

# Social commerce is on the precipice of a 'return to basics' for advertising and a major shift for search

Article

Commerce isn't driving revenues for social media platforms the way the platforms once hoped. That's what our analyst Jasmine Enberg predicted during the keynote session of our **"Attention! Trends and Predictions for 2023"** event.

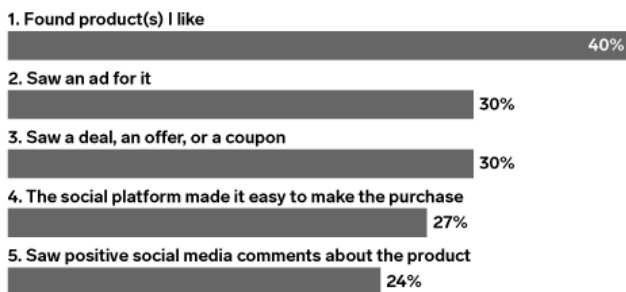
But social shopping is not ending. "Social commerce in 2023 will be defined more by a return to basics," rather than experimentation, Enberg noted.

### What are those basics? Ads, ads, and more (creative) ads.

- The No. 2 biggest reason for US social media buyers to purchase is in response to seeing an ad, according to our data.
- "Ads will be the primary driver of social shopping and sales," said Enberg. That's in contrast to platform innovations, which haven't really caught on because consumer behaviors can be difficult to change.

#### Top 5 Reasons US Social Media Buyers Made Their Most Recent Purchase on Social Media, June 2022

% of respondents



Note: n=846 ages 18-76; respondents selected up to 3 responses  
Source: Insider Intelligence, "US Social Commerce and Digital Trust Survey 2022," Sep 2022

278693

InsiderIntelligence.com

"People are still clearly using social media to discover new products, discover new brands, [and] connect with influencers," and more, Enberg observed. But even after clicking through ads, consumers aren't keen to adopt social media platforms' proprietary tools like checking out via Instagram or buying directly from livestream on Facebook.

**TikTok could be an exception—or at the very least, exceptional.** Four in 10 US users ages 18 to 24 start their searches on TikTok or Instagram, according to internal Google data.

**TikTok is well positioned for the next year of social commerce.**

- Rumors persist that the vertical video giant is **launching fulfillment centers** in the near future, which will help it attract more China-based sellers to the US, Enberg noted.
- Next year, we expect the platform to surpass Instagram in social buyer penetration and reach parity with Facebook, at 37%. That's up from 6% of users buying on the platform as recently as 2020.

**Strategic breakdown:** Social commerce is here to stay, even if many platforms' proprietary tools haven't stuck.

- There's no social media doomsday, just a shift in behavior. Meet consumers where they are (on TikTok, Instagram, and Facebook) with content they'll respond to (ads and influencer posts).
- Keep an eye on Facebook Marketplace, which Enberg said could venture into search ads as a "logical next step."
- Mind if we mention TikTok again? Young people are starting their searches there. Make sure your brand is there to meet them.

**Missed the "Attention!" event? You can rewatch sessions [here](#).**

*This was originally featured in the Retail Daily newsletter. For more retail insights, statistics, and trends, [subscribe here](#).*