

Social commerce will stall at checkout

ARTICLE |

eMarketer Editors

Despite the hype, most US consumers won't make a purchase via social media in 2021. Discovery and consideration, rather than direct transactions within social apps, will remain key opportunities for brands next year.

"The major social platforms worked hard in 2020 to make social checkout happen," said Jasmine Enberg, eMarketer senior analyst at Insider Intelligence. "While there was already plenty of commerce-related activity on social media before 2020, it was mostly upper-funnel.

"As the pandemic elevated ecommerce adoption—and temporarily slowed social ad spending—Facebook, Instagram, and others quickly expanded their social commerce offerings to help drive conversions within their apps," she said.

We don't expect most users to check out on social in 2021, at least not regularly. In our June 2020 "Facebook Flash Survey" conducted by Bizrate Insights, only 18.7% of US social buyers said they paid for their most recent social purchase directly through a social app's checkout process versus 57.8% who completed the transaction on the retailer's website. Those figures likely won't change next year without the pandemic-related conditions that spurred much of the growth to begin with.

Social media will continue to shine (and grow), however, in product discovery, browsing, and consideration. New features like livestreaming shopping and shoppable ad formats from creators and brands will also help increase the number of customer touchpoints.

Here's what marketers should do:

- **Focus further up the funnel.** Social media's role in generating brand awareness and demand for products isn't going away. In fact, it will become only more important as media, entertainment, and marketing continue merging.
- **Experiment.** New tools mean new opportunities. Social checkout may not be a mainstream activity in 2021, but that doesn't mean it won't be later on. It's part of providing a frictionless checkout experience, whether on social or elsewhere—another important trend for 2021.
- **Learn from abroad.** Social commerce (including checkout) is already a big business in China, thanks mainly to the popularity of catch-all app WeChat. Our latest forecast, completed in May 2020, showed that China will generate RMB2.180 trillion (\$315.50 billion) in retail social commerce sales in 2021 versus \$31.35 billion in the US.
- **Learn from the experts.** Some categories, such as fashion and beauty, have already been successful at driving conversions on social, particularly for limited-edition product launches that shorten the path to purchase.

eMarketer PRO subscribers can read more about the digital trends that marketers need to track in 2021:

Report by Jeremy Goldman Dec 09, 2020

10 Key Digital Trends for 2021



Not sure if your company subscribes? [You can find out here.](#)