

How US retail brands can take advantage of growing social commerce trends

Article

Although the US has begun to reopen post-pandemic, certain trends that started during lockdowns will continue to grow this year. We expect US social commerce sales to rise by

35.8% in 2021 to \$36.62 billion, as noted in our June 2021 report, "**Social Commerce Forecasts 2021: How a Trend 'Made in China' Is Shaping Up in the US.**"

That's only a slight deceleration in growth from 2020, when sales surged by 38.9% thanks to the pandemic-driven boom in ecommerce, increased social media consumption, and brands continuing to leverage these platforms to sell directly to consumers.

In 2022, the growth rate will dip back down to pre-pandemic levels and slowly decelerate through 2025. That said, the average amount spent by a social buyer in a year will double between 2020 and 2025, reaching \$737.32 per buyer.

Social Commerce Sales and Average Annual Social Commerce Sales per Social Buyer in the US, 2019-2025

billions and dollars per social buyer

	2019	2020	2021	2022	2023	2024	2025
Social commerce sales (billions)	\$19.42	\$26.97	\$36.62	\$45.74	\$56.17	\$67.32	\$79.64
Dollars per social buyer	\$320.50	\$341.59	\$406.08	\$470.50	\$550.33	\$637.07	\$737.32

Note: includes products or services ordered via social networks (such as Facebook, Instagram, Pinterest, WeChat, Line, VK, and others), regardless of the method of payment or fulfillment; excludes travel and event tickets, tips, subscriptions, payments such as bill pay, taxes, or money transfers, food services and drinking place sales, gambling, and other vice goods sales
Source: eMarketer, May 2021

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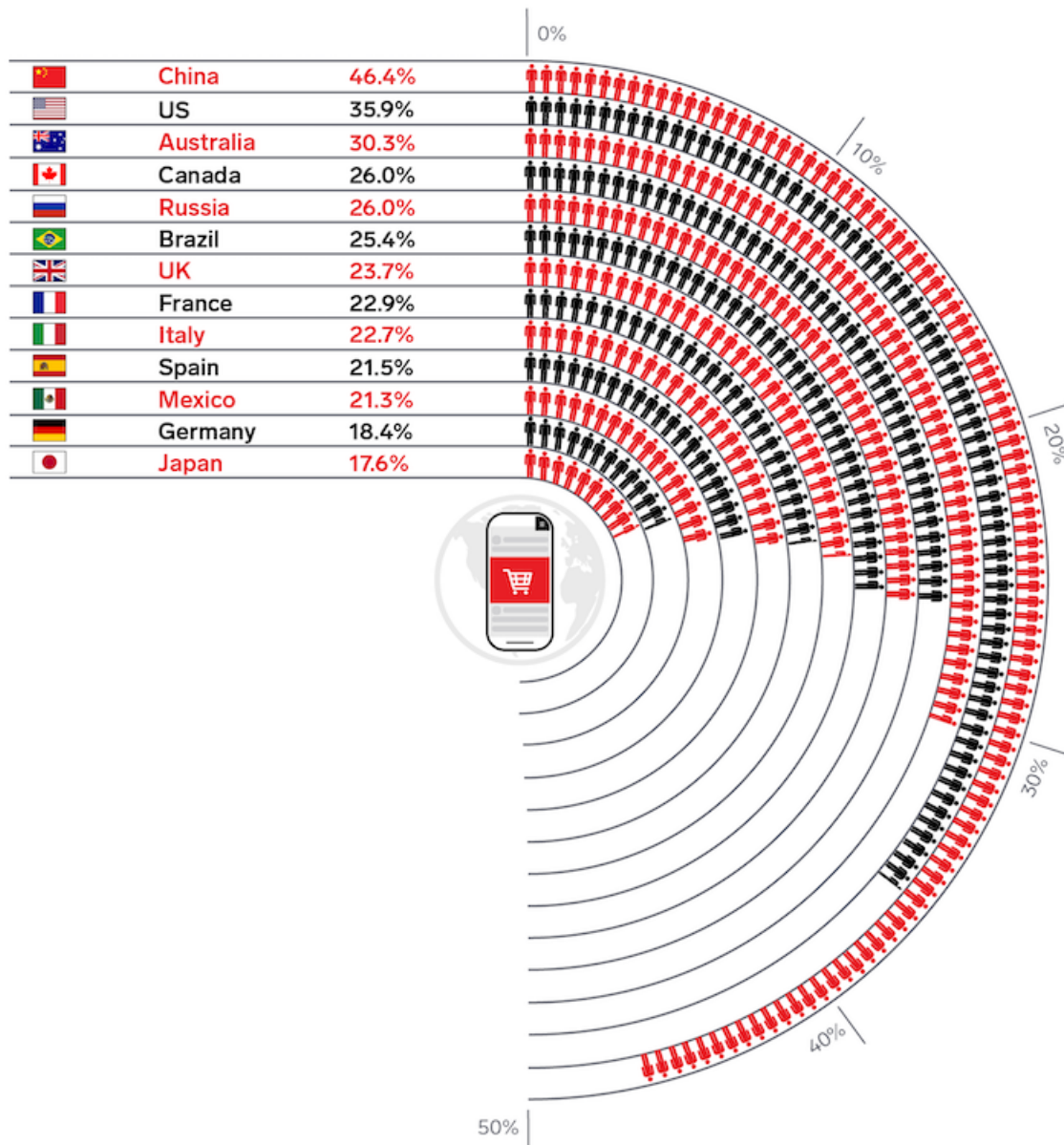
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As noted in our recent report, "**US Ecommerce Forecast 2021,**" although US social buyers are not spending a lot as a whole, their average order values are relatively high. As a result, brands should master social media platforms to not only inspire consumers but also facilitate one-click purchases.

In 2021, we expect 90.2 million US people, or 35.9% of internet users, to make at least one social commerce purchase during the calendar year. That puts the US in second place out of the 13 countries where we forecast social buyers, behind only China.

Social Buyers Worldwide, by Country, 2021

% of internet users



Note: ages 14+; social network users who have made at least one purchase via any social channel (e.g., Facebook, Instagram, Pinterest, Line, WeChat, VK, and others), including links and transactions on the platform itself, during the calendar year, including online, mobile and tablet purchases

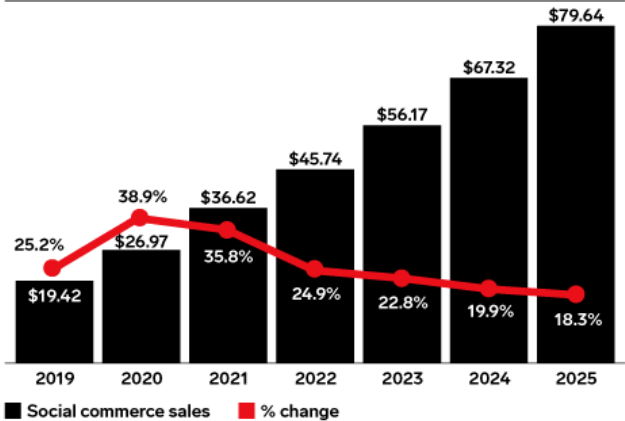
Extended Note: Social networks are sites where the primary activities involve creating a profile and interacting with a network of contacts by sharing status updates, comments, photos, or other content.

Methodology: Estimates are based on the analysis of survey and traffic data from other research firms, historical consumer adoption trends, company releases, and demographic adoption trends.

Overall, we estimate that US social commerce will more than double between 2021 and 2025, reaching \$79.64 billion.

Consumers are engaging with social platforms more, and these platforms are often used at different points of the shopping journey—from inspiration to purchase. Retailers and brands will need to include social media strategies in their playbooks to reach this coveted shopper.

US Retail Social Commerce Sales, 2019-2025
billions and % change



Note: includes products or services ordered via social networks (such as Facebook, Instagram, Pinterest, WeChat, Line, VK, and others) regardless of the method of payment or fulfillment; excludes travel and event tickets, tips, subscriptions, payments, such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice goods sales

Source: eMarketer, May 2021

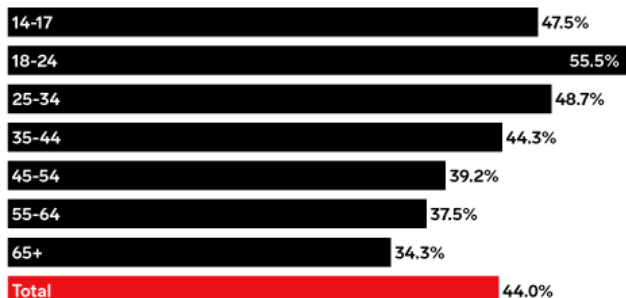
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One tip for US brands that want to succeed in this space is to consider your audience, as social commerce may not work for every customer base. Gen Z and millennials are the most likely to make a purchase via social media.

US Social Buyers, by Age, 2021

% of social network users in each group



Note: ages 14+; social network users who have made at least one purchase via any social channel (such as Facebook, Instagram, Pinterest, Line, WeChat, VK, and others), including links and transactions on the platform itself, during the calendar year; includes online, mobile, and tablet purchases

Source: eMarketer, May 2021

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According to our latest forecast, around half of US social network users ages 18 to 34 will make at least one social commerce purchase in 2021, compared with around one-third of those ages 55 and over.

In brief, we define "**social commerce**" as purchases made by buying directly on the social platform, such as via Instagram Checkout, or through clicking links on the social network that lead to the retailer's product page to complete the transaction.