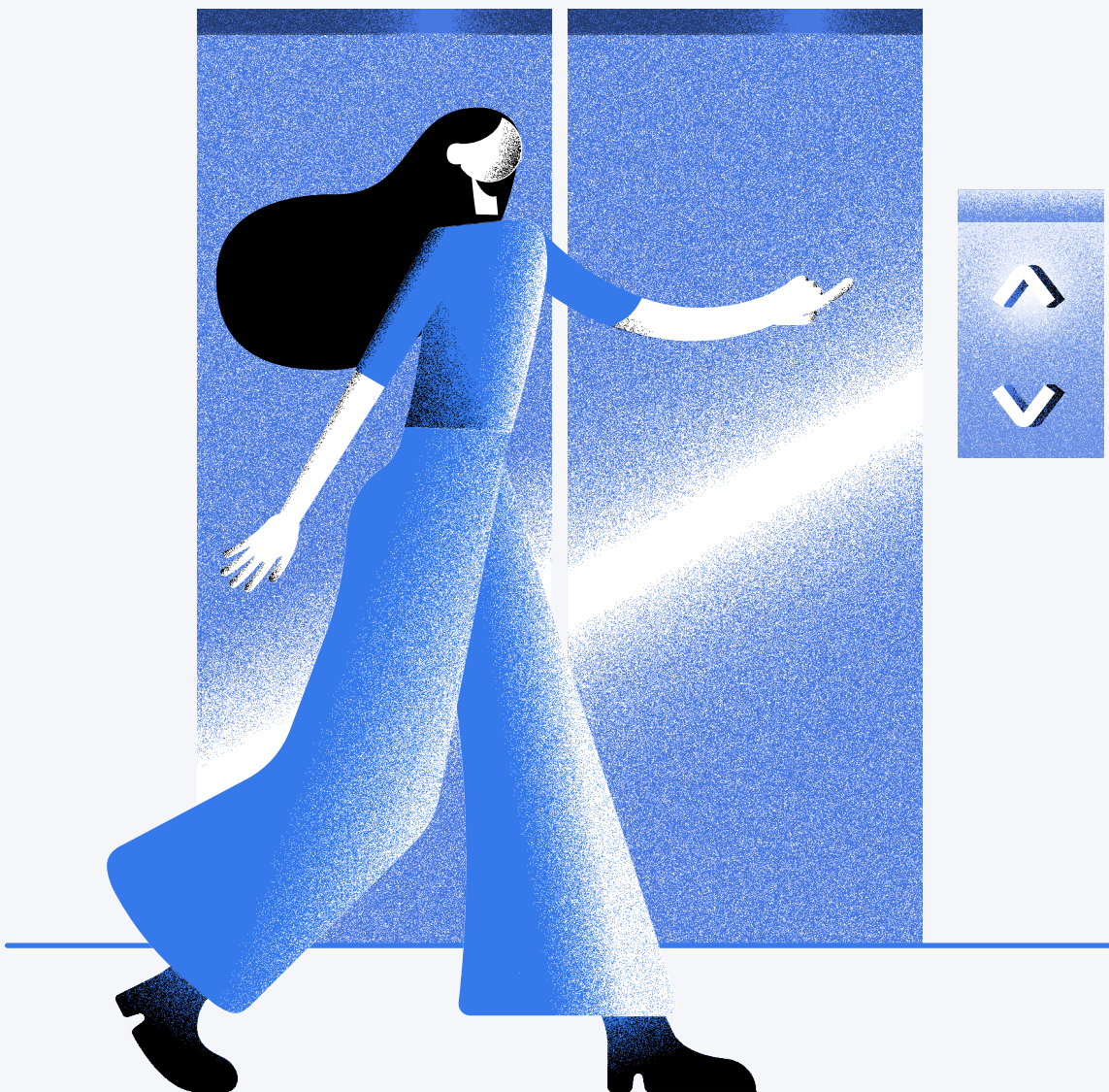


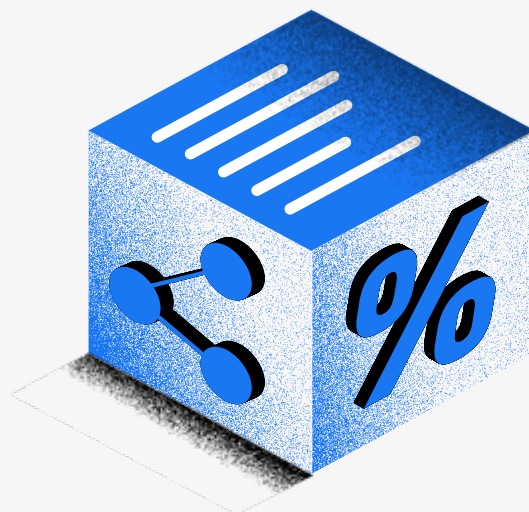
# The brand's guide to the future of social commerce

Creating convenient and engaging experiences for consumers

**DIGIDAY** |  Meta



# The brand's guide to the future of social commerce



## Creating convenient and engaging experiences for consumers



Social media has become the number one channel through which consumers discover products and services at 40%, with 38% doing so through search and 35% through TV, [according to GWI](#). Given how much time consumers spend on various social media platforms, it's no surprise that media companies are striving to translate commerce strategies into the social space.

Social media connects people to communities and passions they care about; time perusing the social media feed is time spent looking for inspiration.

Previously, discovery commerce was something typically reserved for physical stores, but it's now growing within social ecosystems, fostered by exploration and relevance. These approaches represent nothing less than a new paradigm shift from the traditional e-commerce experience — far more than a digital journey focused only on funneling intent.

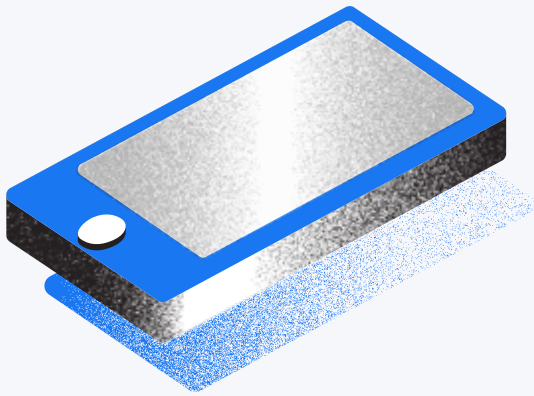
Social platforms are building a shopping experience through a set of shoppable

touchpoints characterized through inspiration, discovery, instant buying via live shopping and conversational moments through DTC channels. All those experiences are driving on-demand calls to action and are successful as they offer a convenience-first approach to customer engagement — reaching customers in the right moment, through the right channels with the right product.

[Accenture predicts that the social commerce space will grow to be worth \\$1.2 trillion by 2025](#) — expanding at a rate three times faster than that of e-commerce. Furthermore, with an estimated two billion social shoppers around the world, it's crucial that the industry responds to this consumer-driven demand.

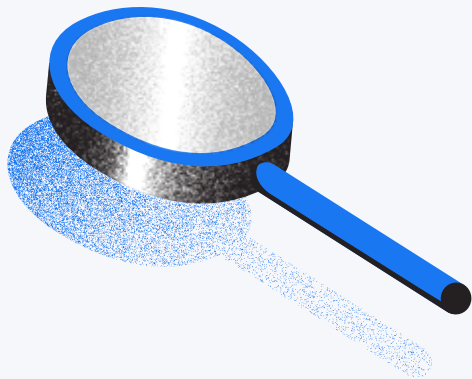
This report unpacks how four brands integrated different types of social commerce solutions to deliver an exceptional social shopping experience for consumers — highlighting the strategies they employed along the way to embrace consumer-driven demand, drive business outcomes and improve the customer experience.

# What's in this report



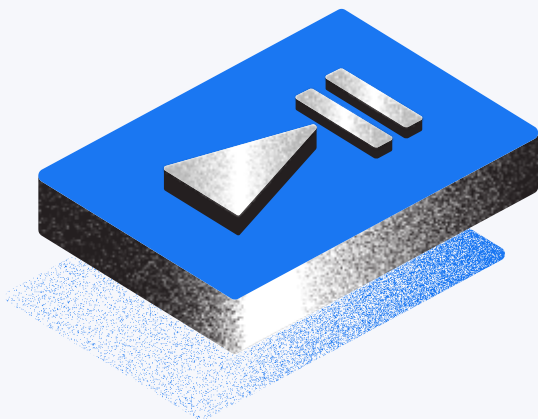
[How collaboration with online retailers is allowing brands to capture the always-on shopper](#)

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[Why brands are crafting smoother purchase experiences on social media platforms](#)

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[How creators are helping brands engage with hard-to-reach audiences on traditional digital channels](#)

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[The future of social commerce: Conversational commerce and shaping how consumers shop](#)

# Commerce offers an opportunity to capture always-on shoppers



The typical way marketers plan their activations is through planning specific calendar moments within a year, such as seasonal launches and special shopping moments. APAC is dominating these sorts of moments with their [Mega Sales Days, which occur on “double days,” such as November 11 or December 12.](#)

Although brands in the APAC region are exposed to a higher frequency of special moments throughout the year, they are aware that successful activations need to focus beyond just specific calendar moments to take advantage of always-on shoppers.

Successful marketers are shifting tactics to take advantage of this always-on mindset.

Partnering with retailers to advertise the availability of products has become a popular option to drive product-specific intent for brands that have invested less in e-commerce or that rely on retailers to get products to consumers.

These collaborative ads allow brands to run performance marketing campaigns for their products, and in turn these ads direct traffic to a retailer partner’s website, mobile app or store to complete the purchase.

Meta’s internal research has found that advertising four weeks ahead of an event helps build additional efficiency opportunities by leveraging always-on shoppers. Meta’s research found a 46% increase in total sales transactions when advertising ahead of Mega Sales day and a 19% drop in cost per acquisition leading up to the

event versus on the sales day itself.

As an example of the always-on approach in play, online home goods retailer [HomeHuk](#) ran an always-on campaign utilizing collaborative ads to increase its online market share in the home and living category.

Marketers tend to approach always-on shoppers either with broad audience targeting in the prospecting phase or through retargeting campaigns when a consumer has added an item to a cart without following through with a purchase.

Using a combination of these approaches, HomeHuk partnered with Thailand retailer Lazada to capture shoppers. The always-on collaborative ad campaign resulted in an increase in HomeHuk’s online store traffic and sales with 13.3 times overall return on ad spend and a 62% lift in purchases.

## Tactics and insights



Collaborative ads allow brands that aren’t selling directly to consumers to take advantage of social commerce while directing purchases to retailers.



Following an always-on approach to capture shoppers can increase ROAS while also reducing CPA, especially when promotion is done leading up to a large sales event.

# Turning marketing creatives into shoppable moments



Mega Sales Days in APAC have helped fuel the notion that social commerce is collapsing the sales funnel. Now, one ad can make someone aware of the need to buy, aware of a brand and move them straight into purchasing.

[According to GWI](#), 75% of Mega Sales Day shoppers indicated they were likely to continue using the new brands they tried rather than switching back to their usual ones — highlighting the need for marketers to take advantage of always-on shoppers and new ad formats.

Social media is now a primary channel for product research and brand discovery, resulting in purchases quickly if marketers make the experience as frictionless as possible.

One approach marketers are taking to making existing ads more shoppable

is by providing consumers with more choices to shop products. By adding product tags to ads, consumers can view names and prices of products without exiting the social platform.

Through product tagging, advertisers can build audiences for re-engagement that pulls them back into the shopping journey.

An internal analysis of static ads with product tags from Meta showed a reduction in cost per incremental purchase by 33% on average compared to static ads without product tags, with 93% confidence of outperformance for data opt-in users.

For example, [DFS, United Kingdom's largest sofa retailer](#), sought to add new ways for people to discover its products

and make purchasing easier and more direct through its ads on Instagram. DFS saw a 73% lower cost per incremental add-to-cart event and a 1.7 times increase in purchase intent for ads with product tags compared to its business-as-usual video ads.

“As the leading sofa retailer in a digital age, it’s important for us to ensure that our customers can easily find and buy our products in whatever environment they choose,” said James Brewer, brand and digital director at DFS. “Using product tagging has allowed us to do this while driving brand consideration, giving us really positive results. We look forward to making more use of this product in the future.”

## Tactics and insights



Using ads with product tags helps brands show more shoppable content, drive sales and make ad strategies more cost efficient. At the same time, they’re able to show prospective customers items they can purchase instantly.



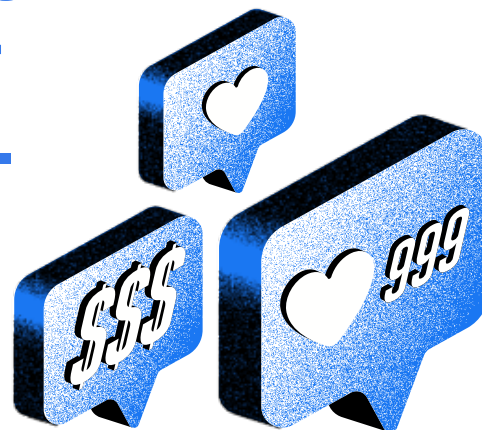
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**— James Brewer, brand and digital director at DFS**



# Maximizing the use of creators — reaching new audiences cost-effectively



Creators — or influencers — bring their own diverse styles and creative ideas to personalizing product stories for their audiences and communities. Because of this, many consumers trust these creators and expect them to provide assurances on the quality and value of promoted products.

In 2021, [Statista valued the influencer marketing space to be worth about \\$13.8 billion](#) and with more and more brands and marketers engaging with influencers, the market is set to boom in the coming years.

For many brands, working with creators is already a significant part of their social strategies. However, [Adore Me, a digitally-native fashion brand,](#)

had always been hyper-focused on marketing ROI and had not engaged with influencer strategies.

To help lower its CPA, Adore Me conducted tests to see if influencer marketing would prove the right tactic for reaching new audiences in a cost effective manner. After positive initial test results, the brand dove into a more comprehensive lift test to compare three different strategies: Business-as-usual creatives posted to the company’s accounts, content created by influencers posted to Adore Me’s accounts and content created by influencers posted to their own accounts.

“We’ve been exploring a number of ways to improve our influencer marketing ROI, especially with regard to reaching a younger demographic,” said Chloe Chanudet, Chief Marketing Officer at Adore Me. “This campaign showed us how influencers can very effectively target this hard-to-reach demographic, and has already inspired us to begin exploring a number of new influencer strategies.”

The lingerie brand discovered the power of influencer marketing in reaching and attracting new, younger audiences. The content created by and posted to the influencers’ own channels demonstrated the highest impact — providing a 37% lower cost per incremental purchase and a 7% higher sales conversion rate.

## Tactics and insights



Leveraging creators — or influencers — is an effective way for marketers to reach new audiences without breaking the bank and by using content that shakes things up.

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— Chloe Chanudet, Chief Marketing Officer at Adore Me





# Delivering next-level experiences through conversational commerce



[Gartner predicts that by 2025](#), proactive customer engagement interactions will outnumber reactive ones. Brands must find more advantageous entry points to develop a more convenient experience for consumers and meet growing demand for personalization. Reaching out to a brand and having that conversation begin with a call-center call versus an easy and non-disruptive message via an app, for example, is perhaps not the best way to build a quality conversation and experience with a consumer.

Businesses are leveraging conversational commerce for lead generation, commerce and customer care, given the medium's strong momentum. It's one way for consumers to directly and instantly interact with a brand, encompassing a vast range of interaction-based products, such as intelligent bots and real-life agents generating proactive and real-time engagement.

In the way of effectiveness, conversational commerce has been shown to [deliver up to 90% or more incremental conversion](#) while lowering the cost of acquiring these same conversions.

As one example of the tactic at work, when it came to the commercial-van side of its business, [Mercedes-Benz Turkey](#) needed a better way to engage with customers ready to move quickly on a purchase. However, given its existing infrastructure, that process of following up on leads was typically delayed. To solve this slowdown, the company leveraged its social media accounts to accelerate the time it took to qualify leads as well as communicate with customers.

Mercedes-Benz Turkey chose to use the WhatsApp Business Platform to instantly engage with its customers — primarily due to its adoption rate in Turkey. Together with partner ZZG

Tech, Mercedes-Benz Turkey created customized workflows to capture data around three distinct campaigns over the course of one month: Business-as-usual, WhatsApp direct engagement and a combination of the two.

The company witnessed 93% more incremental conversions and 78% lower cost per qualified lead when adopting marketing campaigns that worked in tandem with WhatsApp Business Platform.

“Integrating WhatsApp Business Platform into our traditional marketing and sales channels let us meet customers’ needs for fast, direct communication,” said Nergis Sevinc, digital marketing coordinator at Mercedes-Benz Turkey.

The customized workflows allowed Mercedes-Benz Turkey to refine its targeting and tailor its outreach to specific audiences, all the while maintaining speedy conversions.

## Tactics and insights



As brands work toward developing more convenient experiences for consumers, conversational commerce is gaining momentum for its ability to directly and instantly connect brands and consumers.

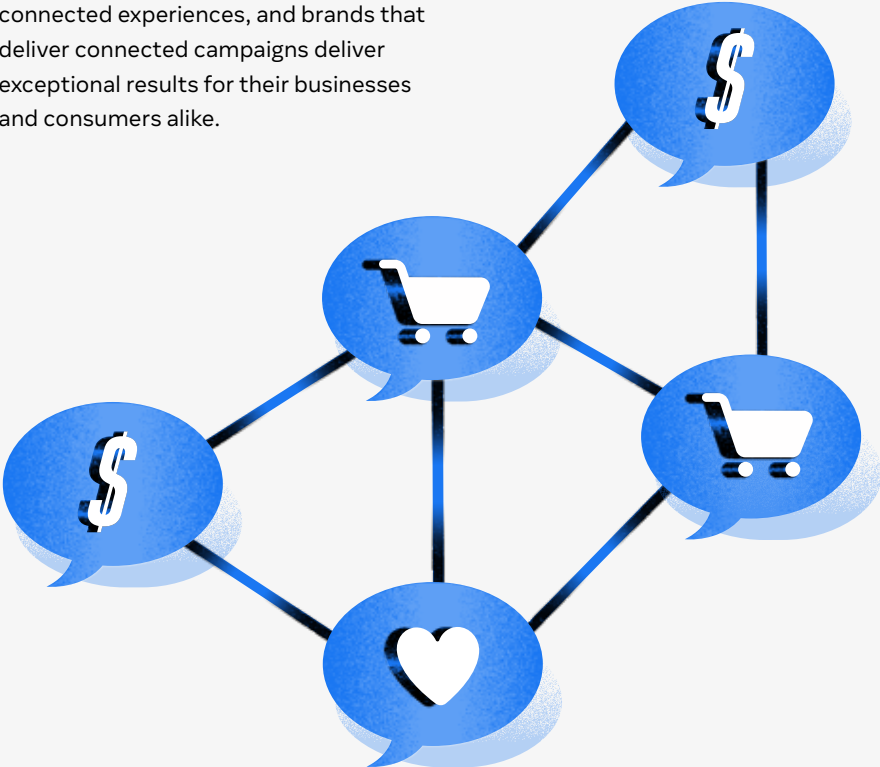
# How social commerce is shaping the future of how consumers shop

These new consumer trends challenge brands to determine the right touchpoints to use when constructing sales and marketing strategies. It starts with assessing how specific opportunities fit the needs, demand, acquisition and post-sales strategies of a brands' target customers.

The future of social commerce no longer sits with marketing teams or CMOs, but rather across teams. At the center of it all is the consumer experience, requiring marketing, tech, procurement, customer care teams and many others to collaborate.

As brands integrate social commerce trends, from collaborative ads and product tagging to leveraging creators and conversational commerce, they're sustaining organizational efforts with huge rewards, such as increased ROAS or lower CPA, while providing consumers with both convenient and more appealing shopping experiences.

While there has been a clear shift in the conditions that build successful brands, significant growth is driven by connected experiences, and brands that deliver connected campaigns deliver exceptional results for their businesses and consumers alike.



# About Meta

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Meta builds technologies that help people connect, find communities and grow businesses.

From enabling retailers and brands to create campaigns together that reach shoppers and drive sales, to providing businesses with the tools to allow users to shop directly from social apps and meeting the needs of today's consumers by meeting them where they are, Meta is evolving as the way in which people choose to connect does.

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