

Social commerce updates from TikTok, YouTube, and more in Q2

Article

TikTok and Meta diverge on social commerce strategies, YouTube incorporates Shorts into ad campaigns, and Pinterest teams up with Wayfair on a data clean room test.

Here's what else has been going on in the world of social commerce in the second quarter of 2023.

TikTok is moving full-steam ahead with TikTok Shop

The platform **plans to quadruple the size of its global ecommerce business**, counting on its popularity in Southeast Asia, Western Europe, and the US to help achieve this goal.

Unfortunately, TikTok's massive US usership isn't translating into success for TikTok Shop.

- The platform is struggling to gain momentum as merchants remain reluctant to come on board.
- A core part of TikTok's plan relies on livestream ecommerce, something that has yet to take off in the US.
- "If any social app can make **live commerce and in-app checkout** happen in the US, it's probably TikTok," said our analyst Jasmine Enberg.

Where the platform may have more luck is with **visual search, which TikTok** is testing in non-US markets. US consumers are increasingly turning to **TikTok and other social platforms to start their shopping searches**, so it would be a smart move for TikTok to bring the feature stateside if the non-US tests go well.

Meta is still distancing itself from native commerce solutions

Instead, the platform is focusing on its ad business.

- The company **rolled out AR ads to Instagram Reels**, Facebook Reels, and Facebook Stories, providing advertisers with a more engaging way to connect with users.
- It also made some updates to Reels ads to make them more interactive and engaging, including a larger call-to-action button and a new watch and browse feature.
- **Meta began testing promotional ads** last month, which make it easier for users to find and apply discounts to their purchases.

By leaning into the ad side of social commerce, the platform is playing to its strengths (e.g., its large user base and strong relationships with advertisers) rather than trying to compete with TikTok for users' dollars.

Pinterest leans into customer data

Wayfair has signed on to trial Pinterest's data clean room technology. While not a pure social commerce play, it should help both companies more accurately target users and potentially boost purchases.

As part of its mission to make every Pin shoppable, Pinterest has added a **Travel Catalogs feature**, allowing travel brands to upload their products and turn them into dynamic Pins with pricing, images, and descriptions.

It also introduced a new solution called Premiere Spotlight, placing video ads on the search page, the first place users go to find new ideas.

YouTube plays defense with ad-skippers

It will soon debut **30-second unskippable ads** to videos watched on connected TVs (CTVs), as well as ads that appear when viewers pause videos (also on CTV).

YouTube is also leaning into the **popularity of Shorts**, adding new ways for advertisers to incorporate the videos into their campaigns. With this update, advertisers can add a video of 60 seconds or less alongside other assets. They can also use YouTube's campaign setup tools, which offer AI-driven features like automatically adjusting and optimizing landscape videos for vertical viewing.

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