

## Your TikTok Playbook

A marketer's guide to driving brand awareness and revenue on TikTok.

# Need the download on TikTok? You're in the right place.

We'll dive into the what and how of the platform in just a minute. But before that, here's a little about the team behind this playbook.

Power Digital is a tech-enabled growth firm – at the intersection of marketing, consulting and data intelligence. We empower our people, and our clients, to reach their full potential to ignite revenue and brand recognition.

With an entire department dedicated to the platform, Power Digital is one of the largest TikTok partners in the US, serving B2C and B2B brands across organic, paid ads, influencer and creative. Over two-dozen of our 550 marketers have TikTok in their titles. We produce content for clients both with in-house talent and through a group of curated, trusted creators.

### 60+ brands TRUST

#### Power Digital

with their TikTok content to drive business growth

#### **INDUSTRIES:**



Beauty



Wellness

Fa

Fashion

A



Food & Bev

and more

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## Why brands need a TikTok strategy

There was a time (and it wasn't that long ago) when Meta was the primary driver of paid social revenue.

Then along came TikTok, and things changed in a social minute. While you may be wary about adding another channel to the mix, audiences might already be talking about your brand on TikTok and you don't even know it!

The relatively low competition currently means lower costs and higher engagement and returns.

Need another reason to hop on the Tok-train?

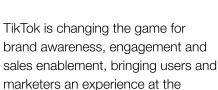
#### HERE'S THE LOWDOWN:





- 2nd place in the US
- **58%**

- One billion monthly active users globally (and a whopping 80M of them are in the US)<sup>1</sup>
- The most popular website in the world <sup>2</sup> (yep, more than Google – TikTok surpassed the search engine in 2021)
- Second most popular app in the
   US among people under 35 <sup>3</sup>
   (Netflix had to move over on this
   one only YouTube maintains a lead
   for content here)
- Average users have aged up with 58% being 25 and older <sup>4</sup> (Looks like Gen Zs aren't the only individuals being influenced by the app)



intersection of other platforms.

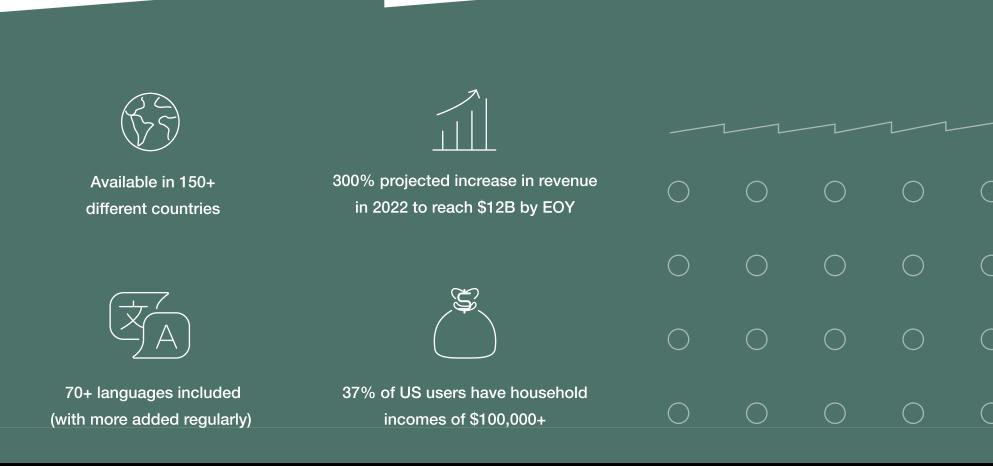
- Rob Jewell, Chief Growth Officer

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<sup>1</sup> Source <sup>2</sup> Source <sup>3</sup> Source <sup>4</sup> Source

You haven't missed your chance to succeed on TikTok. With continued user growth and massive projections for the coming years, it appears this tech giant is here to stay (and dominate).

If TikTok meets its growth projections in 2022, it's poised to be bigger than Snap and Twitter combined! The data speaks for itself:





## MYTHBUSTING:

## TikTok is not just a Gen Z play

Gen Z – anyone born between 1997-2012 – is the largest generation in history, with approximately one billion people worldwide. They've become increasingly influential when it comes to purchasing products and services.

While TikTok is the most popular app for Gen Z (over 100 million monthly active users worldwide), one in five TikTok users are 40 - 49 years of age, and the much-coveted millennial consumers sit at around 66 million. Translation: your customer base is there so you need to get on their For You Page ASAP.

#### CLIENT SUCCESS:

#### Higher returns on Tiktok for fashion & beauty brands

Power Digital conducted a study fueled by its proprietary technology platform, nova, of 60 companies across industries on TikTok. The results are in: Fashion and beauty saw a 6x higher sales conversion rate on TikTok than in other strategies. Creators weave beauty and fashion products into their routines in an authentic way, saying goodbye to traditional formats that lead with just one product.

Click here to get a TikTok consultation on the house.





A quality TikTok strategy comes from content diversity and quantity. Brands that thrive on TikTok have diverse styles, faces and messaging behind them. Consistency in testing on TikTok allows brands to unlock audience insights and find efficiencies that are not apparent elsewhere.

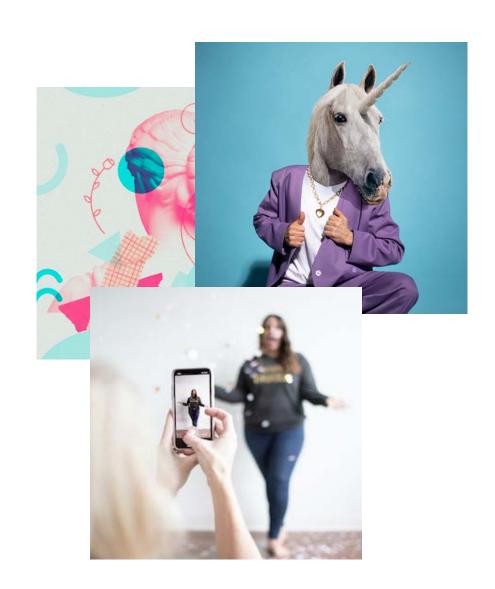
- Thomas Carter, Senior TikTok Strategist



### POV:

# 7 paths to growth on TikTok

Understanding your audience and your product "edge" are fundamental. Once you are clear on this, it's time to create.



#### **Understand the assignment**

ZTEP STEP Have a crystal clear understanding of what the audience wants. It doesn't matter how much money you throw at TikTok- it will fall flat if it doesn't resonate with the people of the Tok. Conduct a deep dive into customer insights annually to make sure your message is on target across media.

STEP STEP

Create multi-purposed content that can live across TikTok.

Make your content easily searchable with hashtags and video descriptions. And once one piece of content is developed, identify ways to activate that asset across channels: it's a short road from TikTok to Reels, just sayin'.

STEP

Promote organically to draw users in, instead of creating a standard ad.

 Top tip: It's not always about the product or service (yep – we really did just say that, and we mean it, too).
 Create fun, engaging pieces of content that inspire virality.



We approach content creation from an analytical, on-trend perspective. Whether it be content for ads or organic, we iterate in real-time against a strategic content strategy driving the most views and conversions for our clients' content.

- Jenny Howell-Stiles, Director of TikTok







TikTok as an engine necessitates and demands a lot of creative content to get to impactful results.

- Rob Jewell, Chief Growth Officer



## Trend-mine, build content around moments, rinse & repeat

Let's cut to the chase: with the right strategy, most brands are able to drive brand affinity, engagement and revenue on TikTok.

Not only is TikTok advertising a power revenue stream, TikTok is also the leading catalyst when it comes to social and generational trends. Viral moments may come and go but there should be a content strategy mainstay. Build a process where you continuously monitor trends and jump on them quickly to become part of a larger narrative. What's more, the traction and views will follow.

It's not just because we're a leading TikTok partner (or maybe it is), but we've defined the right posting cadence and framework for viral trends and engagement, driving traffic to:

- Websites
- Physical stores
- Social media pages
- Blogs



#### CLIENT SUCCESS:

## How a consistent organic presence boosted an outdoor brand's engagement

In just one month, we kicked a leading outdoor recreation brand's TikTok into gear. The formula was simple: posting multiple times a week, committing to immediate, regular audience engagement, and paying close attention to what is being talked about across industries and competitors to elevate the brand's name in conversations. The results speak for themselves:

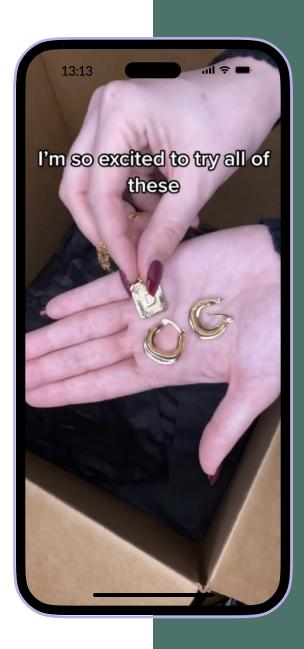
• Video views: +96%

• Profile views: +794%

• +950% comments

• +120% shares

• +82% likes



## Make the TikTok shop your storefront

Sync product catalogs to create a shoppable experience that is seamlessly integrated into the scrolling journey. Here's how.

- Promote products Tag products in organic posts and measure impact in the Store Manager. Once in the Shop tab, simply tag products to create shoppable experiences for users.
- Direct conversions Convert
   directly within the app without the
   need for a landing page a
   complete checkout process. You
   can even connect the
   app to your Shopify store and
   automatically get product data.



On average, TikTok's CPCs and CPMs are 25-40% lower compared to Facebook or Instagram. More brands are looking to TikTok to drive lower traffic costs to their site during a time when traffic costs soar across all marketing platforms.

- Rob Jewell, Chief Growth Officer

#### Make people stop, shop and listen

Use TikTok's advertising program to reach your future customers in 3 ways.

#### Content

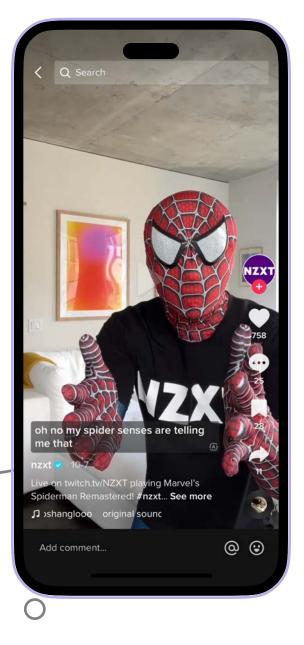
Create audience-specific content

## Promoted posts

Reach out directly through video ads

#### Influencers

Partner up with influencers on the platform



# Brand awareness campaign options:

- **Reach** Number of unique impressions your ads have. It's a good metric to check because it helps you measure how many people see your content.
- Traffic Number of clicks your ads receive. This includes clicks from people
  who watched the video and clicked through to visit another website or just
  clicked through to watch more videos.
- Video views Total number of times a video is viewed across all platforms
   (web/app) by users who saw an ad before a video was shown to them (excluding
   views generated by auto-play).
- Lead generation Ads generate leads when someone takes any defined action. I.e., filling out a form or downloading an ebook.
- **Community interactions** TikTok has an active community that talks about their favorite videos and interacts with other users through comments, likes and shares. Get involved in conversations by creating content that resonates with a target audience and drives them to interact with the branded post or video.

#### • Ad types:

- Spark Ads & In-Feed Ads Spark Ads are sponsored posts that appear on the homepage of users' feeds when they open the app (similar to Meta). They can increase user engagement, drive installs of an app/game or increase website conversion (e.g., sign up for an email list).
- Use In-Feed Ads within existing videos by tapping into the "Ads" tab in the creator studio tools.
- **Optimization:** TikTok offers a few ways to measure a campaign's success views, clicks, conversions and engagement (comments, likes & shares). Using "exclusive betas" for testing purposes is a game-changer. The feature gives creators and influencers access to unreleased features before they're available in the public version of the app.

## Conversion:

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- App promotion Drive downloads and increase user engagement by using
  advertising dynamically in various places like the Discover page, in search results
  or on a user's feed.
- Website conversion Use Website Conversion Ads to drive users from TikTok to your website or mobile app to complete an action, such as a form submission.
   Added bonus: Ads are easy for users to understand, so they know exactly what they're clicking on. As a result, conversion rates are often as high as 50%.
- **Product sales** Earn commission based on the value of products sold via direct linking from TikTok videos or ads.

#### Ad types

- Spark Ads: Think of them like a teaser. The format features a short video and CTA button. They automatically appear when users thumbs up or down a video relevant to a product. They appear on the TikTok home feed and are only available if you have an existing community with followers or likes on Instagram or Meta (that's right, we said it). Once they are seen, though, they perform exceptionally well compared to other platforms.
- In-Feed ads: Think of them like a traditional ad. They're full-screen advertisements that offer more real estate to show off products and services.
- Video shopping ads (plus exclusive betas): Think of them like the instant gratification of shopping with products directly sold within TikTok. Advertisers must pay, but benefit from higher engagement rates.

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Optimization:	0	0

- Optimize for cost cap: Maximize performance at a given cost cap (e.g., spend \$X/day).
- Optimize for lowest cost per acquisition (CPA):
   Maximize performance at the lowest possible cost (e.g., spend \$X/day).
- Optimize by highest value per impression (VPM):
   Look at how much revenue you gain from each click or impression.
- Optimize by return on ad spend (ROAS): Maximize ROAS by optimizing videos using all three variables (cost cap + lowest cost + highest value).
   The new "exclusive betas" feature improves ROAS through testing.
- Interest The most basic form of targeting, but also one of the most important.

  Target by interest, then further refine to narrow down your audience.
- Behavior Allows brands to reach ideal audiences based on behavior. Identify someone from past behavior, like how many times they click off an ad after seeing it only once.
- Hashtag Target users who've used a hashtag in their posts or comments within the last 7 days.
- **Automatic** Select relevant audiences based on age range and gender (so, no need for other demographic filters).
- Custom audiences (Platform, Pixel, Email + SMS) Create a custom audience with the platform or first-party data.
- **Search placements** Like Google AdWords Search Ads, you can bid for real-time placements in search results and watchlist suggestions with specific keywords or phrases.

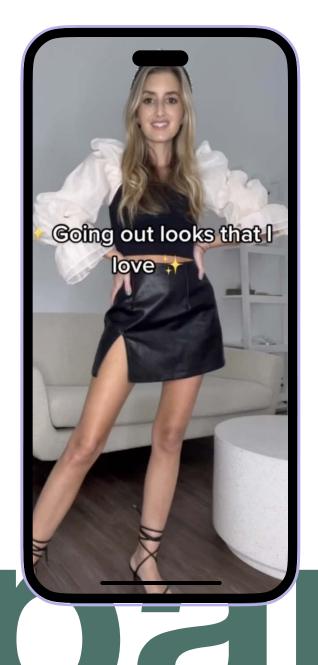
#### Targeting:



#### Project maincharacter energy with paid ads

The challenge: brands need to build relationships by becoming part of the story rather than simply telling it.

Marketers that master their storytelling will experience a two-way audience-to-brand experience that no other platform can offer. The end result drives massive engagement and conversion. Let's take a look at a SparkAds use case for a leading fashion brand. Power Digital turned to Influencer Spark Ads to



resonate with the brand's target audience. This authentic content resulted in Power Digital delivering a 257% increase in ROAS. The strategy leaned on restructuring the fashion brand's account to support a Spark Ads-focused creative strategy with a strong posting cadence at 6+ new piecesof content a week. The algorithm had more to work with and, in return, drove more revenue.

Ads

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#### **CLIENT SUCCESS:**

#### Match-market testing yields delicious results for SmartSweets

A match market test (MMT) measures how incremental a marketing channel is and assesses its impact on holistic business performance.

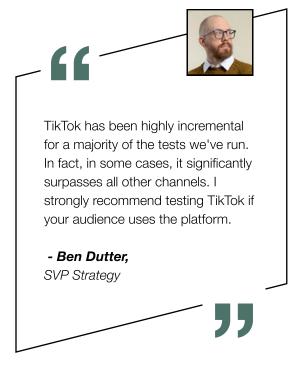
By experimenting at the Geo level across multiple channels, measuring at this level makes the data impervious to issues and limitations. The outcome is always objective because an MMT doesn't rely on third-party data.

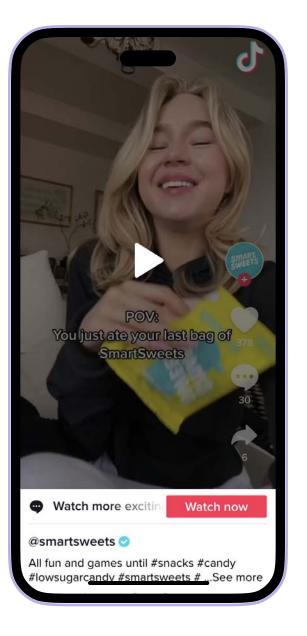
Compared to Meta/Instagram MMT results, Power Digital's TikTok strategy for SmartSweets drove a 287% higher incremental ROAS with a significantly lower budget. MMT results positioned TikTok as incremental to SmartSweets' holistic

business performance, and offered a

tangible impact on brick & mortar sales.

Following the success,
SmartSweets increased their
TikTok ads investment by 50%.





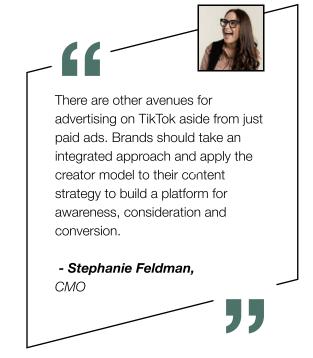
## Hit different with authentic influencer relationships

The importance of brand buy-in from influencers cannot be overstated.

The holy grail of TikTok is to create meaningful relationships with influencers who are open to creating content and driving reach.

You can't just throw a script at a creator and expect results. Involve them early in the planning and get their input.

Equally as important – get creative. Use TikTok as an always-on platform to get any sort of longevity when it comes to building engaging content libraries through creator relationships.



#### CLIENT SUCCESS:

#### Prebuilt gaming PC company NZXT sees nearly 250% growth

NZXT, a prebuilt gaming PC company, looked to drive growth through digital. Power Digital activated influencer content as Spark Ads, driving a 246% increase in account growth, and ultimately, a 12-fold return on ad spend. Within the first month of influencer activations, NZXT saw immediate results and success, generating \$65k in Earned Media Value. Needless to say, the strategy paid off.

#### The conversion conundrum

Attribution explains the credit or blame for conversions or actions taken (or not) by a user. When a user converts after seeing a brand on TikTok, marketers want to know: WHY? What percentage of conversions came from an ad or other factors – such as organic discovery or word-of-mouth referrals? The problem with most attribution models is that they're incredibly opaque. They don't provide visibility on what happens after users leave a platform.

If you're running an ad campaign where conversions happen in the first few days (or less) of viewing the content, this may not matter much. But with campaigns where purchases happen months or weeks after people have interacted with the content – what do we know about them now?



#### Ask:

Do they even Are they still What else may remember who using our have influenced we are? product/service? their choice?

These questions become especially important as we consider longer-form content like music videos or skits that might only be watched once, but remembered for weeks.

#### STRONG ATTRIBUTION SIGNALS

The TikTok Insights tool is powerful, offering a bird's-eye view into what works best for brands.

Attribution window time is the amount of time it takes for views or clicks to be attributed as an impression, view or click.

For example, suppose your attribution window is set at one day (24 hours). In that case, all of your impressions and views will be counted on the same day they were received by users.

Say 10 people watched your video after seeing it yesterday, but they didn't watch it today.

Many agencies and advertisers on TikTok try to fit their previous social media creative into TikTok with

Many agencies and advertisers on TikTok try to fit their previous social media creative into TikTok with minimal adjustments. That's where things get tricky, because TikTok requires specific creative developed by an integrated team of creators, producers and media buyers to drive the most efficacy and efficiency.

#### - Harper Cleland,

Senior TikTok Content Producer

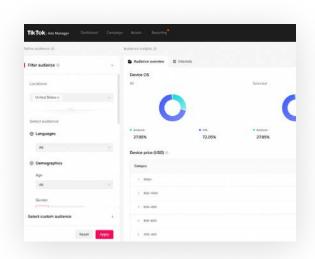


It doesn't count toward the total number of views for your campaign. But, if you change the setting to 7 days (168 hours), all impressions/views from this time frame now count toward your total number of impressions/views. These will however drop off in another seven days as long as there's no more activity from original users who first saw them.

Say a user watches one minute into a five-minute video today but doesn't watch any further until three weeks later, when they complete the video. Both scenarios will score points for the campaign because the attribution window was set accordingly.

#### IMPACTFUL CREATIVE & AUDIENCE SIGNALS

The Insights tool also gives visibility within each creative on the exact point a user took action – think: clicks, conversions and the associated efficiency metrics. Though not possible in the ads manager alone, Insights saves significant testing time and dollars by highlighting the most efficient areas for testing broad audiences or interests. Use these insights to optimize future campaigns around specific winning creative elements.



- Getting demographic breakdowns
   (like age and gender) of each
   individual creative can unveil where
   the majority of revenue is
   coming from.
- Gain insights into interests, demographics, geographic and technological audiences from a birds-eye view, something that isn't possible in ads manager alone.
- Power Digital delivered 133% increase in conversions and 163% increase in number of clicks in the first 3 weeks for one of our top clients after incorporating learnings from their video insights page.





To avoid ad fatigue, creative iterations play a significant role in driving performance. By utilizing the video insights tool, you can identify the top-performing elements at the beginning, middle & end for a product/service. These insights can drive the optimal creatives, and in turn, the strongest performance.

- Isabelle Davis, Associate Director of TikTok



Click here to get a TikTok consultation on the house.

### A PEEK IN THE CRYSTAL BALL:

### Is TikTok going anywhere?

TikTok is a powerhouse platform that will only continue growing in the years to come. What began as a fun outlet for Gen Z has transformed into a robust and diverse user base spanning across the globe. TikTok's foundation of deep analytics provides brands with powerful data and the opportunity to expand their reach and interact with their target audience. When executed properly, TikTok marketing can unlock huge wins for brand and revenue growth.

If you haven't started utilizing TikTok, now is the time. Or, if you're already present and not seeing significant returns, this is your opportunity to double down and get it right. Plus, TikTok could lead the paid social platform space in ad revenue within five years, drawing more people, features and conversion opportunities.

Also slated to become a live commerce platform, TikTok will double as a newage QVC for social live shopping.

Soon, consumers will be buying products directly from their favorite creators' stories. This will provide an end-to-end commerce experience for consumers that will make TikTok more than just another social media platform.

One thing is exceedingly clear: brands that take the TikTok leap can become market leaders.

Let's make your story one of them. Ready to reach your full potential with TikTok?

Schedule a complimentary appraisal to identify opportunities for growth.

Get in touch here.