



Analysis of E-commerce Development of Tiktok-Before and After the Epidemic

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Abstract. With the maturity of Internet technology and the restrictions on traffic control in the context of COVID-19, e-commerce platforms and external media platforms such as Weibo, WeChat, and Tiktok are increasingly closely combined to seize the market using contactless transactions to achieve the transformation and upgrading of e-commerce marketing methods. The paper analyzes from three aspect.

Keywords: the epidemic · Tiktok · the e-commerce development

1 Introduction

After 30 years of development in China, e-commerce has become an essential part of the national economic operation system, spanning three major industries and penetrating every corner of people's lives [1].

The business model of E-commerce has been around since 2013, but with the outbreak of COVID-19, E-commerce has become increasingly common on Tiktok. Since the pandemic outbreak in 2019, Tiktok's users have continued to grow, growing 39% by 2020.

The business model of live streaming with goods is to enable the audience to immerse themselves in the product recommendation of the host through audio-visual interpretation of live streaming pictures and real-time interaction rich in emotions to stimulate consumption enthusiasm better, provide more intuitive and vivid shopping experience, and create higher conversion rate and marketing results for the brand (Fig. 1).

This paper is to analyze the reasons why Tiktok (short video platform) E-commerce is popular.

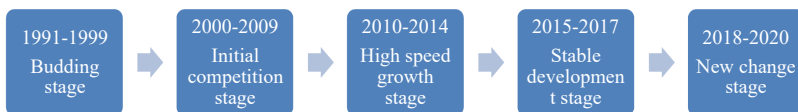


Fig. 1. The development history of China's e-commerce industry (Source <http://www.etudu.com/>) [1]

2 The Development of E-commerce

Driven by the Spring Festival marketing activities and the outbreak of COVID-19, the average daily active users of head short video apps Tiktok and Kuaishou increased by 38.9% and 35.2%, respectively. According to these data, we can know that E-commerce has seen tremendous development driven by the epidemic. Furthermore, the outbreak of COVID is helping e-commerce; isolated people at home are the main participants browsing the short video platform.

2.1 The Development of E-commerce Before the Epidemic

It can be found that in 2019, several of Tiktok's top 10 accounts were all entertainment accounts, of which Delireba, with the highest number of fans, has more than 50 million fans [2].

2.2 The Development of E-commerce After the Epidemic

In 2020, we broke into the accounts of three national official news organizations in the Top 10 list and differentiated them by different saturation of blue. Although most of the top ten accounts focus on entertainment, the top two accounts, People's Daily and CCTV News, are the accounts of official national news organizations, and the number of fans is only two billion, far more than others [2]. As a result, more people will choose short video platforms to achieve helpful information.

3 The Reason Why E-commerce in Tiktok Developed Well During the Epidemic

In this section, the researcher will analyze three important reasons why the e-commerce of Tiktok got such rapid development during the pandemic.

Affected by the COVID-19 epidemic, many people stayed at home, delaying production resumption and working in various places. The actual industry cannot open the door, which is a heavy blow to the physical stores. However, the live broadcast of "Meet Zero" has become a good opportunity for many physical stores to save themselves and transform (Figs. 2 and 3).

3.1 Live Broadcast with Goods Combined with Short Videos is a New Publicity Mode

This new publicity mode will affect the hearts of consumers and stimulate the invisible purchase rate. As shown in the figure, since the concept of E-commerce came into being, a large number of merchants have entered the Tiktok e-commerce platform, competing for the golden track of brand self-broadcast, and found a new retail model with higher efficiency and shorter brand value chain in the epidemic era [4] (Fig. 4).

Shelf e-commerce is characterized by exponential growth and customer comparison, while live e-commerce is a single-store instant reach. When customers are stimulated by

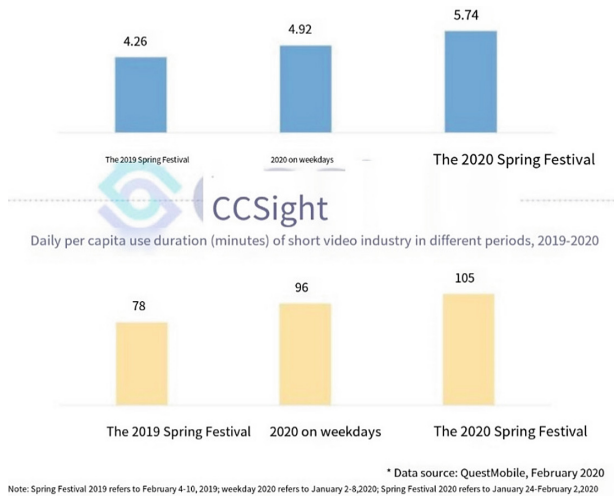


Fig. 2. Average Daily Active Users of Short Video Industry in a different period, 2019–2020 (100 million) (Sources: sight.cn) [3]

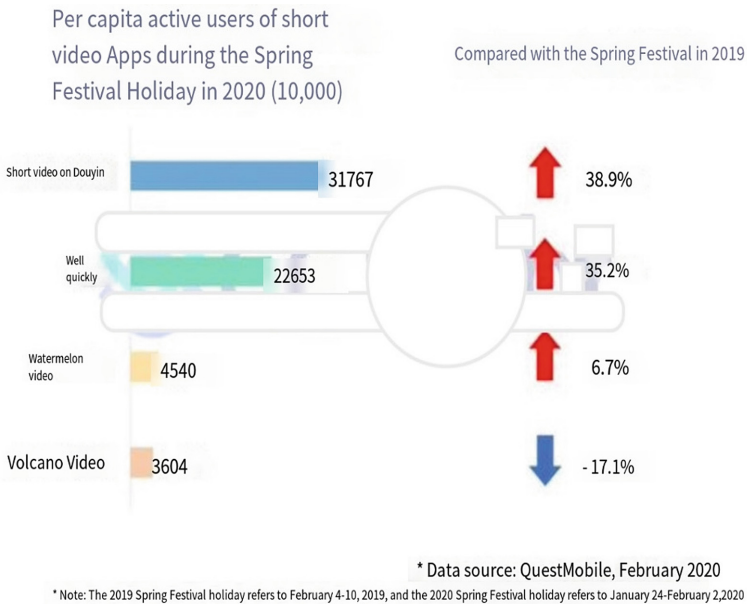


Fig. 3. Per Capita Active Users of Short Video Apps during the Spring Festival Holiday in 2020 (Sources: sight.cn) [3]

sensory/field factors such as anchor emotions, second-kill activities, marketing skills, and so on, live broadcast business data may show explosive characteristics. Especially in the epidemic environment, to prevent people from contracting diseases, they choose

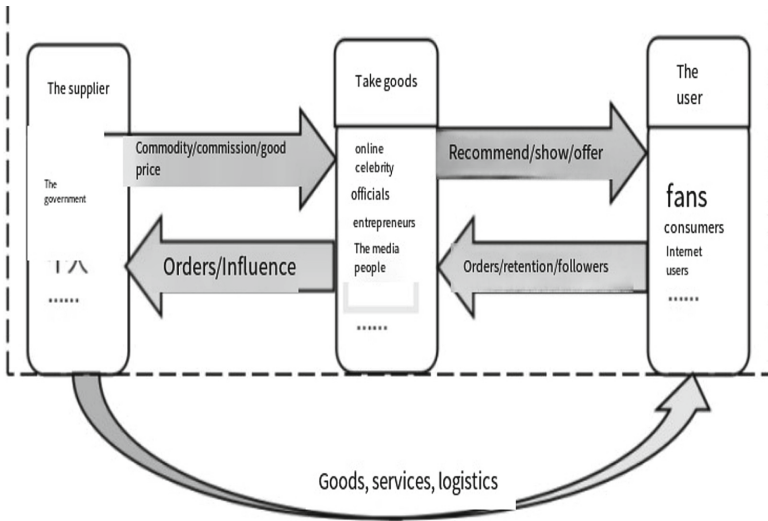


Fig. 4. Live Scene [5]

to shop online. Tiktok short video platform not only satisfies users’ entertainment but also satisfies their shopping desire.

More need to fight for the brand; the studio, which is presented by different sowing wheels ten hours a day, between flow repeated flooding and erosion, the brand’s live operation is much more sensitive to the result data: they want to catch live in flow breakthrough, constantly affect new studio consumer purchase decision, to improve the final finish.

3.2 Impact of the Epidemic and Policy Support

During the epidemic, tens of millions liked and watched a live broadcast, and the turnover was millions or even hundreds of millions. Under the epidemic, with the rise of mobile terminals live with goods suddenly rise, lifting power is very strong [6].

“The epidemic has accelerated the development of live streaming. In the face of the epidemic, many government officials have stepped into the live-stream room to promote local agricultural and sideline products, help fight poverty, and make the live-stream products recognized and followed by more people. Therefore, under the promotion of the government, e-commerce is also going to be famous [7, 8].

3.3 Convenience, Preferential Strength

Tiktok focuses on socializing and entertainment, with goods as a supplement. However, Taobao Live is more inclined to attract people to shop because, in their respective ecology, user behavior greatly determines their conversion rate of commercial realization.

Taobao live streaming is mainly aimed at Taobao users, who are likely to become live streaming users under the guidance of Taobao anchors. Taobao.com is an online shopping platform focusing on “consumer live streaming”.

As of June 2016, women dominated the audience, accounting for about 80%. TikTok Live is aimed at various young consumer groups of the TikTok platform who are loyal users of TikTok. They mainly focus on entertainment and buy some goods recommended by the anchors [8, 9].

Taobao Live mainly relies on Taobao's e-commerce platform to get traffic. Anchors do not need to make short videos to attract fans into the studio; they just need to start broadcasting directly.

To gain traffic, Tiktok anchors must create high-quality short videos to attract fans' attention to their accounts early and then deliver through the live broadcast room in the later stage.

According to what has been discussed in 3.2, under the epidemic, people's lifestyles tend to favor entertainment rather than simply shopping, and e-commerce offers customer convenience.

4 The Development Trend of Tiktok in the Future

With the rapid development of the network, from 2G to 3G to 4G and now to 5G network speed, and promoted by the epidemic, the transmission of network information has been transferred from the era of text and text to the age of a short video, which makes consumers no longer monotonous and apathetic when they know information. The more diversified scene of the broadcast room and the anchor's delivery skills ultimately gives the audience a new sense of experience to buy the product.

5 Conclusion

With the rapid development of mobile Internet, the number of Internet users is increasing, and the coverage of the 5G network is gradually expanding, making short videos an essential information carrier in this content era and attracting the audience's wide attention. This paper takes mainstream media practice on fast video platforms as the object and takes the institutional account opened by mainstream media on Tiktok as the sample.

Driven by the COVID-19 epidemic, and most offline businesses have been forced to suspend business, e-commerce live streaming has become the central hub connecting the suspended businesses with consumers who stay at home, and the era of nationwide live streaming sales may accelerate.

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