



An Analysis of Sales Volume through the Use of Shopee and Tiktok Shop

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ARTICLE INFO

Article history:

Received : 30 July 2024

Revised : 23 August 2024

Accepted : 24 August 2024

Available : 30 August 2024

E-ISSN 2963-4377

How to cite:

Putri et al. (2024). An Analysis Of Sales Volume Through The Use Of Shopee and TikTok Shop. *Journal Business Administration (JBA): Entrepreneurship and Creative Industry*, 3(2), 83-91.

ABSTRACT

The development of technology and telecommunications caused by globalization requires entrepreneurs to change their marketing strategies in order to keep up with the changes. The marketing strategy in question is digital marketing. Digital marketing techniques include many things, such as content marketing, social media marketing, email marketing, and search engine optimization (SEO). This research aims to determine the effect of Shopee and TikTok Shop on sales volume in a business. This research uses descriptive qualitative methods, the data collection techniques used are interviews, observation, and documentation, researchers want to analyze how the sales volume of Denisa Fashion Shop when utilizing digital marketing strategies with Shopee and TikTok Shop as the media. The results of this study indicate that the use of these two applications provides positive results because it can increase sales volume followed by increased business profits.

Keywords: Social Media, Digital Marketing, Sales Volume, E-Commerce

ABSTRAK

Perkembangan teknologi dan telekomunikasi yang disebabkan oleh globalisasi menuntut para pengusaha untuk mengubah strategi pemasarannya agar dapat mengikuti perubahan yang ada. Strategi pemasaran yang dimaksud adalah digital marketing. Teknik *digital marketing* meliputi banyak hal, seperti *content marketing*, *social media marketing*, *email marketing*, dan *search engine optimization* (SEO). Penelitian ini bertujuan untuk mengetahui pengaruh Shopee dan TikTok Shop terhadap volume penjualan di suatu bisnis. Penelitian ini menggunakan metode kualitatif deskriptif, teknik pengumpulan data yang digunakan yaitu wawancara, observasi, dan dokumentasi, peneliti ingin menganalisis bagaimana volume penjualan Toko Denisa Fashion ketika memanfaatkan strategi digital marketing dengan Shopee dan TikTok Shop sebagai medianya. Hasil penelitian ini menunjukkan bahwa penggunaan kedua aplikasi ini memberikan hasil yang positif karena dapat menambah volume penjualan yang diikuti dengan meningkatnya laba usaha.

Kata Kunci: Media Sosial, Digital Marketing, Volume Penjualan, E-Commerce



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<https://doi.org/10.32734/jba.v3i2.17760>

1. Introduction

Today, technology and telecommunications are progressing very rapidly. This progress is such a development of internet technology, which has become an essential tool in this modern era. The presence of internet has not only transformed communication but also has been revolutionized many people activities, especially for business people. These business people seem to be increasingly literate and starting to adapting to this technological advancement, and recognizing the benefits also potential that offered by the internet. One of the latest and impactful development in the world of digital marketing is the use of social media platforms. The trend of using social media among the public society brings considerable opportunities for business people. Social media, which was originally only used to upload personal posts is now also used as a powerful tool to do promotions, product marketing, reaching wider markets, and connecting sellers and buyers. The existence of Instagram, TikTok, Facebook, E-Commerce, and others have become important platforms for entrepreneurs, offering new strategy to expand and support their business activities online.

According to Chaffey and Smith (2018), there are many digital marketing techniques that we can do, namely content marketing, social media marketing, email marketing, and search engine optimization (SEO). Content marketing deals with creating high quality content to attract customer attention and trust. Social media marketing utilizes social media to create a good brand image and market products. Email marketing uses email to send promotional messages to potential customers. SEO involves optimizing a company's website to improve its ranking in Google search results. Digital marketing techniques can help companies get information about consumer preferences and behavior (Sterne, 2010).

TikTok is currently one of the most widely used social media that is most widely used by the public. This a great opportunity for businesses to business people to market their products through TikTok. According to a report from Katadata.co.id that We Are Social and Hootsuite reported that as of January 2023, users of this short video application globally reached 1.05 billion (Annur, 2023). Based on the country, the majority of use of TikTok in the world is in the United States with 113.25 million users. Then followed by Indonesia with 109.0 million users which makes Indonesia ranked second. So marketing through social media platforms social media platform Tiktok is very promising for business people in Indonesia.

Figure 1. The number of TikTok users in the world as of Oct. 2023



Source: KataData (2023)

Previously TikTok was just a social media that displayed short entertainment videos but TikTok innovated by having new features such as TikTok Shop (Sa'adah, Rosma, & Aulia, 2022). The presence of TikTok Shop is welcomed by business people, especially online businesses both small and medium scale because it is considered to have a positive impact and help MSMEs, especially to increase sales volume (Arnetta, 2022). In addition to TikTok Shop, there is another e-Commerce that is often used by people for online shopping, namely Shopee. Shopee is one of the largest marketplace-based e-commerce in Indonesia. Shopee offers an

integrated method with logistical support and has a safe and convenient payment method so that when shopping online it becomes easy and reliable, both for sellers and buyers.

Shopee was founded in 2015 and has become one of the largest online commerce in Indonesia. At the beginning of its appearance, Shopee was not well known by the public, so Shopee carried out various strategies, one of which was a marketing strategy on social media to build brand awareness to consumers. Shopee utilizes various social media platforms to support its marketing activities. Marketing with social media carried out by Shopee can save on marketing costs and can reach a wider range of consumers. The strategies that Shopee uses to build brand awareness on social media include: presenting advertisements based on trends, doing lots of promotions, holding giveaways, and using brand ambassadors.

2. Literature Review

Sales Volume

Sales volume is the company's final results from selling products produced by the company. According to Kotler (2000), sales volume is goods that are successfully sold in form of money and a certain period of time. Meanwhile, according to Asri (1991: 52) defines sales volume as the number of sales units that have been sold in a certain period of time. It can be concluded that sales volume is the final result of sales activity which is calculated in the form of units. Every business that is run must have a sales volume target that must be achieved. There are several factors that can affect sales volume, namely:

1. **Company Conditions:** To increase sales volume, companies must use marketing strategies that are effective, efficient, and can attract consumer attention. The company must have sufficient capital, qualified human resources, and policies that support it. These condition is crucial caused by adequate capital allows for greater investment in marketing strategy, while skilled human resources can aid in the development and implementation of these strategies. Supportive policies ensure that the company operates efficiently and effectively, reducing risk of failure and enhancing the ability to adapt market changes.
2. **Consumer Conditions:** Consumers are such a primary source of a company's income (financially). Consequently, the company must ensure that it has the right market targeted so that customers will buy their products, to increase sales volume. This involves analyzing to customers preferences and behavior, as well as developing marketing strategies to gain brand awareness and increase customer loyalty.
3. **Government Conditions:** Regulations made by the government are a major influence in increasing sales volume because the policy may benefit or harm the company, depends by its nature. For example, regulation that support international trade can help company to expand into global markets, while govern industries can ensure that businesses operate correctly. Therefore, company must understand the regulations to avoid legal risks and maintain consumer trust.

Sales volume calculation is not separated by cash or credit but calculated as a whole of the total that has been achieved. To measure whether or not the marketing strategy can be seen from the large the size of the sales volume in the next period. According to Swastha (2020), there are three indicators of sales volume sales volume, namely:

1. **Achieving sales volume targets:** Sales targets are usually measured based on how many units of products are successfully sold. Sales volume and sales targets will usually change every time according to the conditions of the company.
2. **Earn and increasing profits:** Increased profits are obtained from the company's real sales figures that exist in a certain period. Factors that influence these sales activities such as company capabilities, market conditions, and company capital.
3. **Growth of the company's growth:** This indicator is met if sales activities can implemented in accordance with plan because sales don't will always run smoothly so that this environmental situation is what affect the growth of the company.

Digital Marketing

According to Yaqub and Mustajab (2020), digital marketing is a way of promoting products and services using digital channels. Digital marketing is using various digital ways and means so that companies can connect with their customers who, on average spend their time in the world online. Digital marketing can be defined as the utilization of digital technology to achieve the goals of marketing itself. The development of the internet and digitalization can't be denied its presence in doing business. The concept of digital marketing is the increase in internet users, increase in social media applications, and the rapid development of technology.

Digital marketing is used by companies to market their products by communicating it to consumers by utilizing internet. With the help of digital marketing, businesses can reach their customers anywhere and in anytime.

The more advanced the digital environment makes business available to all members of society. It's even considered important for business people to be able to utilize digital media in order to grow the business. In its activities, digital marketing is assisted by web-based media such as blogs, websites, e-mail, AdWords, or social media in doing branding of products owned. By using digital marketing, businesses may create strong relationships with their customers, be more responsive to their wants and understandings, and be flexible and adaptable to changes in the external environment. The following are the main advantages of this kind of marketing that enable all of this:

1. High level of interactivity: this makes it possible to communicate interactively with customers, making you more sensitive to their needs and expectations when it comes to finding and obtaining information. Overcoming regional obstacles and restrictions on marketing efforts – digital marketing enables businesses to effectively connect with their clientele, offer goods and services, and instantly locate new business associates
2. Worldwide.
3. Increases customer convenience because they can purchase goods and services from home, get more and better information about them, and save time thanks to digital technologies.
4. Makes it easier to segment and target customers, which improves the effectiveness of marketing campaigns and the targeting of advertising messages. Companies need to be fully aware of both the benefits that come with using information and communication technologies in marketing, as well as any potential drawbacks before using them in real-world scenarios. This is necessary in order to develop effective marketing strategies

Companies need to be fully aware of both the benefits that come with using information and communication technologies in marketing, as well as any potential drawbacks before using them in real-world scenarios. This is necessary in order to develop effective marketing strategies. Digital marketing's primary drawbacks are:

1. One of the most significant drawbacks of digital marketing is that it exposes companies to competition as "open books." This is because rivals may rapidly and readily replicate digital marketing initiatives.
2. You must establish relationships with customers in digital marketing even if you do not physically meet them; this calls for specialized understanding of the psychology of online consumer behavior.
3. Negative feedback has the power to ruin a company's online reputation. Comments and information on goods and services, as well as trademarks, are visible and available to all Internet users, which can severely harm a company's reputation and drive away customers.
4. Not all products, services, or businesses are suited for digital marketing; some products and services have target audiences that cannot be reached or influenced by the instruments available through digital marketing.

Businesses must begin to realize the importance of involving technology and digital in their marketing activities. Transformation must be done considering that currently many businesses have switched from conventional marketing to digital marketing. This is also driven by the current conditions that are already in the era of Industry 4.0 and towards Society 5.0 so that companies that do not make adjustments to this are feared to fail because they are starting to be abandoned by their consumers. However, there are several things that companies must consider to support their digital marketing activities, namely having human resources who understand and are able to operate digital technology and good financial conditions so that they can buy technological devices to be able to perfect their digital marketing activities.

Shopee

Currently, e-commerce services are increasingly emerging followed with a large market share making many e-commerce service providers want to be the leading and most popular. Shopee is the marketplace that was first introduced by Garena, which has now changed its name to Sea Group. Shopee first arrived in Indonesia in 2015 and became an online selling site that is favored by the public. The products that offered by Shopee are also diverse ranging from beauty, men's clothing, women's clothing, cell phones and accessories, school equipment, household appliances, and so on.

In establishing Shopee, Sea Group carries the concept of a mobile marketplace concept of C2C (Costumers to Costumers). C2C is a model of model where consumers can sell their products to fellow consumers in a marketplace or online store. The concept of mobile marketplace concept makes Shopee into a marketplace that provides a means of buying and selling transactions with ease. Some interesting features that support the ease of shopping at Shopee such as Shopee Live which is useful so that sellers and buyers can interact live through

the comments and review products directly, Shopee Video which is useful to share content with fellow Shopee users through short video content, COD (Cash on Delivery) service feature that makes it easy for buyers to pay for goods when they arrive at the place, and so on. In addition to that, Shopee also presents vouchers, free shipping, cashback, and even large massive discounts during twin dates. Interesting features these are what ultimately makes Shopee users continue to grow and also benefits sellers who sell at Shopee because it will also increase product sales products.

TikTok Shop

The development of human lifestyle changes with the times followed by the development of technology and digital, especially social media. TikTok is an application that from China which was released in September 2016. TikTok managed to become one of the most favored by the public today. TikTok is an application that provides filter features, diverse music variety, interesting special effects, and unique special effects that support users to create innovative videos, creative, and good results. The good results of TikTok's short videos make users who have a business finally choose TikTok as a place to promote their merchandise. TikTok can be used as an effective promotional media effective promotional media.

To attract public interest use this application, TikTok finally added an innovative feature TikTok Shop which functions as a marketplace or a place to shop online. According to Sa'adah (2022), TikTok Shop is a business information system because in it conduct sales that utilizing electronic media and in which users can give, provide, and even store information related to buying and selling or business. Many interesting features offered by TikTok Shop such as live shopping, engagement rate, yellow basket, and others.

TikTok Shop provides services that are almost the same as e-commerce and other marketplaces. However, that differentiates TikTok Shop is this app can provide prices that are more compared to other e-commerce. In addition, TikTok Shop also provides attractive promos, considerable discounts, and discounts on shipping costs that are considered profitable for users. This is what ultimately encourages users to buy products provided by sellers in TikTok Shop. Many business people have started selling their products on TikTok Shop to increase sales. Businessmen must be able to utilize TikTok Shop as a platform to run digital marketing by creating content that attracts consumers so they can buy products offered and ultimately will increase sales figures.

3. Method

In this research used qualitative approach which is a form of research approach that is descriptive in nature and tends using analytical techniques. This research has a focal point on analysis of changes in sales volume with the existence of digital marketing, which in this case is the commercial application Shopee and TikTok Shop. Indicators related indicators starting from the number of application users who become consumers/buyers, then the difference in sales since the use of the application in question. Afterward, a conclusion was drawn sales volume with digital marketing on related subjects. In this case, the research subject is Denisa Fashion Store. The store Denisa Fashion is an UMKM engaged in the fashion industry and is located in Pasar Petisah Medan. This shop focuses on selling kebaya from traditional to modern. Denisa Fashion in this case has conducting online sales through the Shopee and TikTok Shop (promotion).

Data collection method is carried out by processing primary data sources primary data through the session answer/direct interview to the research subject. Data collection using observation techniques (online research) and interviews with research subjects directly. Interview in a qualitative approach is a research procedure that produces descriptive data in the form of written or oral from people and behaviors that can be observed (Moleong, 2012)

4. Result and Discussion

Sales Volume Analysis through Shopee and TikTok Shop as a Promotional Technique at Denisa Fashion Store

Denisa Fashion shop is a shop that sells clothes with a wide variety of products. Specifically, this shop sells brocade blouse tops, Bangkok and Korean cutie dresses, one-set motifs, woven shirt tops, wrapped sarongs, and so on by offering a variety of Indonesian motifs and various colors. Denisa Fashion shop is branding its business as a shop that sells wholesale and retail clothing for women and men Bangkok Guangzhong Jakarta. Denisa Fashion store sells its products with a price range between IDR 200,000 up to IDR 700,000. The market that expected from Denisa Fashion's products is dominated by teenage girls and mature women, but some products also marketed to men, both teenagers and adults. This product can be used

as a daily outfit or as an outfit for attending important events, traditional, religious events, and so on. Judging from the price offered, this shop also targets the sale of products to the economic level and above.

Denisa Fashion store is located at Pasar Petisah Tahap 2 Blok C, No. 10, Petisah Tengah, Kec. Medan Petisah, Medan City, North Sumatra 20112, Indonesia. This shop is open every day from 10:00 - 18:00 WIB. Denisa Fashion not only sells offline, they also utilize social media and e-commerce as a means of marketing and online sales. Denisa Fashion uses e-commerce Shopee to market and sell its products online with the shop name "TOKO DENISA FASHION". Toko Denisa Fashion has joined Shopee since 2020 with followers of 3770, and a rating of 4.7 (1.3 thousand ratings). This shop is a shop with the "Star" label, and sells 145 products in it. Based on reviews from customers, most of them gave it 5 stars.

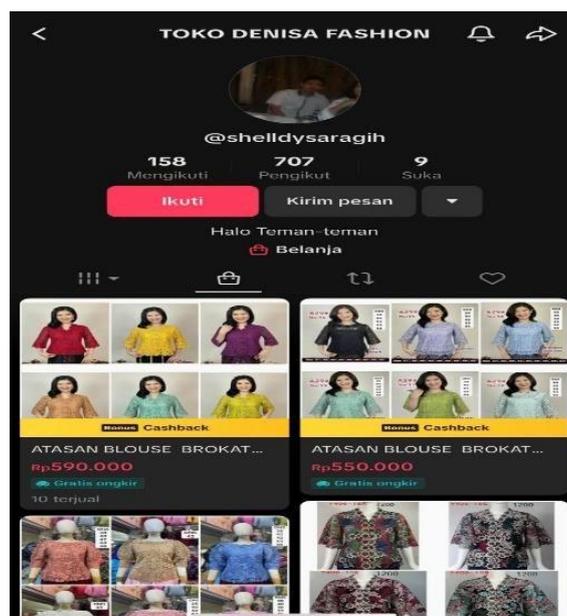
Figure 2. Shopee Account Denisa Fashion Store



Source: Shopee (2023)

In addition Shopee, Denisa Fashion Shop also uses TikTok Shop as a marketing and sales medium with the username @shelldysaragih and 707 followers. The products sold are the same as Shopee with prices starting from IDR 200,000. In the TikTok application, Denisa Fashion Shop is not very active in conducting promotions and does not take advantage of existing features, such as the live feature. This can be the cause of the number of sales on TikTok Shop not as much as the number of sales on Shopee.

Figure 3. TikTok Account Denisa Fashion Store



Source: TikTok (2023)

To assess the success or failure of a marketing strategy can be seen through an increase in sales volume. In the current era of technological globalization, many entrepreneurs choose digital marketing strategies to increase sales volume because they are considered more efficient and effective. Denisa Fashion shop utilizes Shopee and TikTok Shop to carry out its digital marketing strategy. These two applications are being used by many people so they are considered potential to be able to develop business. Denisa Fashion started utilizing e-commerce during the Covid-19 pandemic which limited interaction in 2021. Denisa Fashion Shop utilizes Shopee and Tiktok Shop as a medium for its digital marketing strategy quite well because it gets positive results and responses from its customers. This is evident from the number of their followers on Shopee and TikTok Shop and customers giving good reviews for the products sold.

Forms of digital that marketing form used by Denisa Fashion Shop using Shopee, namely this shop actively utilizes the Shopee Video feature where they upload videos about the details of the products sold, shop conditions, and so on and this shop also displays many of its products neatly in the available storefronts. In addition, at TikTok Shop, marketing is done only by displaying products in the storefront. Denisa Fashion Store has not explored the features available in e-commerce to help the digital marketing process, such as not using the live shopping feature. If Denisa Fashion Store is able to maximize the use of existing features in e-commerce, then this store can expand its market and increase sales volume.

Figure 4. Sales Volume of Denisa Fashion Shop



Source: Peneliti (2023)

Although Denisa Fashion Store has not utilized Shopee and TikTok Shop optimally as a digital marketing strategy, but this has a positive impact on increase in sales volume at this store store. As in Figure 2, before using the digital marketing strategy, the products that were successfully sold by this store every month was erratic but it can be estimated that direct sales in person only as many as 25 to 35 pcs of goods. Sales are still done offline and marketing is also done simply with the "from mouth to mouth" method, so at that time Denisa Fashion has not been able to attract many customers. There are several factors that affect it, one of which is the location of the shop which is less strategic because it is located at the back end of Pasar Petisah so that it is often not seen by visitors. It is these shortcomings that are evaluated by Denisa Fashion Store and get a solution by utilizing Shopee and TikTok Shop as a medium for digital marketing and online sales strategy. This solution provides positive results because of the increase in sales volume before and after use of e-commerce.

Ms. Denisa as the owner of Denisa Fashion Store owner, stated that the sales have increased since them using digital marketing strategy and online sales with Shopee and TikTok Shop as the medium. The number of online sales is indeed higher higher than the direct sales, but if both sales figures are combined, the sales volume is seen to increase dramatically. In 2021 as the beginning of use of Shopee and TikTok Shop as a digital marketing and online sales strategy, the sales figures itself has not seen a significant the difference is due to the Covid-19 pandemic which caused buying interest people's buying interest also decreased at that time. However, in the middle of 2022, sales volume began to show increase every month. From online sales, Denisa Fashion is able to sell up to 50 pcs of goods every month and if the online sales are combined with direct sales, then the sales volume reaches 70 pcs to 80 pcs of goods every month.

Denisa Fashion store has experienced an increase in sales volume over the past two years. This has also led to an increase in the store's operating profit. At the end of 2023, Denisa Fashion Store experienced an increase in profit of almost 10% from the previous year. Digital marketing strategies have a positive impact on business development especially in the era of globalization and technology that continues to develop. Toko Denisa Fashion is proof of a business that takes advantage of opportunities to innovate its marketing strategy into digital marketing so that its business can survive and even develop until now.

5. Conclusion

Digital marketing is one of the new marketing models that is being applied by many businesses because it is considered to keep up with the times and technology and is more effective and efficient. Denisa Fashion store also applies digital marketing by utilizing Shopee and TikTok Shop as its media. In terms of its application, this store is good enough because it is proven that digital marketing increases sales volume which is also followed by increased profits. However, Denisa Fashion Store still has to continue to innovate and improve the digital marketing strategies currently used, such as being able to increase interesting content, further explore the use of e-commerce and social media and can use its features to support its marketing activities. Denisa Fashion Store should focus on creating more engaging content, exploring more features on platforms and social media, and also using data analytics to tune its strategies. This store can continue to grow its brand and stay competitive in this era of fashion industry.

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