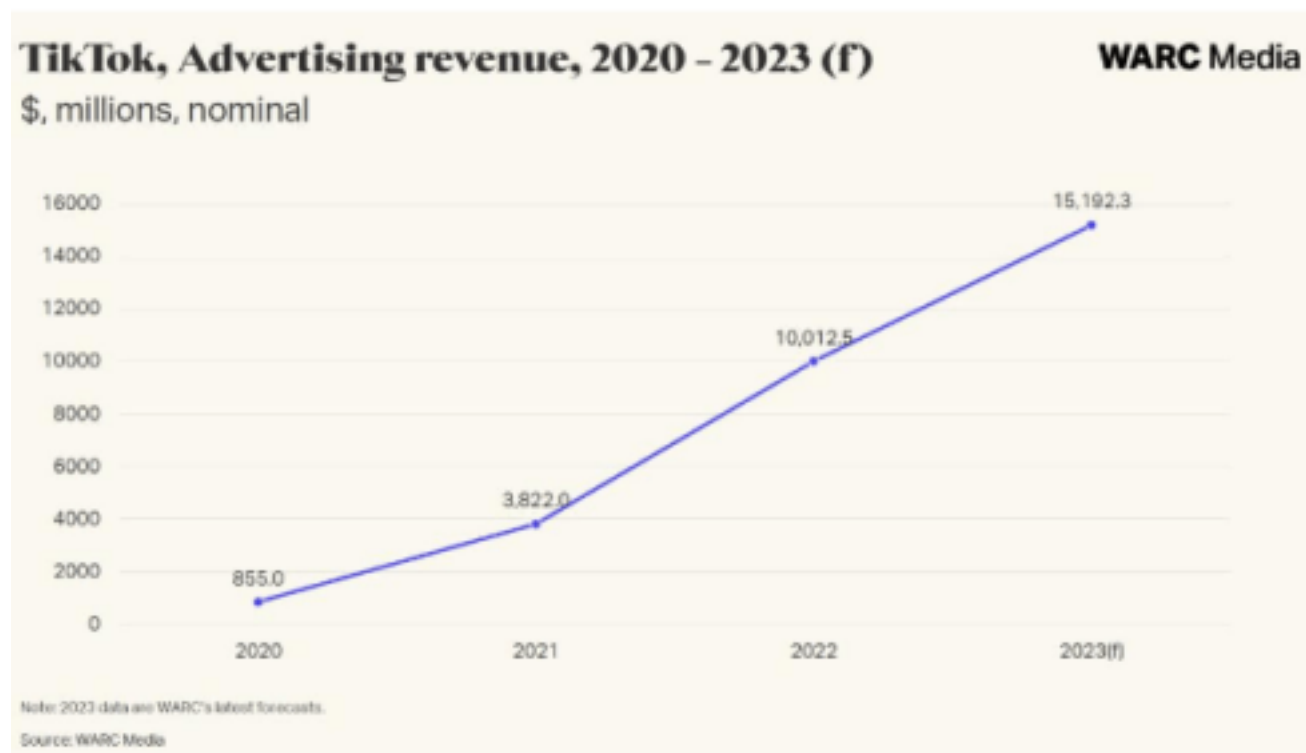


## TikTok's Global Advertising Revenue to Reach \$15.2bn in 2023, Defies Slowdown

540 Views / Article by Advert On Click / 21 March 2023

Source: brandcrunch



WARC Media forecasts all product categories will increase ad investment on TikTok with tech & electronics sector boosting spend by 14.3% to \$2bn

TikTok, the Chinese ByteDance-owned video-sharing app, has become an integral digital and popular platform for brands, especially in the pursuit of reaching younger audiences. According to the Future of Media report, part of WARC's Marketer's Toolkit survey, 75% of marketers plan to increase their ad spend on TikTok this year. Hence, increasing TikTok's advertising Revenue

In this first of a new series of reports published today, Platform Insights by WARC Media takes a closer look at TikTok to provide an overview of the key data points that advertisers need to know about, spanning investment, consumption and performance insights.

Alex Brownsell, Head of Content, WARC Media, says: "TikTok plays a growing role in culture

around the globe. Its potential ad reach stands at a reported 1.05bn, including 409.1m users aged 18 to 24. In 2022 it was the most downloaded app in the world for a third year running according to data from Sensor Tower. And its full-screen, vertical video format has inspired copycat products such as YouTube Shorts and Instagram Reels.

“To launch WARC’s new Platform Insights series, we’ve taken a closer look at TikTok to provide marketers with evidence-based insights on the challenges and opportunities the platform offers at a time when media costs are increasing and media models are shifting.”

TikTok to reach \$15.2bn in global advertising revenue in 2023

A year in which the wider digital ad market is set to slow and media models are coming under increasing pressure, TikTok is defying the trend as its two-year growth is set to carry on into this year. According to WARC Media’s latest ad spend forecast, TikTok is set to reach £15.2bn in advertising revenue in 2023, up 51.7% and a near \$2bn upgrade from last year’s forecast.

All product categories to increase TikTok advertising investment

TikTok has been a major beneficiary of marketers choosing to rebalance budgets in light of media fragmentation. WARC Media forecasts all categories will increase ad investment on TikTok in 2023, including sectors that are forecast to see an overall ad spend decrease, such as automotive and soft drinks.

While each of the top five spending categories – technology & electronics (\$2bn), toiletries & cosmetics (\$1.8bn), retail (\$1.7bn), clothing & accessories (\$1.7bn) and telecoms & utilities (\$1.5bn) – are forecast to see their combined annual spend on TikTok surpass \$8.5bn in 2023, in other categories the growth will be more modest.

Technology & Electronics sector to boost advertising spend by 14.3% to \$2.0bn on TikTok in 2023

WARC Media’s latest Global Ad Trends report, Media Models in Flux, found that advertising spend in the technology and electronics category is shifting toward digital ad formats in channels like video and audio. As one of the market’s fastest growing categories from an ad investment perspective, ad investment on TikTok is forecast to increase by 14.3% this year, to a combined investment of \$2.0bn.

In the US, consumer packaged goods drove significant growth, increasing ad spend with TikTok by 84% in Q4 2022 compared to the quarter prior, according to data from Pathmatics.

Platform Insights is a new series of reports exclusive to WARC Media subscribers, and includes an overview of platform investments, media consumption and performance insights. WARC Media provides rigorous and accurate benchmarks for media planning and strategy, helping marketers reach the right audience and maintain a competitive edge.

**Tags:** Tiktok, Global, Advertising