Tik Tok Live Case Study Team 3

Ananya | Mahender | Shorya | Snehashish | Varsha





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Here's what you'll find in our presentation about Tik Tok:

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TikTok dominates the short form content market & AI based feed

Key Partners	Key Activities	Value Proposition	Customer Relationships	Customer Segments
Cloud service providers	Video Creation & Sharing, Content Discovery & Recommendation	Accessible video creation	Customer Support Creator Support Communities & groups User feedback & Engagement	Youth & Gen Z
Payment Processors stripe	Advertiser & Creator Support, Community Management	Best in short-form content	Interactive features Personalized content recommendations	Creators
Content Delivery Network (Akamai	Key Resources	Music & Lip Sync features	Distribution Channels	Brands
Tech & reach ORACLE Walmart	Proprietary video creation tools AI & ML technology Content	Innovative use of artificial intelligence for content recommendation	Mobile App Store Direct Website Social Media	Music Labels
AdTech providers MOAT	Talent User Data	Supportive & Inclusive environment for creators	Advertising Influencer Marketing	Educational Organizations
Cost Structure	R&D, Data Storage & Processing, Salaries, Promotion, Legal, Content Moderation		Revenue Streams	In app advertising, Influencer Marketing, E-commerce, virtual gifts & coins, Licensing & Partnerships

While the platform has been successful, it also faces significant hurdles related to privacy, regulation, cultural impact and unstable technology growth.

SOCIAL

- S
- Popular with Young Gen
- Focuses on creativity and supports individualism
- Feed algorithm is addictive; attracts regulatory issues
- Negative perception of TikTok being based of China
- Growing hate speech and misinformation in TikTok



ENVIORNMENTAL

- Lack of transparency
- High energy and carbon emission due to high storage and processing power requirements

T

TECHNOLOGY

- Lack of user-data privacy
- Bias and potential influence due to TikTok's Al driven algo
- Good AI and recommendation system
- Has augmented Reality



POLITICAL

- Increased threat from Chinese Govt to misuse userinformation
- Global expansion challenge due to multiple Govt bans
- Tighter regulations around TikTok in the future from State and federal lawmakers due to security risks



ECONOMIC

- Promotes e-commerce
- Uncertainty about ad revenue in future
- Fast growth in few years 11.04B revenue, 3B downloads,1.544B active users by end of 2022

Multiple uncertainties bring about different opportunities and threats to the company's future

Low Regulations

Improve user experience

Opportunities:

- Use existing data to provide personalized experiences.
- Expand into new markets.

Threats:

 TikTok can lose market share to new attractive platforms using new technologies

Rapid Changes

Technological

TikTok loses market share as new technologies emerge

Opportunities:

• Build the next emerging technology.

Threats:

 Local competitors building the next emerging technologies.

High revenue will fuel growth

Opportunities:

With high revenue generation,

- TikTok can diversify its business model.
- Build trust among users by working on the security threats associated with the platform.

Threats

More competition due to low regulation.

Advancements

Static

Continue to stay ahead of the competition

Opportunities:

 Develop new technologies to get ahead of the static competitors' technologies.

Threats:

Hard to penetrate the global market.

Government

Regulations

TikTok can set new trends in the social media space and build trust in the platform

Drivers

- Government regulations
- New technologies incorporated into social media platforms
- Changes in user preferences for social media platforms

Threats

- Government regulations
- Change in social media preferences
- upcomming innovative platforms









Opportunities

- Personalized user experience
- Introducing new feature to expand user base

Strategy

- Improve relationship with government by increasing transperancy
- Give user control over the usage of their data
- Partnerships and acquisitions
- Diversify revenue model

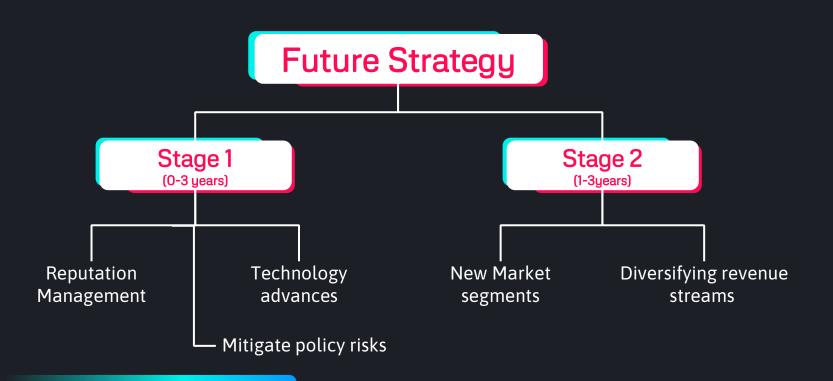


TikTok has been a visionary in short content format, but competitors are adapting quick

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Future Strategy for TikTok



Stage 1: TikTok should prioritize reputation building, policy risk mitigation, and transitioning to agile development practices.

	Reputation Management	Policy Risk Mitigation	Technology Advances
How?	 Maintain open and transparent privacy policies regarding the use of user data. Partner/subsidize with/to diplomatically strong organizations. Implement fact-checking measures and removing false information videos. 	 Conduct privacy and security audits regularly. Invest in privacy and security technology and resources. Work with local regulators to address any issues that arise. 	 □ Transition into agile development practices. □ TikTok should invest in innovation, research & development. □ It should also invest in employee capability development programs.
Why?	 Build user trust and brand image. Shift Brand association away from China. Combat misinformation. 	 Ensure regulatory compliance. Safeguard against security and privacy breaches. Safeguard against regulations in each demograph. 	Be prepared for rapid growth in technology.

Stage 2: TikTok should expand into new markets and strive for higher revenue from each segment.

Diversifying New Market segments revenue streams ■ Target new market segments ■ Diversify revenues from ad like Education and awareness. revenue to e-commerce ☐ TikTok can release market revenue. segment specific features. ■ Add subscription How? ☐ TikTok can even introduce models for special features and virtual reality events, shows, exclusive content. talks and generate revenue from ☐ TikTok can license its music and video to other platforms or ☐ TikTok can also tap into companies. the augmented reality market. Why? ■ Reach in new market segments. Broaden revenue from each Creating diverse customer base. market segment.

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Tech & reach AdTech providers	Key Resources	AR powered content	Distribution Channels	Brands Music Labels
Data Protection Agency (Information Commissioner's Office – ICO)	Proprietary video creation tools AI & ML technology Content	Innovative use of artificial intelligence for content recommendation	Mobile App Store Direct Website Social Media	Social Organizations
National Security Agencies	Talent User Data	Supportive & Inclusive environment for creators	Advertising Influencer Marketing	Training & Awareness Programs
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