

TikTok's uncertain future boosts Lemon8 growth and Whatnot livestream shopping expansion

Article

The news: As TikTok faces a potential US ban starting January 19, social commerce platforms are repositioning to seize opportunities created by the uncertainty.

Rival platform **Whatnot** has raised **\$265 million** at a roughly **\$5 billion** valuation to support aggressive US market expansion, while TikTok parent **ByteDance** rushes to establish **Lemon8** as a potential lifeline ahead of the app's possible US ban.

Market movements: Whatnot, whose monthly active users have grown 180% YoY, looks to be emerging as a major live shopping rival amid TikTok's challenges:

- The company has launched aggressive creator recruitment initiatives targeting TikTok talent.
- Whatnot is expanding beyond collectibles into mainstream retail categories.
- Strategic partnerships with major retailers have expanded its product offerings.

Meanwhile, ByteDance is building a “backup strategy” of sorts through Lemon8:

- US downloads surged **150%** in December, with **70%** coming from US users.
- Daily active users have reached **1 million**, though still far behind TikTok.
- The platform has integrated with TikTok accounts for seamless user migration.

Why it matters: TikTok drove US social commerce growth last year, creating more awareness of livestream shopping in the process—and the threat of a ban could be reshaping the social commerce landscape.

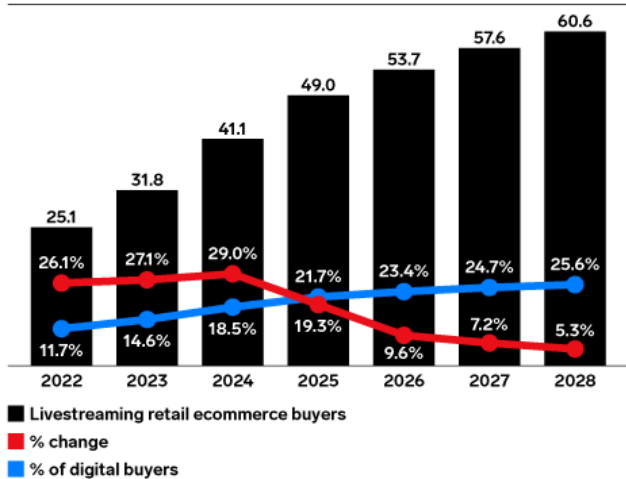
- Regular users of live shopping platforms have nearly doubled from 7% to 13% between June 2023 and August 2024.
- When making purchasing decisions, 34% find live shopping videos very or somewhat influential.

Our take: ByteDance is being hurt by the specter of a US TikTok ban, but pushing Lemon8 won't be enough to stop investors from betting on established US-based alternatives.

- Regulatory scrutiny may extend to other ByteDance properties, including Lemon8, and the **Supreme Court's** pending decision could affect all Chinese-owned apps.
- Meanwhile, Whatnot's focus on authenticated products and domestic operations positions it favorably amid regulatory uncertainty.
- US platforms like Whatnot, based in California, stand to benefit from a regulatory environment that increasingly favors domestic companies.

Over 20% of US Digital Buyers Will Make a Purchase off a Livestream in 2025

millions of US livestreaming retail ecommerce buyers, % change, and % of digital buyers, 2022-2028



Note: ages 14+; internet users who have made at least one purchase via a livestreaming session during the calendar year, including desktop/laptop, mobile, and tablet purchases; excludes virtual items gifted by viewers to livestream presenters
Source: EMARKETER Forecast, Oct 2024

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Go further: The above is culled from our [FAQ on the US TikTok Ban](#), which will be updated throughout the month as news arises.

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