

# Digital Marketing Strategies on Short-Video Streaming Platforms: A Case Study of TikTok

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**Abstract.** With the rapid rise of short-video streaming platforms, TikTok has emerged as a highly influential digital marketing channel, reshaping the ways in which brands connect with consumers. This study focuses on TikTok's marketing strategies and operational mechanisms, exploring its platform ecosystem, content dissemination patterns, and commercial conversion pathways. Through literature review, data analysis, and case studies, it examines TikTok's closed-loop marketing model of "content–interaction–conversion," while addressing issues such as content homogenization, misleading promotion, and imbalanced traffic distribution. The research proposes optimization strategies, including refining algorithmic mechanisms, fostering niche content development, and enhancing transparency in collaborations between brands and Key Opinion Leaders (KOLs). The study concludes that in the realm of digital marketing, TikTok must seek a balance between expanding traffic and ensuring the long-term sustainability of its user ecosystem, so as to safeguard the healthy development of its marketing environment. This paper provides some suggestions on digital marketing strategy of a streaming media platform.

**Keywords:** Short video, TikTok, digital marketing strategies, content marketing, livestream e-commerce.

## 1. Introduction

TikTok, as a popular social media platform today, is widely used across many parts of daily life—entertainment, education, commerce, and more—and it reflects a reshaping of how people allocate their attention and access information.

Among the numerous short-video platforms, TikTok stands out for its distinctive content creation model and powerful algorithmic recommendation system. It offers video shooting, editing, and sharing functions, combined with music and special effects, while enabling social interaction. With notable cross-cultural communication capabilities, it can efficiently distribute creative content to users across different languages and cultural backgrounds, achieving a global "content resonance" [1]. As time progresses and technology advances, TikTok's algorithmic self-growth mechanism ensures that it remains at the forefront of the short video platform competition. By providing users with a personalized and highly participatory platform, TikTok has solidified its position as a pioneer in the industry. By applying artificial intelligence and big data analytics, it delivers personalized recommendations that enhance user experience. In doing so, it has redefined the ways in which content is produced, disseminated, and monetized, becoming an indispensable force in the field of digital marketing [2].

The focus of this study is to examine in depth the strategic logic and application mechanisms of TikTok's digital marketing practices. As social media platforms continue to evolve, TikTok's marketing model has moved far beyond traditional advertising and product placement. It has developed into a marketing ecosystem built around short videos and integrated with livestream interactions and e-commerce transactions, bridging the entire process from initial interest to final purchase. This forms a "content + interaction + conversion" loop that connects all three stages into a unified process [3]. Such an ecosystem not only transforms the way brands communicate with consumers but also offers companies new pathways for integrated marketing.

This research adopts a combination of literature review, data observation, and case study methods. It draws on recent domestic and international studies on TikTok marketing, refers to official platform

data and related reports, and analyzes representative brand marketing cases to extract effective strategies from real-world practice.

## **2. Marketing Ecosystem**

### **2.1. Product**

#### **2.1.1. Positioning**

TikTok positions itself as a short-video social entertainment platform with a clear youth-oriented market focus. Users aged 18–24 constitute 36.2% of its global audience, while those aged 25–34 account for an additional 33.9%, collectively reflecting a predominantly young demographic profile [4]. Engagement levels are notably high: in 2023, TikTok’s average global interaction rate reached 2.63%, significantly outperforming that of established social media platforms such as Facebook and Instagram [5].

The platform operates on a user-driven content ecosystem, where the recommendation algorithm shapes content exposure but user participation remains the primary driver of content creation and dissemination. Highly personalized content discovery, and a highly engaged user community. This participatory culture fosters imitation and derivative works, enabling viral diffusion through peer networks without heavy dependence on paid advertising. Such organic, user-led sharing conveys high trustworthiness and ensures efficient information transmission [6].

TikTok’s user base also exhibits a pronounced impulse purchasing propensity. Content often integrates entertainment with product recommendations, employing a “seeding” mechanism to trigger purchasing decisions when emotional engagement is heightened or the viewing experience becomes highly immersive. Compared with other social platforms, TikTok substantially shortens the purchasing journey—compressing decision-making cycles and improving conversion efficiency. Market forecasts indicate that by 2025, 45.5% of TikTok users in the United States will make direct in-app purchases, the highest rate among all social platforms, thereby highlighting its leadership in social commerce conversion [7].

The platform’s core value proposition lies in providing diverse, high-quality video content, supported by intuitive creation tools and interactive social experiences that deepen user engagement and sustain long-term platform loyalty.

#### **2.1.2. Functions**

TikTok offers a wide range of creative and interactive tools—such as filming, editing, and special effects—that lower the barriers to content creation and encourage participation from everyday users. Interactive features include comments, likes, and shares foster active community engagement. The platform’s precise content recommendations cater to individual preferences, while livestreaming, duet videos, and interactive challenges enhance its social dimension. The “duet” feature, for instance, enables users to display their videos alongside an original clip, facilitating cross-regional and cross-cultural interaction. Livestreaming extends the content ecosystem into commercial contexts, creating a seamless pathway from viewing to instant purchasing.

#### **2.1.3. Commercial strategy**

TikTok has launched a comprehensive suite of Business-to-Business (B2B) services in the Chinese market, including the "Blue V Enterprise Account" and the Ocean Engine advertising platform, offering integrated brand marketing solutions. In the e-commerce sector, the platform has established TikTok Mall and live-streaming commerce scenarios, creating a seamless "content-driven discovery to instant conversion" ecosystem. These tools help brands increase visibility, attract potential customers, and move them from browsing to purchase. They also offer user management services—such as group chats—to strengthen customer relationships and loyalty.

In order to allow more new creators to grow up quickly, TikTok has launched a plan to help creators develop, which will bring more traffic support to creators and make them easier to see. The

platform enforces strict content review processes to maintain quality and user satisfaction, alongside responsive customer service. Specialized channels, such as industry-specific WeChat service groups, address user issues and feedback efficiently.

## **2.2. Differentiated Pricing**

For individual users, TikTok offers free downloads, registration, and basic features, attracting a vast user base while keeping the threshold for paid value-added services low. For business users, it adopts a tiered pricing system: enterprise accounts require an annual verification fee, and advertising through Giant Engine supports multiple models, such as Return on Investment (ROI)-based placements or exposure-based campaigns, to suit different budgets. In e-commerce, TikTok takes a commission of 5–15% on livestream sales and in-app storefront transactions, with rates linked to sales performance. This structure creates a mutually beneficial commercial ecosystem between the platform and merchants.

## **2.3. Channels**

TikTok expands its audience through an integrated online–offline approach. Particularly eye-catching sponsorship activities, such as cooperation with the Spring Festival Gala, have provided the brand with a large number of exposure opportunities. The active participation of celebrities, Internet celebrities, and key opinion consumers, that is, Key Opinion Consumer (KOCs), has given the brand traffic relying on its fan base and successfully attracted those who are not the core audience of the brand.

Online channels include app store optimization and targeted advertising to generate initial downloads, followed by onboarding strategies that use TikTok’s own traffic pool to encourage registration. External sharing features allow videos to be posted on other platforms, leveraging personal social networks to attract new users. Offline, TikTok co-hosts events with partner brands, offering interactive experiences that encourage attendees to share their participation online, further amplifying reach.

## **2.4. Promotion**

TikTok has employed a variety of strategies to enhance user engagement and boost its brand value. So, what exactly is a custom tag campaign? It generally has the characteristics of a relaxed tone, a strong rhythm and a creative form, just like music editing, dance imitation and short plays, and this kind of custom tag activity constitutes a very crucial part of its promotion method. One signature format is the “challenge,” in which users or brands launch activities centered on specific actions, themes, or topics. Participants receive traffic incentives, generating large volumes of user-generated content (UGC) that spread organically while keeping costs low.

# **3. Analysis of the Core Module of Digital Marketing Strategy**

## **3.1. Content Marketing Strategy**

TikTok uses algorithm-driven precision recommendations to enable bottom-up, viral content diffusion. Time-Sensitive Content Strategy is content creators on TikTok understand the significance of Investigation on the Self-Improving Algorithm of TikTok Based on Extensive User Interactions timing. They recognize topics that are likely to resonate with users during specific time periods. For instance, pushing food-related content during mealtimes takes advantage of users' daily activity patterns and their interest in culinary delights. By capturing multidimensional user behavior data and generating real-time audience profiles, the platform efficiently connects content creators with target consumers [2].

The content ecosystem on TikTok is driven by two complementary models: Professionally Generated Content (PGC) and UGC. Through PGC—such as storyline-based productions from

brand-operated accounts—the platform conveys core creative ideas and value propositions while maintaining a consistent brand tone. At the same time, it stimulates UGC participation by launching interactive activities like dance challenges and skit reenactments, encouraging users to enrich brand expression and enhance engagement through their own creations [8]. From this particular interpretive perspective, hashtags appear to tend to suggest they play a substantially important role in amplifying what might be characterized as brand messages. What seems to emerge from these findings is how TikTok-designed challenge tags seem to generally indicate a capacity to bring together dispersed user creations into what appears to represent a unified thematic stream, ostensibly fostering a sense of collective participation. What also appears significant in this context is how campaigns using hashtags like #makeuptransformation appear to provide evidence that may support an integration of brand messaging, seemingly seamlessly, into everyday user expression. What this tends to indicate, therefore, is that such activities not only seem to lend support to what may represent a boost in brand visibility but also subtly shape brand perception [9].

Within this particular analytical framework, PGC tends to provide what might be characterized as the creative direction and tone, while UGC seemingly contributes authenticity and interactivity. What appears to follow from this analysis is that together, they sustain and amplify the content lifecycle. Ostensibly high-quality content appears to gain substantially greater exposure through algorithmic recommendations, which seems to prompt further engagement. What this cyclical pattern of “creation-recommendation-feedback-recreation” appears to build, therefore, is a substantially active and fast-evolving content environment.

### **3.2. Social Interaction Marketing Strategy**

Unlike the one-way persuasion of traditional advertising, TikTok marketing focuses on authentic experiences and emotional resonance. KOLs and celebrities present themselves as “friends” or as models of an “ideal lifestyle,” narrowing the gap between brands and consumers while influencing purchase decisions. By sharing personal product experiences in a casual, non-advertorial style, they spark user curiosity. Such “seeding” content often appears as “beauty diaries” or “daily recommendations,” encouraging users to view purchases as a way to achieve their desired lifestyle [3].

TikTok’s influencer ecosystem follows a clear hierarchical structure. Top-tier KOLs, with strong content influence and platform authority, are responsible for “breakout” brand exposure. Celebrity accounts integrate products closely into their lifestyle content, reinforcing brand values. Some campaigns pair celebrities with everyday users in co-created videos to generate social buzz and expand audience reach.

Mid-tier influencers and KOCs take on the role of “precision seeding” and “in-depth reviewing,” often focusing on vertical niches such as beauty, fitness, parenting, or fashion. Their expertise and credibility are reinforced through before-and-after comparisons and authentic unboxing experiences, delivering persuasive product value to their followers. This tiered system builds a multi-level communication path from awareness to conversion, improving the overall efficiency of the marketing funnel.

### **3.3. Advertising and E-Commerce Strategy**

TikTok has developed a complete marketing loop that connects advertising exposure with e-commerce conversion. Social media wields considerable influence over consumer decision-making, as it brims with opinions and reviews on diverse brands and products. Notable factors shaping consumer choices include influencer and social connections’ reviews, brand presence, and social media advertising [10].

The platform’s advertising strategy relies heavily on native in-feed ads—full-screen, auto-playing videos designed to blend naturally with user-generated short videos. Conversion depends on the content’s appeal, with clickable buttons leading directly to brand pages or product listings.

The introduction of TikTok Shop enables brands to set up stores within the platform and link products directly to short videos or livestreams, creating a “one-stop” shopping journey that significantly shortens decision cycles. This model is particularly effective for fast-moving consumer goods such as beauty products, apparel, and snacks, where instant purchases are common. Supporting tools—such as shopping cart integration, livestream product links, and discount coupons—further facilitate transactions. Studies show that many KOLs and celebrities achieve sales in the millions, and in some cases tens of millions, during a single livestream session [11].

### **3.4. Internal Environment: SWOT Analysis**

TikTok benefits from exceptionally high user stickiness, with its large and active user base serving as its most valuable traffic asset. Its content ecosystem is diverse—short, fast-paced, and visually impactful—fostering strong audience engagement. The platform is also driven by advanced technology and supported by a broad global presence.

Content homogenization is a persistent issue, as many creators replicate popular templates, leading to user fatigue. Frequent updates to content policies and platform regulations create challenges for maintaining continuity in brand marketing. Privacy and data security concerns may undermine user trust, while TikTok’s heavy reliance on livestream e-commerce leaves some brands struggling to achieve conversions in non-livestream contexts.

Technological innovation continues to expand usage scenarios, enabling livestreaming even in remote or challenging environments. TikTok’s integrated commercial infrastructure—from product showcases and livestream sales to TikTok Shop—provides brands with a complete transaction loop. Emerging markets present strong growth potential, with Southeast Asia, Africa, and the Middle East showing sustained momentum in new user acquisition.

Competition is intensifying as platforms like Instagram Reels and YouTube Shorts adopt similar short-video formats and leverage their own ecosystems to attract creators and brands. Content safety and brand trust remain at risk, as issues such as misleading promotions and inconsistent product quality erode consumer confidence, potentially harming the platform’s overall commercial credibility.

## **4. Existing Problems and Optimization Suggestions**

### **4.1. Current Issues**

In the content ecosystem, TikTok’s algorithm favors highly interactive and trending templates, which further exacerbates content homogenization. Its heavy reliance on historical user data narrows content exposure, creating an “information cocoon.” A 2024 TikTok growth study found that practical content—such as e-commerce and local services—is the primary driver for users to open the app, while negative content experiences remain the leading cause of user attrition.

From a promotional standpoint, excessive native ad placement generates user resistance. Misleading promotions are increasingly common, particularly in categories such as cosmetics and health supplements. Influencers often post undisclosed advertisements, sometimes inflating rates or falsifying engagement data, which undermines brand credibility [12].

Intensifying competition has led to traffic monopolization, with top-tier accounts capturing a disproportionate share of visibility and leaving small and mid-sized creators struggling to gain exposure. During peak seasons or major sales events, promotional costs surge. For example, during the “618” shopping festival, platform traffic skews toward paid advertisers, forcing brands to increase budgets for in-feed ads, influencer collaborations, and livestream promotions. This escalating multi-channel cost structure puts pressure on marketing ROI, especially for smaller brands.

Some low-quality or sensationalist content has triggered regulatory scrutiny and sanctions. Within this broader analytical framework, it appears different countries tend to impose varying requirements on data usage, advertising standards, and content transparency. What appears to follow from this analysis is that complying with these diverse legal environments seems to demand substantial platform resources, while brands ostensibly face considerable risks related to content review and what

appear to be unclear boundaries on data usage [13]. Mishandling these issues may tend to undermine user trust, potentially lead to legal disputes, and create long-term uncertainty. What seems to emerge as theoretically important is that these challenges appear to stem from what might be characterized as a fundamental tension between rapid commercial expansion and the ecosystem's sustainable health.

## 4.2. Optimization Strategies

The core challenge is how to balance traffic-oriented operations with sustainable value creation. At present, TikTok's distribution strategy places strong emphasis on commercial modules, which limits the visibility of UGC and creates content gaps; changing this approach too abruptly could disrupt the established KOL-centered commercial ecosystem. Going forward, the platform should work on improvements in product, pricing, channel, and promotion, shifting from a model of "traffic extraction" toward "value co-creation" to achieve a better balance between monetization and user experience.

Content quality can be improved by steering traffic toward niche verticals through topic-focused campaigns, targeted incentives, and algorithmic adjustments. This would encourage the growth of high-quality, professionally oriented content clusters that align more closely with the interests of younger audiences. Recommendation mechanisms should be refined to avoid the "bad money drives out good" effect, ensuring that in-depth and valuable content gains fair exposure.

Both brands and KOLs share responsibility for maintaining authenticity and transparency. Marketing should start from the user's perspective, avoiding misleading statements or excessive embellishment. Tighter review procedures for sponsored posts are needed. The platform can strengthen trust by introducing user rating systems, tracking comment history, and establishing dispute resolution channels, giving audiences a transparent and interactive feedback process. For specialized KOLs or KOCs, more attention should be given to professional credibility, consistent messaging, and realistic scenario presentation.

On the compliance side, TikTok should anticipate increasingly strict global digital regulations by enhancing technical safeguards for data protection and streamlining ad content review processes. It could also help brands develop compliance templates and internal review guidelines to reduce operational risks caused by regulatory uncertainty.

## 5. Conclusion

Through literature review, data comparison, and case studies, this paper has examined TikTok's key practices and competitive strengths in digital marketing in detail. By outlining the platform's ecosystem and patterns of user behavior, it offered an in-depth discussion of TikTok's performance in content marketing, user engagement, and commercialization strategies. To address current challenges, the platform needs to move beyond pure traffic competition and place greater emphasis on building a sustainable user ecosystem. Achieving a balance between traffic growth and long-term value will be crucial for maintaining a healthy and enduring marketing environment.

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