

Disney and TikTok strike a major advertising and content deal that hints at new ad formats

Article

The news: TikTok has inked a [substantial partnership](#) with Disney to create a “first-of-its-kind” hub for Disney content within the app. As part of Disney’s 100th anniversary, TikTok will

create a Disney page that will run for four weeks featuring content from 48 Disney media properties including **Pixar**, **ESPN**, and **Marvel**.

- Additionally, Disney has signed on as a partner for **Pulse Premiere**, a premium ad placement that TikTok launched in May.

Stamp of approval: The Disney partnership could help assuage one of the biggest concerns with advertising on TikTok—brand safety.

- TikTok has been criticized for hosting harmful content on its app and lacking the moderation tools to properly deal with misinformation and other brand-unsafe videos that users create. Most recently, the company responded to EU demands outlining steps it's taken to combat misinformation around content related to the Israel-Hamas conflict.
- Ensuring brand safety was the core concept behind Pulse Premiere when it launched this spring. The ad format is an evolved version of **TikTok Pulse**, which guarantees ad placement along the app's top 4% of trending content in 11 brand-friendly categories like pets, gaming, and sports.
- Pulse Premiere takes things a step further, guaranteeing ad placement alongside content produced by a number of pre-approved brand partners like **BuzzFeed** and **Conde Nast**, ensuring that ads won't be displayed alongside problematic content that rises to the top of the algorithm.

TikTok and ad formats: TikTok is a major destination for ad spend, expected to reign in \$6.19 billion in US revenues this year, per [our forecast](#). But part of the challenge for the company has been coming up with different ad tiers so it can charge a premium and generate greater revenues.

- The vertical video format doesn't lend itself well to ad diversity: The endless, scrolling feed on TikTok where users are likely to spend most of their time results in a relatively homogenous ad experience.
- To that end, TikTok has launched [a number of advertising features](#) like [interactive ads](#) with polls and stickers, [AR lenses](#) to rival **Snap**, and [AI chatbots](#). But Pulse Premiere is an attempt to launch a truly premium, brand-safe ad format that will attract heavy hitters.

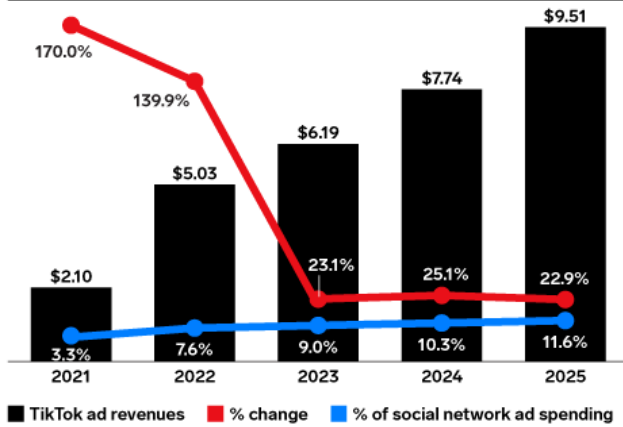
Our take: That Disney, a company notoriously hawkish about its family-friendly brand identity, would sign on to Pulse Premiere will be seen as a stamp of approval for the format by other

similarly protective brands.

- The Disney hub also represents an interesting new strategy for TikTok of selling dedicated space in the app to specific brand activations. Disney is a major first partner to launch the new activation and will likely attract other brands for similar events.

US TikTok Ad Revenues, 2021-2025

billions, % change, and % of social network ad spending



Note: paid advertising only; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; excludes payments to influencers or other creators to produce sponsored content; includes branded content amplified as paid media

Source: eMarketer, March 2023

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