TikTok's Expansion Strategies in the European and American Markets

Jingyi Wang

Department of Business Administration, Korea University, Seoul, Republic of Korea

jingyiw294@gmail.com

Abstract: With the globalization of short video platforms, TikTok has rapidly gained prominence in the European and American markets due to its algorithm-driven recommendation system and entertaining content features. These regions not only possess a vast base of social media users and a mature digital advertising ecosystem but also represent strategic strongholds with dominant cultural discourse and stringent regulatory environments. TikTok's success in entering these markets reflects the technological export capacity of Chinese digital platforms while presenting higher challenges in platform governance, cultural adaptation, and business modeling. This paper focuses on TikTok's motivations for expansion, localization strategies, and the challenges it faces in the West. Using case study and literature analysis methods, this research outlines the development path of TikTok in Europe and North America. Findings indicate that its success hinges on greenfield investments, localized content strategies, KOL (Key Opinion Leader) operations, and a keen grasp of users' entertainment motivations. However, TikTok also confronts substantial pressure from data privacy issues, cultural misinterpretations, and geopolitical tensions.

Keywords: TikTok, Western strategy, user growth, localized operations, commercialization

1. Introduction

The global rise of short video platforms has seen TikTok rapidly gain prominence in the European and American markets, driven by its algorithmic recommendations, engaging content, and user co-creation mechanisms. The West represents not only the most advanced region in digital technology and advertising industries but also imposes high entry barriers due to strict policy regulations and complex cultural structures [1,2]. Existing studies primarily focus on TikTok's global expansion or explore platform economies in the Global South. However, systematic research on TikTok's localized operations, platform ecosystem construction, and policy response strategies in the West is lacking. In the current context of geopolitical tension and frequent data privacy controversies, how TikTok can sustain its expansion in Europe and North America is not only crucial to its global strategy but also provides key insights for Chinese platform-based enterprises going global [3]. This study examines the challenges TikTok faces and the strategies it employs during its Western expansion, focusing on three key dimensions. First, it explores how TikTok balances its global brand image with regional cultural adaptation in localized operations, analyzing how its user growth strategies and content mechanisms are adjusted according to local needs. Second, it investigates the platform's approach to building commercialization paths in the West, particularly how it integrates platform functions, user motivations, and creator ecosystems to enhance revenue generation. Most importantly, it assesses the

external challenges TikTok encounters in the West, including data privacy regulations, cultural misinterpretations, and political risks, and dissects its response strategies such as greenfield investments, local team development, content governance mechanisms, and public image management.

This research adopts a case study approach combined with literature analysis to systematically explore TikTok's expansion strategies in the West. By synthesizing company interviews, industry reports, and recent academic studies, this paper analyzes how TikTok constructs localized content operations, commercialization pathways, and platform governance mechanisms. It fills a gap in research on platform operations under high regulatory pressure and provides strategic compliance guidance for Chinese firms while contributing to the theories of platform internationalization and social media governance.

2.   TikTok's localized growth and content operation strategies in the West

2.1.   Localized deployment and algorithm-driven experience

Since merging with Musical.ly in 2018, TikTok has rapidly entered the Western market, with user growth largely attributed to its localized operational strategies and algorithm-driven immersive content experience. Through greenfield investments, TikTok established local offices in cities like London, Paris, and Berlin and hired local content teams to build a creator ecosystem that enhances community engagement and cultural adaptability. A study on the Australian market revealed that short video platforms using "visual culture + language adaptation" structures can effectively bridge contextual gaps and stimulate user participation and brand interaction [2].

In terms of content distribution, TikTok leverages algorithms to model user behavior and deliver personalized recommendations, enabling first-time users to quickly gain an immersive experience, thereby increasing retention and engagement [1]. Western users' preferences for "discovery" and "entertainment" content also facilitated TikTok's early viral growth.

2.2.   Content localization and community interaction

TikTok emphasizes localized content adaptation and adopts dual localization strategies combining language and culture in the West. The platform collaborates with local creators to launch challenge campaigns (e.g., #DontRush, #SavageChallenge), encouraging user participation in short video creation and enhancing the sense of community and contextual resonance [1]. Adjusting visual language is also crucial, such as avoiding symbols, colors, or gestures that could be misinterpreted in Western cultural contexts [3].

In response to local regulatory and cultural contexts, TikTok has established local content moderation teams in various countries to swiftly respond to political sensitivities, cultural taboos, and legal requirements, reflecting its strong institutional adaptation capacity.

2.3.   Creator ecosystem and platform engagement

To enhance user stickiness and platform activity, TikTok continues to develop a creator economy ecosystem in the West. It supports local KOLs, launches creator funds, and introduces live-streaming revenue-sharing models to attract young content creators, forming a closed loop of "content-driven → user interaction → business conversion." Western users tend to follow influencers with "authentic" and "relatable" images, so TikTok encourages creators to use humor, self-deprecation, and parody to build brand identity [3].

TikTok's user-generated content (UGC) system reinforces its participatory culture, where users are not only consumers but also producers and disseminators of content. This "participation—co-

creation—feedback" loop distinguishes TikTok from traditional platforms with one-way information flows. A study on Instagram influencers also noted that users prefer content that conveys authenticity and contextual resonance, which significantly attracts younger audiences [4].

3.   Commercialization paths and user behavior mechanisms

3.1.   Business model development

TikTok's Western commercialization strategy centers on three pillars: advertising monetization, social commerce, and the creator economy. Brand advertisements and in-feed ads are its main revenue sources, leveraging algorithmic recommendations to precisely target audiences and improve conversion efficiency. The introduction of TikTok Shop signifies a shift from content-oriented to a "content + commerce" closed-loop model, offering a convenient sales channel for small and medium-sized enterprises.

Compared to traditional social media, TikTok prioritizes the "content-as-product" concept, using videos to directly drive user interest and purchasing desire, thus transforming the platform into a high-frequency interactive consumption space [5].

3.2.   User motivation and platform mechanisms

Western users' motivations for using TikTok include entertainment, escapism, brand connection, and reward acquisition. These motivations shape their content preferences and conversion behavior. According to the empirical study "Scroll, Stop, Shop," primary motivations among U.S. social commerce users include brand intimacy, entertainment, convenience, and escapism [5].

TikTok's content delivery systems align closely with these psychological needs, giving it strong potential for consumption conversion. Additionally, the study highlights how entertaining content and immersive experiences significantly extend browsing time and strengthen brand identification. Platform features such as quick payment and promotional incentives further enhance impulsive buying tendencies.

3.3.   Social commerce and conversion logic

TikTok promotes a "watch-and-buy" social commerce mechanism in the West that aligns with its short video logic. While watching lifestyle content from creators, users can instantly click to access product pages and complete purchases, realizing the full pathway of "Scroll → Stop → Shop. [5]" Empirical findings indicate that brand identity mediates the relationship between platform usage motivation and impulsive buying, while perceived social risk moderates this process.

By offering streamlined purchasing processes and highly localized recommendations, TikTok effectively fosters impulse buying among young Western users. This not only boosts platform revenue but also redefines the commercial boundaries of social media, contributing to a deeper understanding of content commercialization mechanisms.

4.   Challenges and governance strategies

4.1.   Challenge assessment

4.1.1. Data privacy and regulatory risks

TikTok faces some of the most intense external pressure in the West due to data privacy and compliance risks. The platform must conform to Europe's General Data Protection Regulation (GDPR), requiring transparency in data collection, user consent, and localized data storage. In the

U.S., TikTok has repeatedly been questioned as a "national security threat" due to its Chinese origins, facing bans and congressional hearings [1].

These regulatory risks negatively affect TikTok's public image but also limit business expansion. In response, TikTok has established a data center in Ireland, expanded legal compliance teams, and launched initiatives like "Project Clover" in 2023 to enhance its institutional trust in the region.

4.1.2. Cultural adaptation and brand identity

Despite rapid expansion, TikTok's identity as a Chinese platform poses challenges for cultural acceptance and brand building. Studies suggest the need to avoid cultural misinterpretations in visual design—for instance, some emojis, gestures [3], and colors that may carry negative connotations in Western contexts.

According to cross-national panel data from the study "Social Media & Anxiety," social media is more likely to cause social anxiety in culturally conservative countries, whereas in more open cultures, it enhances social support and self-expression [6]. This implies TikTok must dynamically adapt its content algorithms and interaction mechanisms to regional cultures—balancing entertainment with mental well-being and value alignment to build long-term user relationships and resonance.

4.2. Governance mechanisms and strategic responses

To address multiple external pressures, TikTok is building a resilient governance structure in the West. Organizationally, it has established European operations centers via greenfield investment, hiring local employees to enhance cultural synergy [1]. Institutionally, it has expanded its content moderation capabilities by adding local language review teams, releasing transparency reports, and restricting politically sensitive content.

Additionally, TikTok seeks to reshape its public image by distancing itself from its Chinese background. These includes partnering with European universities and cultural institutions, hosting localized public welfare events, and enhancing youth protection policies. These actions aim to build institutional trust and brand affinity while exploring innovative models of platform accountability and policy cooperation.

5. Conclusion

TikTok's rapid expansion in the West exemplifies the breakthrough of Chinese digital platforms in high-barrier markets and highlights their adaptability in localized operations, technological exports, and governance. This study systematically analyzes TikTok's growth path, demonstrating how its algorithmic recommendation, localized content strategies, and creator ecosystems drive rapid user base expansion.

Commercially, TikTok has transformed short video platforms into social commerce hubs by integrating content and commerce into a closed-loop, reshaping Western user consumption habits and brand engagement pathways. The strong alignment between user motivations and platform mechanisms further enhances content conversion efficiency and stickiness, sustaining the platform's business model.

Nevertheless, TikTok faces challenges such as tightening data regulations, cultural misinterpretations, and political scrutiny. Building compliance capacity and managing brand identity are thus crucial. Through local governance structures, optimized moderation systems, and efforts to balance institutional trust with cultural resonance, TikTok demonstrates growing strategic resilience and organizational agility among Chinese platform enterprises going global.

Future research may expand sample coverage to compare regional user behaviors and policy environments, aiming for broader conclusions.

References

[1] Vecchi, A., & Brennan, L. (2022). Two tales of internationalization – Chinese internet firms' expansion into the European market. Journal of Business Research, 152, 106–127. https://doi.org/10.1016/j.jbusres.2022.07.024

[2] McQueenie, J., Foth, M., Cao, S., Hearn, G., Anastasiu, I., & Powell, W. (2024). Short videos on Douyin: An intermediary approach to connect Australian food producers with Chinese consumers. Social Sciences & Humanities Open, 10, 101148. https://doi.org/10.1016/j.ssaho.2024.101148

[3] Okonkwo, I., Mujinga, J., Namkoisse, E., & Francisco, A. (2023). Localization and global marketing: Adapting digital strategies for diverse audiences. Journal of Digital Marketing and Communication, 3(2), 66–80. https://doi.org/10.53623/jdmc.v3i2.311

[4] Jin, S. V., & Ryu, E. (2020). "Instagram-worthy" luxury fashion: Overcoming consumer skepticism toward i nfluencer-endorsed luxury brands. Journal of Business Research, 120, 574–582. https://doi.org/10.1016/j.jbus res.2020.01.062

[5] Moghddam, H. A., Carlson, J., Wyllie, J., & Rahman, S. M. (2024). Scroll, stop, shop: Decoding impulsive buying in social commerce. Journal of Business Research, 182, 114776. https://doi.org/10.1016/j.jbusres.2024.114776

[6] Griffith, D. A., Lee, H. S., & Yalcinkaya, G. (2023). Understanding the relationship between the use of social media and the prevalence of anxiety at the country level: A multi-country examination. International Business Review, 32, 102102. https://doi.org/10.1016/j.ibusrev.2023.102102