

# When the feed becomes the storefront.

The risk is not commerce itself. It is optimising product distribution to gross merchandise value without a feed-health constraint.

TikTok needs an operating model that protects attention and trust while it grows transactions.

CONTEXT The customer journey is compressing

## BEFORE — FIVE STEPS

- 01 Entertainment
- 02 Discovery
- 03 External search
- 04 Product validation
- 05 External purchase

Demand created in one place, captured in another.

## NOW — THREE STEPS, ONE APP

- 01 Entertainment
- 02 Discovery
- 03 Purchase in-app

Two steps removed. The loop closes inside the feed.

THE COMMERCIAL CASE IS ALREADY PROVEN

UK BLACK FRIDAY / CYBER MONDAY 2025, YEAR ON YEAR

# +50%

TikTok Shop sales



# +68%

LIVE shopping sales



Growth is not the question. The question is what the system optimises for while it delivers that growth — and what it quietly spends to get there.

# Why the mechanism matters more than the volume

## 01 INFLECTION POINT

The inflection point is closed-loop commerce. TikTok no longer merely creates demand; Shop lets it observe which video, creator and product drove checkout. That transaction data improves recommendation, advertising and seller economics.

Closed-loop attribution is what turns a media business into a commerce business: the same signal that ranks a video now also prices an ad and pays a seller.

## 02 ROOT CAUSE

The root cause is objective-function drift. If Shop distribution is optimised mainly to GMV, the system over-rewards discounts, repeat affiliate scripts and products with proven conversion. Sellers and creators then imitate the same formats, making the feed more repetitive and transactional.

### THE DRIFT LOOP

Optimise to GMV

Reward proven converters

Creators imitate the format

Feed turns repetitive

This mechanism — not "too many ads" in the abstract — is what threatens engagement.

## 03 FAILURE SIGNALS

Over-commercialisation appears before sales decline. Together, these three patterns show TikTok is extracting demand faster than content is creating it.

Tagged impression share outruns commercial watch time



Same product-creator pairing served repeatedly to one user



Views of one pairing in a 24-hour window — breaches in red

Revenue grows while completion, saves or Not interested worsen



## THE STRATEGIC PRINCIPLE

# Control the system, not just the creative.

TikTok should pilot a session-level ceiling for product-tagged impressions, cap repeat exposure to the same product-creator pairing, and add completion, saves and negative feedback to Shop ranking.

Brands should use a proof standard: problem first, live demonstration, one limitation, clear affiliate disclosure and a call to action only after evidence.

### 01 LOAD CONTROL

Pilot ≤20% tagged impressions

Per session

### 02 REPETITION CAP

Max 2 pairing views / 24h

Per user

### 03 RANK FOR TRUST

Completion + saves – negatives

Into Shop ranking

### 04 PROOF STANDARD

Problem → demo → caveat → CTA

For brands and creators

## One score, two guardrails

HEALTHY COMMERCE SCORE

$$\text{HCS} = \text{Revenue / 1k views} \times \text{Engagement} \times \text{Trust}$$

## VALUE CREATED

Revenue / 1,000 views

Incremental GMV vs holdout

Shop conversion rate

Repeat purchase rate

## ATTENTION GUARDRAIL

Watch time  $\geq$  98% of controlCompletion  $\geq$  control

Saves and shares stable

Session return rate stable

## TRUST GUARDRAIL

Not interested  $\leq$  +0.2pp

Negative sentiment stable

Creator unfollows stable

Repeat-exposure breaches

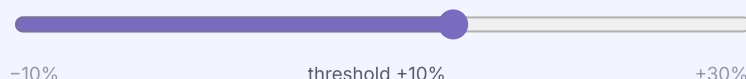
## Decision rule

DRAG TO TEST A PILOT READOUT

Scale only if revenue/1k views is +10%, watch time no worse than -2%, and Not interested no worse than +0.2pp vs holdout; otherwise cut commerce load.

Revenue / 1k views vs holdout

+14.0%



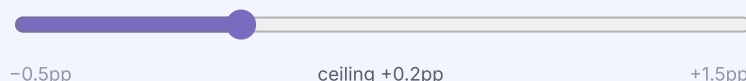
Watch time vs holdout

-1.2%



Not interested vs holdout

+0.10pp



## VERDICT

Scale

Commercial value cleared the bar and the feed came through intact. Roll the pilot forward.

|                     |               |
|---------------------|---------------|
| Value created       | Clears +10%   |
| Attention guardrail | Within -2%    |
| Trust guardrail     | Within +0.2pp |

TikTok wins when every shoppable impression must pass two tests: did it create commercial value, and did it leave the feed as healthy as it found it?

Source: TikTok Newsroom, "TikTok Shop UK Breaks Record...", 3 Dec 2025 (platform-reported).

THE FEED IS THE FUNNEL