

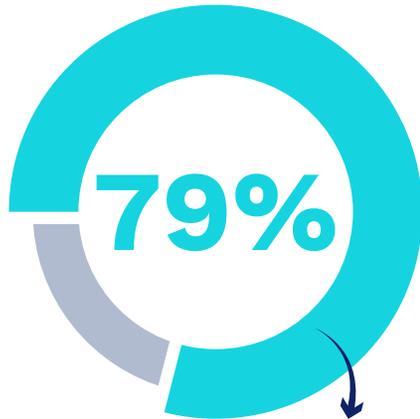
The State Of Social Commerce 2024



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Executive Summary



79% of US online shoppers use social media for shopping



74%

prefer to buy products on the brand or retailer's website rather than on the social media platform

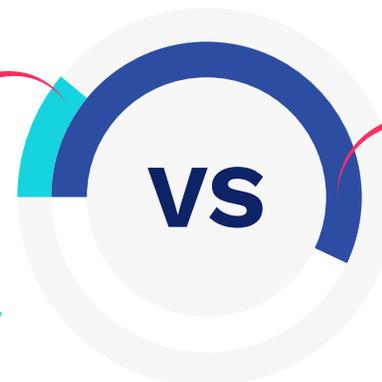


62%

think that social is a great place to discover new products.

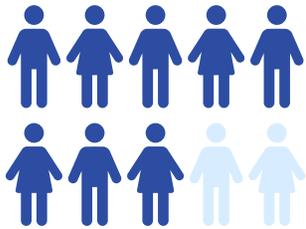
Influencers have a trust problem

only 11% trust influencer content completely

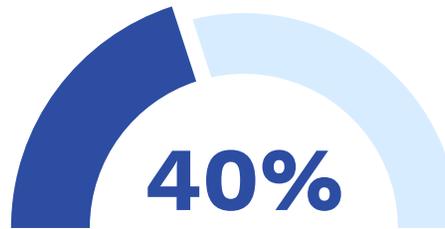


57% compared with 57% for User Generated Content.

For most, shopping starts on social.

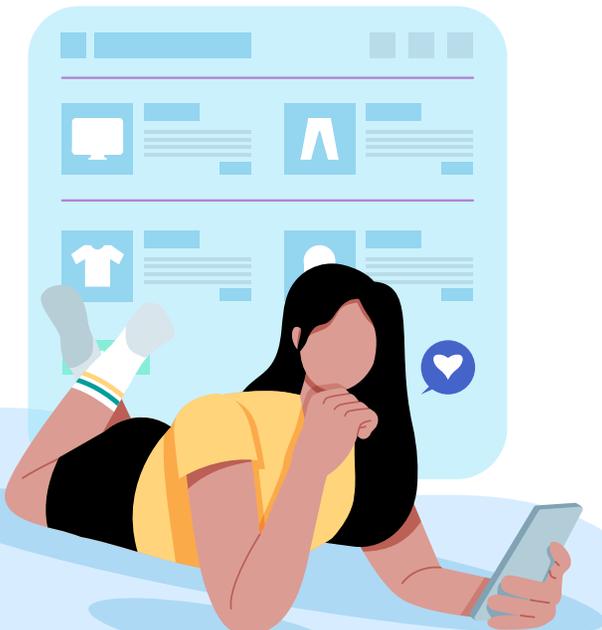


Almost 8 out of 10 shoppers use social media for shopping.



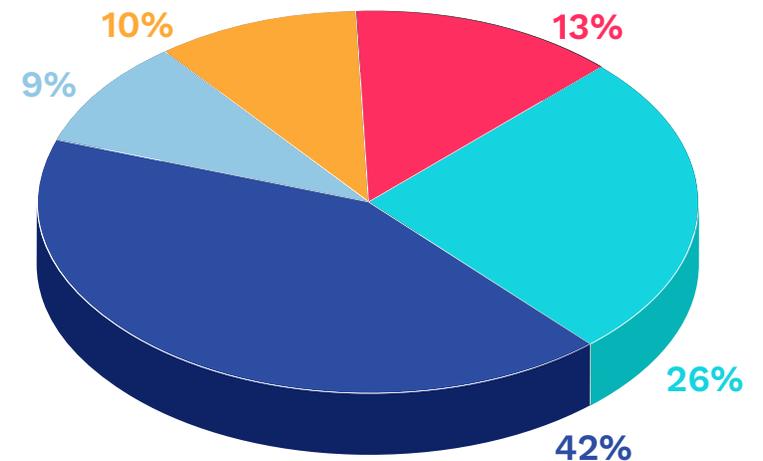
For Generation Z (under 25), 40% use social for shopping every day.

41% of Gen Z start every search on social, even when looking for a nearby café.



79%
of US online shoppers use social media for shopping.

How often do use social media for shopping?



Every day Multiple times per week
Every week Every month Rarely

Social is a great place to discover new products

Discovering new products and brands, seeing how others are using products are the biggest benefits.



62% think that social is a great place to discover new products.

Which best describes how you use social media for shopping?



Most shoppers **don't want to buy** on social channels

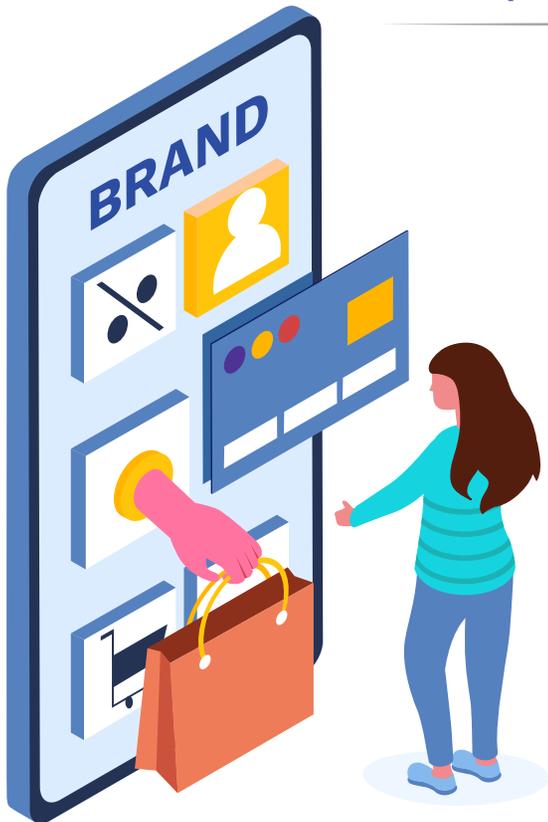


Shoppers want **authenticity** and direct brand relationships



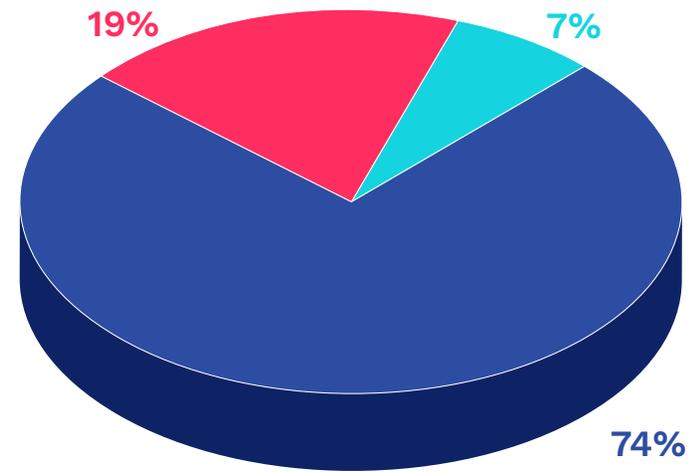
Three quarters of online shoppers **prefer to buy on the brand or retailers website**, not from influencers or on the social platform.

This pattern has remained consistent over the last three years.



74%
prefer to buy directly from a brand or retailer.

When shopping using social media, which do you prefer?



- Buy on the brand / retailer website
- Buy on the social media platform
- Buy from a social media influencer

Why many shoppers shun social checkout

Social is a sketchy place with **many scams** and shoppers are wary.

Buying on social is also constantly in flux as platforms experiment social is a sketchy with different ways to monetize consumers.



TikTok launches Shops in the US... US passes a law potentially banning TikTok



Meta... pivots away from Instagram and Facebook shops



Pinterest goes all in on social checkout ... then pivots to drive ad revenue

Social impulse purchases frequently cause regret

Social platforms make it very easy to buy immediately. This drives sales of lower priced impulse type purchases in particular.

But over half of online shoppers that have made purchases on social platforms **regret their purchases.**

Problems with product returns mean that only 13% that buy on social would be willing to buy again that way.

55% regret impulse purchases on social.

only **13%**

would be willing to buy again on social following a returns experience.



Three big shopping problems when buying on social channels



Different Prices and Availability

PROBLEM

Product, promotions and inventory are not synchronized in real time.

IMPACT

Products are cheaper and more available on the brand or retailer's own website



Drives impulse purchases

PROBLEM

Instant buy type CTA's drive impulse purchases, not consideration.

IMPACT

55% of shoppers regret a recent impulse purchase made on social.



Product Returns experiences

PROBLEM

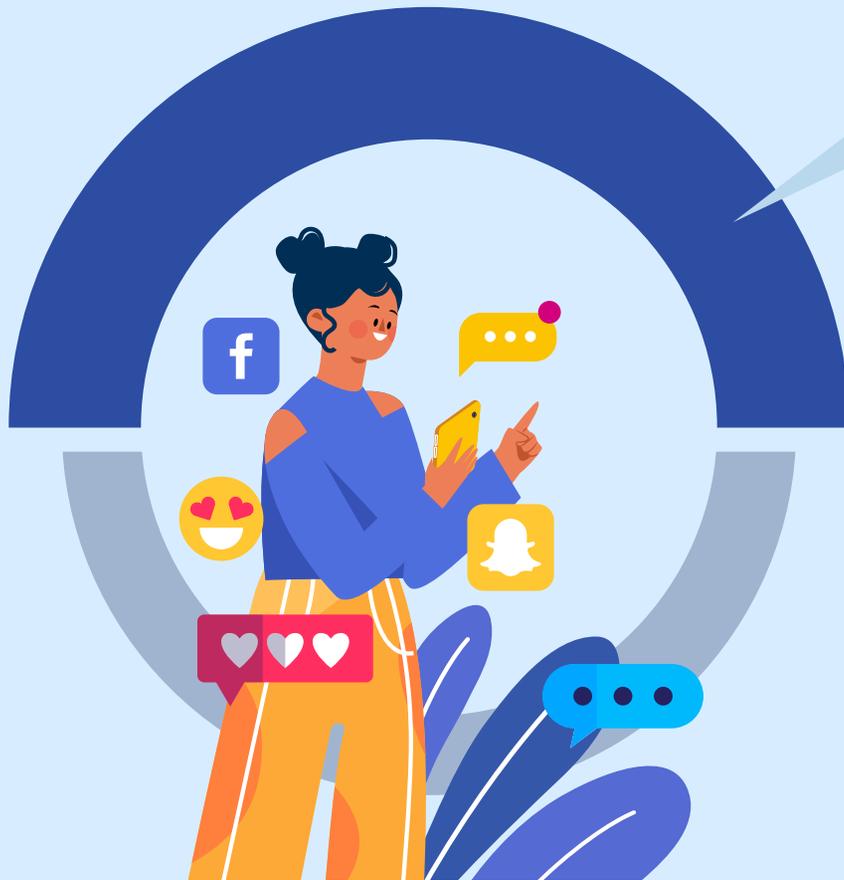
Unclear to shoppers how to return products leading to bad experiences.

IMPACT

Only 13% of consumers would be willing to buy again on social after a returns experience.

Influencers are most valued for reviews & showing products in use

Shoppers get most value from seeing products in context, especially influencer reviews and seeing how to use products.



50% find influencer product reviews the most useful.

What do you find most useful about social media influencers?



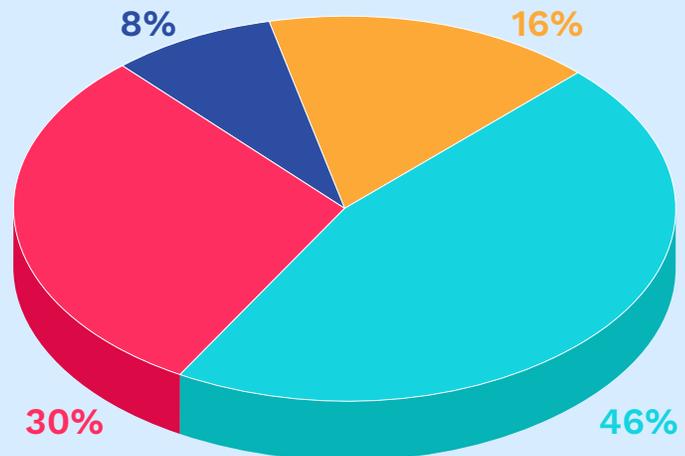
Three quarters think that influencers aren't always transparent

Only 8% of shoppers think that influencers are always transparent about remuneration. Brands and retailers should focus on authenticity when working with influencers.



only **8%** think influencers are always transparent.

Do you think that influencers are transparent about whether they are being paid to promote a product?



■ Yes, always
 ■ Yes, mainly
 ■ Sometimes
 ■ No

And a small minority are scathing about influencers

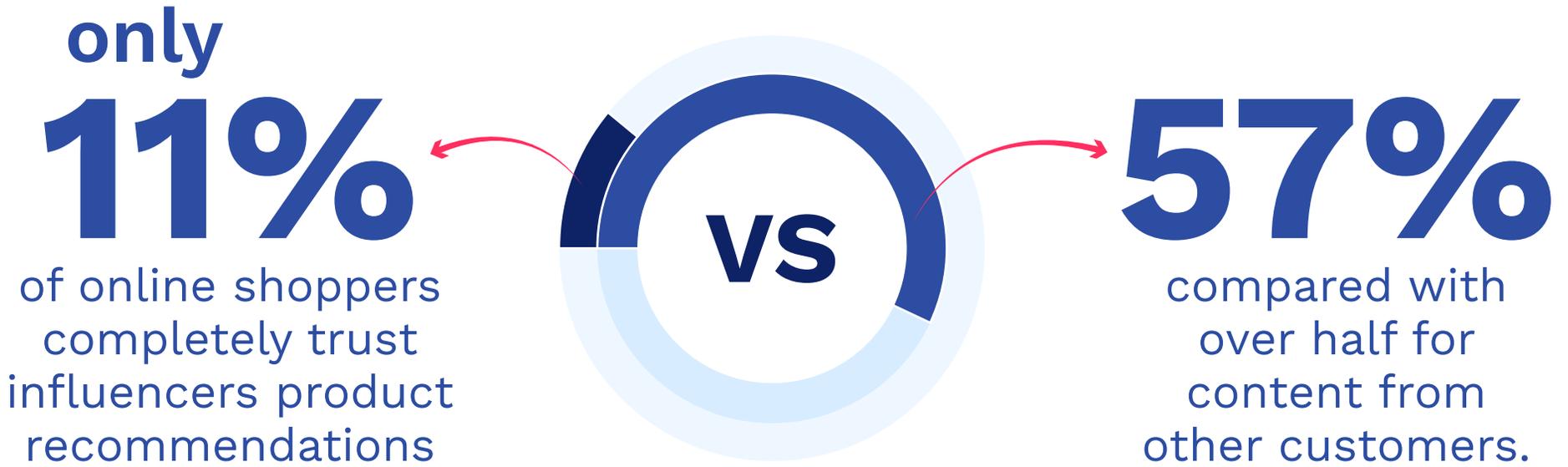
9% think influencers deliver no value.

They are all WORTHLESS. I do NOT follow ANY social media influencers - what a waste of my time, they are a bunch of idiots!

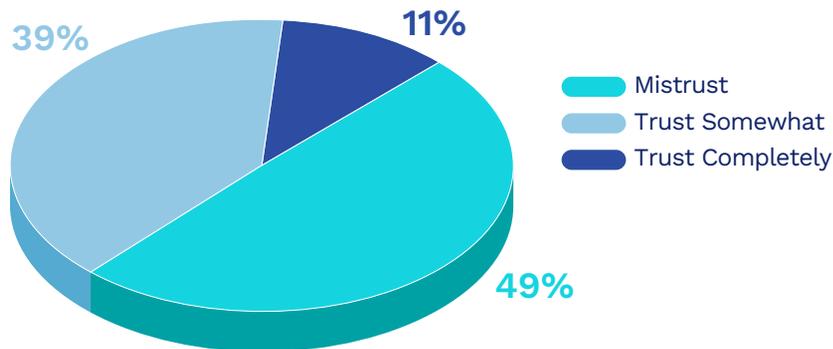
Nothing. I couldn't care less about ... people who are doing nothing with their lives but scrounging for paid endorsements.



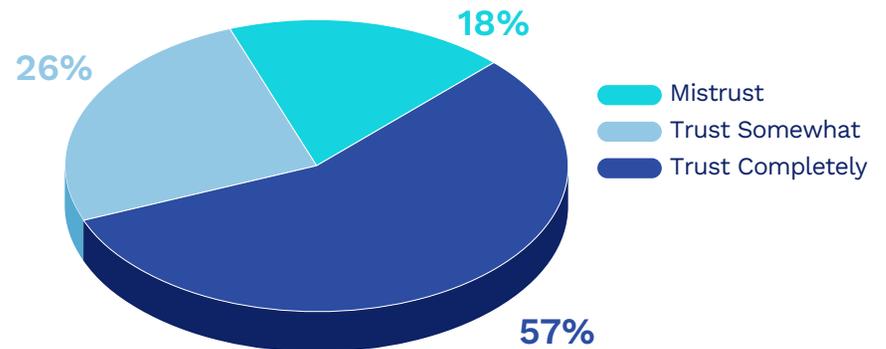
Influencers have a trust problem



Do you trust social media influencers product recommendations?



Do you trust social media reviews from other shoppers like you?



Shoppers want influencers to show products in use

Using products, or styling multiple products together makes for great content.

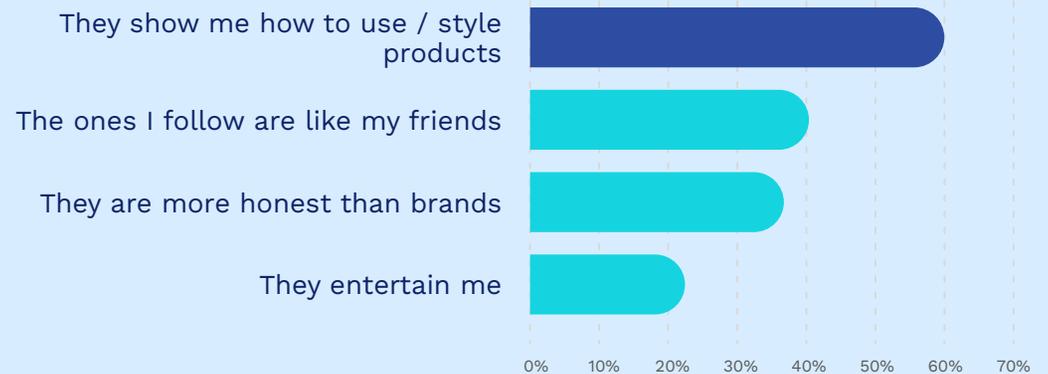
40% trust influencers that **are similar** to their friends.

Older shoppers in particular look for influencers **to entertain**.



60% trust influencers to show them how to use or style products.

What best describes how and why you trust social media influencers?



Conclusions



1 Social is increasingly where the majority of consumers go to find new products



2 Three quarters of consumers prefer to buy directly on the brand's or retailer's e-commerce site.



3 Influencers aren't fully trusted but are useful for many consumers especially for product reviews.



4 User Generated Content, especially product reviews, are the most valued and trusted by consumers.

Research Methodology

- ✓ Now in its third year, the annual DX Academy State of Social Commerce report seeks to understand how US shoppers use social media when they shop.
- ✓ An online survey is conducted using the same core survey questions, making the results comparable year over year. Each year some supplemental questions of interest are added to provide additional color.
- ✓ Sample: Quota sample of 1,000 US online shoppers representative of the US population.



The DX Academy is a think tank that researches how consumers buy online.

Every year the DX Academy interviews many thousands of online shoppers to understand how and why they buy. It explores consumers' attitudes to shopping online, in store or different channels and devices.

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