

# Analyzing TikTok's Transformative Impact on Consumer Behavior and SME Growth

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## ABSTRACT

Social media has quickly become one of the most powerful tools for small and medium-sized businesses (SMEs). While existing research has established the value of social media for branding and marketing, few explore how advancing integrated platform tools actively shape consumer behavior and small business growth. This paper aims to address this gap by examining the social media platform TikTok and how its unique features enhance consumer experience and create greater opportunities for SME reach and growth. The results find that TikTok uniquely blends commerce into its entertainment platform through algorithmic exposure, cognitive triggers, and business outcomes. TikTok's algorithm drives passive product discovery by pushing tailored content, keeping users engaged while aligning preferences with relevant products. TikTok's cognitive triggers, including platform-wide discounting, perceived value enhancement, creator-community trust and integrated creator tools, operate naturally within TikTok's short-form entertainment feed. Together these triggers increase user satisfaction and reduce friction, while increasing SME success through greater reach, conversion, and engagement, at low to no costs. Through a qualitative case study of TikTok, this paper analyzes observed platform features using established theory and research contributing to the growing body of social commerce literature.

**Keywords:** Social Commerce; Small and Medium-Sized Enterprises (SMEs); TikTok Shop; Consumer Behavior; Pricing Strategy; Influencer Marketing; Impulse Buying; Personalization Algorithm

## INTRODUCTION

With social media's rapid rise as one of the most powerful tools for SMEs, a notable platform, TikTok, has transformed from an entertainment app into a powerful commercial channel for businesses and a significant driver of economic activity (1). TikTok's official e-commerce journey began in 2023 with the

launch of TikTok Shop (2). That year, small and mid-sized businesses using TikTok supported over 224,000 jobs, and contributed approximately \$24.2 billion to the U.S. GDP, with almost 40% of those businesses stating TikTok as crucial to their success (1). Investments in paid advertising and marketing on TikTok generated nearly \$15 billion in revenue, while its free tools gave small businesses unprecedented access to larger audiences (1). In addition to TikTok's growing success in the US, TikTok's Chinese counterpart, Douyin, generated over \$490 billion in gross merchandise volume in 2024 (3). With TikTok's ambition to become a large e-commerce site rivaling giants like Instagram and Amazon, we can expect to see similar trends in Western markets. At almost 1.6 billion active users globally, TikTok has

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a prime environment for SMEs to gain visibility and compete with larger brands at much lower costs (4).

Existing research has established the general benefits of online shopping, influencer marketing, and social platforms for SMEs (5, 6, 7). Platform-integrated shops such as TikTok Shop that merge discovery, entertainment, and shopping into a single, seamless experience are a relatively recent advancement with relatively little academic research surrounding it. Their rapid development of new innovative features have received even less spotlight. These features represent a new side to social commerce, and their effects on SME success remain underexplored.

This paper attempts to address this gap by examining which features of TikTok enhance the consumer shopping experience and facilitate small business success, and how these features operate differently compared to other social commerce platforms and traditional online shopping environments. Through a qualitative case study approach, this paper finds that TikTok's algorithmic exposure, psychological triggers create an advantageous shopping environment for both consumers and sellers. TikTok's algorithm establishes a foundation of passive discovery by continuously pushing individualized content that aligns with user interests, building platform preference and naturally exposing consumers to more posts and products (8). This ability to tailor content is also supported by selective exposure theory, as users are more satisfied and engaged when they repeatedly encounter content that matches their preferences (9). This algorithmic exposure plays into the psychological mechanisms that TikTok uniquely amplifies. TikTok's widespread price reductions and urgency-style promotions leverage established concepts such as scarcity and the fear of missing out, nudging consumers to act quickly to avoid losing a perceived deal (10, 11). Its seamless integration between its Shop and influencers also aligns with concepts of social proof, online trust, and trust theory, with users transferring the credibility they have with creators onto the promoted products themselves (12, 13). Together, these algorithmic and psychological mechanisms illustrate why TikTok's distinctive strategies are effective in increasing consumer satisfaction and brand success

The study contributes to the literature by highlighting what TikTok's innovative features are and how they drive engagement and revenue. By examining new strategies, features, and approaches in rising social commerce platforms like TikTok, this analysis contributes more broadly to the growing body of research on the

development and transformation of social commerce platforms, offering insight into how evolving tools and algorithmic systems shape consumer behavior as both technology and consumer expectations continue to develop. These findings have implications for both businesses and other platforms, such as Amazon and Instagram. However, it's important to note that there may be potential drawbacks to TikTok Shop. This paper aims to synthesize current research and platform observations to explain how TikTok's algorithmic design, psychological triggers, and integrated shopping tools shape consumer behavior and influence SME performance.

## **LITERATURE REVIEW**

### **E-commerce**

Online shopping, or e-commerce, is a form of digital commerce that allows consumers to purchase goods or services directly over the internet (14). Online shopping opens new doors not only for consumers, but for sellers as well, giving any individual or company the ability to post and sell products and services (15).

Humans tend to favor comfort and convenience (16). Online shopping appeals to that human tendency. Online stores that allow consumers to browse and purchase items without physically needing to go to a store or physically needing to handle a product. This comfortability and ease of use that online shopping provides makes online shopping an appealing option. As e-commerce evolves, businesses are continuously seeking to enhance convenience and ease of use due to their beneficial outcomes. Research shows that greater convenience increases consumers' positive attitudes toward shopping, leading them to view online shopping as a form of enjoyment and further boosting use (17).

Furthermore, transparency and feedback have also been shown to boost the appeal of online shopping as well (18). E-commerce platforms allow consumers to compare products and prices with relative ease, presenting a unique opportunity to enhance consumer preference through informed choice. Visual feedback from other users through ratings and reviews further increases trust and the perceived usefulness of online shopping (18). By enabling easy comparison and offering peer feedback, online shopping builds consumer confidence and reinforces its usefulness as a shopping channel.

### **Social Proof of Influencer Marketing**

Influencer marketing involves a collaboration

between brands and influential individuals, specifically on social media platforms, where influencers use their credibility and online presence to help promote the brand (6). Influencer marketing leverages the personalized interaction built between an influencer and their audience, using their perceived authority and ability to persuade a loyal audience based on trust to expand a brand's reach, traction, and sales (19). Today, there is a clear distinction between the use of traditional celebrities and digital content creators. With the advent of social media, many could now become influencers without being celebrities (20). Platforms like YouTube and Instagram paved the way for lifestyle influencers, giving rise to personal brands, a core component of modern influencer marketing (20). With social media growing in popularity, especially in the youth, the power and potential for influencer marketing also continues to grow (20).

Influencer marketing today is distinct from traditional celebrity endorsements in that it utilizes authentic, targeted, and engagement-based influence over one-way media (21). Social media has created a two-way gate fostering a sense of community connecting influencers and their audience, thus creating greater opportunities for promotion and brand success (21). Social media has cultured individuals to build trusted niche audiences and influencer marketing allows brands to capitalize on those highly engaged communities (13). Consequently, Influencer marketing shows a promising trend for customer experience and brand success (22). Compared to traditional marketing, not only are Influencer recommendations more trusted by consumers, but they tend to lead to greater sales and satisfaction with the product (21). Due to the personalized nature of influencer content, these recommendations are often seen as peer-to-peer word-of-mouth, a form of social proof, which further contributes to their effectiveness with consumers (23). Social proof in this context means that consumers take an influencer's endorsement as a credible sign reinforcing trust in the product and influencing purchase decisions.

### **Social Media's effect on Small Businesses**

Social media is increasingly a crucial tool for small and medium-sized enterprises, (SMEs) (24). SMEs are defined by their relatively small scale in employees, revenue, assets, etc., limiting their resource expenditure (25). Because of this limitation, social media has become a go-to strategy for small businesses, driving exposure efficiently and effectively. Today, the vast majority of

businesses, both small and large, leverage the benefits of social media to boost brand awareness and revenue (26). Having a presence on prominent platforms like Instagram and TikTok provides wide reach and access to audiences that were previously difficult for smaller businesses to engage.

With its accessible and influential nature, social media offers low-cost yet effective customer acquisition channels (24). Creators and businesses can leverage trends, go viral, and reach wide audiences without the expenses of traditional media campaigns (27). Moreover, modern social platforms use advanced algorithms that allow businesses to gain visibility quickly and target the right audiences with limited costs (27). Additionally, social media allows brands to craft their own unique identity and narrative through regular posts and community engagement (28). This kind of engagement helps businesses project an authentic image and build direct customer relationships, all while keeping marketing costs down (28). These relatively novel, low-cost methods of customer acquisition make social media an especially appealing and effective option for SME growth.

### **Integrated Shopping Features**

The convergence of e-commerce, social media, and influencer-driven marketing has given rise to new social commerce opportunities that blend shopping experiences with content consumption and socialization into one experience. The convenience championed by e-commerce, the trust fostered through influencer marketing, and the broad reach of social networks all come together forming a new branch of social commerce. This synthesis is especially relevant to modern consumer behavior. Users enjoy the ease of purchasing online, are influenced by social proof from influencers, and can engage with brands directly on platforms where they already spend time. Within social commerce, integrated platform tools like Instagram Shop and TikTok Shop are on the rise.

Existing literature on platform-integrated shopping features are limited. However, current emerging research suggests that these tools can significantly impact both consumers and businesses (29). Integrated shopping features streamline the consumer purchasing journey. By reducing friction in the buying process, social media platforms make it easier for users to move from discovering a product in their feed to buying it immediately, which in turn boosts conversion rates (29). TikTok Shop showed a significant positive impact on

features assisting in consumer purchasing decisions (30). Users who frequently engage with products showcased in TikTok videos via Shop were more likely to make impulse purchases, and recommendations (30). On Instagram, current research points toward user adoption and business outcomes being notable as well. Businesses integrating shoppable posts have reported substantial sales increases, in some cases up to a 42% increase (31). These findings, while relatively recent, illustrate that integrated shopping features show promising long-term results in the future for both businesses and platforms. The current literature acknowledges the developing technologies and promises of integrated tools.

However, there remains a gap in the current research regarding these integrated shopping features, especially concerning how they actively shape consumer behavior and SME success on very new platforms like TikTok Shop. Compared to research on social media's impact on businesses in general, there is relatively little research focused on newer integrated shopping features as technology continues to improve. These recent tools can create new distribution channels and possibly provide new benefits towards SME success. To address this gap, this paper aims to explore how integrated shops, specifically on TikTok, affect consumer behavior and how SMEs leverage this new horizon for social commerce.

## **METHODS AND MATERIALS**

This study takes a qualitative case study approach to examine the distinguishing features that TikTok utilizes as well as their impact on both consumer behavior and small business success. The purpose of this study is to analyze the unique approach and implementation of key features that contributed to TikTok's success in the growing world of social commerce. This paper does not intend to study quantitative causal relationships and instead opts to explore how TikTok's integrated social commerce features operate in practice and how they align with established consumer behavior theory. A case study method is well-suited for this research paper because it allows for an in-depth look at how TikTok's distinctive platform design, promotional strategies, and recommendation system affect real users and businesses. This method is also appropriate as TikTok Shop represents a relatively new branch of social commerce, with existing literature not yet fully capturing how current consumer psychology can be better used in new platform features such as those discussed in this study. The unit of analysis is the TikTok Shop environment,

including but not limited to brand accounts, product listings, creator videos, and in-app shopping interfaces.

The analysis of business outcomes zooms in on SMEs, focusing on a specific example, Ekkovision, a fitness brand that has experienced significant growth through TikTok's unique environment (32). Ekkovision, founded in April of 2022, is a sports nutrition brand focused on weight training (33). Originally a website-exclusive supplement brand, Ekkovision grew drastically following its growth on TikTok and sponsorships with influencers in the industry. As of 2025, Ekkovision has grossed a total of 70 million dollars in sales, with around 85% of it through TikTok, according to their founder, Emtiaz Uddin (32). Originally being a website-exclusive brand, their expansion to TikTok was directly correlated with business success: currently with almost 150,000 followers and 6 million likes on the platform, and over 2.2 million products sold (34, 35). These metrics were considered as contextual indicators supporting the relevance of this example as well as the success of the brand using TikTok's features.

Ekkovision was selected as the primary example due to their almost exclusive promotion on TikTok Shop, rapid growth, and niche audience and community. Ekkovision's situation thereby demonstrates an exceptional showcase on the benefits of TikTok's integrated features. Ekkovision was also focused on as a primary example because TikTok's environment for unique promotion strategies and shopping features directly influenced Ekkovision's success, most visibly in the past two years. Starting as a business with limited scope and resources, Ekkovision reflects similar challenges faced by many SMEs. However, unlike other brands, Ekkovision's expansion and rise were almost exclusively through TikTok, showing how its features, including discounted pricing, influencer-driven marketing, product linking, etc. directly contributed to Ekkovision's success (34). In addition, Ekkovision's targeted focus on fitness, specifically weight training, shows the power of community cultivation on TikTok and its advantages for SMEs. All happening under TikTok's unprecedented algorithm, Ekkovision's rise on the platform clearly illustrates the advantages TikTok provides for emerging businesses over traditional e-commerce platforms. For these reasons, Ekkovision serves as an insightful example of the opportunities TikTok provides.

The analysis conducted followed an analytical framework that connects algorithmic exposure, cognitive triggers, and resulting consumer and business

outcomes. This framework was selected as it allows platform features to be interpreted as a working system through psychological theory rather than described in isolation. This method of interpretation follows a logical pathway in which algorithmic exposure establishes a baseline of personalized content and product visibility, cognitive triggers integrated in platform design trigger psychological tendencies, and the interaction of these mechanisms translates into observable consumer engagement and SME outcomes. Within this framework, TikTok's recommendation systems and discovery tools are examined as sources of exposure, platform design and promotional elements are examined as psychological triggers, and observable engagement and purchasing behaviors exemplified through Ekkovision are interpreted as consumer outcomes. The pathway through algorithmic exposure, cognitive triggers, and resulting business outcomes provides a consistent view into how platform observations are evaluated and linked to theory.

TikTok's platform features were directly observed within the app using TikTok's U.S. platform between July and November 2025. The observation process focused on objectively identifying recurring features related to pricing elements, product visibility, creator tools and integration, and purchasing flow. Specifically, this paper examined TikTok's interface, product pages, features within videos, creator tabs, and For You Page product exposure. Features were documented based on their design, placement, frequency, and functional role within the user experience. Observed patterns were then grouped according to the analytical framework, described in terms of their design, placement, and function. Finally, the observed features were analyzed and interpreted through established consumer behavior, academic research and literature, and psychological foundations to explain the rationale behind its implementation and its impact on users and SMEs. Combining both descriptive observations of TikTok's features with a comparative analysis of other social commerce platforms like Instagram, this approach provides an understanding of how TikTok's integrated social commerce tools create value for both its consuming user base and its thousands of small-scale sellers.

TikTok Shop is an in-app store feature on TikTok, launched in September 2023 (2). TikTok Shop allows users to browse and purchase items directly from the app (2). Unlike other platforms, TikTok Shop is fully integrated within the app (2). Products can be tagged in videos and livestreams, allowing users to directly purchase items they're interested in, even when simply

scrolling through videos (36). TikTok Shop also has a Showcase feature, where creators and businesses display a dedicated storefront of items curated by that account, allowing users and followers to browse products from their favorite influencers (37). Finally, all creators are allowed to join commission-based programs, where creators are paid through sales generated from their content (38).

It is to be noted that the features observed, while exemplified and analyzed using Ekkovision as a primary case, were not drawn solely from Ekkovision's account or content. Observed features and subsequent analysis were conducted within the broader context of TikTok's shopping environment. Specifically, instrumental features such as discovery tools, platform-wide discount indicators, urgency cues, product tags, creator showcases, video pop-ups, and checkout design were observed, and can be found across the entirety of TikTok. However, observations were described through the lens of Ekkovision to maintain consistency and uniformity in analysis, but the many features discussed reflect platform-level patterns, not Ekkovision specific strategies.

While Ekkovision provides a strong example of how TikTok's distinctive strategies foster SME growth, there are still potential limitations with focus on a single brand. Because Ekkovision is one brand in a specific fitness community, this example may not fully encompass the diversity of industries, products, and demographics on TikTok Shop. Therefore, the findings of this study may not be universally applicable to the entire scope of said diversity. This paper also considers the possible risk of selection bias. While this paper focuses on Ekkovision, a successful company that massively benefited from the TikTok features discussed, this paper lacks discussion on other businesses that failed to achieve similar results. Future research using multiple brands across multiple industries would help address these limitations and broaden the applicability of these findings.

Although unsuccessful brands were not analyzed as separate cases, it is acknowledged that variation in the performance of said features observed may lead to differing results for brands across the platform. While this study concluded that the implementation of TikTok's features resulted in greater brand success, the degree of success may vary depending on the context of the business and its positioning. Finally, findings were triangulated through platform documentation, creator program guidelines, and existing academic literature to reduce reliance on subjective interpretation.

## **RESULTS AND DISCUSSION**

### **Algorithmic Exposure and Passive Discovery**

This section examines how TikTok's specialized algorithm and recommendation system shape consumer exposure, creating a continuous discovery environment that normalizes commerce within entertainment.

Personalizing a consumer's content and product recommendations tends to yield greater purchasing rates as the consumer is faced with more products they are likely to buy (8). Individual recommendations are heavily sought after by businesses because when a product is repeatedly shown to its target demographic, it is more likely to be received positively and lead to sales (8). This general strategy is used by every major online platform, but TikTok appears to offer structurally distinct advantages for businesses because of the enhanced exposure enabled through its personalization within short-form entertainment content.

TikTok's advanced "For You Page" algorithm is currently one of the most prominent and widely adopted examples of effective personalization in social media. Other social media platforms typically rely on a user's following or what they intentionally search. TikTok, however, uses an interest-driven recommendation system where products and videos are recommended based on how users actually behave on the app. While specifics on how TikTok's algorithm truly operates remain undisclosed, some qualities have been outlined. Over time, TikTok crafts a precise sense of a user's interests and shows them content that matches those patterns. TikTok not only recommends items based on an individual user's behavior, but it also infers preferences from other users with similar interests. It is this behavior-based recommendation system that has been associated with higher levels of visibility and engagement relative to other platforms (39, 40). Surveys have shown that both the U.S. adult and younger populations increasingly favor TikTok's shopping insights and product tastes over competing platforms like Instagram (41, 42). Together, these factors suggest that TikTok provides an environment well suited for reaching highly specific audiences. Because the algorithm is highly responsive to user behavior, users are continuously fed videos that match their interests. This reinforces habitual platform engagement. As a result, more videos are watched, more products are viewed, and those products are more likely to be directly aligned with the user's preferences. For consumers, this means they are exposed to content and items they are more likely to find relevant

without additional effort. For businesses, it means increased exposure to targeted audiences with minimal direct intervention. Compared to more search-based environments, TikTok's algorithm more closely aligns content exposure with demonstrated user preferences, increasing exposure for both consumers and sellers.

TikTok also integrates commerce into its algorithmic loop through features such as product tagging within personalized content. As users scroll through the For You Page, they frequently encounter videos in which products are tagged directly within the video frame. These tags appear as small product labels positioned above the creator's username, displaying the product name and providing a direct entry point to TikTok Shop, where users can either proceed to checkout or resume watching the video. Because the algorithm curates content based on individual user interests, users may be more inclined to engage with products tagged in these posts. This design passively merges commercial exposure with entertainment: users watching videos they enjoy are repeatedly exposed to products aligned with their interests. From the consumer perspective, this makes product discovery feel natural rather than intrusive. From the business perspective, it increases product exposure to relevant audiences without the need for formal targeting or paid promotion. In this way, TikTok's For You Page connects the right viewers with the right products.

In addition to increased exposure directly through scrolling the For You Page, TikTok recently added an assistive product discovery tool: the "Find Similar" feature. Find Similar works similarly to visual shopping assistants like Google Lens, where users can pause any video on TikTok to display an on-screen visual shopping overlay that appears after pausing a video, presenting a curated panel of visually similar videos and purchasable products within TikTok Shop, all derived from the paused frame's visual elements. This feature lowers checkout friction by giving users a direct pathway from content to purchasable items that match what they are seeing. From fashion items to dog treats, Find Similar allows consumers on TikTok to easily find products they like, from videos they enjoy, without needing to search or leave the app. For small businesses, this means that any item featured in videos and even items that simply resemble them become more visible to users without any extra promotion by the business itself. TikTok instead leverages algorithmic discovery and assistive visual matching to seamlessly expand product exposure within interest-aligned audiences.

While many traditional e-commerce and social

media platforms offer some form of personalized recommendation, they usually rely on users actively browsing categories or searching for items. In contrast, TikTok utilizes seamless discovery tools that keep recommendations within the same entertainment flow. Shopping on TikTok has become a natural part of content consumption. This design increases preferred content exposure and successfully blends entertainment with commerce. TikTok's combination of the most effective For You Page algorithm and assistive tools like product tagging and Find Similar creates a constant, low-friction exposure loop where commerce is effortlessly embedded into everyday scrolling, setting the stage for employing psychological triggers.

### **Psychological Triggers in TikTok's Design**

This section analyzes the psychological mechanisms, including scarcity, perceived value, fear of missing out, and online trust, that TikTok activates through its commercial design. TikTok utilizes a few main groups of triggers. First, its pricing and promotion layout heavily focus on perceived value and scarcity. Second, its influencer ecosystem and creator tools foster online trust and peer-like recommendations. Finally, streamlined, in-app checkout reduces friction and encourages impulse buying by making it easy to act on in the same moment users are enjoying the content.

Traditional methods of using price appeal and urgency-style promotion strategies typically involve a relatively small number of products that are discounted or shown as limited-time offers. TikTok offers a different approach. Instead of only highlighting a few items, TikTok scales these tactics across nearly their entire catalog. The majority, instead of the minority, of products listed on TikTok appear with visually emphasized slashed original prices, bold percentage discounts, colored countdown timers, and "flash sale" labels that are clearly noticeable on the product card layout within the Shop interface. TikTok's pricing strategy centers on perceived value enhancement, using persuasive cues such as encouraging labels, flash sale banners, and bold colored discounts that give the impression of a special, time-sensitive bargain. While these cues are common in marketing, TikTok's constant and widespread use of them throughout the Shop interface is what truly differentiates it.

This scale employs a unique psychological mechanism. When users see lowered prices and discount cues on almost every product, they begin to build a general impression that TikTok is the place where products are simply cheaper or "better value" than other

shopping platforms. Over time, this repeated recognition and satisfaction may shape a subconscious preference toward TikTok, as the same items cost less than on other platforms. This effect adds on top of the typical discount mechanisms already established in consumer behavior. The persistent use of price anchoring, displaying slashed prices and percent-off labels frames TikTok's pricing as a relative gain compared to external reference prices, enhancing their perceived value. Countdown timers and recurring flash sale notifications convey scarcity and time pressure, both of which have been shown to increase impulse buying and reduce cognitive deliberation (43). Because these discounts appear as users casually scroll through short videos, purchase decisions are often made in a narrow window of attention and desire. This interaction between short-form consumption and value signaling increases the likelihood of rapid, low-deliberation purchasing. In this way, TikTok crucially leverages the fear of missing out, mixing impulse buying and perceived value directly into the Shop layout. By combining favorable pricing, perceived savings, and constant scarcity cues across the majority of its Shop, TikTok pushes users into a mindset where easy, emotion-driven purchases feel both normal and justified.

Beyond TikTok's pricing, their integration of influencer marketing adds to their psychological influence. Influencer marketing has long been shown to be a powerful tool for businesses, especially in the context of social media in recent years. Popular creators, and most recently, microinfluencers, can drastically help small businesses through their sway within niche fan bases (13). TikTok, however, is distinct in how it seamlessly creates commercial environments from the app's established influencers and their communities. Many of these creators build niche communities around specific interests where followers view them more as educated peers, rather than distant celebrities. When microinfluencers recommend or tag products, the interaction often feels more like a personal suggestion rather than a traditional celebrity endorsement. This dynamic taps into the psychology of word-of-mouth, in which individuals are more likely to trust recommendations that appear to come from relatable sources—people perceived as similar to themselves and therefore better able to understand their needs.

TikTok also integrates tools that leverage this environment and make commercial activities more effective. Posts can directly link products, shown above the creator's name, and users can tap those tags to open the product in TikTok Shop with a single click (36).

While TikTok's affiliate and commission programs encourage formal partnerships, creators do not need official partnerships to tag products. Many creators simply link items they genuinely like, turning ordinary content into niche and authentic, often unpaid promotion. This structure allows commercial recommendations to emerge organically within trusted communities, simulating a closer peer suggestion, rather than through explicit advertising. When users see products embedded in videos from creators they already follow, they don't just consider the item itself, they often consider existing relationships built through repeated exposure, visible engagement (views, likes, comments), and perceived authenticity. Research on online interactions and social proof suggests that the perceived closeness from such microinfluencers can increase both trust in the recommendation and willingness to buy. For small businesses, this means their products can benefit from trusted, community-based promotion at low to no costs, with each tagged product effectively becoming a mini word-of-mouth campaign seamlessly embedded inside short-form content.

These integrated tools are further strengthened by how streamlined TikTok makes the checkout process. Psychologically, friction, including extra steps, redirects, etc., gives consumers a sense of inconvenience and more time to consider a purchase. TikTok minimizes that friction. A typical path from discovery to purchase can be completed in under a minute, being as simple as scrolling the For You Page, noticing a tagged product in a video, tapping the tag, and checking out, all without leaving the app or manually navigating multiple pages. By merging entertainment, recommendation, and purchase into a single, simple, and quick sequence, TikTok makes purchasing convenient and reduces the number of contemplations and pauses. This authentic commercial environment paired with instant checkouts, a sense of scarcity, FOMO, and trust in creators translate directly into buying behavior.

Influencer tools are further extended through the "showcase" tab. In the U.S., creators with over 5,000 followers can open a showcase on their profile that functions as a vertically scrollable storefront embedded as a tab directly into the creator's page, displaying a curated grid of recommended products tied to that creator's niche and personal brand (44). This gives followers a dedicated shopping list of items tied to that creator's personal brand. Again, the psychological effect is based on trust and convenience. Followers view the showcase as a filtered set of tailored options and

browsing it feels like taking advice from someone they already know, respect and trust. For small businesses, being included in a showcase means persistent placement and promotion on a trusted page.

Although many platforms now support shops or create storefronts, they often route users out of the main experience, using separate pages, redirects or external links. That extra friction means more actions users have to take, also mentally shifting from watching to shopping. TikTok's design minimizes that shift. Product tags and showcases are built directly into the user's entertainment flow. By keeping the entire process of exposure, recommendation, and purchase in one simplified environment, TikTok amplifies psychological triggers such as impulse buying, convenience, and FOMO, increasing the probability that viewing transitions into purchasing behavior.

Altogether, TikTok's design takes established psychological concepts, and creates unique and effective cognitive triggers leveraging perceived value, scarcity, fear of missing out, impulse buying, and peer-like recommendations in an environment where acting on those triggers is effortless. Combined with the algorithmic exposure and passive discovery discussed earlier, these mechanisms create a commercial space where consumers are highly engaged and satisfied while creators and small businesses benefit from increased visibility, conversion, and revenue at low to no costs.

### **Consumer Outcomes and SME Advantages**

This section evaluates how the interplay between TikTok's algorithmic exposure and psychological triggers produces measurable consumer outcomes and SME benefits, using Ekkovision to contextualize these mechanisms in practice.

Scarcity tactics and price anchoring are well known marketing strategies used to increase perceived value and drive impulse purchases (43). Ekkovision's growth provides a clear example of how TikTok's differentiated approach on these mechanisms can affect an SME. Almost all Ekkovision products on TikTok are listed under some form of sale, with the original price visually crossed out and placed adjacent to a lower discounted price, often accompanied by high-contrast sale indicators that draw immediate attention to the perceived savings. Popular items such as the "EKKO-BEATER," now with over 650,000 units sold, appear with a prominently displayed discounted price of \$11.99, paired with an active countdown timer that visually communicates limited-time availability directly beneath the product listing

(45). By contrast, the EKKO-BEATER has a base price of \$14.99 listed on the brand's official website, where the product appears at a static base price with at most one to three accompanying urgency cues such as timers, flash-sale banners, or emphasized discount framing. Similar discounts are visible across Ekkovision's catalog on TikTok Shop. Even when flash sales renew or remain despite their "expiration," the design continues to push consumers to act quickly to avoid losing out on a deal. This example illustrates how TikTok employs scarcity and urgency cues to foster impulse buying and tap into the fear of missing out. The widespread use of reduced prices and price anchoring communicates relative value advantages compared to traditional channels. With 85% of Ekkovision's revenue deriving from TikTok, this case suggests how such psychological cues may contribute to platform preference in purchasing behavior (32). Because these cues are paired with TikTok's algorithmic exposure, these subtle nudges translate into actual purchases as users repeatedly encounter Ekkovision products.

Traditional online shopping platforms often display products at a single price and rely on intentional browsing to drive discovery. In those environments, discounts are scarcer, and they typically rely on intentional shopping opposed to TikTok's embedded shopping experience. TikTok's approach combines short-form content, continuous algorithmic exposure, and psychologically advantageous designs, giving brands like Ekkovision a different opportunity. Their items appear in contexts where users are not necessarily seeking to shop but are highly responsive to compelling offers. This helps explain why Ekkovision was able to see drastic growth in visibility and revenue after leaning into TikTok Shop.

Social and trust-based mechanisms similarly translate into outcomes for Ekkovision. As discussed in the previous section, TikTok's product tagging and commission-based creator programs may encourage influencers and everyday creators to feature products directly in their videos. For Ekkovision, sponsored athletes, and unsponsored creators regularly post content in which Ekko products are tagged, reducing the time and steps required to move from content consumption to purchase. One of the most visible examples is Ekkovision's "D-ring lifting straps." Millions of views have accumulated across videos from Ekkovision and partnered fitness influencers featuring these straps, with smaller, unaffiliated creators also tagging the product simply because they like it. In this context, the tags serve as word-of-mouth style recommendations coming within a niche and trusted community. With the straps visible to

all accumulated views, and the ease of clicking directly through to TikTok Shop, this integration of micro-influencers with the rest of TikTok's commercial features contributed to the over 120,000 units sold (46).

The showcase feature amplified this effect by turning one-post recommendations into constant curated placements. Nearly all Ekkovision-sponsored athletes and even unsponsored affiliates who can access a showcase tab use it to display Ekko products. TNF, a fitness creator and one of Ekkovision's largest athletes with over 1.2 million followers, displays a showcase of 51 Ekkovision products on his profile. Almost 42,000 of these products have been purchased directly through his showcase alone (47). Followers who already respect and trust TNF's training advice extend that trust to his product recommendations, while TikTok's frictionless design makes acting on that trust effortless. This is a concrete example of how online trust and social proof translate into SME outcomes.

Altogether, these outcomes show how TikTok's algorithmic exposure and psychological triggers can increase growth in SMEs. The algorithm repeatedly surfaces Ekkovision's products to interested users; value cues push those users toward quick purchase decisions; while influencer trust reduces hesitation and strengthens loyalty. Each purchase and interaction then feeds more data back into the algorithm, increasing the likelihood that similar users will see similar products. Ekkovision's trajectory therefore serves as an example representation of TikTok's effectiveness, illustrating how TikTok's unique implementations can convert psychological mechanisms into real growth for small and medium-sized businesses.

## **CONCLUSION**

The importance of convenience, influencer marketing, and social media as tools for SME success, specifically online, have already been grounded in established research (5). However, there remains comparatively less research on newer integrated shopping tools like TikTok Shop. Relative to that, there is even less research on the novel and innovative ways platforms like TikTok use and continuously advance such tools. This paper aimed to address this gap by taking one of the fastest-growing social media platforms, TikTok, and examining its distinctive features and implications for improving consumer experiences and SME growth.

Connecting TikTok's algorithmic exposure, cognitive triggers, and business, this paper highlights how TikTok

distinctly blends a new commercial world into their entertainment platform differentiating them from other social commerce platforms. TikTok's unmatched "For You Page" algorithm continuously pushes tailored content, keeping users engaged for longer periods, building preferential use and naturally exposing them to more posts and products that directly match their interests (8). This foundation of passive discovery feeds into TikTok's innovative psychological design. TikTok reduces prices across almost all products while employing discount and scarcity cues, perceived value enhancement, creator-community trust, and integrated creator tools that amplify standard influencer marketing (11, 13). These triggers are even more effective because they work in unison with TikTok's short-form entertainment feed. Finally, these mechanisms translate into real consumer outcomes. For users, low checkout friction, relatable influencer recommendations, and subtle urgency cues lead to higher satisfaction with the app, products, and businesses. For small businesses, this loop creates greater opportunities to attract new customers, increase engagement and visibility, and compete with larger brands at relatively unprecedented costs.

For creators and small businesses, these findings highlight that TikTok represents a uniquely powerful channel for cost-effective promotion, discovery and growth. SMEs are encouraged to partner with influencers, specifically microinfluencers, leveraging TikTok's community-driven space. Niche microinfluencers may also be more easily attainable and tend to require less costs. These findings indicate that focusing on niche communities amplifies trust and willingness to buy, making promotion more effective. Businesses and creators on TikTok are also encouraged to utilize creator tools such as product linking and showcasing due to their advantages in exposure and conversion. This benefit is clearly illustrated through the rise of Ekkovision. These insights also suggest that creators, marketers and SMEs should intentionally design their TikTok presence around the same psychological triggers embedded in the platform itself: posting relatable peer like recommendations while employing scarcity cues, also linking products for low-friction discovery and purchase. Combined with TikTok's algorithmic exposure, these practices may make it easier for small businesses to reach highly targeted audiences already primed to engage.

For other shopping platforms and marketers more broadly, the analysis concludes that TikTok's success is not exclusive to its specific short-form style app. The combination of integrated features, low-friction

commerce, and psychological trigger design can also be applied in other domains. Broadly, it is recommended that other online shopping platforms adopt selected elements of TikTok's approach, such as enhanced value cues, easy simplified checkout flows, or assistive product discovery tools. Even if these platforms serve different purposes, the underlying psychological mechanisms identified in this paper—perceived value, scarcity, convenience, FOMO, social proof, personalized exposure, community trust, and impulse buying—are widely applicable. Incorporating said features directly seamlessly can enhance user satisfaction, increase engagement, and support small business growth across diverse platform environments. As research on integrated social commerce continues to develop, applying these psychological principles in proper context may help platforms and marketers create experiences that benefit themselves, and their users.

While this paper provides insights into TikTok's distinguished features and their role in enhancing small business success, its findings are limited by its qualitative, case-study-based methodology. The analysis primarily connects observations with established theory and research on consumer behavior, demonstrating them through one emphasized example. These findings, therefore, may not be entirely applicable to all small businesses across all industries. In addition, this study does not measure quantitative outcomes such as conversion rates, customer retention, or revenue growth specifically regarding TikTok Shop's price promotions, influencer marketing, or personalizing features. Current implications regarding such areas are based on observation and application of current theory and research.

Future research could therefore pursue multiple directions that would further develop and validate the insights of this paper. First, quantitative studies should test the qualitative insights discussed, specifically to determine the measurable impact of TikTok's integrated social commerce features on SME conversion rates, retention, and revenue. Second, comparative platform research should examine how TikTok's integrated, entertainment-driven commerce model differs from search-based shopping environments, and whether this difference in context affects consumer behavior, discovery, or SME growth. Finally, longitudinal studies could be used to track SME trajectories over time to determine whether the advantages provided by TikTok's algorithmic exposure and psychological triggers are sustained as the platform, its user base, and commercial technologies continue to evolve.

## CONFLICT OF INTEREST

The author declares no conflicts of interest that have influenced the research or interpretation of findings in this manuscript. However, an application to Ekkovision's affiliate program was submitted after the completion of this work. No sponsorship or compensation with the company currently exists.

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