

COLUMNS

Why luxury brands cannot ignore TikTok

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By A LUXURY DAILY COLUMNIST

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TikTok has swiftly become one of the most influential social media platforms in the world. It currently sits as the seventh largest social network, surpassing LinkedIn, Snapchat, Twitter and Pinterest with 800 million active users.

In the first quarter of 2020, the app had more than 315 million downloads worldwide, which is the most downloads a quarter by any app, ever.

Recently, the Chinese video-sharing platform was the only app not owned by Facebook to make the global list of top five downloads, taking the leading spot for the first time over Facebook.

Whether or not you are familiar with the app or have a desire to become familiar some of us had finally figured out SnapChat as marketers, we cannot ignore the power and influence of this app and what it means for luxury brands.

Not just a dance app for tweens

I decided to take a deep dive into TikTok about six months ago under the guidance of a TikTok expert and scholar: my 12-year-old niece.

It started out as a dance challenge. Could her "aging" aunt get the moves down on a choreographed dance video? Well, I did she was pleasantly surprised and now I have to admit I find myself scrolling through the app several times a day.

What I thought was just a dance app for tweens became a personalized stream of content curated just for me.

The algorithm quickly learned that I loved cooking and home improvement videos and I found myself scrolling for longer than I care to admit.

It is important as marketers that we take time to study this platform.

For us to recommend the best marketing tools for our clients we have to understand everything in the toolbox.

Immersive brand storytelling

Marketers know that strong video content and viral sharing can lead to increased brand engagement which ultimately leads to an increased ROI.

Particularly for luxury brands, short-form videos are an excellent channel for immersive storytelling.

TikTok is the ultimate platform for short videos that have the ability to go viral very quickly, which is what makes TikTok such a compelling tool for brands.

TikTok just recently announced that users can now post content up to five minutes in length compared with the previous 60 seconds. This allows for more creativity from brands that want to engage in longer-form storytelling, such as beauty tutorials, marking another great opportunity for luxury brands.

TikTok's largest age group in the United States is consumers ages 18-24, who account for 42 percent of the user base.

While the demographics skew quite young in the U.S., according to Marketingcharts, the number of U.S. adults using TikTok has been consistently on the rise over the past few years, which is another reason why this platform cannot be ignored even if your brand targets adults 24-plus.

How brands can use TikTok

The best way for marketers to use TikTok is to create fun and engaging content that does not look like a traditional ad.

Generation Z, in particular, is turned off by anything that looks like an ad.

Working with influencers can help brands make connections in an authentic way.

A hashtag challenge is another effective way to get people talking about your brand and encourage users on TikTok to create or recreate content with your hashtag.

As far as paid advertising on the platform, here are some ways a brand can advertise:

Native ads: These are similar to Instagram story ads and allow for Web site clicks or app downloads. Pricing varies depending on a brand's goals and intended reach.

Brand takeovers: Displays a full-screen ad when a user opens TikTok. You can link to a branding page or hashtag challenge. Takeovers run anywhere from \$20,000 to \$50,000.

Hashtag challenges: Promoting a hashtag challenge to get more engagement will set you back \$150,000 for six days. So far, branded hashtag challenges seem to be the most popular approach for brands on TikTok.

Several musicians and organizations such as the NFL and Universal Pictures have run campaigns. These campaigns encourage users to create videos around a specific hashtag, often using a specific song or set of dance moves.

Luxury brands doing it right

Moncler is a prime example of a luxury brand doing TikTok right.

At the end of 2020, Moncler chose TikTok to tell the story of its iconic puffer with the #MonclerBubbleUp challenge.

Major influencers, including TikTok's most-followed Charli D'Amelio, were hired to take part in the challenge.

The videos showcased Moncler's signature puffy winter coat look, encouraging users to recreate the look with everyday household items such as blankets, pillows and garbage bags with a final reveal of a real Moncler jacket.

The short videos were set to the hit song, *Bubble*, by 24hrs. and Ty Dolla \$ign.

The challenge has received more than 7.6 billion TikTok views to date, successfully introducing the brand and its heritage style to Gen Z.

The campaign used mega-influencers, a hit song and a fun challenge for maximum impact.

For the spring/summer 2021 season, Dior took its highly anticipated fashion show live on TikTok, taking digital storytelling to a new level at a time when consumers could not gather together safely.

ULTIMATELY, LUXURY BRANDS have to find a way to not only speak to the TikTok user in the TikTok language, but also stay authentic to their brand.

This might mean doing something completely out of the scope of what is expected for the brand. But as long as it stays true to the brand, great success can be achieved using such a powerful social media tool.

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