

TikTok's Search Ads Toggle could lower CPA while increasing conversions

Article

The news: TikTok has introduced an advertising feature called the **Search Ads Toggle** that allows advertisers to place their ads within TikTok's Search results page. The feature is now

available broadly in the US, with testing underway in other regions.

- It targets high-intent users who are actively searching for content relevant to a specific product or brand.
- Advertisers can enhance brand safety by adding “negative keywords” to their ad groups, ensuring their ads only appear in search queries that align with their brand.
- TikTok's internal data shows that 70% of ad groups with the Search Ads Toggle “on” experience a lower cost per action (CPA) due to more efficient conversions from the search ad placement.
- TikTok reports brands like **Clinique** and **DIBS Beauty** have already seen success with the Search Ads Toggle: Clinique achieved a 441% boost in conversion rates, 51% rise in click-through rates, and 7.4% lift in ad recall, while DIBS garnered an 8% higher conversion volume, six-times jump in conversion rate, and 22% drop in CPA against nonsearch ads.

Why it matters: TikTok's first ad placement based on user searches should allow the app to make inroads into search marketers' budgets—and catch up to players like **Instagram** and **Pinterest**, who've had this feature for awhile.

- US search ad spending will amount to \$147.4 billion this year, [per our forecast](#). While any budgets spent on this offering would fall under our social network ad spending forecast, the fact remains that TikTok can now be a viable place for search marketers to consider placing some of their budgets.
- The new feature could ramp up competition against **Google**, in particular, which accounts for **\$57.49 billion** of that US search ad spending pie.
- While many Gen Zers eschew Google [in favor of Amazon](#) when it comes to their searches, 43% of Gen Zers start their online product searches on TikTok, [surpassing Google](#), according to a Q1 Jungle Scout report. TikTok is now getting more serious about monetizing that user journey.
- 52% of TikTok users use the platform to research and learn more about new products or brands, per internal data.

Our take: The Search Ads Toggle is a significant development for TikTok and its advertising ecosystem.

- It provides advertisers with a new way to reach potential customers who are actively searching for content pertaining to their business—with some limitations. As principal analyst [Debra Aho Williamson](#) notes, you can't buy TikTok search ads separately; they can only be purchased in conjunction with In-Feed ads.
- As TikTok continues to grow its performance marketing product suite, the Search Ads Toggle is an important feature that's undoubtedly going to be welcomed by many a marketer.

**Gen Z vs. non-Gen Z Internet Users Worldwide
Who Use Search vs. Social Platforms to Look for
Brand/Product Information, Q3 2022**

% of respondents in each group



Note: Gen Z born 1997-2006; non-Gen Z born 1963-1996
Source: GWI, "Gen Z Report," Feb 15, 2023

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