

More Retailers Are Investing in Social Advertising

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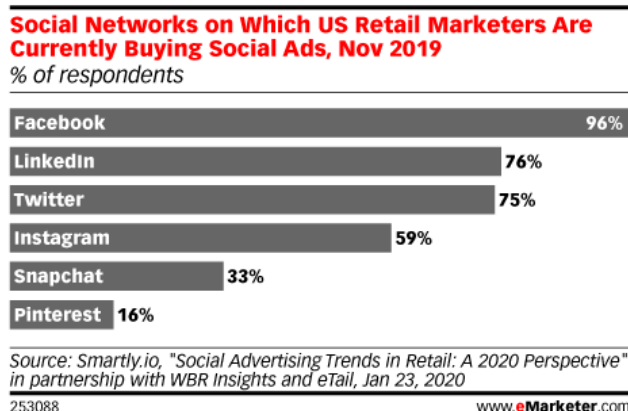
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Social ad spending is continuing to rise, and more US marketers—particularly those in retail—will keep funneling money into the channel.

According to a November 2019 study from Smartly.io, a social media advertising automation platform, more than half (52%) of US retail marketing teams polled said they were planning to spend more on social advertising in 2020 than they did last year.

And overall, retail marketers expected to invest in not only social advertising, but also talent and the necessary tools needed. Nearly half (47%) of respondents said they will expand their marketing teams this year to better manage social advertising. Roughly four in 10 planned to invest in more robust social advertising tools.

Facebook is receiving a large share of these social ad dollars. Nearly every marketing team surveyed (96%) said they bought social media ads on that platform—substantially more than those who cited Twitter (75%), Instagram (59%) and Pinterest (16%).



Investment in social advertising is likely growing due to an uptick in social commerce adoption among consumers.

According to CivicScience’s trend adoption tracker, **the percentage of internet users** who had bought a product directly through social media channels grew each quarter between Q4 2018 and Q3 2019, rising from 13% to 21%. The biggest jump came in Q2, shortly after the launch of Instagram Checkout.

Still, even with investment in social advertising, social media isn’t going to suddenly become the go-to channel for purchases. Though consumers are becoming more comfortable with shopping this way, sales coming from social channels are still relatively low — particularly when compared with ecommerce via the web and mobile.

“The best chances of success for brands and retailers will continue to be in the mid- and upper funnels, where social properties like Instagram can introduce consumers to new brands, create awareness and stimulate demand over time,” said eMarketer principal analyst Debra Aho Williamson in her “**US Social Trends for 2020**” report, published earlier this year.