

# TikTok, Instagram influencers criticize creator payment programs

Article

**The trend:** Social platforms have pledged to give billions of dollars to content creators. Even so, reports of low payouts, difficulty accessing funds, and a general lack of transparency cast

doubt on how effective these programs really are.

**More on this:** Meta, TikTok, YouTube, and Snap each have dedicated funds for paying creators as incentives to stay on their platforms.

- Meta **said** it would invest over **\$1 billion** “in programs that give creators new ways to earn money for the content they create on Facebook and Instagram” by the end of this year. But it is **unclear** what qualifications are needed to access the fund, as well as how creators are supposed to get paid.
- When TikTok **launched** its fund in 2020, it earmarked **\$200 million** to be paid out to creators with follower and view counts above a certain threshold. The platform **now says** it will pay out **\$1 billion** by mid-2023.
- The **YouTube Shorts Fund** was started in 2021 to distribute **\$100 million** to Shorts makers throughout 2021 and 2022. Like Meta, YouTube **does not** disclose the requirements for receiving a payout, and the pay structure is opaque.
- In 2021, Snap **paid out \$250 million** to creators on its TikTok look-alike Spotlight, at one point paying out **\$1 million a day**—although it later **changed** the terms for payment in an effort to diversify the types of content on offer.

**Rising discontent:** Recently, TikTok creators have gotten vocal about their frustrations with the platform’s creator program, namely low payouts (especially when compared with payments from other platforms) and an opaque payment structure.

- YouTube’s highest paid content creator, MrBeast, **earned \$54 million last year but only \$15,000 from the TikTok fund**, despite having over 32 million followers on the platform.
- Unlike YouTube, TikTok doesn’t have a revenue-sharing agreement with its creators, which partly explains why people are seeing much lower payouts. For a platform that relies heavily on user-generated content to drive views and ad revenue, it would be bad business to alienate creators, and with Meta, YouTube, and Snap looking for any opportunity to poach talent away from TikTok, the company can’t afford to make any missteps.

**Looking ahead:** Creator funds were intended to be an incentive, not a primary revenue stream. But they have ended up raising questions about just how much platforms owe to creators, particularly when those creators are responsible for keeping users engaged.

- In 2021, TikTok **made** nearly **\$4 billion** in advertising revenues, while parent company ByteDance generated **\$58 billion** in revenues. Even if TikTok decided to eschew sharing ad revenue, it could easily afford to pay creators more.
- At the very least, platforms need to be transparent about how payments are calculated so that creators can plan their time and choose which channels to prioritize. More transparency could also shame companies into paying more, especially once they see how they stack up against competitors.