

# Analysis and Application of TikTok E-commerce "FACT" Operation Matrix under the New Format of Interest E-commerce

**ABSTRACT:** Interest-based e-commerce is a kind of e-commerce based on people's aspiration for a better life, meeting users' potential shopping interests and improving consumers' quality of life. TikTok e-commerce, as interest e-commerce, interconnects commodity content with a large number of potential interest users through short videos, live broadcasts and other high-quality content creation and mature recommendation technology, which stimulates the potential demand of users and creates a new incremental market for merchants. In this article, we analyze the new interest e-commerce industry, the characteristics and growth logic of TikTok e-commerce, and break down the value and core operation actions of TikTok e-commerce "FACT" operation matrix. It is expected that merchants can combine their own reality and layout their business strategies around the four FACT business matrices to achieve sustainable user value accumulation and sales growth.

**KEYWORDS:** *Interest E-commerce; TikTok E-commerce; FACT; Growth Logic; Operation Matrix*

## 1. INTRODUCTION

Today, with the increasing popularity of smartphones and the continuous upgrading of communication technology, the catalyst habits of mobile Internet users will gradually shift from graphics to short videos and live broadcasts, and consumers will be more accustomed to obtaining information from short videos and live broadcasts. The new content forms have brought new consumer demands, promoting various content platforms represented by TikTok to become the main position of brand digital marketing. As a content platform, TikTok uses mature recommendation technology to reach users with product content, thereby stimulating the potential needs of users and creating a new incremental market. In January 2021, the gross merchandise volume (GMV) of TikTok e-commerce increased by 50 times compared with the same period last year, and this new online retail track has begun to take shape. From consumers, merchants, talents, to service providers and MCN institutions, every role that joins TikTok e-commerce has achieved rapid growth, and TikTok e-commerce has become an important e-commerce position for merchants. Through a rich content ecosystem and interest-based content recommendation technology, TikTok connects product content with a large number of potential interested users, opening up a new format of "interest e-commerce".

## 2. ANALYSIS OF THE NEW FORMAT OF INTEREST E-COMMERCE

### 2.1. Interest e-commerce connects product contents and potential users through interest recommendation

Compared with traditional e-commerce and offline shopping channels, TikTok e-commerce connects high-quality product content with a large number of interest users through recommendation technology, stimulating new experiences and new demands for users' consumption and bringing new business increments for merchants. We call discovery-based e-commerce consumption model that stimulates users' potential interests through recommendation technology as interest e-commerce.

On the one hand, TikTok's live broadcast and short videos integrate product information into real and vivid content scenes, which greatly enhances the richness of product information and makes the selling points and brand stories more fully displayed, thus maximizing users' interest in consumption and realizing the marketing purpose of unifying product sales in the same scene.

On the other hand, recommendation technology uses content as a carrier to help products reach potential consumers, and in response to positive feedback from users on content and

products such as interaction, fan, purchase and repurchase, so that product content can be recommended to more users with the same interest, thus leading to discovery consumption.

## 2.2. Interested e-commerce brings new consumer groups and new business increments

The starting point of traditional e-commerce is clear shopping needs, and the typical consumer path is "demand-search-purchase". Consumers will come to the site to actively search after they have a clear demand, select trusted products and merchants in the shelf-style scenario, place an order, convert it to complete the transaction, and cultivate a fixed online shopping habit. The core of social e-commerce is the trust relationship between people, and the typical consumer path is "trust-demand-purchase". Consumers build interpersonal trust relationships on social networks, generate demand for their recommended products based on trust in people, and stimulate transactions through multi-person bargaining.

Interest e-commerce is to stimulate consumption interest through content, and the typical consumer path is "interest-demand-purchase". First, identify user interests through content recommendation, and then stimulate product use expectations and emotional resonance based on users' continuous attention to product content, thereby creating new consumption motivations and bringing new business increments. The core of the interest e-commerce that can bring business increment to merchants is that it has successfully stimulated the consumption interest of users and released potential demand.

In TikTok, merchants and celebrities integrate the use of products into high-quality content, and users are interested in watching the content for a long time, discovering their potential needs and placing orders directly. This shows that at the beginning of viewing, users do not have the motivation and purpose to buy goods, but the demand for use is potential and not realized by the users themselves. Through the content of the products, the interest e-commerce effectively stimulates this potential demand and activates a new incremental market.

## 3. TIKTOK E-COMMERCE VS TRADITIONAL E-COMMERCE

The live broadcast of TikTok is significantly different from that of traditional e-commerce stores. In traditional e-commerce, most consumers who enter the live broadcast room already have a familiar understanding of the brand and clear needs. The anchor of a traditional store is more like a customer service role. In TikTok e-commerce, users who enter the live broadcast room often have expectations for content. At this time, the distinctive anchors and carefully planned content have become the first contact between consumers and products. Therefore, the anchor of TikTok e-commerce must grab the attention of consumers within seconds and stimulate potential demand of consumers within minutes.

In addition, TikTok e-commerce live broadcast also needs to meet multiple marketing objectives such as attraction, seeding, interaction, and conversion, which is more compact in the live broadcast process and requires higher capacity for the live broadcast team. A mature live studio operation requires high-quality anchors, accurate speech, fine live broadcast rhythm, flexible product adjustment, and fast-response advertising.

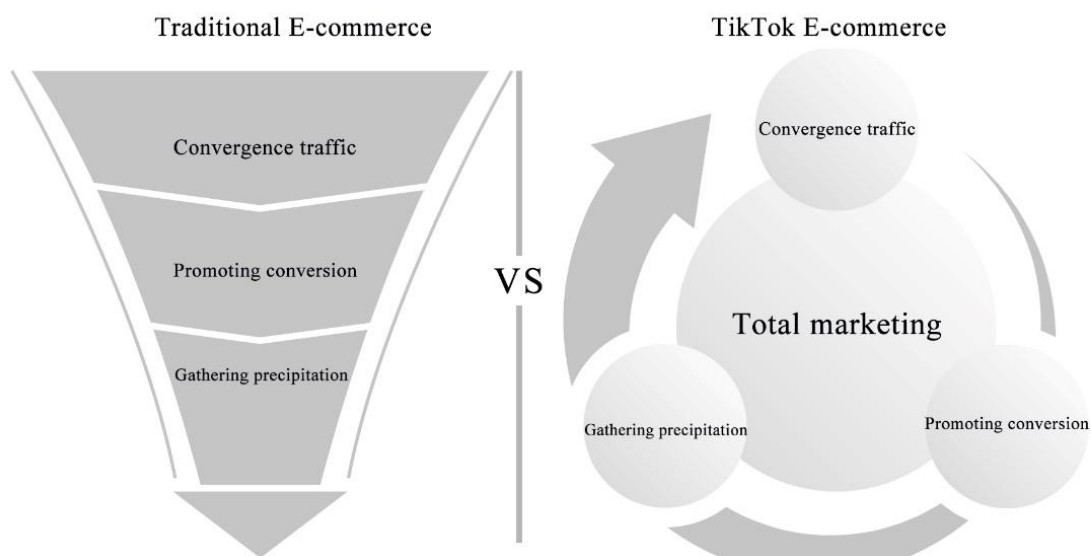
**Table 1. TikTok e-commerce vs traditional e-commerce**

	<b>TikTok e-commerce</b>	<b>traditional e-commerce</b>
<b>Core contact</b>	Taking the live broadcast room as the core contact point to stimulate the potential demand of consumers	Taking the details page as the core contact point, the live broadcast plays a role in assisting the transaction
<b>User needs</b>	The live broadcast is displayed in real time in the TikTok recommendation information stream, targeting the matching audience with potential shopping needs	The live broadcast room of the store can only be accessed after clicking on the store page. Users who enter the live broadcast room often have clear needs.

<p><b>Live Features</b></p>	<p>The live broadcast is fast-paced, the content experience is more vivid, the product display is more realistic, and the information bearing is richer, bringing business growth</p>	<p>The store anchor mainly plays the role of assisting customer service. The rhythm is slow, the explanation covers the whole category, and the transformation is carried out according to the existing demand.</p>
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#### 4. THE GROWTH LOGIC OF TIKTOK E-COMMERCE

Traffic, conversion, and precipitation are the three basic elements of e-commerce business. In traditional e-commerce, "traffic-transformation-precipitation" presents a one-way funnel logic, and the growth of business comes from the growth of off-site drainage. In the growth logic of TikTok e-commerce, interest-based content recommendation technology enables the combination of accounts and stores to have "growth". Through recommendation technology, the continuous accumulation of user scale and transaction data can leverage more traffic distribution and acquire a larger number of potential consumers, thus allowing stores to enter a "snowball growth cycle".



**Fig.1. the funnel logic of traditional e-commerce vs the snowball growth logic of interest e-commerce**

The product content recommendation under interest-based e-commerce incorporates product conversion and user sedimentation data into the recommendation model, allowing products to reach potential consumers accurately at scale with content as a carrier, and enabling stores to gain "growth" with the continuous accumulation of user scale and transaction data. Continuous calibration and amplification of traffic acquisition, so that the total operating volume enters a "growth cycle". This is the underlying logic of the snowballing growth of TikTok e-commerce.

##### 4.1. Convergence traffic: content management and traffic management go hand in hand

TikTok e-commerce is a new form of content-centered e-commerce, the acquisition of traffic is mainly based on content, and the direction of content determines the circle of users reached by traffic. Therefore, when content output of TikTok e-commerce is carried out, clear target users should be identified first, and the content direction should be clearly positioned according to the target user portrait, and the content direction should be continuously optimized and calibrated through the data performance of the content to accumulate loyal users with high matching degree.

##### 4.2. Promoting conversion: optimizing product grouping strategies and content operations for potential groups of people

Promoting conversion means promoting the traffic collected in the previous link to place an order for purchase and complete the conversion. The key to doing a good job in conversion is to match the needs of potential groups to organize product strategies, and to maximize conversion

efficiency through mature live broadcast rooms and short video content operation plans. Looking for potential groups, on the one hand, relying on distinctive personalities to create long-term and stable content output and form continuous accumulation; On the other hand, relying on the assistance of operational actions, through warm-up videos, marketing tools, advertising, etc., to accelerate the identification and growth of target groups.

In view of the content-based and discovery-based consumption of TikTok e-commerce products, the real, vivid, and sufficient content characteristics of live broadcasts, as well as a fairer recommendation traffic mechanism, merchants can continue to explore more diverse product combination strategies and improve conversion efficiency. In addition, based on the differences in the content attributes of different accounts and celebrities and the needs of fans, the granularity of product grouping can be further refined in combination with scenarios, bringing sales potential to more products.

#### 4.3. Gathering precipitation: daily operation accumulation with marketing tools to do a good job of long-term user value precipitation

In the short term, gathering precipitation means "powder" and "repurchase", which can be used to analyze the profile of purchased fans and further calibrate live operation actions. In the long run, gathering precipitation means accumulating the assets of merchants, which is an important cornerstone for the long-term operation of TikTok e-commerce. In the daily short video or live content, inviting viewers to interact with fans is the most common and important accumulation action.

In order to help merchants apply crowd assets, TikTok e-commerce provides merchants with a variety of product tools. They are: (1) TikTok e-commerce compass that does analysis and guidance for TikTok small store business data; (2) a cloud map platform that deposits crowd data for all interactive users in TikTok stations; (3) a giant Qianchuan platform that provides data insights for advertising in TikTok small stores; (4) the Member Zone that helps brands manage and operate loyal users. Through different data management tools, merchants can conduct multi-dimensional analysis of their own crowd assets and make accurate judgments on their operation status.

### 5. ANALYSIS OF THE FOUR OPERATING MATRICES (FACT) OF TIKTOK E-COMMERCE

FACT is the four major operating positions of TikTok e-commerce. They are: F (Field) self-broadcasted position management by merchants; A (Alliance) matrix management of massive talents; C (Campaign) combination of marketing activities; T (Top-KOL) the head of the big V product sales win-win. On the whole, the merchant's self-broadcasting (Field) and the talent matrix (Alliance) are used to build stable daily sales, while the marketing activities (Campaign) and the head V (Top KOL) are used to achieve a large-scale product sales explosion. Based on their GMV growth needs at different stages, merchants can flexibly allocate operational resources and marketing investment to the four business fields to achieve stable, efficient and continuous growth of TikTok's total e-commerce business.

**Table 2. Business objectives and application scenarios corresponding to FACT**

Operating Matrix	Goal Achievement	Application Scenarios
F-Field Merchant self-broadcast	Helps merchants to enhance content management and control, accumulate crowd assets, and conduct stable and long-term operations	Daily sales operation stage
A-Alliance Talent Matrix	Helps merchants to enter the market quickly, expand traffic supply, and amplify business growth	
C-Campaign Marketing Activities	Cultivate consumer mindset, help merchants gain access to platform resources and achieve scale sales explosion	Product sales explosion stage

T-Top KOL Big V on the head	Help merchants quickly hit the "broken circle" high volume, a win-win situation for both products and sales	
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### 5.1. F-Field: the basic plan of daily sales

Field means "own position", and it is the foundation of the business to operate their own business position when they are running the TikTok e-commerce business. In the merchant's own broadcast, the merchant has strong control over the key operational nodes such as brand image, goods selection, discount strength, and live broadcast discourse. Through the accumulation of a long time, the output of the merchant self-broadcast is stable, and the operating costs are relatively controllable. At the same time, merchant self-broadcast also helps to establish long-term relationship with users and realize the continuous accumulation of crowd assets.

### 5.2. A-Alliance: the Amplifier for Business Growth

Alliance stands for "talent alliance". In actual operation, many merchants have established close alliance and cooperative relations with many talents. The business of merchants grows rapidly with the increase of the ability and number of talents. With the help of talent resources, merchants can enter the market faster and quickly build brand awareness and sales performance on TikTok. At the same time, a certain scale of the talent matrix can expand the traffic supply, and the unique image of the talent can deeply expand the consumer group. The sustainable close cooperation also ensures the long-term stability of the matching efficiency and commission cost, which is the best help to enlarge the business growth.

### 5.3. C-Campaign: The Explosive Field of Scale Sales

A series of marketing such as e-commerce promotion, marketing IP, and industry activities give TikTok e-commerce festive and thematic marketing ability, creating reasons and mindset for users to spend on TikTok continuously, and triggering high billable concentration transactions in a short period of time with the help of scaled traffic aggregation effect. It is an important way for merchants to grow rapidly with the help of platform resources.

### 5.4. T-Top KOL: a win-win promotion place for both product and marketing

A series of successful cases in the past have proved that the cooperation between brands and celebrities and top-KOLs such as celebrities can help brands achieve "double detonation" of product promotion and sales. With the powerful influence of their fans and persona endorsement, celebrities and top-KOLs can create hot marketing events to help brands break through the circle quickly and achieve a "win-win" for both product and sales.

## 6. EFFICIENCY TOOLS UNDER THE FACT OPERATING MATRIX

With the rapid development of TikTok e-commerce, the corresponding product capabilities are also rapidly improving. At present, four major product capability modules have been built, such as TikTok Store, Jumbo Baiyin, TikTok E-Commerce Compass and Jumbo Qianchuan, to help merchants achieve operational efficiency in TikTok E-Commerce.

### 6.1. TikTok store: business operation field of merchants in TikTok e-commerce

TikTok Shop is a one-stop business platform for TikTok E-commerce merchants to achieve new business growth by providing them with a full chain of services to help them operate and trade efficiently in the long run. It can achieve four main capabilities:

(1) Pre-sales preparation: merchants can open the store as one, to achieve unified management of the content and e-commerce section of the account. Through product management to achieve the up and down shelves and window page settings; through the store decoration to optimize the consumer "store" experience; the use of marketing tools to set up a variety of marketing methods, such as coupons, full reduction, limited-time activities, timed sales, etc..

(2) The promotion of goods: merchants can open the live store with goods and short video with goods through the TikTok store; at the same time through the order management to complete the

delivery of compliance; and in the background can see all the sales data of goods.

(3) After-sales service: merchants can handle after-sales issues in real time through the after-sales workbench to improve the after-sales service experience of consumers. Through the "after-sales assistant" to create automated after-sales strategy tools; through the "flying pigeon" tool to achieve real-time communication between customer service and consumers; through the data analysis board to understand the store service level, targeted to improve service quality.

(4) Service Market: In order to meet the diversified needs of merchants and provide them with efficient tools, Shake Shop opens a "Service Market" for merchants to help them cooperate with more service providers, customize personalized services and improve business efficiency.

## **6.2. Jumbo Baiyin: One-stop service for efficient people and goods aggregation**

Jumbo Baiyin is a platform that provides one-stop people and goods aggregation service for merchants, organizations, talents and other ecological partners based on live streaming and short video with goods. It covers three business modules for talents, MCN agencies and merchants. Jumbo Baiyin can effectively integrate the needs of three parties, intelligently connect and match talents, goods and merchants, and improve business efficiency.

In the section of "Select Alliance ", we can realize the two-way matching of talents looking for merchants and merchants looking for talents. The "Select Alliance" has a selection plaza and a talent plaza. After talents and organizations select goods in the selection plaza, the platform will intelligently recommend group goods and reach a large number of merchants by recruiting talents and leaders; the talent plaza provides authoritative talent data, intelligently matches talents and performs online.

## **6.3. TikTok E-commerce Compass: Data Fusion Provides Comprehensive Operation Diagnosis for Multiple Roles**

TikTok E-commerce Compass is a data fusion platform designed to help merchants, experts and institutions provide data diagnosis and support business decision-making. Its data analysis scope covers overall store operation analysis, live broadcast analysis, short video analysis, commodity analysis, talent analysis, service analysis, etc.

Take live broadcast analytics as an example. This module provides time-varying granular data for 360-degree insight into the merchant's live performance, analyzing the effectiveness of the live broadcast and laying a solid foundation for the next round of upgrades. Using live analytics, merchants can grasp the dynamic situation of traffic structure and conversion rate, and measure the efficiency of this live broadcast and the ability to leverage natural traffic. Combined with the user profile, merchants can have a good idea of the specific profile of the high-conversion rate of this live broadcast, and prepare for the next live broadcast content and placement. In addition, through the integration of product analysis, merchants can understand the characteristics of high-converting products for different groups of people, and pave the way for the realization of "thousand people, thousand faces" product configuration.

## **6.4. Jumbo Qianchuan: Realize integrated e-commerce advertising and integrated marketing**

Jumbo Qianchuan is the e-commerce advertising platform of Jumbo Engine, which provides integrated marketing solutions for merchants and creators of TikTok e-commerce. It has three versions: "Mobile Store", "PC Speed Promotion" and "PC Professional Promotion", which can meet the promotion requirements of multiple platforms and provide integrated services for merchants.

### **6.4.1 The deep integration of Jumbo Qianchuan and TikTok e-commerce business to create a full-scene solution for business**

Through brand advertising, live promotion and merchandise promotion, it can meet different marketing needs of merchants. In terms of e-commerce conversion, it supports shallow conversion targets (watch, interact, stay) and deep conversion targets (short video commodity purchase, live order), and works with different marketing scenarios of merchant stores to help the whole process of merchant growth such as new store opening, new product release, node promotion, and explosive discovery.

#### **6.4.2 Integrated intelligent marketing improves the efficiency and effectiveness of e-commerce marketing**

By connecting the accounts, qualifications and funds of TikTok accounts, TikTok shop and Jumbo Qianchuan, we can realize "commodity management - traffic acquisition - transaction achievement" in one stop, effectively improving the efficiency of e-commerce marketing. Through the automated delivery system, it can provide selection, budget, bidding, targeted recommendations and automatic optimization capabilities. Through the creation system, it can provide live highlight clips and short video content optimization to improve the quality of creative materials. The automated placement management modules, such as one-click trial casting, product hosting, store hosting, and live streaming hosting, can reduce the operation threshold.

#### **6.4.3 Data technology supports the whole chain of marketing to help merchants achieve long-term growth**

Relying on the data technology advantage of Jumbo Engine, combined with DMP (Data Management Platform) capability, Jumbo Qianchuan builds refined crowd marketing in e-commerce scenarios to meet the needs of merchants for crowd mining, insight, circle selection and placement, and can dynamically adjust marketing strategies through pre-investment analysis, in-investment diagnosis and optimization, and post-investment attribution metrics.

### **7. ANALYSIS OF THE APPLICATION OF FACT MANAGEMENT MATRIX**

#### **7.1. Application of F-Field Merchant's Self-Broadcasting**

Self-broadcasting is the most basic business position for merchants and the most direct contact between merchants and consumers. It is not only an important source of business for merchants, but also the main undertaker of official image and service experience. Through self-broadcasting, it can establish a solid foundation for long-term operation for merchants, and bring stable growth of business and crowd assets.

##### **7.1.1 Personalization of brands and merchants**

In the self-broadcasting business of merchants, the creation of content is the core first step. As a content platform based on short videos and live broadcasts, the core of its content is "personalization". A personal design that conforms to the brand's tonality helps users to quickly establish their awareness of the business or brand, narrow the distance between the user and the business, thereby generating a sense of trust and laying the foundation for the transaction. Therefore, the output of all content should revolve around the personal image of the brand or business to create an overall brand experience for users.

##### **7.1.2 Stable product guarantee**

The merchant self-broadcast sales scene for goods supply security requirements are high, merchants need to have a rapid response goods team to ensure the stability of the supply of goods. When selecting products and assembling products, merchants continuously optimize and adjust the selection of products based on the performance of past live broadcasts, and adjust strategies such as new products, popular models, and drainage models according to different sales goals. At the same time, TikTok e-commerce also has a commodity evaluation system, through which merchants can maintain commodity ratings to protect the quality of goods at the same time, according to the feedback after the sale of goods to improve, upgrade and further meet the needs of users.

##### **7.1.3 Perfect pre-sales and after-sales service**

Doing a good job of service guarantee is necessary for the long-term operation of the store, and the quality of service has become one of the important business goals of the TikTok e-commerce platform. Pre-sales rapid response of anchors and customer service can effectively improve the proportion of conversion into orders and improve the efficiency of the use of traffic. High-quality after-sales service can improve consumers' evaluation of the store, increase consumer trust and repurchase rate. In the service experience score, merchants can understand consumers'

overall evaluation of the store's products, logistics and customer service, and make corresponding improvements.

#### **7.1.4 Closely coordinated advertising**

Advertising is an important way for stores to obtain traffic, and the advertising strategy needs to be closely coordinated with the rhythm of the live broadcast room, which requires merchants to have an experienced delivery team who can adjust the advertising strategy in real time at the minute level. TikTok e-commerce integrates the advertising function into Jumbo Qianchuan, so merchants can achieve diverse advertising placement goals in one stop on Jumbo Qianchuan platform.

#### **7.1.5 Comprehensive data analysis**

Through the TikTok e-commerce compass, merchants can track various data indicators of store operations, and feed them back into the optimization measures of the live broadcast room in real time. Common diagnostic indicators include:

(1) The real-time indicators of the live broadcast room are used to adjust the live broadcast room in real time, including: the number of people online in real time, the payment GMV, the click rate of the product, the transaction amount of the product per thousand views, etc.

(2) Key trend indicators are used to judge the growth trend of stores, including: the number of views, effective live broadcast duration, average online number, maximum online number, per capita viewing time, transaction unit price, GPM, transaction unit price, product click-to-transaction conversion rate, product click-through rate, viewing transaction conversion rate, etc.

#### **7.1.6 Application case analysis**

PEACEBIRD women's clothing starts with self-broadcasting for a long time every day, accumulates accurate fans, cooperates with traffic delivery, finds accurate target groups, and at the same time strives to improve the live broadcast content. By creating a unified image for all anchors in the brand's live broadcast room, the "PB Women's Group" was launched to show the brand's fashion characteristics. The female anchors with different personalities and temperaments not only show different styles of clothing wear, giving consumers a rich choice of products, but also accumulate loyal store fans through the female anchors, laying a good foundation for the store's daily viewing. At the data level, we pay attention to the changes in traffic, conversion and sedimentation data, continuously optimize the live broadcast strategy according to the data performance, and finally obtain the rapid growth of total brand sales.

Since October 2020, when PEACEBIRD women's clothing started to self-broadcast, the number of store fans has rapidly grown from less than 20,000 to 1.5 million now, and the self-broadcast business has also achieved a leap forward, with the average daily GMV increasing from 100,000 to about 3 million in just a few months.

### **7.2. A-Alliance Talent Matrix Application**

The talent matrix is not a simple talent to bring goods, but requires merchants to establish long-term close cooperation with talents with a high degree of matching, to reach fans with a stable frequency, and to provide merchants with an increase in sales and popularity. In addition, merchants also need to continuously track the data performance of talents, and constantly optimize the composition of the master matrix.

#### **7.2.1 The efficient matchmaking and alliance of talents quickly increases the number of cooperation talents**

(1) TikTok Link: Through the form of offline product selection meeting, it effectively promotes the matching of people and goods, and builds an offline bridge connecting TikTok e-commerce experts, MCN institutions and brand merchants.

(2) Selected alliance: An online convenient matching platform, in the selected alliance section, it can realize two-way matching between talents looking for merchants and merchants looking for talents. Under "Select Alliance", there are a selection square and a talent square, the talent square

and MCN organizations can actively discover products through the selection square, and merchants can find their favorite talent and MCN organizations through the talent square.

(3) Nebulas Plan: Based on the needs of brand merchants, through online talent recruitment activities, the customized training and continuous operation of talents will be carried out, and a stable and long-term professional talent pool will continue to be incubated.

(4) Live broadcast e-commerce base: offline sound physical space and live environment, as well as a mature operations team and experience in management, can provide one-stop housekeeping services for the talent, but also for the brand business in the TikTok long-term cultivation to provide a stable supply of high-quality talent and contribute to more business increment.

### **7.2.2 Talent data diagnosis to improve the accuracy of cooperation talents**

In the TikTok e-commerce compass, there is a special tool module to track the data of cooperation talents to help brands evaluate the performance of cooperation with talents. The measurement dimensions mainly include two core indicators: the conversion rate of talents and the number of single product impressions. Merchants can diagnose talents' abilities and gradually optimize the matrix structure of talents.

(1) The conversion rate of talents: By comparing the conversion rate of talents with the average conversion rate of merchants in the same industry and the same level, it can help merchants judge the degree of matching between talents and products. For those with high conversion rates, regardless of the size of the volume of the person watching the broadcast, you can try more live broadcasts and establish closer cooperation; even if the volume of some of the people is small, their excellent conversion rates also prove their future development potential. For talents with low conversion rates, you can first try to replace cooperative products, optimize speaking skills, and increase the benefits of live broadcasts. If the conversion rate of the talent is still not high, it may be that the fan group of the talent does not match the business.

(2) The number of times a single product is shown: It can help merchants initially judge the traffic performance of this live broadcast and whether it provides sufficient opportunities for the products to be shown. Talents with high conversion rates and impressions are important contributors to the brand's business and can strengthen cooperation with them. Those with a high conversion rate but low volume may be potential new stars for future development, and merchants can so pay close attention to the changes in their volume to determine whether they need to deepen the frequency of cooperation in the future.

### **7.2.3 Application case analysis**

As a brand merchant that started with content, LiZiQi's brand leverages its own talent resource advantages, cooperates with the platform's talent matching tool, to achieve the excellent achievement of TikTok e-commerce monthly sales of more than 10 million with the talent matrix as the main position. The brand designed the model of strong content of self-media accounts + strong sales of the talent matrix, which cleverly balanced the brand tone and sales needs. At the same time, with the help of the Talent diagnostic tool and the brand's own Talent database, the brand is able to track and evaluate the performance of the Talents in detail, and continuously optimize the matrix structure of the talent.

Since its entry into TikTok in June 2020, LiZiQi's company has insisted on using its own team to operate the talent matrix, gaining over 2,000 talents with goods in less than a year, and stabilizing monthly sales to over 10 million by 2021. By insisting on the pure content output of the brand's IP, coupled with the extensive talent matrix, it has helped LiZiQi's brand achieve double growth in brand awareness and sales.

## **7.3. Application of C-Campaign Marketing Activities**

With the help of various marketing activities, merchants can obtain large-scale traffic aggregation and strengthen users' mentality based on different business goals such as brand announcement, new product release, and big promotion, and promote the detonation of centralized transactions with high turnover in a short time.

### **7.3.1 Multi-level platform marketing activities**

(1) Platform promotion: Cooperate with the e-commerce festivals that consumers are familiar with, and concentrate the power of the platform and merchants in the most consumer-minded time periods to make sales burst, such as the New Year's Day, 618 Promotion, 818 Promotion, 11.11, etc.

(2) Marketing IP activities: Give full play to the advantages of TikTok marketing, which can not only create a marketing scenario of "planting grass to pulling grass" for brand merchants, but also provide users with a new consumption experience.

@ "TikTok Super Products Day" is a brand-specific Big Day created by industry-leading brands in collaboration with TikTok e-commerce;

@ "TikTok Opens a New Day" is the "first launch ceremony" of the brand's popular new products and TikTok e-commerce jointly launching;

@ "TikTok New Talent Release" is exclusive for new brands, TikTok e-commerce and new brands jointly release new consumption, new trends, and new life concepts.

(3) Industry activities: According to the characteristics and scenarios of different industries, use the resources of activities such as traffic incentives and joint publicity to bring new business opportunities to brands, merchants and vertical talents in various industries. These activities will have distinct industry characteristics. For example, "DOU Create Designer" is an exclusive event tailored by the clothing industry for original designer brands, helping original clothing to achieve rapid sales and brand growth in TikTok e-commerce. Combining the new high-frequency seasons in beauty makeup, the "spring and summer refreshment season of the beauty industry" focuses on new seasonal products and new categories, and acquires a large number of new users for the brand.

In addition, a series of themed activities such as Selected Alliance Bringing Goods King, new product theme activities, good goods theme activities, etc., focus on supporting the scale growth of new products and good goods in TikTok e-commerce.

### **7.3.2 Complete and adequate preparatory planning**

In order to make full use of the traffic resources during the promotion, merchants must finely polish the content planning, goods combination, service mechanism and delivery plan of the live broadcast day by hour or even minute beforehand, and flexibly adapt according to the on-site situation on the day to seize the opportunity to contribute to the sales explosion.

### **7.3.3 Application case analysis**

Baicaowei brand took advantage of the consumer mindset of buying Chinese New Year goods and actively prepared for the Super Brand Day campaign. Through multiple short video contents integrating "brand + star + talent" resources, the official Baicaowei brand has accumulated more than 14 million plays on the official topic of "#Baicaowei Treasure New Year's Products", which fully preheated the Super Brand Day. On the day of the event, through the highly coordinated advertising with the live broadcast, it provided sufficient traffic base for the sales explosion. It finally reached the bright achievement of breaking 10 million live broadcasts on the spot of Super Brand Day, while helping the brand account to rise close to 300,000 fans.

## **7.4. Application of T-Top KOL Head V**

The TikTok platform has locked many celebrities and head talent resources through official contracts, and the celebrities and head talent have a huge fan base and strong social influence; by matching the celebrities and head talent that fit the brand's tone, businesses can achieve rapid "double detonation" of product promotion and sales. The specific cooperation methods with celebrities and celebrity leaders are divided into two types: mixed field and special field.

Mixed field: merchants will be one or several products implanted in the pit of the star or head V

live, so as to achieve the sales explosion of a single product, through long-term implantation of the same product in the mixed field, the product can be made into a platform of "explosive products".

Special field: the merchant invites the star or head V to carry out a special live broadcast only for the merchant or the brand, not only to do the seeding of goods, but also to pass on the brand information in the special field, with the influence of the head V to enhance the visibility and influence of the brand.

#### **7.4.1 Application Case Analysis**

Whoo, a skin care brand from South Korea, has been extensively seeding its star products through continuous collaboration with celebrities. In January 2021, Whoo collaborated with the Guangdong couple (Zheng Jianpeng & Yan Zhen) to participate in TikTok's "Super Brand Day" campaign, which generated over 300 million for a single session and 289 million for a single product. The result list set the highest single field record and the highest single product record at that time. In order to prepare for the sales explosion of the Super Brand Day, Whoo and Guangdong couple had a long time and many times of cooperation with goods, test out the best effect of cooperation single product, and a month in advance to prepare for the stock. Before the official event, a wide range of publicity was pre-warmed through multiple short video contents with ad placements. On the day of the event, multiple departments such as live broadcast, ad placement, customer service and logistics worked together to ensure the sales explosion on that day. After the event, the main push of the day, Weather Dan, also became a hotly debated product across the platform, helping to open the channel for subsequent cooperation with more people.

## **8. CONCLUSION**

As the vision of TikTok e-commerce says - "no hard to sell good things at good prices, so that the good life is within reach". As an interest-based e-commerce, TikTok is committed to meeting people's aspirations for a better life, actively helping consumers discover their potential shopping interests and improving their quality of life. Through short videos, live broadcasts and other quality content creation, the platform can better display quality goods to consumers, thus significantly reducing the cost of consumer decisions. Merchants can accurately find their own consumers through the four major business matrices of TikTok e-commerce business (F-Field - A-Alliance - C-Campaign -T-Top KOL) to gain greater market and opportunities. Looking into the future, TikTok e-commerce has become an important position for merchants to operate online, helping brands to plan and create new business, new value and new growth.

### **COMPETING INTERESTS DISCLAIMER:**

Authors have declared that no competing interests exist. The products used for this research are commonly and predominantly use products in our area of research and country. There is absolutely no conflict of interest between the authors and producers of the products because we do not intend to use these products as an avenue for any litigation but for the advancement of knowledge. Also, the research was not funded by the producing company rather it was funded by personal efforts of the authors.

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