

Questions about TikTok's new Shopping tab, answered

Article

The news: TikTok and Shopify are expanding their partnership. Soon, select Shopify merchants in the US, Canada, and the UK will be able to create in-app storefronts in a dedicated Shopping tab on their TikTok profiles, the companies announced Tuesday.

How does this feature compare with TikTok's past social commerce updates? The new Shopping tab changes the interface of the app itself, encouraging a new user behavior to

emerge.

- Many of TikTok's social commerce features so far have centered on building ecommerce-related **ad products**. But because TikTok ads appear as native videos on users' For You feed, they don't alter the existing behavior of scrolling through videos.
- The Shopping tab, on the other hand, encourages users to go to business profiles to make a purchase. Once there, users are presented with a type of content they haven't yet seen on TikTok: static product showcases.
- While it's a big step forward for TikTok's social commerce push, it could also be a challenge. TikTok has become well known for two things: short-form video, and the algorithm driving its time-sucking For You feed. Getting users to engage with still-image product catalogs may be a leap, but it's one chance TikTok needs to take to keep up with competitors.

How does TikTok's Shopping tab stack up against Instagram's Shop feature? There's still no way to search for products, or to check out natively, but both those things could change soon.

- On Instagram, the Shop tab is accessible via the navigation bar, but shopping on TikTok is confined to businesses' profiles. There still isn't a central place on TikTok to search for specific items or discover new ones.
- Even so, Instagram also started off with business profile-only shopping, before adding a dedicated Shop tab.
- Plus, TikTok's Chinese counterpart, **Douyin**, has let users search for products since 2019, so it's likely something similar could come to TikTok soon.
- As for in-app purchasing, for now, businesses will need to link users out to their Shopify pages to complete the checkout process. But Douyin, too, started off by linking out to **Taobao** stores before adding native checkout.

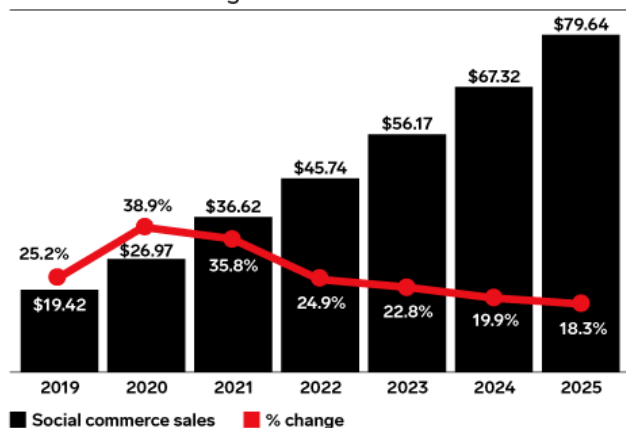
Will this development change our social commerce forecast? Though the TikTok Shopping tab is big news, **Nazmul Islam, eMarketer forecasting analyst at Insider Intelligence**, said our estimates still hold.

- We expect **US retail social commerce sales to grow by 35.8% to \$36.62 billion** this year. By the end of 2025, sales volume will more than double to **\$79.64 billion**.

- “The partnership with Shopify shouldn’t change the numbers too much—we set high growth levels expecting more developments in social commerce,” Islam said.
- Plus, he said, “clicking on ads is still the main way people end up making purchases that count toward our social commerce sales numbers.” Because there still isn’t a central discovery mechanism for new brands or products, businesses will likely continue to rely on ads to drive users to their shops.
- Notably, our forecast doesn’t touch on one major way TikTok drives purchases: viral products that users search for and purchase off-site, a phenomenon known as “TikTok made me buy it.”

US Retail Social Commerce Sales, 2019-2025

billions and % change



Note: includes products or services ordered via social networks (such as Facebook, Instagram, Pinterest, WeChat, Line, VK, and others) regardless of the method of payment or fulfillment; excludes travel and event tickets, tips, subscriptions, payments, such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales
Source: eMarketer, May 2021

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What should marketers look out for? Pay extra attention to how users engage with shopping-related content, and keep a close eye on when the feature ropes in more creators.

- For now, TikTok is going slow—and for good reason. (Just think of the backlash Instagram received when it put its Shop tab front and center in users’ navigation bars). Marketers should follow TikTok’s lead.
- One big sign of success will be if TikTok expands the Shopping tab to creators beyond existing Shopify merchants with TikTok For Business accounts. Not only will that open up a host of new influencer marketing opportunities, but it could also pull in some creators who have been lured by Instagram’s more developed shopping features.

Go deeper: For more on this topic, read our *“Social Commerce Forecasts 2021”* report.