

INEVITABLE RISE OF SOCIAL COMMERCE

Contributor

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ABSTRACT

In today's Era knowledge is at the click of a mouse and so does the different products and services. There is no doubt in the fact that easy availability and accessibility of personal computers, laptops, mobile phones and internet has opened the avenues for business persons to besides covering physical market for selling their product and services they can also tap the virtual market to attract, persuade, and retain the consumer there also. The concept of profit generation through social interactions while using social media has gained momentum now a days. Business persons have learnt the art of utilizing the consumers relaxing and fun time for advertising and promoting their product also. In the present paper the concept of social commerce has been discussed to understand the scope up and future of social commerce. How it benefits the business persons and companies has also been discussed.

KEYWORDS: social commerce, e-commerce, social media, internet.

INTRODUCTION

“If you do build a great experience, customers tell each other about that. Word of mouth is very powerful.”-Jeff Bezos, Founder of Amazon.com

Social commerce is subgroup of e-commerce in which social media like Facebook, YouTube, Twitter etc, internet and users are involved and activity of assisting and convincing of the other users for buying and selling of goods and services is performed online. So when social networks are used for performing The E-Commerce transactions we can name it as social commerce. Yahoo was the first one to introduce the term social commerce. User-generated advising and Advertising of products and services to attract other users and giving rating to the product and services as per their usefulness are the activities which are performed. The rationale behind using social media as platform for advertising was that being in regular social interactions different users start trusting each other for every aspect of purchase and sale including for the suggestions regarding any product or service. Reviews given by users and experts are treated as more credible and help in creating market for the retailers easily. Social media reaches the masses to find out the likings and preferences of consumers according to their profiles, search history, comments and other activities performed online which help the companies to maintain database of consumers making it easy for them segregate the consumers of different liking and preferences to provide them the most relevant information and to attract them with most appropriate and personalized product and service. By definition the integration of e-commerce with social media platforms is Social commerce or simply we can say buying and selling of products and services on social media. Social commerce is growing and is not going to stop anytime soon. It has a golden future. There are buyers in different countries who like to buy through a social media platform, such as Facebook, Pinterest, Instagram, Twitter, Yahoo or Snapchat etc and our country is also not an exception.

A satisfied customer uses social media to share his satisfactory or unsatisfactory experiences regarding purchase of goods and services with his acquaintances, friends and general public making social media a powerful tool to spread information and recommendations of company's brand. Social media is a place where content goes viral through word-of-mouth advertising.

HOW IT WORKS

“If I had to guess, Social commerce is the next to blow up.” “Social makes any web application an order of magnitude more engaging than anything else.” - **Mark Zuckerberg**

The social commerce work as follows:-

- When a company makes a person satisfied with its product or services than the obliged person happily return again to the company or recommend the same to others. Sometimes they form a group based on same values, interest, likings, beliefs, etc., and trust each other and maintain a cohesive relation and this cohesiveness helps the company to make the members to follow the same trends in a group. When one member is made satisfied with an idea or product, it is accepted more readily by others also based on the previous trust that has been established. If there are a lot of "likes" of a particular product, then the consumer will feel more confident and justified in making this purchase.
- Before buying any product people have the tendency to search for proof that a product is of good quality and experiences of real users of the product. A lot of online companies such as Flipkart, Jabong and Amazon etc exists which allow public feedback of products. It is beneficial to encourage open recommendation and feedback. This creates trust for the company as a seller. .

POPULAR SOCIAL COMMERCE CHANNELS

There are numerous social networking sites which are working worldwide but here are some most popular social commerce channels:-

Facebook

Being the most popular social commerce platform Facebook has the largest user base, which offers businesses a lot of exposure to expand and persuade consumers to buy the offerings of the company. Facebook provides business houses to open a 'Shop' through it. It offers amazing advertising features, like advanced targeting and analytics. Customers can also pay directly through Facebook, which makes 'f-commerce' extremely convenient for both buyers and sellers.

Pinterest

Retailers like Pinterest more because its target consumer base consists of women aged 18-30. The visual platform features product Pins from tons of brands and businesses, and even handicraft sellers. Pinterest also offers 'Buyable Pins', which allow customers to buy products directly on the platform without being redirected to another website.

Instagram

Most of the social commerce taking place these days is on mobile devices. Been built for mobile users Instagram catches user's attention when they found their ideals using and recommending the brand. A comment made by one who has billions of followers act as word of mouth advertising for the business. But shopping features of Instagram are still not up to the mark and are lagging behind.

HOW SOCIAL COMMERCE CAN BENEFIT THE BUSINESS

Social media is a place where people can easily share their opinions and recommend brands to their friends and family. It offers the greatest tool to businesses and marketers: word-of-mouth.

Social commerce: Boon for the business

Company can increase the sale of its products and services as Social commerce helps the company to increase the number of customers. Some of the benefits of Social commerce are been given below:-

1. Free communication

Social networks allow consumers to have open communication with each other to discuss about the brand and to make recommendations. This helps the business to create its brand equity among consumers. Customers are made loyal by making them feel like family of the business.

Not only is your content regularly showing up in your customers' news feeds, they are also able to interact with it by liking, commenting, tagging their friends, or sharing it among their circles. It brings brands closer to customers and helps them connect on a more personal level.

2. Satisfied Customers

Reviews of a product given by friends, relatives or reference leader matter a lot for the potential buyer. Chance of satisfaction with the product is more when it is purchased by consulting existing user of the product. This is exactly how social commerce works.

On social media, customers are more likely to read reviews, opinions and comments posted by previous customers before making a purchase decision and this allure them to hit the 'buy' button.

3. Creation and maintenance of Brand Trust & Loyalty

Human has a tendency to trust their social acquaintances more than any advertisement given by any company. If company is blessed with satisfied customers it is a boon for them as those customers are more likely to create other customers for the business by way of word of mouth advertising. Besides that existing satisfied customers are more likely to make repeat purchases.

4. Increased number of Orders

People normally surf social media in their free and relaxing time. Being in happy and relaxing mood they are more likely to be attracted by different alluring deals and discounts given with the product and are a proven strategy to increase sales by increasing number of orders.

Social media has the capacity to convince shoppers to spend more as they have not to do much labor for purchase. What they have to do is just click on their smartphones where distance and place where they are does not matter. Mobile shopping also makes it easier for customers to compare products or consult their friends and family. Reviews, information, general discussions, pictures etc are icing on the cake which influence the purchase decision of existing and potential consumer.

5. Popularity among customers

A brand can become popular when a happy and contented customer share and recommend it on social media. This helps the company to gain more business, and that too free of cost! But one thing to keep in mind is that where happy customers drive more sales, unhappy can make it worse. So here it is a challenge in front of companies to deal effectively by giving with such bad reviews and negative popularity by giving timely empathetic responses and compensation if necessary. Social commerce can do wonders for a brand's image, popularity and sales.

6. Global reach

Social media has no geographical boundaries. A business can have customers in different countries. Social media becomes a useful platform to promote and sell the products and services.

For instance Facebook, twitter, YouTube have billions of users worldwide, and these platform are popular too. Company can tailor its ads to target customers from anywhere it want. People from all over the world come together to discuss their interests on social media, and brands are no exception. Social commerce expands the market and makes the company's reach global. If company do it rightly and carefully keeping in mind the competition, the opportunities for businesses to grow with social commerce are endless.

5. Measurement of Return on investment

What would be better than this that company can sell the products as well as find out how much return on investment has the company gained . Social media makes it possible .Company has to just decide the key performance indicators (KPIs).Social media commerce makes it easy to measure and evaluate performances. Most social media posts allow for measurement of traffic to a website through website click counts. Some basic measurements to determine a positive ROI might include total numbers of fans/followers, likes etc.

WHY THE RISE OF SOCIAL COMMERCE IS INEVITABLE

The sheer amount of time spent by people on social media apps has positioned social commerce as the indisputable market breakout trend for e-commerce in the coming years. Young [Generation spends 2-3 times more shopping on social channels](#) than the average consumer.

Social commerce is likely to succeed as the young generation prefers to do shopping online and is persuaded by the comments and reviews of existing consumers. They are preferring platforms like YouTube, TikTok, Snapchat, and Instagram along with facebook. You Tube ,Tik-Toketc involve short-form video content, which is rapidly becoming the dominant form of online content.This trend is complemented by new technology and speedy internet of fourth generation that underpins mobile applications and video streaming. So it can easily be said that Young People Shape Consumer Markets.

What's clear is that the rise of social commerce is inevitable, driven by the changing cultural and consumer preferences of younger generations.

CHALLENGES IN SOCIAL COMMERCE

Where there are various benefits of social commerce,there are certain challenges too. Such as:-

- Finding the appropriate products to sell
- Attracting the target customer and creating traffic
- Satisfying consumer with quality products
- Converting shoppers into paying customers and retaining them
- Achieving profitable long-term growth

HOW TO BECOME LEADER IN SOCIAL COMMERCE

'Shoppable social media' will surely grow in future years, with around millions of people a month already tapping social media sites to reveal shopping tags. If social commerce is a key element of a future-balanced e-commerce strategy, what do retailers and brands need to do to make sure they're ready?Consideration of some key areas is important to be successful in the area of social commerce which are:-

Effect of influencers: There is no doubt in the fact that people tend to follow others especially on Instagram as Instagram is the hub for influencers. Influencers remain key to social selling. Their opinion affects others purchase decision. Many brands utilize the opportunity to attract influencers for promoting their products. Choosing the right partner, with the right positioning on the right platform, will help accelerate brand awareness and equity inside social commerce.

Changes in organization:Various aspects of the organization like finance, product, product distribution, advertising, customer relation are affected when implementation of social commerce strategy is carried out.Social commerce cannot work in vacuum. Integration among these departments is necessary .For example customer will have a bad experience and will become a negative advertiser of the brand if product or service shown and promoted on social media proves to be different or is not received by him on time due to internal non integration . So some changes in organization needed to be carried to provide satisfaction to consumer.

Attractive deals:-People have the tendency to compare products of company with other relatable products of the competitors. So if a company wants to convert online engagement of people into real sale then it must make the products competitive by giving attractive offers and after sale services.

CONCLUSION

It is clear that the hottest buzzword in commerce right now is 'Social commerce'. Many have argued that social commerce is no more than just an illusion – no more than advertising a new product but in reality it is such a platform where selling and purchasing is conducted with ease.As consumers all over the world spend more and more time on social networks, and the number is increasing day by day so the platforms have been surfed for integrated solutions. Customers clear their doubts about products and services by interacting with their known and trust them

for purchase. Besides this company know that the real success of business lies with enabling the customer to physically complete the purchase within the social channels – i.e. ‘native shopping’. Customers like to search, find, choose, and pay for their chosen items without ever having to leave their favourite social apps. Customers get what they want, whenever they want without any hassle. Moreover it is easy to measure social commerce success through social referrals or direct checkout on social platforms. However social shoppers’ path to purchase isn’t linear, brands should also look to measure brand engagement, intermediate steps to conversion and latent purchase behavior of consumer also. It will not be an exaggeration to say that social commerce is the new face of E-commerce. Social networks have become a sort of reality in this world where maximum number of people are engaged in social media where people communicate, interact, and obviously trust and over 60% of those users access social networks via mobile devices, with strong indicators that this percent will incredibly increase in the future years. This is why social media marketing is no longer considered to be on probation, but instead it has become an important part of the business world.

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