

Why I Think Tik-Tok Would Be Dominant In The Future: Research on Company Background, Current Strategy & Future of Tik-Tok in China

Felix Zhu

University of Macau, Macao, 999078, China

Abstract. A social networking platform for making and sharing brief films, Tik Tok, has experienced explosive growth recently, especially during the COVID-19 epidemic. The business's distinct algorithm and use of AI to suggest tailored content to consumers has been a major factor in the success of Tik-Tok. Governments and other social media businesses have also scrutinised the network, which raises concerns about its survival. This study will make the case that Tik-Tok has a significant competitive edge in the media and entertainment sector thanks to its mix of user-generated content and AI-driven personalisation. This paper revealed that the corporation will need to solve issues with data privacy or censorship to continue its development and success over the long run.

Keywords: Tik-Tok; Company Background; Current Strategy; Future.

1. Introduction

1.1 Company Background

TikTok is a social media platform that enables users to produce and share short movies, generally lasting 15 seconds, and was introduced in 2016 by the Chinese business ByteDance. The app includes a special algorithm that makes customised content recommendations to users based on their interests and usage patterns. This has played a major factor in TikTok's popularity since users can now find and interact with information that is pertinent to them with ease. TikTok has more than 1 billion active users as of 2021.

1.2 Current Strategy

The current objective of TikTok is to harness the capabilities of its AI technology and algorithm to tailor content for users and increase engagement. The business also emphasises user-generated content, and many well-known artists profit from brand collaborations and sponsored material. In an effort to monetize the site even more, TikTok just introduced a new e-commerce option that enables creators to sell goods directly to their fans. TikTok has also been entering new markets and geographical areas, with an emphasis on establishing a global user base and producing localised content.

2. Materials and Method

2.1 Why You Feel It Will be Dominant in the Future

TikTok distinguishes itself from other social media platforms with its blend of user-generated content and AI-driven personalisation. Users are more likely to engage with and spend more time on the app when the platform's algorithm recommends highly relevant content to them. Furthermore, TikTok's emphasis on creators and opportunity for them to monetize their content through brand partnerships and sponsored content is a distinctive and alluring offer for both producers and marketers.

TikTok has also been effective in capitalising on the expanding trend of digital consumption and entertainment, particularly during the COVID-19 epidemic, when consumers are increasingly resorting to online platforms for amusement and social connection. This trend is projected to

continue, and TikTok's ability to give consumers with a tailored and interesting experience will be critical to its future success. The company's attempts to enter new countries and areas, as well as its emphasis on growing a worldwide user base and providing localised content, will be helpful to its long-term growth and success.

TikTok's major competitors include other short-form video platforms like Instagram and YouTube, as well as social networking sites like Facebook and Twitter. TikTok's unique algorithm and AI-driven personalisation, on the other hand, distinguishes it from its competitors, offering it a significant competitive edge. TikTok's strong focus on creators and monetization opportunities for them further distinguishes it from other platforms, making it a more appealing alternative for producers trying to create a following and generate money.

In terms of financial analysis, TikTok's revenue has been growing rapidly, with estimates that the company could generate over \$1 billion in revenue in 2021. The company is also looking to diversify its revenue streams through e-commerce and advertising. However, the company is also facing regulatory challenges in some regions, which could impact its revenue growth in the future.

2.2 Case Study on Tik-Tok

Case study of which the status remains unclear still stands in an important position in social science research, as many of us doubt if it is a method, a methodology, a strategy, a design, an approach or what (Tight, 2010). Meanwhile, scholars criticized that case study lacking scientific rigour and is not applicable on many aspects of social science in terms of methodology, which either do not address generalizability (Noor, 2008).

This paper adopted case study to ensure its future success, TikTok should focus on addressing concerns about data privacy and censorship by implementing stringent data security standards and being open about its data collection and usage techniques. Furthermore, the company should continue to innovate and diversify its income streams, such as by expanding its e-commerce offerings and exploring new advertising options.

3. Discussion: Recommendations to Assure Success

TikTok also need to prioritise building a strong and devoted community of producers and users by providing additional tools and resources for making and selling content, as well as promoting a sense of community and belonging through initiatives such as meetups, events, and contests. In aspect of the communication of Tik-Tokers, users have been regarded as popular culture consumers, while they are not considered as normal audience (Zuo & Wang, 2019).

In order to grow its services and reach, the corporation should also focus on developing strategic alliances and collaborations with other companies and organisations. Furthermore, TikTok should prioritise the development of a solid and dependable infrastructure to guarantee that the platform is constantly available and accessible to users, as well as the protection of user data and information.

Finally, TikTok should engage in corporate social responsibility activities such as philanthropic causes and environmental sustainability programmes to strengthen its brand and reputation as a responsible and trustworthy firm.

To summarise, TikTok's unique algorithm and AI-driven personalization give it a significant competitive advantage in the media and entertainment industries; however, in order to sustain its growth and success in the long term, the company will need to address concerns about data privacy and censorship. Furthermore, the company should focus on diversifying its revenue streams, building a strong and loyal community, forming strategic partnerships and collaborations, establishing a strong and dependable infrastructure, and establishing a positive image and reputation through corporate social responsibility initiatives. It is also worth noting that TikTok's future success will be determined by its ability to negotiate the quickly shifting technical landscape and user behaviour. With the rise of new technologies such as 5G, Virtual Reality, and Artificial Intelligence, TikTok will need to invest in research and development to ensure that it stays ahead of

the curve and can offer new and engaging experiences for its users. This will be crucial for maintaining user engagement and retention in the future.

Another crucial factor in TikTok's future success will be its ability to expand into new nations and areas while also targeting new user categories. TikTok will be able to expand its revenue streams and become a truly global media and entertainment company by expanding its user base and product offerings.

Eventually, TikTok's unique algorithm and AI-driven personalization, emphasis on user-generated content and creator monetization, and ability to capitalise on the growing trend of digital consumption and entertainment position it to be a dominant player in the media and entertainment industry in the future. However, the corporation will need to address concerns about data privacy and censorship, continue to innovate and diversify its income streams, focus on user experience and retention, and grow into new countries and areas. In order to stay ahead of the curve, it must also be able to handle the quickly changing technology landscape and customer behaviour, as well as invest in new technologies. TikTok, with the appropriate approach, has the potential to be a key force in the media and entertainment industries for many years to come.

Another aspect impacting TikTok's success is the company's ability to adapt to different cultural and societal conventions as it expands into new regions and countries. It will be vital for the organisation to understand and respect each country's cultural norms and regulations, and to alter its content and goods accordingly. This will help to build confidence and credibility among local users while also ensuring that the platform is widely received and embraced in new places.

TikTok must also build a solid infrastructure to support the company's development and expansion while also preserving user data and information. This includes investing in data centres and servers that can handle massive volumes of traffic and data, as well as maintaining the security of data centres and servers. This includes investing in data centers and servers that can handle large amounts of traffic and data, as well as ensuring that the platform is always available and accessible to users.

Finally, in order to assure success, TikTok should also focus on building a strong corporate culture, that values creativity, innovation, and collaboration. By fostering a culture that encourages employees to think outside the box and take risks, TikTok will be able to continue to innovate and find new ways to engage users and create value for the company.

TikTok, with its unique algorithm and AI-driven personalization, focus on user-generated content and creator monetization, and ability to tap into the growing trend of digital consumption and entertainment, has the potential to be a dominant player in the media and entertainment industry in the future. However, the corporation must address data privacy and censorship issues, continue to innovate and diversify its income streams, prioritise user experience and retention, and grow into new markets and countries. Furthermore, it must be able to negotiate the fast changing technical landscape and customer behaviour, as well as invest in new technologies and create a strong corporate culture that emphasises creativity, innovation, and teamwork.

In addition, TikTok should also focus on fostering a culture of transparency and communication, both with its users and its employees. This includes being transparent about the company's policies and practices, as well as providing clear and timely communication about any changes or updates to the platform. By fostering trust and open communication, TikTok will be able to build a more loyal and engaged user base and a more motivated and productive workforce.

Another important area for TikTok to focus on is building a robust and effective compliance and regulatory framework. With the growing scrutiny from governments and regulators around data privacy and censorship, it is important for the company to ensure that it is in compliance with all relevant laws and regulations. This includes investing in a robust compliance and regulatory team, as well as developing policies and procedures to ensure that the company is in compliance with all relevant laws and regulations.

Finally, TikTok should also focus on building strategic partnerships and collaborations with other companies and organizations, to expand its offerings and reach. This includes building

partnerships with content creators, advertisers, and other media and entertainment companies, as well as investing in research and development to stay ahead of the curve in terms of technology and innovation.

In conclusion, TikTok's unique algorithm and AI-driven personalization, its focus on user-generated content and creator monetization, and its ability to tap into the growing trend of digital consumption and entertainment, makes it well positioned to be a dominant player in the media and entertainment industry in the future. However, the company will need to address concerns around data privacy and censorship, continue to innovate and diversify its revenue streams, focus on user experience and retention, and expand into new markets and regions. Additionally, it must be able to navigate the rapidly changing technological landscape and consumer behavior, invest in new technologies, build a strong corporate culture, foster a culture of transparency and communication, build a robust compliance and regulatory framework, and build strategic partnerships and collaborations. With the right strategy, TikTok could continue to be a major player in the media and entertainment industry for many years to come.

It's worth noting that the company should also consider expanding its offerings and creating new products that can leverage its huge user base, such as launching a new gaming platform, virtual reality or live streaming services. This can help to keep users engaged and increase the platform's revenue streams. In China, the value for infrastructural process of Tik Tok has been estimated well, while it aims to rebuild better relationships between government and platform (Zhang, 2021). For instance, Tik-Tok run by Chinese Provincial Health Committees has contributed to the communication with citizens (Zhu et al, 2020).

Another important area for TikTok to focus on is building a strong reputation and brand image. This includes investing in marketing and PR campaigns that can help to build awareness and positive sentiment about the brand, as well as highlighting the company's commitment to data privacy, security, and compliance. This will help to build trust and credibility among users and regulators, and will be critical to maintaining the company's growth and success in the long term.

Finally, TikTok should also focus on building a strong and sustainable business model that can support its long-term growth and success. This includes diversifying its revenue streams, such as e-commerce and advertising, as well as investing in new technologies and innovations that can help to increase user engagement and retention. The company should also consider exploring new business models, such as subscription-based services or premium content offerings, that can help to increase revenue and support the company's long-term growth.

4. Conclusion

TikTok's unique algorithm and AI-driven personalization, its focus on user-generated content and creator monetization, and its ability to tap into the growing trend of digital consumption and entertainment, makes it well positioned to be a dominant player in the media and entertainment industry in the future. However, the company will need to address concerns around data privacy and censorship, continue to innovate and diversify its revenue streams, focus on user experience and retention, and expand into new markets and regions. Additionally, it must be able to navigate the rapidly changing technological landscape and consumer behavior, invest in new technologies and innovations, build a strong corporate culture, foster a culture of transparency and communication, build a robust compliance and regulatory framework, and build strategic partnerships and collaborations. Additionally, TikTok should consider expanding its offerings and creating new products, building a strong reputation and brand image, and building a strong and sustainable business model. With the right strategy and execution, TikTok has the potential to be a dominant player in the media and entertainment industry for many years to come.

References

- [1] Noor, K. B. M. (2008). Case study: A strategic research methodology. *American journal of applied sciences*, 5(11), 1602-1604.
- [2] Tight, M. (2010). The curious case of case study: A viewpoint. *International journal of social research methodology*, 13(4), 329-339.
- [3] Zhang, Z. (2021). Infrastructuralization of Tik Tok: Transformation, power relationships, and platformization of video entertainment in China. *Media, Culture & Society*, 43(2), 219-236.
- [4] Zhu, C., Xu, X., Zhang, W., Chen, J., & Evans, R. (2020). How health communication via Tik Tok makes a difference: A content analysis of Tik Tok accounts run by Chinese provincial health committees. *International journal of environmental research and public health*, 17(1), 192.
- [5] Zuo, H., & Wang, T. (2019). Analysis of Tik Tok user behavior from the perspective of popular culture. *Frontiers in Art Research*, 1(3), 1-5.