

## While TikTok Shop delivers strong early results, questions remain

**Article** 



**The news: TikTok Shop** has rapidly emerged as an important channel for some merchants thanks to strong early results, per Ad Age.

 TikTok users have made over 300,000 purchases from Tarte Cosmetics. The brand saw several products sell out after the platform launched its Black Friday discounts on November





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• Gen Z-oriented fashion brand **Cider** sold over 100,000 items on the platform, with a twopiece knit dress accounting for roughly a third (over 34,000 units) of those sales due to a handful of viral videos featuring the product that have been viewed over 80 million times.

As of October, TikTok Shop was selling about \$7 million worth of products a day in the US, with a goal of reaching \$10 million a day by the end of the year, per The Wall Street Journal.

**Beyond the platform: PacSun** has had a very different experience from Tarte and Cider given that it has only generated about 10,000 sales on TikTok Shop.

- But the platform played a large part in PacSun's massive 580% spike in gross merchandise value between October and November, the retailer told Ad Age.
- As a result, it prioritized regularly updating its TikTok Shop catalog with new products to ensure affiliate creators can post about them.

The big caveat: It is still very early days for TikTok Shop.

- Much of the early strong gains stem from a combination of key shopping days such as Black
   Friday and Cyber Monday, and steep <u>TikTok-subsidized discounts</u>.
- For TikTok Shop's momentum to continue it will have to ensure that the platform has a broad enough scope that merchants (and consumers) don't associate it with the types of counterfeit and low-quality goods that make up a large share of current sales.

Go further: Read our <u>TikTok Commerce 2023</u> report.

## Have US Digital Buyers Made a Purchase via Select Social Media Platforms in the Past Month?

% of respondents, by demographic, Oct 2023

	Gender		Age			
	Female	Male	18-34	35-54	55-65	Total
Facebook	17%	22%	26%	18%	14%	19%
Instagram	12%	15%	28%	11%	2%	14%
YouTube	5%	15%	19%	8%	4%	10%
TikTok	10%	9%	22%	5%	2%	10%
Snapchat	1%	7%	12%	1%	0%	4%
Twitter	1%	8%	12%	1%	0%	4%
Pinterest	4%	2%	4%	3%	2%	3%
LinkedIn	1%	3%	3%	2%	0%	2%
Reddit	1%	3%	4%	1%	0%	2%
Other	3%	2%	2%	1%	4%	3%
No, I have not purchased from any of these sites in the past month	66%	64%	45%	70%	80%	65%

Note: n=848 who made a digital purchase in the past month/30 days
Source: "The Insider Intelligence Ecommerce Survey" conducted in October 2023 by Bizrate
Insights, Oct 30, 2023

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