

Oracle and Microsoft eye TikTok for major acquisition

Article

The news: Microsoft, Oracle, and a group of US billionaires are eyeing a [TikTok](#) purchase.

- The deal is being negotiated by the White House, per [NPR](#), and would let **ByteDance** retain a minority stake in TikTok.
- Other potential buyers include **Elon Musk**, **Kevin O’Leary**, and **Frank McCourt**.

- **AI startup Perplexity** proposed a deal in which the **US government could own up to 50% of a merged entity between Perplexity and TikTok.**

Zooming out: Microsoft and Oracle both considered a TikTok acquisition in 2020, when pressure first mounted for **ByteDance** to divest.

- In 2021, Microsoft CEO **Satya Nadella** said ByteDance approached the company as a potential partner, noting that TikTok could fit in with Microsoft as a social, cloud-based product with AI features.
- Last week, **President Donald Trump** told Oracle CEO **Larry Ellison** at a **joint press conference** that **he was interested in Oracle purchasing TikTok and giving the US government half of it.** Ellison said it sounded like a good deal.

New caretakers: If Microsoft or Oracle takes over, the buyer would likely oversee **TikTok's algorithms**, data collection, and software updates. TikTok has run its data through Oracle servers since 2020, so infrastructure changes would be minimal.

If Perplexity's deal is chosen, it would need to rebuild TikTok's algorithm since that wouldn't be included in the purchase, The startup would pay about \$50 billion for the proposed merger, per **The Associated Press**, though TikTok's entire business could be worth up to \$200 billion.

Evolving UX: Both Oracle's and Microsoft's deep ties to enterprise clients could make TikTok more advertising-driven.

- **Brands may gain business-oriented tools for video content and insights.**
- The Big Tech companies may also implement stricter security, such as two-factor authentication and end-to-end encryption for personal information.

Key takeaway: If Microsoft and Oracle take control of TikTok, expect a bigger focus on enterprise solutions, data security, and offerings for brands.

Any new owners would also inherit TikTok's ongoing content moderation and data privacy concerns, including **multiple lawsuits in the US**, the EU, and the UK. Beyond regulatory hurdles, a buyer will need to rebuild trust with lawmakers and users regarding TikTok's algorithm and ad targeting.

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