

Social Commerce

Understanding how social media and commerce merge in day-to-day online behaviors

TREND REPORT 2019

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Introduction

GlobalWebIndex Trends Reports explore some of the most pressing topics for marketers, from traditional vs. digital media consumption to audience measurement issues. In this report, we place the spotlight on social commerce and provide a deep-dive into the crucial topics of the industry.

This report explores:

- **The social commerce landscape** – how the rise of mobile commerce and changing consumer habits on social media are laying the foundations of social commerce
- **The potential of social commerce** – how social commerce differs by region and where APAC stands out
- **The consumer trust issue** – how privacy concerns are influencing social commerce
- **Social commerce in the path to purchase** – what an omni-channel strategy entails and why marketers should focus on all stages of the purchase journey

Key Insights

Social commerce must be viewed within the frame of omni-channel retail strategies and beyond clicking “buy” buttons on social platforms. Shoppers are increasingly making use of a multitude of channels when looking for and buying products online. Social channels can be used in conjunction with – and complementary to – other commerce channels to provide a convenient and seamless consumer experience at each stage of the purchase journey.

Many interested parties are looking to APAC to understand how to exploit the full potential of social commerce. APAC’s lead in social commerce is a product of how consumer behaviors formed when the internet gained mass adoption in the region: it came later and rolled out more quickly, yielding a more integrated, mobile-first online space.

Mobile payments have been a vital piece of that puzzle. Low barriers to adoption and strong consumer engagement with a small group of services have meant that social platforms have been able to integrate shopping and communications services for networkers and businesses in single platforms.

Overcoming consumer reservations on social commerce in mature markets will be no easy feat. Strong uptake of ad-blocking, which is driven by ad-weariness, is a clear example of consumer backlash against any marketing that compromises their online experience. On top of that, **the rise of fake influencers has dented the credibility of social commerce among some consumers and businesses.** The growth of social commerce is highly dependent on regaining consumers’ confidence concerning the use of personal data and eliminating fraudulent influencers from social platforms.

While APAC provides the most important examples of how the full potential of social commerce can be utilized, **mature markets are making great progress in adapting social media shopping practices as well.** Social media in the West has proved itself as one of the most effective channels for raising brand awareness. The emerging direct-to-consumer companies, heavily reliant on social networks for customer acquisition, are a clear example, which is why they have become a central part of the social commerce landscape.

Social Commerce

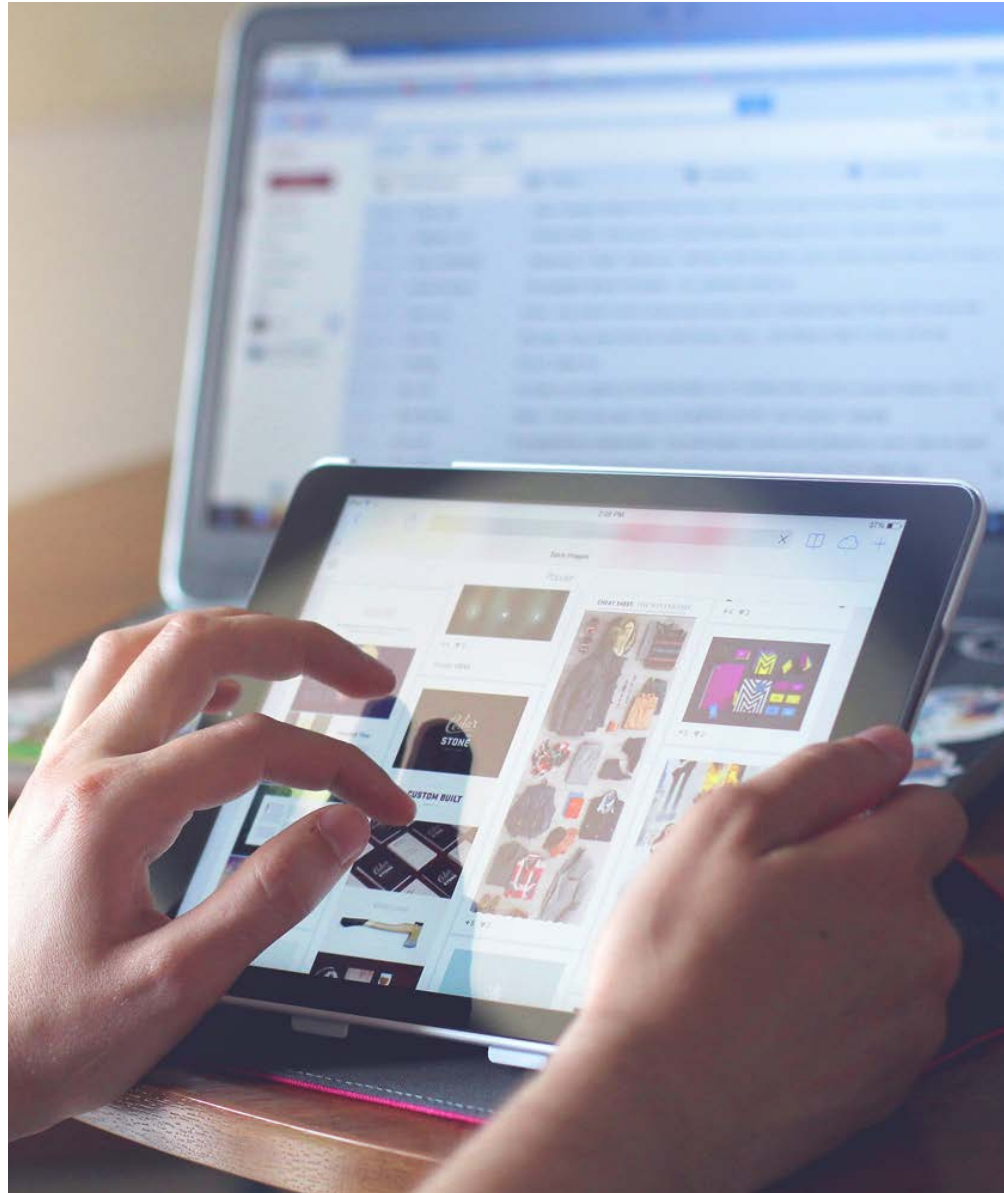
Where is social commerce today?

Where is social commerce today?

Social media today has evolved to more than just a space for communication, content sharing and news consumption. It has increasingly become not only a tool where general networking can easily take place, but also a space that serves the needs of businesses – everything from advertising and marketing to ecommerce sales.

But it's the possibility of completing the purchase journey while remaining within the ecosystem of these social platforms which has emerged as the "holy grail" in the development of social commerce.

Becoming a (social) online marketplace will offer these platforms substantial revenue streams and will also provide new growth opportunities as they build their presence in fast-growth markets where mobile commerce takes on a particularly important role.



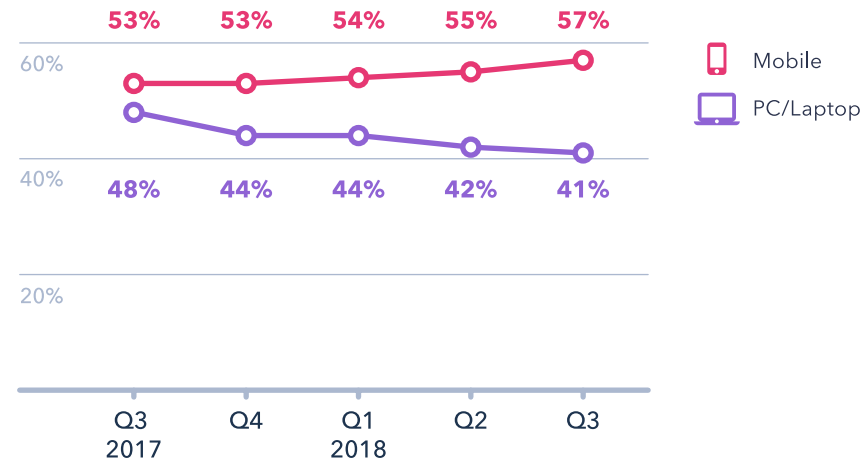
The move to mobile

In the past three years alone, we've seen **smartphone ownership rise by seven percentage points to its current standing of 95%**. Simultaneously, ownership figures for PCs/laptops have dropped by almost 15 percentage points. These two intersecting trends are having a profound impact upon online consumer habits more broadly. This has put major pressure on retailers to make their sites handheld device-friendly, with the intention of helping users to manage one more aspect of their lives on a smartphone: completing a purchase.

The number of consumers who have made a purchase on their mobile phone has increased by four percentage points in the past year. At the same time, use of computers or laptops for the same activity decreased by seven percentage points, down to 41%. As we highlight in our **flagship Commerce** report, **the mobile phone is now the device of choice for all stages of the purchase journey - from researching, to buying through to reviewing.**

PC vs. Mobile Shopping

% who purchased a product online in the last month via...



54% of global internet users today have purchased a product online on their mobile



Question: In the past month, which of the following things have you done on the internet via a PC or mobile?

Source: GlobalWebIndex Q3 2017-Q3 2018 **Base:** 527,241 (Q3 2017-Q3 2018) Internet Users aged 16-64

Changing consumer mindsets on social media

The anywhere-anytime access offered by mobiles is prompting social networkers to engage with these platforms more frequently, but in a less prolonged manner. We're seeing daily time spent on social media continue to rise (although at a lesser extent than before) as people spend longer on their smartphones. **The average online adult today averages 3h 21m on their mobile and 2h 18m on social media per day.**

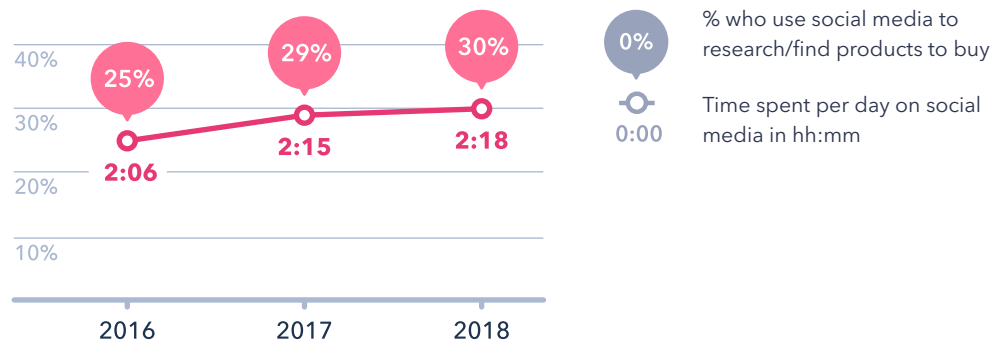
Users' search for convenient ways to navigate their everyday lives on a single channel has caused social media platforms to become one-stop shops not only for networking, but for more practical activities as well, especially when it comes to commerce.

That's partly why we're seeing small but steady increases in the share of digital consumers who use social media to research or find products to buy. This increase coincides with increasing time spent on social media per day.

In short, as discussed in our blog [How 'Social' is Social Media?](#), networking behaviors are becoming less centered around sharing content about your daily life, and more oriented around fulfilling mainstream online activities that have, until recently, remained outside the social arena.

Social behaviors are becoming both more **passive**, and at the same time more **purposeful** in nature

Social Media Engagement Over Time



Question: What are your main reasons for using social media? /// Roughly how many hours do you spend engaging with / connected to social networks or services during a typical day? **Source:** GlobalWebIndex 2016-2018 (averages of all waves conducted in each year) **Base:** 916,685 (Q1 2016- Q3 2018) Internet Users aged 16-64

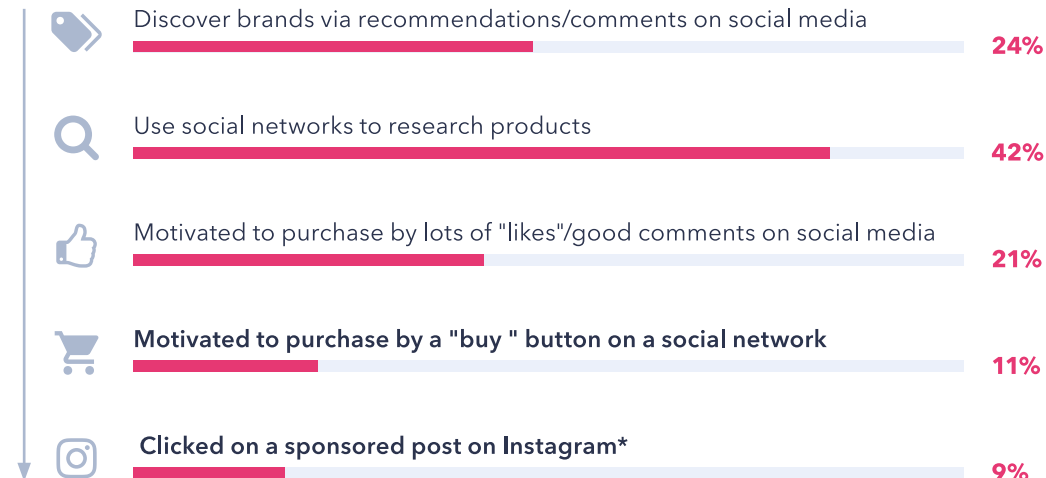
Changing consumer mindsets on social media

But to what extent does buying take place on social media? Our data shows that **the purchase journey on social media have yet to be closed**. It seems that social channels are the perfect space for consumer brand discovery and product research, but are yet to fulfill their potential when it comes to completing the purchase.

However, our data also indicates that although social commerce is still a relatively abstract idea to many, it has the potential to become a vital feature on social network platforms in the future.

Users' growing interest in reviewing and engaging with products and brands on social media, coupled with the increasing amount of time they spend there, illustrates **the major convenience of completing the purchase journey on the platform itself rather than having to visit the retailer's website**. Removing such time-consuming steps from consumers' purchase journey by utilizing social media platforms to the fullest may result in higher sales and product engagement.

Social media's impact across the purchase journey



Nearly **3 in 10** cite researching/finding products online as a main reason for using social media

* Note that China is excluded



Question: Which of the following online sources do you mainly use when you are actively looking for more information about brands, products, or services? /// In which of the following ways are you most likely to find out about new brands, products, or services? /// When shopping online, which of these features would most increase your likelihood of buying a product? /// Which of these things have you done within the last month on Instagram? **Source:** GlobalWebIndex Q3 2018 **Base:** 113,932 Internet Users aged 16-64

The influencer wave

In recent years we've seen a boom in celebrity influencer posts on social media. Influencer marketing can be a great strategy when it's used correctly. It gives brands the opportunity to reach consumers in different, exciting and new ways that go beyond traditional advertising. Nearly **a fifth of internet users say they use social media to follow celebrities, climbing to a quarter of Gen Zers**, where they are most effective.

Especially important is the role influencers play in the first stage of the purchase journey – brand discovery. Our data indicates that **14% of digital consumers find out about new brands via celebrity endorsements**. It is not only about

celebrities, though. Social commerce allows virtually anyone to become an influencer and this is clearly reflected in our data. **The same share of people discover brands via celebrities as through expert blog posts or product reviews**. These two sources of brand discovery even rank above previously more influential sources like cinema and radio ads, as well as newspaper articles.

Instagram has been the platform primarily associated with influencer marketing. According to [CreatorIQ](#), Instagram was part of 93% of all influencer campaigns in 2018, leveraging the platform's brief videos in the form of Stories, as well as the numerous features like the Countdown Sticker introduced late last year.

This trend has led to numerous opportunities for emerging direct-to-consumer (D2C) businesses leveraging the power of social media to bypass retailers and wholesalers, and reach consumers directly. But due to the constraints-free space of social media, it has also allowed for fraud and abuse. Later in the report, we discuss the impact this has had on consumer trust, as well as the importance of social media for each stage of the purchase journey.

Celebrity Influence



19%

Use social media to follow celebrities/celebrity news

More than a fifth have visited a celebrity's Instagram page in the past month.



14%

Endorsements by celebrities or well-known individuals



14%

Posts or reviews from expert bloggers

% who find out about new brands/products/services via...

% who have done the following things in the last month*

Watched a video posted by a celebrity or vlogger on YouTube	25%
Visited a celebrity's Instagram page	21%
Visited a celebrity's Twitter feed	10%
Followed a celebrity or famous person on Snapchat	5%

*Note that China is excluded



Question: What are your main reasons for using social media? /// In which of the following ways are you most likely to find out about new brands, products, or services? /// Which of these things have you done within the last month on YouTube, Instagram, Twitter, Snapchat? **Source:** GlobalWebIndex Q3 2018 **Base:** 113,932 Internet Users aged 16-64

Social Commerce

The potential of social commerce

Profiling social media shoppers

The true impact of social media on the purchase journey can only be realized and measured if we look beyond “buy” buttons on social platforms. This is clearly illustrated in our data – **just 11% of internet users (and as little as 6% in Europe and North America) say that the opportunity to buy something on a social network using a “buy” button would incline them to make a purchase online.** But using our **Social Media Segmentation**, we see that our *social shoppers** segment comprises 55% of the global online population.

It’s also evident that **the prospect of social commerce sees stronger enthusiasm from younger age groups**, with 60% of 16-34-year-olds falling within this consumer segment. A similar share of men (53%) and women (57%) use social media for commerce activities, and interestingly **there’s relatively little difference when it comes to income.**

Looking at regional and market differences reveals one of the most telling pictures of the current state of the social commerce around the world. Certain markets have been more successful than others in the extent to which they have accommodated social commerce. Our data indicates that the predominantly **fast-growth regions of Latin America and the Middle East & Africa see the highest proportion of social shoppers.**

Social Shoppers

% who are...

Social shoppers	56%	47%	71%	67%	44%
Male	55%	47%	47%	55%	46%
Female	45%	53%	53%	45%	54%
Average age	32	37	33	32	36
Bottom 25%	23%	23%	21%	20%	27%
Mid 50%	49%	44%	50%	43%	45%
Top 25%	22%	19%	17%	21%	19%
	Asia Pacific	Europe	LatAm	MEA	NorthAm

Top 10 Markets with the highest share of social shoppers

% of internet users who are Social Shoppers

 Philippines	81%	 Argentina	71%
 Colombia	77%	 Malaysia	71%
 Vietnam	74%	 Egypt	71%
 Thailand	72%	 Mexico	71%
 Indonesia	72%	 Brazil	70%

55% of internet users are social shoppers

*Social shoppers are people who say any of the following: They use social media to research/find products to buy; Social media is one of the main sources they use when looking for more information about a product, brand or service; The option to use a “buy” button on social media would make them more likely to buy something online.



Question: This data is auto-generated based on responses to the Social Media questions
Source: GlobalWebIndex Q3 2018 **Base:** 47,393 Social Shoppers aged 16-64

Profiling social media shoppers

Low internet penetration rates in many of the markets within these regions can mean online populations are more young, urban, affluent and educated than the total population: all traits which increase their likelihood of incorporating social channels within the purchase journey.

LatAm, for instance, has relatively fewer internet users, so the average respondent age there is 33, compared to 38 in Europe. The same trend applies for social shoppers. **LatAm is home to the highest proportion of social shoppers (71%), followed by MEA (67%), while the lowest share is in North America (44%).** When it comes to affluence, the fast-growth regions also have the highest concentration of social shoppers in the top 25% income bracket.

However, there are other megatrends playing a role here, which help to explain why social commerce sees higher engagement in less mature regions. **Digital behaviors within these fast-growing online populations have not taken the same trajectory as those within mature market regions.** Early adoption of the consumer internet in

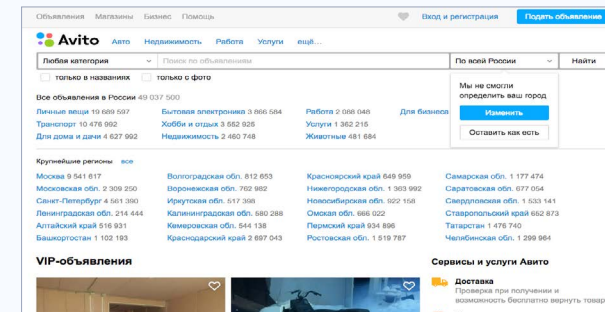
mature regions has resulted in fairly entrenched consumer habits and expectations in their online experience, which continue to cause friction when it comes to many new and digitally-forward trends.

“Fast-growth” markets are called that for good reason – online infrastructures in these markets facilitating widespread consumer internet access are only a relatively recent phenomenon. As such, this has resulted in digital behaviors which have for the most part been shaped during the proliferation of major contemporary trends. These trends include **the universal adoption of social media, mainstream adoption of online shopping and the rise of mobile as a major internet portal.**

Consumers in fast-growth regions have what many industry leaders refer to as the “late mover advantage” when it comes to digitally progressive trends like social commerce.

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Rise of the Russian social commerce market



According to a study by Yandex.Checkout and Data Insight, the Russian social commerce market – which includes sales of goods and services via social networks, messaging apps, classified ad platforms and other P2P platforms – is being estimated at 591 billion rubles, or around \$9 billion. This was generated from 394 million transactions last year alone.

The highest share (33%) of these came from Russian classified ad platforms like Avito.ru and Youla. This was followed by social media platforms like Vkontatke, Odnoklassniki, Facebook, Instagram, which generated 26% of the total social commerce sales.

As reported by **EWDN**, social media plays the most substantial role in the B2C sales, with 40% of the online sales revenue generated there. Messaging apps appeared as the most important sales channel predominantly for lower-value transactions, while **social networks** are the primary platforms for larger sellers.

APAC in the spotlight

So far, we've discussed why the use of social media for commerce activities has been so successful in some markets in fast-growth regions. Young online infrastructures and the resulting "**late mover advantage**" when it comes to digitally-forward online behaviors offer part of the explanation.

But there's more at work in the Asia Pacific region, mainly due to its markets' pronounced mobile-first nature. In particular, **the conventional idea of buying on a social network in Asia takes on a subtly different form to that being adopted by those in Western markets.** Social platforms

like Facebook, Instagram and Pinterest in the West face the challenge of convincing consumers that these are ideal places to purchase the most commonly bought items online (i.e. apparel, footwear, books and gifts), because these spaces are still primarily used for communication and entertainment. The consumer awareness around social commerce is yet to be raised there.

On the other end of the spectrum, the biggest success stories in social commerce outside of the West and within APAC – in particular WeChat in China – are deeply entrenched in users' daily lives. As

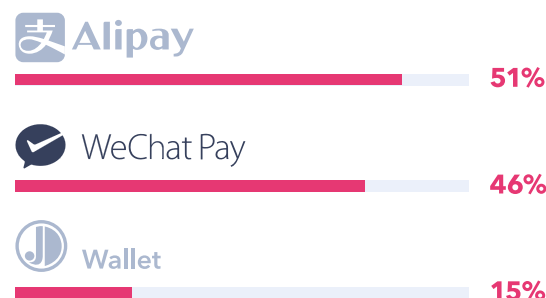
highlighted in our [Messaging Apps](#) report, **these services allow users to carry about a broad range of commerce activities – from paying for restaurant or taxi bills, to using an app's functionalities to pay for items in-store and online.**

Whereas many Western platforms are largely offering popular retail items, the biggest social commerce success stories in APAC act as service platforms within daily lives

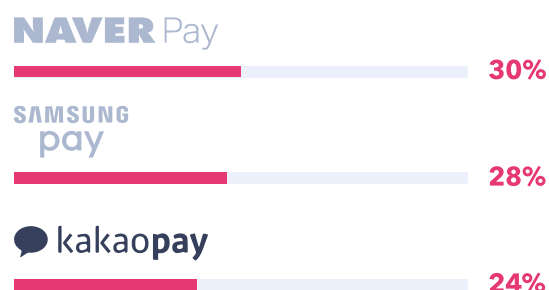
Social Mobile Payment Services

% of Social Shoppers who have used the following services to pay for an item on their phone

CHINA



SOUTH KOREA



TAIWAN & THAILAND



Question: Which of the following services have you used to pay for an item / service using your phone?
Source: GlobalWebIndex Q3 2018 **Base:** 7,776 (China), 369 (South Korea), 1,504 (Taiwan & Thailand) Social Shoppers aged 16-64

APAC in the spotlight

At the core of this is convenience. **It's no coincidence that some of the top mobile payment services in these three APAC markets are owned by the major social media platforms in those countries.** In China, for example, nearly half of social media shoppers use WeChat Pay each month. Businesses of any size can be able to set up their own WeChat store, which shoppers automatically follow on the platform once they have made a purchase.

63% of WeChat Pay users in China have followed an official company account on the platform in the past month (1.4 Index)

Other unique features include the "shake" function which allows users to connect with other users or corporate accounts. **27% of WeChat Pay users in China have used it in the past month.** Businesses there use this feature to send personalized offers based on the

user's location. **Burberry**, for example, created a WeChat game that prompts people to use the shake feature to paint the DK88 bags. Each shake revealed a new bag color, and at the end users could send the bag to a friend, or they could go into the WeChat store and make a purchase straightaway.

Key to note here is that each of these social payment services is in partnership with other local services frequented by local consumers, **who are provided with the incentive of financial rewards when opting for these payment methods instead of cash.** **The Reserve Bank of India**, for instance, is another institution that is incentivizing merchants and consumers to move away from cash. This is not only a reflection of a more willing consumer mindset, but **also shows that these platforms have established themselves as crucial payment gateways for a significant number of online adults.**

TREND IN ACTION

THE POTENTIAL OF
SOCIAL COMMERCE

14

WeChat Pay teams up with BHV Marais to launch an advanced retail experience



China's WeChat Pay have **partnered** with the French BHV Marais to launch a smart department store solution in time for the Chinese New Year. The objective is to provide more diverse and personalized products and services to Chinese tourists.

This collaboration is evidence of the platform's efforts to expand in the West via its latest 'One for Billion' cross-border business initiative. Freedom Li, President of WeChat Pay International Business, commented: "Smart industry solutions with WeChat Pay at their core have been brought to millions of offline stores across over 30 industries in China, and are common throughout users' daily lives. Many Chinese people have now long been accustomed to going out without their wallet. Together with our global partners, we hope to extend the convenient experience of WeChat Pay overseas, so that global businesses can share the dividends of China's growing outbound travel market."

Social Commerce

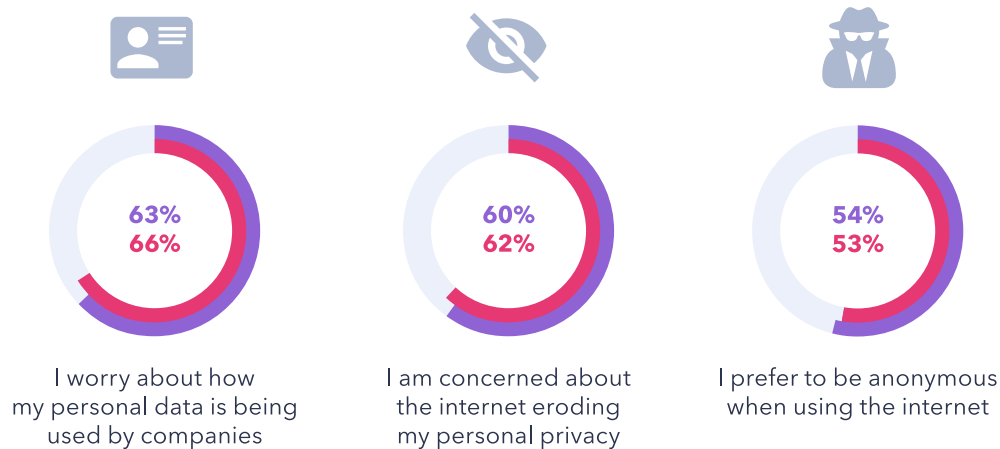
The consumer trust issue

The consumer trust issue

Privacy Concerns

% who somewhat/strongly agree with the following statements

● All internet users ● Social Shoppers



Entrenched digital behaviors in mature markets feed directly into the issue of consumer trust: **consumers are increasingly losing their trust in social media following the multitude of privacy breach scandals in recent years.**

Despite virtually all internet users engaging with social media in some way each month, **a great deal of these networkers remain reluctant to award their trust, and especially their sensitive financial information to social channels.**

On a broader level, **these consumer trust issues are the result of widespread online privacy concerns and a resistance to intrusive marketing efforts.** Consumers are becoming increasingly aware of their digital footprints, and many disagree with companies gaining access to sensitive personal information, such as a user's location in real-time, not to mention that many smart assistants have "active listening" enabled by default. That's part of the reason we've seen such a proliferation of ad-blocking tools in recent years, both on desktop and on mobile.



Question: To what extent do you agree/disagree with the statements below on your outlook on technology and the web? **Source:** GlobalWebIndex Q3 2018 **Base:** 113,932 Internet Users aged 16-64

The consumer trust issue

Today, 63% of digital consumers say they are worried about how companies use their personal data and 60% are concerned about the internet eroding their personal privacy. These figures increase to 66% and 62%, respectively for social shoppers. Equally as important is that 54% of internet shoppers state that they prefer to be anonymous online.

But this is not the full story. **Influencer fraud** has also played a big part in undermining consumer trust in social media. “Fake” influencers, who buy followers or use bots to artificially increase engagement, are so common today that social networkers and brands alike have lost a degree of confidence in promoting products and trusting sponsored posts.

These issues have caused companies like CreatorIQ to come to life and regulate influencers with an unusual number of followers, or posts with very high engagement levels relative to acquired followers. Others, like **Unilever** and **Kelloggs**, have publicly refused to be associated with fraudulent digital influencers by prioritizing working with social media platforms that take action to stamp out fraud and increase transparency.

What’s more, influencers are beginning to take action themselves. Many of them are now sharing their personal profile data, aiming to boost brands’ confidence that their engagement rates are consistent with their number of followers.

The **Fyre Festival** scam, which was recently translated into a Netflix documentary, is just one example of how far fraud on social media can go. The festival was promoted by a number of celebrities including Kendall Jenner, who was paid \$250,000 for her Instagram post.

TREND IN ACTION

Instagram takes action against fake followers



According to an Instagram **announcement**, the social network is making headway in trying to prevent fraudulent influencers from monetarily leveraging the platform. Immediate actions include removing any likes, follows, or comments from accounts that have used inauthentic services to enhance their popularity.

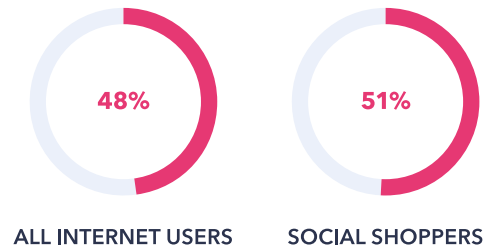
What’s more, machine learning technology that recognizes and monitors accounts associated with fraudulent behavior is also built in on the platform now, which will help eliminating fake engagement. Instagram will also contact these users via an in-app alert to make them aware of the new processes and ask them to change their password to stop third-parties from gaining access to their accounts.

Instagram assured that “these new measures will be ongoing, and accounts that continue to use third-party apps to grow their audience may see their Instagram experience impacted”.

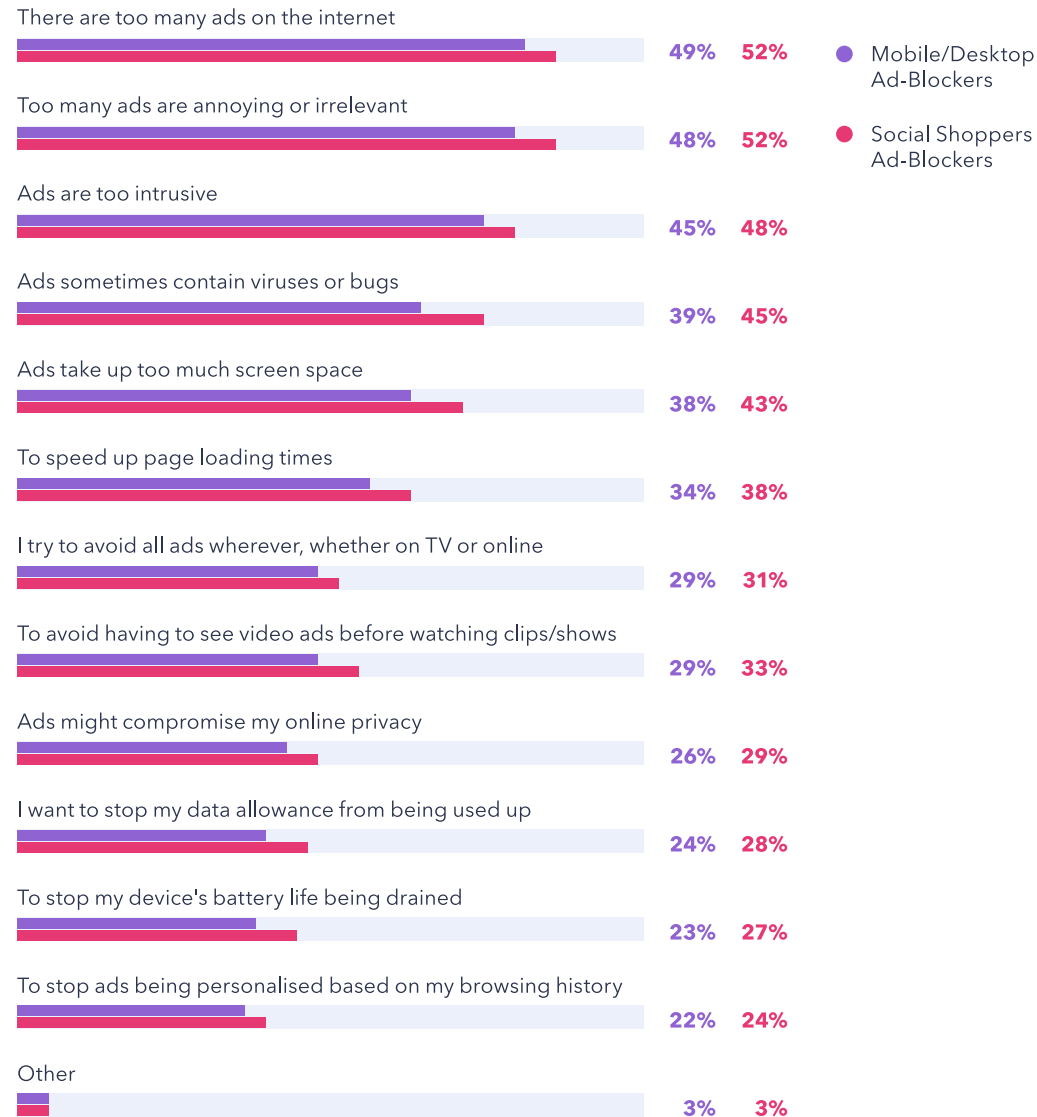
The consumer trust issue

Ad-Weariness

% who have used an ad-blocker to stop ads being displayed



% who say that the following motivate them to use an ad-blocker



Question: What are your main reasons for blocking ads while you use the internet?

Source: GlobalWebIndex Q3 2018 **Base:** 40,815 Mobile/Desktop Ad-Blockers and 22,491 Social Shoppers Ad-Blockers aged 16-64

The consumer trust issue

For social commerce to make its way into the consumer mindset, it needs to approach them in a non-intrusive manner, one which allows them to engage on their own terms.

This is a point which cannot be overstated – **social commerce must learn from the lesson of irresponsible online advertising and prioritize transparency, control and feasibility.** Internet users are prepared to act when their online browsing experience is compromised, and given that users spend increasingly more time on social media every day, this is no exception.

Almost half of mobile/desktop ad-blockers say that ads are annoying and irrelevant, or too intrusive.

Looking at the core motivations behind the ad-blocking trend and the scale of ad-weariness, it's clear **that intrusive formats and ad-overload are driving this resistance to online advertising.** These consumer expectations to a large extent dictate the agility of Western social platforms like Facebook when it comes to providing an online shopping experience for networkers.

Security and privacy issues are a major barrier hindering the success of social commerce

Looking at the proliferation of data protection legislations beyond the EU like the multiple **U.S. state laws** – all aimed at providing consumers with greater control over their personal data – the social commerce industry has the foundation it needs to boost consumer confidence in 2019.

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Tech companies lobbying U.S. Congress for privacy legislation



Late last year the U.S. Senate Committee on Commerce, Science and Transportation held a hearing aimed at discussing consumer privacy with lawmakers. Representatives from big tech companies like Amazon, Google and Apple were expected to explain their data collection processes to Congress and help shape a federal privacy law that would encourage rather than hinder innovation.

According to **CNET**, the spending that went into addressing lawmakers in 2018 was unprecedented. It numbered more than \$65 million from Facebook, Google and Amazon alone. This was largely influenced by U.S. Congress' efforts to regulate the tech industry, with the spotlight placed on privacy and security, as well as issues like online advertising and data breaches.

Social Commerce

Social commerce in the path to purchase

Opening the loop

Highest-Indexing Brand Discovery Channels

Social shoppers who say they find out about new brands, products, or services via...



22% IDX 1.46

Updates on brands' social media pages



16% IDX 1.41

Vlogs



32% IDX 1.40

Recommendations/
comments on social media



19% IDX 1.38

Posts or reviews from
expert bloggers



19% IDX 1.35

Endorsements by
celebrities or well-known
individuals



20% IDX 1.35

Personalized purchase
recommendations on
websites



27% IDX 1.34

Ads seen on mobile or
tablet apps



23% IDX 1.33

Ads seen before online
videos or TV shows start
to play



18% IDX 1.32

Ads seen at the cinema



14% IDX 1.32

Deals on group-buying
websites (e.g. Groupon)



Opening the loop

As we highlighted earlier in the report, the role of social media in the purchase journey is by no means reserved to the much-coveted purchasing stage via a “buy” button on a social platform. In reality, **social media brings added value to each stage of this process. Only with this in mind can the true potential of social channels’ role in the purchase journey be realized.**

This is especially revealing when we look at what part social commerce plays in the first stage of the purchase journey – **brand discovery**. Today, **22% of social shoppers discover new brands via updates on their social media pages**. It’s clear that social media has proved itself as one of the most effective ways of raising brand awareness, and as such it gives rise to new types of business models.

Key to the direct-to-consumer business model is its reliance on cheap

customer acquisition and its ability to bypass long-time alternatives involving a retailer in the middle. Both of these core features have been facilitated by social media. Technological solutions also play a part in these businesses’ success, though. Extensions like **Intercom** or **MailChimp** allow for easy customer interactions, at the same time as product review apps provide the crucial consumer trust network. All of these have provided infrastructure that allows micro-sellers to focus on their product and reach a wide audience on social media.

Popular examples of D2C businesses are subscription box companies like Dollar Shave Club and Birchbox. Their growing market share and success have put them in direct competition with the giants in the industry, hence why **Unilever** acquired Dollar Shave Club for \$1 billion and **Viking Global Investors** acquired a majority stake in Birchbox.

TREND IN ACTION

Kylie Jenner building an empire on social media



The rise of social commerce in the West has been marked by celebrities like Kylie Jenner taking full advantage of social media resources and intertwining their self-branding with their business brands. In Jenner’s case, the celebrity brings the demand while her D2C company provides the supply. She entered and reshaped a cosmetics industry dominated by some of the most famous brands in the world.

With her target market being Gen Zers, Jenner enjoyed a head start from her global reach of 150 million followers on her different social channels. Together with a good product, Kylie leveraged all aspects of social media to engage consumers and create a loyal fan base. As highlighted in **Entrepreneur**, “the combination of her marketing and social media moves was a critical component of its success”. Her D2C beauty brand today numbers \$640 million in revenue and Kylie herself is on the verge to become the world’s youngest ‘self-made’ billionaire.

Closing the loop

Looking at the online purchase drivers we track, we can shed light on what steps brands need to take to close the social commerce purchase loop. Our data shows that among social shoppers, simplified processes like **an easy return policy (40%), as well as a quick and easy online checkout (37%)** are two of the most influential motivations to complete a purchase.

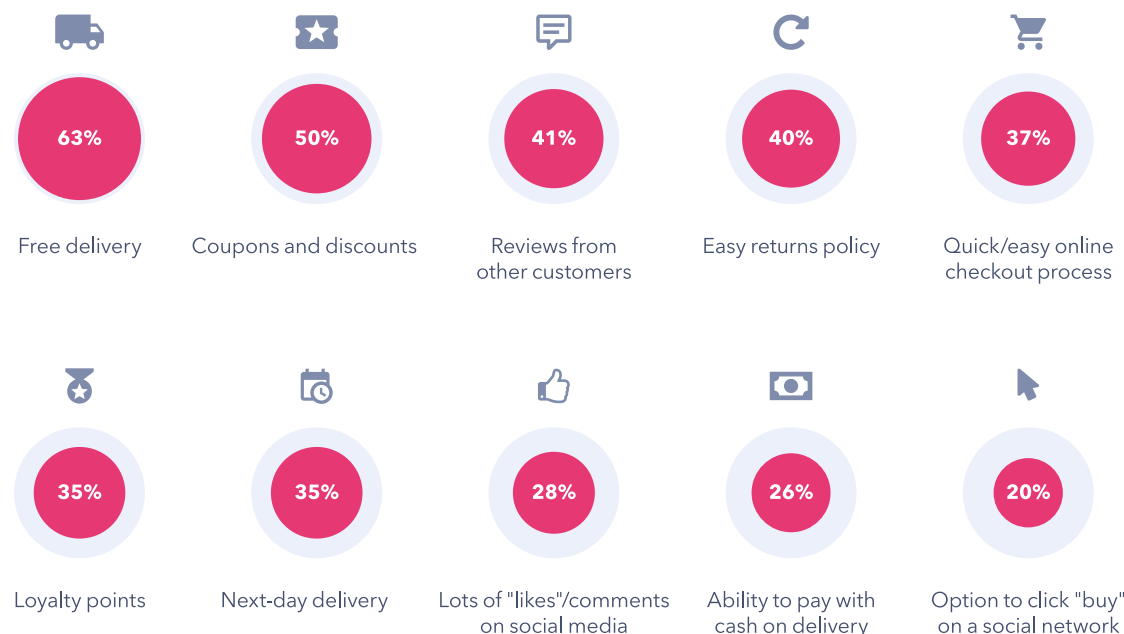
The social media image and popularity of the brand also appears to have a big effect on social shoppers. **28% of them say lots of "likes" or good comments on social media will prompt them to purchase** (1.3 Index). This percentage climbs to 31% for younger shoppers and those in the Asia Pacific region, suggesting that **marketers need to be prepared to handle potential customers entering at any stage of the purchase journey via social channels.**

Top 3 Over-Indexes Among Social Shoppers

Lots of "likes"/comments on social media	1.32
Ability to pay with cash on delivery	1.30
Exclusive content or services	1.29

Cross-Channel Purchase Drivers

% of social shoppers who say the following would motivate them to make a purchase



Social commerce is not an isolated process in consumer commerce activities – it is one part of the **omni-channel strategy**



Question: When shopping online, which of the following things would most increase your likelihood of buying a product?

Source: GlobalWebIndex Q3 2018 **Base:** 47,393 Social Shoppers aged 16-64

Closing the loop

Social shoppers are increasingly making use of a variety of channels when discovering new brands, researching products, making transactions and endorsing their favorite brands. Providing this seamless cross-channel experience is something which consumers are coming to expect, and **social shoppers are by no means different to the average internet user when it comes to what they want from their favorite brands**. 28% of social shoppers want a brand to improve their knowledge and skills, which as discussed in our blog [Do Brands Need a New Sense of Purpose in the New Year?](#), stands out as the most value-driven request.

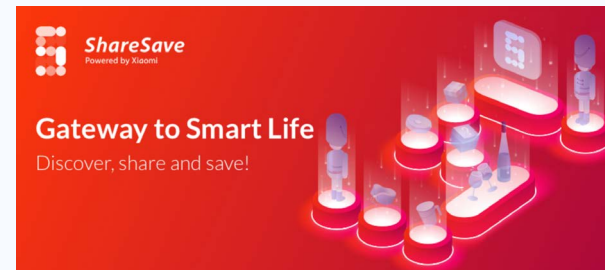
One of the most revealing examples of this cross-channel commerce experience comes from the research phase of the purchase journey. Search engines remain consumer's go-to channels for finding out information about a brand or product online. When we take a closer look at market level, the picture is slightly different, though. **Social networks have surpassed search engines in the product research phase of the purchase journey in 15 out of the 45 markets we track**. Still, social networks rank as the second-most prominent source in 9 of the remaining 30 markets, including mature markets like Spain, Portugal and Denmark. As such, it's no wonder that platforms such as Pinterest and Instagram have invested significant resources into their product search capabilities.

TREND IN ACTION

SOCIAL COMMERCE
IN THE PATH TO
PURCHASE

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ShareSave - the new cross-border ecommerce platform



Chinese company Xiaomi announced that it is launching a new ecommerce platform **ShareSave** in India, planning for global expansion in the future. The platform is entirely based on a user-first shopping experience, making a variety of Chinese products from Xiaomi's ecosystem available to Indian and later global consumers.

The platform features a unique "highly social and interactive experience" through its three different types of purchase modes. "Pair-up" prompts users to share an item with a friend and buy at a discount for both. "Drop" allows for 100% price drop once enough friends join the group, and "Kickstart" encourages users to contribute \$0.2 to a favorite product and receive 10 times the reward at a later point.

Meanwhile, Blockchain startup OB1 announced the launch of **Haven** - a super-app enabling users to shop, socialize and exchange cryptocurrencies. At the core of the app lies its privacy principle, ensuring users that their data is highly protected and encrypted. What's more, the platform allows for the creation of ecommerce stores and supports numerous cryptocurrencies like bitcoin, zcoin and litecoin.

All figures in this report are drawn from **GlobalWebIndex’s online research among internet users aged 16-64**. Please note that we only interview respondents aged 16-64 and our figures are representative of the **online** populations of each market, not its total population.

OUR RESEARCH

Each year, GlobalWebIndex interviews over 550,000 internet users aged 16-64. Respondents complete an **online questionnaire** that asks them a wide range of questions about their lives, lifestyles and digital behaviors. **We source these respondents in partnership with a number of industry-leading panel providers**. Each respondent who takes a GWI survey is assigned a unique and persistent identifier regardless of the site/panel to which they belong and **no respondent can participate in our survey more than once a year** (with the exception of internet users in Egypt, Saudi Arabia, and the UAE, where respondents are allowed to complete the survey at 6-month intervals).

OUR QUOTAS

To ensure that **our research is reflective of the online population in each market**, we set appropriate **quotas on age, gender, and education** – meaning that we interview representative numbers of men vs women, of 16-24s, 25-34s, 35-44s, 45-54s and 55-64s, and of people with secondary vs tertiary education.

To do this, we conduct research across a range of international and national sources, including the World Bank, the ITU, the International Labour Organization, the CIA Factbook, Eurostat, the US Bureau of Labor Statistics as well as a range of national statistics sources, government departments and other credible and robust third-party sources.

This research is also used to calculate the ‘weight’ of each respondent; that is, approximately how many people (of the same gender, age, and educational attainment) are represented by their responses.

MOBILE SURVEY RESPONDENTS

From Q1 2017 on, GlobalWebIndex has offered our Core survey on mobile. This allows us to survey internet users who prefer using a mobile or are mobile-only (who use a mobile to get online but do not use or own any other device). Mobile respondents complete a shorter version of our Core survey, answering 50 questions, all carefully adapted to be compatible with mobile screens.

Please note that the sample sizes presented in the charts throughout this report may differ as some will include both mobile and PC/laptop/tablet respondents and others will include **only** respondents who completed GWI’s Core survey via PC/laptop/tablet. For more details on our methodology for mobile surveys and the questions asked to mobile respondents, please download this [document](#).

GLOBALWEBINDEX SAMPLE SIZE BY MARKET

This report draws insights from GlobalWebIndex’s Q3 2018 wave of research across 44 countries, which had a global sample size of 113,932 respondents. The sample by market breaks down as follows:

Argentina	1,573	Morocco	1,000
Australia	2,346	Netherlands	1,276
Austria	1,303	New Zealand	1,287
Belgium	1,276	Nigeria	1,000
Brazil	2,381	Philippines	1,508
Canada	2,321	Poland	1,856
China	15,921	Portugal	1,297
Colombia	1,323	Russia	2,287
Denmark	1,293	Saudi Arabia	1,505
Egypt	1,754	Singapore	2,563
France	3,292	South Africa	1,547
Germany	2,889	South Korea	1,289
Ghana	1,000	Spain	2,881
Hong Kong	1,889	Sweden	1,287
India	4,157	Switzerland	1,286
Indonesia	1,773	Taiwan	1,830
Ireland	1,264	Thailand	1,562
Italy	2,870	Turkey	1,610
Japan	1,731	UAE	1,784
Kenya	1,000	UK	7,869
Malaysia	1,575	USA	16,125
Mexico	2,667	Vietnam	1,612

Notes on Methodology: Internet Penetration Rates

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ACROSS GLOBALWEBINDEX'S MARKETS

GlobalWebIndex's research focuses exclusively on the internet population and because internet penetration rates can vary significantly between countries (from a high of 90%+ in parts of Europe to lows of c.20% in parts of APAC), the nature of our samples is impacted accordingly.

Where a market has a high internet penetration rate, its online population will be relatively similar to its total population and hence we will see good representation across all age, gender and education breaks. This is typically the case across North America, Western Europe and parts of Asia Pacific such as Japan, Australia and New Zealand. Where a market has a medium to low internet penetration, its online population can be very different to its total population; broadly speaking, the **lower the country's overall internet penetration rate, the more likely it is that its internet users will be young, urban, affluent and educated**. This is the case throughout much of LatAm, MEA and Asia Pacific.

This table provides GlobalWebIndex forecasts on internet penetration (defined as the number of internet users per 100 people) in 2018. This forecasted data is based upon the latest internet penetration estimates from the International Telecommunication Union (ITU) for each market that GlobalWebIndex conducts online research in.

GLOBALWEBINDEX VERSUS ITU FIGURES

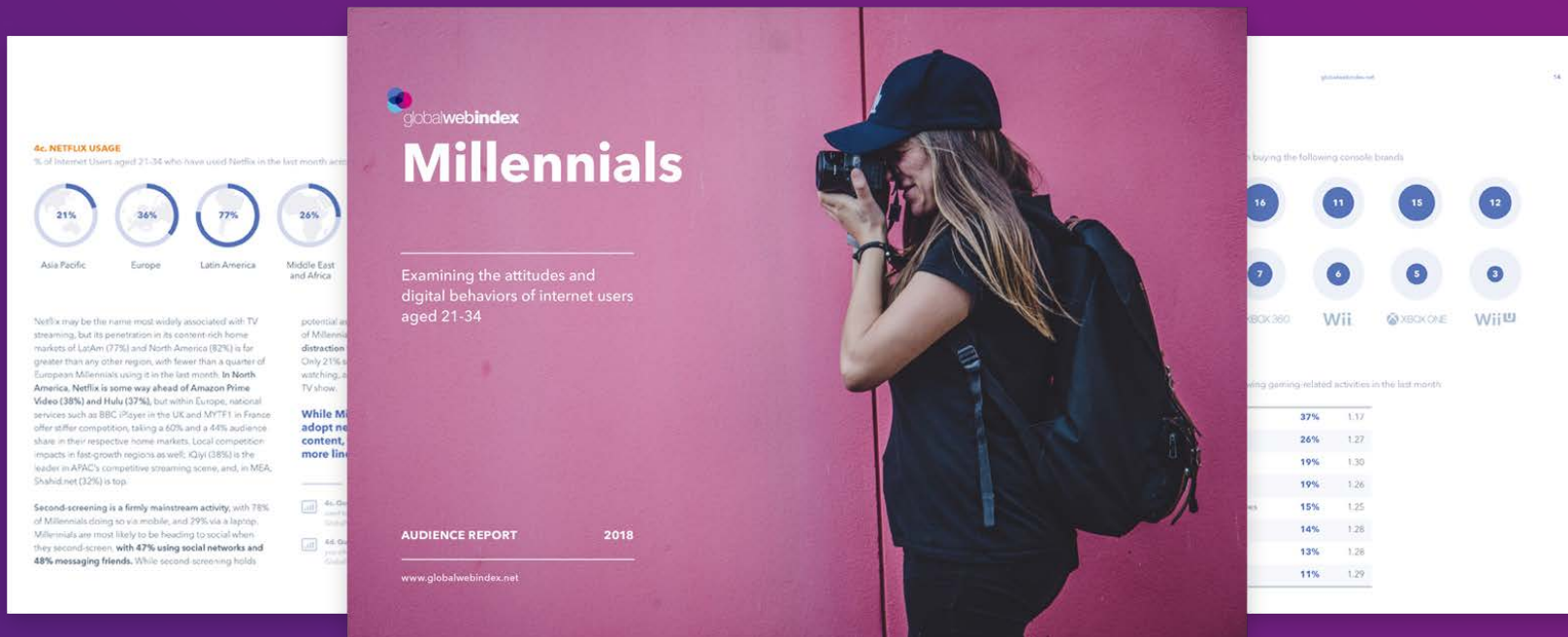
As GlobalWebIndex's Core Research is conducted among 16-64 year-olds, we supplement the internet penetration forecasts for a country's total population (reproduced above) with internet penetration forecasts for 16-64s specifically.

Forecasts for 16-64s will be higher than our forecasts for total population, since 16-64s are the most likely age groups to be using the internet.

Internet Penetration Rates

ITU Internet Penetration Metric 2018

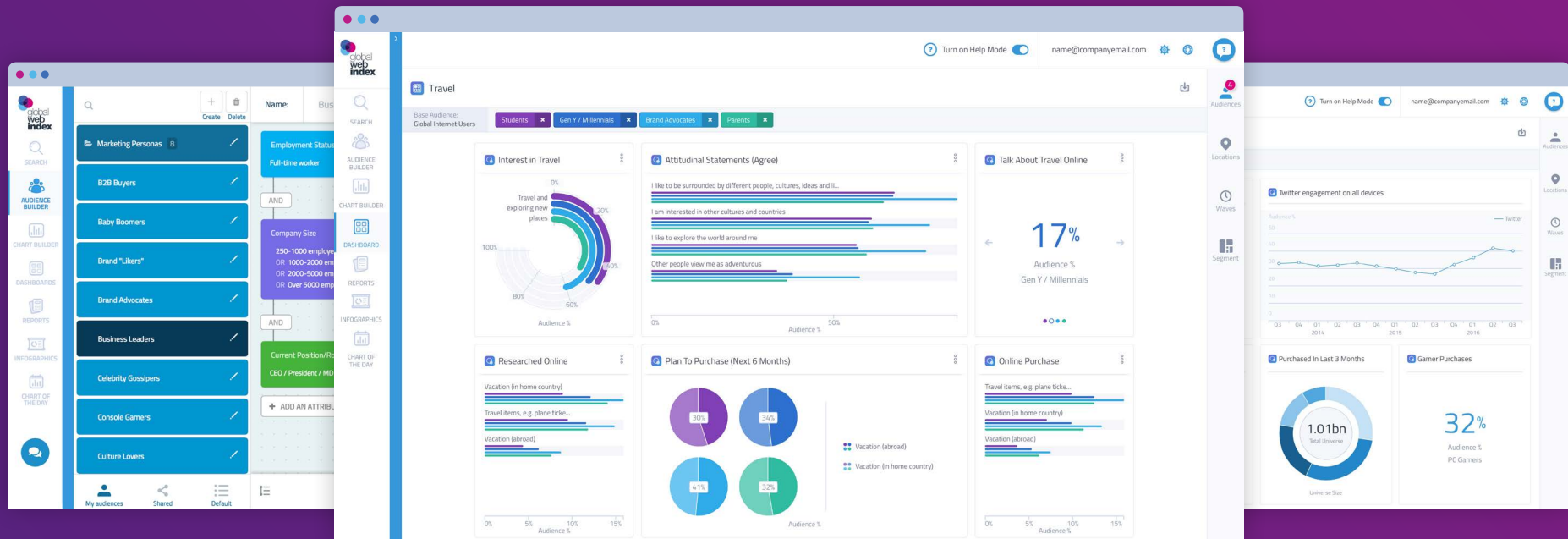
Argentina	77.1%	Ireland	84.0%	Saudi Arabia	81.3%
Australia	90.4%	Italy	62.1%	Singapore	84.2%
Austria	86.3%	Japan	95.8%	South Africa	60.9%
Belgium	89.0%	Kenya	37.9%	South Korea	94.5%
Brazil	65.9%	Malaysia	81.3%	Spain	85.2%
Canada	92.3%	Mexico	69.5%	Sweden	89.0%
China	58.4%	Morocco	59.4%	Switzerland	90.6%
Colombia	62.3%	Netherlands	90.4%	Taiwan	81.1%
Denmark	98.3%	New Zealand	91.6%	Thailand	57.8%
Egypt	45.2%	Nigeria	32.5%	Turkey	64.2%
France	87.5%	Norway	98.1%	UAE	93.4%
Germany	91.9%	Philippines	60.8%	UK	96.1%
Ghana	45.6%	Poland	76.6%	USA	79.0%
Hong Kong	91.8%	Portugal	75.1%	Vietnam	51.2%
India	40.1%	Romania	65.9%		
Indonesia	32.7%	Russia	81.3%		



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