


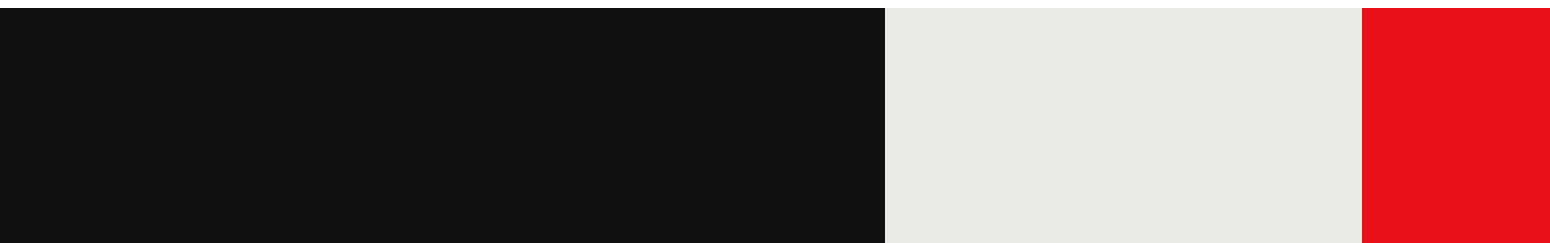
TikTok CPMs are falling—but its cultural relevance isn't

Article



The news: TikTok's ad prices have fallen significantly, with **CPMs declining 80% YoY** in January, per an AdRoll estimate based on performance data from 20,000 advertisers. The estimate indicates a major shift from advertisers in light of the platform's potential US ban.

The sharp decline comes despite TikTok usage returning to normal levels following a short blackout and temporary removal from US app stores—and despite an outright ban seeming



less likely in light of [Oracle inching toward a final deal](#) for a TikTok sale.

As TikTok falls, other platforms surge: AdRoll's findings indicate that the mere threat of a ban has caused advertisers to scale back and diversify their media spending—and other platforms are gaining traction.

- Advertisers are shifting to platforms with consistent userbases and less volatility, such as **Pinterest**. The platform's **CPMs surged 120% YoY**, per the report.
- **Meta's** CPMs have remained consistent, and the company is poised to gain a [significant portion of reallocated ad dollars](#) if a ban does occur.
- Other platforms that could benefit from weaker demand for TikTok include **YouTube Shorts** and **Snapchat**.

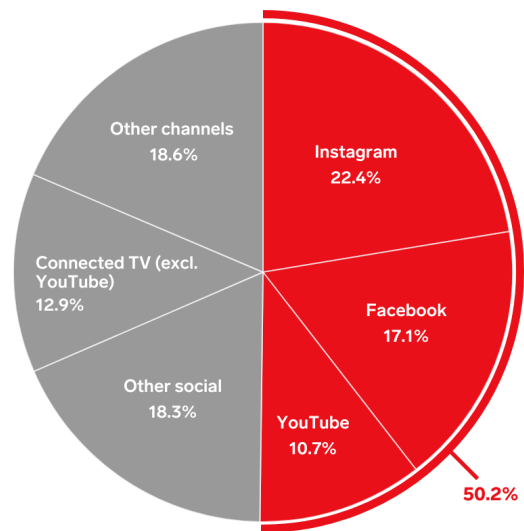
The benefits for those who stay: While diversifying ad spend may seem like a practical move for brands concerned about a possible ban, there are benefits for advertisers who stay the course.

- Advertisers stepping back from the platform means cheaper ads for brands that choose to stay. TikTok operates on an auction-based system, and fewer advertisers bidding for placements is driving prices down.
- While advertisers are fleeing, the same isn't true for users. The app [retained 90% of user traffic](#) during its delisted period, and users are spending [nearly half of their daily time spent on social media](#) on TikTok—meaning the platform is still a massive opportunity to reach engaged audiences.

Our take: While advertisers are concerned about overreliance on TikTok if a ban occurs, it's important to recognize that the platform's influence hasn't waned. Brands can diversify while also recognizing TikTok's unique value as a cultural engine with high engagement.

Focusing on transferable campaign concepts that can thrive on TikTok and also adapt to other platforms if necessary will allow advertisers to maintain resilience against future regulatory changes without completely sacrificing TikTok's massive reach.

Meta and YouTube Could Capture About Half of Reallocated US TikTok Ad Dollars if Ban Is Enforced
average % of reallocated US TikTok ad spending, by platform/channel, 2025*



*Note: other social includes LinkedIn, Pinterest, Reddit, Snapchat, and X (formerly Twitter); other channels include other digital (e.g., display, search, and retail media ads) and traditional media ads; *assumes the ban will go into effect on Jan 19, 2025; analysis is based on 2024 ad spending shares and 2025 growth trends from EMARKETER's Nov 2024 forecast; assumes TikTok ad spending will shift to platforms/channels based on audience alignment and overlap*
Source: EMARKETER Analysis, Dec 2024

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