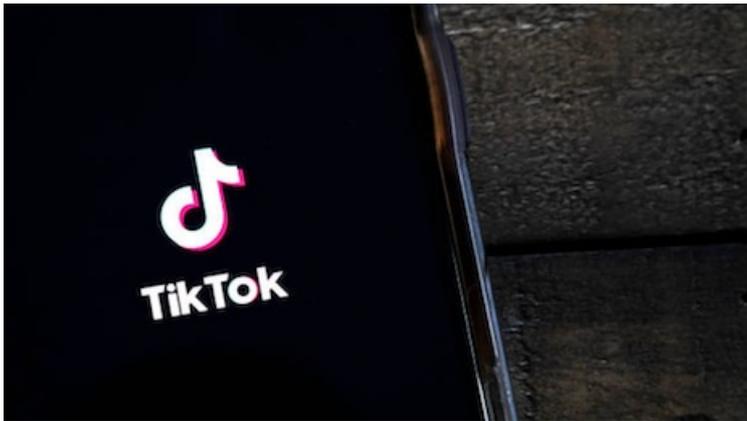


SOFTWARE AND TECHNOLOGY

## TikTok experiments with livestream shopping in social commerce push

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*TikTok is gearing up to launch a livestreaming shopping feature. Image credit: Getty*

By KATIE TAMOLA

Short-form video sharing platform TikTok is exploring an expansion of its livestream shopping events as social media moves in a more transactional direction.

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TikTok is continuing to evolve in response to growing trends, joining other platforms that have introduced more social shopping features. In particular, livestreaming has proven lucrative in China and is one promising addition that may entice luxury brands and advertisers on TikTok.

"Creators have found solace in TikTok as the format is so different from Facebook and Instagram, which have shifted so heavily to ecommerce and advertising," said Madelyn Lydon, associate director of public relations and social media at **OH Partners**, Phoenix. "TikTok already has a livestreaming feature, which allows followers to get to know creators on a more personal level.

"This added shopping feature is a huge opportunity for creators and brands, if done the right way," she said. "The livestreaming shopping feature could allow creators to earn more for their content through partnership and referrals.

"This also provides brands with a more direct path to purchase."

### Livestreaming into the future

TikTok is looking to implement features allowing users to buy products within the app, interact with influencers and their product affiliate links and purchase products from livestreaming events.

In December 2020, TikTok began experimenting with livestream shopping when it held an hour-long event with mass market retailer Walmart.

*The Financial Times* is reporting that TikTok is planning an "aggressive expansion into ecommerce in the U.S.," including the livestreaming events that will act as a modern home shopping network on a user's smartphone.

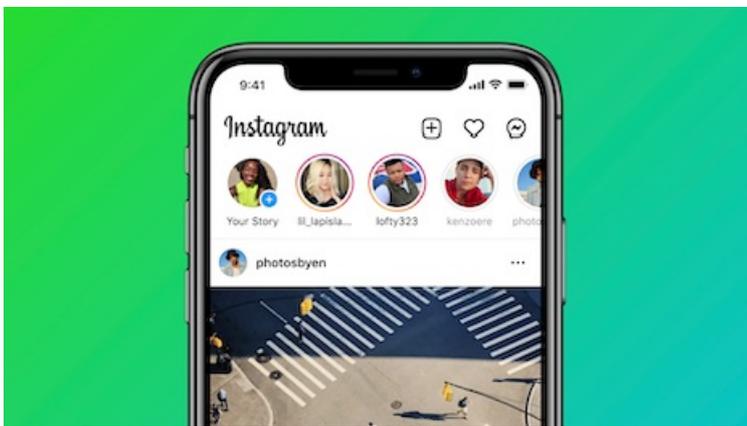


*A previous Balenciaga TikTok campaign. Image credit: Balenciaga*

It is no wonder that TikTok would begin exploring more ecommerce routes, as competitive social media platforms including Facebook and Instagram are continuing to offer a plethora of options including influencer pushes and livestreaming events.

TikTok is owned by Beijing-based technology company ByteDance. Livestreaming is immensely popular in China, and TikTok is now hoping to emulate its success within the U.S. market.

Consumers are increasingly looking for brands that utilize storytelling, an area where TikTok excels as a platform. This could possibly offer the platform a leg up on its competitors.



*Instagram is no stranger to livestreaming shopping events. Image credit: Instagram*

"TikTok's superpower is creativity and community," said Ruth Bernstein, founder and CEO at **YARD NYC**, New York. "This means what's permissible in terms of commerce becomes a tricky balancing act between credible and sales-orientated.

"Instagram has become in effect a shopping app; there's so much trash embedded in the experience, that we've become inured to it," she said. "The targeting is so blatant at this point, which means that anything that offers up a slightly more creative or distinctive shopping experience is going to be interesting, at the least in the short term."

The opportunities seem to be abundant. TikTok will allow the partnering of influencers and brands to reach consumers, and will be providing users yet another method of simple shopping from home.

#### Watch and shop

If TikTok is seeking evidence that livestreaming can be lucrative, the company only has to look at how successful the feature has been in China.

As livestreaming becomes an increasingly popular practice in China, Western labels and retailers are catching on to the tactic as a means of driving real-time interactions with consumers. Acting as a digital, influencer-driven version of home shopping television networks, livestreaming enables brands to showcase products and stores through personalities ([see story](#)).

Market researcher Forrester forecasts that livestreaming commerce is set to reach \$100 billion in China by 2023, up from \$34 billion in 2019, and other Asia-Pacific markets are set to follow ([see story](#))

Many are anticipating that U.S. audiences will also be excited at new social shopping opportunities, including livestreaming.

"Livestreaming has become especially prevalent during COVID as people are limited where they can do their shopping," OH Partners's Ms. Lydon said. "I anticipate that as younger generations are spending more time watching livestreams and value recommendations from influencers, we'll see that American audiences will respond similarly."

Many luxury brands have become more active participants on TikTok. For instance, French fashion labels Louis Vuitton and Dior have 3.5 million and 6.3 million likes on the platform, respectively.

Luxury labels have already turned to livestreaming to reach Chinese affluents, after Tmall Luxury introduced Soho Live last summer ([see story](#)).

Ultimately, brands will pay close attention to whether livestreaming on TikTok becomes popular and effective in the U.S. and adapt accordingly.

"There'll be a steep learning curve for everyone, but it will be the brands that keep plugging away and trying new things that will succeed because the barrier to failure is much lower in the app," YARD NYC's Ms. Bernstein said.

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