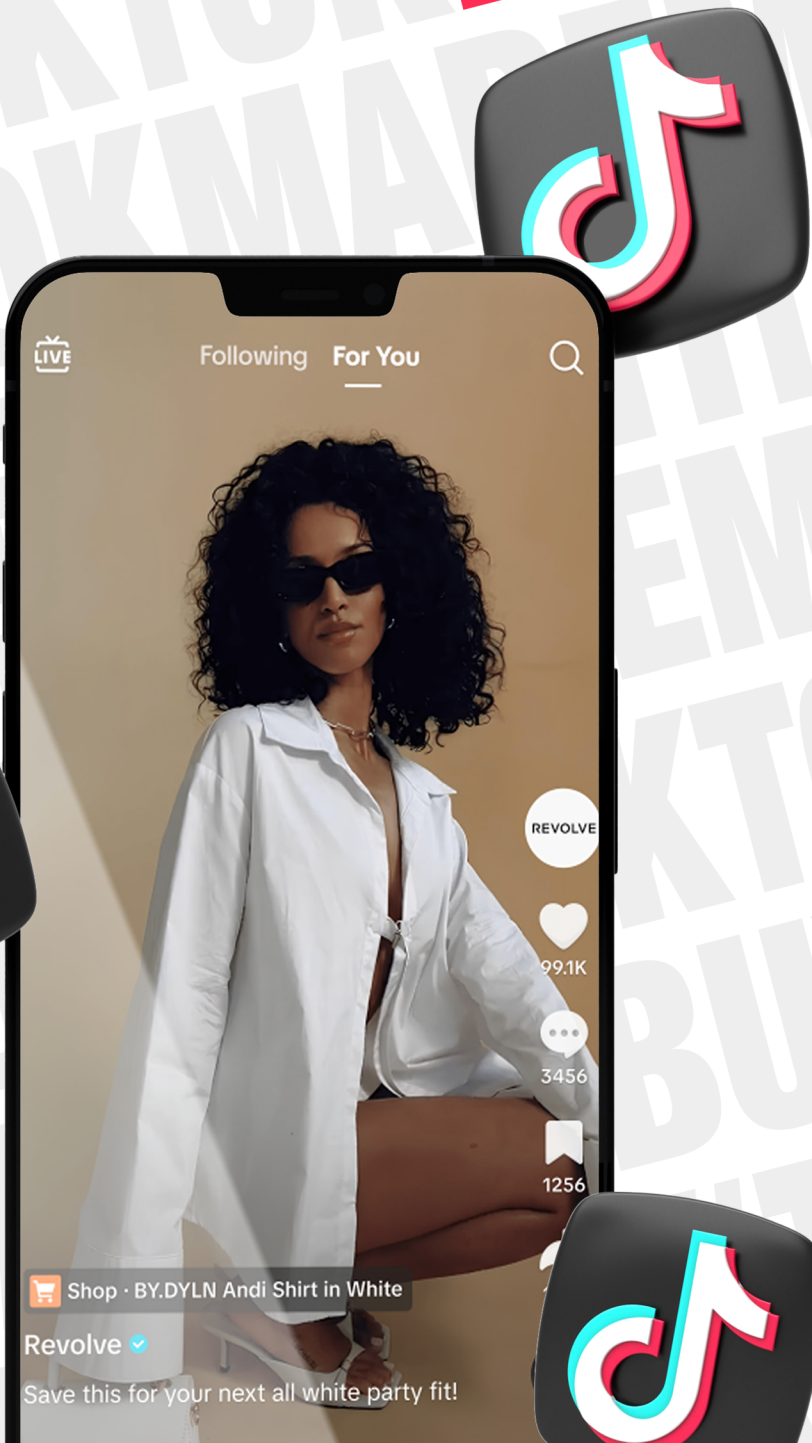


#

# TIKTOK MADEME BUYIT



**M&C  
SAATCHI  
PERFORMANCE**

# **TIKTOK SHOP: THE POWER OF COMBINING SOCIAL & COMMERCE MEDIA**

TikTok Shop Features & User Journey

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**4**

Why TikTok Shop offers an advertising sweet spot

---

**6**

Where TikTok Shop is available

---

**7**

TikTok Shop Growth

---

**8**

Examples of how advertisers are using TikTok Shop

---

**10**

What are TikTok Shoppers looking for

---

**13**

Benefits for advertisers

---

**14**

Considerations and tips

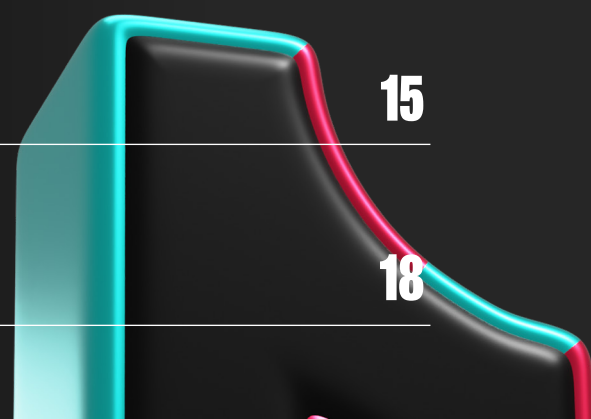
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**15**

Contact Us

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**18**





The power of social commerce is real, and little embodies this trend more than [TikTok Shop](#). As the TikTok Shop seller site states,

‘TikTok Shop is a completely personalized and fully integrated commerce solution, where sellers authentically connect with creators and communities to drive meaningful shopping experiences.’

TikTok Shop brings together features that enable advertisers to sell directly to audiences through the TikTok phenomenon. In a nutshell, TikTok Shop offers a ‘digital storefront’ for brands in a space where shoppers are spending time. According to Statista, as of [July 2024, Indonesia was the country with the largest TikTok audience by far, with almost 157.6 million users engaging with the popular social video platform.](#)

The commercial benefits are clear. In 2023, the average order value (AOV) of a TikTok order in the U.S. was \$43 between Black Friday and Cyber Monday, [higher than the AOVs during this period on platforms such as \\$36 on Amazon, AOV \\$36 or on Temu \\$30 AOV.](#)

# KEY TIKTOK SHOP FEATURES:



## SHOP TAB:

Shoppers can explore different products, find daily deals, and receive personalized recommendations.



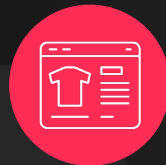
## SHOPPABLE VIDEOS:

In-feed videos where shoppers can discover products and buy using shoppable links.



## LIVE SHOPPING:

Products can be showcased and purchased in real-time during live streams.



## STORE PAGE:

Advertisers can show their product catalog on their TikTok profile, where shoppers can discover and purchase goods.



## CHECKOUT:

Purchases can be made within the app through integrated checkout.



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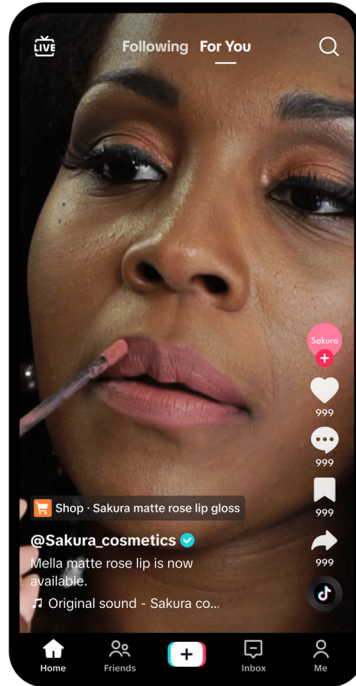
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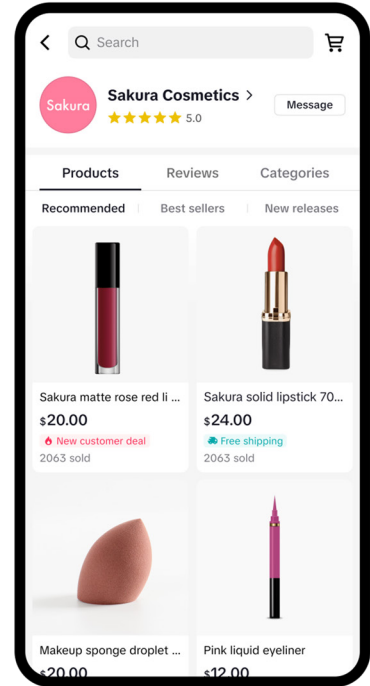
# EXAMPLE FEATURES



LIVE Shopping

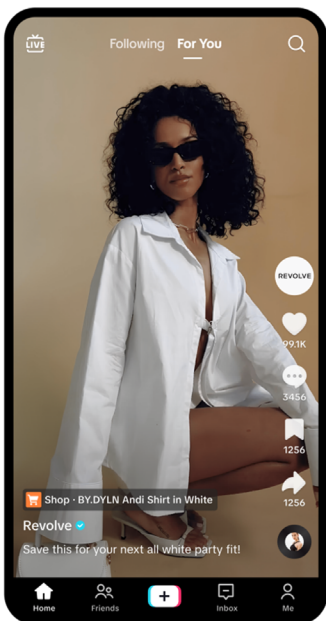


Shoppable Video

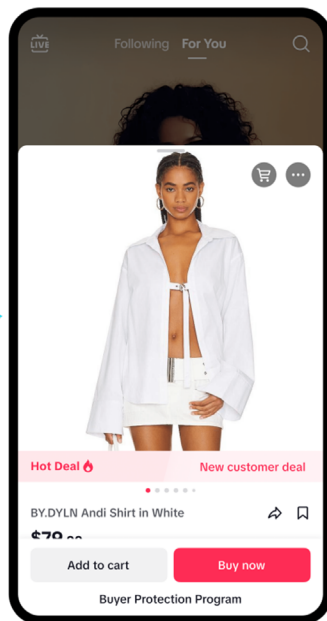


Store

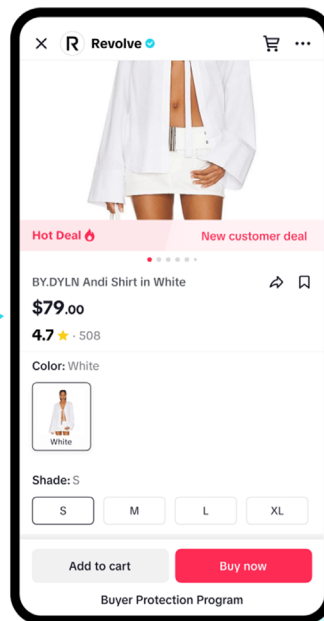
# EXAMPLE USER JOURNEY



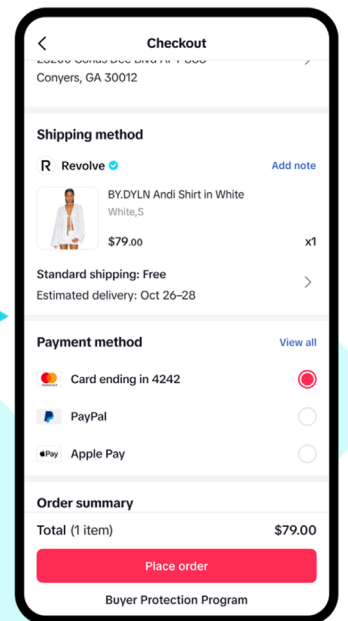
Product Link



Product Detail Page



Selection Options



Checkout



# WHY TIKTOK SHOP OFFERS AN ADVERTISING SWEET SPOT

“

When it comes to brands driving transactions via advertising, TikTok Shop equates to the perfect storm of eCommerce performance marketing. You have a captive audience engaging in their passion areas, you have scale and data-driven targeting & optimization, you have a host of influencers and creators with which to experiment, and last but certainly not least, customers have a smooth, secure purchase experience in-platform.

**BOBBIE GERSBACH-SMITH**  
**GLOBAL PLANNING DIRECTOR, M&C SAATCHI PERFORMANCE**

”

## DISCOVERY MEETS ENTERTAINMENT

The entertainment aspect that TikTokers love, combined with shopping discovery through authentic user-generated content, delivers shoppers a unique path to purchase.

## COMMUNITIES, CREATORS, AND LOYALTY

TikTok offers a community for everyone; advertisers can tap into niche communities and find highly specific creators and influencers to build lasting relationships with shoppers.

## SEAMLESS SHOPPING

Secure, integrated check-out features from the For You Page make shopping smooth and seamless.

“

TikTok Shop mixes fun and shopping. This lets users easily go from watching interesting content to buying things. This platform uses popular trends to create quick chances to buy things. TikTok Shop serves as a testing ground for brands aiming to stay at the forefront of social commerce trends.

”

**BOBBIE GERSBACH-SMITH,**  
**GLOBAL PLANNING DIRECTOR**  
**M&C SAATCHI PERFORMANCE**

# WHERE **TIKTOK** **SHOP** IS AVAILABLE?

## COUNTRY

## LAUNCH DATE

Indonesia*	April 2021
Thailand	April 2022
Malaysia	April 2022
Singapore	August 2022
Vietnam	April 2022
Philippines	August 2022
United States	September 2023
United Kingdom	October 2021

\*TikTok was acquired by Tokopedia at the end of 2023, and TikTok Shop trades under the Tokopedia entity.

TikTok Shop is only available in some places. For example, TikTok is not available in India. Elsewhere, eg the EU, UK, Australia, Canada, France, and Taiwan, the TikTok app has been banned on the devices of some individuals, such as government officials or civil servants.

At the time of writing, the future of TikTok in the U.S. remains uncertain, with a potential ban. Find out what this could mean for marketers here.

As of July 2024, according to the Pew Research Centre, the share of Americans who support the U.S. government banning TikTok stands at 32%, down from 38% in autumn 2023.



# TIKTOK GROWTH COMPARED TO ECOMMERCE APP COMPETITORS

Mobile app usage is often a strong indicator of high-frequency purchasers. Shopee, Lazada, and Shein are Southeast Asia's most popular social eCommerce apps, with Shopee second to TikTok.

## INDONESIA\*

### BRAND ACTIVE USERS

TikTok	157 MN	+9%
Shopee	147 MN	+1%
Tokopedia	64 MN	-6%
Lazada	48 MN	-14%
Blibli	6 MN	-18%
Alibaba	1 MN	-24%

## THAILAND

### BRAND ACTIVE USERS

TikTok	44 MN	+11%
Shopee	35 MN	+12%
Lazada	31 MN	-1%
Shein	2 MN	+7%
Temu	3 MN	+17469%
Shopback	1 MN	+26%

## MALAYSIA

### BRAND ACTIVE USERS

TikTok	22 MN	+14%
Shopee	20 MN	+3%
Lazada	11 MN	-2%
Temu	3 MN	+3230
Shein	1 MN	+22%
Shopback	813 K	-17%

## SINGAPORE

### BRAND ACTIVE USERS

TikTok	4 MN	+19%
Shopee	3 MN	+9%
Lazada	2 MN	+3%
Amazon	747 K	+19%
Shein	639 K	+14%
Shopback	449 K	-5%



# VIETNAM

## BRAND ACTIVE USERS

TikTok	67 MN	+8%
Shopee	54 MN	+14%
Lazada	21 MN	-13%
Tiki	1 MN	-35%
Shein	1 MN	-16%
Alibaba	1 MN	+3%

# UNITED STATES

## BRAND ACTIVE USERS

TikTok	140 MN	+14%
Amazon	135 MN	+6%
Walmart	69 MN	+10%
Temu	63 MN	-2%
Shein	47 MN	+17%
Ebay	36 MN	+7%

The numbers above show both non-shopping and shopping TikTok use and show the strong, often double-digit growth of the platform despite strong growth marketing tactics by rival eCommerce players such as Temu, Shein, and Shopee. Many of these apps incorporate UX akin to social platforms into their eComm offering, the reverse of how TikTok combines shopping with social features.

# PHILIPPINES

## BRAND ACTIVE USERS

TikTok	69 MN	+12%
Shopee	59 MN	+7%
Lazada	45 MN	+4%
Shein	13 MN	+20%
Temu	8 MN	+1723%
Amazon	3 MN	+33%

# UNITED KINGDOM

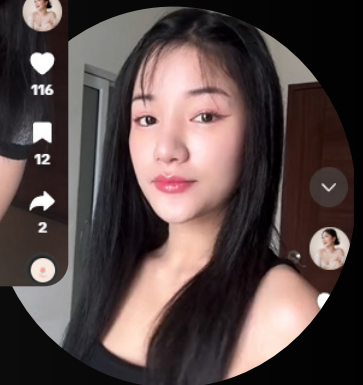
## BRAND ACTIVE USERS

Amazon	29 MN	+1%
TikTok	27 MN	+10%
Ebay	16 MN	-1%
Temu	15 MN	+19%
Shein	11 M	+37%
Aliexpress	5 M	+129%

# EXAMPLES OF HOW ADVERTISERS ARE TESTING TIKTOK SHOP

## PRISM+

a local Singaporean brand specializing in premium electronic gadgets and smart home appliances, strategically utilized TikTok to engage with the burgeoning Gen Z tech audience.



## JOLLYNN

Jollynn, a Thai lingerie brand that thanks to innovative products and marketing tactics such as harnessing hashtags and UGC content to demo products have captured a tech savvy audience accessible through TikTok Shop.

## KIEHL'S

strategically launched its TikTok Shop in Vietnam with the primary goal of boosting sales for its natural skincare products.



## NIKE

Nike sold more than \$181,670,905 of apparel on TikTok Shop in 2024



## PUMA

partnered with musician Dua Lipa to launch a new shoe. According to a Kantar study, the campaign delivered 16 million impressions with more than 112,000 clicks to the product on Foot Locker's website.



## ADIDAS

ran a brand auction campaign with a focus on In-feed Ads, achieving a 99.9% Brand Safety and Brand Suitability rate





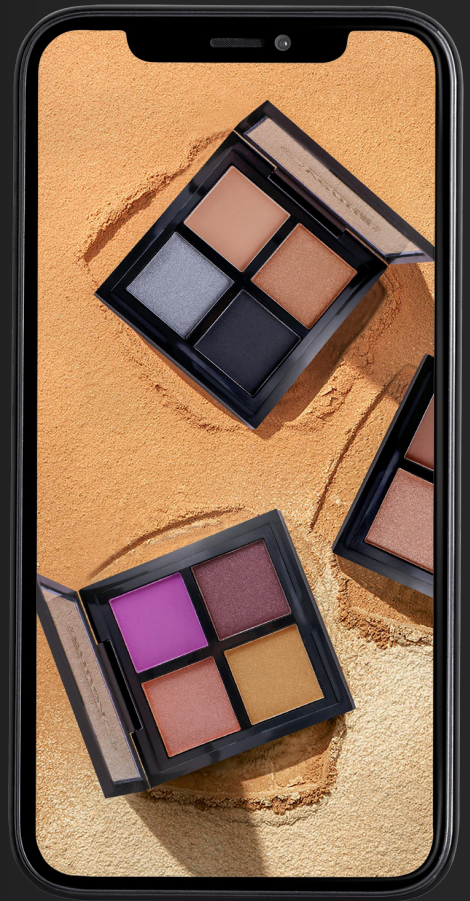
## SHEIN

utilized TikTok's shoppable ads and influencer marketing to drive traffic and generate sales. Combining engaging content with seamless shopping experiences, Shein tapped into TikTok's vast user base to create new revenue streams.



## E.L.F. COSMETICS

has used the app to unveil new products. They did a four-day TikTok campaign for their new setting spray, complete with an original song and live streaming product demos. For a limited time, the product was sold exclusively through TikTok Shop.



## GLOSSY

Mitchell Halliday, founder of the U.K.-based beauty brand, said TikTok Shop has changed how his brand connects with consumers, altering its business model, product reach and growth could be owed to TikTok Shop.

Fashion and beauty brands have been quick to test the platform, with generally a lower cost of purchase, and [45% of TikTok users aged 16-24 on iOS in the U.S](#) offers compelling testing opportunities for potential growth.



Fashion and beauty products are ideal for social commerce testing for several critical reasons. First, these items typically have lower price points, which reduces the barrier to purchase and encourages impulse buying. Second, they're highly visual products that naturally lend themselves to social media sharing and discovery. Most importantly, they align perfectly with social media's core demographic of young, trend-conscious consumers who are already using these platforms to seek style inspiration and product recommendations.



**JASVINDER SINGH BINDRA**  
COMMERCE MEDIA DIRECTOR  
M&C SAATCHI PERFORMANCE

**M&C**  
SAATCHI  
PERFORMANCE



# WHAT ARE TIKTOK SHOPPERS LOOKING FOR?

## 1 BEAUTY AND HEALTH PRODUCTS

In the United States, 81% of TikTok Shop sales come from the beauty and health categories, showing a strong preference for these sectors among consumers.

## 2 AFFORDABLE APPAREL

Lower-priced apparel sells quickly on TikTok Shop, demonstrating a demand for budget-friendly fashion items.

## 3 CONTENT OVER DISCOUNTS

Consumers prioritize engaging content over discounts, signaling a shift from impulse buying to more thoughtful purchasing decisions driven by value and connection to the brand or product.

## 4 COMMUNITY ENGAGEMENT

Consumers are increasingly drawn to content-driven communities actively seeking to connect with others through shared content, highlighting a preference for interaction and community-based shopping.

## 5 OFF-SITE PARTNERSHIPS

Retail media networks, streaming companies, and social media networks have been teaming up to boost off-site ads to remain competitive.

## 6 SEAMLESS SHOPPING EXPERIENCES

Shoppers are looking for simple, all-in-one shopping experiences where browsing and buying are effortless.

## 7 SHOPPERTAINMENT

The mix of engaging video content and shopping creates a more entertaining and interactive experience than traditional e-commerce platforms.

# BENEFITS FOR ADVERTISERS

- TikTok is a place for discovery and search, with shoppers looking for new, unique, affordable products.
- The platform feeds entrepreneurial opportunities through affiliate's commerce features that provide opportunities for small-scale businesses to expand their reach.
- The community-driven aspect of TikTok offers ways for users to connect and share tips, recommendations, and feedback on products and purchases, fostering engagement and trust among buyers.
- Cost-effective advertising with flexible budget options and generally lower cost-per-click compared to traditional social media. platforms.
- Viral potential through TikTok's unique algorithm, where even small brands can achieve significant organic reach if content resonates with viewers.



# CONSIDERATIONS AND TIPS FOR ADVERTISERS

## PRICING

- Brands should consider their pricing strategy and position TikTok Shop as a convenience channel for users, enabling them to buy automatically from the app via UGC content or advertising placements.
- Transparent pricing is essential. Ensure that the initial prices seen are reflected as the final pricing upon checkout.
- Shoppers are accustomed to free shipping on platforms like Amazon Prime; expensive shipping costs will likely put people off shopping on TikTok Shop.
- Ensure the delivery and returns process is simple and transparent. This not only builds trust but encourages repeat purchase.
- Ensure prices are comparable with other shopping options such as brand websites or Amazon. Shoppers are savvy and will research where the best prices are available.
- TikTok shopping is known for deals. Many people buy impulsively because they don't want to miss out. Brands could consider bundling products (e.g., buy a makeup palette and get a free lipstick to increase perceived value. Alternative tactics are:
  - BOGOs (buy one, get one free),
  - Price anchoring ie an original price alongside a discounted price
  - Scarcity messaging or limited-time sales



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## CUSTOMER EXPERIENCE

- Pay close attention to building consumer reviews. When products have poor or low number of reviews, shoppers may abandon their purchase or seek similar products by other sellers
- Like any platform, users should be aware of fraud, and verifying sellers can be challenging, so building trust with shoppers is essential.
- Avoid misleading offers, poor product quality, and nontransparent pricing, all of which will prevent conversion or repeat purchases.
- Products can be 'overhyped' by creators participating in the affiliate program. Brands should avoid exaggerated claims to avoid potentially damaging their reputation. Instead, encourage creators to share personal experiences with the product to gain trust with their audience.
- To prevent fatigue, refresh products regularly and ensure the browse-to-checkout experience is simple, and the product categories on offer are not overwhelming.
- When working with creators to recommend products, prioritize authenticity and genuine connections with the target audience. Focus on creators who have a natural alignment with your product and look beyond follower count.



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# MEDIA

- While repeated exposure can help increase brand awareness and push users down the sales funnel, be aware of diminishing user interest due to the saturation of shop ads. Shoppers are likely to become irritated of seeing the same products repeated multiple times.
- Develop re-engagement tactics to repromote products that have previously been browsed on the main “all” products page.
- Optimize the shopping experience
  - Including keywords for search in-store listings
  - Using high-quality images to build trust
  - Tag products in videos
  - Encourage customers to leave a review
  - Offer coupons
  - Collaborate with creators to increase visibility

TikTok is fundamentally an entertainment app, and people are not necessarily going to TikTok with shopping in mind, but they do want engaging content that can lead to discovery. So the combination of entertainment, shopping, and discovery can be a great way for brands to introduce new or demonstrate products.

**JENNIFER SUDO**

**MANAGING PARTNER, M&C SAATCHI PERFORMANCE**

To discuss how to harness the power of Commerce Media platforms such as TikTok Shop, Amazon, Shopee, Lazada and many more contact us [Growth@mcsaatchiperformance.com](mailto:Growth@mcsaatchiperformance.com) or find out more at [mcsaatchiperformance.com/what-we-do/commerce-media/](https://mcsaatchiperformance.com/what-we-do/commerce-media/)



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# ABOUT M&C SAATCHI PERFORMANCE

M&C Saatchi Performance is a leading global performance marketing agency, delivering profitable growth for brands through full-funnel performance marketing. The agency delivers world-class performance marketing services to help brands grow in the digital economy across all channels. With specialists across Commerce Media, Programmatic, Creative, Display, Paid Search, Paid Social, Connected TV, Influencers, and more, our team plans and buys media, optimizing against every action the user takes at every stage of their journey.

We take time to understand the brand, its objectives, and its customers to deliver improved performance and a clear return on advertising spend through specialist media measurement, data, and analytics teams. With a tailored mix of tech and talent, our clients get a bespoke set of performance marketing strategies underpinned by data insights.

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