Industry Report:

What Consumers Want From Brands on TikTok

TikTok has changed the way audiences <u>consume</u> <u>information</u> and make <u>purchasing decisions</u>. If you are one of the few brands that understands the platform properly, <u>it's an exciting opportunity to capitalize on</u>.

In this report, we focus on the consumer's perspective on all things brand discovery and TikTok purchasing behavior—from how often consumers purchase after finding a new product to what consumers want from brands on TikTok.

For this data report, we surveyed 300 active and vetted TikTok users in the 20-34 age group.

from Ads By Untitled

a shortform ads and content studio

Hi. We are **Ads by Untitled.**



Let me ask you a question. Do you know what an "NPC" is? How about "cheugy"?

If you don't know what those words mean, you shouldn't be making your TikTok content without help

TikTok's constant moves from trend to trend and inside joke-to-inside joke makes it a confusing mystery to companies & brands. When are audiences laughing WITH someone vs. AT something? The truth is, however, TikTok is an incredibly predictable space.

In order to capitalize on TikTok, you'll need 3 things:

1) A very close pulse on TikTok (understand *what's* happening and *when*)





2) A strong feel for the TikTok generation (when are audiences laughing AT vs. WITH someone)

3) Ability to quickly capitalize on trends & experiment ruthlessly

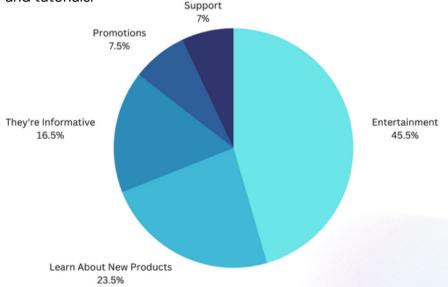


At 'Ads by Untitled' we've mastered all 3. When trends, inside jokes, or memes take off on TikTok, we know about it. And in under 48 hours — we can ideate, script, edit, and produce an entire experimental ad campaign with ~20 creatives, each testing a slight variation in language, visuals, and expression.

Question 1:

Why Do Consumers Follow Brands On TikTok?

When it comes to the content preferred by consumers, almost half of the consumers we surveyed reported they follow brands that are <u>entertaining</u> — beating out reasons like product demos and tutorials.



Look at TikTok in two parts:

- Establishing brand awareness
- 2) encouraging purchase decisions.



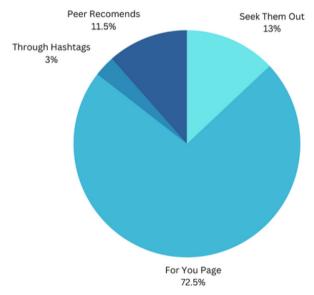


Next, let's explore exactly *how* active TikTok consumers actually follow brands and what they like from the brands they follow.

Question 2:

How Do Consumers Discover Brands On TikTok?

An overwhelming **73%** of consumers say they <u>discover brands</u> on the For You Page. On the other end of the spectrum, only 3% of active TikTok consumers discover brands based on hashtags.



The first step when implementing a TikTok strategy is to **get found**. However, many brands we work with miss this step and instead focus on *finding* followers.

Key Lesson #1

Optimize your TikTok strategy to GET discovered vs. actively chasing a following.

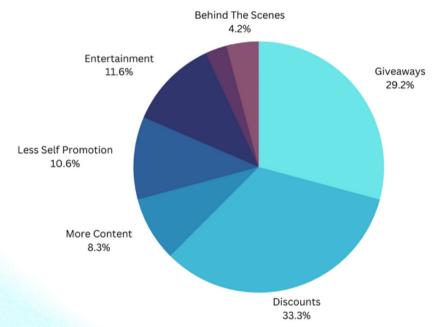


Next, is brand discoverability something that happens organically or strategically? So we asked.

Question 3:

What Consumers Want More of From Brands

Knowing how consumers discover brands and products on TikTok is a great start. But <u>once someone follows your brand, what do they want to see</u>?



36% of consumers want to see more brands offering discounts to their TikTok followers, with 31% closely behind and reporting they'd like more giveaways.

That means <u>67%</u> of consumers want some type of reward from the brands they follow.

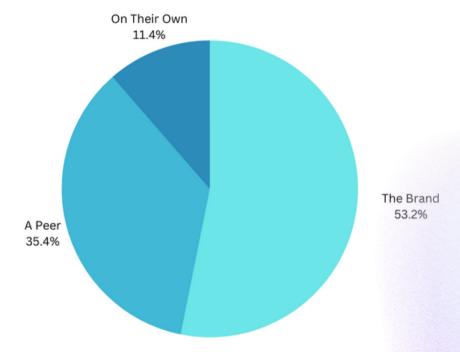


Next, how do consumers learn about the products they purchase?

Question 4:

How Consumers Learn About The Products They Purchase

A majority of consumers report that they learn about the products they purchase from brands they follow. So, if you get audiences to follow your brand, you can entertainingly showcase your products and generate strong sales.



On TikTok, there are 3 ways consumers learn about products they want to purchase:

1) Learn directly from the brands they follow





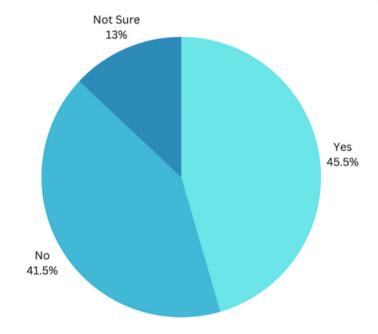
- 2) They learn about them from a peer
- 3) They actively seek them out (research)



Question 5:

Are you familiar with #TikTokMadeMeBuyIt?

Surely you've heard of the hashtag #TikTokMadeMeBuylt. Do customers actually pay attention to it?



Surprisingly, the answer is **yes.** Consumers must be paying attention because

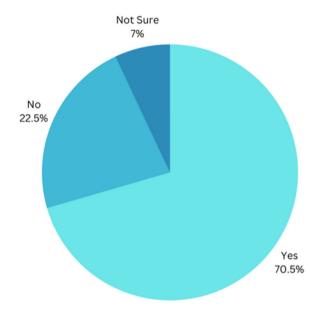
~46% of our surveyed pool have purchased after seeking out products by searching for that specific hashtag.



Question 6:

Do you pay attention to TikTok ads?

Wondering if TikTok ads are effective? We could tell you they are until we are blue in the face but we thought it would be best to show you with the data. And, even we were surprised.

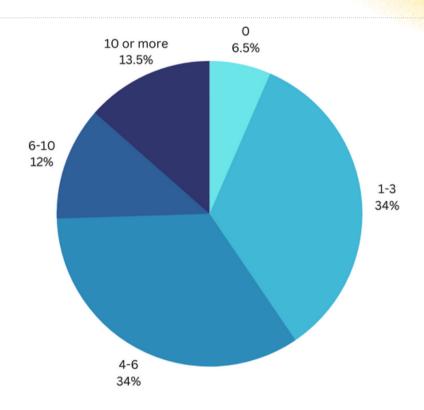


A shockingly high **70%** of consumers report they pay attention to ads on TikTok. Anecdotally, that number feels like it should be way lower, but its not!

So, we know TikTok Ads are effective and gain attention. But how many products do consumers actually purchase?

Question 7:

Number of products consumers bought from a TikTok ad this year



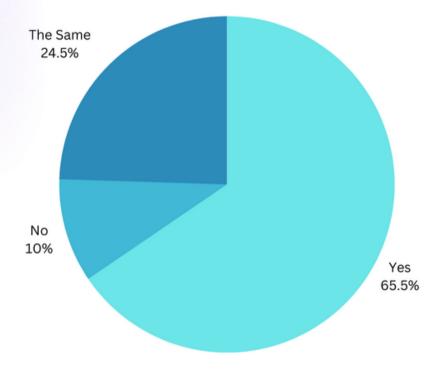
A strong majority of the active TikTok users we surveyed have purchased **1-6 products in the last year after** seeing an ad a TikTok ad for that product (with ~60% of users report having purchased 4 or more)

Next, let's compare TikTok ads to other platforms...

Question 8:

Do More Purchases Happen on TikTok Than Other Social Platforms?

We speculated that more brands are getting sales from TikTok than any other social platforms so we simply asked to see if our theory is correct. From a consumer standpoint, this inclination is validated thru the data.

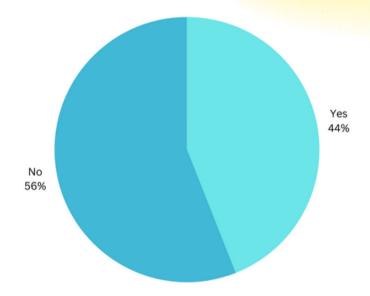


66% of consumers report purchasing products after seeing them on TikTok <u>more</u> than they purchase after seeing a product on Facebook and Instagram. This insight alone is incredibly powerful.

Question 9:

Are Consumers Posting About Products On TikTok On Their Own?

We all know how valuable it is when someone shares the positive experience they had with your brand, and products, on TikTok. This brings up a great question. Are consumers taking it upon themselves to share about products on TikTok?



With 44% of consumers reporting that they do share some of their favorite products on TikTok, it's likely that you're already earning great social proof. However, that means **56%** of consumers don't post about products.

To gain more social proof about your brand on TikTok, a little incentive like a discount, gift card, or free products tend to elicit organic, user generated content

Here at Ads by Untitled, our sole purpose is to help our clients make the most out of TikTok.

Schedule a free strategy call with us...

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We love critiquing your TikTok strategies for fun ;)