

Social Media

Future of Commerce is Social

Roundtable Summary

- There has never been a better time for brands to begin selling on social media. By 2025, social commerce sales are expected to nearly double 2023 sales, exceeding \$107B in the US alone. With the rise of social commerce, platforms across the industry have made advancements in technology that fuels social shopping – everything from Virtual Shopping Groups, Augmented Reality to Shoppable tabs and Shoppable Buttons. But ultimately, the future won't be driven by technology alone - it will also be driven by consumer needs and behaviors.
- To this end, Snapchat partnered with IPG MAGNA to uncover what the future of social commerce will entail. Research was carried out among ~8000 consumers across generations in 4 markets (USA, UK, Saudi Arabia, and Germany), using both quantitative and qualitative research methods. The findings revealed 5 emerging social commerce trends brands need to know in order to reach today's online shopper on social media. We will examine each trend in detail and discuss what it means for advertisers and agencies

Trends in commerce

- **Trend #1:** Social media will serve as a top mode for product discovery - 69% identified Social Media as a top source for discovering new products online. This was true across markets and especially among GenZ + Millennials. Question for roundtable:
 - How are advertisers currently leveraging social platforms to promote new products? Does approach vary by target audience esp. diff generations?
 - What social shopping features have you tested for your advertisers to date? Where have you seen success?
 - If you have not tested any yet, what shopping features are you most excited about?
- **Trend #2:** The future of influence includes one's real friends or own social network - customers trust the opinions of close friends and family when it comes to making the final decision on a purchase. Question for roundtable:
 - How are advertisers currently leveraging social platforms to promote new products? How do you think the approach vary based on different generations?
 - What social shopping features have you tested for your advertisers to date? Where have you seen success? Which feature are you most excited about?
- **Trend #3:** Social commerce has the power to transform the purchase journey - across generations, everyone agrees the traditional shopping journey is more complicated. Social shopping is quicker, more convenient, and seamless. Question for roundtable:
 - In what ways have you seen social shopping ease the purchase journey over traditional shopping? What are the current opportunities for brands?
- **Trend #4:** Social commerce will provide brands with a direct path to DTC - 92% said they would be willing to purchase directly from brands on social media instead of an online marketplace if offered good deals & discounts, user-friendly apps/websites, real-time customer service, instant shopping capabilities, personal product recs through ads, timely updates on sales. Question for roundtable:
 - How are advertisers thinking about best ways to facilitate DTC shopping on social media? Are they already implementing these? Why or why not?
 - What advice would you have for brands who want to enter the DTC space on Social?
- **Trend #5:** Augmented Reality (AR) will be the linchpin in purchase decisions - AR will instill confidence in purchase decisions through try-ons and AR filters with friends and family, which will ultimately reduce returns. The biggest opportunity sits within the clothing, furniture, tech, travel, personal care/beauty, food spaces. Question for roundtable:
 - What excites you most about AR when it comes to online shopping?
 - How do you think AR can fit into an advertisers larger omni-channel strategy? Is your company thinking of including AR formats into its strategy?

Roundtable Chairs



Aarti Bhaskaran
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Global Head of Social
Reprise (IPG)
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Aarti is a storyteller, strategic thinker and insights leader with over 15 years of experience in consumer insights. She currently leads the Global Ad Research & Insights team at Snap Inc, with a mission to educate the advertising industry and marketing community on new ad formats, audiences and platforms through data-driven insights and empirical evidence and be a voice of Snapchat at industry forums and conferences.

Jason leads the Social craft globally at Reprise, with a range of experience in Digital media; the last 12 years dedicated to Social, having a high focus on performance media across a range of verticals. He has led teams to high performance and award wins, through strong collaboration internally and with our partners, as well as establishing robust operations and processes.