

Social commerce - from content to commerce



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What social commerce is not: a click-through to social-media ads that take you to a brand site. Instead, it's a way of selling products directly on channels like Facebook, Instagram, TikTok and Pinterest. It's more interactive than simple e-commerce, which refers more to a brand's standalone shopping website, as social commerce offers an uncomplicated consumer path in a social selling space. It's as easy as seeing, clicking and purchasing.



Source: Supplied

So how does social commerce work? <u>Masterclass</u> states that the beauty of this form of marketing and retailing works by allowing brands to feature their products and services in social content that users can interact with while they scroll through their favourite social media networks.

Practically, it looks like this:

• A retailer or brand can share products in their posts or stories that have a "buy now" button or swipe up or checkout feature.

• Videos are massive on Instagram, TikTok and Facebook and allow retailers to punt promotions or highlight products that encourage customers to make purchases.

- So too, the power of the influencer has gone cyber giving it a "word-of-mouth" authenticity and driving sales.
- User-generated content is another social commerce tactic where consumers are encouraged to produce their own content, related to products or services sometimes using hashtags, giveaways, or polls - which further allows brands to collect valuable data.
- Close on its heels is the affiliate marketing strategy where businesses use third parties to advertise their products and pay them on a commission basis.

Commerce on social media is a natural fit if one has a clear understanding of exactly which social media channels to plug into, how to make use of really slick, high-quality content all packaged in a personal way that relates to a specific target market. If it's done the right way it offers shorter paths to purchase and removes friction from online shopping experiences.



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Vast potential

In South Africa, the social commerce industry is expected to reach \$833.3m this year as the popularity of this sector has surged significantly. According to the Q1 2022 Global Social Commerce Market Survey, nearly 60% of South African consumers purchased products online in 2021 with the number set to increase year on year. In turn, social networks are increasing their investment in the sector.

Hootsuite found that South Africans spent an average of 3.5 hours a day on social media – hence the natural evolution for social networks to become the next marketplace for consumers. With approximately 38.2 million people in SA engaging in online activity (specifically social media) the comfortable shift to purchase directly via social platforms is on the up, according to data from Incubeta.



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Facebook is the favourite, with Instagram and TikTok not far behind. Woolworths has tapped into social marketplaces allowing customers to try on make-up products virtually on Instagram with the option to purchase directly from the platform.

Social commerce holds a lot of possibility for Africa and specifically the South African market, familiar with adaptability and leaning into change. Engaging on social media is more than just a trend, it has become a standard that customers expect and offers retailers a space to remain competitive in an increasingly digital era.

ABOUT MICHAEL SMOLLAN

Mike Smollan is Chief Growth and Innovation Officer at Smollan.

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