

**SALSIFY** | Guide

# **THE SOCIAL COMMERCE** **CRASH COURSE** FOR BRANDS

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DISCOVER **THE FUNDAMENTALS OF SOCIAL SHOPPING**  
— AND LAUNCH A TEST-AND-LEARN STRATEGY

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## THE **NATURAL EVOLUTION** OF SHOPPING

Your customers are browsing social media every day. Billions of people globally connect daily with family, friends, online communities, content creators, and influencers on social channels like TikTok, Instagram, Twitter, Facebook, and more.

Social commerce is a natural progression of ecommerce and mobile commerce. U.S. retail social commerce sales are predicted to increase by 34.8% to \$36.09 billion in 2021, according to [eMarketer](#), representing 4.3% of all retail ecommerce sales.

This crash course guide will help you break down the basics of social commerce, explore social commerce platform examples, and build a test-and-learn strategy for your brand.

“ U.S. retail social commerce sales are predicted to **increase by 34.8% to \$36.09 billion** in 2021, representing 4.3% of all retail ecommerce sales. ”

*Source: eMarketer*



## WHAT IS SOCIAL COMMERCE?

While ecommerce enables people to shop from a website or third-party (3P) marketplace, and mobile commerce refers to online transactions completed using mobile devices, social commerce is different.

Social commerce is the process of selling and buying products or services directly on social media platforms like Facebook and Instagram. Everything, from product discovery and evaluating options to check out and post-purchase support, takes place on social media — it's a fully streamlined shopping experience.

## WHY IS SOCIAL COMMERCE IMPORTANT?

Social media consumption increased in the wake of COVID-19. The “[Digital 2021: The Latest Insights Into the State of Digital](#)” report from We Are Social showed that in 2020, more than 1.3 million new users joined social media every day.

This shift equates to roughly 15.5 new social media users every single second. There are now 4.2 billion social media users worldwide, grown by 490 million over the past 12 months.

To catch up with this change, [brands moved to social media to connect with customers](#), strengthen their communities, and create seamless ways for people to buy without needing to visit their websites.

“Social commerce will continue to grow in 2021 as shoppers stick with digital habits and as both ecommerce and traditional retailers quickly adapt to the post-COVID-19 environment,” says Franklin Chu, managing director at Azoya International, in a [Digital Commerce 360](#) article.



**15.5 new social media users every single second.**



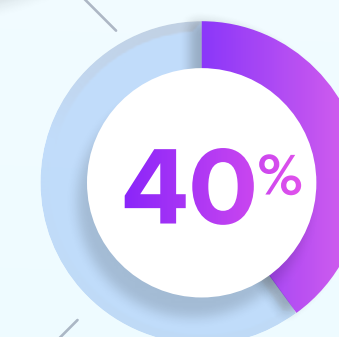
**There are now 4.2 billion social media users worldwide**

## Gen Zers Fully Embrace Social Commerce

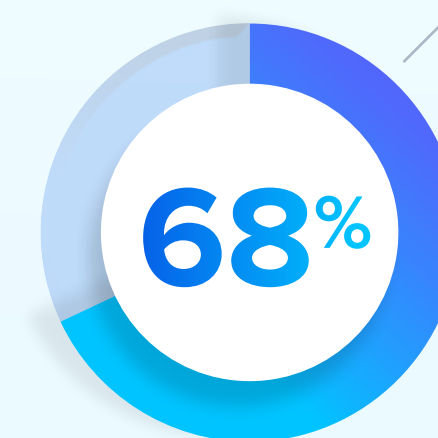
Apart from that, social commerce is also Generation Z's shopping habit. According to the “[Status of Social Commerce 2021](#)” report from [The Influencer Marketing Factory](#):



**97% of Gen Zers** use social media as their top source of shopping inspiration;



**40% of Gen Zers** follow brands they like on social media; and



**68% of Gen Zers** read or watch at least three reviews before a first-time purchase.

*Source: The Influencer Marketing: Status of Social Marketing Report*

## Social Commerce Drives Innovation

Innovative tools like shoppable features on social media apps are also another convincing reason for social commerce adoption. **Many ecommerce brands use Instagram Shop, Facebook Shops, and Pinterest's Shop tab to promote products** — some even turned these features into a key sales driver for their businesses, as the U.S. Chamber of Commerce shared.

Brands should also pay attention to livestream shopping, which has taken China by storm. U.S. retailers like Amazon, Bloomingdale's, and Petco have even experimented with livestreamed events.

“Returns are 50% lower when items are bought in a livestream ... Because of the U.S. consumer's focus on sustainability right now, that is what could ultimately drive livestreaming,” says Coresight founder and CEO Deborah Weinswig on [CNBC](#).



Returns are **50% lower** when items are bought in a livestream

Source: [CNBC](#)

## HOW CAN BRANDS START WITH SOCIAL COMMERCE?

Social commerce is powerful. It has the potential to help you drive sales while building a solid customer base on social media. But to achieve these results, you need to develop a clear social commerce strategy that starts with a test-and-learn approach.

### Launch a Social Commerce Strategy in 4 Steps

- 1 Unite marketing and ecommerce teams**, ensuring an integrated and coherent approach;
- 2 Map out the people, initiatives, budgets, and technology** needed to capitalize on the opportunity;
- 3 Tap into the entire digital shelf**, tracking movements and processes across all digital touchpoints; and
- 4 Start small and introduce agile processes** to retain flexibility in an ever-changing digital retail environment.

## TIPS FOR A **WINNING SOCIAL COMMERCE PROGRAM**

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### **Start With a Goal**

Every solid strategy starts with a goal. Work with your team to outline how you want to use social commerce to start, and consider how the channel will evolve as you develop learnings.

### **Know Your Audience**

Ensure you understand your audience and where they are most engaged. For example, fashion and beauty brands have a good home on Instagram, while Pinterest is ideal for interior decoration brands.

### **Create Engaging Content**

Determine what kind of content and offering resonates best with your target audience and create a customized social commerce strategy for each platform.

### **Optimize, Optimize, Optimize**

Optimize your social media presence to make your brand trustworthy and consistent across channels. While doing that, keep mobile in mind since most consumers use social media apps on their mobile devices, according to [Pew Research Center](#).

### **Prioritize Customer Service**

Implement social customer service, meaning you should handle customers' comments, mentions, and direct messages well.

### **Test and Learn to Find What Works for Your Brand**

Try and test shopping features on social media platforms until you find what works best for your business.

## SOCIAL COMMERCE PLATFORM EXAMPLES

Here are four top social media platforms that are helping brands leverage social commerce.



### FACEBOOK

In 2020, Facebook launched Facebook Shops to support small and medium businesses (SMBs) during the pandemic. This feature allows SMBs to set up online storefronts on Facebook and Instagram for free and choose the products they want to feature from their catalog.

Facebook Shops enables customers to message a business through WhatsApp, Messenger, or Instagram Direct to ask questions, get support, track deliveries, and more. Facebook also said that the ability to view a business' shop and make purchases right within a chat would be available soon.

According to Digital Commerce 360, in Thailand, almost half of all ecommerce takes place through social media or chat rooms on Facebook, WhatsApp, or Line's app.

The State of Social Commerce in Southeast Asia report, produced by Econsultancy, Hootsuite, and Magento, showed that about 59% of respondents said more than 25% of all their online shopping is influenced by social media, with the most popular channels triggering a purchase being Facebook (78%).

“ In Thailand, **almost half of all ecommerce** takes place through social media or chat rooms on Facebook, WhatsApp, or Line's app. ”

Source: Digital Commerce 360

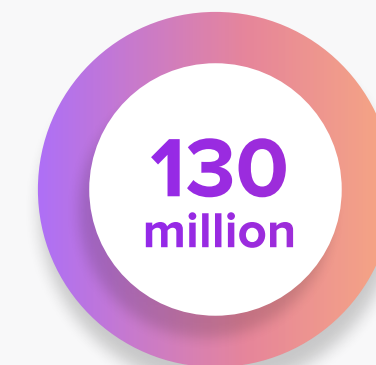


### INSTAGRAM

Instagram is all about visuals, making it a perfect place to implement social commerce, especially if you're selling apparel, accessories, beauty, health, and fitness products.

Facebook revealed that every month, 130 million people tap on an Instagram shopping post, and Instagram Checkout is now available for all eligible businesses and creators in the U.S. According to the Hootsuite “Social Trend 2021” report, 61% of marketers surveyed plan to increase their investment in Instagram this year.

With Instagram Shop, brands can curate a list of shoppable products that are directly accessible through the “View Shop” button on their Instagram profile page. Brands with Instagram Shop can also be featured on the Instagram Shop tab of the main navigation menu. Instagram shopping is already available for feed posts, Instagram Stories, Instagram Live, IGTV, and Instagram Reels.



Every month, **130 million people** tap on an Instagram shopping post

Source: Facebook



## PINTEREST

Pinterest launched shopping tools to boost social commerce. For example, they recently expanded their partnership with Shopify to 27 new countries, like Australia, Austria, Brazil, and France. More than 1.7 million Shopify merchants can now bring their products to Pinterest and turn them into shoppable Product Pins that are discoverable across the platform.

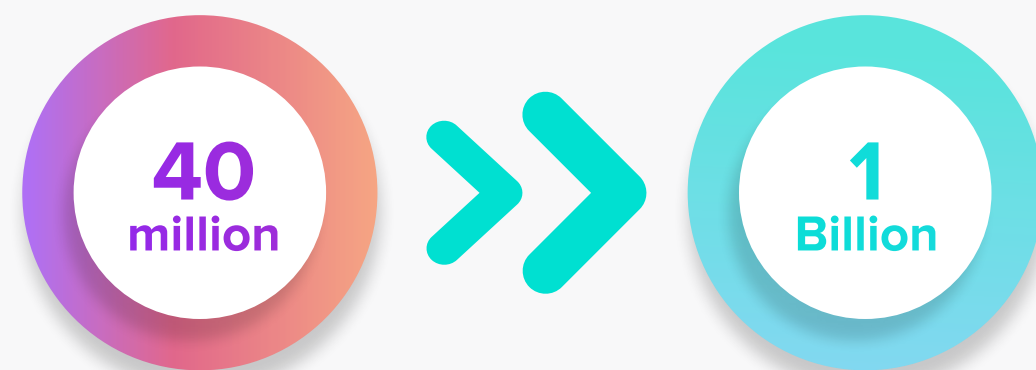
Pinterest also launched multi-feed support for catalogs, allowing businesses to upload their products in multiple product feeds within their Pinterest Business account.



## TIKTOK

As one of the newest social channels, TikTok offers content creators a platform to drive creativity and entertainment. In just 2020 alone, the app jumped from 40 million monthly active users to over 1 billion users of all different ages and backgrounds, making it the fastest-growing social media platform of all time.

TikTok offers brands commercial-quality advertisements with a much smaller price tag. Your brand can invest in both self-service offerings as well as services with TikTok's sales teams. There are also opportunities on TikTok for community building, brand discovery, and collaborations with content creators and influencers.



In just 2020 alone, the app jumped from **40 million** monthly active users to **over 1 billion users**



## SALSIFY

It's time to get started on your product page strategy. Request a guided demo of Salsify Commerce Experience Management (CommerceXM) to see how it could help you advance your product page strategy and build the best product experiences.

[Request Demo](#)