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The Annual Review - State of Social Commerce
Challenging the Accepted Perception of Social Commerce

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SimplicityDX Reveals Social Revenue Underreported by 245%.

Social commerce is significantly underreported.

- **71%** of shoppers, who had used social for a recent purchase, bought on the brand site without clicking through immediately
- **23%** do this immediately
- **48%** will go to the brand site and buy later

This shows that brand site revenue from social is understated by approximately 2.45x or **245%**.

So what do consumers want from social commerce and the eCommerce store? Our hands-on research profiled 3000+ shoppers in the US throughout 2022, to find out the good, the bad and the ugly of social commerce.

Social media is the preferred place to discover products

Meeting customers where and how they do business means enabling online shoppers to discover and purchase products on any channel. Today, consumers spend 2.5 hours daily on social media.

64% customers think social media is a great place to learn about products. Only 16% think it is a great place to buy.

64%

58% of shoppers think social influencers are best used for discovery and recommendation

58%

Consumers want to buy on the Brand Site

4.89 billion social media users worldwide in 2023 - a **6.5%** increase from 2022.

77% 77% of people, who expressed a preference, want to buy on the brand site.

21% 21% of online shoppers purchased at a live streaming event. With 51% of respondents preferring to make their purchase from the brand directly.

15% Social commerce checkout is unpopular, with only 15% wanting to checkout on social.
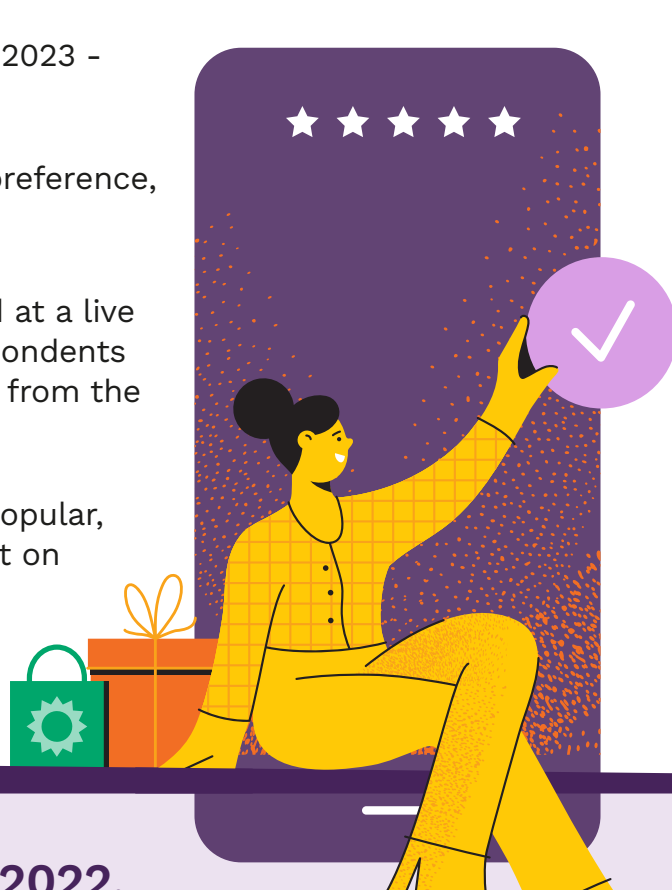
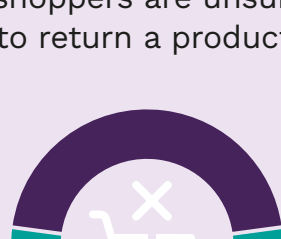## Throughout 2022, 4 social commerce issues were reported

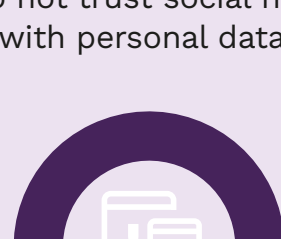We know social commerce is in its infancy, but right now the shopping experience is falling short.

Returns and refunds
77% of shoppers are unsure of how to return a product.

Consumer trust
67% do not trust social networks with personal data.

Inventory issues
46% of shoppers experienced availability issues, leaving people disappointed.
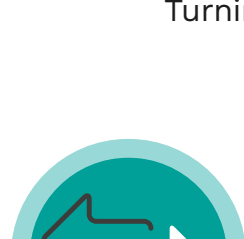
Poor experience
86% of customers complain of less-than-stellar experiences when referred to the brand site from social.

Landing experience issues are responsible for a **14%** loss of total eCommerce revenue, estimated to be a staggering **$700B** revenue loss each year.

Opportunities for brands looking to succeed in the social commerce space.

Turning these issues on their head, savvy social commerce innovators can look to:

Redirect traffic
The established pattern of **"discover on social, buy on the brand site"** should be the model going forward for most brands. So redirect from social to their eCommerce store to take full control of commerce experience.

Improve the social-to-brand site experience
We recommend brands soften these landings with a blend of social and product content to drive engagement and nurture the sale. Ensure social media is in sync with the inventory position, pausing any campaigns that promote unavailable products.

SALE
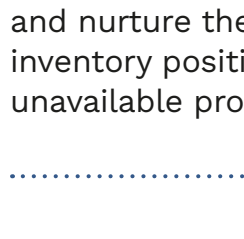
Build a direct relationship with shoppers
New customers rarely buy on the first visit. Encouraging these new visitors to subscribe to the brand and retarget to drive repeat visits and purchases over time.
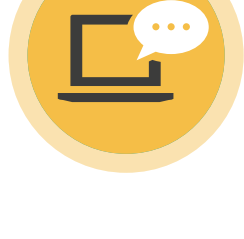
List & tag products
Brands should upload their entire product catalogs onto social networks, wherever possible, and ensure all products are tagged. This connects aspirational lifestyle imagery with products that can be purchased. Customers should then be directed to the brand site to purchase.
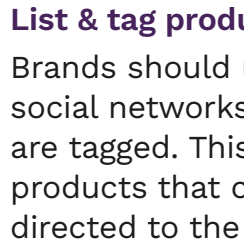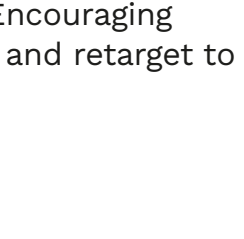
Trust
Build trust with relevant, authentic content and be transparent at every step of the customer journey.

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Looking to learn more?
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The **SimplicityDX Edge Shopping Platform** makes any content shoppable, anywhere, in minutes. SimplicityDX changes the math of marketing for brands by dramatically reducing Customer Acquisition Cost and boosting Return On Ad Spend.

For more information, visit **www.SimplicityDX.com** or connect on **LinkedIn**.

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