instagram Stories is a slideshow-like feature on Instagram in which the account posting the story can weave together photos and videos while adding text, music, stickers, and other decorative items. These stories stay up for 24 hours and businesses can use this as an opportunity to show their followers what items they have promotions on or to add to any main feed content they may have posted.

As of 2019, 14,000 users on the Instagram referred to themselves as influencers in their biographies. But what is an influencer? Aaron Levin makes a distinction between the Merriam-Webster's definition, "one who exerts influence: a person who inspires or guides the actions of others," (Merriam-Webster Dictionary) and how marketers and consumers view the definition. Levin states, "It's unlikely that a specific individual would exert a generic influence on your decisions." Rather, it is more likely that certain individuals can influence certain parts of another individual's life. (Levin, 2020)   For example, a makeup artist that goes by the username

Vocallyshook has 188 thousand followers on her Instagram account. These 188 thousand users can most likely be influenced to purchase a makeup product *Vocallyshook* recommends to them. This is an opportunity that makeup brands can take advantage of. If their target audience overlaps with the audience of this influencer, that would make 188 thousand potential consumers for their products.

These social media influencers prove Everett Roger's *Diffusion of Innovation* theory. The theory details the natural network an innovation goes through in order to spread through a population or in this case, a targeted audience. Influencers would be considered "innovators" and "early adopters" the first to try a product and recommend it down through their peer networks. (Levin, 2020) In order for influencers to take advantage of Rogers' theory, they again must consider the two-way communication with their followers. "Information about an innovation is often sought from peers, especially information about their subjective evaluations of the innovation. This information exchange about a new idea occurs through a convergence process involving interpersonal networks." (Rogers, 2003) These interpersonal networks are effective in influencing consumers to try new products.

4. TIKTOK

The following chapter will give some background information about TikTok: how the app started, how it came to be popular, how companies use the app to market their brands, and finally, the general demographics TikTok pulls in. TikTok itself has little information on their company available to the public, with their "about" section on their website simply stating their mission: "TikTok is the leading destination for short-form mobile video. Our mission is to inspire creativity and bring joy." (TikTok, 2021) They go on to list their global office locations.

Chinese company, ByteDance, originally released the mobile video-sharing app as Douyin in 2016. In 2017, Douyin acquired another video-sharing app, Musical.ly, and changed the name to TikTok. TikTok gives users the options to create up to 60-second videos set to either their own audio, audio from another TikTok video, or popular music clips. (Wadhwa, Amla, & Salkever, 2020)

4.1. The App's Rise in Popularity

In the nearly 3 years since its release, TikTok has amassed a record 689 million active monthly users, securing its spot as the most downloaded app in 2020. (Iqbal, 2020) The app currently employs an AI algorithm that determines which videos to show an individual based on their demographics, other videos they clicked "like" on or commented on, and videos they have watched all the way through. This algorithm offers each user a unique "for you" page that caters to the individual. (Wadhwa et al, 2020) Not only does TikTok, but it also encourages all users to engage with each other as well as with creators.

TikTok gives users freedom to choose what kind of content they would like to see or create. "Challenges" to certain audios encourages users to create their own videos. A dance could be made to a new song and thousands of users will flock to recreate the dance, which will then become a trend. Similarly, users can create a prompt video, "show me…" which other users can then add their own video to. Videos can be

funny, scary, or sad; they can be about fashion, gaming, or cooking. Anything a user has an interest in can be found on TikTok so long as it follows the app's guidelines.

4.2. How Companies Currently Use TikTok for Marketing

As with Instagram, TikTok is influencer centered, focusing on the content creators themselves. Users can follow any creator they feel holds their interest. So what does this mean for marketers? TikTok opens up a new avenue for businesses to collaborate with influencers that reach the brand's target audience. In collaboration, an influencer typically makes content related to the business or that promotes a specific product in exchange for compensation. If the influencer has a more modest following, companies can occasionally come to an agreement with the influencer and compensate them with free products. However, experienced influencers will typically expect monetary compensation on top of the free products. Normally, the bigger following an influencer has, the higher their rates are for collaborations. To encourage users to become customers, businesses can give an influencer their own promotional discount code to offer to their followers. Using this strategy, businesses can track which sales are coming from which influencer based on the code customers used to claim their discount. (Levin, 2020)

4.3. TikTok's Target Audience/Demographics

With 689 million active monthly users, TikTok has attracted users from all over the globe, giving different types of businesses opportunities to collaborate with influencers in 155 countries. (Oberlo, 2020) In the U.S. alone, TikTok has 100 million active monthly users, with 62% of those users being between the ages of 10 and 29. Europe brings in another 100 million, 58.5% of them being over the age of 18. Moreover, TikTok seems to have more male usage globally, with 53% of users being male and 47% being female. (Iqbal, 2020)

5. RESEARCH METHODOLOGY

There are two main forms of research methodology: quantitative and qualitative research. The author of this thesis has previously written the following short essay explaining both of these methodologies:

Quantitative research is a straightforward approach that aims to provide an answer to a specific question. In other words, its purpose is to validate or create a hypothesis based on unbiased facts. Quantitative research places emphasis questions like "How many…" in order to produce hard facts to make the results as concise as possible, without room for other interpretations. The results of quantitative research are always measurable and likely numerical in nature. Because of its clear conclusions, quantitative research is the most common approach to collecting data among marketing researchers.

In order to produce a hypothesis (because X, then Z) quantitative research focuses on various survey methods: personal interviews, telephone interviews, and mail interviews. The questioning for all survey methods is structured, meaning a formal questionnaire is devised and is read in a specific order during the survey. The purpose is disclosed to the participant, a question is asked, several possible responses are given, and the participant is asked to select the response that best suits them. From these surveys, a conclusion can be drawn as long as the responses are reliable and valid.

Qualitative research includes flexible methods that focus on the feelings of the respondents and their views. Because of the subjective nature of this research, the researcher becomes part of the process, sharing their own interpretation of the answers given by the respondents. As the name suggests, qualitative research takes into consideration the quality of the research. The research methods do not place importance on the "sample size" or quantity of the responses; rather, this research aims to provide an understanding of the experiences the respondents underwent.

Qualitative research emphasizes questions like "What…" and "Why…" in order for the researcher to form a theory. During their research, the researcher can either take the direct approach by choosing to disclose the intention and reasons behind the project, or they can take the indirect approach in which the respondents may not even be made aware that they are taking part in a research project. This is up to the researcher, as knowing/not knowing may affect the responses from the participants.

Both the direct and indirect approaches have various tactics to acquire the information needed. For example, the direct approach involves interview processes. Group interviews involve 6-12 participants; a moderator steers the discussion topics while group members are able to express their own thoughts. Depth interviews are conducted as a way to interview a single person in a more detailed manner. The interviewer should aim to have the respondent reveal their feelings about the topic and have follow-up questions in order to clarify the respondent's beliefs.

On the other end of the spectrum, indirect approaches to qualitative research include projective and observation techniques. Projective techniques aim to unveil the participant's own beliefs by having them interpret the actions and performance of others, thereby projecting their own feelings. Examples include association techniques, wherein a stimulus is presented and the participant responds with the first thing that comes to their mind; completion techniques, in which the participant completes an incomplete stimulus; and picture response techniques, in which the participant is shown a picture and they respond with a story to describe the picture. Alternately, observation techniques aim to observe consumers in their daily lives, the researcher can sit and observe the behavior of those around them without the people knowing they are participants in a research project. (Biddix, Renn, & Roper, 2018)

The following study will be conducted using the quantitative research method in the form of a questionnaire. The results will be measured numerically in order to determine a conclusion.

5.1. Implementation

The aim of the study is to discover whether TikTok marketers are successfully reaching their target audiences. This is achieved when users are swayed to purchase products by a TikTok influencer that they follow. Furthermore, a marketing campaign or tactic has succeeded if a user has purchased a product from the business using a promotional code given to them by an influencer.

A questionnaire was posted in order to discover if social media marketing through TikTok is successful. The questionnaire is made with Microsoft forms using a mix of multiple choice, yes or no, and open-ended questions. The questionnaire is comprised of 16 questions, divided into four sections. The first section determines the demographics of the user, and their TikTok habits. The second section briefly asks the user about their disposable income, in order to determine whether they have the ability to make purchases based on a TikTok video. The third section of the questionnaire will determine whether a company has successfully marketed their products to the user through an influencer. Finally, the fourth section contains open-ended questions to further understand the user and their interpersonal connections with influencers on TikTok. A link to the questionnaire was shared publically on another social media platform, Instagram, with the intention of obtaining responses from users with varying age, gender, and location. The questions are in English in order to be more easily understood universally.

5.2. Reliability and Validity

Both validity and reliability are important when it comes to a research study. Reliability refers to "A determination of how consistently a measure assesses an outcome. A measure is reliable when it is consistent." (Biddix et al, 2018) Typically with surveys, a bigger pool of answers aids the reliability. Though the questions stay the same, more participants can add to a more accurate result. The survey is presented within the age groups that TikTok attracts. Moreover, the participants answer the questionnaire without the researcher present and with anonymity, removing any influence to answer a question in any specific way. The study is being conducted

through a third party site and the answers cannot be manipulated, adding to the reliability of the study.

The validity of a study is "The degree to which a measure accurately assesses an outcome. A measure is valid when it is accurate." (Biddix et al, 2018) This study was created in order to determine whether marketers on TikTok have been successful. In this case, "successful" correlated to sales produced from users watching a video from an influencer advertising a product or brand. The questions in the questionnaire answer this and therefore, the study is valid for the purposed of this thesis.

5.3. Limitations

As COVID-19 continues to spread, some unique limitations for this thesis were presented. Due to lockdowns and restrictions, no libraries were open, making it difficult to obtain reliable published sources. The research was limited to *online* sources and books, some provided by VAMK's library portals.

COVID-19 also limited access to people, but as the questionnaire was online, this did not pose a problem. The study was limited to the researcher's peers, however this may be an advantage because they fall into the correct age categories that make up TikTok's targeted audience. Data has been collected from users with a wide geographical scope, meaning in various countries.

The focus of this thesis is social media marketing on TikTok, therefore the focus was limited to TikTok users and influencers. Whether promotional codes are used was the example set to determine the "successful" marketing of a product because the businesses would be able to verify which influencer the sales came from. This excluded users who made videos about a product without being sponsored by the company. However, in another question, participants were asked if they had purchased a product after watching a video on TikTok (in general, without a promotional code.)

6. RESEARCH AND ANALYSIS

The following sections will go over the questionnaire and give a detailed description of the results and what how they relate to the thesis. The questionnaire link was posted on the social media platform Instagram and users were encouraged to participate if they had a TikTok account. Originally, the questionnaire was to be left for a week to draw in participants. However, over the course of 24 hours, 240 people had seen the post and 42 people had participated in the questionnaire. The link was then reposted for an additional 24 hours; 236 people saw it and an additional 17 participants answered the questionnaire, bringing the total to 59. After the third day of posting the link, 241 people had seen the third post and no new participants completed the questionnaire. This means 182 users saw the link and did not participate. Because the questionnaire was conducted online anonymously, the participants could not be further questioned about why or why not they chose to participate in the survey.

The results below are presented in the same order as that of the questionnaire. The questions were broken down into four sections. The first section was to obtain some background information about the user's demographics and their TikTok use. The second section details the user's income situation and what they are likely to spend their money on. The third section demonstrates the success a social media marketing campaign may have had with the participants. The final section contains three open-ended questions that are used to further understand the participants and their relationship with TikTok influencers.

6.1. Basic Background information about the users


Do you Identify as...
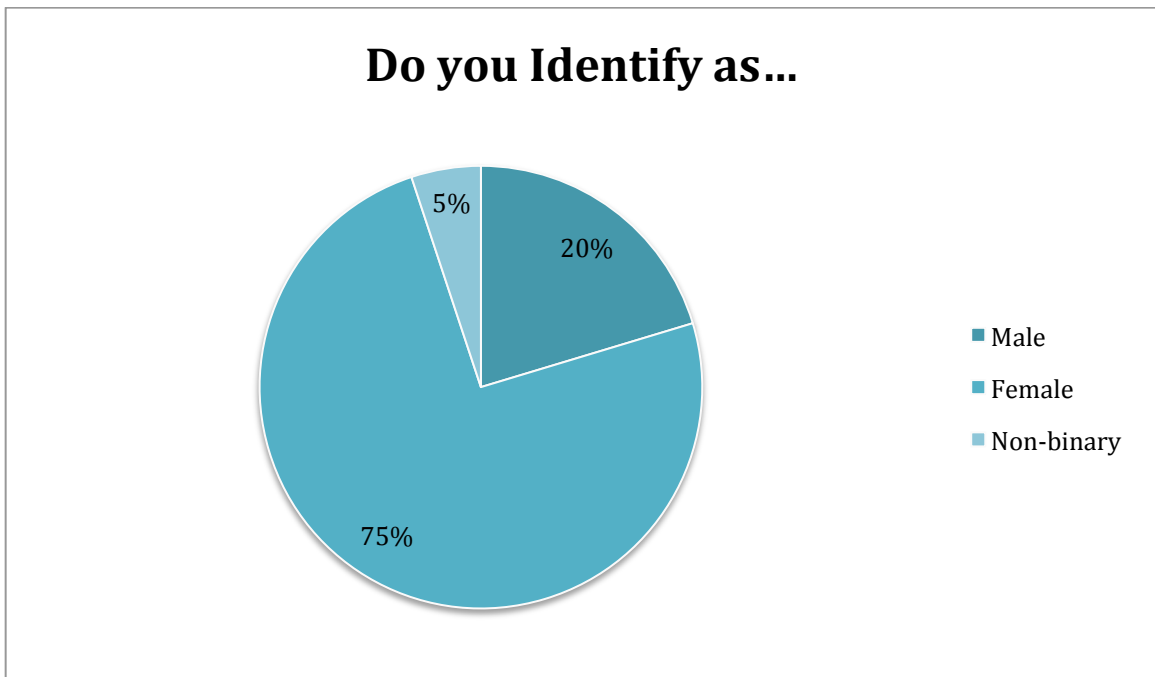
Figure 3 Gender participants identified themselves as

The questionnaire opens by asking the participants about their gender. In chapter 4, TikTok's gender demographic was discussed and in was stated that the majority of users were male. In contrast, the majority of questionnaire participants were female. The source's investigation did not include a category for non-binary users. Out of the 58 participants, 12 were male, 44 were female, and only 3 participants were non-binary. In this instance, more female social media users could be persuaded into taking the survey. This could potentially mean that females are more impressionable when it comes to social media marketing, or this could just mean the majority of the people that saw the link to the questionnaire were females.

How old are you?

9%

25%

66%

Legend:
- 13-17
- 18-22
- 23-27
- 28+
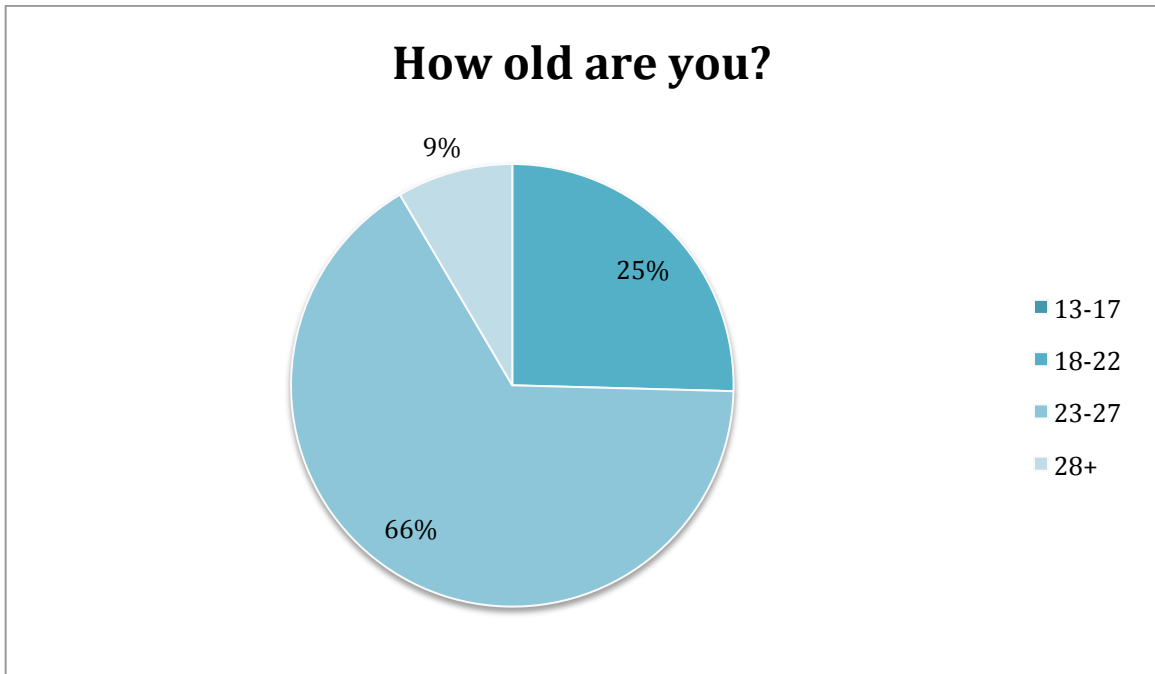
Figure 4 Ages of questionnaire participants

The next question has to do with the participants' age. Though chapter 4 stated the majority of TikTok users are aged 10-29, TikTok's guidelines require the user to be at least 13 years old to create an account. That is why the minimum age in the questionnaire was 13. However, as shown in figure 4, no one under the age of 18 interacted with the questionnaire. This can again be attributed to the fact that most of the participants are the researcher's peers. 15 participants were between the ages of 18-22; 39 participants were between the ages of 23-27; and 5 participants were over the age of 27. This sample suggests that young adults between the ages of 23-27 make up the majority of TikTok users, however, for this to be proven, users younger than 18 should be surveyed as well.
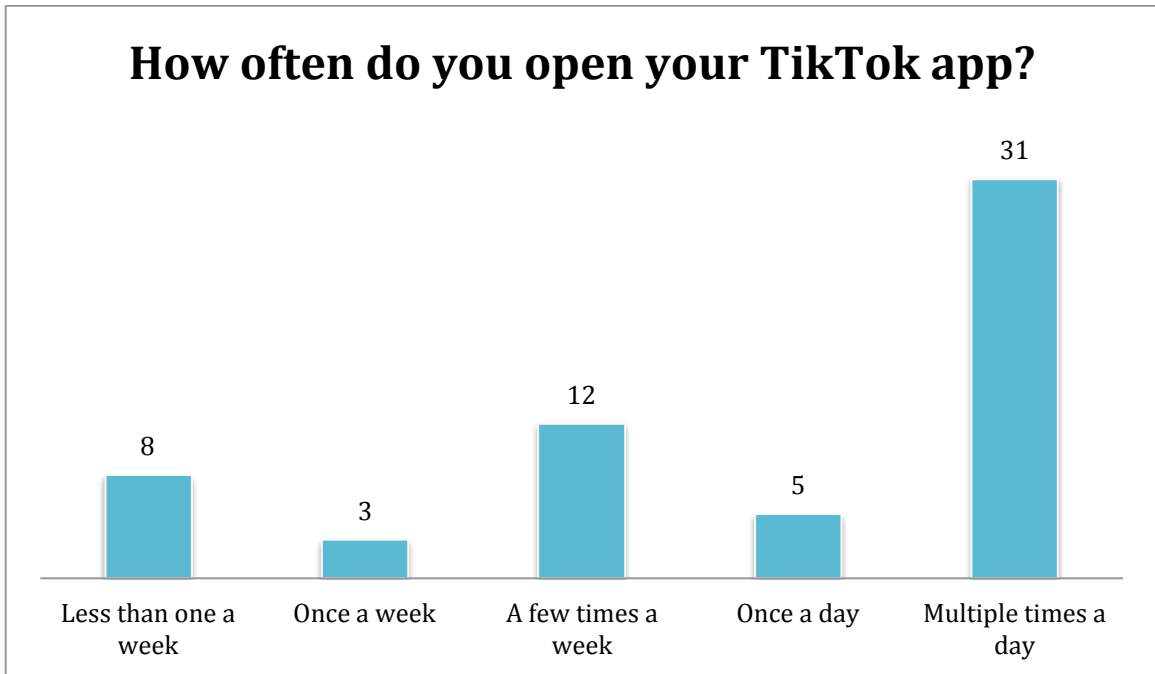
Figure 5 Participants' TikTok usage

Participants were then asked how often they open their TikTok app. They had the option of selecting less than once a week, once a week, a few times a week, once a day, or multiple times a day. This question revealed that the majority of participants open TikTok multiple times a day. It can be reasoned that the 31 participants who open their app multiple times a day are more likely to be exposed to marketing videos than the eight participants who open their app less than once a week. Whether the participants are likely to purchase a product after seeing a promotional video will be explored later in the questionnaire.

On TikTok do you...

	43	
0		16
Make videos	Watch videos	Both
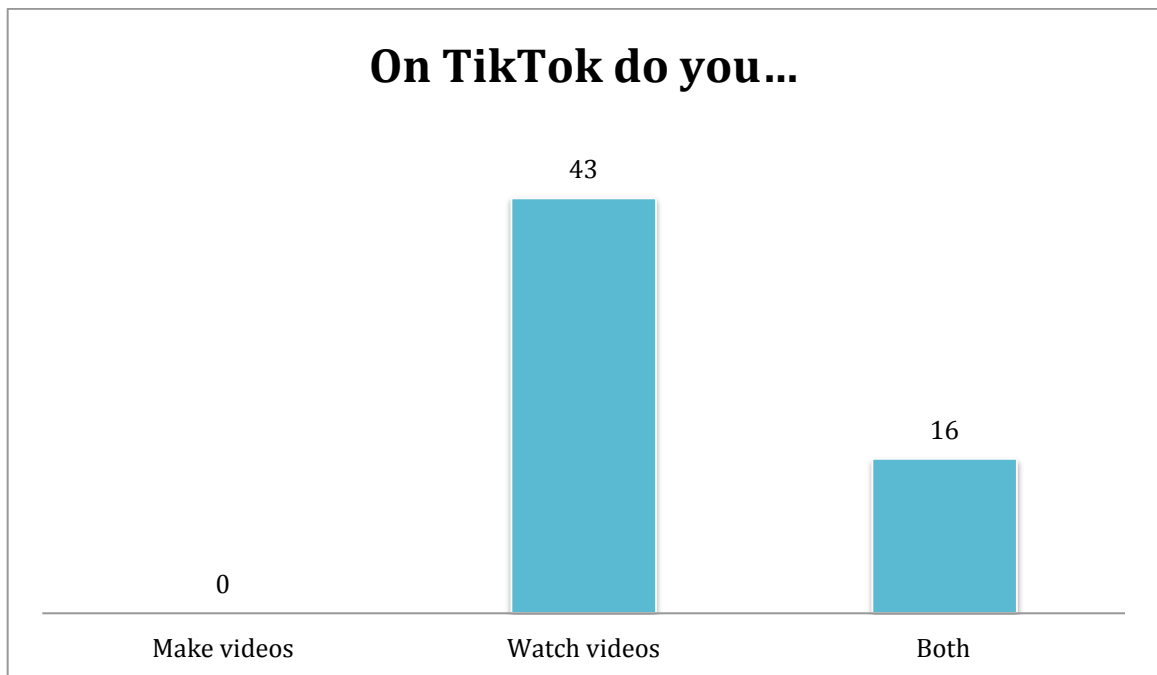
Figure 6 Type of TikTok user

The questionnaire goes on to ask whether the participant uses TikTok to create videos, watch them, or both. In figure 6, it is made clear that no participants claimed to use TikTok solely to make videos. Rather, the vast majority of participants exclusively have a TikTok account to watch videos. 16 of the participants claimed they both make videos and watch them. This question could have been phrased so there would only be two options; *on TikTok do you "mostly make videos" or "mostly watch videos."* This would have eliminated the need for a third choice and further urged participants to choose between the two. However, this information indicates that marketers have an opportunity to create marketing campaigns that encourage users to make their own videos in order to receive promotions. (A call to action)

**What TikTok videos are you most likely to watch?**
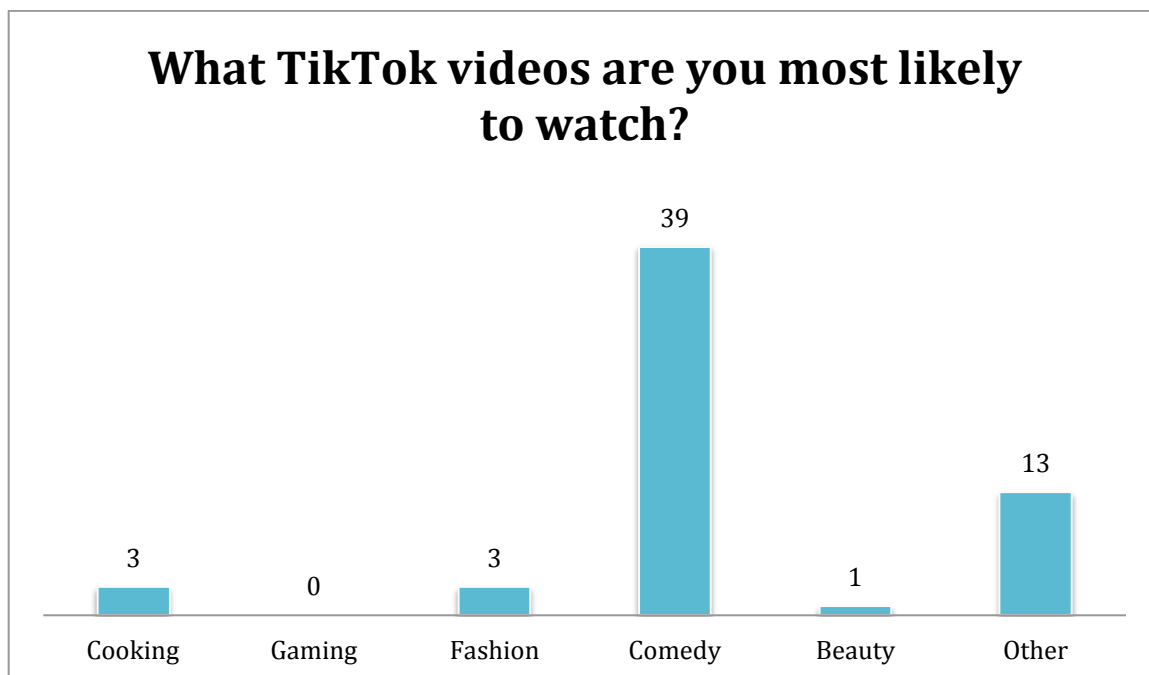
Figure 7 Video categories

Question five was designed to get a better understanding of the types of videos the participants watched. The options, as listed above, were cooking, gaming, fashion, beauty, and other. The overwhelming majority of participants claimed they enjoy comedy videos the most, with only three participants choosing cooking, three choosing fashion, and zero choosing gaming. Unexpectedly, 13 participants chose "other" as the type of video they are most likely to watch. Because there are so many niche categories of videos on TikTok, it is hard to say what these 13 participants meant. Categories like "paranormal," "true crime," and "animals" could have been added in order to further break down "other." Despite this, the amount of participants who chose comedy heavily outweigh the other categories, therefore this data is still relevant.

6.2. Information about the user's income

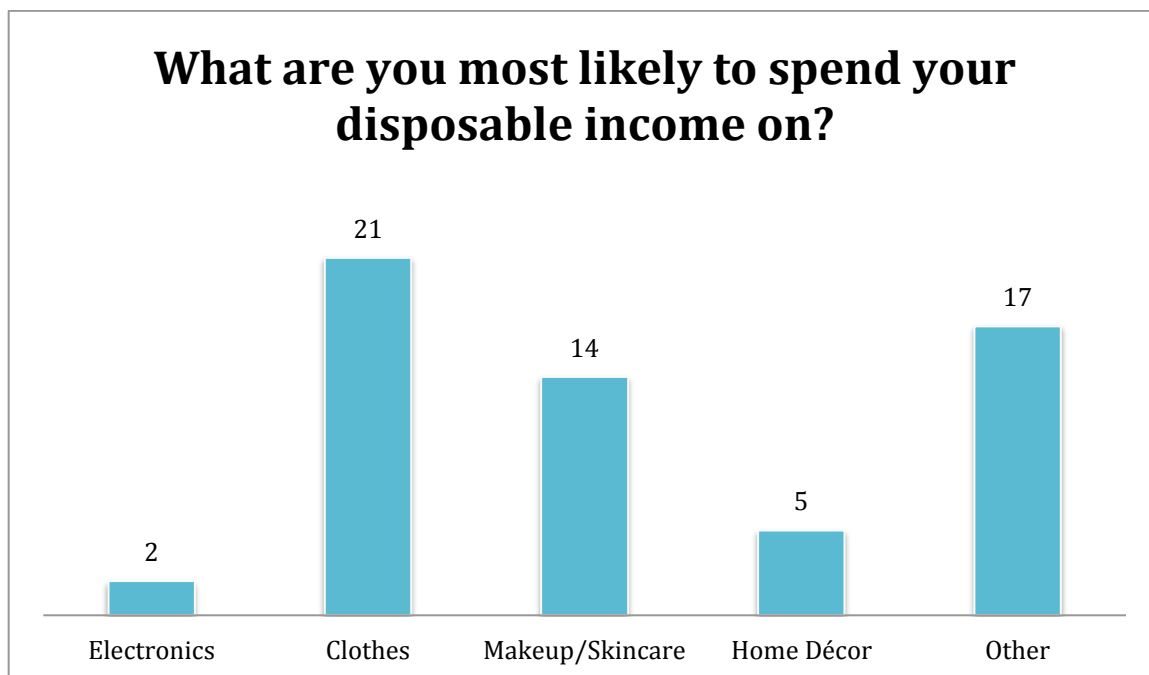**Do you have an income?**

10%

90%

- Yes
- No
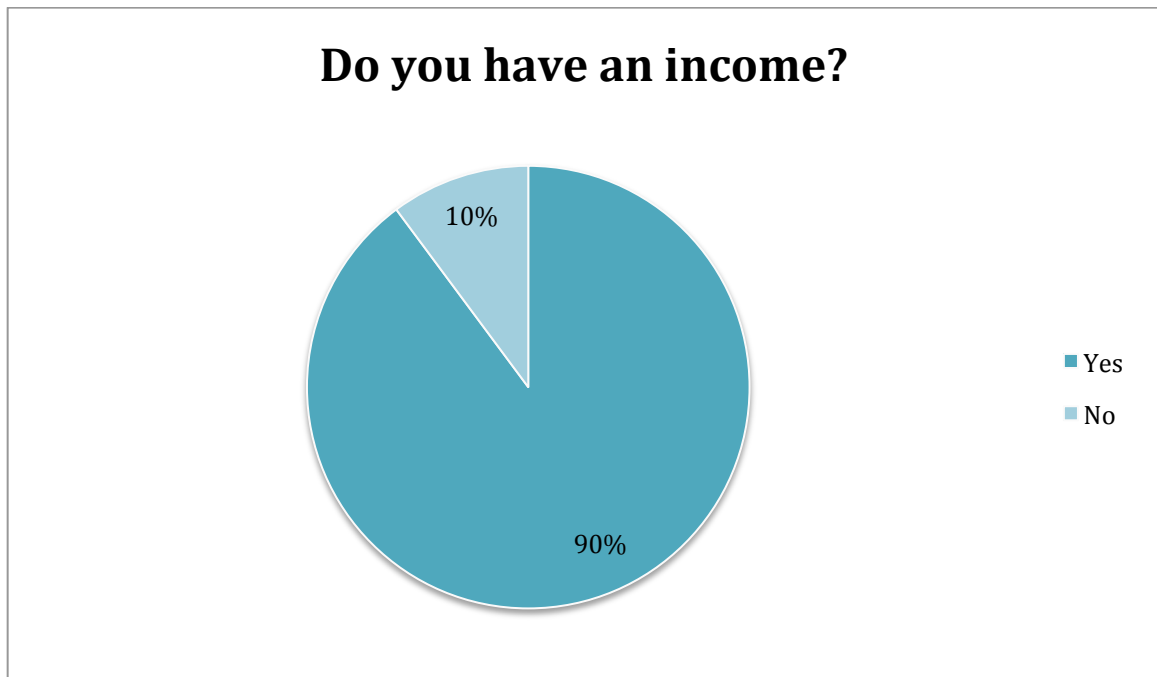
Figure 8 Participants' income

The next set of questions aims to understand the spending habits of the participants. Firstly, they are asked if they have an income. This is an important question as some participants may be students without current employment. They may be living with help from their families, which in turn may limit what they can or cannot purchase. Figure 8 shows that only 10% of participants did not have an income. That means that 90% of participants are currently employed or are receiving some sort of government income, despite COVID-19's effects on many jobs.
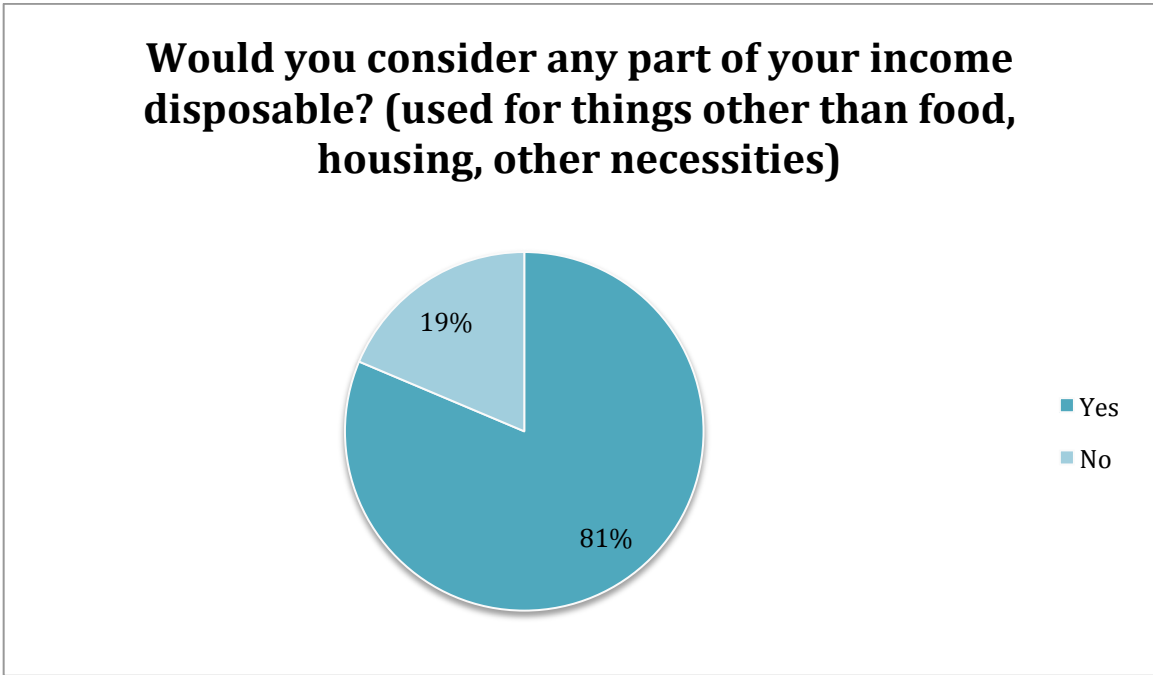
Figure 9 Participants' disposable income

Figure 9 shows participants' answers to whether they have disposable income. This is clarified as income used for things other than food, housing, and other necessities. This question is included in the survey in order to determine whether the participants could afford to spend any money of products that have been advertised to them. This could be one of the key questions in determining whether marketing on TikTok could benefit businesses. If a TikTok user has no disposable income, they may not be easily influenced to purchase a product that they deem unnecessary. The data collected, however, illustrates that 81% of the participants claimed they had disposable income. This could mean that out of the 53 participants that indicated they had an income, five participants decided that none of their income was disposable. Furthermore, this data infers that 48 participants have disposable income that could potentially be used to purchase products that were advertised to them on TikTok.

What are you most likely to spend your disposable income on?

Electronics: 2
Clothes: 21
Makeup/Skincare: 14
Home Décor: 5
Other: 17

**Figure 10** Purchase categories

Though the participants could consider some of their income disposable, a question was posed to understand what they are most likely to spend that income on. If the participants are not willing or likely to spend money on products that marketers or influencers are advertising, marketers may be wasting money on that marketing strategy. Figure 10 depicts what users are most likely to spend their disposable income on based on the options they are given: electronics, clothes, makeup/skincare, home décor, or other. Again, having the category "other" may have been a pitfall in this research study. Participants were not encouraged to clarify what "other" things they may be likely to purchase. For other questions in which there was a sizeable difference in participants' choices, this may not be an issue. However, in this instance the amount of participants choosing between "clothes" and "other" is small enough that it could have made a difference if the participants were allowed to elaborate on their answers. This data does show, nonetheless, that marketers have opportunities in the clothing/fashion sector when it comes to social media marketing.

6.3. Success of social media marketing via TikTok

Have you ever watched a TikTok video of a user promoting a product?

10%

90%

Yes
No
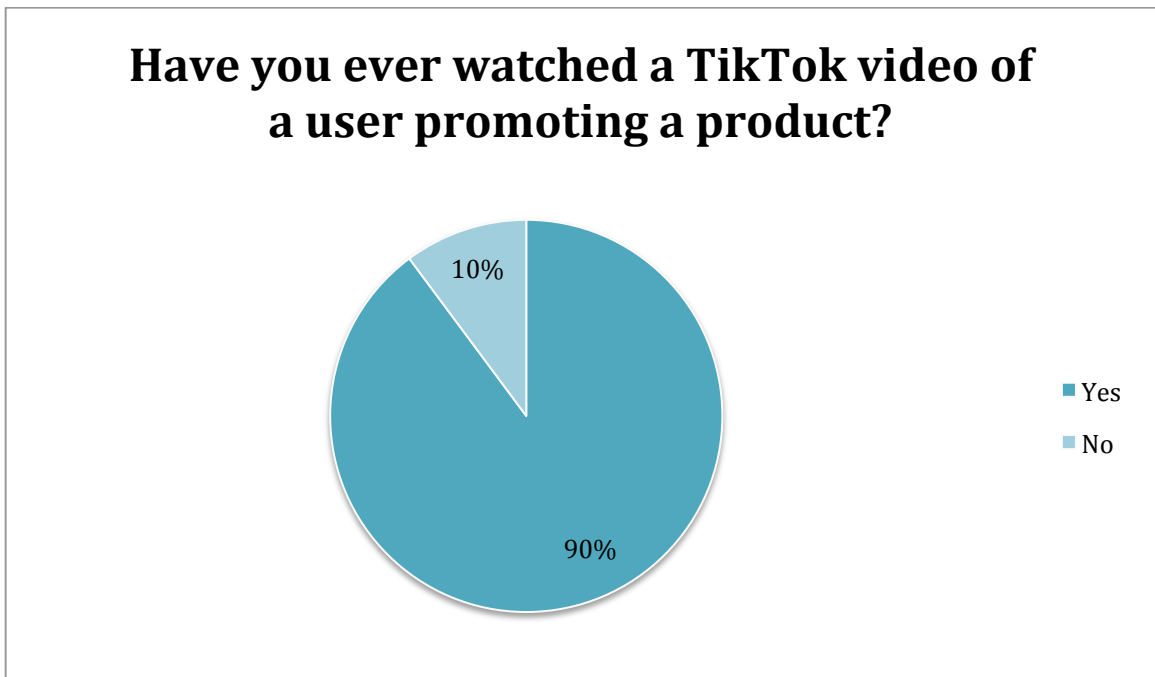
Figure 11 Promotional videos watched

The next set of questions was designed to answer the main question of this thesis: "do TikTok social media marketing campaigns successfully reach their target audiences?" Figure 11 indicates whether the participants had seen a video on TikTok promoting a product. Only 4 participants had not. Might this correlate with the 5 participants that open the app less than once a week? Unfortunately, due to the anonymity of the questionnaire, this correlation could not be confirmed. This data can confirm, however, that the majority of participants had watched a creator or "influencer" promote a product on their "for you" page. This indicates that marketers are, in fact, reaching their target audience through TikTok.
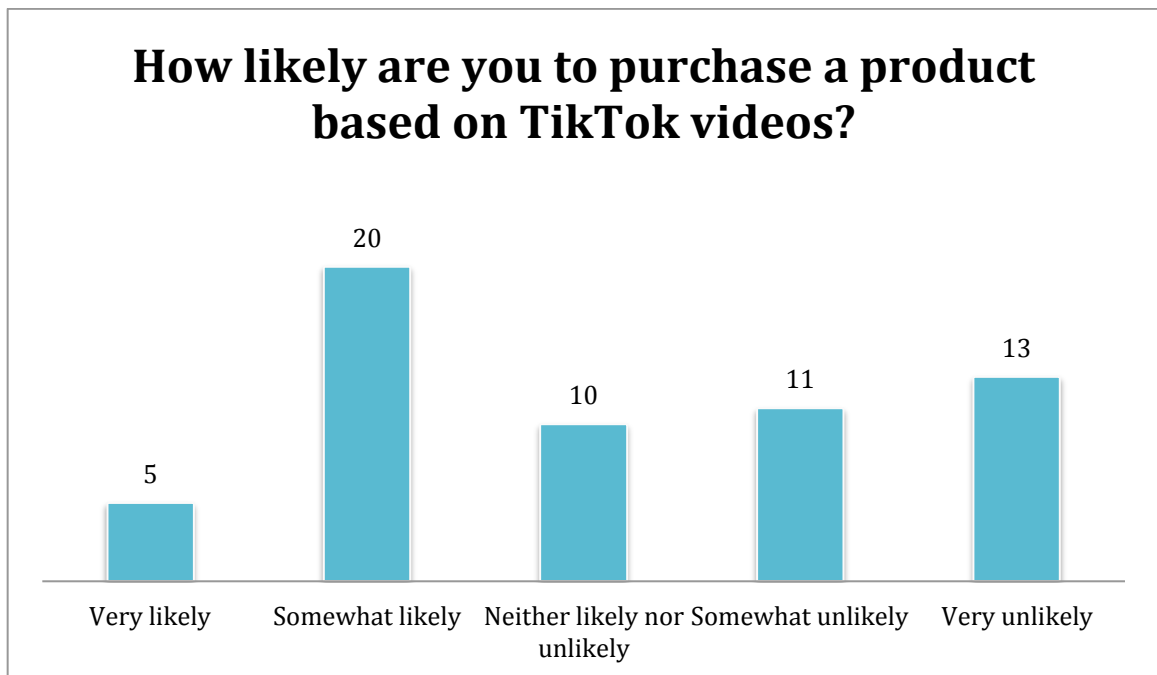
Figure 12 Likelihood of purchase

The next question participants were asked was about their likeliness to purchase a product based on videos they have seen on TikTok. These results varied, which can be expected when a participant answers a question based on their own opinion or feeling. Only five participants claimed they were very likely to purchase a product based on a TikTok video they had seen. Despite the varying responses, 20 participants (still the majority) said they were somewhat likely to purchase something based on a video they had seen. This data suggests that if these 20 participants have a perceived interpersonal relationship with an influencer promoting a product, they could be persuaded to purchase the product. Moreover, the 10 participants that stated they were neither likely nor unlikely to make a purchase based on a video could change their mind either way depending on the combinations the type of video, the influencer, and which product. Had the survey not been anonymous, those 13 participants who stated they are very unlikely to make a purchase could be questioned to understand what could be done to change their minds.

Have you purchased a product after seeing a TikTok video about it?

41%

59%

Yes

No
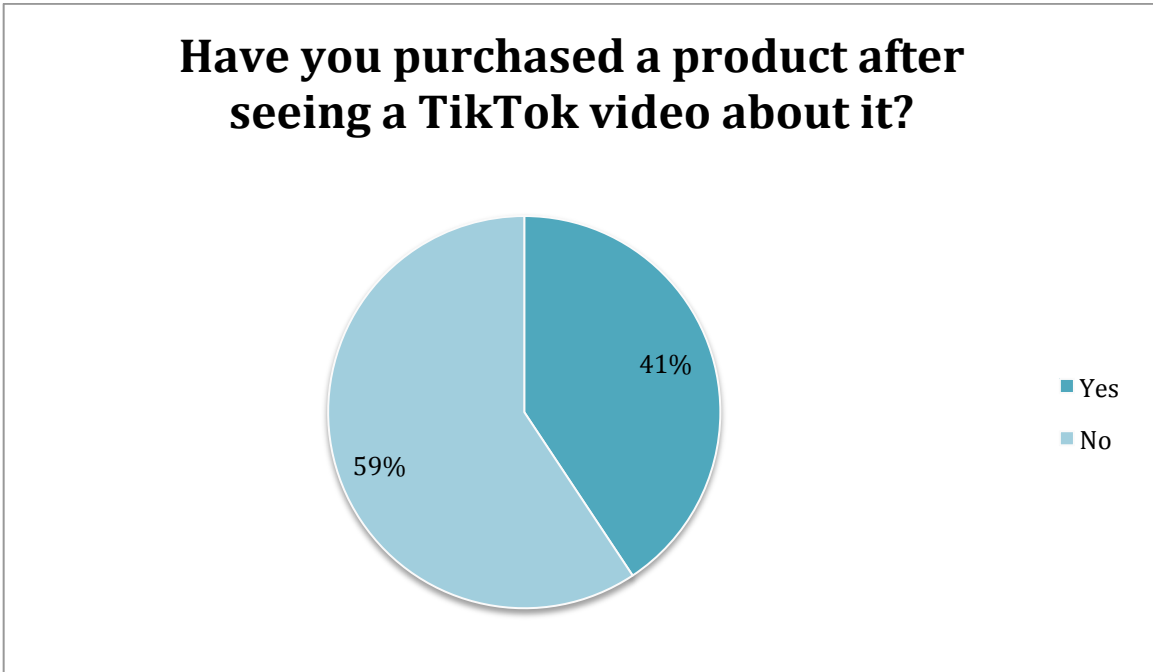
Figure 13 Actual purchases

Though some users may feel they are not likely to purchase a product, the next question verified whether they ever had purchased a product, regardless of their perceived likeliness to. Figure 13 clearly shows that despite the participants' opinions of their likelihood to purchase products promoted in videos, 41% admitted to have made a purchase. Even so, 59% of participants have not purchased advertised products. Nevertheless, the 24 participants who have gone through with a purchase because they saw a product promoted on TikTok aids in answering the main thesis question. Social media marketers are, in fact, reaching their targeted audiences via TikTok. The other 35 participants could be seen as potential consumers and businesses can adapt their marketing strategies in order to attract these outliers.

Have you used a promotional code from a TikTok influencer to purchase a product?

8%

92%

■ Yes

■ No
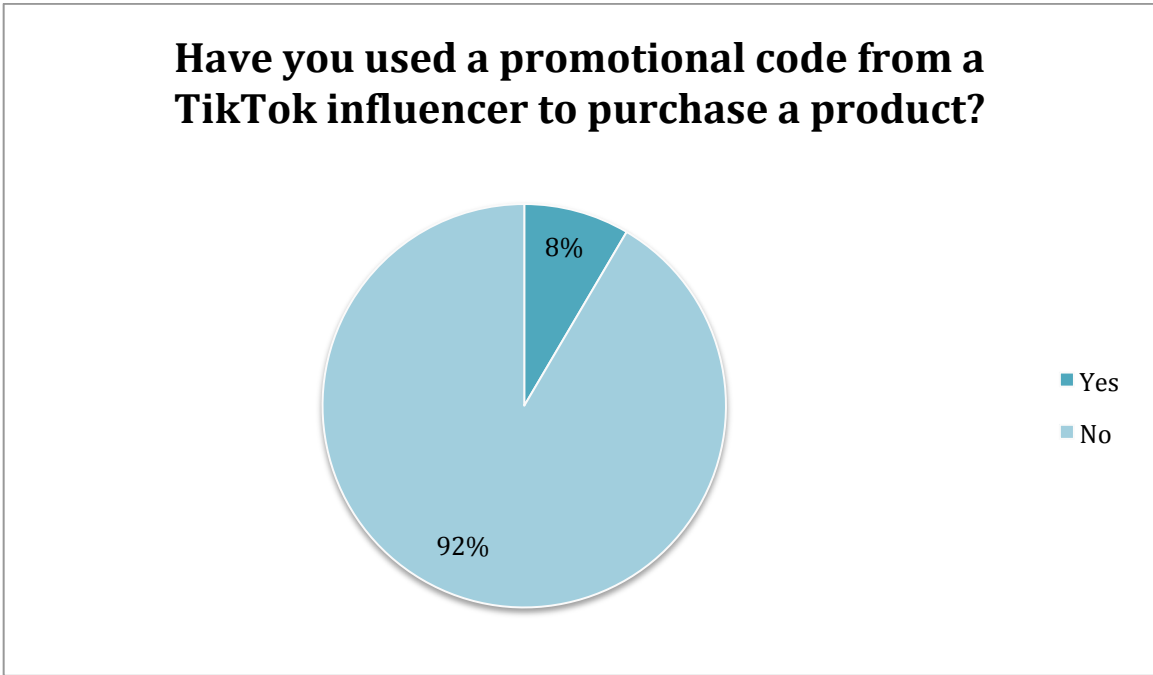
Figure 14 Promotional code usage

The last of the multiple choice questions was asked to determine whether the participant had ever used a promotional code given to them in a video by a TikTok influencer in order to purchase a product. As shown above, only 8% of participants have used these promotional codes. 92% of participants had not, even though the previous figure indicated that 41% of participants have purchased a product after seeing a TikTok video. This can either mean these 54 participants have seen these promotional codes and decided not to use them, or it could mean they have not come across any videos of influencers sharing promotional codes. Either way, this data determines that marketers have not successfully succeeded in using influencer promotional codes to their full advantage. This data could also imply that participants that have previously made purchases based on a TikTok video have done so organically, without the extra "push" that comes from a sponsored collaborative video between an influencer and a business.

6.4. Open-ended questions

The final section of the questionnaire consisted of open-ended questions that the participants could then answer in their own words. The first question was "*Why do you use TikTok?*" Though a previous question was asked about what the participants use TikTok for, this open-ended question was included in order to understand what made them want to download the app and make an account in the first place. Answers varied, however some participants did write similar explanations. 10 participants mentioned the current COVID-19 pandemic, stating they were "bored" during the lockdown/quarantine. Eight participants claimed they wanted to watch "funny" videos for "entertainment." The last statements that stood out were the nine participants who used the word "friends" in their explanations. They went on to explain that they saw their friends enjoying themselves on the app and they wanted to join in. This supports the claim that interpersonal relationships can influence individuals.

The second open-ended question participants answered was "*What does the word "influencer" mean to you?*" This question brought in a myriad of different responses, but just like the answers to the previous question, some key words were used repeatedly. The words "audience" and "following" were used most often, with 19 participants using them in some form or another. Most of these 19 participants came to the same conclusion: an influencer is someone with a large audience/following. Another 14 participants used words like "promotion" or "sponsor" in their response. Their conclusion was that an influencer is someone who gets paid to promote products to their followers. A few responses combine both these definitions. One participant wrote, "Someone who organically gained a following through creating good content, but now uses that following as their source of income through promoting things to them." Another participant wrote a simple description that aligns with the Aaron Levin's description quoted in chapter 3 of this thesis. This participant wrote, "A person that has a big impact on their fans' opinions."

The last of the open-ended questions was, *"Who is your favorite TikTok influencer?"* Out of the 59 responses, only one name was repeated: Brittany Broski. Even so, only four participants stated Brittany Broski was their favorite TikTok influencer, while 19 participants said they did not have a favorite. In chapter 4, it was mentioned that every TikTok user has a unique "for you" page. This means it is possible that these 19 participants don't follow any one influencer closely and simply scroll through the endless videos provided for them based on their "likes." As for the four who mentioned Brittany Broski, perhaps they saw multiple of her videos as they scrolled through their own "for you" pages and decided to click on her profile and follow her. Brittany Broski is a 23-year-old content creator and influencer that has amassed 6.1 million followers on her TikTok account. Her videos typically fall under the comedy category and her influence has landed her sponsored collaborations with TikTok itself.

7. CONCLUSION

Both the research study and theory mentioned in this thesis indicate that social media platform, TikTok, holds opportunities for businesses to grow through marketing. As the theory portion of this thesis repeated, marketing evolves as technology evolves; and as audiences develop, businesses must adapt their marketing strategies in order to grow along with their target audiences.

The theory in this thesis also indicates that as many marketing strategies have already demonstrated, a company's interaction with their consumers is vital to keep those consumers interested and engaged. The interpersonal relationships that influencers form with their followers can have significant impacts on the opinions of those followers. Using this information, businesses should consider adding collaborations with influencers to their marketing strategies. This can benefit the businesses by creating a bridge between them and their target audience, using the influencers' relationship with the audience to their advantage.

Scrolling through TikTok, users might come across videos of others boasting about products they love for certain things. These videos may be genuine videos that they have found organically based on their likes, or they could be sponsored promotional videos that businesses have collaborated on with certain influencers. The data collected found that social media marketers have reached 90% of participants through TikTok, and 81% of participants are earning a disposable income. However, only 41% of participants have made a purchase based on a video they had seen on TikTok, and only 8% of participants had ever used a promotional code given to them by an influencer video. This suggests that businesses have the opportunity to collaborate with more influencers on TikTok in order to generate more sales. Furthermore, this study's findings can imply that videos that seem genuine and organic may have more of an impact on potential consumers than an obvious paid sponsorship.

In summation, this thesis found that the relationship a business has with its consumers can be further built through social media. Collaborations with influencers can also

help build the business to consumer relationship by bridging the gap between them. As social media is constantly changing, businesses must keep up with those changes to stay relevant. Though their current presence on TikTok is indeed reaching their target audience, more encouragement is needed from the audience to "push" them to make a purchase. However, further research needs to be conducted in order to determine the specific areas of opportunity in such a vast market.

7.1. Suggestions for Further Research

After the study, I noticed I left out the location of participants; this would be important information to obtain in order for businesses to narrow their target audience further. Another important question that should have been added to the questionnaire was which products the participants have seen being advertised. This could have given a broader knowledge of current businesses and their success at being seen by their targeted audience.

As stated in the previous chapter, because the participants of the survey were anonymous, they could not be questioned further for clarification. This limits the study and prohibits certain answers from being weighed in a different manner. For example, if the participant had stated they open their TikTok app less than once a week, surely they have seen less videos than a participant who opens their app daily, which in turn means they have been exposed to less advertisements. The participants who have seen more products being advertised would have a better sense of which products seemed more enticing than others. Furthermore, those participants who chose "other" as an option for the types of videos they watched or the items they'd be likely to spend their disposable income on could have been asked to specify and clarify. In this way, marketers can get a better understanding of where there may be a gap in their marketing strategies.

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APPENDIX 1

1. Do you identify as…
o Male
o Female
o Non-binary

2. How old are you?
o 13-17
o 18-22
o 23-27
o 27+

3. How often do you open your TikTok app?
o Less than once a week
o Once a week
o A few times a week
o Once a day
o Multiple times a day

4. On TikTok do you…
o Make videos
o Watch videos
o Both

5. What TikTok videos are you most likely to watch?
o Cooking
o Gaming
o Fashion
o Comedy
o Beauty
o Other

6. Do you have an income?
o Yes
o No

7. Would you consider any part of your income disposable? (used for things other than food, housing, other necessities)
o Yes
o No

8. What are you most likely to spend your disposable income on?
o Electronics
o Clothes
o Makeup/skincare

o   Home décor
o   Other

9. Have you ever watched a TikTok video of a user promoting a product?
o   Yes
o   No

10. How likely are you to purchase a product based on TikTok videos?
o   Very likely
o   Somewhat likely
o   Neither likely or unlikely
o   Somewhat unlikely
o   Very unlikely

11. Have you purchased a product after seeing a TikTok video about it?
o   Yes
o   No

12. Have you used a promotional code from a TikTok influencer to purchase a product?
o   Yes
o   No

13. Why did you create a TikTok account?

14. What does the word "influencer" mean to you?

15. Who is your favorite TikTok influencer?