Social media: the new retail

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Social media, once a space for catching up with friends and family, quickly evolved far beyond that simple function. It has gained consumer attention for everything from previews of the latest fashion launches to classes in styling techniques, and has naturally progressed into a retail destination. Social media has grown to have a huge impact on consumer behavior—among shoppers, 80% of generation Z and 74% of millennials say that social media influences their purchases, according to a 2017 report from Retail Dive.
Instagram is making strides to streamline the process between discovery and purchase with the addition of multiple retail features. In June 2018, Instagram unveiled a shoppable version of its popular Stories, featuring a tag that users can tap to navigate directly to the brand’s website for in-app purchases. The company reported over 300 million active viewers on Instagram Stories as of November 2017, which makes brands keen to maximize attention on this feature.

Instagram first introduced shoppable posts in 2016 to much success, putting brands and products at users’ fingertips. According to a 2017 survey by Dana Rebecca Designs, 72% of Instagram users have made a purchase related to fashion, style or beauty after seeing an item featured on the platform. Easing the path to purchase, Instagram also released an in-app payment option in May 2018. The feature lets users link a credit or debit card to their account to make purchases directly through the app. While this option is currently only available for booking appointments or reservations, its potential could ultimately turn Instagram into a fully fledged ecommerce platform.
Kate Spade shoppable posts. Courtesy of Instagram
As Instagram expands its options for shoppers, the platform is also helping brands to better meet consumers’ expectations, with the introduction of classes in July 2018. The courses are designed to help brands and influencers leverage social media effectively, to boost sales.

Snapchat is throwing its hat into the social-commerce ring, debuting new shoppable augmented reality (AR) features. In April 2018, the app introduced ads with AR lenses that allow users to virtually try on a product. They can then choose to navigate straight to the seller’s website for more information or to make a purchase. The app is also offering shoppable stories, but, unlike Instagram, Snapchat features a catalog at the bottom of the screen interface. “With this move, Snap is now providing brands with the opportunity to not just drive engagement with AR lenses, but also seamlessly drive them to commerce with a new tap-to-visit.com feature,” says Chris Murphy, head of digital experience at Adidas US.
Following Snapchat’s lead, Facebook is encouraging in-app shopping with new augmented reality ads. In July 2018, the company announced its plan to release a new ad feature that will allow users to virtually try on makeup or clothes before buying. “The idea is to remove the number of steps between discovering [a product] and the ability to fulfill that purchase,” Eva Press, Facebook’s group lead for retail, CPG and healthcare, told Forbes.com.

With nearly 40% of the world’s population engaging in some form of social media, according to Hootsuite/We Are Social’s August 2017 Global Digital Snapshot, it’s no surprise that such platforms have become major sources of inspiration for consumers. With these recent updates, social media is giving users direct access to the products that inspire them, adapting the retail landscape. “We no longer live in a world where it has to be either brand or commerce,” says Murphy. “Consumers don’t think that way, and neither should we.”

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