

MARKETING

Facebook's Instagram introduces TikTok competitor Reels

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Facebook has launched Instagram Reels in the U.S. Image credit: Instagram

By LUXURY DAILY NEWS SERVICE

Social media giant Facebook Inc. has launched its TikTok competitor, Instagram Reels, at a time when both platforms are facing increased scrutiny from the United States government.

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Luxury brands, including Burberry and Louis Vuitton, have flocked to both Instagram and TikTok in an effort to engage with affluent millennial and Generation Z consumers. Each social media network touts hundreds of millions of users and varied features, but the introduction of Reels coincides with recent efforts by President Donald Trump to ban TikTok in the U.S. in light of national security concerns.

Reels vs. TikTok

On July 31, Mr. Trump told reporters he intended to ban TikTok in the U.S. While he has yet to follow through on this threat which would most likely happen through an executive order his administration has warned against the mobile application for several weeks.

TikTok is owned by Beijing-based ByteDance. The app has been accused of potentially passing on user data, including IP addresses and geolocation data, to the Chinese government.

India cited similar concerns over the misuse of user data in June when its government banned nearly 60 Chinese mobile apps, including TikTok, WeChat and Weibo.

To save TikTok from a similar fate in the United States, technology giant Microsoft has **confirmed** that it is in discussions to purchase TikTok in the U.S., Canada, Australia and New Zealand. This would result in Microsoft owning and operating TikTok in those markets, including storing private data of U.S. users within the country.

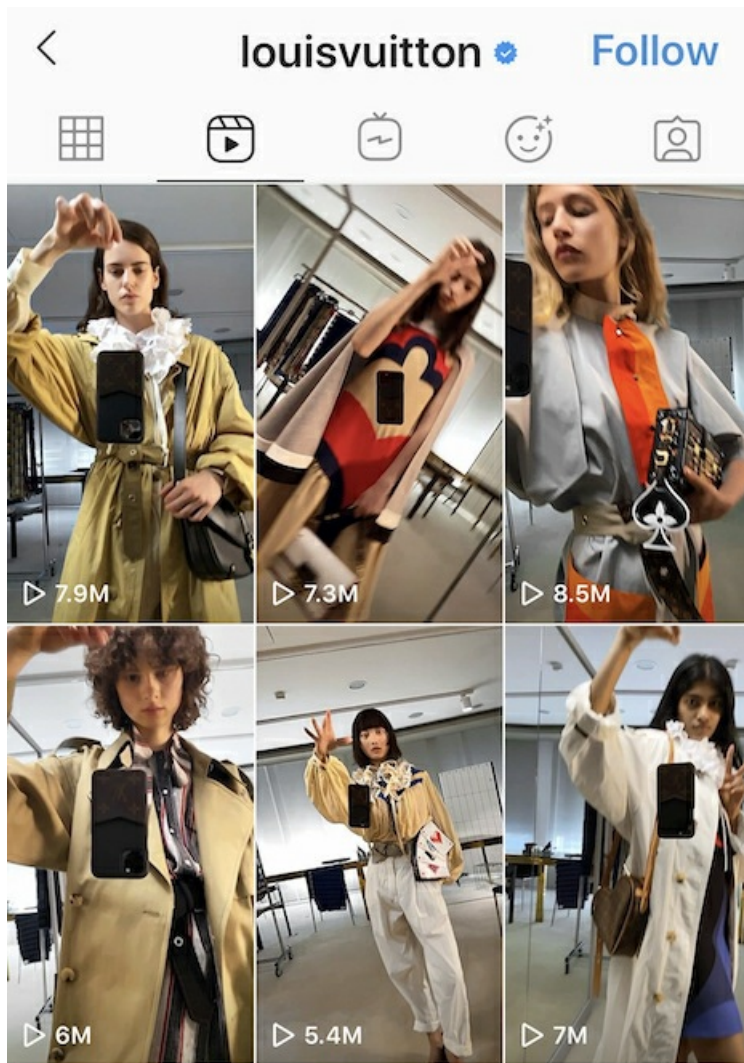
CNBC **reports** such a deal would be worth between \$10 and \$30 billion, with the Trump administration closely involved in negotiations.

Meanwhile, Facebook CEO Mark Zuckerberg, along with other top tech executives, virtually appeared in front of Congress last week for an antitrust hearing.

In particular, Mr. Zuckerberg was questioned about Facebook's 2012 acquisition of Instagram as well as the company's attempts to acquire Snapchat. He was also criticized by lawmakers for Facebook's strategy of copying the popular features of its competitors.

For instance, Instagram took aim at Snapchat back in 2016 by introducing its Stories feature that allows users to record video and pictures, which appear at the top of selected newsfeeds for only 24 hours, whether they follow the user or not ([see story](#)).

In 2018, Instagram challenged Google's YouTube with launch of a long-form video hub, IGTV ([see story](#)), though it never gained much traction. Instagram Stories, however, have become one of the social network's most popular features.



Louis Vuitton already has millions of views for its Instagram Reels

Despite these renewed criticisms of copycatting, Facebook proceeded with its Aug. 5 U.S. launch of Instagram Reels, in a thinly-veiled attempt to capitalize on the uncertainty surrounding TikTok's future.

According to [Techcrunch](#), Instagram Reels had already been rolled out to several countries, including India following the ban on TikTok.

With Reels, Instagram users can record and edit 15-second multi-clip videos with audio, effects and other creative tools. These features are extremely similar to the ones millions of TikTok users enjoy but Instagram has made them available on a social network where most luxury brands have a well-established presence.

Despite its popularity, many luxury brands were slower to embrace TikTok.

Luxury labels including Dolce & Gabbana, Prada and Gucci are among the fastest growing brands on TikTok, having launched their accounts earlier this year ([see story](#)). Italian fashion label Fendi launched its official TikTok channel less than a month ago ([see story](#)).

Now, luxury brands will be able to repurpose similar content on Instagram without having to start from the ground up. According to Instagram, Reels will live on a separate profile tab but can also be shared on the Feed or through

Stories.

Already, luxury brands Louis Vuitton and Loewe have shared their first Reels with their millions of Instagram followers. It remains to be seen when and how other luxury labels choose to follow suit.

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