

Analysis of marketing strategies of Tik Tok

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Abstract: The main research methods used in this essay are SWOT analysis and 4P marketing theory. The primary data sources are iimedia and the official website of Bytedance, the company Tik Tok belongs to. This paper draws from the essay that if Tik Tok wants to stand out, it must have its own independent and complete system with its characteristics. Based on maintaining advantages, Tik Tok should solve the problems such as lax video censorship, homogenization and vulgarization of video content, and a low threshold of the group access mechanism. Strengthen the review, try to avoid the frequent occurrence of similar videos, really understand the feelings of users, users first, into the user, for the user service. Not just the old ones, but the different ones simultaneously. At the same time, Tik Tok should also spread more traditional Chinese culture, should not let those old skills be lost. This not only carries forward the refined conventional culture of the Chinese people but also enables more famous people to have cultural confidence and enhance cultural identity. The research significance of this paper is to help Tik Tok discover and improve its shortcomings and take advantage of the intense market competition. It is of great importance to explore its future development strategy.

1. Introduction

With the innovation of the Internet economy era, Tik Tok has become one of the most popular downloaded software, and most consumers favour it in terms of short videos. At present, authoritative national accounts such as "People's Daily," "CCTV News," and "China Fire" have been registered, making Tik Tok gradually become an important channel for people to obtain news and entertainment information. Meanwhile, apps such as Tik Tok, Weishi, and Bilibili are also developing rapidly. For Tik Tok itself, it has the advantages of individuation, timeliness, economy, and progress. However, it has many disadvantages, such as homogenization of content, lax video censorship, and a low threshold of the group access mechanism. To gain an advantage in market competition, Tik Tok should launch a set of unique management mechanisms. Only by having its uniqueness can it attract more attention and develop better and better.

A complete mechanism will help Tik Tok gain an advantage in market competition and help more people know about Tik Tok and join Tik Tok. Perfect shortcomings can better catch the heart of old users to promote and attract more new users. For adults, there are good reasons to fragment time, relax, relieve stress, and focus on work. Minors can grow up healthily in a good environment and gain fun and knowledge through Tik Tok. Tik Tok will serve more and more people, attracting users with its advantages. Only with its characteristics, to let users interested. For example, China takes the road of socialism with Chinese characteristics and follows its path. Tik Tok's future strategic plan points out the direction and paves the way for its future development.

This essay is arranged as follows: The first part is the introduction; The second part introduces the theories used in this research. The third part summarizes the primary status and current ecological environment of Tik Tok. The fourth part makes comprehensive and accurate research on the current situation of Tik Tok by SWOT analysis. The fifth part uses 4P theory to analyze the current status of Tik Tok; The last part puts forward relevant suggestions, strategies, and prospects for the future of Tik Tok.

2. Basic theory

2.1 SWOT analysis

SWOT analysis, also known as situation analysis, is composed of the first letters of four English words: S (strengths), W (weaknesses), O (opportunities), and T (threats) [1]. SWOT analysis theory is based on the situation analysis of internal and external competitive environments and conditions. This essay combines the internal advantages and disadvantages of Tik Tok with the external opportunities and threats to identify the current situation of Tik Tok and the development areas that should be focused on to formulate corresponding development strategies, plans, and countermeasures.

2.2 4P marketing theory

In 1960, Professor Jerome McCarthy of Michigan State University classified these elements into product mix, price mix, place mix, and promotion mix in his book *Basic Marketing*, which studied marketing from management decisions[2]. This paper mainly uses it to analyze and summarize the controllable factors of Tik Tok, formulate and implement a compelling marketing mix, facilitate the realization of transactions, and meet the goals of individuals and organizations.

3. Basic information

3.1 The development of Tik Tok

The short video refers to video content played on Internet platforms and is suitable for mobile and short-time leisure viewing, generally ranging from a few seconds to a few minutes. The time is short embodies the essence of a short video. With the development of The Internet in China, short videos spread very fast on the network, favoring them without consuming many users' times. The content integrates skills sharing, humor, fashion trends, social hot spots, street interviews, public education, advertising creativity, commercial customization, and other themes.

Tik Tok was founded in 2016, and Tik Tok focused on product experience optimization. While constantly improving the clarity and smoothness of videos, the staff also added filters, stickers, and other special effects to attract users. When it made whole preparations, it immediately started many promotions, completed the word of mouth spread, the number of users has been rising sharply. At the same time, he continues to optimize his software -- 3D series of jitter watermarks, fantastic props, enhance beauty effect and other latest technology products, improve the look and appeal of the video. Tik Tok now has 250 million active users in more than 150 countries [3].

3.2 The ecological environment of the development of Tik Tok

Tik Tok is an APP incubated by Bytedance. It can share resources and complement each other's advantages with bytedance's apps. In the early days of its entry into the short video industry, Bytedance used its short video software, such as Huoshan Video, Watermelon Video, Tik Tok, Tik Tok Extreme Edition, etc., to guide the traffic and promote each other, thus creating a solid short video ecosystem which is Tik Tok. In addition, Bytedance has invested in hundreds of related enterprises to focus on power and form advantages since its establishment.

According to statistics, Tsinghua University and Peking University rank the first and second in terms of the number of viewers of Tik Tok college live streaming [4]. And young people in Beijing, Shanghai, Guangzhou, and Hangzhou are the primary users of Tik Tok to watch short videos. These user groups have a strong consumption concept and high quality, positively impacting Tik Tok [5].

4. SWOT analysis of Marketing strategy of Tik Tok

According to the analysis of strengths, weaknesses, opportunities and threats of Tik Tok, swot matrix is used to summarize it and write some brief strategies and measures.

Table.1. SWOT analysis summary matrix

<p>Strengths/. Weaknesses</p> <p>Opportunities/ Threats</p>	<p>S:</p> <ol style="list-style-type: none"> 1.Covid-19 has made more users enter Tik Tok 2. Innovative short video mode 3. Simple and convenient operation 4. Livestreaming delivery platforms can promote economic development. 	<p>W:</p> <ol style="list-style-type: none"> 1.The homogenization and vulgarization of video content are becoming more and more serious. 2.Video review is not strict and lacks public relations adaptability. 3. The threshold of the group-access mechanism is low.
<p>O:</p> <ol style="list-style-type: none"> 1. Fragmentation of user entertainment time 2.Diversification of communication channels 	<p>SO:</p> <p>Actively expand market share, develop new projects, attract the attention of new users and retain old users</p>	<p>WO:</p> <p>Strengthen user innovation, optimize video content and enhance value</p>
<p>T:</p> <ol style="list-style-type: none"> 1.The government strengthens the regulation of the short video industry. 2. Peer competition is fierce. 	<p>ST:</p> <p>Improve the accuracy of user positioning, enhance user stickiness and prevent user loss</p>	<p>WT:</p> <p>Increase investment in capital and audit, enhance supervision mechanism and optimize video content</p>

4.1 Strengths

4.1.1 Covid-19 has made more users enter Tik Tok

At present, Tik Tok has a large user base, diversified content, and a wide range of users. Moreover, it can add more vivid communication with each other and add color to people's lives. Later, as the covid-19 spread, every family had to stay at home. This is when Tik Tok software plays an important role; it allows users to know the world without leaving home. Because it integrates the entire network of Internet users, people can watch videos simply by moving up and down. There are many fresh and high-quality features, which make the audience feast their eyes.

At the same time, many people have lost their jobs due to the pandemic. On the other hand, Tik Tok can achieve society's increasing employment. Tik Tok has a live broadcast function, providing a platform for entrepreneurs to introduce their product information and attract more users to buy and earn income.

4.1.2 Innovative short video mode

Tik Tok's short video mainly creates fast video mode. The average length of a video on Tik Tok is 15 seconds, so users can more clearly know what the video is about and remember it deeply, rather than being bored after watching it for a long time without knowing the main content. Also, they can watch more videos in the same amount of time. The content is no longer monotonous, allowing users to put more effort into scrolling more videos without stopping and increasing the number of views. When bloggers see their videos being seen by more and more people, they will look forward to what

kind of results their following works can get and work harder to innovate, shoot and edit videos. This creates a virtuous cycle. The more videos a blogger posts, the more videos users feel fresh and watch, increasing traffic and giving bloggers more incentive to make new videos. As shown in Figure 1, Tik Tok is still very successful in the current situation. The percentage of people using more and more time occupies the highest proportion (37.2%).

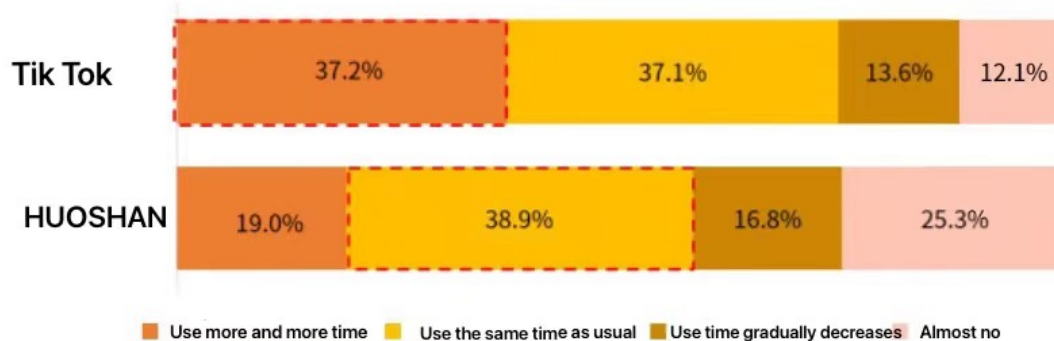


Figure 1. Survey on daily usage time changes of users on two major short video platforms in China in 2020

4.1.3 Simple and convenient operation

Tik Tok is easy to use, both for viewers and those who shoot videos. For video viewers, the Tik Tok page is straightforward and clear [6]. They need to open the app, and the video automatically starts playing. They don't need to click anywhere else. Viewers can even tap continuous play to immersive video scrolling. It is also very friendly to the elderly, especially those who can't read or have poor eyes. They need to remember a little location and happily swipe the video. The person who sends the video needs to click the "+" sign to select a video or take a video, and there are many interesting special effects to use. The ease of operation makes users more dependent on the software.

4.1.4 Livestreaming delivery platforms can promote economic development

With the birth of 5G and its further improvement and development, online shopping is undoubtedly the trend of new shopping methods, among which live streaming goods occupies an important position. It mainly guides customers to consume based on good quality and low price. It can provide customers with more choices and let them enjoy more good things. Nowadays, China's economy has changed from high-speed development to high-quality development, and the three rural issues are also among the top priorities of the Party's work. To drive rural development, live broadcasting with goods is a better way. It can let some farmers' agricultural products into the consumer market, go farmers to increase their income and get rich, and solve the problem of poverty to promote national economic development and increase citizen living standards.

4.2 Weaknesses

4.2.1 The homogenization and vulgarization of video content are becoming more and more serious

Tik Tok is according to users' interests and hobbies and recommends many related and similar videos that users like and follow based on the precise judgment of intelligent algorithms. But at the same time, users will see many similar videos, resulting in aesthetic fatigue, decreased interest, and loss of end-users. Moreover, when the trill higher-ups released after creative video will have a lot of ordinary users scrambling to imitate and published publish, a large number of videos in the form of funny to attract the attention of the user, but it will stop production of diversification, lead to the content of simplification, and even some vulgar, video content influence through, give users a harmful effect.

4.2.2 Video review is not strict and lacks public relations adaptability

By August 2020, the daily active volume of Tik Tok has exceeded 600 million, and millions of users will post short videos every day [7]. The software cannot carefully screen the vast data, and most of the time, video content or accounts are blocked by reporting. When some users post some rumors that they don't care about, the Tik Tok platform sometimes fails to check whether the videos are right or wrong and agree to upload them, which will cause other users to forward them indiscriminately to their relatives and friends, which has a tremendous potential impact on users[8]. But at present, Tik Tok does not have such a solid public relations ability to directly let the wrong video now released. Once mishandled, the brand reputation of the whole enterprise will be affected or directly affected, and the life of the parties concerned will be disturbed [9].

4.2.3 The threshold of the group access mechanism is low.

Nowadays, more and more people are joining the group, and many of them have changed from simply watching Tik Tok to trying to shoot videos by themselves. This is undoubtedly a good thing, but it also requires that the threshold of the group access mechanism should be set at a certain height. The flow of technology to the present entertainment also reflects the need for such facilities. In 2018, a young girl accidentally posted a video of her mother taking a bath, which attracted the attention of many netizens. Although it was an unintentional act, there are many similar incidents. There are also more buzzwords appearing on the Internet, such as YYDS.

4.3 Opportunities

4.3.1 Fragmentation of user entertainment time

With the progress and development of science and technology, people's pace of life is getting faster and faster. They are always facing tremendous pressure and frustration in their daily work or study, which makes people lack time and patience. Nowadays, because of the high pressure of work intensity and life pressure, many people find it difficult to spare a whole long time for leisure and entertainment activities. At this moment, they will choose to use the fragmented time to watch short videos when they are on the subway and eat. Under such circumstances, the emergence of the "Tik Tok App" offers people an excellent choice. At the same time, its convenient video switching mode is also favoured by people.

4.3.2 Diversification of communication channels

Nowadays, social networking has gradually become an essential part of people's lives. People can view some exciting news and share their feelings through the Internet. Also quickly communicate with relatives and friends through the Internet. At present, the mainstream social software is undoubtedly WeChat and QQ, both of which support the sharing and transmission of short videos in Tik Tok, and this function is very convenient. The diversification of communication channels has brought traffic and reputation to Tik Tok and increased the number of potential users. In addition, the dissemination of multiple channels can make Tik Tok deliver information to people familiar with the form of information acquisition, which accelerates people's acceptance of Tik Tok.

4.4 Threats

4.4.1 The government strengthens the regulation of the short video industry

With the advent of the Internet era and the new media era of big data, the government pays more and more attention to the existing problems. It invests more funds and workforce into the short video industry. As a newly emerging industry, the quick video industry was not subject to many laws and regulations. But, more problems arose, such as minors secretly using adults' mobile phones to buy Tik Tok coins to give rewards to the blogger while their parents were not paying attention. Therefore, the state has stipulated the maximum daily reward amount, face recognition of minors, and monitoring implementation for the short video industry. This will undoubtedly reduce Tik Tok's revenue and

traffic. If Tik Tok does not make changes to its software, it will be forced to make changes, which will have a devastating impact on Tik Tok's reputation.

4.4.2 Peer competition is fierce

At present, short video platforms have become a new trend of media communication. With the success of the innovative model of the "Tik Tok App," many up-and-coming short video apps such as "Miaopai" and "Xiaohongshu" have become strong competitors of Tik Tok[10]. To consolidate their market position, they have taken measures such as strategic adjustment and promoting their products. The number of registered users and the number of daily active users have shown exponential growth, posing a challenge to the Tik Tok market, which is very bad for Tik Tok. Secondly, Kuaishou APP, Tik Tok's strongest competitor, poses a significant threat due to its mature and commercial model in its core business. Kuaishou will be listed on The Hong Kong Stock Exchange on February 5, 2021, while Tik Tok deficiency has not yet been recorded, which brings an invisible capital threat to Tik Tok and may choose to be listed in advance. However, there are many products under Bytedance, and data sharing, technology sharing, and splitting between them is constant work, so Tik Tok has a disadvantageous position in terms of capital.

5. 4P marketing theory

5.1 Product

Tik Tok short video has many products, mainly including users who can publish their original content. Other users can see it and give likes and follow after review, or bloggers can open live broadcast goods so that users can reward and buy products recommended by bloggers. This is very in line with the younger positioning of the product design to create a relaxed and happy environment for people. A mobile phone can provide entertainment services to users, allowing people to take full advantage of fragmented time and take the attention economy as a breakthrough.

5.2 Price

On pricing, the cost for ordinary users to watch and publish short videos is zero, while business users have to pay. Moreover, Tik Tok does not need to pay fees or invest money or energy to download and use it, lowering the threshold for users to enter, thus increasing its downloads and usage. But the user can go through the software to make money and consumption. It is available for the user to liquidate all kinds of the belt because some of the videos are for advertising or bloggers will live with goods, it can directly face the consumer advertising, from the cost of intermediaries, so that it sells goods prices lower, it can attract users attention, open a new horizon for economic development.

5.3 Place

Tik Tok combines online and offline. Online, when it was promoted on Watermelon video, QQ, WeChat, and other apps, at the same time, Tik Tok also connected with social media, allowing people's videos to be spread through WeChat and QQ and shared to many platforms, which realized "viral marketing" increased the number of videos views and significantly promoted the platform. Offline, Tik Tok has entered some colleges and universities for offline publicity in the offline world, attracting many students to join the forum and creating more exciting content for them. When most people use the latest Internet language learned from Tik Tok, how can the rest resist 'temptation'-Tik Tok and not join them?

5.4 Promotion

Tik Tok invited many social celebrities and stars in the entertainment industry to join Tik Tok and released short videos, which brought free traffic and popularity to Tik Tok and built a more extensive user base. So far, many celebrities have joined Tik Tok. When celebrities post challenges or funny videos, many users will imitate them and hope to reply. By using stars, more users came to download Tik Tok and then bring unlimited traffic to Tik Tok and reduce the publicity cost, and also achieve a

virtuous cycle -- the more popular a celebrity is, the more platform traffic it will bring, and the more platform traffic will attract more comes to Tik Tok.

Due to its popularity and influence, Tik Tok has attracted CCTV News, CCTV Finance, People's Daily, and CCTV of various channels to settle in and bring more authoritative and high-quality content, presenting three-dimensional content to users. What's more, it can make people who don't know Tik Tok sit up and take notice and be willing to download Tik Tok to find out why even CCTV is ready to release videos on the platform. Then they can find the benefits Tik Tok brings to them and stay.

6. Conclusion

6.1 Key findings

This article analyzes Tik Tok's marketing strategies using iimedia and official data and netizens' comments on Tik Tok to stand out from numerous apps. Based on the above analysis, this article finds that Tik Tok can become the most popular social software in a short period and is deeply loved by the public, mainly because it makes full use of extensive data analysis. It provides personalized services to users. It will selectively push videos according to users' preferences and specially set uninterest to reduce push and give the users more convenient and comfortable services and an entertainment environment. What is more, Tik Tok makes use of a shared social phenomenon -- online shopping and allows more merchants to introduce their products in videos and live broadcasts, generating economic benefits. It is a social product in line with the current Internet economy.

However, Tik Tok has also brought some harmful effects: management difficulties for the platform. Users' media literacy is uneven, and it is not easy to supervise the platform. There is a wide range of users on short video platforms whose education level, values, living environment, and media literacy are different. Some users violate the management rules and seek illegal benefits by using the platform, resulting in false information. Accordingly, the platform lacks effective "gatekeepers" to monitor and manage the vast video content in real-time.

6.2 Future Studies

Given the above advantages and disadvantages, Tik Tok should make a new strategic choice in line with the current situation. It is not advisable to blindly explore, but rather to optimize the existing disadvantages, seek diversified development and stabilize the existing users.

First, Tik Tok needs to strengthen its sense of innovation and encourage diversification. If Tik Tok has been attracting users by imitating each other, it will indeed cause user loss in the long run. So Tik Tok could publish a new policy that mimics the capping mechanism and rewards innovators. This means that when the number of copycat videos in the same category is limited, Tik Tok can prohibit them. Tik Tok can also give rewards and bonuses to users who often create new tricks, encouraging more users to innovate.

Second, Tik Tok needs to strengthen the review of content and technology. Regular on-the-job training can raise workers' awareness and increase staffing to make the study more careful. In addition, the platform can use the government, public security, and other forces to strengthen the crackdown on malicious dissemination of advertisements that violate laws and regulations and block the production of illegal advertising videos.

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