



Tech Mode: What Will Become of TikTok's Algorithm?

The video-sharing app — and one of fashion's favourite marketing channels — may soon have new owners, while Meta and Ray-Ban reveal their new high-tech glasses and more brands turn to AI for marketing.

By Marc Bain



Welcome to Tech Mode, your monthly roundup of the tech-fashion news you need to know.

In this edition, we'll get into what's going to happen to TikTok and its addictive algorithm, the reviews — including my own — of the new Meta Ray-Ban Display glasses and the lack of outrage at Valentino's and Vans' new AI campaign.

Let's jump in.

TikTok's New Owners

Let's make a deal: After months of TikTok hanging in legal and political limbo in the US, it seems the fate of the video-sharing app and one of fashion's favourite advertising platforms is becoming clear. While the final details are to be settled, the deal will entail a consortium of US investors taking control of TikTok, with its Chinese parent company, ByteDance, hanging onto less than 20 percent and retaining one of seven board seats.

The members of that consortium are likely to include cloud computing company Oracle — whose infrastructure will house TikTok's US user data — and private-equity firm Silver Lake. Venture capital firm Andreessen Horowitz has also been floated as a possible member. In a television interview Sunday, president Donald Trump said media mogul Rupert Murdoch and his son Lachlan would probably be involved, as would Dell founder Michael Dell.

What about the algorithm: The big question, of course, is what happens to the recommendation algorithm that is TikTok's addictive secret sauce and one of the causes for concern, as it could theoretically be manipulated to influence the American public. On Tuesday, the Associated Press reported that TikTok's new US owners would license a copy of the algorithm, which a Trump administration official said would be retrained on US data to ensure it's "behaving appropriately."

That raises the question of whether the current user experience might change, though White House press secretary Karoline Leavitt said on Monday that it wouldn't.





Not so fast: Critics of the arrangement argue it's not just China that could manipulate what users see. Some are worried the White House and TikTok's new owners might exert their own influence to shape US politics. The digital-rights group Electronic Frontier Foundation said in a statement Monday that the TikTok ban "has only resulted in turning over the platform to the allies of a president who seems to have no respect for the First Amendment."

We haven't seen what the new TikTok might look like, and those allegations would likely be difficult to prove. But TikTok isn't likely to be free of controversy in the near future, much as fashion brands would like it to be.

Meta's and Ray-Ban's New Frames

Bad connection: In other Big Tech news this month, at its annual Connect conference Meta and Ray-Ban unveiled the Meta Ray-Ban Display, their first AI glasses to feature an in-lens digital display, which the user interacts with through hand gestures translated by a wristband. You can read texts, watch video and see step-by-step cooking instructions — at least when the glasses work. During Meta's live demo, the glasses failed a couple times, an issue the tech giant's CTO later blamed on Meta not realising the demo would activate all the Ray-Ban Meta glasses in the room and then mishandling the resulting server traffic.

Glass half full: Despite those hiccups, journalists that tested the glasses beforehand gave them rave reviews, with more than one saying they finally delivered on what the Google Glass first promised a decade ago. "The best [smart glasses] I've ever tried," said The Verge's reviewer. "Can't wait to wear them again," said TechRadar.

I was able to preview the glasses myself and was impressed by their capabilities and how well Meta's "Neural Band" (the aforementioned wristband) turned my hand gestures into actions. It felt like a glimpse of the future.

What's in a name: Unlike the previous Ray-Ban Meta models, these are called the Meta Ray-Ban Display — with "Meta" getting lead position. "This possibly reflects how serious Meta is about the opportunity for these on-lens screen glasses to become the main computing platform, progressively displacing smartphones," analysts at HSBC wrote in a research note after Meta Connect.

Whatever the case, it's clear Meta wants the credit here. The glasses, which release Sept. 30 for \$799, give Meta and EssilorLuxottica — the owner of Ray-Ban and Meta's eyewear partner — a strong lead in the smart glasses category, which will reportedly see Amazon enter soon, and bring Mark Zuckerberg's dreamed-of metaverse a step closer to fruition.

Is Resistance to AI-Generated Fashion Ads Fading?

What happened: Valentino and Vans promoted their new sneaker collaboration earlier this month with a video and images that showed models in the shoes stepping through water pouring into a red-tiled bathroom. That content, they disclosed, was created with AI, using material captured during Valentino's runway show in March, marking what appears to be Valentino's and Vans' first public uses of AI. They credited the artwork to Edglrd, the creative studio founded by filmmaker Harmony Korine, best known for movies like 1990s cult classics "Gummo" and "Kids" and 2012's "Spring Breakers." In April of this year, according to *The Hollywood Reporter*, the studio struck a deal with the AI company Runway, which has been making inroads in the film industry.

Muted response: While some commenters on Instagram attacked the brands' use of AI, there's been a noticeable lack of outrage. *Vogue* was slammed by critics for running an ad by Guess made with AI. H&M came under fire for its plan to use digital twins of human models in AI-generated imagery but





plowed ahead anyway, clearing a path for its followers. The response to Valentino and Vans has been relatively tame.

It's possible that this campaign just flew under the radar while people were preoccupied with everything else going on in the world. But it may also be getting harder for people to muster anger each time a brand uses AI as the practice becomes more commonplace.

On the other hand: That's not to say there aren't still concerns, particularly among those whose jobs are at stake. Last week, the British Fashion Model Agents Association and London-based modelling agency The Milk Collective released a petition calling for clear, defined protections for models from having their likeness used for AI purposes without consent.

On this particular point, Valentino and Vans, much like H&M, seemed to be aware of the potential pitfalls. "All featured imagery was used with the informed consent of the models here portrayed and of all the talents involved in the execution of the show," Valentino stated in a press release.

Luxury's Tech Investments

By the numbers: Luxury companies are spending an average of 3.1 percent of their revenues on technology, according to new research by the French luxury association Comité Colbert and Bain & Company. The investments reached as high as 5.5 percent of revenues, and as low as 1.9 percent.

What was notable was that, compared to other industries like consumer packaged goods and e-commerce, luxury allocated more of that spending to expenses that kept the current business running, rather than investing in technological transformation — what the authors called "change" investments. They deemed it "a by-product of having fully embarked on its digital journey later than some sectors, with a lot of modernisation still to come."

What's the holdup: Directing money to the right places isn't always simple. When the researchers surveyed luxury CIOs, half said their CEO was a driving force in technology, while the other half could feel their CEO had little involvement, leaving them without a clear roadmap or specific objectives. In part that's because many CEOs don't understand technology the way they might understand other areas of the business, like marketing, which can lead to inconsistent engagement.

Executives should consider getting a better understanding of subjects such as AI — and if they want to do so, they can download our new Executive Memo on the subject.

Front and back: The researchers also found another way luxury differed from other industries: It devoted more of its "change" spending to customer-facing projects like digital channels, rather than back-of-house initiatives focused more on operations. The report surmised the trend was due to luxury building out its digital capabilities during the pandemic.

Now the tide is turning and more spending is expected in areas such as data analytics and AI. Among the companies surveyed, 60 percent expected their technology spending to increase by more than 5 percent over the next two to three years due to AI, cybersecurity and upgrading core systems, while 28 percent of companies anticipated spending going up more than 10 percent.

