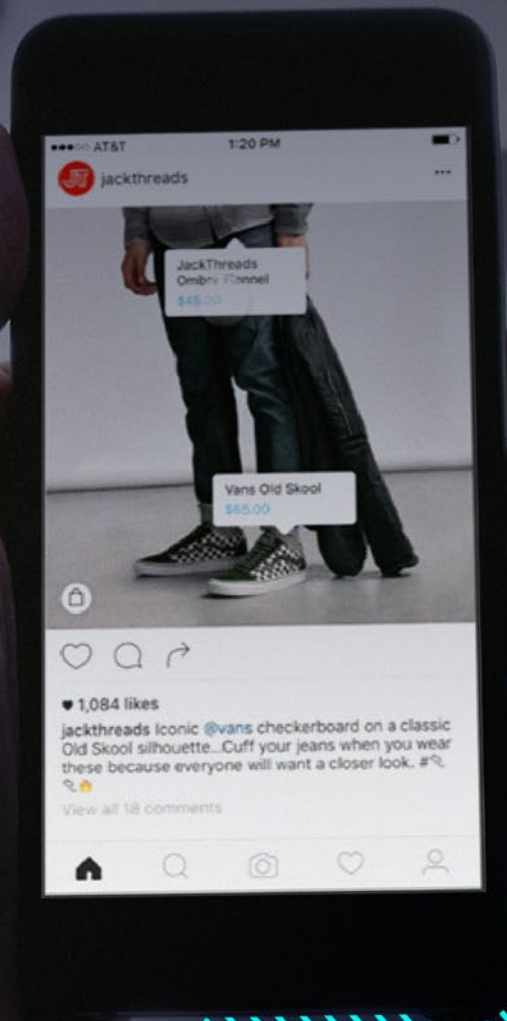


SOCIAL COMMERCE:

The Web's Next **Big** Thing



Quickfire
Digital

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The Dawn of a New Era

The digital world never stands still. After the e-commerce explosion of 2020, attention has quickly turned to the next phase of online evolution: social commerce.

Until now, the term has encompassed the entire practice of using social media to drive sales – so everything from creating shops to advertising to using influencers to promote products.

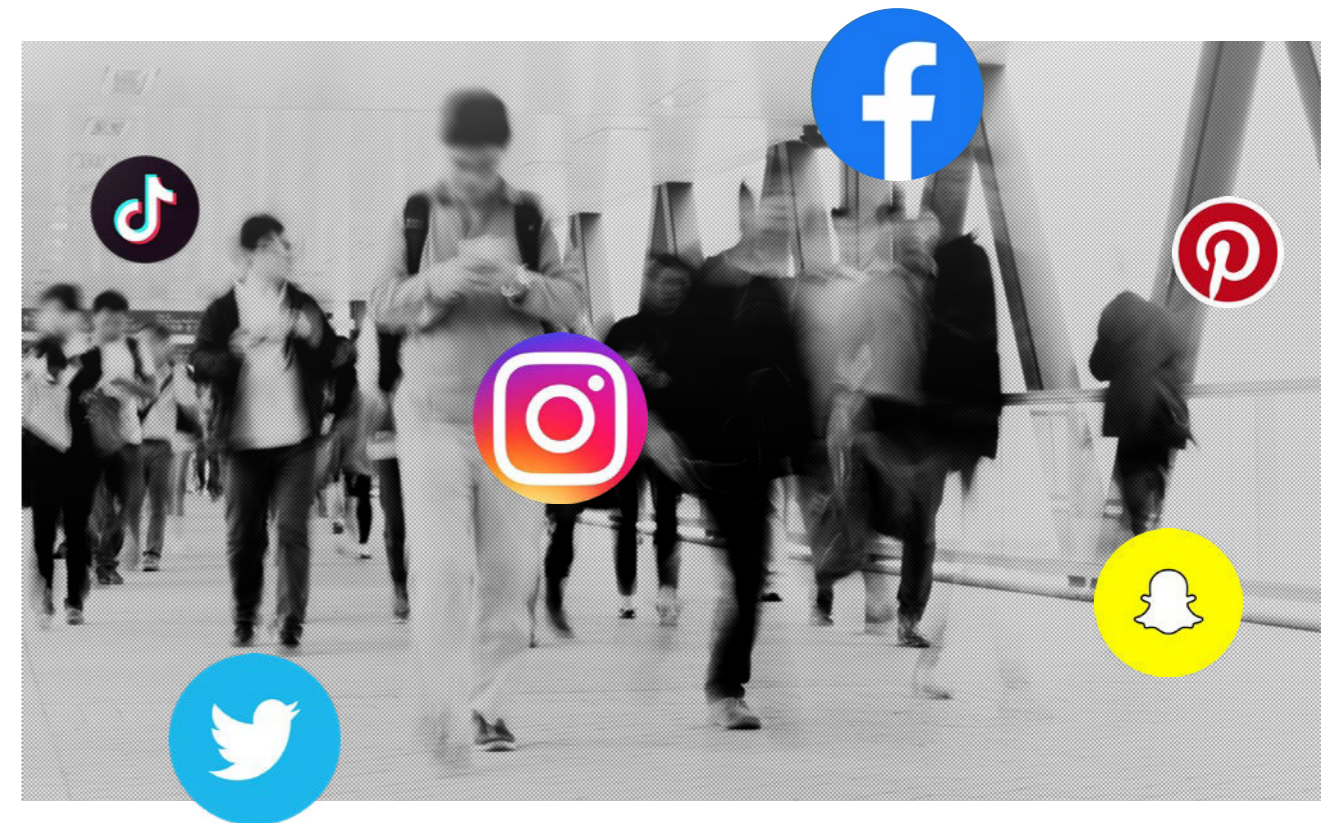
But social commerce is being redefined as the major platforms seek to take advantage of the seismic shift to online shopping.

It's not about tactics to drive traffic to websites from Facebook; it's not about using an influencer to shout about a new product on TikTok.

Now, it's about selling directly on those social media platforms.

Capturing people as they scroll through their feeds, chat to friends, and check out their favourite content creators.

No need for a few more clicks to buy from a website; not even a 'buy from our website' button. Simply tap to buy the product which catches your eye and carry on scrolling.



This e-commerce variant has been commonplace in China for years, and **its time has arrived in the west.**

Facebook and Instagram Shops are available to create in the UK, a select group of brands are selling directly on TikTok, and Twitter, Snapchat, Pinterest and YouTube have their own plans in place.

The competition is hotting up, the platforms are vying for attention and customers can prepare for a whole new sales experience.

Social commerce is all set to be the web's next big thing – and this is just the beginning.



What the big platforms are doing

The big social media players are gearing up for their assault on social commerce, but where are they and what are their plans?

Tired of their users turning to Amazon to buy what they've seen content creators wearing or promoting, social media companies are desperate to keep people on their platforms for as long as possible.

We've collated the latest information regarding the seven leading platforms to help you plan for your own assault on the world of social commerce.



Number one on our list for how it's developing its platform for direct buying, and the speed at which it is growing.

By the end of 2020, the TikTok app had been downloaded 2.6 billion times and it has more than 1 billion monthly active users worldwide.

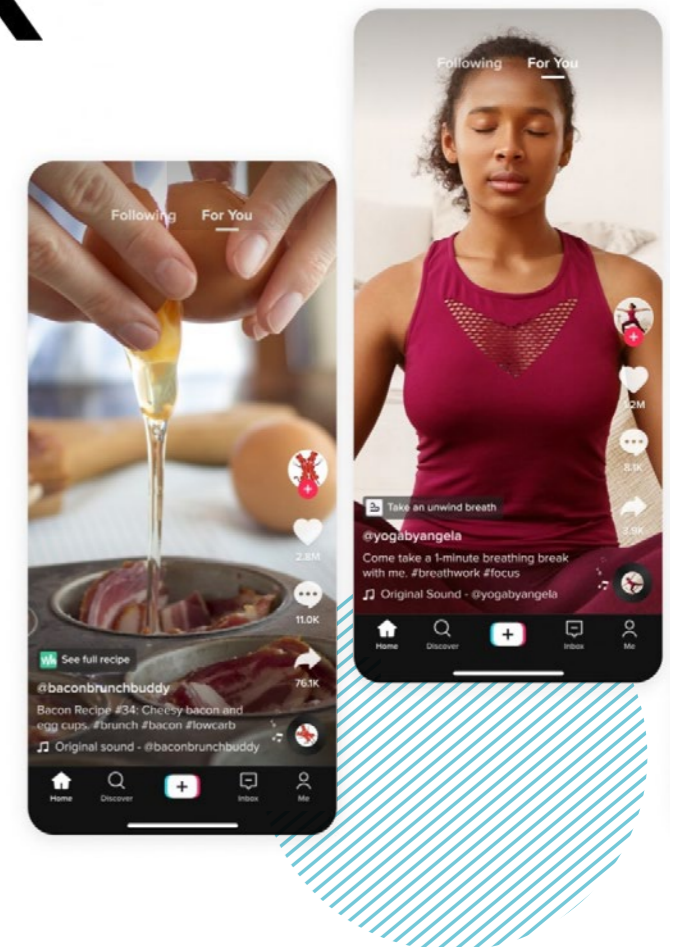
It has been busy conducting trials and building partnerships in readiness for a significant push into e-commerce.

In the US, in December 2020, TikTok launched a shoppable livestream capability under a new partnership with Walmart.

During a one-hour livestream, customers were able to shop for Walmart fashion items featured by 10 TikTok creators, without having to leave the app.

In February 2021, it announced an enhanced partnership with e-commerce platform giant Shopify through Europe and the UK. This allows merchants to create in-feed shoppable video ads for TikTok directly from within Shopify.

In June, as part of its ongoing pilot project, TikTok announced it had partnered with cosmetics brand L'Oreal to allow shoppers in the UK and Ireland to buy NYX Professional Make-Up and Garnier products directly from the TikTok app.

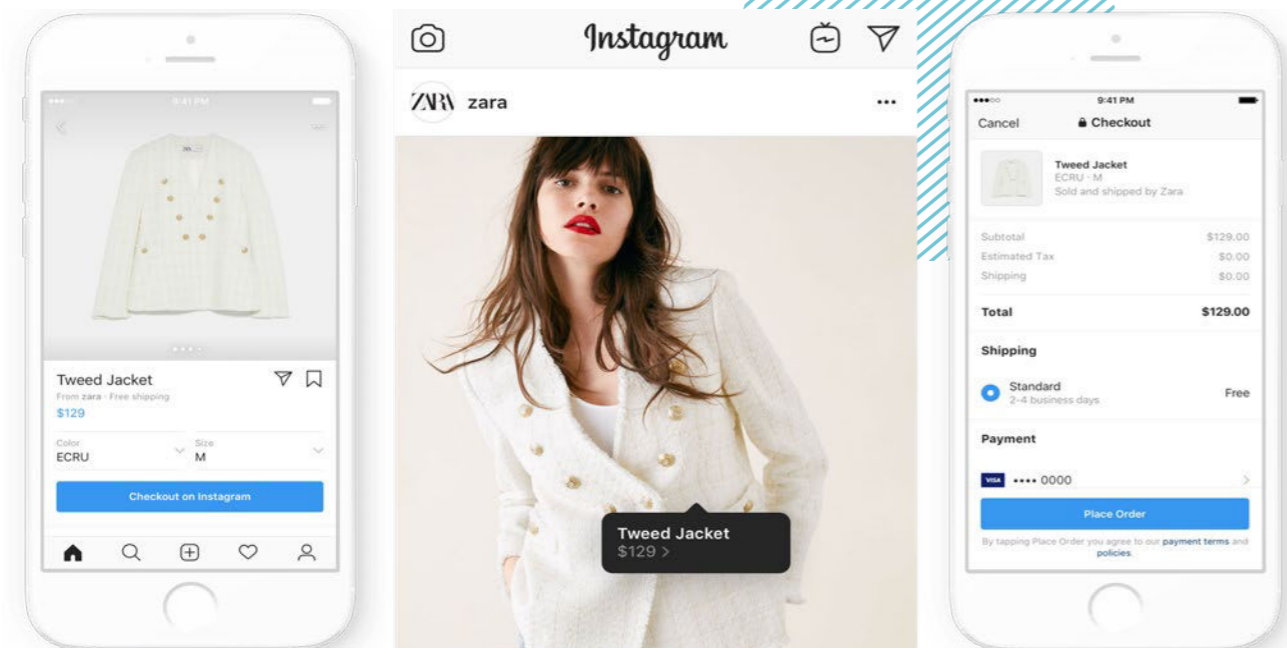


In August 2021, Shopify and TikTok announced a new shopping function to allow merchants to sync their products on to the social media platform.

And in September, Leeds United became the first football club anywhere to begin selling directly on the platform.

TikTok is the social commerce front-runner and its algorithmic ability to showcase smaller creators alongside big brands make it appealing to all and the one to watch.

Instagram



Another platform with more than 1 billion monthly active users, Instagram is also busy testing new functionality.

In late June 2021, it began testing its in-app checkout capabilities in the UK. This will allow users to buy products without leaving the app by using Facebook Pay.

The test is being run with just 10 businesses, including women's fashion brand Oh Polly and trainers store size?

The shopping feature has been in place on Instagram since 2018 but the 'View Shop' button on brand account pages ultimately leads to a visit to their website.

Instagram users can prepare for this to change in the near future.

The company doesn't have a timeline for when other businesses will have access to Instagram Checkout as it says it wants to go through a test-and-learn phase.

With more than 500,000 active influencers on the platform and its Reels and IGTV features – which allows creators to showcase short-form and long-form videos respectively – Instagram certainly has everything in place to be a social commerce leader.

facebook



They've got Marketplace and Facebook Shops but because of the way the platform's user experience has been built, **it doesn't lend itself to product discovery and promotion in the same way as TikTok or Instagram.**

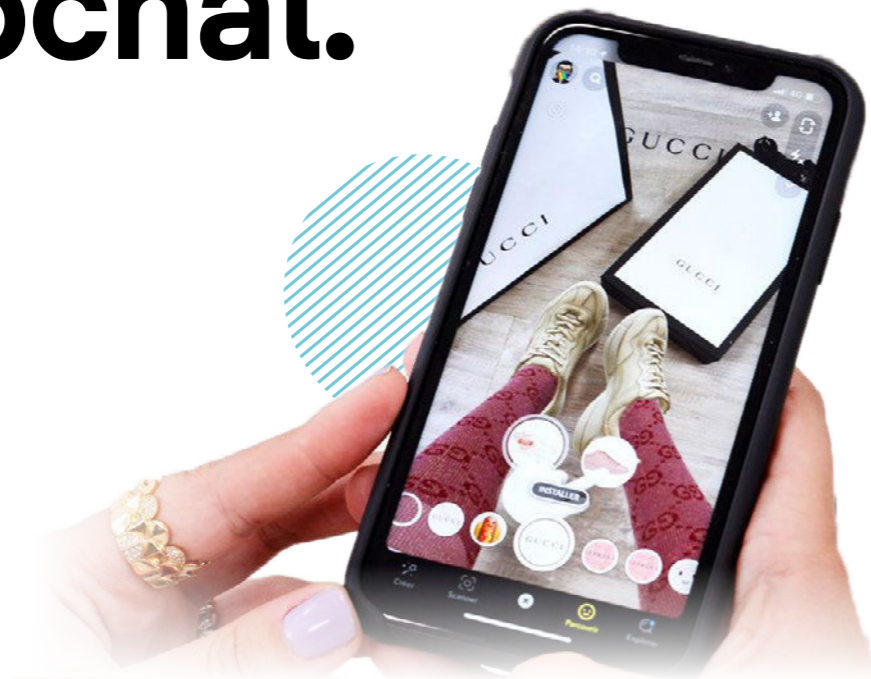
Shops has made a lot of noise – and it was finally rolled out in the UK earlier this year – with Facebook championing it as a sort of saviour for small businesses, but the jury is still out on whether this will be a big sales driver.

Facebook clearly sees content creators or influencers as being the key to social commerce – after all, it's offering huge sums of money to people to do their work on its platform.

But Facebook and influencers doesn't seem to be a match made in heaven and it would take something akin to a miracle to persuade the quickly growing number of TikTok stars to switch allegiance.

Facebook advertising is still arguably the most powerful weapon in its arsenal while Facebook Pay is now also available to process payments and would seem a logical tie-in with Shops, should they take off.

Snapchat.



A quiet contender, Snapchat appears to be putting the majority of its eggs into the augmented reality basket.

Its popular Lenses functionality allows users to try on products, using AR technology, and the platform clearly sees this as its differentiator.

Tied to this is their purchase of Fit Analytics, the deal going through earlier this year. Fit Analytics' main product is Fitfinder which helps customers choose the right size when purchasing online.

Snapchat also bought Screenshop, which allows users to scan their friend's clothes or upload a photo of a product, and be presented with a host of recommendations, from hundreds of brands, based on the image.

The platform has described it as having a 'personal shopper on your phone'.

They have also acquired Vertebrae, which helps brands create digital 3D versions of their products.

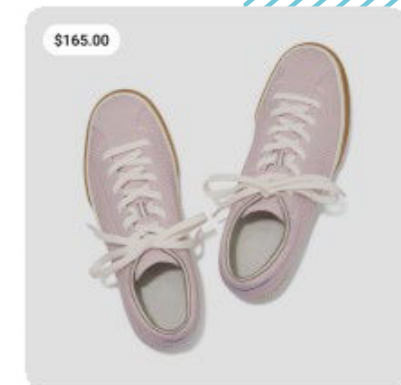
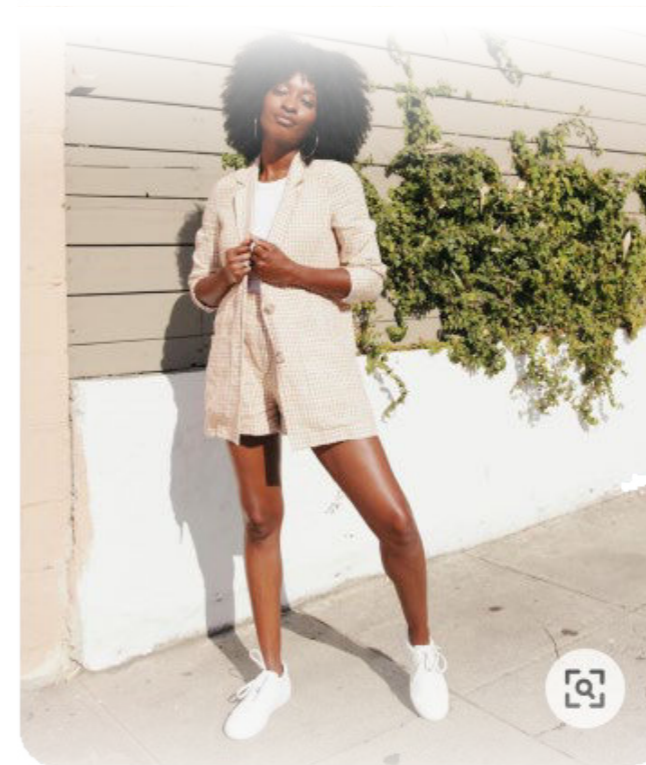
Only recently, Snapchat announced a partnership with luxury site Verishop to bring a fashion and beauty catalogue to the platform. Products can be tried on through AR and then bought directly from feeds.

Fair play to Snapchat. They haven't got the numbers or influencers of Instagram or TikTok and so are creating a different shopping experience.

It's a fantastic example of having a clear proposition to consumers in a crowded market.

Just as with TikTok, Shopify merchants are able to create ads on Snapchat without leaving the Shopify system.

Pinterest



Pinterest is putting its stake in the ground as the platform for inspiration i.e. the place to get new ideas.

Product pins can be created to highlight that they are shoppable and lead users to merchants' websites.

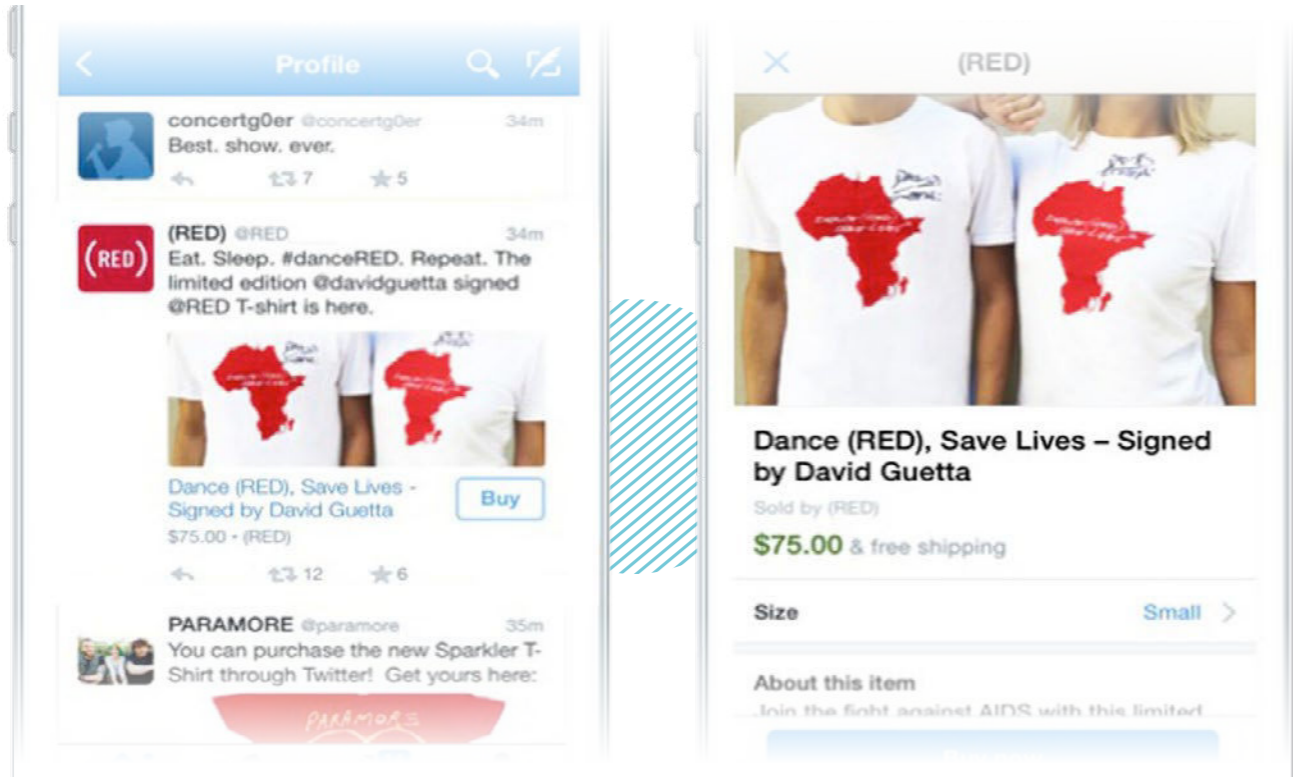
They feature up-to-date prices, availability and product title and description from a brand's website. Businesses need to sign up to the Pinterest merchant list to access this feature.



An enhanced partnership with Shopify has made this process much easier to complete.

Last year Pinterest added augmented reality functionality for make-up products and it has introduced a shopping list which brings all product pins together for users to review.

twitter



Not wanting to miss the party, Twitter has been running a series of trials and users will soon see in-stream product listings which will allow them to buy directly from their feeds.

A new 'Purchases' tab will appear in user profiles and Twitter realises it has to get serious about social commerce.

The big question centres around whether Twitter users are a) in the mood for e-commerce and b) will buy direct.

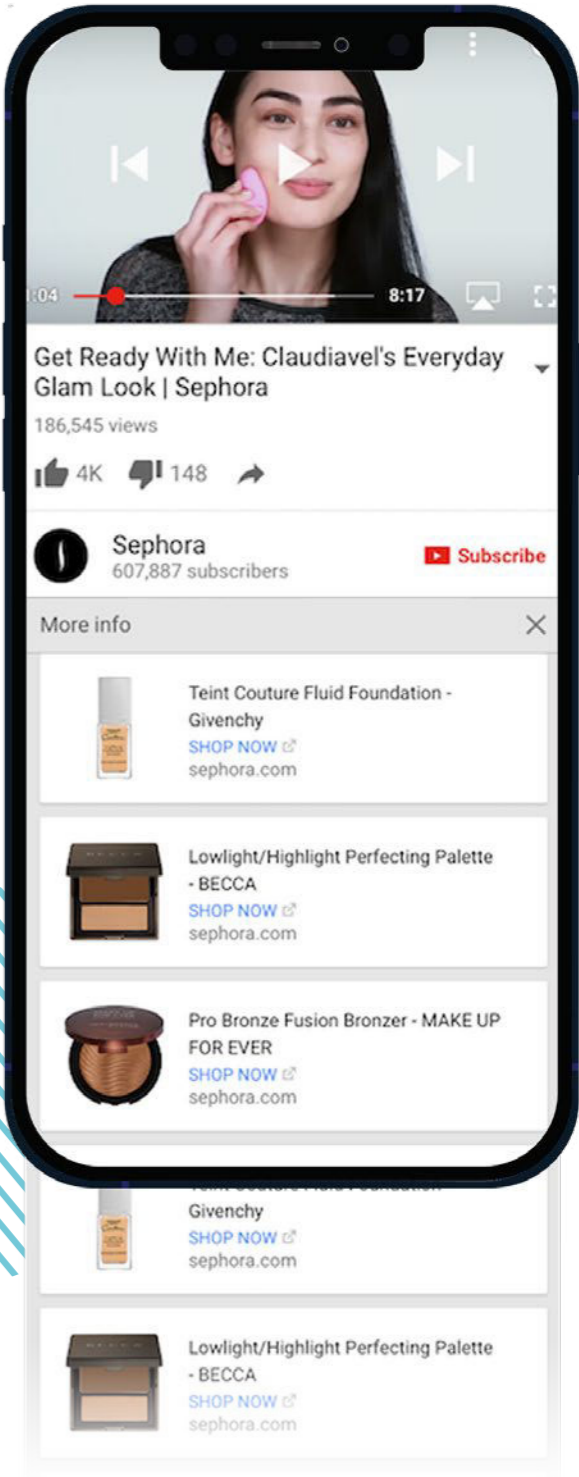
It feels as if the platform is going to think seriously about what it can offer to its user base which is unique to lure them away from other platforms.

YouTube

The original influencer platform is testing new shopping functionality on a limited number of videos.

Creators taking part in the trial can tag products and viewers will then be able to buy them using a shopping bag icon on-screen.

We've all noticed rather indiscreet product placement in movies and series so this is a natural progression and puts the giant name of Google in the social commerce space.





Live Shopping

Social commerce is predicted to change the face of online shopping – and live shows are going to be a primary driver.

The transactional element is just one part of the equation – and, by itself, wouldn't take advantage of what social media offers.

Let's look at the structure of online as it has been built over the last few years.

E-commerce, to this point, has been transactional. Brands have focused on driving traffic to their websites and improving conversion rates in order to increase sales.

Social media has been used for brand and community building, providing customers with an easy way of interacting with their favourites.

Enter influencers. Building followings, they are bridging the gap between customers and brands. Now, those three worlds are coming together with the advent of live shopping.

THE CRAZE IN CHINA

Live-streaming commerce has not just taken off in China; it has exploded. It grew by 160% in 2020 and is set to grow by another 85% in 2021.

Generating very nearly \$300 billion in sales, if the Chinese live shopping influencer community was a country, they'd be the third largest e-commerce market in the world.

But the western world is still playing catch-up – China's social commerce figures are 10 times what they are in the US – as it works out the best methods of delivering success.

THE CHALLENGES FACING LIVE SHOPPING

Buying from a live feed is hardly new. The QVC TV shopping channel was founded in 1986 and launched in the UK seven years later so it's been on our screens for nearly 30 years.

Unlike TV shopping channels, social media provides content tailored for you rather than having to sit in front of the TV for 24 hours. You have control over who you choose to watch.

But social media doesn't have a completely clean rap sheet. One of the biggest challenges might come from the lack of trust from consumers about how their data might be used.

A recent survey revealed that, while the UK is the most digitally advanced country in Europe, there's still a big trust issue around the use of personal data.

44% of survey respondents suggested they didn't fully trust digital services, and they plan to scale back their digital usage because of this.

NEARLY
\$300 billion
generated in sales

Facebook has been embroiled in high-profile data sensitivity cases such as the Cambridge Analytica scandal while Netflix documentary The Social Dilemma highlighted the level of control tech firms have over us.

Users love following their favourites and consuming their content, but there are questions around whether they completely trust the platforms themselves.

And then you bring bank details into the picture. Suddenly, any concerns are taken to another level.

So social media platforms have work to do to prove they have the best interests of their users at heart.

But they clearly see live shopping as a way of breaking Amazon's e-commerce dominance – and a slice of that pie would be very welcome for them.

THE LIVE SHOPPING EXPERIENCE

For many people, shopping is much more than a set of practical transactions.

It's fun, something to be enjoyed with others, and a positive shopping experience lives long in the memory.

Experiential marketing is a long-held tactic and its transition to online dovetails perfectly with live shopping. This is the key to getting live shopping right.

It needs to be enjoyable and entertaining, and it's why content creators will be at its heart.

Social media platforms are already providing live shopping functionality, although some of it is limited to the US at the moment, while specific software solutions are beginning to emerge.

One of the names making waves in this area is Bambuser. It integrates with the likes of Shopify to offer live video feeds directly on your website which can be cast to Facebook and YouTube.

We've also seen the beginnings of live shopping through your TV, with ITV providing the option to buy products seen in its Love Island reality show.

Then, there's 'squad shopping' – bringing friends and family together online in an attempt to replicate the social experience.





04

Practical steps for you to take

Sold on social commerce? Ready to tackle live shopping? If this sounds like a logical next step to grow your business, what are the practicalities?

The first recommendation is as clear as they come: build your e-commerce website on Shopify. You'll sell more, and your life will be made so much easier.

Integrations with social media stores are made simple, removing the need to create multiple product feeds for different platforms.

If you want to benefit from greater access to Shopify's strategic support, need help automating back-office tasks and want more freedom over the checkout experience, upgrade to Shopify Plus.

FACEBOOK AND INSTAGRAM SHOPS

Firstly, you need to have all of your Facebook and Instagram ducks in a row. Obviously, you need to have live business pages and you need to have set up Facebook Business Manager. Also make sure that you've enabled the shop section.

Within Shopify you need to add the Facebook channel:

- From your Shopify admin, click the + symbol next to sales channels
- Click + next to Facebook, and then click update sales channel to install the Facebook channel
- Click start set-up on the feature that you want to install first (Facebook Shop, Instagram Shop or Facebook Marketing)
- Click connect account
- Sign in to your Facebook account
- Connect the required Facebook assets to set up your chosen features
- Accept the terms and conditions
- Click finish set-up.

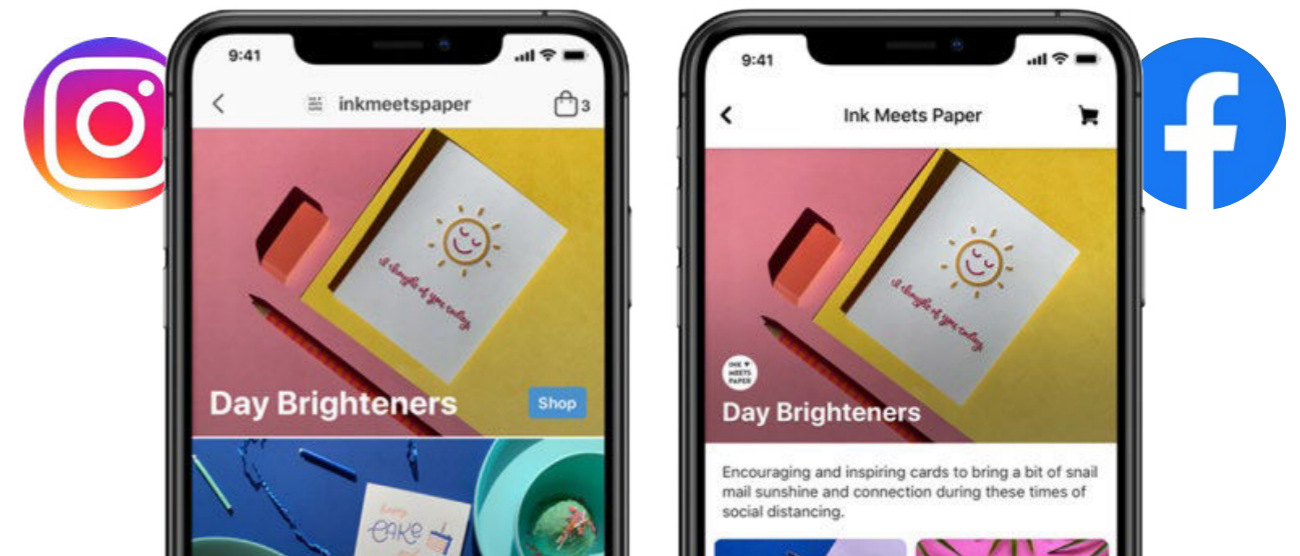
Once you've gone through the registration process, Facebook will hold a review and this can take a day or two. You'll get notification within your Shopify admin.

You'll then need to make products available for the Facebook or Instagram shop.

- If you already have products in your store, click make products available to go to the products page in your Shopify admin
- Click the product you want to make available to Facebook channel
- In the product availability section of the product details page, click manage
- In manage sales channels availability, check Facebook, and then click done and save.

If your product still isn't appearing on your Facebook shop, you may not be meeting the product requirements so ensure you've made the necessary changes.

You don't have to sell your entire catalogue on Facebook and you can easily hide products from the channel if you need. It's also worth mentioning any changes to product information will automatically sync to your Facebook catalogue.



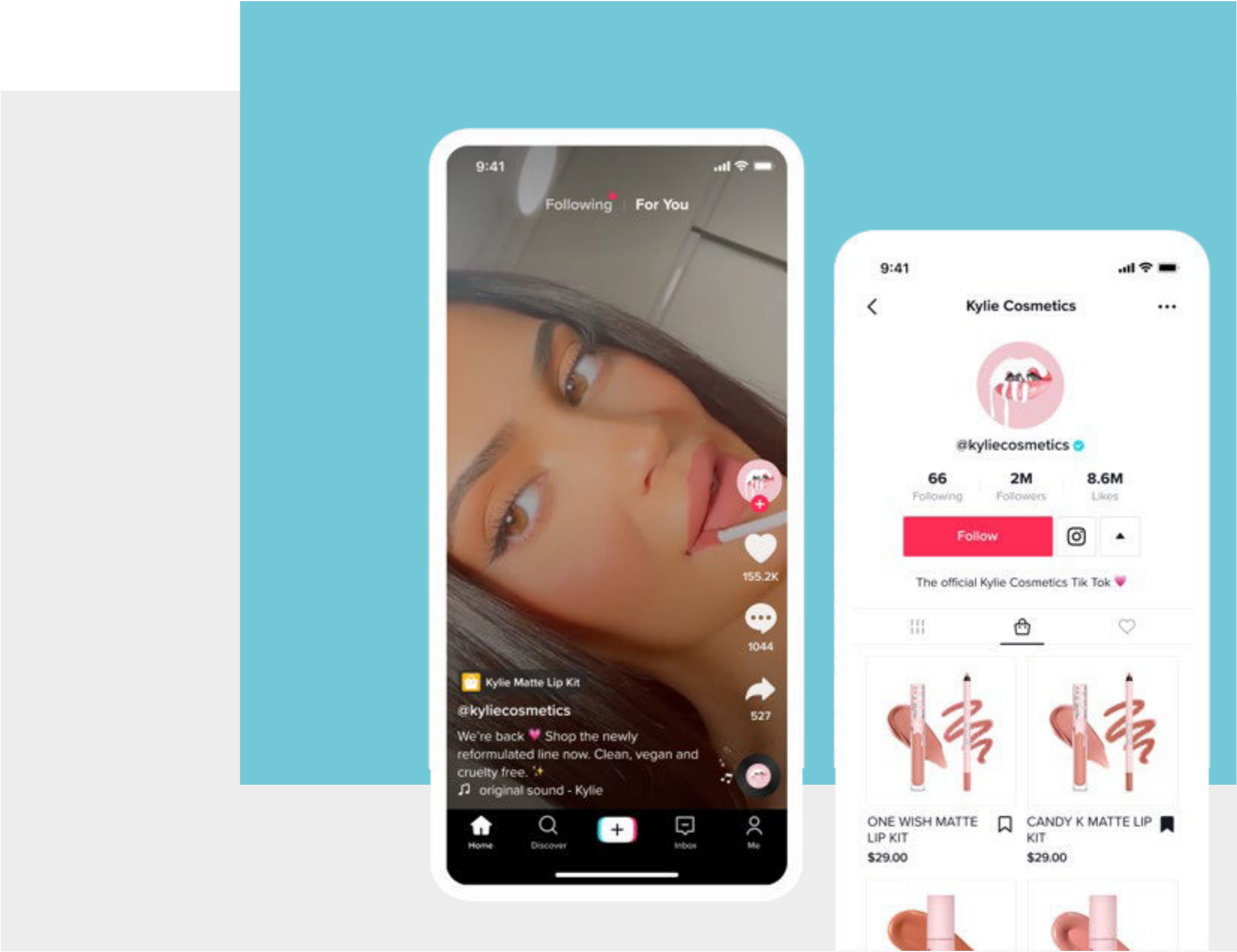
TIK TOK SHOPPING

The relationship between TikTok and Shopify is deepening and merchants in the UK and US can now sign up to create a mini storefront on the growing social media platform.

Brands will need a TikTok for Business account and they can request access to the shopping pilot via Shopify's TikTok channel. The TikTok app is free to install.

Those taking part will be able to add a shopping tab to their TikTok profiles and sync their product catalogues through Shopify.

The Shopify app store also includes the Snapchat Ads app and the Pinterest app, where you can upload your product catalogue and publish pins for items you sell.





Implementing the omnichannel approach

The term omnichannel is now widely used but not necessarily understood; or at least merchants are unsure how to activate this approach.

Omnichannel pretty much means being everywhere your customers are: in-store, on your website, in your email database, in their social media feeds.

This doesn't mean that your brand necessarily needs to be selling to customers across each channel but it does mean that you need to be considering how to utilise them all to best effect.

A shining example of how omnichannel can be put into practice is the superb Gym+Coffee brand.

The Irish athleisure company has physical stores across southern and Northern Ireland and the north of England but they do much more than just sell products.

The company refers to its shops as 'clubhouses' and the aim is to use them to build communities. Numerous events are held in them so they are much more than just well laid-out shops.

The brand's website does its e-commerce thing while social media accounts build brand awareness and ongoing engagement.

And their go-to for communicating with customers across channels? Good old email. It's the most effective method, says co-founder Diarmuid McSweeney.

To hear more from Diarmuid about how Gym+Coffee is building its empire using the omnichannel approach, click the video below.

