

The future of social commerce from Facebook to Instagram to TikTok

Article

Next year, for the first time, more than half of US social network users will buy via social platforms.

But not all platforms are seeing equal growth.

- The number of US TikTok buyers will rise by 72.3% this year to reach 23.7 million.
- In contrast, Instagram will have 41.0 million buyers at 9.0% growth, and Facebook will have 63.5 million buyers at 11.9% growth.

“There’s never been as rapid growth” in the numbers of buyers as a proportion of platform users as there is on TikTok right now, said our analyst Jasmine Enberg on the “**Behind the Numbers: Reimagining Retail**” podcast. “In 2023, we are expecting the number of TikTok users who are buyers to be on par with the number of Facebook users who are buyers.”

Facebook (now Meta) bought Instagram a decade ago, and pivoted the photo-sharing app into an ecommerce platform.

- Instagram’s “really become a commercial powerhouse, particularly through the advertising tech Meta was able to port from Facebook to Instagram,” added our analyst Sky Canaves. But its ecommerce features never reached that same status.
- During the pandemic, Instagram set out to become a “one-stop shop,” for **social commerce** where users can browse, discover, and buy items all within the app, Enberg noted. While 35.3% of Instagram users will make purchases on the app next year, both Facebook and TikTok will outpace it at 37.0% each.

Why can’t Instagram keep up?

- “People don’t necessarily want to use a social platform’s proprietary tools,” said Enberg. Instagram didn’t account for how challenging it can be to change consumer behaviors. Not to mention “tons of trust issues” that have compiled at Meta over the last decade.
- Instagram’s ecommerce hiccups can also be attributed to “an external factor called TikTok,” according to Enberg. “We’re seeing that TikTok continues to rise through the ranks and really put pressure on these other platforms in terms of shopping behaviors.”

The clock app clocks in. TikTok takes a different approach as an ecommerce ecosystem that includes native shopping, payments, logistics, and fulfillment.

- The ByteDance-owned app’s commerce monetization is different at its core, following sister-app Douyin’s road map in China.

- Douyin already runs ecommerce fulfillment centers in China, operating like a retail company. Its rumored fulfillment centers in the US will help Chinese sellers get low-cost products to its young US consumer base faster.
- TikTok's US users are younger than Facebook's or Instagram's. That means their behaviors are more malleable, and they may be more receptive to shopping directly on TikTok.

Never discount the economic power of teens dancing in their bedrooms.

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