Understanding the Strengths of TikTok Ads
TikTok ranks #1 on global ad equity

Consumers say TikTok ads are the most...
1 How do both native and repurposed ads perform on TikTok today?

2 How can advertisers amplify the effectiveness of repurposed ads on TikTok?
The Ad Types We Tested

**TikTok Native Ads**
Ads custom created for TikTok that look and feel like TikTok content. Hashtag challenges not included.

- Includes many formats:
  - How-to videos
  - Comedy, hobbies
  - Lo-fi native-seeming ads
  - Ads which show product attributes or usage

**Repurposed Ads**
Videos built for TV or other streaming digital platforms, (e.g., YouTube, Instagram), but are then repurposed for the TikTok platform.
Recruitment
Recruited TikTok users ages 18-45 from a representative online mobile panel

Total* n=4,477
United States 1,980
United Kingdom 2,497

Sample Definition
Demographic + Media consumption survey to ensure regular TikTok usage

TikTok Experience
Participants driven to controlled version of TikTok to watch content, with a test or control ad delivered based on randomization

Brand KPI Measurement
Post-exposure survey to measure impact on brand KPIs

*Weighted to 50/50 for analysis
The Scope

59 ADS MEASURED

Types of Ads
- TikTok Native Ads
- Repurposed Ads
- Control Ads (Public Service Announcements)

Ad Combinations Tested:
- TikTok vs Repurposed Ads
- TikTok vs Control Ads

ORDER OF EXPOSURE RANDOMIZED

INDUSTRY VERTICALS

Total Verticals (6 Brands)
- Entertainment
- Beauty

TikTok Ad Effects
- Presence of Music
- Use of Brand Cues
- Inclusion of Creator
- Use of Text Overlay
- Use of Transitions
- Inclusion of Voiceovers

MULTI-MARKET
- United States: n=1,980
- United Kingdom: n=2,497
ADVANCED MODELLING

What’s the strongest driver of ads on TikTok?

KPIS MEASURED

- Brand Favorability
- Purchase Intent
- Search Intent
- Website Intent

- Inspiring
- Relatable
- Gets me excited
- High production quality
- Fun
- Interesting
- Original
- Caught my attention
- Authentic
- Great music

What’s the strongest driver of ads on TikTok?
Ads on TikTok, 1,000 FT. View
Ads on TikTok drive brand KPIs

Impact on Brand KPIs: All Tested Ads on TikTok | Delta (Exposed – Control)

- **Brand Favorability**: +8%▲
- **Purchase Intent**: +6%▲
- **Search Intent**: +7%▲
- **Brand is “Relevant”**: +6%▲

All tested ads: Control N=1,030 Exposed N=3,447
▲ = statistically significant difference between exposed/control at >=90% confidence
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
TikTok ads are persuasive across age ranges

**Impact on Purchase Intent:** All Tested Ads on TikTok | Delta (Exposed – Control)

- **A18-24:** +7%
- **A25-34:** +7%
- **A35-45:** +5%

▲ = statistically significant difference between exposed/control at >=90% confidence

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
**TikTok native ads naturally blend in with content more than repurposed ads**

People experience TikTok native ads & repurposed ads differently, especially entertainment where native ads may be less commonplace.

<table>
<thead>
<tr>
<th>Country</th>
<th>Repurposed Ads</th>
<th>TikTok Native Ads</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>United States</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beauty</td>
<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Entertainment</td>
<td>20</td>
<td>60</td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td></td>
<td></td>
</tr>
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<td>0</td>
<td>40</td>
</tr>
<tr>
<td>Entertainment</td>
<td>20</td>
<td>60</td>
</tr>
</tbody>
</table>

**WHAT DID THE VIDEO FEEL LIKE TO YOU?**

- Repurposed Ads
- TikTok Native Ads

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
TikTok native ads stand out from repurposed ads as product reviews or tutorials

Even the perceived purpose of each ad type varies

Repurposed ads N= 1,269 TikTok native ads N= 1,033

▲ = statistically significant difference between exposed/control at >=90% confidence
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
With 2 inherently different ad types…

HOW SHOULD BRANDS OPTIMIZE?
TikTok Native Ads, Under the Hood
Regardless of the vertical, TikTok native ads generate interest and drive next steps

**Impact of TikTok Native Ads:** Delta (Exposed – Control)

<table>
<thead>
<tr>
<th>Category</th>
<th>Brand Is Interesting</th>
<th>Brand Is Relevant</th>
<th>Search Intent</th>
<th>Purchase Intent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>+7%(^\triangle)</td>
<td>+7%(^\triangle)</td>
<td>+6%(^\triangle)</td>
<td>+6%(^\triangle)</td>
</tr>
</tbody>
</table>

**Source:** TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
TikTok native ads capture the views of potential new customers

AD COMPLETION (25%+) AMONG NON-PAST PURCHASERS: Indexed

TikTok Native Ads Indexed to Average of All Tested Ads (100)

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
Brands should leverage TikTok native ads for acquisition

### Impact of TikTok Native Ads:
**Delta (Exposed – Control)**

<table>
<thead>
<tr>
<th></th>
<th>Non-Past Brand Purchasers</th>
<th>Total Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand is Creative</strong></td>
<td>▲ +8%</td>
<td>▲ +4%</td>
</tr>
<tr>
<td><strong>Brand is Fun</strong></td>
<td>▲ +9%</td>
<td></td>
</tr>
<tr>
<td><strong>Brand Favorability</strong></td>
<td>▲ +8%</td>
<td>▲ +6%</td>
</tr>
<tr>
<td><strong>Search Intent</strong></td>
<td>▲ +7%</td>
<td>▲ +5%</td>
</tr>
</tbody>
</table>

- ▲ = Statistically significant difference between exposed/control at >90% confidence

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
To create the biggest impact, TikTok native ads should focus on ensuring authenticity.

Drivers of Purchase Intent: Impact Modelled Based on Ad Perceptions

Ad is (or has)...

<table>
<thead>
<tr>
<th>Authentic</th>
<th>Creative</th>
<th>Fun to watch</th>
<th>Inspiring</th>
<th>Great music</th>
<th>Gets me excited about the product</th>
<th>High production quality</th>
<th>Original</th>
<th>Trustworthy</th>
<th>Caught attention right away</th>
<th>Good story</th>
<th>Relatable</th>
</tr>
</thead>
</table>

In fact, inauthentic TikTok native ads are 19% less effective if inauthentic at driving purchase intent.

To leverage authenticity, brands should focus communication on enthusiasm, integrity, intention, and intimacy.*

*TikTok Research: Authenticity, Happiness and Joy on TikTok: DECODED
Values were modelled using logistic regressions to determine the impact of ad perceptions on brand metrics. All regression coefficients significant at ≥90% confidence.
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna.
Authentic TikTok native ads feel more like TikTok content

Pattern exists across both beauty and entertainment industry verticals

Perception of TikTok Native Ads By Authenticity: Slider Scale (0-100)

- Felt Like An Ad
- Felt Like Content

- FEEL AUTHENTIC
- DON'T FEEL AUTHENTIC

TikTok Native ads: Exposed N= 1,033
Source: TikTok / Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
High production doesn’t always equal authenticity

High production quality is among the weakest correlations with perceived authenticity.

Correlations with Authenticity, Ranked: TikTok Native Ads

1. Trustworthy
2. Creative
3. Relatable
4. Original

No need for high production quality

High production quality

TikTok Native ads: Exposed N=1,033
Values were modelled using logistic regressions to determine the impact of ad perceptions on brand metrics. All regression coefficients significant at >= 90% confidence.
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
Use TikTok effects to promote authenticity for native ads

When brands leverage these TikTok features, TikTok native ads feels more authentic

Effects That Make For ‘Authentic’ TikTok Native Ads

ABOVE

TikTok Ad Effects, Indexed to 100

119 125 132 134 147 151

The ad has...

Use of Transitions | Presence of Music | Inclusion of Creators | Use of Voiceover | Use of Text Overlay | Use of Brand Cues

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
• Brands should leverage TikTok native ads to cast a wide net, as they effectively persuade potential new customers.
• To harness the power of TikTok native ads, brands should prioritize authenticity when working with creators, avoiding forced high production and embracing video features endemic to the platform.
Repurposed Ads, Under The Hood
High-quality ads are more memorable

Impact of Repurposed Ads by Perceived Creative Quality: Delta (Exposed – Control)

- **Above** Average Ad Quality
- **Below** Average Ad Quality

Determining Creative Quality: All creative attribute responses from participants aggregated to create a single creative quality score

Above avg. ad quality N=1,625; Below avg. ad quality N=1,822
^ = statistically significant difference between exposed/control at =>90% confidence
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
Quality of repurposed ads makes or breaks KPIs

Given 74%* of TikTok users come to the platform to be entertained, brands should deliver to meet expectations.

- **Above** Average Ad Quality
- **Below** Average Ad Quality

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**Impact of Repurposed Ads Based on Perceived Creative Quality:**
Delta (Exposed – Control)

<table>
<thead>
<tr>
<th>Quality</th>
<th>Loss</th>
<th>Gain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fun</td>
<td>-13%</td>
<td>+26%</td>
</tr>
<tr>
<td>Creative</td>
<td>-15%</td>
<td>+24%</td>
</tr>
<tr>
<td>Original</td>
<td>-16%</td>
<td>+23%</td>
</tr>
<tr>
<td>Relevant</td>
<td>-13%</td>
<td>+25%</td>
</tr>
<tr>
<td>Interesting</td>
<td>-13%</td>
<td>+24%</td>
</tr>
</tbody>
</table>

*Source: TikTok Marketing Science Entertainment Industry Vertical Research 2022, conducted by InSite's Consulting.

▲ = Statistically significant difference between exposed/control at >=90% confidence.
When using repurposed ads, creative storytelling should be prioritized

Providing entertainment through good storytelling encourages people to learn more, and creativity drives purchase intent.

**Drivers of Brand KPIs:** Impact on KPI Modeled Based on Ad Perceptions

- Purchase Intent
- Search Intent

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**Good Story**

- Trustworthy
- Gets me excited about the product
- Caught attention right away
- High production quality
- Great Music
- Creative
- Inspiring
- Authentic
- Relatable
- Original
- Fun to Watch

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Repurposed ads: Control N= 1,030 Exposed N= 1,269

Values were modelled using logistic regressions to determine the impact of ad perceptions on brand metrics. All regression coefficients significant at >= 90% confidence.

Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
When good storytelling & creativity aren’t leveraged, loss of impact occurs

Potential Impact Without “Good Storytelling” and “Creativity”: Delta (Exposed – Control)

Repurposed ads: Without good storytelling N= 603; Without creativity N= 444
▲ = Statistically significant difference between exposed/control at >=90% confidence
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
Amplify repurposed ads by reformatting vertically

Brands should consider shooting ads in ways that allow for easy reformatting to vertical orientation post-production.

Impact of Repurposed Ad Orientation: Delta (Exposed – Control)

- **UNAIDED AD RECALL, FIRST MENTION**
  - Vertical: +44%
  - Horizontal: +35%

- **Purchase Intent**
  - Control: +3%
  - Vertical: +8%▲

- **Brand is Relevant**
  - Control: +5%
  - Vertical: +7%▲

- **Brand is Creative**
  - Control: +2%
  - Vertical: +3%▲

Control N= 263 Vertical N= 249; Control N=254 Horizontal N=241
▲ = Statistically significant difference between exposed/control at ≥95% confidence
Source: TikTok Marketing Science [UK, US] Understanding the strengths of TikTok ads 2022, conducted by Magna
Key Takeaway

• Repurposed ads should focus on the entertainment factor through high-quality storytelling
• To ensure proper integration into TikTok content, convert repurposed ads to vertical orientation
Implications
Implications

TikTok Native Ads For New Acquisition
Brands should lean-in to TikTok native ads and TikTok enhancement features, especially when focused on new acquisition.

TikTok Ads Drive Metrics That Matter
Forward-thinking brands should leverage TikTok ad types to drive both brand perceptions and lower funnel metrics like Search and Purchase Intent.

Repurposed, When Done Right
Repurposed ads can create big impact, but brands should keep the following in mind:

• When selecting existing assets, opt for those with the greatest focus on creative story telling as opposed to offer-oriented messaging.
• Vertical orientation is highly recommended.
• Leverage TikTok’s Creative Center for additional best practices.
Thank You