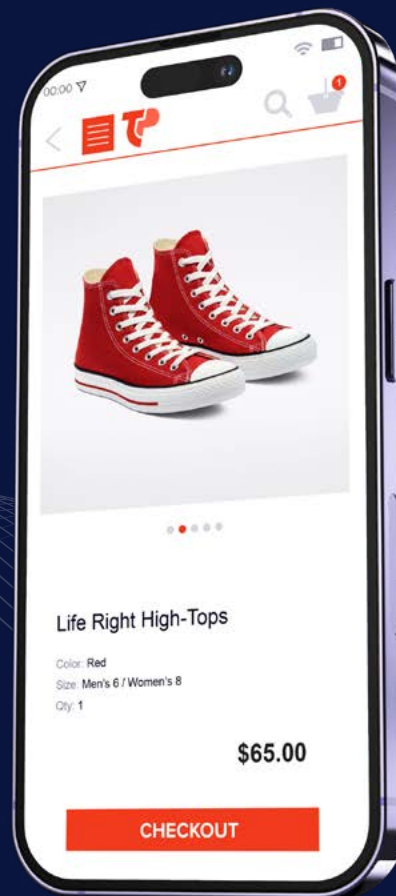


# DIVING DEEPER FOR SOCIAL COMMERCE SUCCESS

What brands are missing and how to get it right



# Introduction

For decades, the mall was our town square; consumerism – even pop culture – revolved around how we spent our time there. Whether we were trying to be Cher from *Clueless*, we absolutely *needed* the newest Jordans, or we just wanted to window shop, we had to physically get in our cars and drive to the mall. We were just getting started with accessing the internet on our phones and could not have imagined how social media and digital commerce would grow over the ensuing decades.

Today, we're merging the two worlds together to create social commerce experiences on every device and social platform. But there is still so much to discover.

Social commerce is more than putting marketing dollars behind shopping ads or partnering with the latest influencers, and – we know this is hard to believe – it's even bigger than trending on TikTok. And when we say bigger, we mean there's much more to social commerce that you may not be considering. When most brands think about social commerce, what they're really thinking about are social shopping ads. While this is an integral part of social commerce, it's just the tip of the iceberg with a much larger foundation below the surface that needs to be put into place. Social commerce encompasses all in-app shopping experiences on social media.

Think about the experience of receiving a shopping ad by itself. You're being served an end-of-funnel tactic from a brand you may or may not know for a product you may or may not already be interested in. There's often a clunky user experience when social ads don't have a commerce solution and strategy to back them as potential customers jump from social apps to mobile sites, microsites, or even the app store to download a separate app to shop. And after all is said and done, if you don't have the right data strategy and platform connections in place, your brand can't collect the valuable first-party data that comes from online shoppers.

When you go beyond social shopping ads and build out a social commerce plan, it becomes part of a brand's larger commerce strategy that nurtures consumers all the way through the funnel, from product exploration and building trust to purchase. With the right technology in place, social commerce is built into a holistic commerce ecosystem. Consumers can make in-app purchases for seamless shopping experiences, while your brand also collects the right first-party data that will enhance their brand experience in the future. This will be especially important as your brand adapt to a cookieless future.

# If you see the iceberg now, don't panic.

Research proves that now is the time to start building your brand's social commerce practice. In fact:

**60%** of consumers say they are interested in making a purchase via social media.<sup>2</sup>

Social commerce sales will reach **\$79.64B** in 2025.<sup>1</sup>

**45%** of consumers say they are interested in joining a livestream event and 36% have already participated in one.<sup>2</sup>

And as the first truly digital-native generation, Gen Z is more likely to engage with seamless digital shopping experiences. This generation is growing rapidly in buying power and will consequently lead consumer expectations for social commerce. So, if your view of social commerce just expanded a bit and you see that there's much more below the surface to think about, that's great news. This is still an emerging practice across all industries, and this is the perfect time to prioritize it for your brand.

Not only is this the experience consumers are interested in, but having a solid social commerce practice in place shortens the customer journey. Previously limited to awareness and top-of-funnel tactics, consumers can now work their way down the funnel all in one social app for a faster customer lifecycle and revenue growth.

Unfortunately, that doesn't mean implementing social commerce is a quick process. The practices of social and commerce together are best leveraged as a complete enterprise solution, utilizing every facet of your business. While social commerce is still emerging in the marketplace, we're already seeing multiple brands around the globe perfecting their approach. So, let's get you started now for early adaptation and longevity.

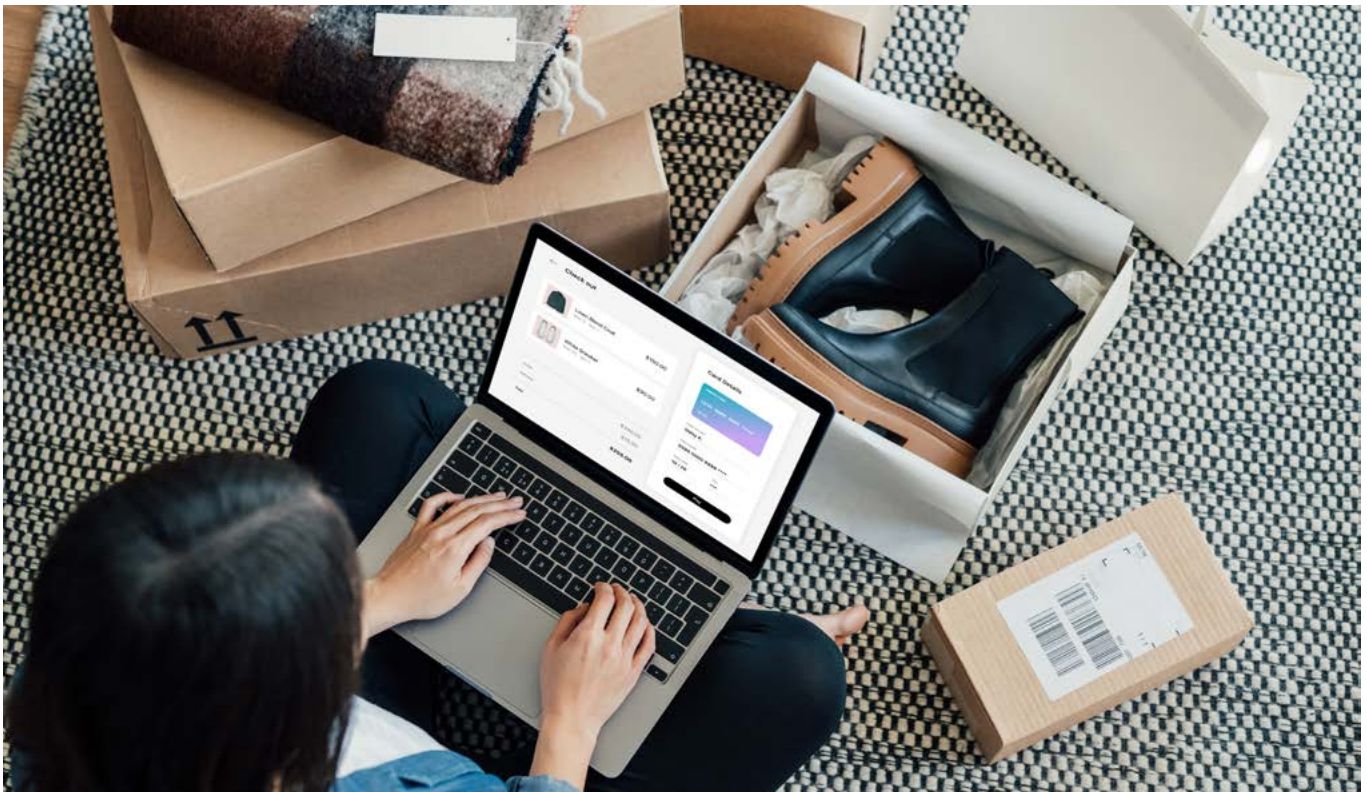
<sup>1</sup>"US Ecommerce Forecast 2021" eMarketer. May 2022. Accessed September 27, 2022.

<sup>2</sup>"Social Commerce Report," Mintel. March 2022. Accessed September 27, 2022.

# Quick wins are great. Lifetime loyalty is better.

Don't misunderstand; quick wins are a great way to dip your toes in the water and rally your team around small wins as you play the long game with social commerce. Your ads can show products or services to individuals who are searching for what you provide but may not have heard of your company. If you're linking to your website in organic posts, you are sure to get more traffic to your website. And, with a great social strategy, you'll see purchases come in as well. But there is much more revenue to be generated by doing the hard work of building a social commerce enterprise solution.

So, what exactly is an enterprise solution? This can mean many different things depending on the structure of your brand, and it's up to your team to determine that. But at a high level, a social commerce enterprise is an integration between experience creative and performance creative. It also requires your social, commerce, and customer care teams and technology to connect seamlessly.



When these teams and technologies connect, you create connected experiences throughout the customer journey. Instead of a one-off ad, consumers are introduced to your brand, they have avenues for product exploration and trust building, and they see shopping ads after you've already done the hard work to convince them why they should buy from you. If they have questions while shopping, or at any point after purchase, customer care is able to step in on the same platform they've already been using, meaning getting help is fast and easy. Lastly, having the right enterprise strategy and tools allows you to take in feedback from consumers to build better products and brand experiences in the future, while also cultivating a brand community.

All of this combined will likely increase customer retention to foster lifelong brand loyalists. Because that's what we all want, right? We want to take a roadmap to our bosses and tell them exactly how to increase brand loyalty and revenue growth. While there's no such roadmap, learning where your organization falls on a social maturity curve can help you understand the three phases you'll most likely go through to build a social commerce enterprise.

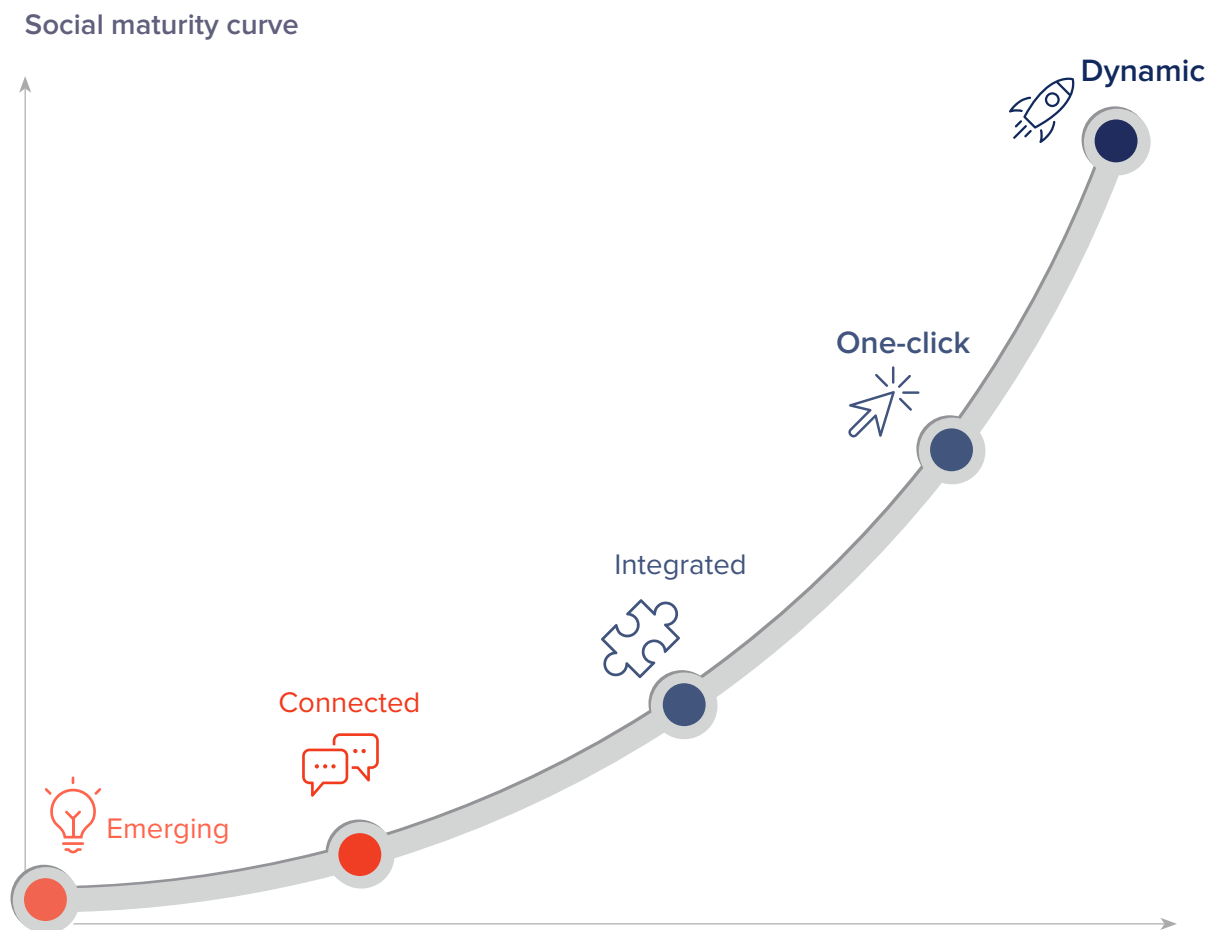
**A social commerce enterprise is an integration between experience creative and performance creative. It also requires your social, commerce, and customer care teams and technology to connect seamlessly.**



# Identify where you are on the social commerce maturity curve.

As previously mentioned, social commerce is still an emerging approach across all industries, so brands are all over the map with how sophisticated their programs are. However, most will see themselves in the first three sections. If your brand starts working its way up the curve now, it can still be early to market.

The following buckets can help you understand where you are currently and how you can climb up the social commerce maturity curve.



## Emerging

- Established organic social following
- Posts linked to website or product pages
- No integration between commerce catalog and social sites
- No influencers

## Connected

- Established organic following and paid social strategy
- Influencers are thought about or tested
- No integration between commerce catalog and social sites
- Customer care needs work

## Integrated

- Established organic following and robust paid social strategy
- Influencers are tested and activated
- Integration between commerce catalog and social media sites exists
- Products regularly tagged in social and paid posts
- Products are shoppable through links to ecommerce website

## One-click

- Established organic following and robust paid social strategy
- Integration exists between commerce catalog and social media sites
- Influencers are regularly used and critical to performance
- Products regularly tagged in social and paid posts
- Products are shoppable and consumers can check out through one or more social platforms

## Dynamic

- Established organic following and robust paid social strategy
- Integration exists between commerce catalog and social media sites
- Products regularly tagged in social and paid posts
- Influencers host live shopping events and tag shoppable products
- Products are shoppable and consumers can check out through one or more social platforms
- Organic livestream shopping events are held and utilized for paid marketing

As you begin to think about working your way up the maturity curve, it's also important to consider what different social platforms offer, as well as their limitations. Utilizing the right platforms involves balancing where your audience is and the capabilities each social platform offers.

Now that you know where your brand stands, it's time to talk about how you can get to where you want to be.

# Build a social commerce practice in three phases.

When social commerce started trending for retail and consumer goods brands, social and commerce experts came together to hash out the best way to merge the two practices together to build a brand community and drive revenue. This three-phase framework is where the hard work comes in to build an enterprise solution.



A three-phase framework, comprising a technical audit, social commerce strategy, and social commerce activation, is where the hard work comes in to build an enterprise solution.





## PHASE ONE: Technical Audit

Your brand's tech stack and its capabilities are the biggest determinants for its position on the social commerce maturity curve. While you may work with each part of the tech stack on a regular basis, it's important to map out exactly what platforms are being used, what they are used for, and what their full capabilities are (even if you aren't currently using all of them). Laying this out will not only make it easier for you to understand how your tech stack is being used, it will also help you communicate where you are and where the brand needs to go with your CIO, CEO, and others.

The biggest takeaway from your technical audit should be how your brand can enable consumers to skip the traditional checkout process on social. Determine what steps you need to take so consumers can use integrations like ApplePay, GooglePay, ShopPay, and more to make in-app purchases seamless.

Here is a list of capabilities that are also required for a social commerce enterprise solution and questions to ask yourself as you work through an audit of your tech stack.

- **Catalog and inventory:** How do you best integrate your product data and inventory with social sites?
- **Cart, checkout, and order management:** How will you seamlessly integrate social checkout with your back-end systems?
- **Post-purchase and customer care:** How do your customer service team, transactional communications, chat, order tracking, and returns integrate with social media?
- **Influencer technology:** Do you have the right technology available to find and work with influencers and creators?
- **Merchandising and operations:** Is your team set up to successfully operationalize your social commerce strategy?
- **Measurement assessment:** Is your analytics tool suite set up to capture and attribute social commerce transactions? Do you have a live dashboard? How often are you reporting?

## 2 PHASE TWO: Social Commerce Strategy

You already have an organic social strategy in place, so now the question is, how do you make your page and profiles shoppable? And then how do you incorporate paid media to drive conversions? These questions are answered as you develop a social commerce strategy that is specific to your brand goals and your different consumer audiences.

Below are items to consider as you identify the best way to develop a cohesive social commerce experience that is personal to each consumer's shopping and product preferences.

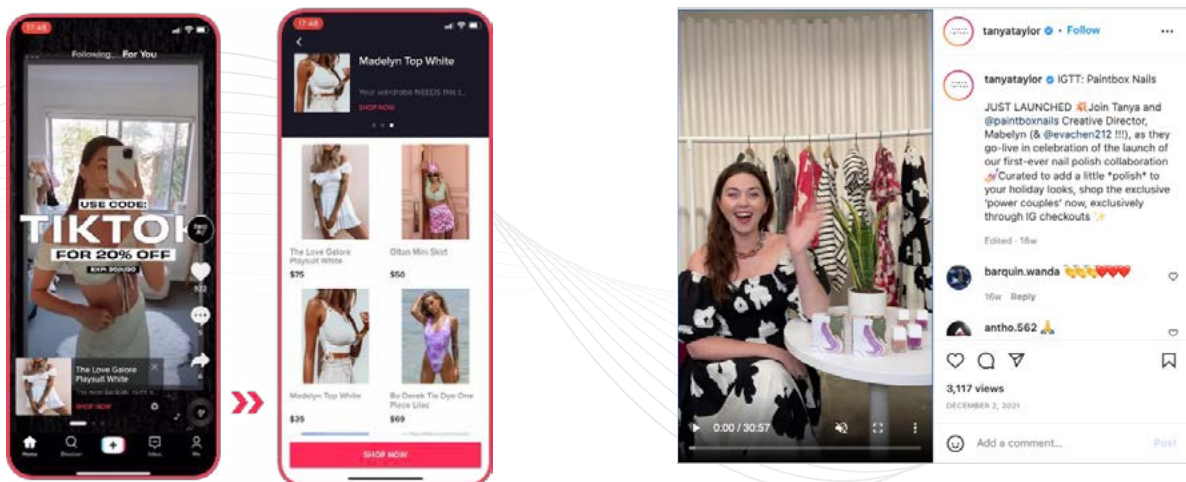
- **Identity assessment:** Once the technical audit is complete, identity characteristics from an identity resolution platform, such as [Merkury](#), can be used to develop the social commerce strategy.
- **Social strategy audit and opportunity assessment:** A critical readiness assessment of social commerce channels, branded content, customer engagement, and social listening to identify the right social commerce opportunities.
- **Paid media audit and strategy:** Audit paid ads against social commerce goals and objectives, plan media, and utilize connected social commerce functionality to ensure proper conversion and attribution.
- **Influencer strategy and planning:** Identify the best influencers to activate against social commerce goals and objectives.
- **Community engagement and UGC strategy:** Assess community engagement readiness in tandem with customer care technology applications to ensure a great user experience, while also identifying the proper protocols to call for and utilizing user-generated content in paid and organic social.
- **Creative audit and campaign planning:** Plan fresh creative content to connect with customers and drive purchase consideration.

# 3 PHASE THREE: Social Commerce Activation

Once you have a clear strategy in place, the next phase is to determine the logistics of how to deploy your social commerce program. Build action plans around some of these most common and impactful tactics:

- **Product tagging, shops, and checkout:** Create, post, and tag content that converts while proving ROI through proper attribution.
- **Connected paid social and organic campaigns:** Ensure that paid social campaigns and organic social content complement each other and provide value for followers with an eye toward conversion.
- **Connected influencer campaigns:** Ensure that influencers are creating exceptional content that converts on owned, paid, and influencer channels.
- **Synchronous shopping experiences:** Create live shopping experiences that drive buzz and inspire quick, emotional purchasing decisions.
- **Augmented reality and live event activations:** Create unique opportunities for followers to become advocates through unique experiences IRL or through technology.

As you develop content for social commerce activation, keep in mind that each social platform has different capabilities, advantages, and trajectories.



## Social commerce capabilities by platform

f	Instagram	p	TikTok	SN
Brand shops	Product tagging on ads & organic posts	Virtual try-on	Shop tab	AR lens capabilities: Virtual try-on, 3D body scanning tech
Facebook Live	Shop tab	Shoppable pins	Collection Ads	Brand profile videos
Live shopping	“Drops” tab (limited edition/hype products)	Shoppable tab	Shoppable links	Shoppable product catalogues
	Ads in Shop tab	Product tagging	Livestream events	Bitmoji clothing for avatar
	Affiliate links	Product tagging	TikTok Checkout in Beta	Snap Trends
	Live shopping	Livestream		Sponsored by tags
	Instagram checkout			

When phase three is complete, it's time to optimize your social commerce plan. What's going right for consumers? Where are the hiccups in your back-end systems to complete product fulfillment? How can the front-end experience get smoothed out or how can you remarket similar products?

# Conclusion

As with most market trends, it's important to start somewhere. And while social commerce is still considered emerging, the future is coming faster than you think. Like 2025 or sooner kind of fast. But it takes time to build an enterprise solution and connect each facet of your business to combine social and commerce into one practice, so it's wise to start thinking about how social commerce can work for your brand now. Once you understand where you are on the social maturity curve, you can lay out a plan of attack with the tech audit, social commerce strategy for your specific brand, and social commerce activation – and you can build from there.



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