

Monetizing Stories Is the Latest Social Commerce Strategy

Social media is still used more for discovery than buying, though

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Krista Garcia

In what may be the next stage of social commerce, both Instagram and Snapchat are trying to make shopping in Stories a thing.

Earlier this week, Instagram announced that brands like adidas, Aritzia and Louis Vuitton will sell products via Stories. Users can click a shopping bag icon to see more product information, price and be taken to the brand's site if they want to buy what they see.

Meanwhile, [Digiday](#) reported that SeatGeek has begun selling live event tickets through Snapchat Stories, starting with Major League Soccer's Los Angeles Football Club.

These are just two of the latest attempts to [re-invent social commerce](#). Even though platforms like Facebook haven't exactly proven their worth as a lower-funnel sales tactic, marketers haven't given up on trying to sell goods and services to social media users.

Instagram vowed that Stories would be a “place of action,” not just a source of inspiration. Most studies show that social media is more used for discovery than transacting, though. According to Facebook's

own research, 33% of Instagram users worldwide said they become more interested in a brand or product after seeing it on an Instagram Story. It's anyone's guess where Instagram's users might buy the product they see (though [it's likely a brand's website](#) or even Amazon).

What's more, according to "The eMarketer Ecommerce Insights Report," conducted by [Bizrate Insights](#) in May 2018, 17.0% of US internet users surveyed bought a product they discovered on social media, with 29.2% of those ages 18 to 29 doing so.

Looking at individual social media platforms, around one in four US internet users had bought a product they discovered on Instagram or Snapchat, according to a December 2017 [Cowen and Company](#) survey. Millennials had higher incidences of being inspired by Instagram to make a purchase, though buying spurred by Snapchat was more evenly distributed by age.

US Internet Users Who Have Purchased* a Product from a Brand/Business They Discovered via Select Social Media Platforms, by Age, Dec 2017

% of respondents in each group

	Facebook	Instagram	Pinterest	Snapchat	Twitter
18-24	32%	34%	28%	21%	25%
25-34	38%	37%	32%	26%	32%
35-44	34%	24%	31%	25%	22%
45-54	26%	17%	22%	13%	14%
55+	15%	8%	15%	20%	4%
Total	30%	29%	28%	23%	22%

*Note: n=2,700; *over the past 3 months*

Source: Cowen and Company, "Gen Z and Millennials Reshape Apparel, Footwear, and Accessories" conducted by Dectiva, March 8, 2018

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These latest monetizing strategies focus on Stories, a feature Snapchat was built on and Instagram appropriated nearly two years ago—apparently to great success. At last month's F8 conference, Mark Zuckerberg said Facebook had "gone all in on Stories" across all of its properties. And Facebook chief product officer Chris Cox revealed that "the Stories format is on a path to surpass feeds as the primary way people share stuff with their friends sometime next year."

A December 2017 [RBC Capital Markets](#) survey found that 24% of US Instagram users view Stories daily, up from 19% in June 2017. And 28% of Snapchat users said Stories was the platform's most important

feature. But far more Snapchat users valued chat and photo messaging (68%).