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SOCIAL MEDIA AS A SALES CHANNEL: TIKTOK, INSTAGRAM, AND THE NEW BUSINESS REALITY

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In the 21st century, digital technologies have transformed not only communication but also the economy. Social media, which until recently primarily served as channels for interpersonal interaction, have now become full-fledged platforms for commercial activity. TikTok and Instagram have gained significant importance in e-commerce, particularly among small and medium-sized enterprises. As a result, there is a need to analyze new forms of product and service distribution through social media and evaluate the effectiveness of such trade channels.

The development of e-commerce on social media is one of the most dynamic trends in today's business environment. According to Statista (2023), over 50% of Instagram users regularly make purchases by clicking on links in posts or ads. TikTok, although a newer player on the market, demonstrates rapid growth as the platform introduces features such as TikTok Shop and Live Commerce. In today's digital economy, studying these phenomena has become necessary both for researchers and practitioners [1].

The aim of this study is to analyze TikTok and Instagram as modern sales channels and to determine their impact on the formation of a new business reality.

Social media have become one of the key sales platforms. Since 2018, Instagram has actively implemented business features: Instagram Shopping, brand profile showcases, and integration with payment systems. TikTok, since 2021, has actively developed TikTok Shop, allowing product integration directly into video content.

New promotion formats are emerging, such as live streams, viral content, and influencer engagement. These forms are key tools for promotion on TikTok and Instagram. They not only provide reach but also foster direct interaction with the audience, enhancing trust in the brand.

Users are becoming not only consumers but also brand ambassadors, meaning the audience is becoming an active participant in commerce. UGC (user-generated content) serves as free marketing, which has a significant impact on the behavior of potential buyers.

Among the main challenges businesses face in this environment are the rapid changes in algorithms, the need for constant creation of quality visual content, high levels of competition, and the issue of protecting users' personal data [2; 3].

As practice shows, social media have transformed from communication channels into full-fledged commercial platforms. TikTok and Instagram demonstrate high efficiency in promoting products and engaging with target audiences, particularly among young people. Businesses that adapt to these new realities gain a competitive advantage through flexibility, innovation, and direct access to consumers [4; 5].

To improve business development in this direction, it is necessary to implement multimedia promotion strategies focused on video content, collaborate with micro-influencers to build audience trust, and analyze content performance metrics while adapting strategies in real-time.

For the academic community, interdisciplinary research at the intersection of marketing, psychology, and IT should be developed, as well as studying the impact of social media content on consumer behavior in various cultural contexts.

From a government policy perspective, it is necessary to develop recommendations for regulating commercial activity on social media and to support digital literacy (awareness) for entrepreneurs.

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