

# Tiktok Short Video Realization Mode and Business Value Analysis

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**Abstract.** TikTok short videos not only transform the modes of entertainment and social interaction, but also reveal significant commercial potential. By viewing a brief video lasting just a few seconds, users can quickly form an initial impression of a brand or product. Furthermore, through the sharing capabilities of social networks, this information can disseminate rapidly and broadly, facilitating viral marketing effects. It is evident that TikTok's short video platform has emerged as a crucial tool for enterprises to conduct marketing communications and enhance brand awareness, yielding substantial traffic benefits and commercial value. This article mainly discusses the commercial realization model and commercial value of TikTok short videos. First of all, analyses TikTok's strong commercial potential through diversified realization models such as advertising revenue, user payment, live streaming, etc. Subsequently, evaluate the commercial value of TikTok on the user basis of a large base, as well as the diversified content ecology and accurate recommendation algorithms. At the same time, this article will address the challenges of commercial realization. Finally, optimization suggestions such as improving content quality, optimizing advertising, and innovating e-commerce models are put forward to further enhance TikTok's commercial realization ability and platform competitiveness.

**Keywords:** TikTok short video, commercial value, realization mode.

## 1. Introduction

### 1.1. Research Background

At present, short video has become a new traffic entrance to the Internet and has generated a huge traffic dividend [1]. With the characteristics of short time, high information density and fast transmission speed, it quickly attracted the attention of a large number of users. So, what are the cash modes of Tiktok short videos? How do these modes of realization reflect their commercial value? In-depth analysis of the cash model and commercial value of Douyin short video not only helps the public better understand this business field, but also provides a valuable reference for relevant practitioners and enterprises.

With the rapid rise of the short video industry or platform, Tiktok, with its unique and powerful platform advantages, has quickly stood out among many short video applications and become one of the market leaders. With its innovative content form and accurate algorithm recommendation, Douyin short videos have attracted a large number of users and successfully established a huge content ecosystem. According to a report released by the content consumption insight brand "Great Quantity Count" under Douyin, in 2022, the monthly playback of hot videos on Douyin will reach 400 billion times, and the number of new videos added every month will exceed one million. It has shown huge user activity and content productivity, reflecting users' strong demand and preference for short video content, and also shows that short video has become one of the important forms of Internet content consumption.

On the contrary, traditional TV media are facing multiple challenges such as audience diversion, diversification of communication channels and declining audience rating. With the popularity of the Internet and mobile devices, the audience's attention has been dispersed to more diversified media platforms, and the influence of traditional TV has gradually weakened. In response to this trend, traditional media began to actively explore the field of short video, through the way of media



integration, try to integrate with the emerging digital platform, to adapt to the increasingly diversified needs of users and the market. This integration is not only the self-transformation of traditional media in the digital wave, but also the inevitable choice to adapt to the new media environment and maintain market competitiveness.

In this context, as an important leader in the field of short video, Tiktok's business model and development path are of high research value. Through the analysis of the successful experience of Douyin short video and its exploration in commercial realization, it can not only provide reference for other short video platforms, but also provide useful reference for the strategic choice of traditional media in digital transformation. This makes the research on short videos of Douyin not only has theoretical significance, but also has important practical guiding value.

## **1.2. Literature Review**

She Qianqian analyzed the current commercial value of Douyin short videos from the perspectives of users and traffic, brand and content, efficiency and technology. In addition, problems existing in the current profit model of Douyin short video are analyzed and targeted suggestions are given [2]. Qi Yue analyzed the conditions, modes and existing problems of commercial realization of Tiktok short videos from various aspects, and proposes corresponding solutions to the dilemma, especially strengthening the filtering mechanism and consciousness of copyright use [3]. Zhang Yuqi studied the relationship between advertising and consumers, used big data to accurately deliver advertisements, etc., and conducted a more in-depth discussion on the realization mode of the short video platform of Douyin [4]. Wang Jingyi developed a commercial value evaluation system for TikTok pan-knowledge KOLs, utilizing the five forces model and Smart principles that influence their commercial viability. The author selected several pan-knowledge KOLs from the TikTok platform as case studies, analyzing their current status, marketing advantages, and factors contributing to their commercial value while identifying challenges and proposing solutions related to short video marketing for these KOLs [5].

## **1.3. Research Significance and Framework**

In recent years, short video platforms are undergoing significant adjustments and changes, and the short video industry led by Douyin is booming. In this context, how to use the short video industry for cash is essential, because the commercial value and cash model as an indispensable key link of the short video industry, its perfection will be directly related to the healthy and sustainable development of the entire industry. This paper will deeply study the realization mode and commercial value of Douyin short video, and analyze various realization methods of Douyin short video by analyzing the audience, algorithm and promotion of Douyin short video platform. Summarize the value created by Tiktok short videos in the commercial field, reveal the important position and future development trend of Tiktok short videos in today's economic environment, and provide valuable references for relevant practitioners and researchers.

## **2. Commercial Value and Realisation Mode of TikTok Short Videos**

### **2.1. High User Stickiness and Activity**

The commercial value of TikTok is mainly reflected in the powerful traffic of the TikTok platform. TikTok took the first place in the list of the top 500 Chinese brands in 2024. According to the report, in 2024, TikTok's brand value grew by 28% to \$84.2 billion, which is currently equivalent to about 608.3 billion yuan [6]. The huge user base has made TikTok short videos extremely popular and laid the foundation for its huge monetisation potential. The average daily usage time of TikTok users is longer and they interact frequently. It means that the platform has commercial value conducive to advertising and e-commerce transformation. The longer user activity makes the monetisation mode of the TikTok short video platform more stable and generates higher revenue; and TikTok, as the

benchmark of the short video industry, its huge user stickiness also makes its commercial value unique.

## **2.2. Accurate Data Analysis and Recommendation Algorithms**

TikTok's recommendation algorithm can accurately push content according to users' behaviour and interests, and improve user satisfaction and platform usage time [7]. This data distribution model also provides advertisers with accurate placement strategies. Through the use of big data, we can accurately find different interests of users, enhance users' experience, and make the realisation mode stable and mature. In summary, TikTok's accurate data analysis and recommendation algorithm is one of the keys to its success. Through in-depth analysis of user behaviour and content characteristics, as well as intelligent recommendation algorithms, TikTok provides users with a highly personalised content experience, and also provides accurate audience positioning channels for creators and merchants, promoting the prosperity and development of short video ecology.

## **2.3. Diversified Content Ecology**

TikTok has rich and diversified content, including entertainment, education, life, food, tourism, etc., which attracts user groups with different interests and needs, forming a complex and huge content ecosystem [8]. The works on the short video platform of Douyin vary in style, and the content types include many fields including funny, emotional, food and appearance level. This makes the user get a better sense of use experience. It can be seen that Douyin short video has undoubtedly formed a stable and mature cash mode. On the other hand, for creators, the diversified content ecology provides a broad creative space. Whether professionals or ordinary users, they can show themselves on the platform with their own strengths and creativity, and gain attention and recognition. At the same time, it also promotes the exchange and integration of different fields, and promotes cultural innovation and dissemination. The diversified content ecology of Douyin attracts different users and becomes a colorful stage for people to record and share their lives.

## **2.4. Launch of Brand Advertising**

According to the Brand Finance 2024 China Top 500 Brand Value report, in 2024, TikTok's brand value has achieved a 28% increase, reaching 84.2 billion US dollars, currently equivalent to about 608.3 billion yuan. TikTok is already an important platform for many brands to carry out marketing promotion, and its advertising has a variety of ways and significant advantages. Enhance brand awareness and user engagement through creative short videos and interactive activities. TikTok uses its huge traffic base and brand effect, coupled with diversified boutique content, to promote the upgrading of social attributes of TikTok short video products. With its powerful data analysis and recommendation algorithm, TikTok can accurately push brand advertisements to target user groups, and improve brand exposure through interesting interactive forms, funny skits, and touching stories. At the same time, TikTok's hot topics and challenges can also trigger social heated discussions, bringing huge communication effects to the brand. Brands can choose the right delivery mode according to their own needs and target audiences, give full play to the advantages of Douyin, and achieve brand communication and marketing goals.

## **2.5. KOL Effect**

Traditional Kols, such as stars and celebrities, are the vane of mainstream culture, so the use of "star effect" can effectively pull brand reputation. Non-traditional Kols, such as influencer bloggers, are more approachable and can effectively communicate with brands [9]. With the surge in the number of TikTok short video users, KOL groups in vertical fields within the platform have witnessed explosive growth. TikTok short video mainly realizes the "KOL effect" realization mode through star live to bring goods, network celebrity talent to recommend products to promote users to buy, and master live broadcast.

Whether traditional or non-traditional Kols, their opinions and recommendations often have a significant impact on their fans and followers, and fans have a high degree of trust in Kols. Therefore, a high-quality content recommendation or opinion sharing can reach a large number of users in a short time, forming a wide spread effect. For brands, partnering with Kols can bring many benefits. On the one hand, brands can use the influence and fan base of KOL to quickly enhance brand awareness and product sales. On the other hand, the creative content and real recommendation of KOL can give the brand more emotional value and personality charm, and enhance the connection between the brand and consumers. In short, KOL effect has become increasingly prominent in today's society, which plays a crucial role in both consumer decision-making behavior and brand marketing promotion.

### **3. Problems In Realizing Commercial Realization of Tiktok Short Video**

#### **3.1. Serious homogeneity of content and lack of innovation**

Many creators have a copycat mentality, and when they see that a certain type of content or style is popular and can bring business benefits, they follow suit [10]. This situation has led to a high degree of similarity in the content structure of many short videos, and even suspected plagiarism. And many creators are eager to succeed, they are more inclined to choose to copy the successful template, rather than spend time and energy to explore new content directions and ways of creation. The algorithm recommendation mechanism of Tiktok is mainly based on the user's interest and behavior data, and tends to recommend more popular content and topics to users, which inhibits the development of innovative content to a certain extent and aggravates the phenomenon of content homogenization. In addition, in order to pursue a wide range of communication effects, some brands are more inclined to choose to cooperate with successful content types or creators, requiring them to produce promotional content in accordance with a specific mode and style, which makes creators often produce a large number of similar contents in order to meet the requirements of the brand.

#### **3.2. The frequency of advertising push is dense**

From a business perspective, the ultimate goal of Tiktok short videos is to generate revenue through traffic. By increasing the frequency of advertising push, advertising revenue can be increased, and the platform can benefit more from it, promoting business development and market expansion. Tiktok's big data algorithm analyzes users' dimensional data and then pushes them ads that may be of interest. However, this kind of precision delivery may lead to some users being frequently exposed to the same type or the same brand of advertising, causing users to feel that the advertising is pushed frequently. By increasing the frequency of advertising push and improving the filling rate of advertising, the waste of advertising resources can be avoided. In addition, in order to increase the competitiveness of different products, brands have higher and higher requirements for the effect of advertising. They want to increase brand awareness, product exposure and sales through more intensive advertising. In order to meet the needs of these brands, the short video platform will increase the frequency of advertising push accordingly. Although advertising push is a business model of Tiktok, too dense advertising push may have a certain impact on user experience, such as causing user boredom and even causing some user loss [11].

#### **3.3. The copyright protection mechanism is not perfect, and infringement cases are frequent**

TikTok short videos have a huge user base, and the number of videos uploaded every day is also extremely large. Therefore, copyright review is undoubtedly a very difficult challenge for the platform. Since Tiktok's algorithm is mainly based on user interest and behavior data to recommend content, the platform focuses on the popularity of the content and user preferences, etc., and it is difficult to accurately identify and judge the copyright source of the content. In addition, many users have insufficient understanding of the importance of copyright protection, and even some users will lack the awareness of respecting the copyright of others, intentionally forwarding or modifying the

release of infringing videos. Due to the imperfect copyright protection mechanism of the platform, the definition and punishment standards of the short video platform for some complex infringements are not clear and specific, and it is difficult to deter infringers. Moreover, the rights protection procedures are complicated, so many infringement cases cannot be solved in time, which makes some copyright owners give up their rights protection in the face of infringement. Thus, contributing to the occurrence of infringement. In addition, stars or Internet celebrities may have problems such as false publicity and not understanding product quality in the process of live delivery, which is easy for users to lose trust in the platform.

#### **4. Optimization Suggestions for Realizing Commercial Realization of Tiktok Short Video**

##### **4.1. Support Quality Content and Maintain Information Diversity**

Through traffic support, financial rewards and other ways to encourage the media industry to produce high-quality content videos, so as to further achieve income generation [12], such as holding various creative competitions and setting rich bonuses. Use a combination of big data algorithms and manual review to identify high-quality content and give more traffic recommendations to increase exposure, so that creators are motivated to study how to publish high-quality videos; At the same time, Douyin's short video platform can provide online courses and tutorials to help creators improve their professional skills. Add or introduce more content in the fields of education, culture, science and technology, attract users with different interests and needs, and improve the matching degree of content and user preferences.

##### **4.2. Reasonable Arrangement of Advertising Density**

Tiktok should carry out reasonable advertising on the platform, and adjust it in time according to the feedback of the market. On the one hand, reduce the interference of the same type of advertising to the same users. On the other hand, strengthen the precise delivery of different types of advertising and create a good communication environment. The dissemination and realization value of short videos has attracted many advertisers. In order to better realize the commercial value, the platform should allocate advertising resources reasonably to ensure the exposure and avoid harming the user experience. We can learn from the Tiktok Super Challenge launched by Baique Ling brand on the Tiktok platform in July 2019, and use the camera sticker gameplay of the platform to deepen users' cognition of the brand. Then, through the fuzzy word search channel on the home page of the Tiktok platform, I will display my Blue V account in the key position of search terms in an all-round way to help the brand strength attract fans. In this way, it can attract potential users to understand the brand, make full use of traffic to guide the product, and avoid blunt advertising to cause aversion to users. Let the brand win the word of mouth at the same time, also can greatly increase the sales of its products. The use of Tiktok's professional algorithm to establish a user label model to implement accurate content delivery can not only reduce invalid audiences, achieve effective and direct links between brands and consumers, but also retain users and leave living space for future commercial realization.

##### **4.3. Strengthen the Review Mechanism to Protect Original Content**

At present, the competition of various short video platforms is fierce, the content quality is uneven, and it is easy to appear some illegal content, especially affecting the viewing experience of teenagers. In order to better user experience, Tiktok platform must strengthen the content review mechanism, filter some infringing content and illegal content. In addition, we attach importance to the protection of the original content of short video platform users, and give certain rewards to table recognition, and encourage more users to publish original content and truly share their lives. As the current phenomenon of short video software, Tiktok must bear the important responsibility of guiding the correct direction of social value and doing a good job of information quality control. Although the technological development of artificial intelligence is becoming more and more mature, it cannot

completely replace manual audit. The platform needs to ensure sufficient manual audit posts and strengthen the screening and punishment of infringing content.

## 5. Conclusion

Tiktok has become one of the most commercially valuable short video apps due to the traffic generated by its huge user data. Despite the rapid development of Douyin and the exploration and derivation of different business realization models according to its own characteristics, it is still necessary to avoid various problems in commercial realization and further build and improve a unique and stable business realization model. Through research, this paper finds that all the ways of monetizing Tiktok short videos are based on strong traffic. For example, traditional advertising, interactive marketing, IP operation, KOL effect and DOU+ delivery are all in order to obtain considerable traffic. Only through a certain degree of exposure can users be attracted to establish brand awareness, and ultimately help the brand to achieve effective transformation of traffic and increase sales. However, in the Tiktok platform, any way of commercial realization is mutual influence, and it is not an independent operation. For example, the talent challenge wheat, with topic activities, sticker activities, etc., are more emphasis on "interactive" cash models.

By analyzing the commercial value and liquidation mode of Douyin, this paper understands the traffic dividend brought by its precise algorithm and diversified content ecology. In addition, through the detailed analysis of the realization mode, it points out the existing problems in the commercial realization of the current platform, such as the serious homogenization of content, the intensive frequency of advertising push and the imperfect copyright protection mechanism. Finally, some suggestions are given to solve these problems, hoping to promote the better development of Douyin short video platform. It is hoped that the research results of this paper can not only improve the commercial realization of Douyin short video and promote the development of enterprises, but also provide certain reference value for the sustainable development of domestic short video industry.

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