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TikTok's playbook of short-form video and creator friendliness is going beyond social including at Amazon

Article









The news: Amazon is paying influencers to create content for **Inspire**, its new in-app video feed that hopes to take a page out of **TikTok**'s playbook by helping users discover products via the popular short-form video format, according to an Insider report.

Launched in December 2022, Inspire shows that Amazon is taking note of TikTok's exceptional growth, and is feeling pressure to update its stodgy storefront and try to increase the amount of time users spend on its platform.

Why discovery matters: The habit of buying products on Amazon makes its dominance hard to shake, but discovery is key to capturing Gen Z shoppers and users.

According to our September **US Social Commerce and Digital Trust Survey**, 45% of Gen Z users who made a purchase through social media said that "finding a product [they] like" was <u>the top factor</u> driving them to make a purchase. Respondents ranked recommendations from influencers far lower, at 22%, suggesting that users are going beyond "For You" feeds and also consuming content surfaced in searches.

Reasons US Gen Z Social Media Buyers Made Their Most Recent Social Media Purchase, June 2022 % of respondents
Found product(s) like
45%
Saw an ad for it
33%
Saw a deal, an offer, or a coupon
28%
The social platform made it easy to make the purchase
24%
Saw positive social media comments about the product 24%
An influencer or creator recommended it
22%
The product was listed at a lower price compared with other retailers
20%
My friends/family bought the same/similar item
18%
The company or brand name 16%
Didn't know if I would see it again in my feed/app
13%
Saw it in a livestreamed shopping video
5%
Other
2%
Note: n=193 ages 18-25; respondents selected up to 3 responses Source: Insider Intelligence, "US Social Commerce and Digital Trust Survey 2022," Sep 2022
278182 Insider Intelligence, 03 Social Commerce and Digital Mass Survey 2022, Sep 2022



 Still, influencers and recommendations are a core part of the short-form video format that Amazon is trying to replicate. Inspire isn't Amazon's first foray into influencer marketing, either. In 2022, it <u>stepped up investment</u> in **Amazon Live**, a <u>live stream platform</u> where influencers show off products QVC-style.

Time for a change: The Amazon shopping experience is, simply put, not good. Despite—or perhaps because of—its status as the second-largest search advertising giant in the world behind Google, Amazon's interface has remained unchanged for years.

- Its homepage is cluttered with recommendations, and search results take users to unwieldy pages full of products with endless, sprawling names that sandwich as many keywords as possible, making it difficult to parse what's actually a useful product and what isn't worth your time.
- Crucially, this setup—plus repeated allegations that Amazon <u>surfaces its own branded</u> products in search results over competitors'—also limits discovery. In other words, users don't come to Amazon looking for something to buy; they come to Amazon with a specific item already in mind for purchase.

Our take: Influencers are an important part of the recipe behind TikTok's success, but they alone can't fix Amazon's discoverability problems. But even if Inspire manages to replicate TikTok's formula perfectly, Amazon will still have a hard time capturing its share of time spent because of the nature of its platform.

- Despite the bevy of shopping features coming to TikTok, it is still a video and social media platform first that has to teach its users to make shopping as natural an action as swiping to the next video, not just something to do "while you're here." Likewise, Amazon has a long way to go if it wants users to come to Inspire without plans to make a purchase.
- Amazon may be taking a cue from TikTok's success, but the short-form video app is still a far cry from threatening Amazon's enormous empire, especially as it faces growing calls for an outright ban in the US.

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