

TikTok debuts AR platform, Effect House, to rival Snapchat and Meta

Article

The news: TikTok officially rolled out its augmented reality (AR) development platform, **Effect House**, after a year of development.

- According to TikTok, since the introduction of its 1.0 version last year, effects crafted by the Effect House community have inspired over 21 billion videos, amassing 8.6 trillion global

views. Its Discord community has swelled to over 400,000 members.

How it works: Effect House allows creators to design AR elements, ranging from apparel to interactive games.

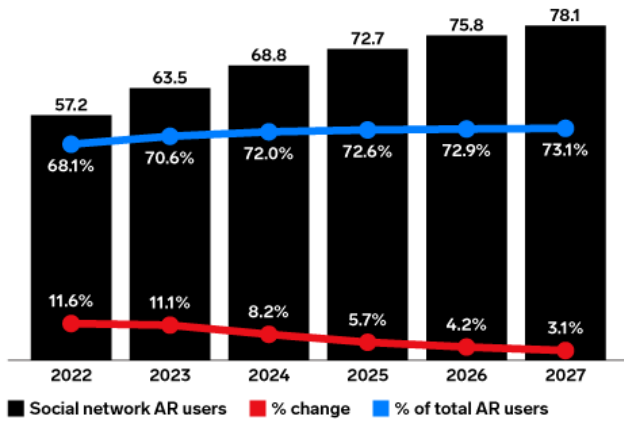
Why it matters: TikTok's foray further into the AR space pits it directly against competitors **Snap** and **Meta**, who have established AR creation studios of their own.

- While Snapchat has a significant foothold in the AR arena, TikTok's expanding tools and rewards programs, combined with its massive global audience and influential standing in entertainment, might sway creators toward Effect House.
- The platform also introduced the **Creator Bonus** and a \$6 million **Effect Creator Rewards** program, incentivizing creators by offering \$700 for every effect featured in 500,000 unique videos within 90 days, with an added \$140 for every subsequent 100,000 videos.

Our take: The expansion of TikTok's AR capabilities underscores the growing importance of immersive experiences in social media. By offering a robust toolkit, TikTok is not only bolstering its platform's offerings but also acknowledging creators' pivotal role in its ecosystem.

- The reward structure warrants a closer look: With a high threshold to meet, especially for new creators, the remuneration doesn't necessarily justify the effort a creator would have to invest to produce a popular effect.
- Remembering past grievances from creators about low payouts, TikTok must ensure its reward programs are both attractive and feasible. As AR continues to reshape the digital landscape, platforms like TikTok must continuously innovate while ensuring their creator communities feel valued and supported.

US Social Network AR Users, 2022-2027
 millions, % change, and % of total AR users



Note: Individuals of any age who experience AR content within a social network via any device at least once per month
 Source: eMarketer, March 2023