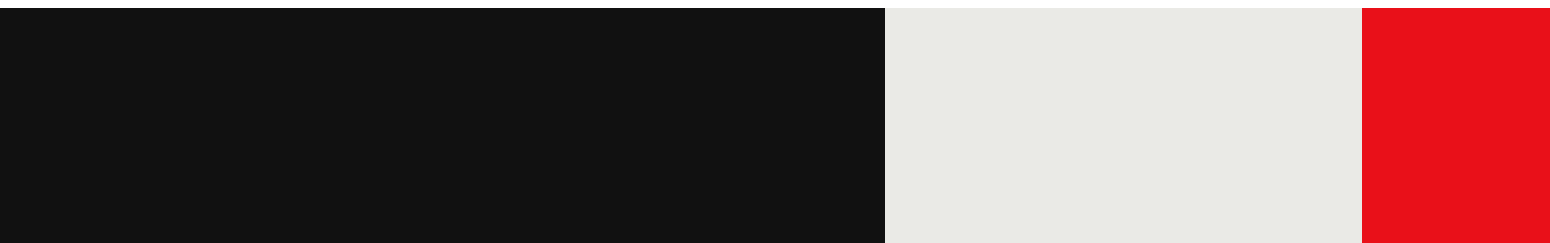



What brands need to know about livestream commerce

Article



Thanks to efforts from TikTok Shop, **2024 could be the year that livestream commerce goes mainstream** in the US. Though U.S. adoption may never mirror countries like China, where we forecast 40.2% of internet users will make at least one livestream purchase in 2024, there is still potential for livestream commerce to take off stateside.

The opportunity: US livestreaming commerce sales could reach \$50 billion in 2023 and potentially account for more than 5% of total ecommerce in the country by 2026, per Coresight Research as cited by CNBC.

- Only 12% of US consumers have **purchased something from a live shopping stream**, per May 2023 CivicScience data. But nearly the same amount (13%) have watched a livestream, and an additional 12% would consider it.
- Gen Zers (25%) are the most likely to have purchased something on a live shopping stream, followed by millennials (14%), per CivicScience.

Get on board: There are multiple ways brands can join the livestream commerce effort, depending on how involved they want to get.

1. Social media platforms

Social media platforms give brands a low barrier to entry for livestream commerce, enabling them to experiment without having to invest heavily upfront. But each platform approaches livestream commerce slightly differently.

Launched in the US last September, **TikTok Shop** enables brands and creators to sell directly to viewers of the app via videos or livestreams.

- The in-app experience includes secure and integrated payment options for seamless checkout.
- Nearly a third (32%) of **Gen Z consumers bought or plan to purchase holiday gifts** on TikTok Shop in 2023.

Among Gen Z, 42% report **starting their online product searches** on YouTube, compared with 25% of total respondents, per February 2023 Jungle Scout data.

- Some 93% of US teens say they use YouTube, **the top platform** among the demographic, ahead of TikTok, Snapchat, and Instagram, per December 2023 Pew Research.
- A quarter of US internet users **watch creator- or influencer-led livestreams** on YouTube, more than TikTok (18.7%), Facebook (17.4%), and Instagram (14.0%), according to April 2023 The Influencer Marketing Factory data.

While **Facebook** and **Instagram** ditched their livestream commerce initiatives last year, brands can still stream using Facebook or Instagram Live, using links to drive users to their websites or marketplace storefronts.

2. Built-in livestream platforms

These options may require a little more work from brands to set up, but the platforms do most of the heavy lifting with the actual livestreaming capabilities.

- **Amazon Live** hosts daily livestreams from brands and creators across categories including beauty, fashion, gaming, fitness, and electronics.
- Live commerce platform **TalkShopLive** enables brands, creators, and retailers like **Walmart** and **Best Buy** to go live anywhere and sell products during and after their shows.
- **Bloomingdale's Outlet** partnered with **ShopShops** for a 10-week program that featured influencers visiting different store locations and hand selecting products consumers could buy via the stream.

3. Third-party integrations

For brands ready to go all-in, third-party partners can help build out an entire livestream commerce business.

- **Apparel company Free People** teamed up with **Bambuser** to offer a livestream shopping experience. The livestream episodes ranged from 15 to 30 minutes and featured both internal employees and external partners like influencers and celebrities.
- **The Fresh Market** partnered with **Firework** to launch its shoppable video live commerce retail media network, which features prep tutorials and chef-developed recipes.
- **L'Oréal Group** worked with **Livescale** on shoppable livestreams featuring brands like Urban Decay, Lancôme, and NYX Cosmetics. The streams featured makeup tutorials as well as discounts and giveaways.

The bottom line: Livestream commerce may pick up some serious steam in 2024, especially among younger consumers. But brands should figure out the appetite among their own customers before deciding what level of commitment to make.