

The Fundamental Factors for Tiktok to Successfully Enter the International Market

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Abstract: This research study used SWOT marketing analysis technology to investigate how TikTok successfully entered the international market. The advantage of TikTok is its powerful data collection capabilities and unique algorithms, which can accurately recommend content to users and effectively improve user stickiness. TikTok's weakness lies in its overseas development model. The opportunity TikTok faces is that diverse content and fragmented information can meet the needs of users. The threat TikTok faces is increasingly fierce market competition, as well as bans from some countries, which may pose some challenges for TikTok to enter the international market. The results indicate that TikTok has a clear competitive advantage, and its weaknesses can be compensated for through some measures. The macro environment has brought good opportunities for TikTok, and TikTok has effective promotion strategies. As long as it can address cultural and political factors, it can improve its competitiveness in the international market and successfully enter the international market.

Keywords: TikTok, SWOT, marketing strategy, promotional strategy

1. Introduction

The TikTok music short video social software was created in 2016 by the company Beijing-based ByteDance. The social media 's feature is that users can watch 15-second videos for amusement and entertainment. In a few years, TikTok social media has become the rival company of YouTube, Instagram, and Facebook. The fast-moving content has hooked people around the world. According to TikTok statistics, TikTok has been downloaded 3 billion times and was the most downloaded non-game app in the first six months of 2021. Nowadays, TikTok is the world's most downloaded APP, with 500 million users worldwide. Besides, the overseas TikTok accumulated 755 million users in 2022, available in 154 countries.

Furthermore, TikTok uses an artificial intelligence algorithm, which is used for investigating and analyzing consumer habits in different countries.

This paper will take a step toward theoretically analyzing how TikTok can successfully become global and its market strategies. Our research method is quantitative analysis with a SWOT method.

2. Literature review

TikTok's success in gaining widespread traction in the global marketplace can be attributed to several key factors. This literature review delves into these factors, highlighting the platform's promotional strategy, the integration of shopping videos, the distinctive features of TikTok content, and underlying system design considerations. Additionally, this review explores the correlation between popularity metrics for audio and video content and delves into the psychology of TikTok usage, particularly among its predominantly teenage user base.

TikTok's success can be partially attributed to its effective promotion strategies. As Sharma and Rastogi [1] note, TikTok capitalized on influencer collaborations and user-generated content to create a viral loop that enticed new and retained existing users. Furthermore, the platform's incorporation of shoppable videos, allowing users to seamlessly shop within the app, has bolstered its appeal as an entertainment and commerce destination [2].

Characteristics inherent to TikTok videos also contribute to its triumph. Short-form, engaging, and often humorous content aligns well with contemporary digital consumption habits [3]. The video-centric nature of TikTok has led to a careful study of video bit rate and size to popularity, wherein optimization for mobile viewing has been paramount [4].

Regarding content popularity metrics, a study by Li et al [5]. reveals strong correlations between views and likes, emphasizing the importance of user engagement. However, other correlations, such as comments and shares, exhibit comparatively lower associations. This insight underscores the unique ways users interact with TikTok content.

Unpacking the psychology of TikTok use, it becomes evident that the platform's user base predominantly consists of teenagers. This age group exhibits distinct usage patterns and is often considered a potentially disadvantaged demographic. Fulfillment theories, particularly social use theory, align with teenagers' motivations to connect, express themselves, and seek attention within a digital context [6].

Yuan et al. used the 4P model to discuss TikTok's international e. Advanced algorithms and immersive viewing modes meet customer needs and increase customer stickiness. Regarding pricing, TikTok can be downloaded for free, increasing the number of customers. With a significant increase in the number of users, the usefulness of advertising has been infinitely amplified, and investors are willing to advertise, which has greatly benefited TikTok. At the same time, TikTok has expanded in various aspects, both online and offline, acquiring other software and collaborating with well-known dating apps. Offline advertising, inviting celebrities to settle on TikTok to further expand its visibility. Finally, its promotional strategy enters potential customers' lives from multiple perspectives, such as celebrity effect, brand cooperation, advertising placement, etc. [7].

Huang discusses the reasons for TikTok's success in terms of business models, algorithms, and functions. He pointed out that the business model of TikTok is a key point of its success. By monetizing the content and click rate, creators can profit from stimulating users to upload more videos. At the same time, MCN courses teach people how to edit videos, etc., to provide a variety of content for TikTok. Secondly, the algorithm feature of TikTok is that after the user clicks a video, more relevant videos will be pushed to the user. Otherwise, it will reduce, making the video types seen by the user more personalized so that the user can always see what he wants, increasing user stickiness [8].

He et al. discussed the global market development of TikTok and discussed its competitors, potential risks, and other factors. Emphasis was placed on discussing the marketing model of TikTok live streaming, pointing out the opportunities and advantages of the live streaming business, and utilizing methods such as star promotions to expand influence and gain profits. [9]

3. Analysis of TikTok's marketing strategy

3.1. Background

When considering the various obstacles that TikTok faces on the surface, they may appear to have little impact. However, there are several underlying factors that could significantly affect TikTok's viability. First and foremost, one of the most apparent external obstacles for TikTok, a software that originated in China, is the clash of cultures. If TikTok's design is too focused on the national context, its appeal to international users might be limited. Unlike TikTok, a multimedia short-form video platform, which merely needs to provide a framework for its users, both the export and assimilation of culture within TikTok come from its users rather than the platform itself. While users contribute substantial influence to TikTok, this influence isn't always advantageous. The significant influence of TikTok has even raised concerns in certain overseas countries. At one point, the U.S. expressed interest in restricting TikTok's operations within its borders, akin to China's firewall restrictions for foreign entities. The limitations imposed on TikTok by foreign nations, however, stem not only from its influence but also from its algorithmic system [10].

3.2. Strength

TikTok's intelligent content recommendation system is remarkably precise in delivering videos of interest, courtesy of its robust data collection capabilities. It constructs this recommendation system by gathering users' browsing history, user locations, and search history while they interact with the platform. This considerable data collection capability has triggered alarm bells in North America, Europe, and the Asia-Pacific region [11]. Concerns have arisen that TikTok might share its user data with China's authoritarian government, potentially compromising the privacy rights of residents from other countries. In contrast, YouTube, a competitor in the same video software domain, lacks a data collection mechanism as potent as TikTok. Moreover, the divergent styles of these two platforms make it challenging for them to pose a direct threat to TikTok's fast-paced approach [12].

Overall, TikTok has managed to penetrate the international market successfully due to several reasons. The format of short videos aligns with the demands of today's fast-paced society. The current societal backdrop offers TikTok ample room for development, making it well-suited to thrive. Additionally, the efficacy of its intelligent recommendation algorithm caters to user shopping and consumption needs directly. Nonetheless, owing to the relative immaturity of TikTok's overseas development model, it is bound to encounter hurdles during its growth trajectory. These issues could lead other countries to impose restrictions or even bans on TikTok due to concerns about excessive user information collection, thereby raising apprehensions about online safety [13].

In conclusion, the path of TikTok's international expansion is not without its challenges. The clash of cultures, algorithmic data collection, and potential data privacy concerns all contribute to the complex landscape it navigates. However, with its ability to adapt to societal needs, leverage modern trends, and cater to user preferences, TikTok holds promise in overcoming these obstacles and establishing a robust presence on the global stage.

3.3. Weakness

TikTok also has some problems. These disadvantages make them unable to develop well. Firstly, the company's overseas development model is not mature enough [9]. TikTok was a short video app by ByteDance in 2016, and TikTok was launched overseas in 2017. Because of its unique algorithm and opportunities in the background of the times, the number of users of the TikTok app has grown exponentially in a few years. TikTok has gradually become a popular and dependent short video software. However, few competitive products are in the market due to its unique advantages. Even in

the current international market, there are several social apps with high dissemination and strong competitiveness, such as YouTube, In, etc. However, these apps do not mainly focus on short videos. There are no favorable competitors in the fast video app market, so the company cannot refer to relevant cases [13]. In addition, the company launched the overseas version in the short term. However, the marketing model of TikTok has been updated, and it is difficult for the overseas performance to be consistent with the Chinese version. In this case, the development of TikTok in the international market is not as smooth as that in the domestic market. Several European countries, such as Belgium and Canada, have banned using TikTok by their federal government employees. They have also suffered a setback in the US market due to political reasons.

Secondly, TikTok's videos are mostly 15 seconds to one minute, which is very suitable for users to relax in their spare time. However, its unique algorithm often makes users addicted to apps, thus affecting their normal lives. Therefore, some users will opt out of TikTok. At the same time, some people begin to think about whether fragmented information will affect our learning ability and the disadvantages of indulging in TikTok. These will also lead to a gradual change in people's attitude towards TikTok, which will have little impact in the short term. Nevertheless, in the long run, people will gradually put TikTok and games into the same category and become addicted to the network, which may not be a good development for TikTok.

In a word, if TikTok can better adapt to the international market environment, make some necessary localization changes, constantly improve the algorithm to make it more in line with the social environment and users' hearts, and properly adjust or add some development directions, such as increasing the mandatory time limit and focusing on the network environment. These actions may better help TikTok grow and develop.

3.4. Opportunity

The background of today's environment gives TikTok plenty of room for development. Firstly, with the continuous development of the economy and technology, people are gradually beginning to pay attention to themselves. People's story has shifted from striving for food and clothing to pursuing a better life and their desires. People are starting to express their opinions and search for information they care about through the internet. They have also spent more time entertaining themselves, such as chasing stars, dramas, reading novels, etc. People spend more time on entertainment while connected. In this context, TikTok's unique algorithm, diverse content and fragmented information can give users considerable stimulation quickly. Secondly, the operation mode of TikTok is that people passively accept information, which is rarely seen in the market. People actively click on a video. This mode also gives TikTok characteristics and advantages. There are no strong competitors in the domestic and foreign markets in a short time, which offers TikTok more benefits in entering the international market.

Finally, suppose TikTok sticks to its diverse content and adapts to the social environment, confirming its future development direction and operation mode. In that case, TikTok should have better performance and more unimaginable development in the general climate of recent years.

3.5. Threat

The biggest threat TikTok faces is the increasingly fierce competition in the short video industry. The short video industry has a good development prospect and huge development potential, which has attracted many companies to enter the field. These competitors threaten the development of TikTok in the international market. For example, Kwai and Mianpai in China have their own characteristics, but their main functions are almost the same. In particular, Kwai has the same creative content and user volume as TikTok, and Tencent's micro vision has launched a large-scale subsidy program,

invited talent to settle in, and constantly optimized the video shooting function. In order to consolidate their market position, these competitors have made continuous growth in the number of users and the number of daily active users by taking measures such as strategic adjustment and strengthening the promotion of their own products, which has challenged the market position of TikTok [11]. In the international market, TikTok is facing more fierce market competition, such as Twitter, YouTube, Facebook and Snapchat. These international social networking platforms feel threatened after seeing the amazing development speed of TikTok, and quickly layout the short video field [12]. This also poses a threat to the expansion of TikTok's international business.

The increased supervision also threatens the development of TikTok in the international market. With the rapid development of the short video industry, governments around the world are paying more and more attention to it, especially data security and privacy. In response to these situations, governments have formulated standardized systems and increased regulatory efforts, increasing the difficulty of the development of the short video industry. Practitioners will face the difficult situation of survival of the fittest, greatly reducing the survival space of weak platforms [13]. The audit mechanism of TikTok is special. First, the algorithm is audited. If it cannot pass, it needs to be manually audited. The active volume of Tik Tok is up to 400 million person times a day, and the videos uploaded by users can reach one million times. Although it is helped by algorithm audit, it still brings a lot of work for manual audit [14]. For this reason, TikTok has hired a manual audit team of more than 3000 people, which is bound to increase costs and is not conducive to the development of TikTok in the international market.

Incomplete cross platform sharing will affect the user experience, which will also threaten the development of TikTok in the international market. For example, TikTok only allows one click sharing in TikTok App, friends group or other software under ByteDance. If users want to share across platforms, they will face a lot of trouble. For example, when users want to share a video on TikTok to WeChat, they must first download the short video and then share it [15]. This not only wastes the storage space of users' mobile devices, but also wastes time. This does not meet the users' needs for efficient sharing, and also hinders the communication between users. It is not conducive to the increase of TikTok's exposure in other platforms, and reduces TikTok's market influence and attractiveness to users.

4. Conclusion

In conclusion, this paper has given on account of and the reasons for why TikTok can successfully enter international market and becoming the top of social media through SWOT marketing analysis technique. The results of this investigation show that TikTok has effective promotion strategies to improve the competitiveness on the international market. Firstly, the unique algorithm is the biggest advantage of Tik Tok, which could examine the user's interests. Therefore, TikTok would repeat relevant short videos about users interests, thus improving users stickiness. Secondly, the findings clearly indicate that TikTok create dynamic e-commerce environment, such as live streaming business, brand cooperation. Thirdly, the honymous 15 seconds short video is extremely attractive to users for entertainment. In addition, TikTok may face some difficulties entering the international market. TikTok has to deep consider how to address culture factor and political factors in order to get rid of some countries banning. Finally, TikTok needs to consider whether the content of short videos can be more positive rather than negative influences to the society.

However, a limitation of this study is that there is less statistical data of TikTok's unique algorithm, and how TikTok's unique algorithm works. Further work needs to be carried out in order to validate how TikTok become globally.

Authors' Contributions

ZiQi Xu, Yang Zhao, Mutian Li contributed equally to this work and should be considered co-first authors.

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