Social Shopping

New e-commerce tools help online retailers push beyond social media's brand awareness powers to boost their bottom lines

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For the last few years, in an attempt to put their brands and their messages where consumers are spending their time, savvy marketers have been investing in social-media-based marketing initiatives. They've built branded Facebook pages to generate awareness and purchase intent, actively participated in blog discussions to answer consumers' questions, and created Twitter-based customer service strategies to handle complaints and generate positive word of mouth. Now some marketers are taking those Web platforms to the next level: They're making them into sales channels.

E-commerce is going social, enabling online retailers to both promote and sell their offerings within social media—creating a truly interactive environment in which consumers can learn about, discuss and purchase products without ever having to leave their social networks.

"Customers are living their daily digital lives—or at least a large portion of them—on Facebook," says Christopher Barcelona, director of the RI:Lab, the innovation arm of Resource Interactive, a Columbus,

Ohio-based digital marketing agency and provider of Off the Wall, an e-commerce solution that allows brands such as Pantene and The Limited to sell their merchandise through Facebook status updates and storefronts. "Instead of that old field-of-dreams mentality where you build an online destination and then try to get folks to come to you, this type of commerce allows customers to transact with brands right in the channel or the network where they already are."

Adds Christian Taylor, CEO of Payvment Inc., a San Francisco-based Facebook e-commerce provider that launched last year: "Facebook is a great marketing platform, but getting a person to actually leave the network to make a purchase has, in the past, been nearly impossible. Now they can transact directly from Facebook without ever leaving the network."

While some social media e-commerce applications allow shoppers to add items to their carts within Facebook and then transfer them to the company's website to complete the purchase, Off the Wall, Payv-

ment and similar applications let shoppers purchase their items without ever leaving the social network.

That's just what 1-800-Flowers.com Inc. was counting on when it added an e-commerce function to its Facebook page in July 2009. Working with Alvenda, a Minneapolis-based Facebook e-commerce provider with clients such as Brooks Brothers and Hallmark, 1-800-Flowers.com added a shopping tab to its Facebook page that allows visitors to browse and purchase from an abbreviated catalog of the Carle Place, N.Y.-based floral retailer's products.

"As a value-add to our customers, we launched an integrated 1-800-Flowers.com storefront into our Facebook experience so our shoppers could make a purchase with us without ever leaving their Facebook activity, i.e., opening another browser," says Kevin Ranford, vice president of online marketing, mobile and social media at 1-800-Flowers.com. While the Facebook storefront doesn't have all of the functionality of the retailer's full e-commerce experience, "the goal is to complement, and
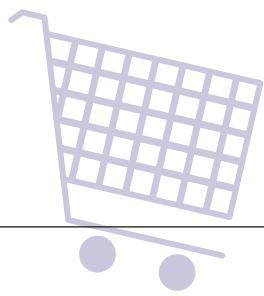
not overly distract from, the user experience within their engagement on Facebook, so the order funnel and catalog are streamlined to deliver on that end goal," Ranford says.

To create a holistic sales experience, companies looking to sell their products on social media sites should combine the innovations of the social sphere with their existing marketing initiatives. Tim Ware, owner of Oakland, Calif.-based Web design and development firm Hyper-Arts, says that to successfully leverage social commerce on Facebook, retailers must highlight and take advantage of the network's viral nature. "If you encourage users to 'like' each of your products, comment on your products and recommend your products, all of those actions result in your products being mentioned on the user's wall, which is read by essentially all of the other people in their networks," he says.

or reward the folks who have gone to the trouble of liking your brand on Facebook and then let them know you want to recognize that fact in some way." Barcelona says that his clients have not only offered monetary discounts and free shipping to Facebook fans, but also offered limited-edition items and made products available on the social network prior to introducing them in other commercial channels.

Of course, as social commerce gains traction, some operational concerns have arisen. Given recent headlines about privacy issues within Facebook, experts agree that marketers would do well to offer their customers extra assurance that these social commerce functions are safe and secure.

While every Off the Wall implementation has a standard footer attached to it explaining that it's secure, along with a link that shoppers can click to see how that security is achieved, brands also should

hundreds of consumers faster than you can say "share." But Wharton's Fader says that those situations actually present an opportunity for the company to publicly handle the problem while showcasing its customer service acumen. "The situations where things spin out of control are pretty rare and a company that handles those scenarios effectively often comes out looking better than they would have otherwise," he says.

Despite any potential pitfalls, a growing number of retailers are adopting social media commerce solutions every day. According to Payvment's Taylor, the Payvment application now supports more than 40,000 storefronts, with more than 200 launching the free application each day. He adds that the average shopping cart size from a Payvment-supported storefront comes in at around $42, which is slightly higher than the industry average. "Consumers are actu-

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Ranford says that 1-800-Flowers.com picked up on that strategy by recently adding a function to its store that delivers product offerings directly into the Facebook newsfeed. "Our fans can now shop even closer to their content engagement without disrupting that user-experience pattern and their friends have the opportunity to like the status of their product selection," he says.

Peter Fader, professor of marketing and co-director of the Wharton Interactive Media Initiative at the University of Pennsylvania's Wharton School of Business in Philadelphia, adds that a company's Facebook shopping experience also should closely resemble its other e-commerce functions to enhance the experience and brand continuity. "You want the overall look and feel, the imagery and words, to be as similar to your overall Web presence as possible," he says. "Even if you're just going to highlight a small set of items in the same way retail stores feature different items in the window, you still need to have your Facebook presence be a conduit toward everything that you offer."

To set the Facebook sales experience apart from that larger e-commerce experience, Barcelona suggests developing exclusive offers or deals for fans of the brand and touting the fact that they are only available on Facebook. "If you throw an offer in a stream that's just a regular product out of your regular assortment and you're not exposing anything special to your customer, then there's not much incentive to want to transact with that," he says. "The key to the success of social commerce is to recognize

leverage Facebook's social nature to listen to what customers are saying and respond in a helpful and transparent manner, Barcelona says. "There are still a lot of fans who are letting the notion that Facebook itself is not a commerce-secure platform stop them. When they see a social commerce campaign pop up on Facebook, they immediately assume it's not secure. So the brands that are doing it best are monitoring conversations and jumping in on those customer comments to reassure them that the campaign is being secured through a secure container," he says.

Marketers also might be wary of an application that allows dissatisfied buyers to malign a product and company to

ally spending more than they normally do on dot-coms," he says. "We think a lot of that is due to the fact that they're on a social network where people they know are exposing them to the products and recommending them."

Ultimately, though, marketers have to nurture the relationships between socially savvy consumers and the brands themselves through constant interaction and engagement to achieve successful sales in the social media universe. "It's not enough to just say, 'Oh, we want to sell on Facebook,'" Barcelona says. "You have to be thoughtful about integrating commerce into your entire, ongoing social communications strategy." **m**
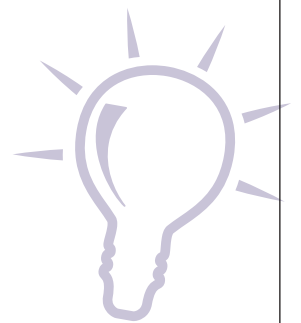
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