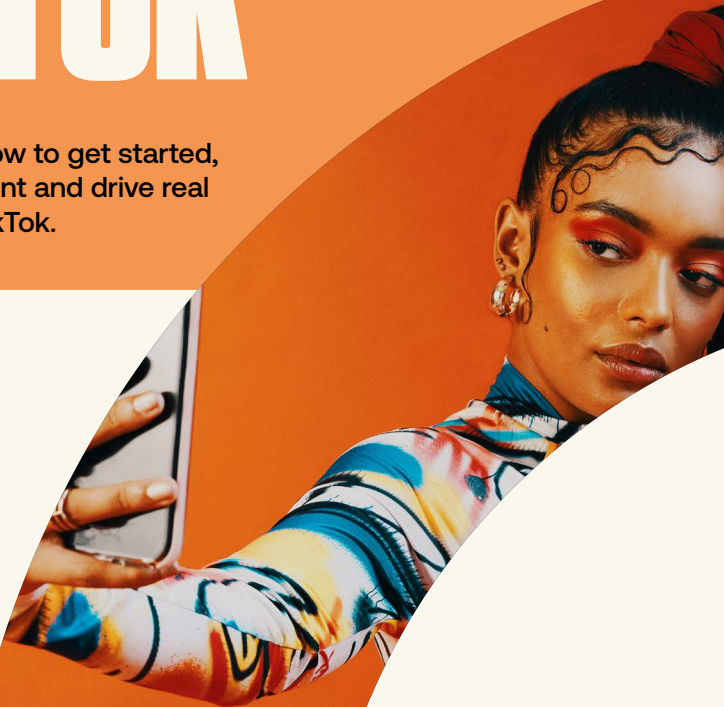


# MAKING AN IMPACT ON TIKTOK

Croud's guide to how to get started,  
create native content and drive real  
performance on TikTok.



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## Section 01

# THE RISE OF TIKTOK

Even for savvy social media scrollers, TikTok is a platform that's come from nowhere. Launched just two years before the pandemic hit, TikTok's popularity exploded during a strange period in our lives.



Today, TikTok has become part of the global media lexicon, and for good reason. As of September 2021, it had gained one billion active users from across the world. In its mission to 'inspire creativity and bring joy', TikTok has made an unprecedented cultural impact and reshaped the media landscape.

## How is TikTok changing the media landscape?

Having emerged at a time of great diversity and huge challenges, TikTok has redefined social media, attracted a younger demographic and changed online behaviours.

### Revolutionising search and shopping

With one in four TikTok users aged under 20, Gen Z is leading the way on the platform. For this age group, TikTok is also viewed as a source of factually accurate information and used as a go-to search engine.

As SVP of Google Knowledge & Information, Prabhar Raghavan said, "In our studies, something like almost 40% of young people, when they're looking for a place for lunch, they don't go to Google Maps or Search. They go to TikTok."

TikTok is also changing the way people shop. It's a place to find product recommendations and discover new things, including items to buy. Unlike other platforms, product discovery isn't the main intention, but a byproduct of TikTok's entertainment value.



Entertainment



Family & Groups



News & Culture



Planning



Inspiration



Chat & Camera



Video

## Redefining social media

Over the last ten years, social strategy has tended to group all platforms under the same umbrella. Strategies have been developed without considering each platform's context or purpose. The arrival of TikTok has shaken up the industry to refocus on exactly why people are going to social media and how they are engaging with each platform.

TikTok and other young platforms have set themselves apart from the social media world – Snapchat arrived as a camera-first app, TikTok's purpose is to entertain.

Longer established apps like Facebook are being considered in a new light that reflects how they've developed over time, for example, as a second-hand marketplace. As brands, it's important to view social media through this lens and not take an umbrella approach.

## Reaching new demographics

TikTok's appeal is universal. With 45.8 minutes per day spent on TikTok by the average US adult, its content isn't just catching our attention, it's also managing to hold it for longer.

Taking a balanced approach to media planning is important, but when it comes to identifying new opportunities, TikTok is one of the biggest.

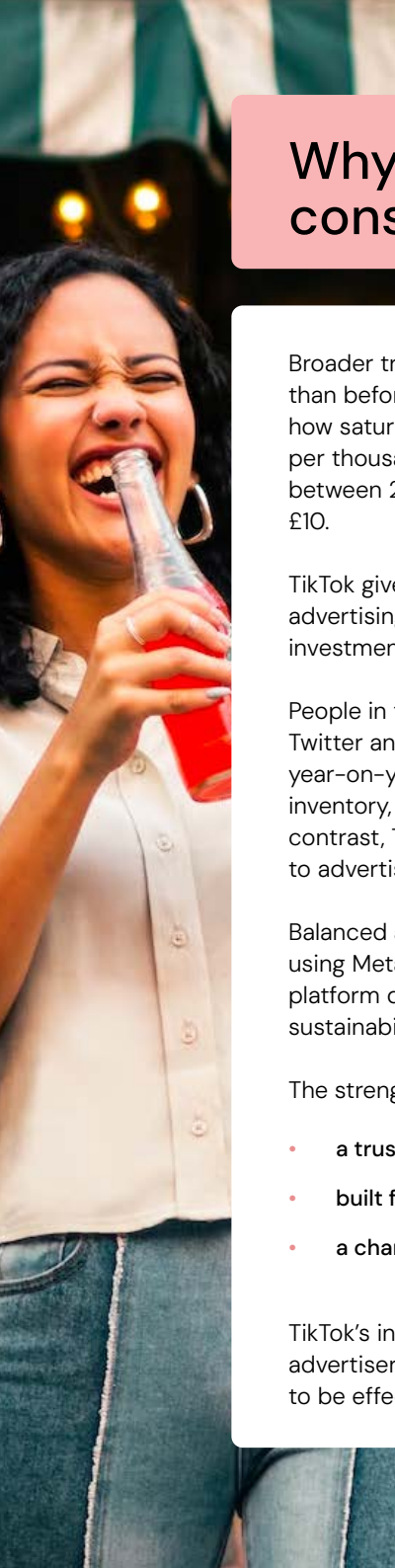


## Section 02

# GETTING STARTED ON TIKTOK

To make the best start on TikTok, we need to draw a line in the sand when it comes to social media strategy. TikTok's entrance to the market means brands need to reconsider their social media plan without any preconceived notions of existing platforms.

By using data to see where and how people are really spending their time, brands can make the most of their squeezed budgets.

A woman with dark hair, wearing a white button-down shirt and blue jeans, is drinking from a clear glass bottle with a red liquid. She has a joyful expression, with her mouth open and eyes squinted. The background is dark with some warm, out-of-focus lights.

## Why should you consider TikTok?

Broader trends show diversification is more valuable now than before – anyone who's advertised on Meta will know how saturated it has become. This has led the average cost per thousand (CPM) across Retail and eCommerce to rise between 2020 and 2021 from £7 at the November peak to £10.

TikTok gives brands an opportunity to bring down advertising costs and achieve reach with a greater return on investment (ROI).

People in the UK are also moving away from Facebook, Twitter and YouTube, with their usage figures dropping year-on-year. This means there's less available advertising inventory, leading to higher costs on these platforms. In contrast, TikTok's growth is unmatched, meaning it costs less to advertise there.

Balanced against the fact that there are 2.87 billion people using Meta's platforms daily, TikTok should be part of the platform diversification used to drive brand growth and sustainability.

The strength of TikTok also lies in its unique positioning:

- a trusted source for product recommendations;
- built for entertainment and organic product discovery;
- a champion for authentic content and creators.

TikTok's individuality is where opportunity lies for advertisers, but taking a new approach is essential in order to be effective.

# Different platform means a different approach

When making a start on TikTok, brands need to focus on sharing native content that's informative, authentic and holds value – even if it's an advert.

At Croud, this approach is built on the importance of audience, data and TikTok-first creative.

## Audience-centric strategy

Advertisers need to prime their audience and keep the brand front and centre so they're made aware of the offer.





1

## Create presence

Set up your organic profile and share content. Launch awareness activity.

2

## Drive traffic

Use native, engaging ad content to drive traffic to your website.

3

## Gather signals

Gradually optimise towards higher intent goals.

4

## Convert

Optimise your activity directly towards conversion goals.

To execute an audience-centric strategy, we need to take a phased approach:

1

**Create a presence:** Organic presence sets the foundation for performance. It provides a testing ground for creatives so you can see what resonates before spending. The always-on activity creates baseline brand credibility.

2

**Drive traffic:** Retargeting audiences on TikTok means you're reaching completely new users. Traffic campaigns help keep CPM costs low by targeting bigger audiences, meaning brands can make the most of their budget. Building traffic is also important for scaling performance later.

3

**Gather signals:** Greater automation means advertisers need to feed algorithms the right signals to optimise effectively. Using first-party data gives the algorithm detailed information and optimises media spend towards the highest-value people in audience segments.

4

**Convert:** Remarketing and retention activity moves people down the user journey, optimising your activity to an endpoint. This approach towards an endpoint will create a user journey with long-term, sustainable performance.

These stages aren't run exclusively, but as part of a continual cycle. Audiences will differ through this journey, so advertisers need to be aligned at every stage.

Organic following

Broad demographics

Lookalikes

1P data

## Data-led optimisation

Nowadays, social media platforms are driven by algorithms. To send as many quality signals to these algorithms as possible, we need to create a performance feedback loop.

Building an audience, gathering more first-party data and sending conversion signals means more effective optimisation and more efficient advertising performance.

As a result, the cost per acquisition (CPA) will be lower, meaning you're driving more sales with the same budget. This feeds in more data to the algorithm and starts the cycle again.

To do this, you need effective tracking.

No data-led optimisation works without tracking. This can sometimes be a pain point when expanding into new platforms – often there are a lot of hoops to jump through. But TikTok has many different solutions to suit each brand's needs.



**Emily Smith**  
Paid Social Account Director

There are three main options for pixels: standard mode, third-party and developer mode.

### Standard Mode

- Requires no development work
- Easy set-up
- Event rules can be set up in ads manager

Recommended for advertisers with no development resource.

### Third Party

- Requires no development work
- Easy set-up
- Predefined event

Recommended for advertisers who use a partner platform (i.e. GTM).

### Standard Mode

- Developer resource needed
- Customisable event rules
- Allows for additional parameters to be associated with the event

Recommended for advertisers with technical resources.

If you're wondering which option is right for you or need help with setup, the [Croud team](#) can support you through each stage.

## Authentic creative

Previously, social strategies have taken a 'recycle, reformat, reuse' approach with content. But in order to perform well on TikTok, content has to be authentic and work natively on the platform.

For this, you need an effective creative strategy.



## Section 03

# BUILDING A CREATIVE STRATEGY FOR TIKTOK

As we've mentioned, TikTok has shaken up the media landscape by offering an exciting format that other platforms don't.

Highly intuitive and entertaining, TikTok is great fun for individual users. But for brands, it's really important to have a creative strategy in place.

When VERB – the leading luxury digital marketing agency, powered by Croud – starts working with clients on TikTok, they follow a three-step process.

This process involves:

1. **Creating organic moments;**
2. **Building creator partnerships;**
3. **Scaling with paid 'peaks'.**

## 1 Create organic 'moments'

By starting with organic moments, brands learn how to play on the platform.

This means creating content that's ownable and authentic to you in a way that's 'TikTok' – namely, playful and engaging. You can't just create content for Instagram reels and put it onto TikTok with a new soundtrack.

For smaller brands and those creating their first agile content, the TikTok Creative Suite is a great starting place. It gives brands and advertisers plenty of examples, inspiration and information about what's trending to help you make your own unique content.

Also consider your TikTok narrative. Who are you talking to, why are you talking to them and why are they going to care? Thinking about it as though it were an editorial strategy will help you focus on how to connect with people.

If you've already dismissed having TikTok in your strategy, you might want to reconsider. As VERB's Creative Strategist, Amy Butterworth explains,

**Many luxury brands come to us and say 'TikTok doesn't feel right for us'. But it's all about doing it in the right way and taking the approach of 'don't just create ads, create TikToks.'**



For example, M&S Food connects to their audience through the eyes of their Percy character. This allows them to be agile, respond to events, tap into trends and drive results.

In contrast, Dior takes a premium brand studio shot for their new eyeliner product with Cara Delevingne and plays with it.

Similarly, Balenciaga's LoFi content – as photographed in the two visuals on the right – shows someone slamming goo down, which then turns into one of their shoes.

Using this playful approach, these brands avoid rehashing ideas from other platforms and create content that's original, entertaining and authentic to both them and TikTok users.



(Source: [@balenciaga](#))

## 2 Build creator partnerships

Think of creators as a brand superpower. They are already out there creating content and connecting with audiences. For brands to work with them effectively, they need to choose the right ones and consider how best to tap into them.

Creators are different to influencers because they only focus on making authentic, entertaining content rather than 'influencing' their followers' decisions. Talented in their own right, they know how to use the platform and drive engagement in their strong communities.

When you're working with creators, don't tell them what to create. Instead, give them a solid brief and let them expand on it in their own authentic way. Remember, they know their audience best.



### Working with creators works

**75%**

Higher CTR than  
benchmark on average

**139%**

Higher video completion  
rate vs benchmark

**38%**

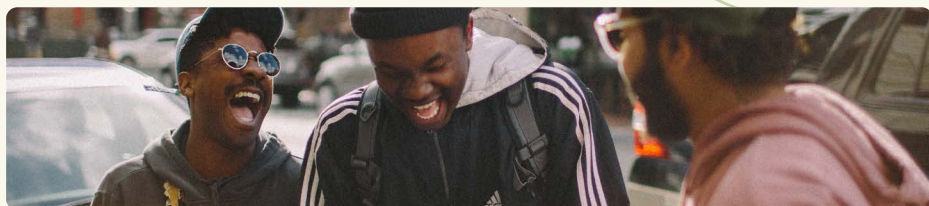
Higher engagement  
rate on average

Stats taken from VERB TikTok Creator campaigns across DE, UK IT, FR, ES in H1 2020.

VERB worked with Flannels to grow their TikTok channel and raise brand awareness. They developed a high-impact, eight-week-long campaign, #ImTheMainCharacter which briefed 30 creators to take on the hashtag challenge. They delivered 60 pieces of content and 38K followers as a result.

The social media team at VERB works closely with a range of creators to match them to the right luxury brands. So they'll be able to advise you on who to choose and how to work with them effectively.

### 3 Scale with paid 'peaks'



Once you've set the foundation with organic content, you can test your creative at scale with paid activity. But advertisers need to consider their paid strategy together with their organic content to get the best results.

Brands that 'get' TikTok are preferred by 79% of users. So brands need to show they understand the platform and are there to have fun, not just push products. Similarly, organic content is viewed as more likeable after users see a paid ad, leading to a 20% increase in brand affinity.

By taking this combined approach with Creed for their Aventus product launch, the VERB team created a mix of content, including dynamic behind-the-scenes videos, paid high-quality content and creator partnerships. This delivered **more than 30k followers and 641k total views**.





## Section 04

# DRIVING PERFORMANCE ON TIKTOK

As Joel Williams from TikTok UK explains “TikTok is an entertainment platform first and foremost. Any buying activity is a byproduct of being entertained. It’s like me walking down the street, seeing something and buying a t-shirt I never knew I needed as a result.”



Purchasing behaviours on TikTok are a result of discovery. This means the customer journey is an 'infinite loop', with no end to the recommendations sent to users via the algorithm. Anything can go viral if the community (and, therefore, the algorithm) deems it worthy enough.

Advertisers need to focus on delivering valuable 'discovery-focused' content and sending the right signals to the algorithm to ensure success.

## #TikTokMadeMeBuyIt

TikTok is fueling buying decisions. With platform purchasing behaviours being driven by recommendations from trusted sources like friends and family.

In the media market, TikTok is championing these behaviours by becoming the place to discover new things. So, unlike more traditional forms of media, the potential for purchasing behaviours never ends. On TikTok, users are always shopping.

The #TikTokMadeMeBuyIt trend is evidence of the success of TikTok's algorithm. This automation learns and optimises according to viewing habits and purchase behaviours, meaning users are inspired to shop, even when they weren't looking to do so.

For brands of any size, this presents a great opportunity for growth. Unlike Meta, Snapchat and Twitter, success isn't driven by media budgets, but by engaging, discovery-focused content.

# TikTok's paid features

On TikTok, organic and paid formats work hand-in-hand. Alongside Product Link, Live Shopping and Product Showcase Tab organic content, are paid formats such as:



Collection ads



Video shopping ads



Spark ads

- **Collection ads:** in-feed video ads with native storefronts that drive performance based on selected data points.
- **Video Shopping ads:** these use first-party data to retarget audiences with an overlaying collection of products at the bottom of a dynamic creative.
- **Spark ads:** similar to boosted posts in other platforms, they allow advertisers to 'spark' high-performing organic content from their own or creators' accounts.

Thanks to these paid formats, 92% of campaigns have seen a performance uplift against their core metrics alongside a 24% decrease in their CPA. When run alongside effective organic activity, TikTok paid formats hold plenty of opportunity for brands.

Video Shopping Ads are exclusively available to Croud, making our clients the first to experience this new format's potential.



# SUMMARY

**TikTok holds plenty of exciting opportunities to reach new audiences at a lower CPM – if they take the right approach.**

At the Croud Group, our combination of in-house expertise, network of 2500+ digital specialists and close partnerships with TikTok helps brands start out or drive better performance on the platform. By taking an audience-focused, data-led and native-creative approach, we've already delivered results for our clients. Plus, this tested strategy means our teams know how to make organic content and media buying work together to get the best ROI from the platform.

Make a splash on TikTok. [Get in touch](#) with our social media team to learn more.



# About Croud

Croud is a global, full-service digital agency that helps businesses drive sustainable growth in the new world of marketing. With a rich heritage in performance, we apply that mindset to everything we do; brand planning, strategy, integrated media, social, creative, and data.

Founded in 2011 with the mission to reinvent the agency model, we combine 500+ in-house digital experts with a global, on-demand network of marketing specialists. This agile, scalable model gives us more time to really understand our clients' businesses, and deliver truly incremental growth.

Part of the Croud Group, which also includes luxury specialists VERB Brands and social-first agency Born Social, Croud is proud to partner with leading global brands, including Audible, Vans, IWG, and AllSaints.



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