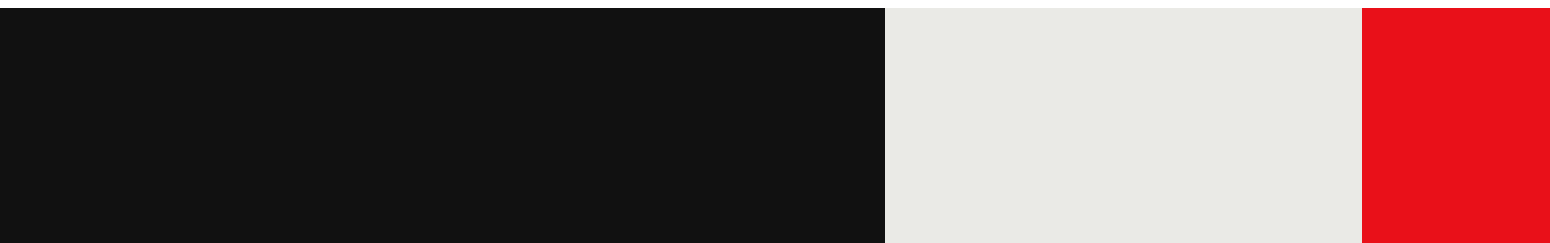



TikTok's new ad product splits revenues 50% with publishers

Article



TikTok is launching ad product Pulse Premiere, an extension of Pulse that allows publishers like Condé Nast, BuzzFeed, and NBC to **make money off of ads featured by all of their** own content, according to the Wall Street Journal. The new product is part of TikTok's efforts to make the platform more appealing to publishers, even as risks of a US ban loom.

The right time: TikTok's ad revenues will reach \$6.19 billion this year, according to our forecast. As publishers face layoffs and closures, even a fraction of those revenues could be vital. As names like **NPR and PBS move from Twitter**, TikTok wants them to see its platform not only as a safe option but also a monetizable one.

Why advertisers should care: Pulse Premiere would be a new way to advertise with TikTok by offering advertisers a spot alongside reputable sources. The new product is potentially more brand safe than standard TikTok ads, and opens up an entirely new audience of older, more traditional media consumers to both TikTok and advertisers.

Feeding TikTok's potential: The platform has played with unique feeds, **introducing a STEM feed** back in March. A publisher-specific feed could be next. Becoming a hub for reputable publishers could boost TikTok's less-than-stellar political reputation in the US.

Working with publishers who make TV content could also be a venture toward connected TV (CTV). **TikTok has eyed bringing short-form video** to TVs to compete with YouTube and grab a slice of a US CTV ad market that will reach \$25.09 billion this year, according to our forecast.

Why it might not work: TikTok isn't exactly a controversy-free platform.

- A **potential ban is still brewing** in Washington, so any investments publishers, advertisers, and brands make in the platform could be for nothing.
- The platform has faced allegations of censorship, including a "sensitive words" tool that limits conversations of topics like China, Trump, and the Uyghur ethnic group—all things publishers are likely posting about.
- TikTok's payouts for individual creators are exceptionally low—**like under \$5 low**—which may not look appealing to publishers. That said, Pulse Premiere would offer a 50% revenue split for publishers, according to The Wall Street Journal.
- There's nothing to stop individual creators from posting similar content on TikTok, meaning a publisher's video clip about a story may get fewer views than a creator's clip commenting on that story, eating into ad revenues.

This was originally featured in the eMarketer Daily newsletter. For more marketing insights, statistics, and trends, subscribe [here](#).