

MARKETING

Should luxury brands embrace TikTok?

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Burberry campaign on TikTok. Image credit: Burberry

By SARAH JONES

Short video application TikTok has amassed a strong user base particularly among younger consumers, but it has yet to significantly catch on with luxury marketers.

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TikTok just celebrated its one-year anniversary in the United States this month, and it has been installed more than 1 billion times around the world. Even though TikTok boasts a large and growing audience, with every new social network brands need to evaluate whether it is the right platform for them, particularly for luxury labels that look to maintain a polished image.

"If your brand is extremely exclusive, then TikTok might not be the best platform for you," said Douglas Logan, partner at **Modern Majesty**, New York. "But if your brand wants to be more inclusive and reach the younger generation, then TikTok might be the place for you.

"One thing is for sure, TikTok is ripe for some early adopters to jump on board and stake their turf," he said.

Mobile video

TikTok originated in 2017 as an international version of Bytedance's Chinese social media app Douyin. The launch was followed by Bytedance's acquisition of Musical.ly later that same year, after which TikTok merged with Musical.ly.

While separate due to China's censorship laws, both Douyin and TikTok allow users to post clips, with most videos topping out at 15 seconds. In this way, TikTok offers a slightly extended version of the now-defunct Vine's six-second clip format.

User-created content on the app ranges from clips of dancing or lip syncing performances to humorous challenges. The app's interface revolves around discovering content via hashtags as well as a personalized feed.

Similarly to Instagram's IGTV, the clips shared on TikTok are vertical, making use of the natural way a phone is held.

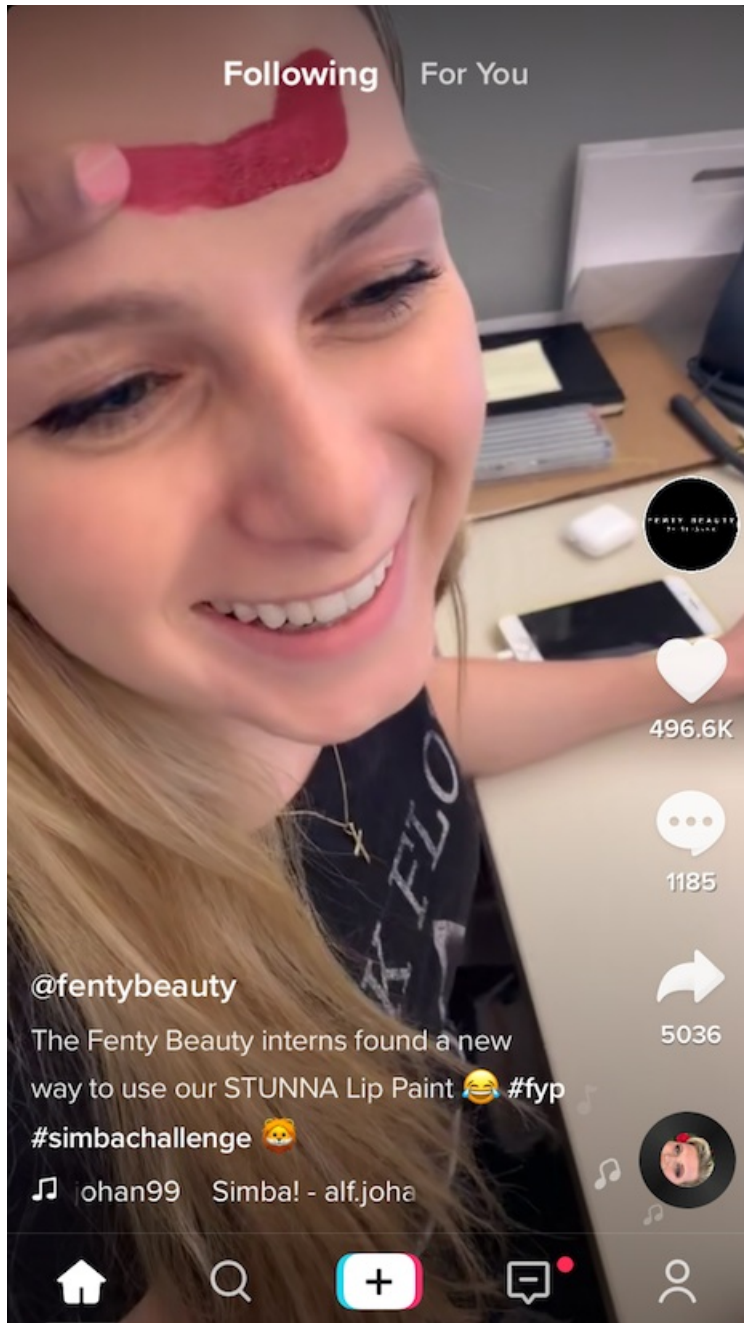
While luxury brands such as Dior and Louis Vuitton have embraced Douyin, according to *Jing Daily*, the app's Western counterpart has not taken off in the same way with luxury brands. However, there are some outliers.

Burberry has an official account on TikTok, with a following of 21,500. Embracing the nature of the platform, Burberry issued TikTok users a challenge to make their own version of its TB monogram.

The resulting user-generated content included people making an interlocking T and B with their hands or crafting the letters out of ribbon.

Another group that has taken to TikTok are high-end beauty brands.

Fenty Beauty's account shares short clips depicting product application or videos of brand founder Rihanna speaking directly to fans. LVMH-owned beauty retailer Sephora similarly uses TikTok to show products in action or build a lifestyle with clips from Coachella.



Fenty Beauty's take on the #SimbaChallenge

Even brands that do not have an official TikTok account have a presence on the platform. The hashtag #Dior has more than 24 million views and connects to consumer-generated clips showing purchases or experiences, such as a cappuccino at the brand's pop-up caf at its Miami boutique.

Similarly, #LouisVuitton has 44 million views, while #Chanel has amassed 51.6 million views.

Christian Louboutin was also the star of a recent meme based on an Iggy Azalea song. Centered on the lyric "Walk a mile in these Louboutins," TikTok users created alternative and sometimes dangerous heeled footwear that included everything from oven mitts and plastic cups to carrots and garbage cans.

"Walk a Mile in These Louboutins" challenge on TikTok

Beyond product marketing, TikTok has also made a push to create travel-related content. The #TikTokTravel campaign from June included a consumer challenge and partnerships with tourism bureaus in destinations such as Los Angeles, Dubai and Seoul.

"New platforms emerge that capture the engagement of audiences from time to time," said Apu Gupta, CEO of [Curalate](#), New York. "TikTok has exploded, and as I can personally attest, it's an incredibly addictive medium for consuming incredibly fun, creative and witty content.

"In many ways, it reminds you of just how creative people are around the world," he said. "As a brand, there will always be a pull towards places where people congregate. But the questions a brand should be asking themselves are less about the platform and more about the audience and the expectations of that audience on the platform.

"From my perspective, there's no fundamental reason a luxury brand or a mass brand should be inherently disadvantaged or advantaged in participating on TikTok. The real issue is that brands have a long history of messy entries into spaces they have no understanding of.

"So, if you really want to 'start' on the platform start by just spending time there. Get to know it. Then figure out if your brand's voice can authentically join the conversation."

Going for Gen Z

TikTok has become a hit particularly with a Gen Z audience.

Gen Z is a demographic luxury retailers must keep in mind, according to a report from Bain and Altagamma. Along with millennials, Gen Z contributed 100 percent to total luxury market growth in 2018, compared with 85 percent in 2017

One in 10 luxury consumers will be Generation Z by 2025 ([see story](#)).

"The question is not whether they need to be on a specific channel or not, but where is their audience that they want to target and then understanding how to communicate on that channel properly, in an authentic manner," said Alison Bring, chief marketing officer at [Launchmetrics](#), London.

"The biggest challenge luxury fashion brands face is balancing their marketing strategies between the customer of today and the customer of tomorrow," she said. "For those heritage brands who still see 70 percent of their revenue from the baby boomer generation, platforms like TikTok and Snapchat are less relevant.

"Whereas, brands who have already started to see a shift in their customer to a younger millennial or Gen Z should be considering these channels pivotal to their strategy."

Pointing to the idea of knowing your audience, during a recent Launchmetrics webinar, Givenchy Beauty's vice president of communications Jessica Barlow said that for her brand, a 14-year-old is not an authentic demographic to pursue, making teen-centric platforms such as TikTok a poor fit ([see story](#)).

When social media apps are still new, luxury brands are often hesitant to join until they are more proven.

A 2016 report from L2 Gartner found that while Instagram adoption rates were nearing 100 percent at the time, Snapchat penetration lagged behind, as brands remained unsure if the platform is right for them.

In certain categories, including automotive, watches and jewelry and travel, adoption rates for Snapchat were at 25 percent or less. It was too soon to judge what ROI Snapchat was having for brands since there was a lack of data available, but that did not stop many brands from turning to the time-sensitive platform to reach audiences in an unfiltered way ([see story](#)).

"Like any new social platform or app, you need to consider why the app exists in the first place," Mr. Logan said. "Then you need to determine if your brand aligns with that purpose. In a lot of ways TikTok fills a void created by Vine but it's also not too much unlike Snapchat.

"Yet TikTok is unlike others in that it creates videos mashed up with music or even other users," he said. "This makes the level of investment high for a luxury brand, because they can't repurpose content from other platforms and expect it to do well. "The opportunity is huge but the investment required is large as well. Before you commit to a new platform, advertise on it and see how the results stack up to your other efforts."

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