

How in-app shopping could change TikTok for marketers

Article

TikTok is testing a dedicated shopping tab on some brands' profiles, [per Bloomberg](#). It's not surprising news, given the app's strong track record of ecommerce [experiments](#)—and the fact that its Chinese counterpart Douyin has had in-app shopping features for years now. If the feature rolls out more widely, it would reshape the app in a few ways:

Social commerce could become a lot more central on TikTok than on Facebook and Instagram. Instagram Shops, for example, is just one of many monetization offerings on the platform—it's valuable but certainly not at the forefront of the Instagram experience. Meanwhile, shopping on Douyin is much more central to the app, which features several different shopping options and ecommerce mini-programs built into the platform. The value of goods sold on Douyin **tripled** between 2019 and 2020 with retail sales of 500 billion yuan, or \$72.44 billion USD.

- There are a few reasons TikTok is likely to follow Douyin over Facebook or Instagram. One, TikTok is a younger platform with fewer ad products than Facebook or Instagram—ecommerce could become its niche, rather than just one facet of a larger, more bloated app. Douyin has also paved the way with its \$72.44 billion GMV, proving that short-video social commerce can be a successful model. Finally, TikTok has already taken cues from Douyin in ecommerce-related areas, such as its **livestream shopping** feature, making it all the more likely it'll continue to expand in the space.

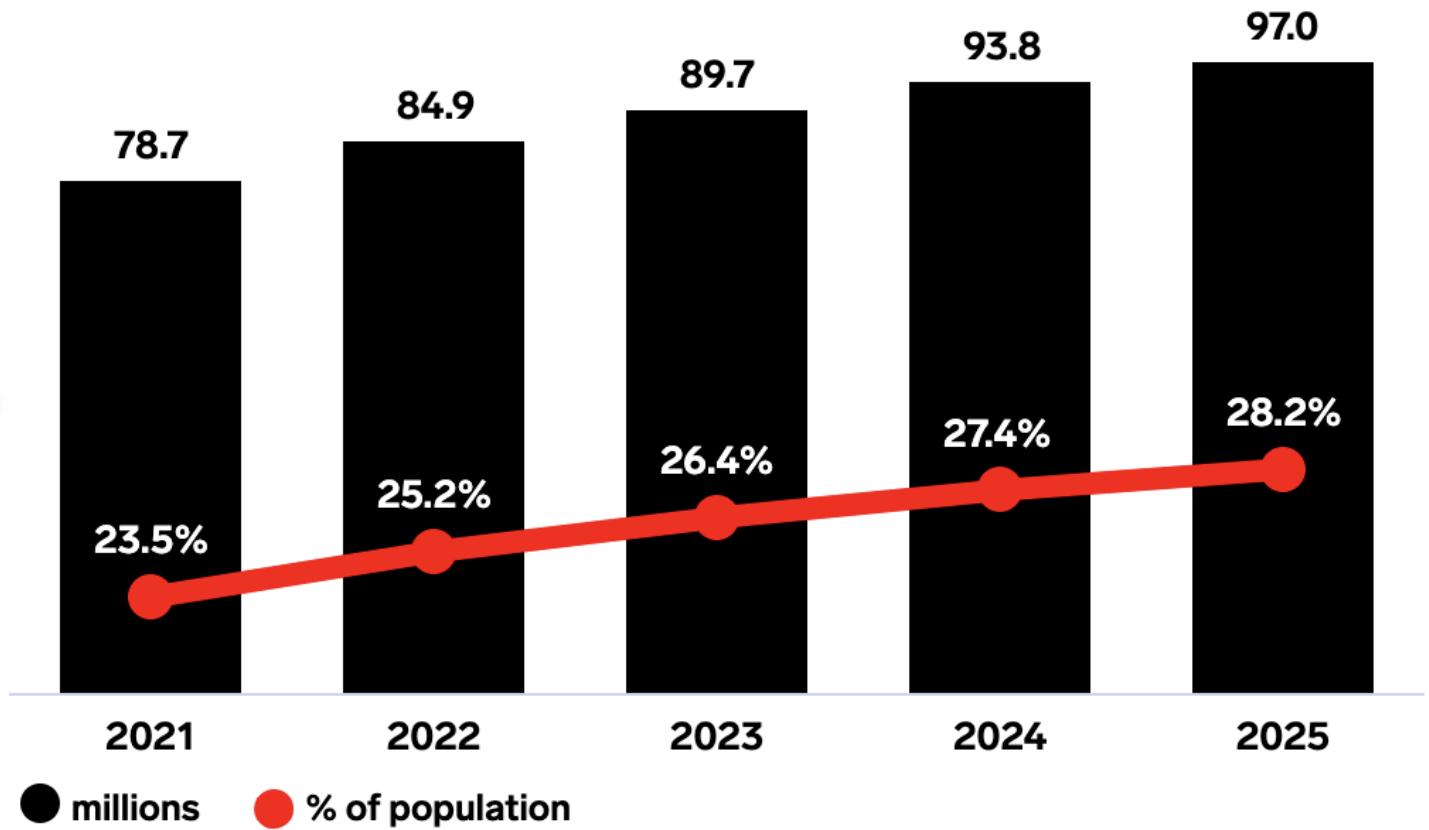
Performance marketers rejoice. TikTok has so far been mostly a brand-oriented platform—it's still in the **process** of building out some important performance features, like lead generation and conversion tracking.

- Integrating ecommerce into the platform would provide more opportunities to reach consumers lower in the funnel and help build out TikTok's direct-response functionalities, providing marketers with better access to data. That'll give the platform a lot more utility for performance-oriented brands, such as direct-to-consumer companies.

Experimental no more. While the app has been considered experimental for a while, that looks like it's on the precipice of a change. For one, it's still growing its users rapidly: This year, we **estimate** US TikTok users will grow 18.3% to 78.7 million, making up just under a quarter (23.5%) of the population. As marketers become more familiar with the short-video format, all TikTok needs to do now is build out its offerings for marketers—and in-app shopping is a huge step toward that. All of this will make TikTok less of a see-what-happens venture and more of a must-have platform for social media marketers in the years to come.

TikTok Users

US, 2021-2025



Source: eMarketer, April 2021 (see below for notes and methodologies).

eMarketer | InsiderIntelligence.com