

Why the Pixel Is Essential to Social Commerce's Success

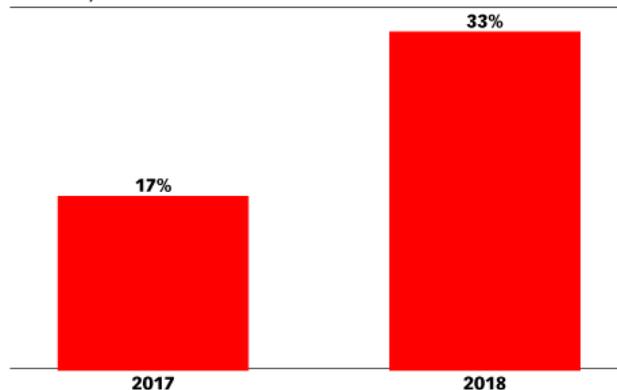
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eMarketer Editors

After struggling to gain traction, social commerce has finally begun to materialize as platforms, including Instagram and Pinterest, fill the need for discovery in the digital shopping environment.

Adoption among retailers has grown, according to research from Retail TouchPoints, which saw the percentage of retailers in North America using social media as a source of ecommerce nearly double in a year's time.

Social Commerce Adoption Among Retailers in North America, 2017 & 2018
% of respondents



Source: Retail TouchPoints, "Next-Gen Omnichannel Strategies Align Agility with Innovation" sponsored by Cegid, TimeTrade and Arm Treasure Data, Jan 2, 2019

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To better understand social commerce and what marketers need to be doing, eMarketer principal analyst Andrew Lipsman spoke with Rachel Tipograph, founder and CEO of MikMak, for our recent report: "[Social Commerce 2019: How Brands Are Using Pinterest and Instagram to Take Shoppers from Inspiration to Action.](#)"

How do you define social commerce?

The simplest definition is ecommerce conversion-based activities that either start or end within the social platform.

If I click through an Instagram post and go to the retailer's site and purchase, would that be a social referral?

I would put that in the realm of social commerce. You harness purchase intent that occurred within the social platform and then the conversion happened elsewhere. That's OK. It's reflective of the customer journey. But, social in this scenario played a huge component in assisting that conversion.

In the past, we've seen a lot of social platforms just slap a buy button on their platform and hope that works. But it's never quite materialized the way marketers suspected. What are your learnings?

It's really about an overall ecosystem approach—that's where every platform has always gotten it wrong. You can't just slap a buy button and call it a day. First and foremost, most of the ecommerce conversions that happen within social actually occur via paid media. You need several things to set off in order to drive the sale. And if you want to drive ecommerce conversion, you need to ensure that you have a bottom-funnel campaign objective.

Second, if you want to drive ecommerce sales, you can't take a spray-and-pay awareness approach. You have to harness your third-party qualified shopper audiences, as well as your localized audience and site data audiences—anything that indicates that this is a niche segment that's going to buy your product.

You also have to focus on the ad format. This is when creative comes in. When I talk with traditional brand marketers, this is what blows their

mind. I don't discuss creative until the third day. If you want to sell something within social—let's pretend it's perfume—you can't have a traditional commercial where the girl's hair is blowing in the wind in a convertible. I never see the product.

If you want to drive ecommerce sales within social, you have to shout from the rooftops, 'Here's the product. This is the key product benefit, and this is why it's for you.' And that has to happen within a matter of seconds.

Finally, the pixel is the holy grail of ecommerce.

How so?

The pixel is what allows you to capture qualified shopper audiences, harness that intent and then convert them at a later date.

I want to dig deeper into the pixel. First, it provides a measurement component, which is often lacking. And, it also allows you to re-engage with those audiences knowing that the path to purchase isn't always linear. Is that accurate?

Exactly. Which is why, when partners ask me, 'Where am I supposed to place my media dollars?' another way for me to answer this question is, 'Which pixel has been in the market the longest?'

Facebook is one of the most powerful platforms in the world to drive ecommerce sales. Because Facebook brought their pixel to market seven years ago, they have a pixel on every single ecommerce cart on the internet. Snapchat didn't bring their pixel to market until a year ago. Pinterest brought theirs around the same timeframe; they're still struggling to get the Pinterest pixel in everyone's cart. Twitter doesn't have one, but YouTube does because it's Google. The pixel is what allows you to capture the most granular data on the internet and fire meaningful events to your own admin manager or customer data platform. The pixel is the backbone of ecommerce.

Instagram has grit context and massive scale, whereas Pinterest is smaller scale but more focused on retail applications. Let's assume Pinterest has the same pixel proliferation as Instagram. Would there be more information in

how people are behaving within that platform, that maybe are more meaningful to that conversion?

100%. When you say Instagram, you have to say Facebook.

Facebook has been a direct-response ad platform for almost a decade. Pinterest is still building out its direct-response capabilities. It has so many intent signals that it should be a platform that rivals Facebook and Instagram in conversion, but it's not.

The other major difference is that the customer journey differs in those two platforms. When Pinterest came to market, it was all about being a platform for planning.

It's a really popular platform for planning your wedding. You're doing that over a period of a year. If you're a performance marketer, you look at your ecommerce sales through a 24-hour and seven-day lookback window. In that universe, Pinterest often doesn't get credit for a sale. Unfortunately, to their detriment, the way customer behavior works in Pinterest is that for months you could be planning something. But then because of that lookback window, either Facebook or Google gets credit for the sale.