

# Social Commerce and its impact on more traditional retailers

*In the earlier history of the internet, social media and eCommerce were two distinct entities. Now, with tech giants like Meta showing a rapidly expanding influence on the global eCommerce market, the two categories are becoming more closely entwined every year.*

Temps de lecture : minute

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Social commerce is poised to have a huge influence on the way we shop, and it's essential for advertisers to understand the impact this is having on the current state of retail if they want to stay relevant.

In this post, we'll take a closer look at what social commerce is and its impact on more traditional retailers.

## What is Social Commerce?

Social commerce refers to the features of social media platforms that allow retailers to sell their products directly to users of those platforms, effectively turning their social media profile into an extension of their store.

While *social media* has been used as a marketing tool for eCommerce companies since it first exploded into popularity in the 2000s, the ability to facilitate every step of the eCommerce customer journey using a social media platform is relatively new.

Today, many retailers are embracing this approach to eCommerce for its

fast and seamless sales cycle, and its improved reach to people who are already highly engaged with their brand.

An example of a social commerce transaction might look like this:

1. The customer sees a post in their Instagram feed showcasing a certain product with a “view products” tag overlaid on the image.
2. They click through to a product detail page with further details and pricing.
3. The platform then allows them to enter payment details and complete their purchase, without ever being redirected or having to leave the social media app.

With this way of buying products online becoming steadily more popular, especially among millennial and *Gen Z shoppers*, social commerce is expected to set new standards for the way retailers sell going forward.

## 3 ways Social Commerce is impacting traditional retailers

Like any major development in eCommerce, social commerce has already proven to be a disruptive force in more traditional retail circles and is expected to have a much greater impact over time.

Here are three major ways that social commerce is impacting traditional retailers.

### Tech bridging the product experience gap

For most of the history of eCommerce, traditional retailers operating brick-and-mortar stores have been able to maintain one clear advantage over internet-based counterparts: a real-world product experience.

In the past, eCommerce stores were only able to give shoppers an idea of the product with images and descriptions, while an in-store shopping experience would let them see, feel, and even try out a product before they make a purchasing decision. This is now beginning to change.

The rise of VR and AR technology, which is being spearheaded in large part by social media giants like Meta, is beginning to bridge the long-running product experience gap that has historically existed between eCommerce and traditional retailers.

VR and AR development firms are now able to create more immersive and real-feeling experiences with a range of different products, which can be accessed without the user ever having to leave their home.

“XR technologies can help brands and businesses take their marketing efforts to the next level by creating immersive virtual experiences that allow customers to interact with products in a way that was previously impossible,” explains *3D Walkabout*. “From virtual try-ons and product visualisations to immersive shopping experiences and virtual storefronts, XR technologies offer endless possibilities for retailers to showcase their brands and products in a way that is engaging, interactive, and unforgettable.”

A furniture retailer, for example, could develop an augmented reality app that allows shoppers to project 3D scale models of their products onto images of their home to get a better sense of what the furniture would look like with the surrounding design.

With VR, customers can manipulate 3D models of a variety of consumer products to better understand their size and shape and make a purchase decision.

Though this technology is still in its early stages, it’s clear that it has the potential to undermine the edge traditional retailers have had in the past

and set new standards that shoppers will see as a given.

## The growing role of social proof

Social proof has always been a powerful driving force for retailer marketing, and the rise of social media has made it a greater driving force than ever.

In fact, one survey from *Trustmary* found that 66% of online shoppers reported having bought a product after seeing a social media connection post about it.

As social commerce fuses the experience of browsing social media and shopping for products, it's clear that the role of social proof in retail is going to increase dramatically.

Soon, consumers won't need to become aware of a product, go looking for reviews and recommendations on other platforms, and then complete their purchase on the retailer's eCommerce store.

Instead, the product details, what your friends and family are saying about it, and the option to purchase it will all be tied up in one fluid experience on a given social media app.

As this kind of shopping experience becomes the norm, strong social proof as part of the shopping experience will increasingly be expected by customers.

Traditional retailers will have to meet this expectation by making unbiased product reviews and recommendations a bigger part of their shopping experience through social media integrations, store-hosted reviews, and other features.

## Increasing expectations for personalised shopping

The fusion of social media and eCommerce means the fusion of personalisation and eCommerce.

With the reams of data-driven insights provided to brands on social media through likes, browsing behaviour, shares, and demographic information, forward-thinking retailers are much better positioned to create ads and shoppable posts that are tailored to specific audience segments.

If approached in the right way, this can be a win-win for the seller and the buyer, as businesses will ensure they get more return for their resources, while shoppers will enjoy a more positive relationship with brands that are showing them content they're the most interested in.

If traditional retailers want to adapt to this trend, they'll have to take steps to build a more thoroughly personalised social commerce experience around their customers, with initiatives such as:

- Personalised marketing communications that go beyond simply using someone's name in the intro line, and are informed by the nuances of their customer journey. This might include looking at the touchpoints they've used to interact with your brand, the kinds of products they've shown interest in, and indicators of their ongoing relationship with your brand.
- Personalised customer service is thoroughly informed by the issue your customers are talking about, their previous browsing and shopping behaviour, and bolstered by personalised follow-up communications to check in on the customer and see how well you've resolved their issue. A single poor customer service experience can be all it takes for a customer to cut ties with a brand, so make sure you're approaching it in a way that shows you care.
- Serve dynamic content online that varies based on things that are

unique to your customers, such as their geographic location, their demographics, their status as a new, active, or returning customer, and the device they're using.

## Preparing for a changing eCommerce landscape

The rapid rise of social commerce is quickly changing the way people interact with brands and the standards that retailers have to meet to stay competitive.

Whether you're a retailer that's been established for several years or just getting started, providing a shopping experience that accommodates emerging tech, aligns with the growth of social proof, and seeks to create personalised experiences will help you compete in the changing retail landscape and keep your brand growing into the future.

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