

# Analysis on the Commercialization Phenomenon of Short Video Platform Douyin in China

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## ABSTRACT

The commercialization phenomenon of short video platform has developed in China. This paper mainly describes the development process of Douyin, different ways of commercialization and specific economic benefits, as well as the existing problems and suggestions for improvement. Through the development of Douyin and his current growth stage, it is reasonable to draw the conclusion that there are still countless potential and opportunities for Douyin platform in the future and there will be more emergencies of fancy commercial ways.

*Keywords: Douyin, short video platform, media, development studies*

## I. INTRODUCTION

With the change of information communication technology and the rise of the media, information transmission more presents the characteristics of "short, flat, and fast". The short video represented by Douyin platform has built up a kind of brand-new media scene, and all aspects of media ecology and social life have been impacted. [1] This paper will discuss the development of Douyin in detail, different commercial ways and specific economic benefits of Douyin short video platform, and current problems of Douyin and solutions for these problems.

## II. DEVELOPMENT PROCESS

Douyin is a mobile social software dedicating to shooting and releasing short music videos of 15s/60s. Since its launch on September 26, 2016, it has attracted more than 1 billion views per day in just two years. According to authorities, Douyin has seen 30 million downloads during the 2018 Spring Festival.

### A. Dormant period

The dormant period of Douyin was from September 26, 2016, to April 18, 2017. At this time, Douyin focuses on product polishing, experience optimization, performance improvement and market integration. While constantly improving the video clarity and texture, and optimizing the video loading and playing smoothness, simple and interesting special effects such as filters and stickers are added. Exploring the characteristics of receivers, and constantly adjusting the core functions of products laid a solid foundation for the later explosive development.

### B. Promotion period

The period from April 28, 2017 to September 26, 2017 is the promotion period of Douyin. At this time, Douyin began to vigorously promote, completed the word-of-mouth spread, and achieved user accumulation. During this period, Douyin added 3D series of shaking watermarks, cool props and stickers to improve the filter and beauty effect, creating stories, music brushes, hair dye effects and 360-degree panoramic videos, and adding the new products, such as AR camera to enhance the video look and appeal.

### C. Growth period

On September 26, 2017, Douyin entered its growth stage. After accumulating a large number of users, Douyin optimized the function of reporting and commenting and launched the anti-addiction system. Meanwhile, Douyin also released overseas versions including international version, Japanese version and Korean version, attracting a large number of overseas users.[2]

### D. Reasons for its development

In this fast era, the generally accepted information is fragmented, which conforms to the development of short video platform. For example, when taking the subway or taking the bus, people will choose to watch short video. Due to the shopping behavior of domestic consumers, the working hours and short offline shopping time, online shopping such as Taobao cannot directly help people to make decisions, such as the size of clothes is inappropriate, etc.

Therefore, anchors on Douyin platform tend to take goods with them, and the information they get is of

reference value. Douyin now has a large market share in China, and its main target audience is young people because young people are innovative and the platform can help them integrate into these ideas.

### **III. DIFFERENT COMMERCIAL WAYS AND SPECIFIC ECONOMIC BENEFITS**

The emergence of Douyin advertising subverts the traditional advertising form, and makes up for the defects of the traditional paper media communication form, to a certain extent, showing flexible advertising communication characteristics. Compared with traditional media, the advantage is especially evident in Douyin advertisements. Due to the rapid development of mobile terminal products, the environment and space of Douyin advertising have been further expanded. Douyin advertisement presents more diversified forms of communication. At present, the short video market mainly relies on advertising, user rewards, e-commerce cooperation to cash this way.

#### *A. Inserting ads into the video stream*

The purpose of advertising is to enhance brand image and value and to increase sales in a short time. It is found by observation that because the establishment of brand image and the cultivation of user reputation require long-term and three-dimensional marketing promotion, it cannot rely on fragmented short video content alone. So advertisements in Douyin usually present concrete "goods" rather than abstract "brands". Three types of ads insert into the video streams.

1) *Props*: For example, with 5.662 million followers, a Douyin user documenting his daily life in the US. In a short video released on March 4, 2020, he introduced the story of "buying the first electric toothbrush more than ten years ago was laughed at by the daughter-in-law", and told the experience of using the electric toothbrush. The brand of the toothbrush is not mentioned in the whole 57-second video. However, there is a link on the bottom left corner of the Douyin playing interface for Taobao commodities "The same toothbrush for video". The commodity is "Oral B electric toothbrush". Douyin short videos of "recording life" often take daily life situations as the stage. Therefore, daily necessities and other advertisers' products can be used as props, which naturally become short video content. In the short video, electric toothbrush as props into the content publishers' life scene is important to note that different short video publishers' life situation, fans are also different. Advertisers need to assess their goods on the basis of the rational choice of the target.

2) *Scenes*: The "scene" can also be used as an AD placement object. The advertisers of this kind of

product placement are mostly catering shops, leisure places, online games and other businesses that provide experiential consumption.

Douyin user called ChiHeShenZhen posted a short video of experiencing a dessert shop on February 4, 2020, which provided a "scene" of the occurrence of the short video content. The 15-second video shows the store's products and environment, without directly mentioning the store's name or address. Instead, the video uses the caption "STARFUL TEA" in the lower left corner of the video page to attract viewers to spend money.

3) *Trial goods*: Generally speaking, product placement is to embed information about products (services) or brands into media content, but online courses, psychological counseling and other services that need to be promoted can be used as short video content.

This has led to an ad-placement model that is unique to short videos. Similar to "trial" or "taste test" in offline promotion, such short videos only present partial or non-personalized content of the product (service), and complete and customized content is embedded into the video playing page [3]

#### *B. Customized challenges in the station*

Different from ordinary topics, Douyin challenge is usually initiated by the brand owner or Douyin assistant. Relying on the form of Douyin Challenge, the brand side realized the brand promotion demands.

Taking OPPO for example, from May 14, OPPO company held the "Imagine the 10th power" creative competition, and promoted it on Douyin with the proposition "It's time to enlarge". Combined with the zoom function of mobile phone camera, OPPO widely solicited portrait video works. The big names from the MCN organization, as well as creative creators, have the chance to win big cash prizes through the creative Contest. On Douyin, OPPO delivers the information of the creative contest to users through the high-quality works of blogger and the appeal of fans, so as to stimulate users to release more creative potential. From PGC to UGC, the trend of imitation and creation was initiated.

Professional Generated Content (PGC) is an Internet term for Professional Generated Content (video sites) and expert generated content (Weibo). It is generally used to refer to the personalization of content, diversification of perspectives, the democratization of communication, and virtualization of social relations, also known as the Professionally produced Content, (PPC). UGC is User-generated Content, also called user-created Content (UCC) as shown in "Table I". [4]

**TABLE I. PGC AND UGC**

	<b>PGC</b>	<b>UGC</b>
<i>pros</i>	Content provided by professional experts is well-controlled, presented in front of the user more authoritative, or more useful.	People don't have to worry about the number of articles on the site, there are always millions of users who bring new blood to the site every day and night.
<i>cons</i>	The power of the "expert" is limited. An article may have great appeal, but the quantity of output is weak.	The quality of the article is difficult to check, control the quality of the bad content, the site is easy to be occupied by advertising, spam.

Through Douyin content co-creation competition system, OPPO presents soft brand communication in personalized content, cleverly avoiding rigid brand promotion, and enabling users to get OPPO Reno's "10x zoom" function in easy and interesting or suspenseful stories.

More importantly, by encouraging extensive user participation, OPPO has broken through the limitations of single creativity and fixed routines of traditional advertising mode, and derived thousands of more rich, more personalized and more social Douyin promotion content. As the saying goes, "users know nothing better than themselves". After fully releasing the creative potential of users, OPPO has also turned itself into a trend-leading brand.

#### *C. Live broadcast*

In recent years, after experiencing explosive growth, the live broadcast industry has become mature. At this stage, the live broadcast industry no longer focuses solely on the number of users and the popularity of web celebrity, but focuses on product realization and commercial landing capability. Different from most live broadcast modes that adopt shows, Douyin mimics the live broadcast function of Instagram. Users can only watch the live broadcast content that has already paid attention to web celebrity. This kind of live broadcast serves the interaction of fans accumulated by high-quality short videos, and it can also be regarded as one of the layouts of Douyin's future social transformation.

The free content model is a more general pattern of live. Although the free content model cannot bring real income to Douyin anchors, it is still one of the most important business models in Douyin live broadcasting economy and even in the whole field of network live broadcasting. The fundamental reason is that the free model can make high-quality content get high attention, accumulate fans and enhance influence in a short time, laying a foundation for the next specific live broadcast products and commercial value realization.

This mode is the main mode in the early stage of the development of the field of live broadcasting, such as Papi Jiang and Li Jiaqi. Before they became popular anchors, they quickly gained popularity through free

content for a period of time, and then started to get involved in MCN (web celebrity incubators), goods, advertising, performing arts and other fields. In addition to network celebrities, many enterprises, public institutions, media organizations also tend to choose the free mode to expand their popularity and recognition when Douyin opens its account, while the game platform enhances users' loyalty to the platform by broadcasting all kinds of game competitions for free. [5]

#### *D. E-commerce flow entry*

The shopping cart button appears in the short video, and then the commodity recommendation is realized by clicking it. In the more common way of realizing Douyin, the shopping cart button and the commodity recommendation information can be found in multiple Douyin numbers by simply swiping Douyin.

#### *E. Offline drainage realization*

Haidilao is an influential hotpot brand in China. The variety of food and sauce of HaiDiLao catering company enables more loyal fans to share their opinions on Douyin, such as Haidilao web celebrity eating method, Haidilao money-saving strategy, Haidilao sauce strategy, and Haidilao hidden eating method, etc., emerging one after another, attracting numerous food lovers at home and abroad. At the same time, more consumers come to offline stores to challenge and explore the possibility of Haidilao products. Under the publicity of Douyin, consumers are encouraged to think of Haidilao products whenever they mention "restaurant hot pot", thus achieving the marketing concept of Haidilao catering company and deepening the corporate culture.

### **IV. CURRENT PROBLEMS OF DOUYIN**

In today's society, smartphones have been widely used, and there is more and more application software in people's mobile phones. Among the numerous mobile apps, Douyin APP has become a new model of interactive marketing due to its convenient operation and a large number of potential users. However, when people apply Douyin software, they will also have the problem of pushing too much junk information. This kind of junk information will send a large number of

content reminders to users during working hours or during breaks, which will bring a lot of troubles to users.[6]

Too much attention is paid to the audiovisual effect while ignoring the content and connotation construction, the form is greater than the content and the same repetition is no new, and consumerism dominates the production of short videos, resulting in the lack of meaning of video content.

These problems also lead to the decrease of the audience's thinking ability, the pan-entertainment of artistic creation and the negative impact of traditional social values.[7] Taking plus-size women as an example, some of the comments of the public are deceptive, because the customers themselves are too slim or too fat to achieve the effect in the video, and they are not satisfied with the clothes they buy. They attack the bloggers and merchants in the comment section, resulting in information asymmetry. The seller cannot make a profit because of the negative feedback from the buyer.

## V. IMPROVEMENT

In view of the existing problems and negative effects in the development of short video, the industry management department should strengthen the supervision of the short video industry, conduct media literacy guidance and education for video producers and communicators, and reduce the push of software spam. To be more specific, it will happen for users to use trill software problems. Garbage information push trill software designers can use big data technology to understand the needs of users. The collected user can browse information daily, improve the user experience of using the trill software, targeted by this way to push information to the customer[6], and promote the development of news and information short video and other countermeasures in order to promote the healthy and rapid development of China's short video industry.[7]

## VI. CONCLUSION

Through the development of Douyin and his current growth stage, it is reasonable to draw the conclusion that there are still countless potential and opportunities for Douyin platform in the future. Also, based on its different commercial ways and specific economic benefits of Douyin short video platform, there will be more emergencies of fancy commercial ways. In this way, more people could benefit, although Douyin still has some problems.

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