

Social commerce offers the promise of discovery —but not without challenges

Article

Join us at our upcoming webinar to hear more from Jasmine Enberg, eMarketer senior analyst at Insider Intelligence, as she dives into our latest US social commerce forecasts and shares

the areas poised for growth. [Click here to reserve your seat.](#)

Glossier CEO Emily Weiss once said, “Amazon really solved buying, but it killed shopping in the process.” Implicit in this observation is the idea that up until this point, ecommerce has primarily evolved around conversion optimization, while ignoring much of what precedes that moment in the shopper’s journey.

The dominant digital path to purchase begins with a product search—often unbranded—during which the consumer demonstrates intent. They are subsequently delivered paid and organic results for relevant brands and retailers, steering them in the direction of a conversion event. But what about all those times when a consumer doesn’t know what they want? That’s the opportunity for discovery, and where social commerce platforms are beginning to fill the void.

Digital hasn’t yet excelled at creating an environment that goes beyond basic merchandising and checkout to deliver an entertaining, interactive, and social shopping experience. This is where the American shopping mall has traditionally shined.

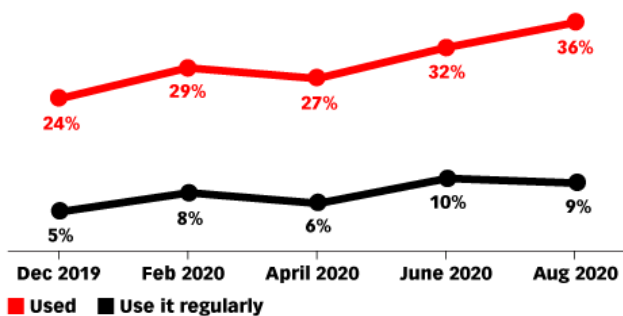
“If you look at why stores exist, they’ve always been a place of inspiration, convenience, immediate gratification, a place for taction, for discovery, confidence in purchase, and the experience,” said Chris Walton, co-founder and co-CEO of retail consultancy Red Archer Retail. “Physical retail still holds the experiential aspect of being there, but digital can do almost all those other things just as well.”

Although social media’s influence on ecommerce is clearly growing, the opportunity isn’t without its constraints. Like malls, it can attract crowds for window shopping—but that browsing doesn’t regularly convert to sales.

According to our bimonthly ecommerce survey conducted by Bizrate Insights, last year saw a considerable uptick in the percentage of US adults who had ever made a social commerce purchase, from 24% in December 2019 to 36% in August 2020. But the proportion of users who did so regularly stood at just 9%.

Social Commerce Adoption Among US Adults*, Dec 2019-Aug 2020

% of respondents



Note: *among those who use social commerce regularly and those who have used social commerce before but not regularly
Source: "The eMarketer Ecommerce Survey" conducted in August 2020 by Bizrate Insights; eMarketer calculations, Sep 24, 2020

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Social media traffic is often a mile wide and an inch deep. It generates easy clickthroughs that are minimally likely to convert. Data from Salesforce during the 2020 holiday season showed social media traffic in the US was substantially less likely to drive purchase. Across the key shopping holidays, social shoppers generated a single-digit share of traffic and an even lower share of orders, while search shoppers generated similar traffic but a disproportionately high share of orders.

But it isn't completely fair to compare search and social. Search is an expression of intent at the bottom of the funnel, whereas social is about demand creation at the top of the funnel. Social's biggest promise—delivering "net new demand" for brands—is also its biggest constraint in that the value can be difficult to account for.

To learn more about social commerce strategies for brands, join us for a live webinar on Tuesday, March 23, 2021.

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