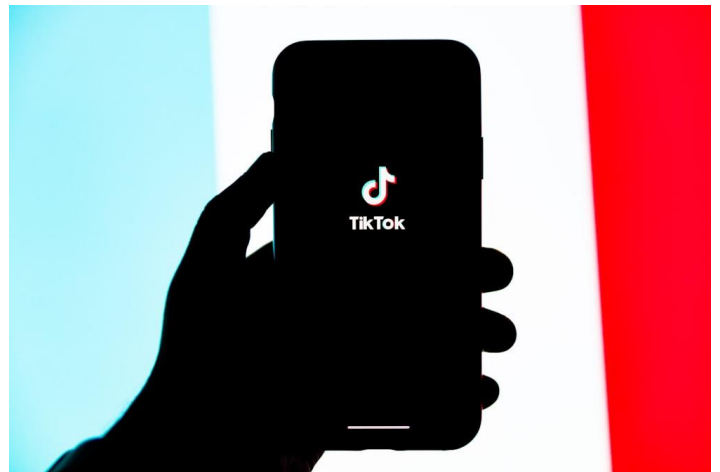


# TIK-ING OFF USERS?

## TIKTOK SHOP AND THE ETHICS OF EVOLVING BRANDS

On September 12, 2023, TikTok launched its newest addition to the popular app: TikTok Shop. Originally, TikTok functioned as a video-sharing platform where users shared information, their thoughts and feelings on various topics, and of course, viral dances. However, with the implementation of the marketplace feature, creators now have the ability to promote products and directly sell them from the app without linking to an external browser. Thus, TikTok Shop creates new streams of revenue for creators, advertisers, sellers, and TikTok itself. According to a statement made by TikTok: “TikTok Shop empowers brands and creators to connect with highly engaged customers based on their interests, and it combines the power of community, creativity, and commerce to deliver a seamless shopping experience” (TikTok, 2023).



Despite the initial excitement for TikTok Shop, many users have begun to feel annoyed by the new marketplace’s presence. Before the shop launched, TikTok was a place for everything video-related such as funny skits, news content, niche recommendations, and many other types of entertainment content. Since the Shop’s opening, many users claim their “For You Pages” (FYP) have been dominated by TikTok Shop advertisements. This likely compromises the experience the user has with TikTok since a majority of users download the app for video entertainment, not advertisements (Bejella, 2023). A recent study found that out of 500 consecutively watched videos on TikTok, 64% of the content was entertainment while 36% of the content was TikTok Shop advertisements (Niemeyer, 2023). This is a significant shift from the previous 100% of entertainment content that users had access to before TikTok Shop was launched. Many have reported decreasing their screen time on TikTok because they cannot stand the constant advertisements, and multiple anonymous comments say that they haven’t bought a single thing from the new marketplace as they skip every advertisement that appears on their FYP (Bejella, 2023). Some have even said that TikTok has become an “ad-filled wasteland” (Niemeyer, 2023).

Knowing this, is TikTok Shop just a complete waste of time? Not entirely. According to recent data, 88% percent of people have bought an item after watching a video advertisement on their FYP (Clark, 2023). The new marketplace available to TikTok users allows them to buy items very quickly and at cheap prices, which has led to significant user interaction with the shop. For small business owners especially, TikTok shop has been a dream because it allows them to have access to a vast group of customers without needing a vast advertising budget. According to Evelyn Nateras, a small business owner who didn’t think her business would survive 2023, her business is now thriving thanks to one viral video and the positive effect it had on her TikTok Shop revenue streams (Hunter & Kelly, 2023). Indeed, as Oxford Economics report, “[small and midsize businesses] activity on TikTok contributed \$24.2bn to GDP in the US in 2023, while supporting

224,000 jobs” (Oxford Economics, 2024). Furthermore, as critics themselves note, TikTok Shop ads are skippable, and no one is forced to watch them.

Nonetheless, while TikTok Shop is easy to utilize for quick purchases, scams are still possible and driving some people away from the platform. Not only are a portion of users not getting the quality of products they paid for, some buyers aren’t receiving their items at all. Similarly, dangerous items that are supposedly banned from TikTok Shop, including weight loss pills and “lipo” (lipotropic) injections, can be found for sale on the marketplace (Hunter & Kelly, 2023). Because these products are available and relatively easy to purchase from the shop, this suggests that the inspection process is not thorough enough to ensure all of the sellers on TikTok Shop are adhering to rules and regulations.

TikTok Shop has been a dream come true for those who are profiting from the marketplace – creators, small businesses, and TikTok itself. Despite these advantages, some of the negative experiences users have had with annoying advertisements and scam sales are clear downsides for many. This raises several questions: Was the implementation of TikTok Shop a good idea? And if not, why is TikTok pushing it so heavily? Are monetary interests their main motivation and priority, rather than user experience? Rather than simply being a fun app for entertaining videos, which was its appeal to users in the first place, TikTok is transforming into something vastly different from its original inception.

This dilemma serves as a reminder that businesses must consider the ethical implications of seeking corporate advantages that disappoint their users. TikTok is far from the first social media company to introduce ads to its platform. Though social media is often touted as important for social connection and even democratic deliberation in the 21<sup>st</sup> century, these platforms are ultimately businesses, not public services. While some may be annoyed by advertisements, ad revenue is what allows all of us to enjoy social media free of charge. How far can platforms deviate from their original product while still valuing user experience?

## Discussion Questions:

- 1) What is ethically problematic about video-sharing platforms changing their intended user experience by implementing advertisements as a way to increase revenue? How might it be justifiable?
- 2) How can companies update and evolve their brand while still valuing their customers?
- 3) Can you highlight ethical principles that companies could use as a guide when deviating from a version of their service that is beloved by many customers?
- 4) In situations where a company's customer base is at odds with each other on what services they want, how should a company ethically go about appeasing those involved? Can everyone be happy or only some?

## Further Information:

Bejella, B. (2023, November 10). “Woman Calls Out TikTok For Becoming a ‘Dystopian’

Merchandising Landscape.” *The Daily Dot*. Available at: <https://www.dailydot.com/news/tiktok-shop-ads-taking-over-app/>

Clark, J. (2022, October 12). “How TikTok Has Changed the Way Gen Z Shops Online.” *Forbes*. Available at: <https://www.forbes.com/sites/theyec/2022/10/12/how-tiktok-has-changed-the-way-gen-z-shops-online/?sh=701e05555abe>

Hunter, T., & Kelly, H. (2023, August 16). “TikTok Shop is a Dream for Creators. It’s Putting Shoppers at Risk.” *The Washington Post*. Available at: <https://www.washingtonpost.com/technology/2023/08/16/tiktok-shop-safe/>

Neimeyer, K. (2023, November 11). “Creators Are Complaining That the TikTok Shop is Turning The App Into an Ad-Filled Wasteland.” *Business Insider*. Available at: <https://www.businessinsider.com/tiktok-shop-users-complain-its-making-the-app-dystopian-2023-11>

Oxford Economics. (2024, March 13). “TikTok: Helping grow small and mid-sized businesses and deliver value for consumers across the United States.” Available at: <https://www.oxfordeconomics.com/resource/tiktok-us/>

TikTok. (2023, September 12). “Introducing TikTok Shop.” Available at: <https://newsroom.tiktok.com/en-us/introducing-tiktok-shop>

## Authors:

Madison Wells, Kat Williams, & Scott R. Stroud, Ph.D.  
Media Ethics Initiative  
Center for Media Engagement  
University of Texas at Austin  
July 27, 2024

Image by Solen Feyissa on [Unsplash](https://www.unsplash.com).

*This case was supported by funding from the John S. and James L. Knight Foundation. It can be used in unmodified PDF form in classroom or educational settings. For use in publications such as textbooks, readers, and other works, please contact the [Center for Media Engagement](https://www.centerformediaengagement.com).*

This work is licensed under **CC BY-NC-SA 4.0** 