#### TikTokers Can't Quit TikTok. That's Why It's at the Center of a Global Business Battle. - WSJ

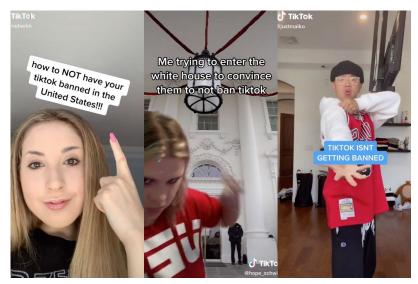
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### PERSONAL TECHNOLOGY: REVIEW

# TikTokers Can't Quit TikTok. That's Why It's at the Center of a Global Business Battle.

Infectious app becomes geopolitical ping-pong ball, prompting endless efforts to save it



From left, Carrie Berk, Hope Schwing and Michael Le took to TikTok to share their worries about the potential U.S. ban.

PHOTO: (LEFT TO RIGHT): CARRIE BERK; HOPE SCHWING; MICHAEL LE



*Joanna Stern* Aug. 3, 2020 11:02 am ET

By

What do you do when the president of the U.S. says he plans to ban your favorite app? <u>You</u> <u>dance</u>.

What do you do when news breaks that <u>Microsoft</u> Corp. <u>MSFT +4.46%</u> ▲ may save it? <u>You</u> <u>dance even harder</u>.

Following President Trump's statement on Friday evening that he planned to ban TikTok, I did what any TikTok fan would do: Fired up the app and got lost in an endless stream of short music videos—and I do mean endless. There was the <u>#savetiktok dance challenge</u>. There <u>were tears</u>—<u>so many tears</u>. There were <u>calls for petition signatures</u>. And, there were oh so many "Follow me on [insert other social media network here]!"

Over the weekend, while White House officials, executives from TikTok's Chinese parent company ByteDance Ltd. and Microsoft <u>scrambled to sort out a deal that would keep the app alive</u> in the U.S., TikTokers were TikToking like there might be no tomorrow, capturing—and joking about—the social media platform's highly uncertain future.

Some offered tips on how to use a VPN (or virtual private network) to make it look like you were accessing the app from another country. Others pretended to pack their actual bags to relocate to a TikTok-permitting country.

All this, of course, because the app has become a China-U.S. geopolitical ping-pong ball. A quick recap: The Trump administration <u>raised national security concerns over the app</u>, which has over 100 million U.S. users. <u>Microsoft swooped in</u>, holding talks to acquire the U.S. operation from ByteDance. <u>Then on Friday evening</u>: "We're banning them from the United States," President Trump said. <u>Then Sunday</u>: The Microsoft talks are back on.

Yeah, it's A LOT—especially for TikTokers themselves. "Everyone is running around like a chicken with their head cut off," said Hope Schwing, 22 years old, who has eight million followers on the platform. "TikTok has become such a big part of my life...It's a safe place and great for expression."

When I asked her and others with large followings about the alternative apps, I heard the same thing: They're not TikTok, you dummy!

The infectious app, which really is a lot more than just constant lip-syncing and dance moves, <u>has hooked us big time</u> with a combination of elements. Add them all together and you can see why U.S. officials are anxious, why a company like Microsoft would involve itself in the mess and why others, like <u>Facebook</u>, are so eager to imitate its features.

A TikTok-like feature that allows users to record and edit short videos set to music, called Instagram Reels, will launch this week or next week to Instagram users, according to a person familiar with the new feature.

## **Endless Fun**

I'm willing to bet at least a dollar that even your humorless uncle who hasn't chuckled since a George Carlin stand-up would open TikTok and find something that makes him

laugh.

Sure, the same could be said of YouTube or Instagram, except the TikTok algorithm is much more aggressive at quickly figuring out what types of music and videos get your attention. The main "For You" feed is a hyper-personalized parade of generally 15-to-60-second, often-musical clips that just never ends. Swipe up, new video; swipe up, new video. TikTok keeps learning and analyzing what you do and keeps the videos it thinks you'll like coming...forever.

What you get is a stream of entertainment that's hard to put down. And even as <u>some</u> <u>politics and social issues</u> have started to creep in it's often presented in a lighter, community-minded manner by younger creators.



Reels, a new service within Instagram that Facebook plans to launch in the U.S. soon, has offered lucrative incentives to popular TikTok creators for them to join. PHOTO: FACEBOOK

You could see how that could be viewed as an American security concern from a Chineseowned app. What kind of propaganda could be fed through the system? What could be gathered about users' tendencies, interests, patterns? TikTok has repeatedly denied sharing user data with the Chinese government. In late July TikTok CEO Kevin Mayer<u>said</u> <u>the company would begin disclosing more about how its algorithms work</u>.

You could also see how that immersive audience and amount of time spent in an app, which is free and is supported by advertising, could be quite attractive to a tech giant, like Microsoft—or Facebook. Yet given Facebook's already sprawling control over the social media sphere and <u>the increased scrutiny</u> of it, Mark Zuckerberg and Co. have opted to imitate features with the <u>forthcoming Instagram Reels feature</u>.

"It's identical to TikTok. They did a great job designing it, but it's so similar. You can save your drafts, the videos are roughly 15 seconds long, you can dance to music," said 17-yearold Carrie Berk, who has half a million followers on TikTok and has been trying out an early version of Instagram Reels. "But I can't tell how big of an audience it will reach. It's too early to say what the success of Instagram Reels will be like for me."

Over the weekend Ms. Berk posted a TikTok encouraging her followers to save TikTok. One tip? Change your iPhone's region to Canada. (For what it's worth, that <u>setting is more</u> <u>for Apple's own Apple ID</u> and is highly unlikely to work.)

## **Endless Fame**

The second major part of the TikTok success equation? An algorithm and app design where success doesn't depend on followers counts but videos that are worth being seen.

"It doesn't matter if you have 30,000 followers or none on TikTok, if it is a good video it can still go viral," said 22-year-old Michael Le, who goes by @justmaiko on TikTok and has 35.6 million followers. Mr. Le lives in a house in Los Angeles, called the Shluv House, with four other social media influencers who create videos together, mostly for TikTok. He posted a number of times over the past few days about the ban, including <u>one video he</u> <u>claimed would be his last.</u>

In anticipation of a ban, many have looked at emerging social-video apps, like Triller, Clash and Byte (no relation to ByteDance). A Byte spokeswoman said the app has seen a big rise in sign-ups and activity in the past few weeks. Byte and Triller were the top apps in the Apple App Store on Sunday evening.

But what creators don't yet have on those nascent apps are large brand and sponsorship deals. Mr. Le and others shared concern that a ban or service disruption to the app would have an impact on their livelihood, and that deals likely couldn't be transferred over to another platform like Instagram or YouTube.

"I have a few beauty and fashion brand deals coming up. I'm hoping it doesn't get banned in the next week," Carrie Berk told me.

#### SHARE YOUR THOUGHTS

*Do you TikTok? If so, what do you find to be so enjoyable about the app? Join the conversation below.* 

When I asked if she could share how much money she has made through TikTok she told me to hold so she could ask her mom if that was OK. She came back to the phone: "I made more than I would have made babysitting."

You see, it's that infectious hold on the most sought after demographic in the tech industry that explains why TikTok ended up in a geopolitical vise, and why TikTokers— and the world's biggest software company—think it's worth going to great lengths to save.

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Write to Joanna Stern at joanna.stern@wsj.com

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