

TikTok and the race to corner short-form video

Article

The takeaway: As Facebook, YouTube, and Instagram chase TikTok's success in cornering short-form video, the race underscores just how important video has become as a marketing channel.

"Brands really should be shifting more budget into video, and I don't mean just TikTok," our analyst Jasmine Enberg said on a recent ["Behind the Numbers" podcast](#).

"TikTok is clearly raking in ad dollars as a result of a lot of these economic challenges and privacy policy changes," she said. "But it should be looked at as kind of a big-picture thing, so

social marketing strategies—meaning advertising, organic content, and creator partnerships—should all be video-first right now.”

Targeting TikTok: Trying to beat TikTok might be a lost cause, but Enberg said platforms will have an easier time cloning TikTok’s approach to short video than reinventing it. Instagram has already put a greater emphasis on its Reels format, even though viewers watch Reels 11 times less than TikTok videos, according to [an internal Meta memo](#).

This week, Facebook and YouTube announced efforts to bolster their short-video products:

- Facebook [rolled out an API](#) that lets users post Facebook Reels on third-party platforms like content management system Wix and Sprout Social, a social media management platform.
- YouTube announced a [revenue-sharing option for Shorts](#) that lets creators in YouTube’s Partner Program earn a percentage of ad revenues. This is something that TikTok has been unable to offer.

Why video?: Video now accounts for more than half of the time spent on social media, our [“The Great Realignment” report](#) recently found. And that figure is only expected to increase. For marketers, that represents an advertising opportunity that many are jumping at.

Display advertising will make up 57.7% of digital advertising budgets in the US in 2022, driven by this consumer surge in video consumption. In fact, [we now expect more than \\$76 billion in video ad spending this year](#), significantly higher than our pre-pandemic forecast.

What’s next: The major social platforms might be nearing their ceilings in terms of users, Enberg said, but new players can still emerge, especially ones like BeReal that are capturing the attention of Gen Z.

“I think it’s way too soon to tell whether it’s going to be as big as TikTok, or how far it’s really going to reach within the social media landscape,” she said. “But keeping an eye on those new players and how younger consumers are spending their time and communicating on social media really is vital to see where the landscape is going next.”

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