Social Commerce Report 2022

Extensive research using our brand tracking technology to explore consumers attitudes and expectations around social commerce.

Insights designed to help your brand better understand social commerce and consumers' perceptions — and decide if it has a place in your 2022 marketing strategy.

Latana

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Foreword

Welcome to the "Social Commerce Consumer Insights" report! Within this report, you will find insights into how consumers are responding to social commerce on various social media platforms.

This information will help you define your marketing strategy going forward, as you'll learn about what influences consumer purchase decisions and how different audiences respond to social commerce.

Defined as the process of selling products and services directly via social media platforms, social commerce is a growing force of eCommerce transactions. By leveraging user contributions and social interactions, social commerce appeals to a modern consumer.

But which consumers are most interested in this trend?
Let's find out.

Enjoy!

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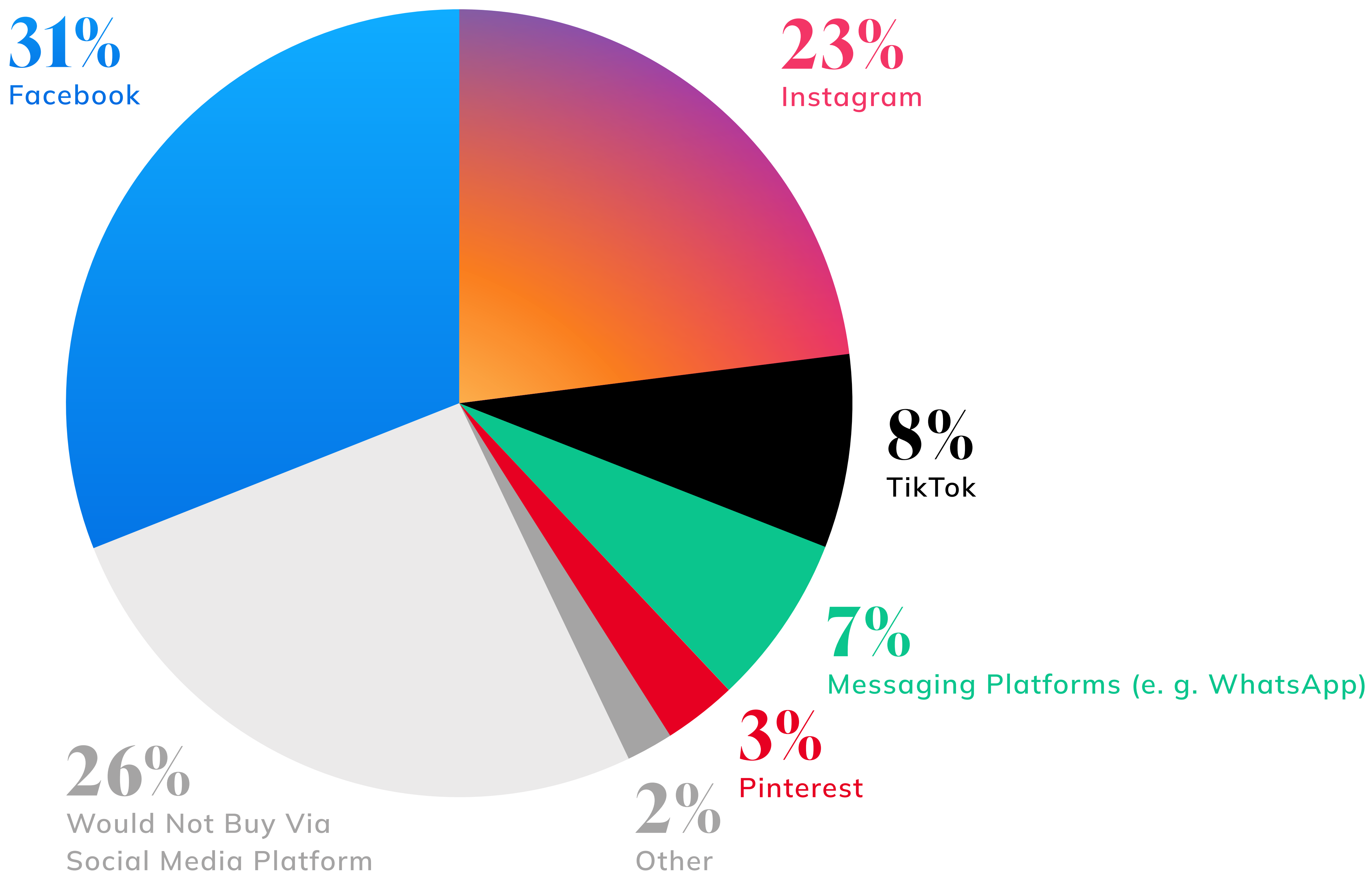
Introduction

Social commerce may be a newer trend, but it's definitely on the rise.

According to Statista, social commerce sales are forecast to increase from $958 billion USD in 2022 to $2.9 trillion in 2026. And what's more, revenue is forecast to reach $3.37 trillion USD by 2028.

Clearly, this is a movement that will only gain traction as time marches on — and offers brands in every industry an opportunity to increase brand awareness, connect with consumers, and, ultimately, drive purchases.

From Facebook to Instagram to Pinterest, many sites fall under the social commerce umbrella. As of 2021, Facebook was the most popular social media platform worldwide for online purchases at 31%, followed by Instagram at 23%, and TikTok at 8%.



However, as more and more social media platforms emerge, the possibilities will only increase. And if you want your brand to make it big in the brave new world of social commerce, you need to develop a strategy.

So, whether you're trying to break into the world of social commerce or working to refine your current strategy and targeting, this report will ensure you'll be better equipped to dominate in 2022.

Let's dig in.

Methodology

550
respondents

UK
geography

2021
Dec

For this report, we researched social commerce and the impact it has on consumer purchase decisions. Our research was focused mainly on purchase behaviors — such as purchase intent, purchase consideration, purchase drivers, and purchase barriers.

Within this report, we focus on four main social media platforms: Facebook, Instagram, Pinterest, and TikTok. The purpose of this report is to identify which social media platforms boast the best social commerce setup and popularity, as well as which target audiences are most interested in social commerce.

Our research is based on 550 consumers living in the UK, segmented by differing characteristics. The research was conducted in December 2021.

CHAPTER I

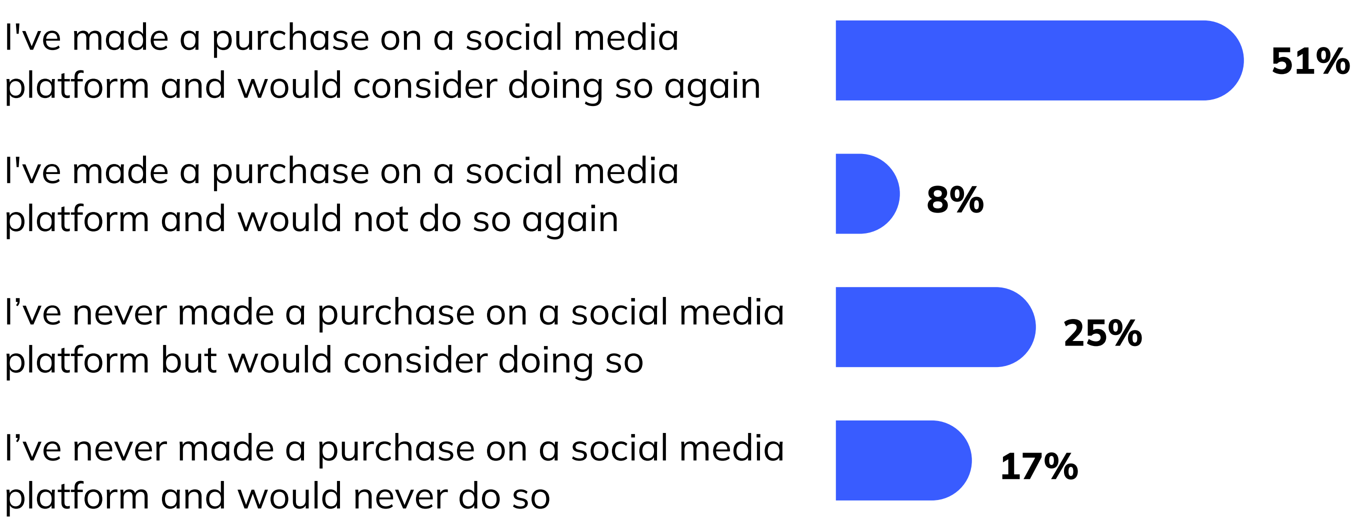
Establishing A Baseline: Social Media Usage & Purchase Intent

Establishing A Baseline: Social Media Usage & Purchase Intent

Before we can dig into the details of this report — what's driving or preventing consumers from making social commerce purchases — we must establish a baseline understanding of if and how consumers are currently using social media to make purchases via data on their purchase intent and social media usage.

So, to identify consumers' purchase intent for social media, our survey provided respondents with four options and asked: **Which of the following applies to you, if any?**

Our data for the **general population** was as follows:



Based on this data, a little more than half of our respondents have already made a purchase on social media and would consider doing so again — which is great news for brands who use social commerce as an acquisition channel.

The second most popular choice was "I've never made a purchase on a social media platform but would consider doing so" — meaning there's still potential for a fair amount of consumers to give social commerce a try.

Interestingly, 8% stated that while they had previously made a purchase on social media, they wouldn't do so again. We aren't aware of the exact reasons why these consumers aren't willing to try again, but they can't all be a completely lost cause for brands.

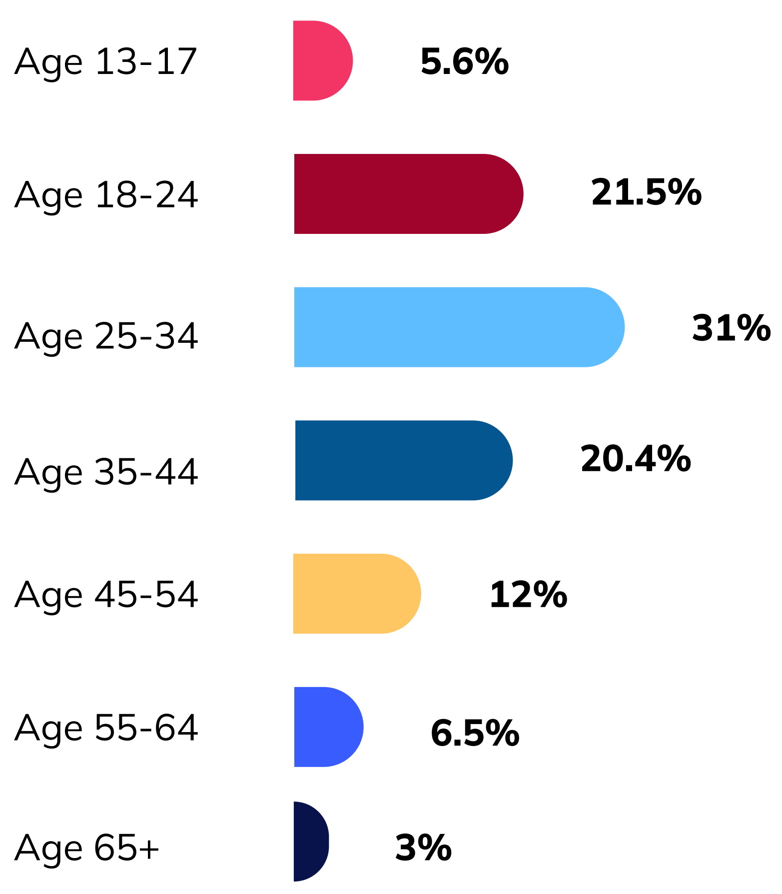
After all, they were willing to make a purchase once — so with the right positioning and approach, they could be convinced again by brands who know what they're doing.

Finally, for those that reported they've never made a purchase on social media and they don't intend to do so, this will be the least interesting audience for brands — as they'd be the most difficult (and expensive) consumers to convert.

Age

The next demographic to consider is age. As we know, it's often thought that certain age groups are more active on social media than others — with many assuming that younger consumers always outnumber older ones — and, therefore, represent a better social commerce audience. However, this is quite dependent on the platform in question.

For example, based on recent research from Statista, the breakdown of Instagram users in 2021 was as follows:

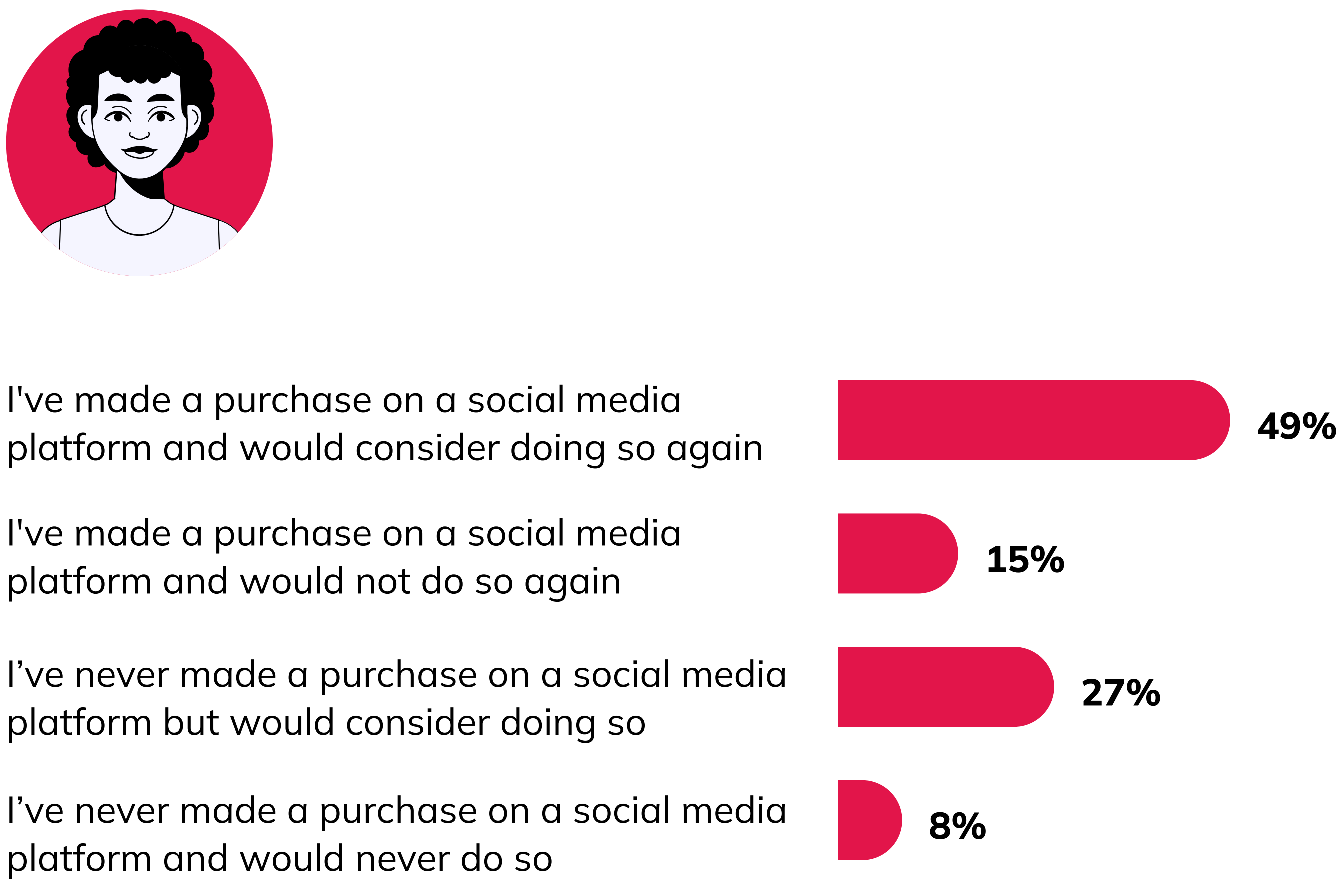


Based on this data, it's clear that a majority of Instagram's users are between the ages of 18-44 — nothing surprising there. But, we can also see that there are more 55 to 64-year-olds on Instagram than there are 13 to 17-year olds — perhaps not what we would expect.

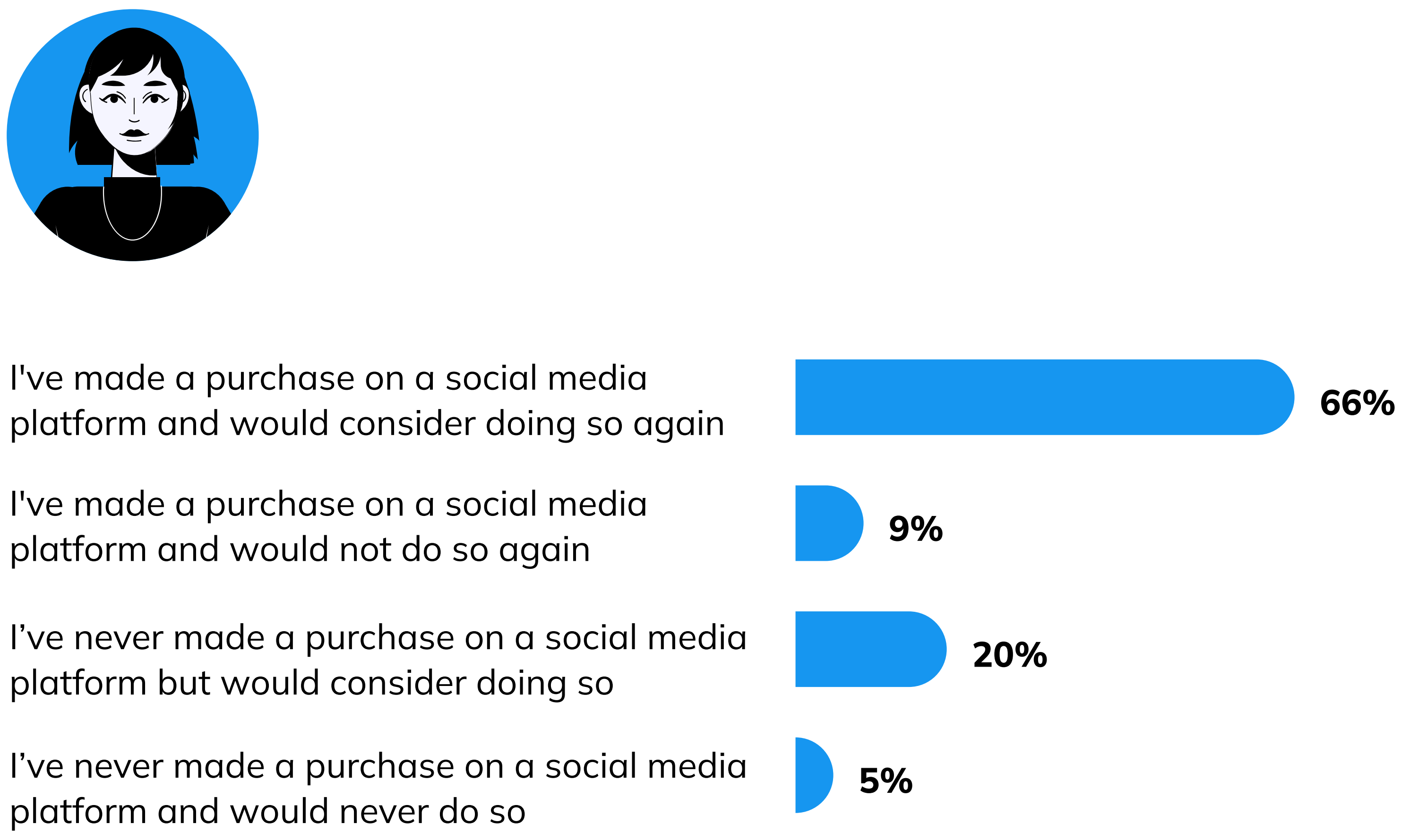
Generation

With this in mind, it's important to see how each individual generation responded to our purchase intent question to check if there are any important differences for brands to note.

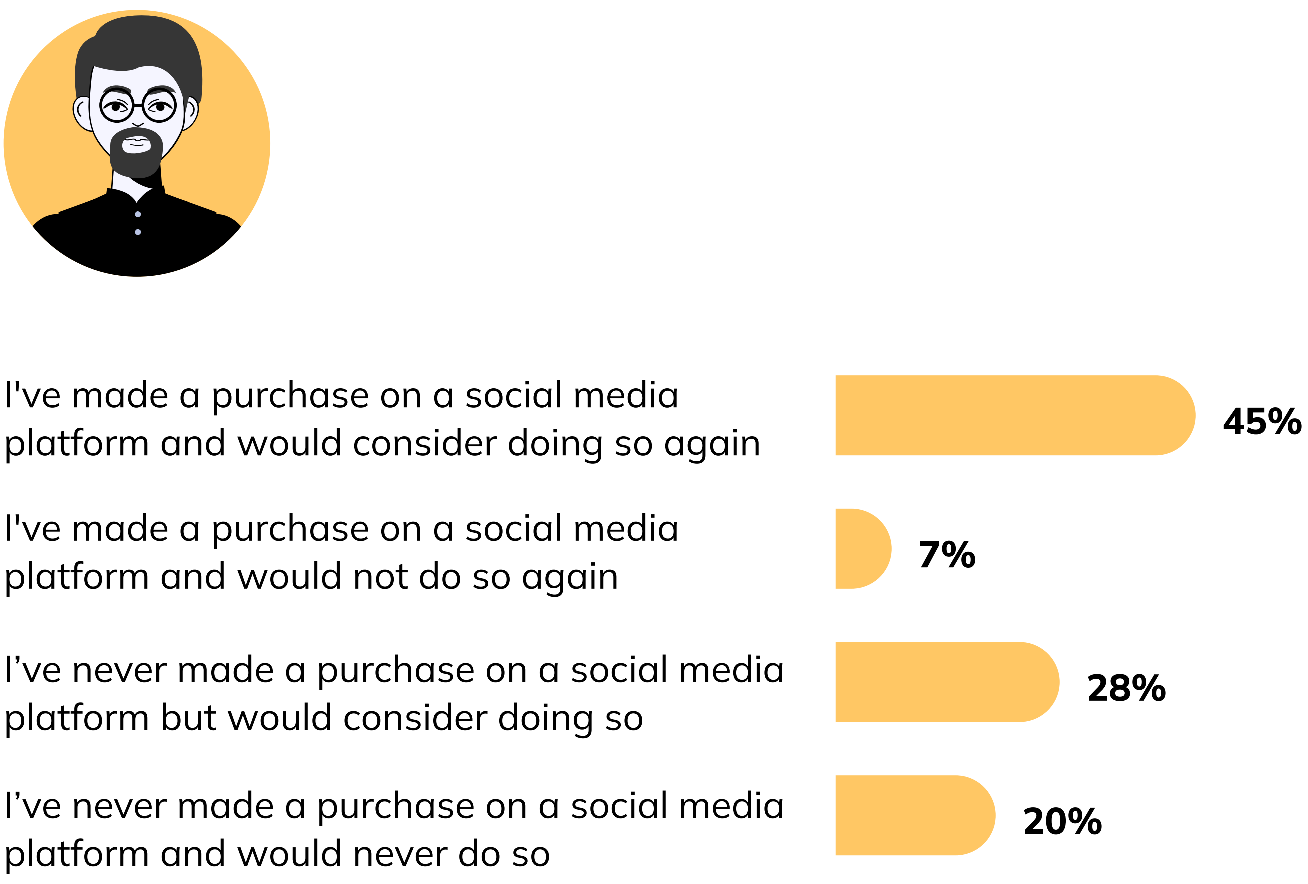
Gen Z



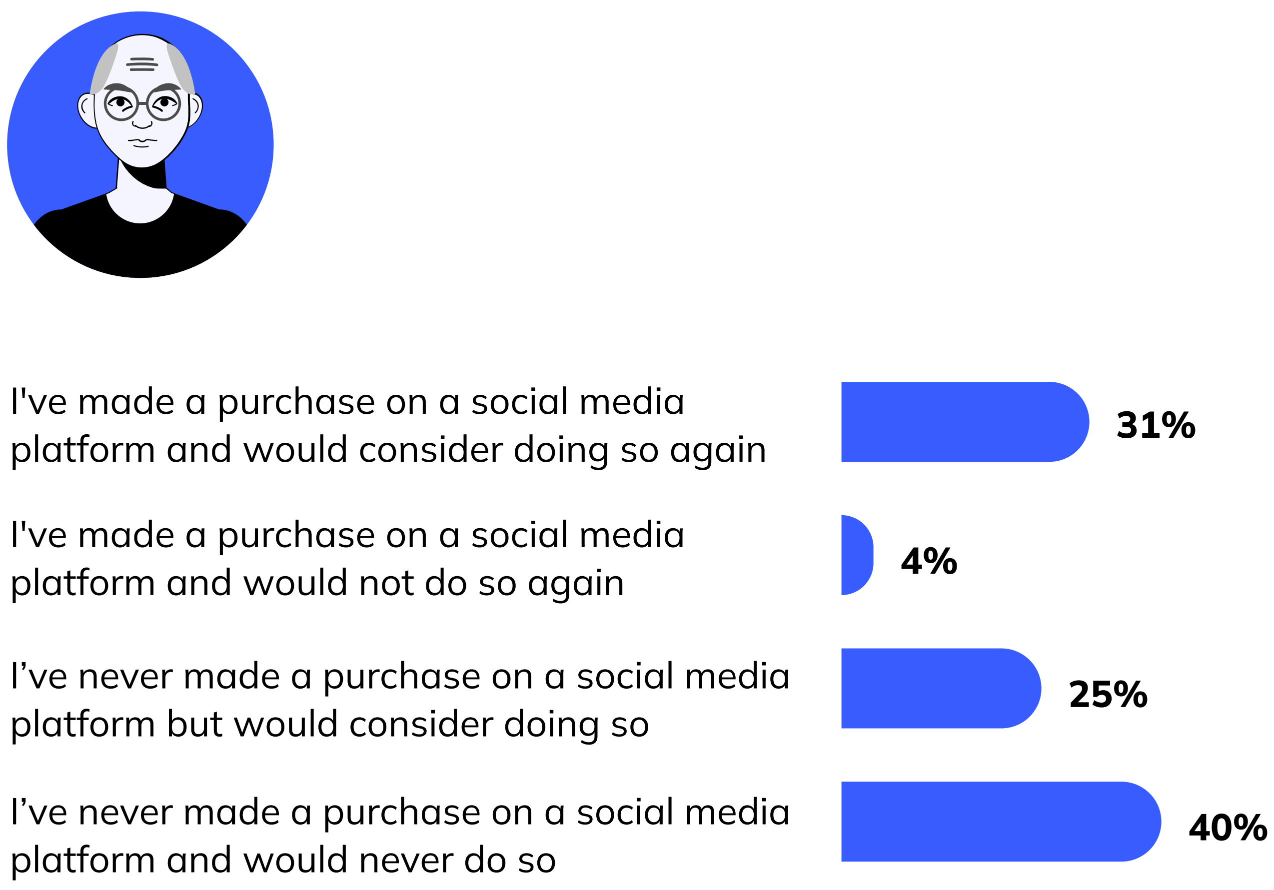
Millennials



Gen X



Baby Boomers

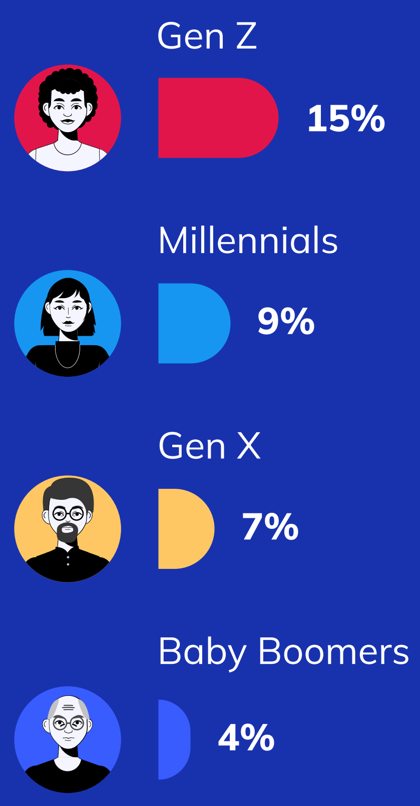


When it comes to which generations have made purchases before and are willing to do so again, Millennials are the clear winners at 66%. Followed by Gen Z with 49%, Gen X with 45%, and Boomers with 31% — this figure decreases with each generation.

Thus, younger generations represent a more active audience for those previously and currently engaged in making purchases on social media.

Another interesting insight can be found when considering the responses to the following:

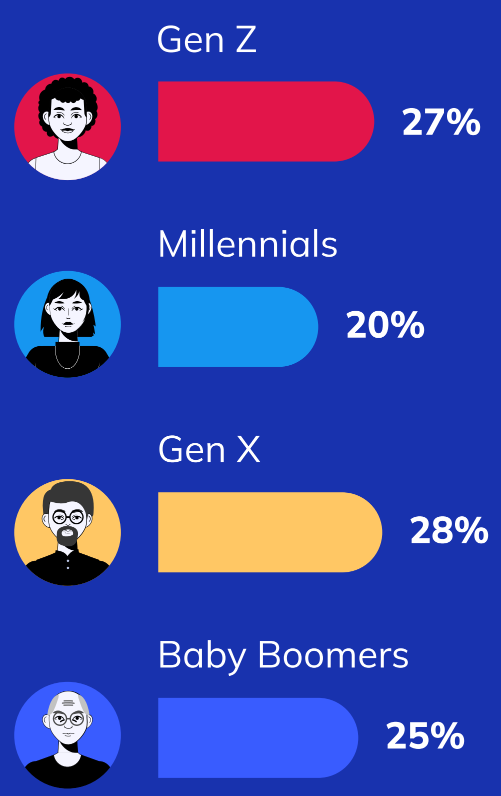
"I've made a purchase on a social media platform and would not do so again".



Based on this data, Gen Z is the hardest group to please when it comes to social commerce purchases, followed by Millennials and Gen X. Boomers report the lowest numbers — but this could be due to the fact that a smaller percentage of Boomers have tried (or are willing to try) making a social commerce purchase, to begin with.

For the next option, our chosen generations responded as follows:

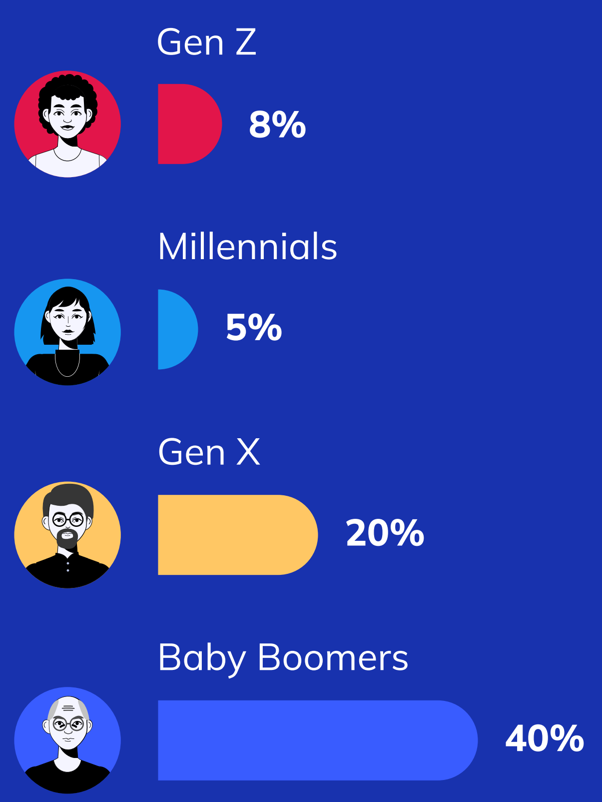
"I've never made a purchase on a social media platform but would consider doing so"



Interestingly, there's not too much fluctuation in respondents' answers for this option. The only slight outlier could be Millennials, who are 28% less likely to have chosen this option than Gen X. Still, each generation reports a similar willingness to try out social commerce — meaning brands have the potential to win new customers from every generation.

The final option provided the following responses:

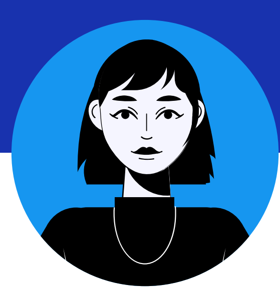
"I've never made a purchase on a social media platform and would never do so"



Clearly, Gen Z and Millennials are the most willing generations to make purchases on social media platforms — with Gen X and Boomers proving themselves to be a lot less open to the idea.

Audience Insight

40%
Baby Boomers



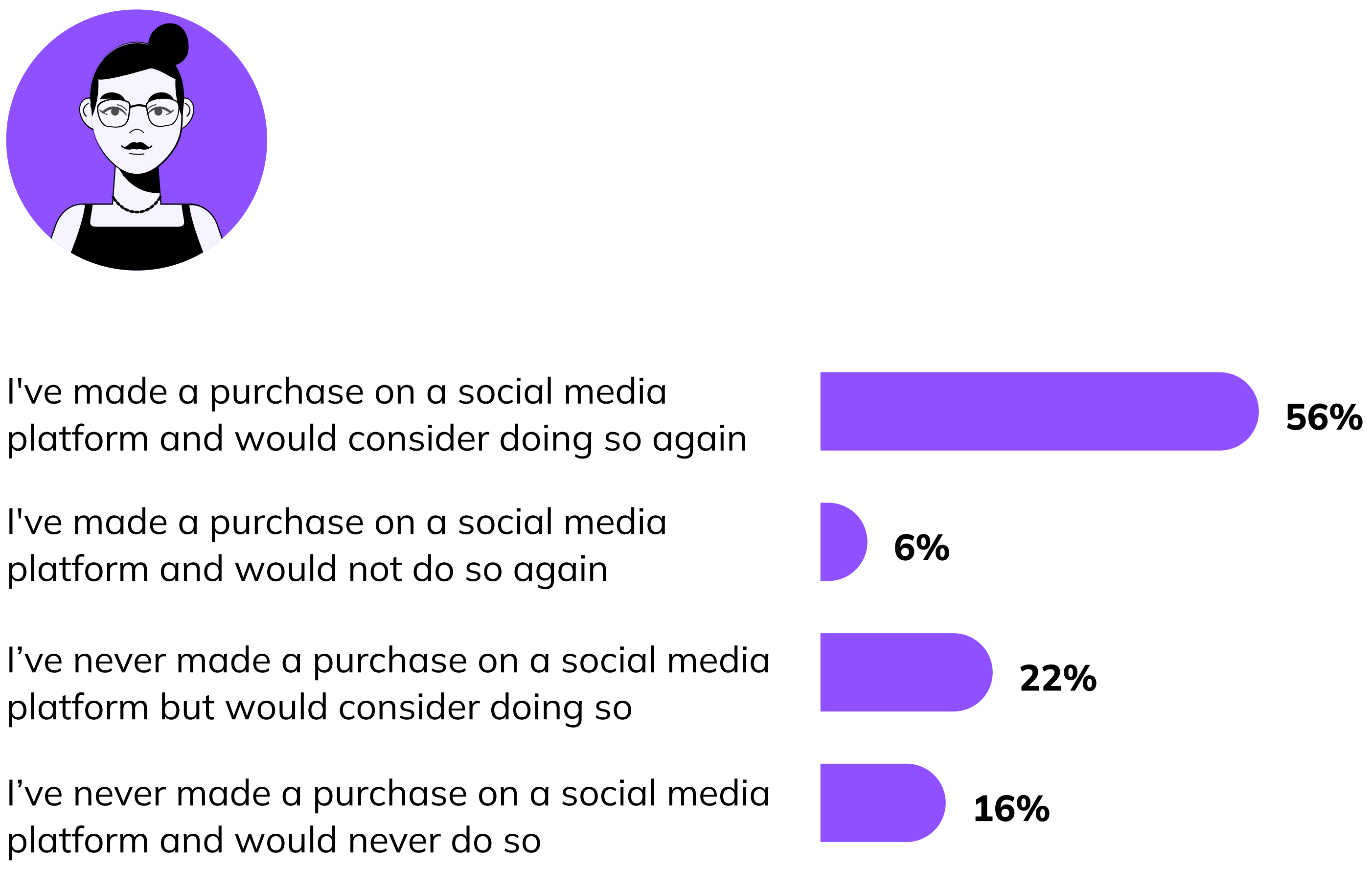
5%
Millennials

In fact, Baby Boomers are 700% more likely to never had made and never be willing to make a purchase on social media than Millennials. Brands looking to move into the social commerce world should consider this insight carefully — especially if their core target audience is made up of Gen X or Boomers. Perhaps investing heavily in social commerce isn't the right move for these brands.

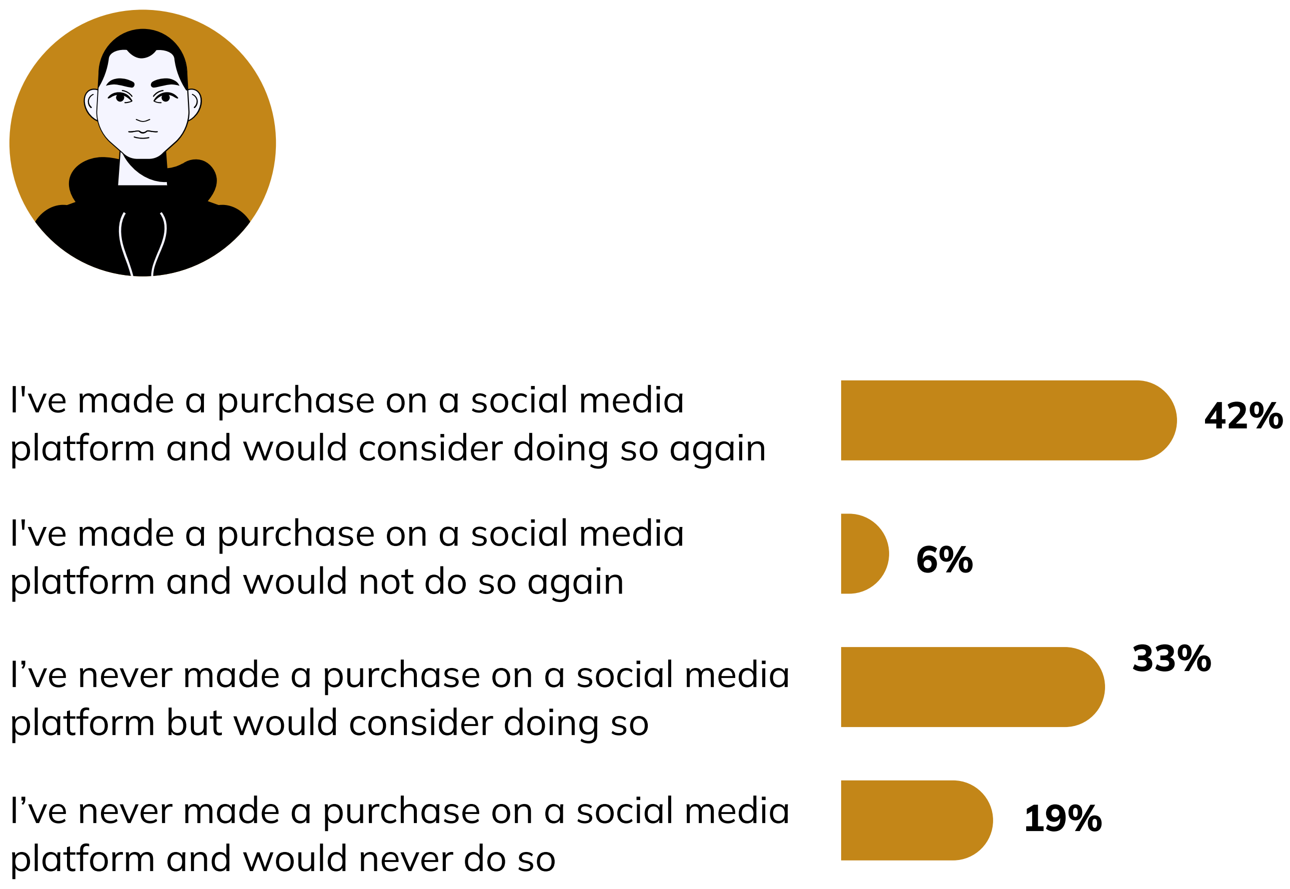
Education Level

The final demographics we'll consider for our first question on social media purchase intent is the level of education. Does one's level of education impact their purchase intent concerning social commerce? Let's see.

High Education



Low Education



Based on this data, we can see that highly educated consumers are 33% more likely to have previously made a purchase on a social media platform and consider doing so again than those with low education levels. So far, they've proven themselves to be a more engaged audience.

For the next option, "I've never made a purchase on a social media platform but would consider doing so", there is more potential within the low education audience — as low education consumers are 50% more likely to have never made a purchase on social media but willing to try.

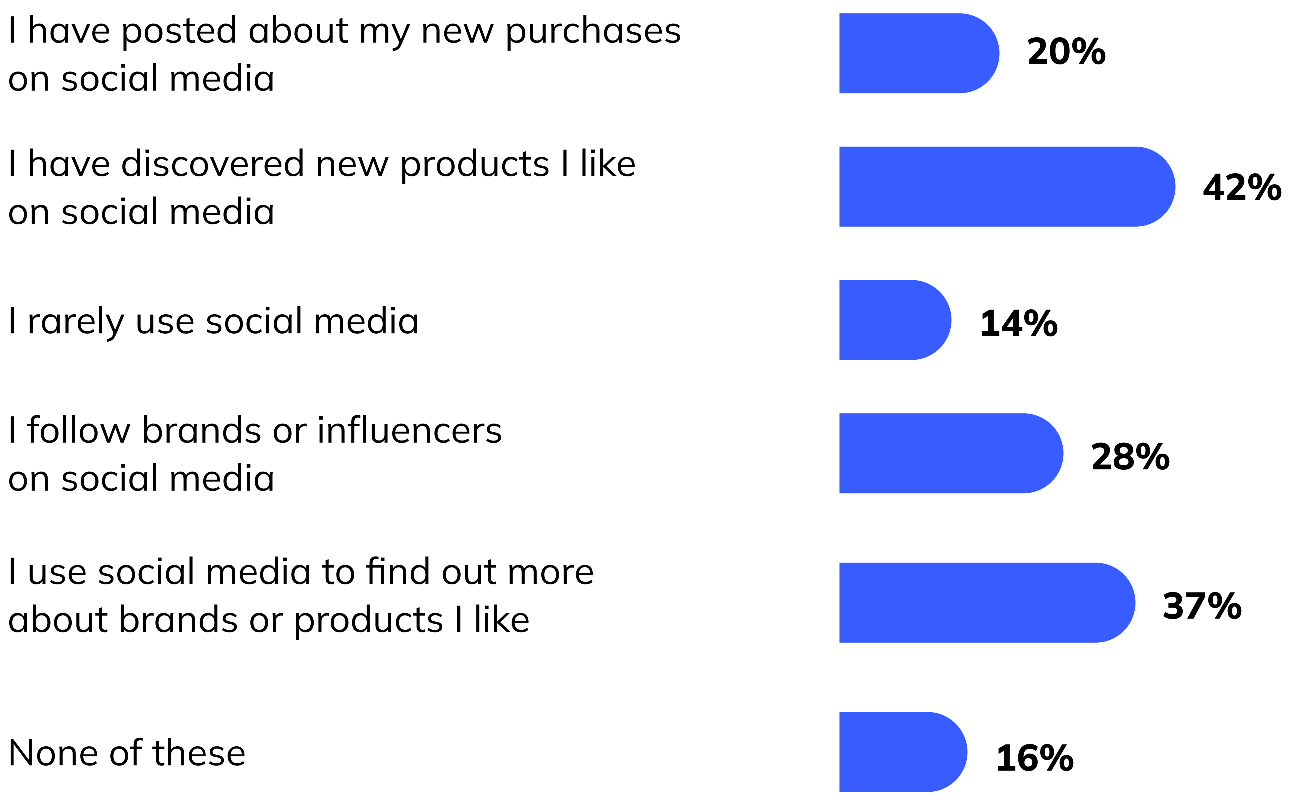
Finally, for the option," I've never made a purchase on a social media platform and would never do so", low education consumers show 19% more reluctance to try making a purchase on a social media platform — meaning while they may hold more potential than high education audiences, they might also be more difficult to convert.

How are consumers using social media in the framework of social commerce?

Now that we've thoroughly discussed social media purchase intent and discovered which audiences are currently using or are more receptive trying to social commerce — we'll consider the how, by asking: **How are consumers using social media in the framework of social commerce?**

When asked about social media usage — and keeping in mind that respondents could choose multiple options — the general population answered as follows:

Our data for the **general population** was as follows:



As we can see, a good portion of consumers are using social media to discover and then conduct research on new products — whereas smaller percentages follow brands or influencers and post about their new purchases.

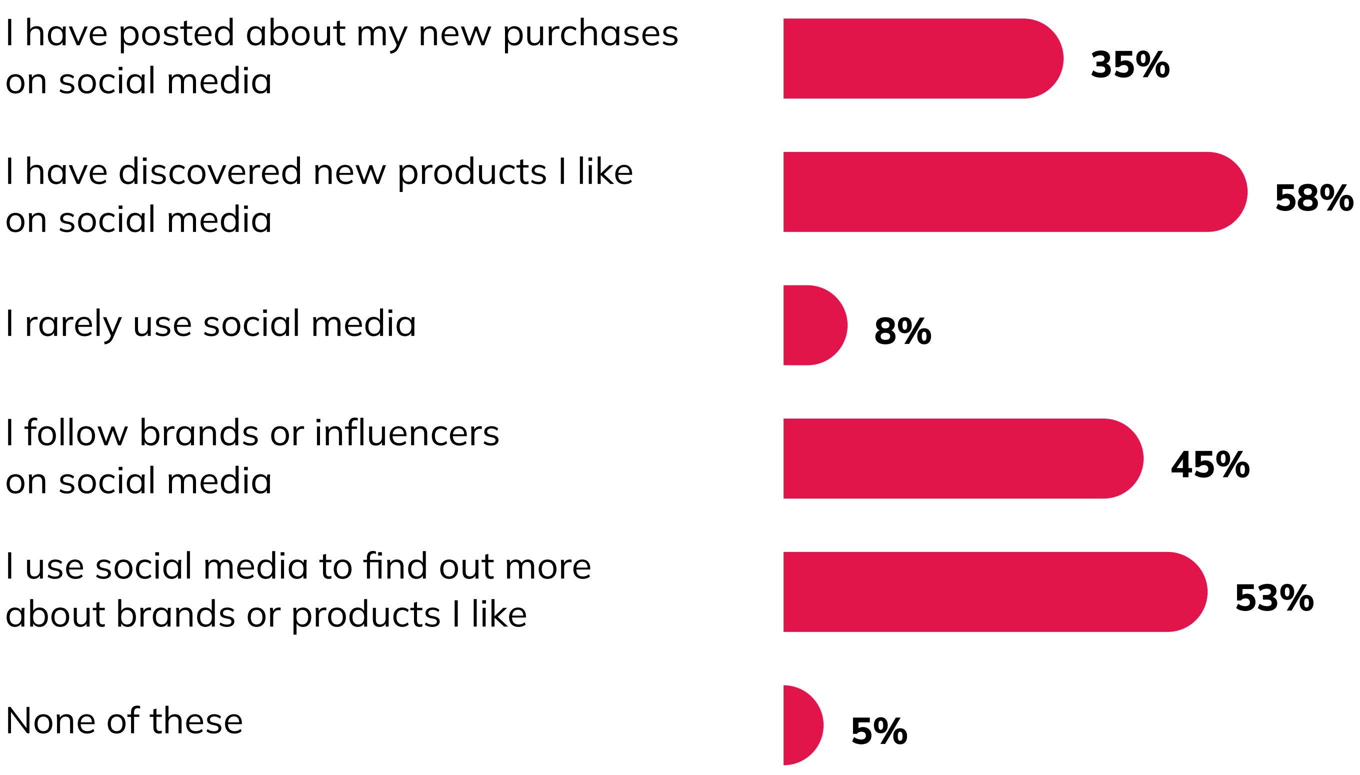
But overall, many consumers seem to currently be making use of social media in the framework of social commerce.

Best and Worst Audiences For Social Media Usage

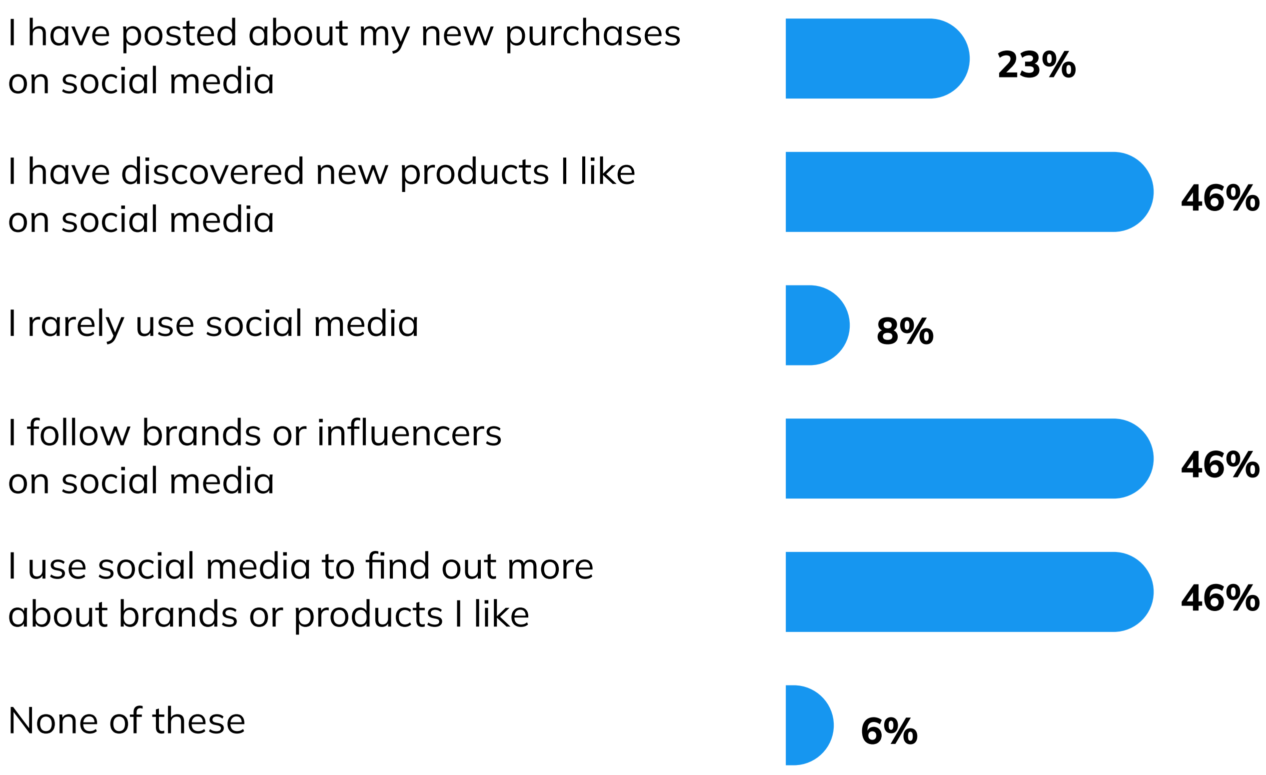
Next, let's break down our respondents using age and gender to identify and provide interesting insight into some of the best (and worst) audiences for social media usage concerning social commerce.

Best Audience

Female Gen Zers



Female Millennials

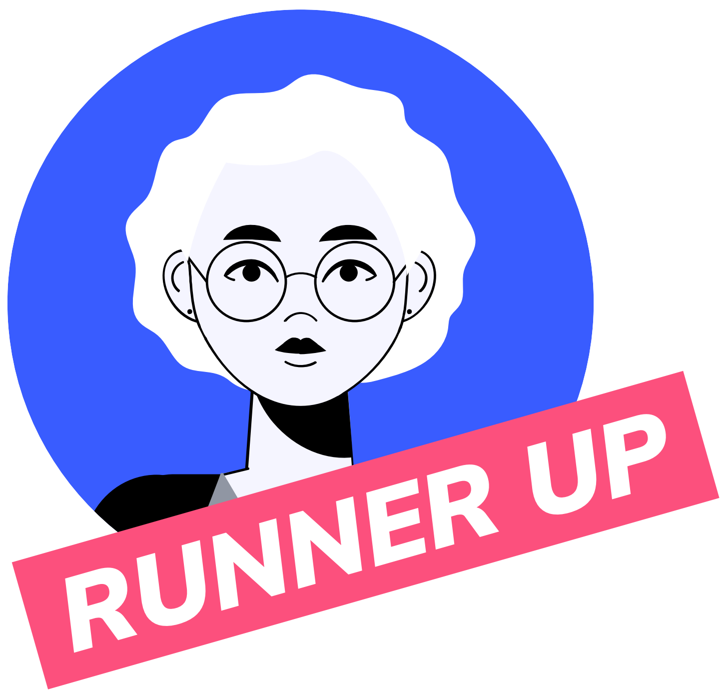


Worst Audience

Male Baby Boomers

I have posted about my new purchases on social media	9%
I have discovered new products I like on social media	13%
I rarely use social media	28%
I follow brands or influencers on social media	7%
I use social media to find out more about brands or products I like	17%
None of these	46%

Female Baby Boomers



I have posted about my new purchases on social media	10%
I have discovered new products I like on social media	27%
I rarely use social media	40%
I follow brands or influencers on social media	10%
I use social media to find out more about brands or products I like	17%
None of these	23%

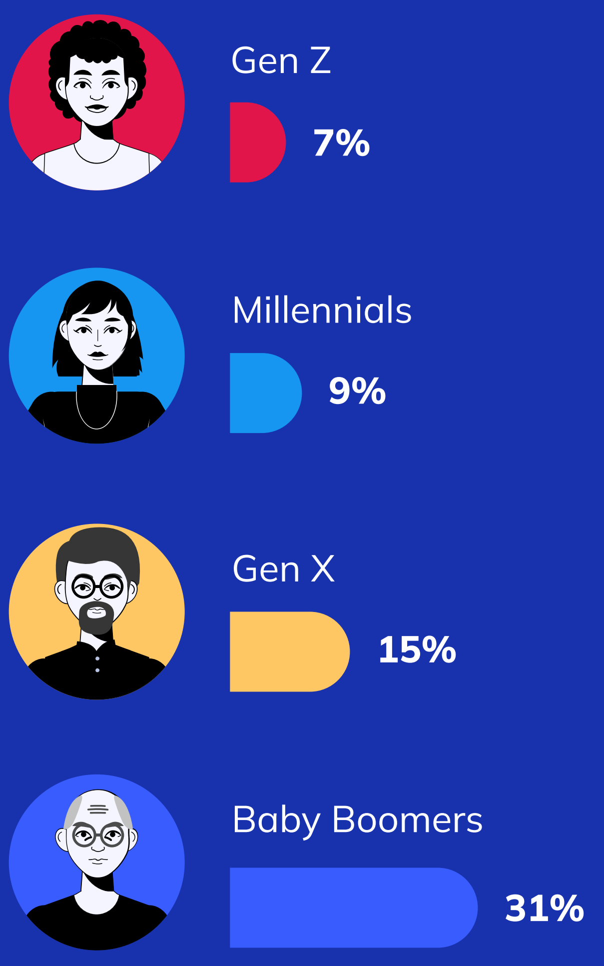
When it comes to how different consumers are using social media in the framework of social commerce, it’s clear that younger, female consumers are more active and, thus, a more receptive audience for brands looking to connect via this channel.

Additionally, both male and female Baby Boomers show up as less active and more difficult consumers to capture via social commerce channels — a fact that brands should keep in mind when building their strategies.

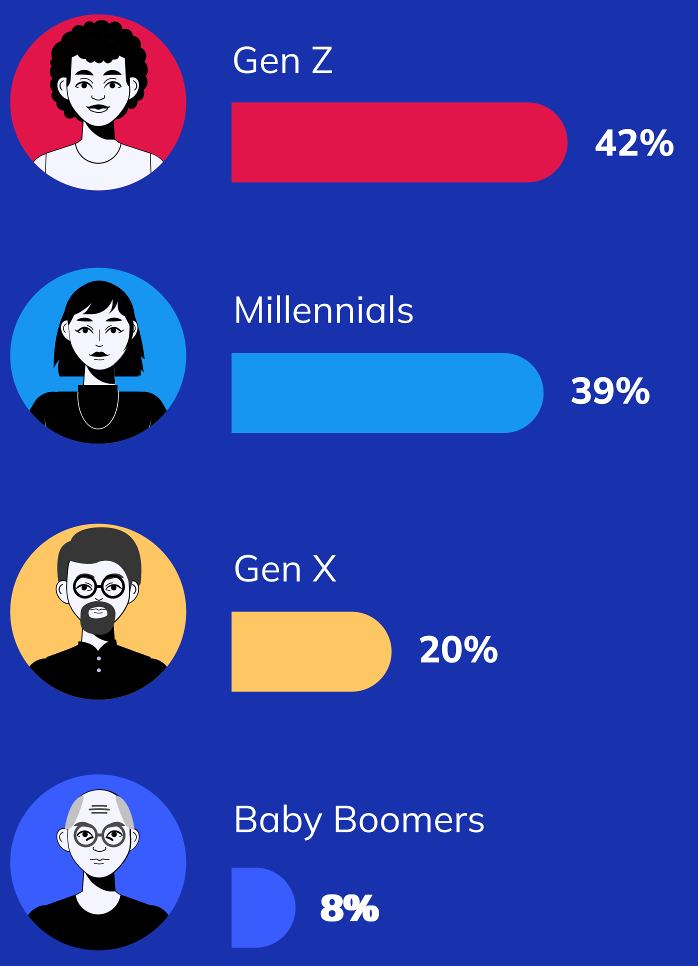
Now that we know which age + gender audiences show up as the best and worst, let's analyze our data segmented by generation to see if there are significant differences to be found here, as well.

For example, in response to the questions about social media usage, we found the following differences between generations:

"I rarely use social media"



"I follow brands or influencers on social media"



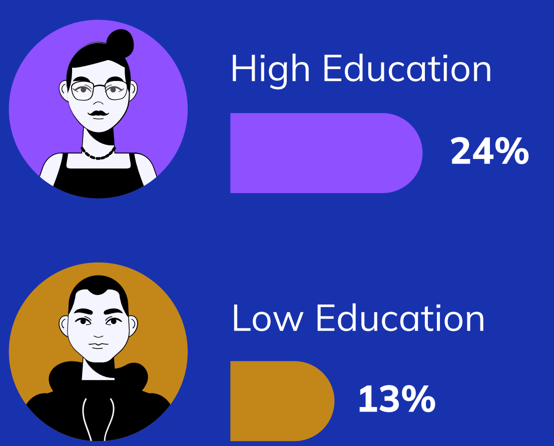
Clearly, younger generations are more likely to use social media, as well as actively follow brands and influencers on such platforms — making them a more populated and receptive audience for social commerce campaigns.

This reinforces our findings from the previous section and makes it clear that brands looking to grow social commerce as a channel should focus more so on younger consumers.

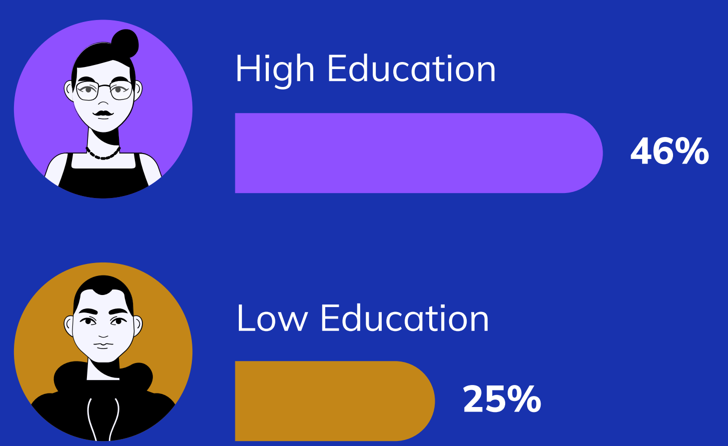
When considering social media usage and social commerce behaviors, it's also important to take a demographic such as education into consideration.

Why? Because in this day and age, one's level of education plays a large role in determining their socioeconomic status — which, in turn, has an impact on consumers' purchase decisions and behaviors.

Thus, based on our findings, important differences can be found between respondents' answers based on **self-reported education levels**. For example:



have posted about new purchases on social media



have discovered new products they like on social media

Based on this data, we can see that those with high education levels are 84% more likely to share about their purchases and 84% more likely to discover new products they like on social media than those with low education levels — meaning they might be an easier target audience to connect with using social commerce campaigns.

Clearly, age, gender, and education all have an impact on purchase intent, basic social media usage, and social commerce behaviors — which means these demographics are likely to also impact purchase consideration, drivers, and barriers.

Next, let's take a deep dive into purchase consideration from a few important angles.

CHAPTER II

Analyzing Purchase Consideration: Platforms, Categories, and Payment Options

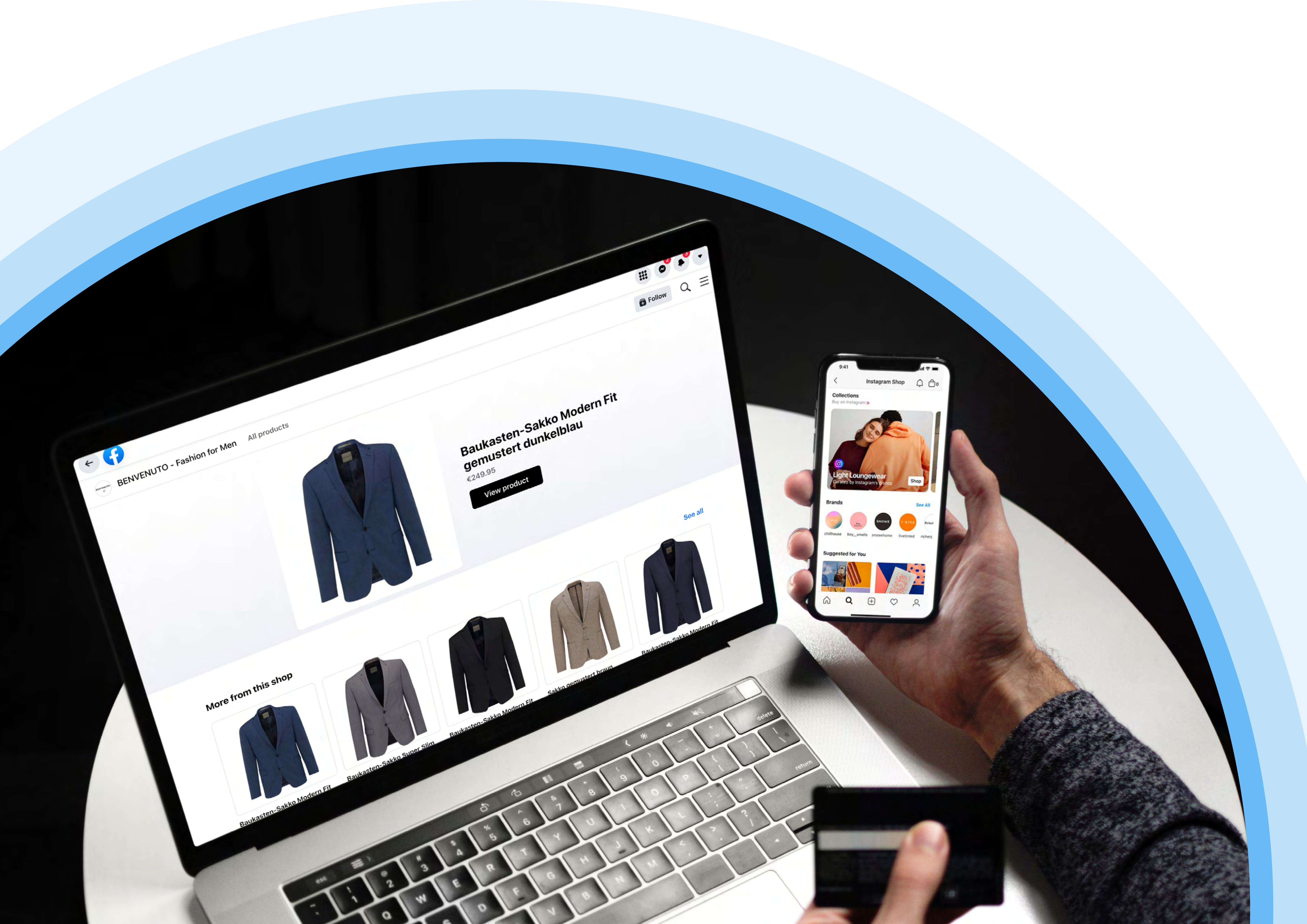
Analyzing Purchase Consideration: Platforms, Categories, and Payment Options

First, let's discuss what purchase consideration is. When a consumer is looking to make a purchase, they don't often pick a brand at random and immediately buy something — they take the time to consider their options.

Most consumers go through a few stages of purchase consideration — such as identifying their options, comparing brands, reviewing social proof, considering costs, etc.

When it comes to social commerce, in particular, many different aspects of one's brand experience can impact consumers' purchase decisions — from their chosen social platform to the category of their products to their available payment options.

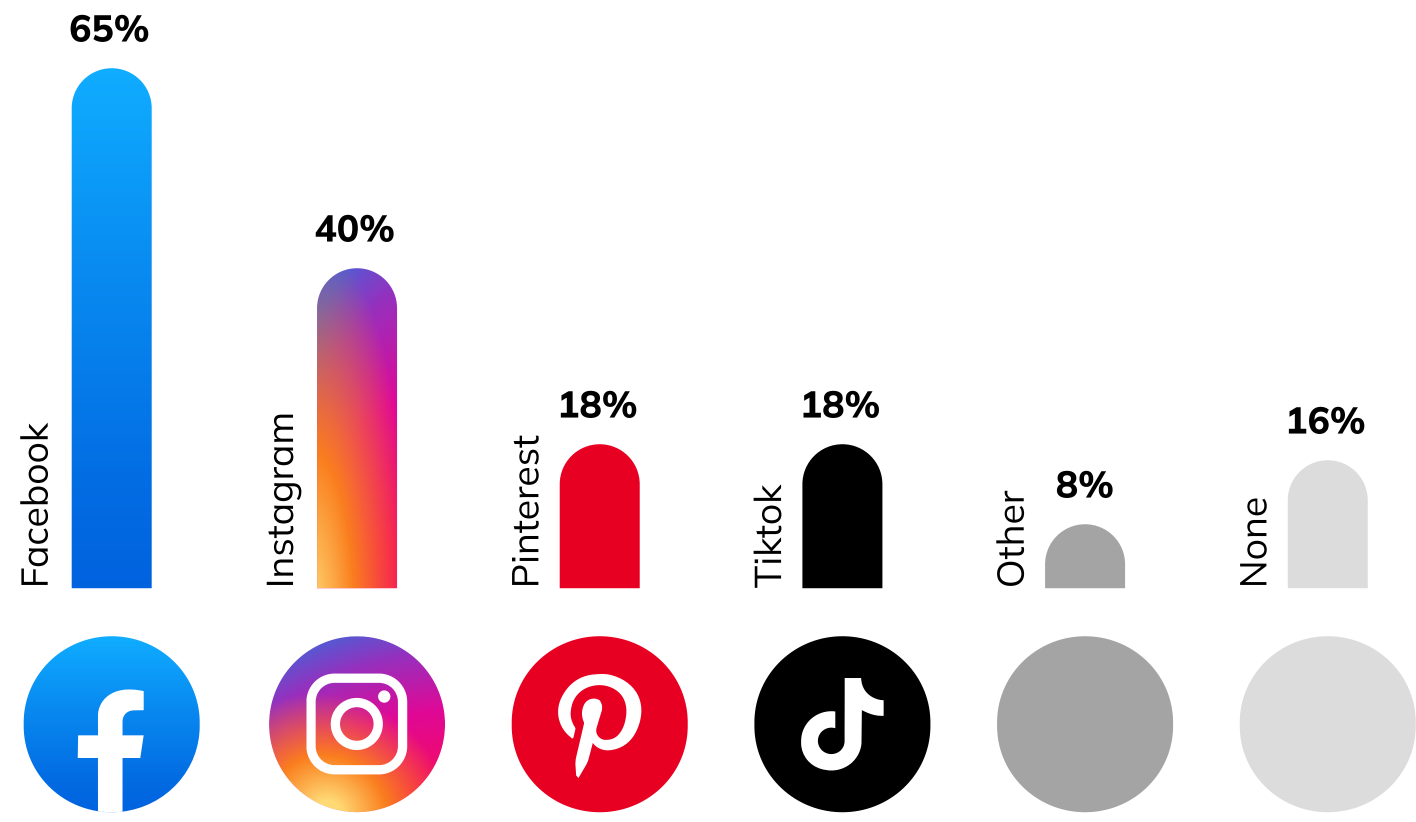
We addressed each of these areas in our survey and will now use our gathered data to discover helpful consumer insights you can use to improve your social commerce strategy going forward.



Purchase Consideration: Platforms

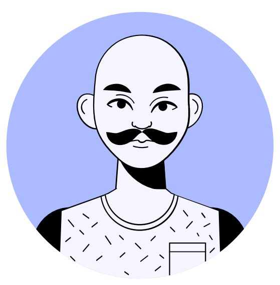
When analyzing consumer purchase consideration, it's best to begin with the data from all respondents so that when looking at more niche audiences later on, we have a baseline comparison.

In response to the question: **Which social media platforms would you consider buying from, if any?** (and keeping in mind that respondents could choose more than one option) the **general population** answered as such:

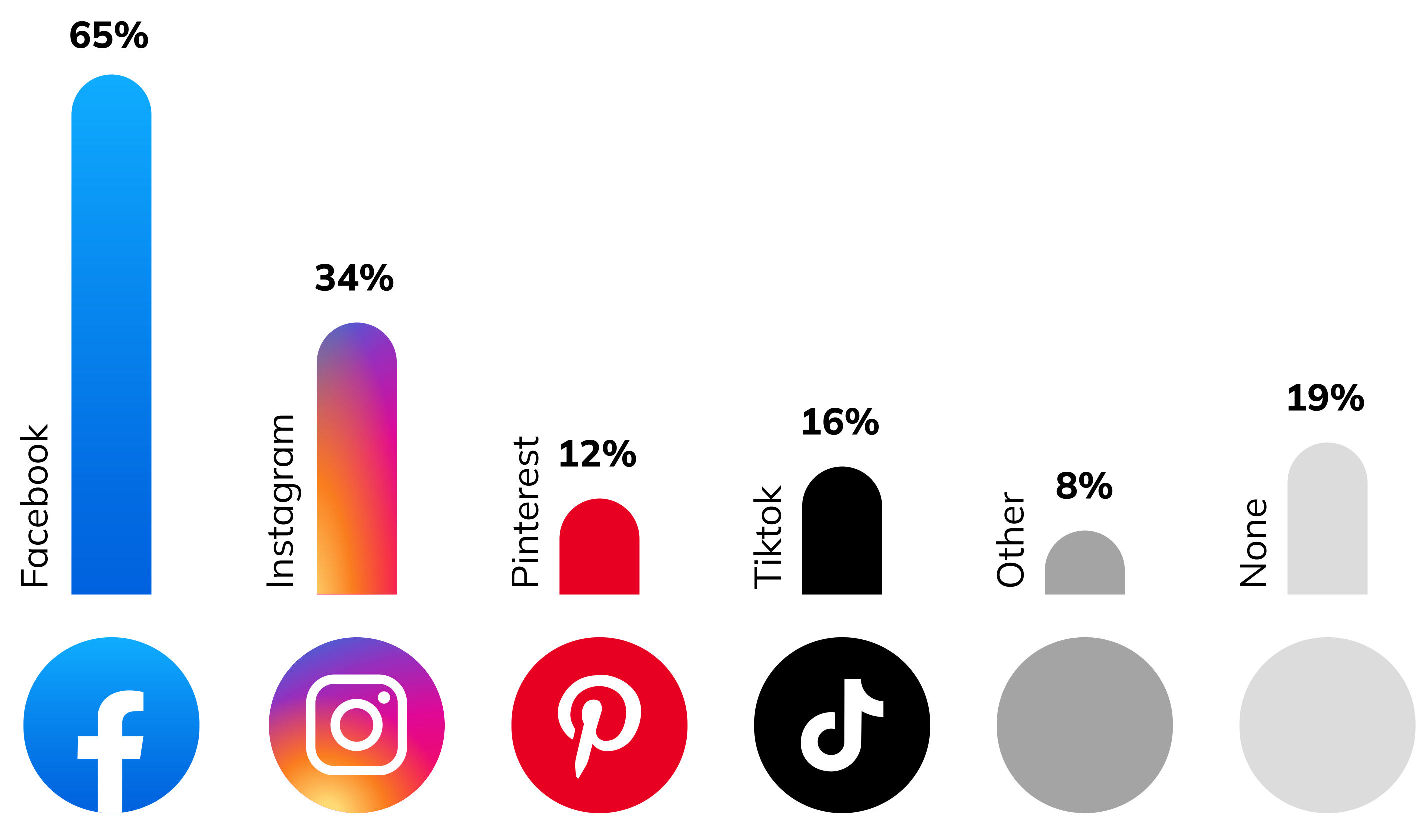


Clearly, Facebook and Instagram are the most popular social commerce platforms for most consumers, but let's see if those numbers hold when gender comes into play by analyzing men and women.

For the same question:

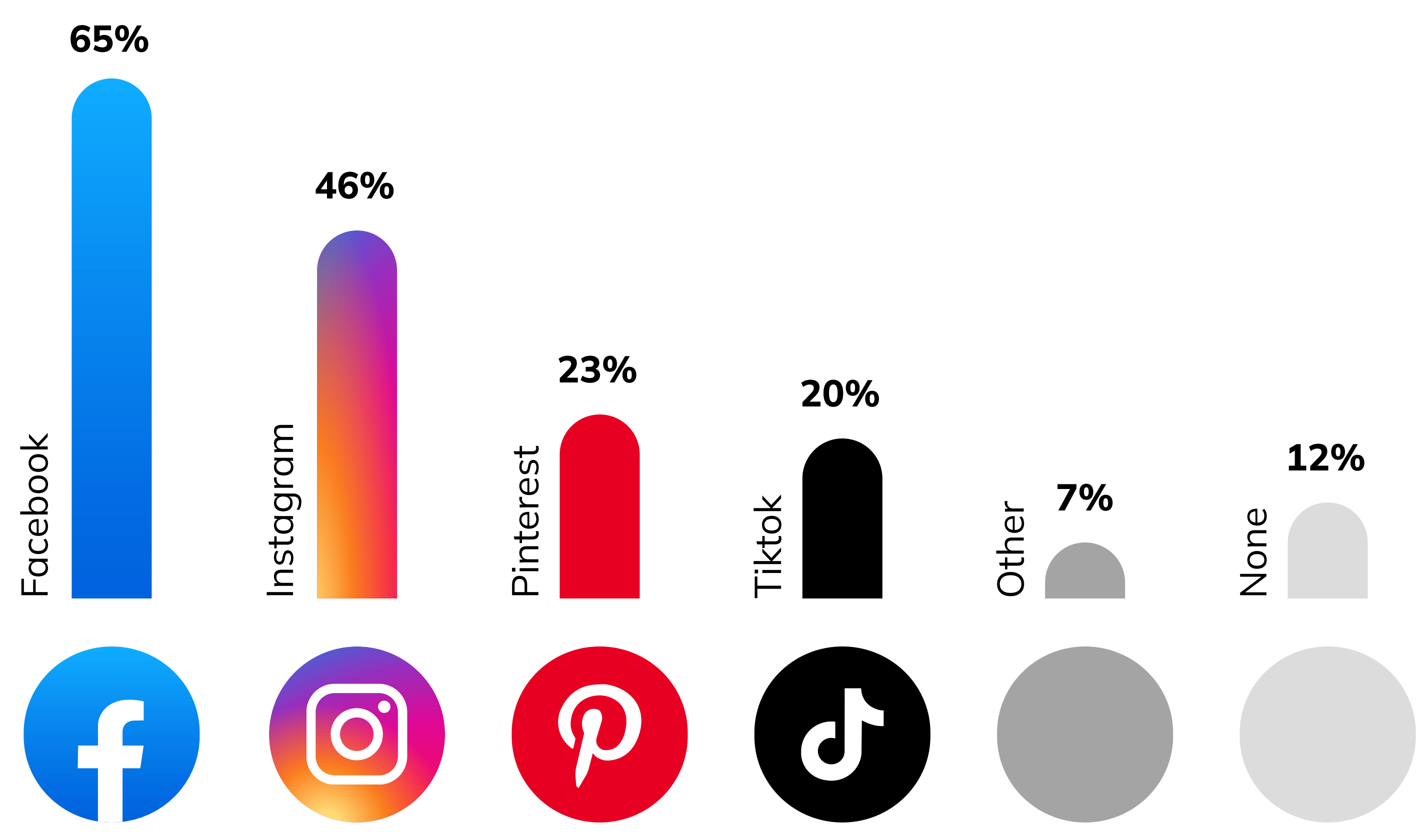


Men



As we can see, men and women are on the same page concerning Facebook. However, for the other social media platforms, their opinions begin to diverge.

Women



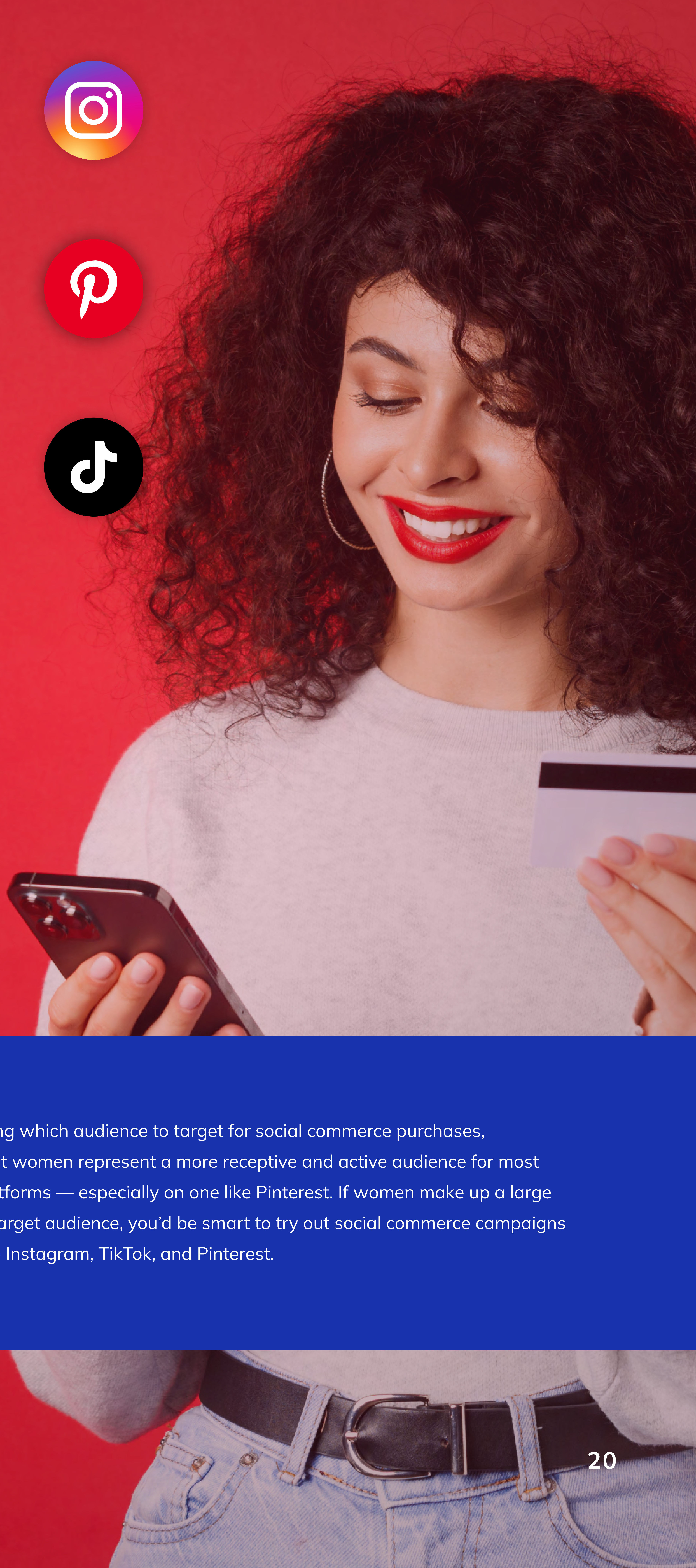
Based on our data, women are:

35% more likely to make a purchase on Instagram

92% more likely to make a purchase on Pinterest

25% more likely to make a purchase on TikTok

37% less likely to report not considering purchasing on social media



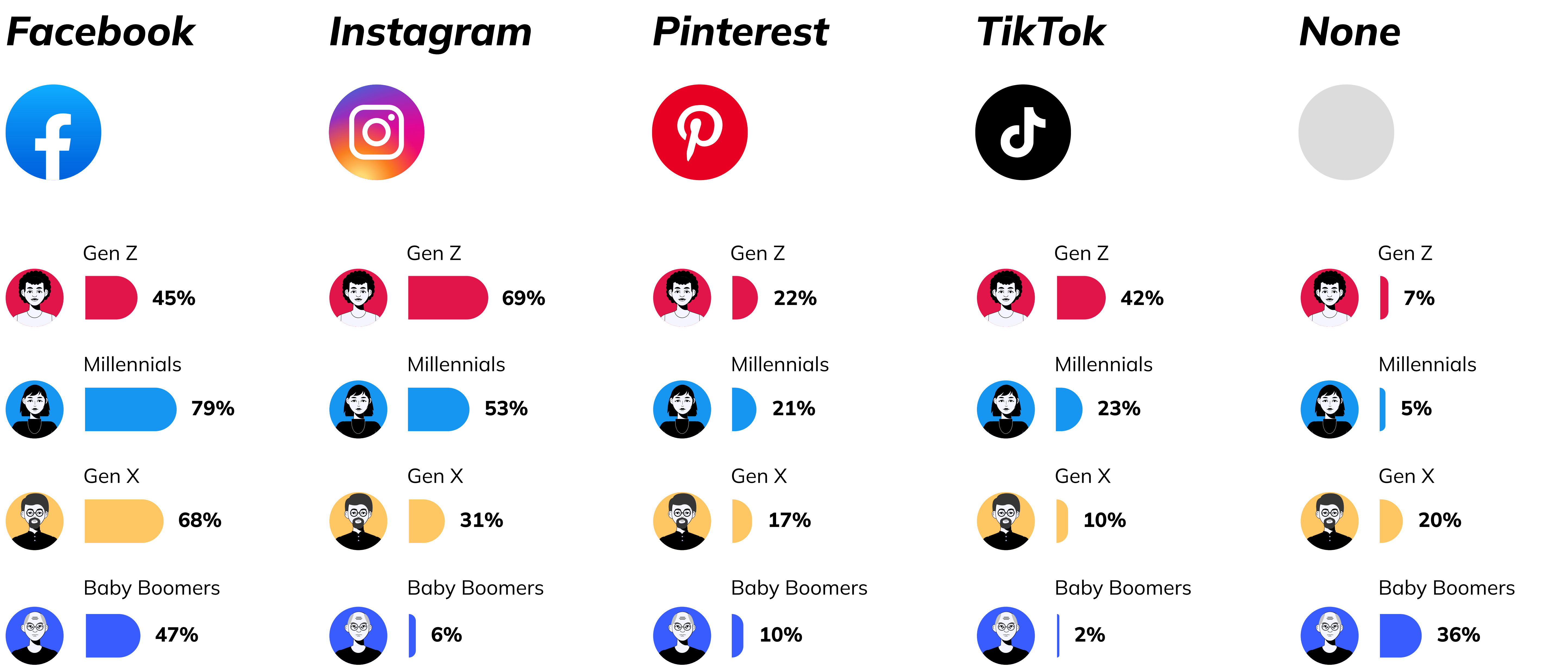
Audience Insight

When considering which audience to target for social commerce purchases, keep in mind that women represent a more receptive and active audience for most social media platforms — especially on one like Pinterest. If women make up a large portion of your target audience, you'd be smart to try out social commerce campaigns on platforms like Instagram, TikTok, and Pinterest.

Generation

Next, let's analyze how different generations answered the above question concerning which platforms they'd make purchases from to see if there are any interesting differences to analyze.

Which social media platforms would you consider buying from, if any?



Based on this data, Facebook and Instagram remain the most popular social commerce platforms — with Facebook performing best for Millennials and Gen X and Instagram best for Gen Z and Millennials.

Overall, Pinterest didn't report very high numbers but was ever so slightly preferred by younger generations. Understandably, TikTok was a great deal more popular among Gen Z and Millennial respondents — with Gen Z being 2000% more likely than Boomers to make a purchase on TikTok.

It also makes sense that for the option "None - I would not consider buying on social media", older generations prevailed. In fact, Boomers were 414% more likely to report not using social media for making purchases than Gen Z.

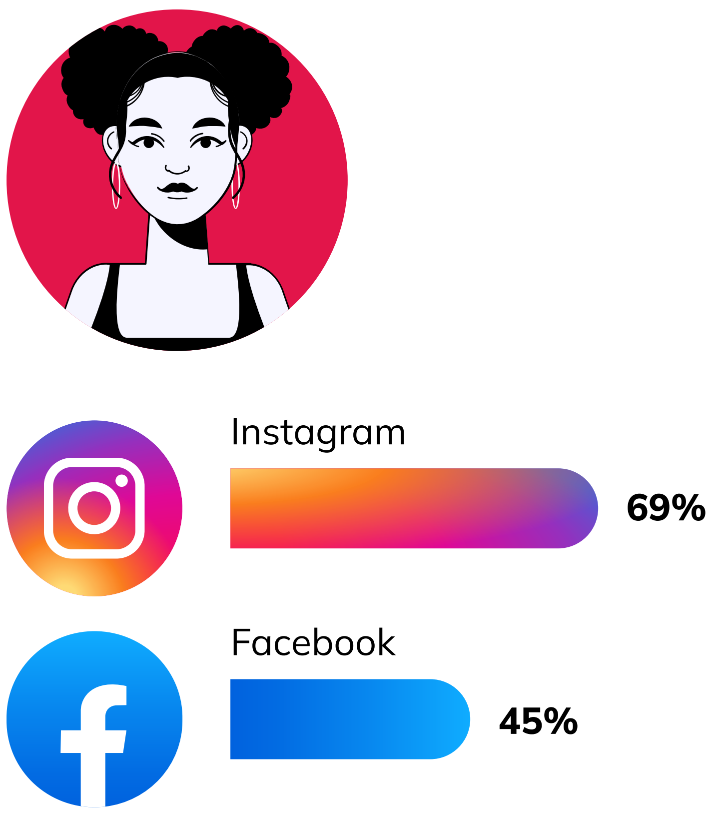
Audience Insight

As expected, our data shows that younger generations are more likely to make purchases on social media than older generations — with some platforms performing better than others.

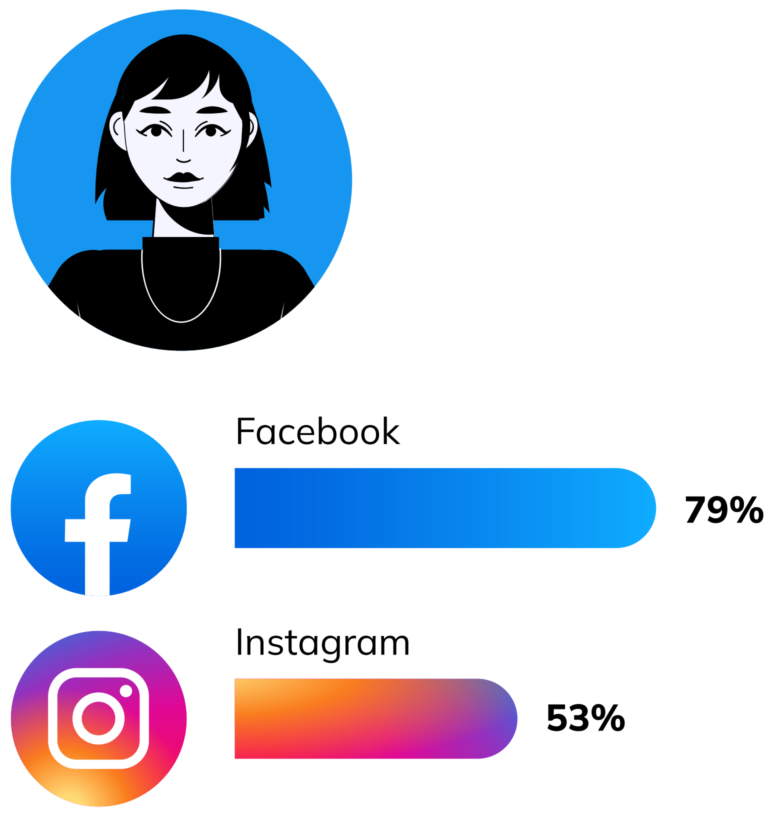
For brands interested in growing their social commerce network and whose target audiences contain Gen Z and Millennial consumers — it makes sense to focus heavily on Facebook and Instagram. For those catering to Gen X and Baby Boomers, Facebook remains the best choice.

And for those that want to experiment with newer channels, TikTok and Pinterest both present exciting opportunities. However, Pinterest is a better bet for brands with older target audiences (Gen X & Boomers) — whereas TikTok is a better fit for younger audiences (Gen Z & Millennials).

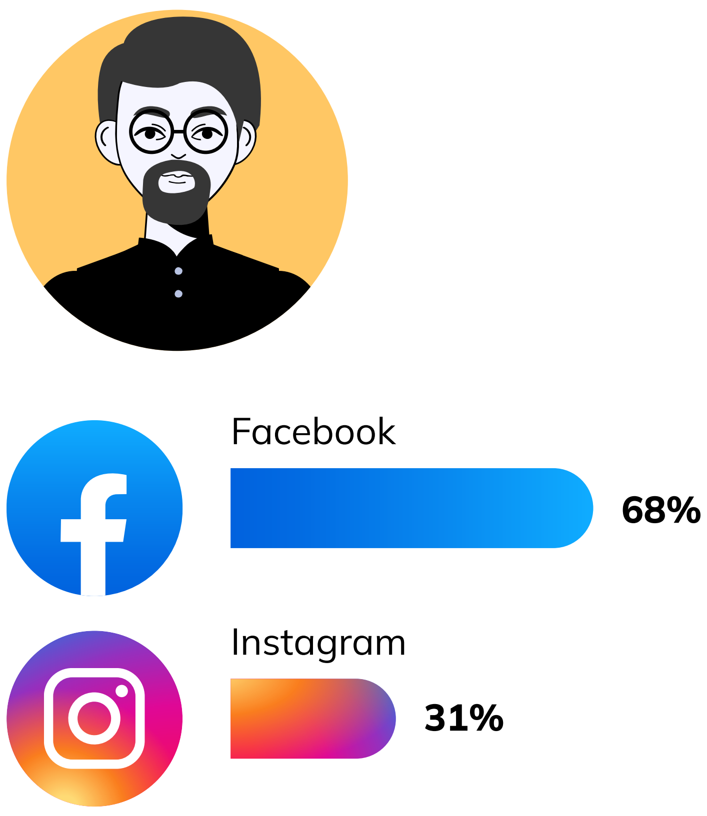
Gen Z



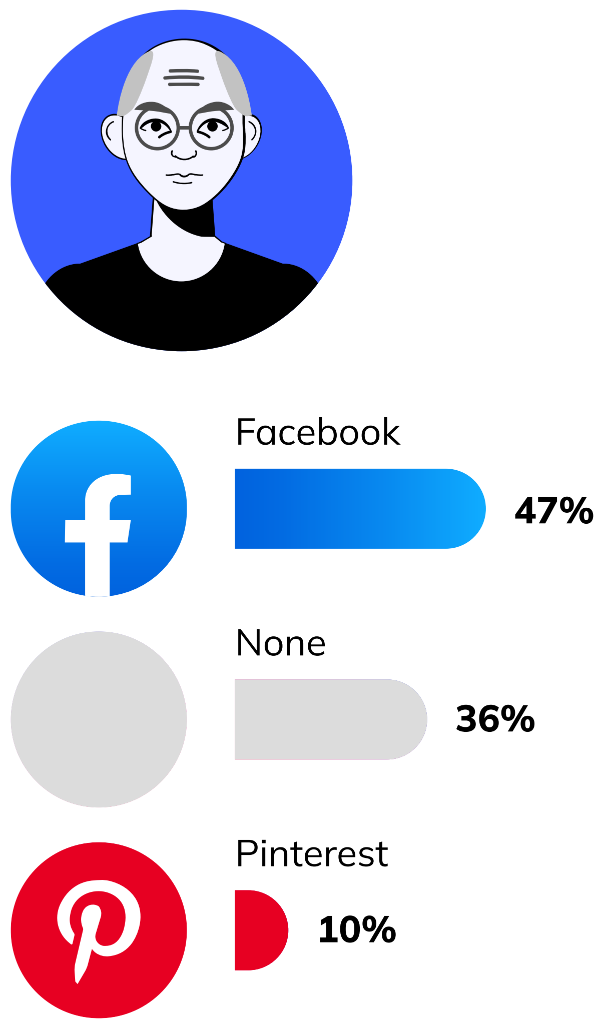
Millennials



Gen X

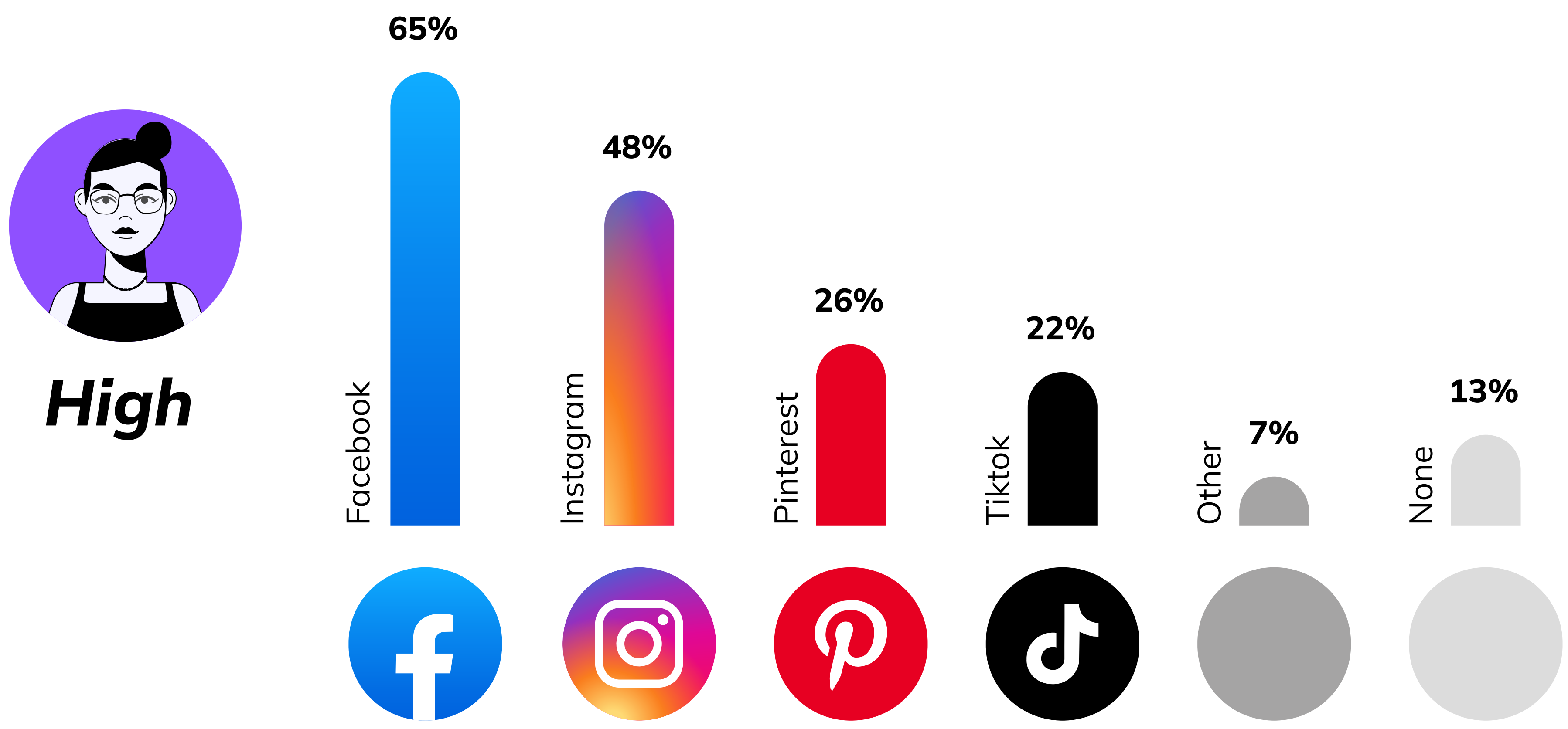


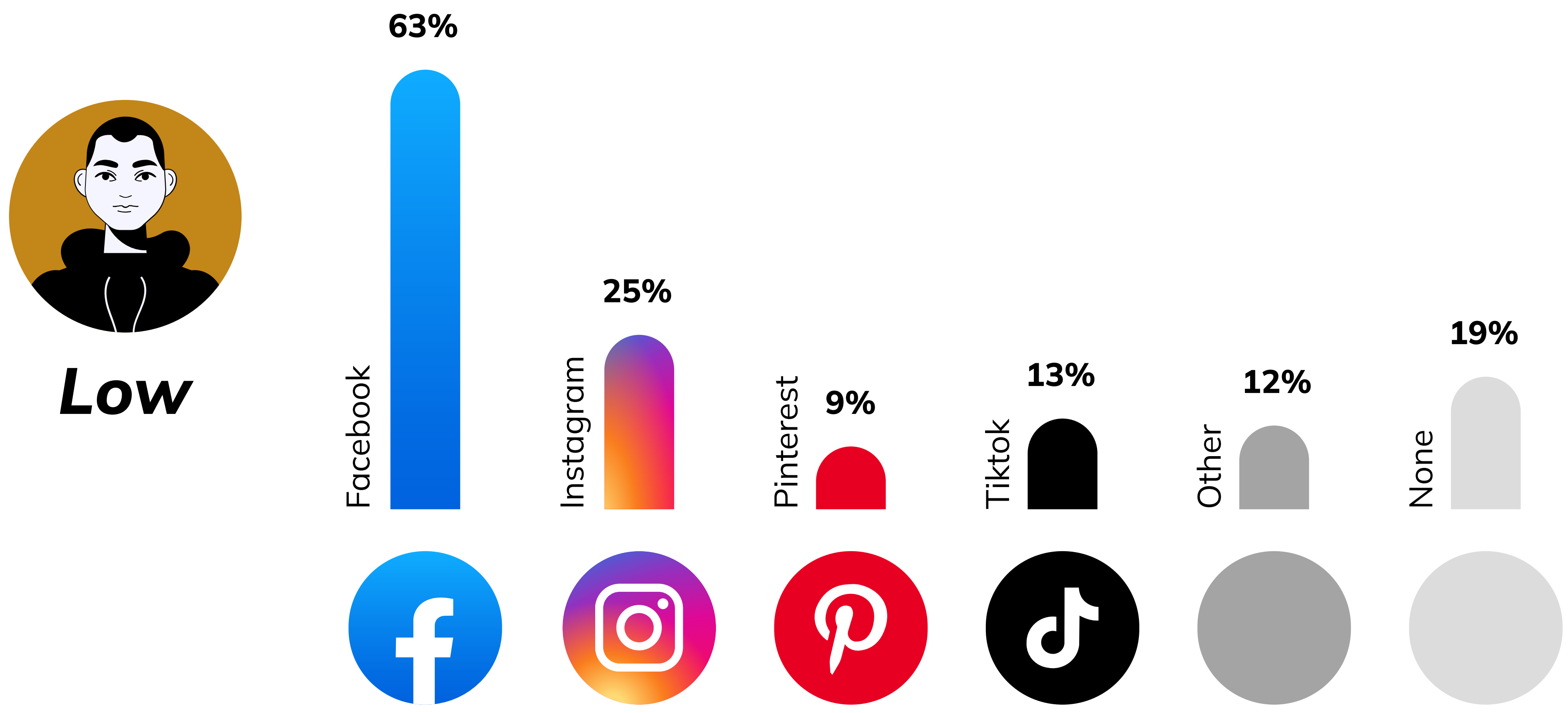
Baby Boomers



Education Level

Next, we decided to see if education level had an impact on purchase consideration for different platforms. Interestingly, we found a significant difference when comparing audiences with self-reported low and high education levels.





While the popularity of Facebook as a social commerce platform remained somewhat consistent for both audiences, those with low education levels were much less likely to make purchases from Instagram, Pinterest, and TikTok.

They were also 46% more likely to answer with “None - I would not consider buying on social media”.

Audience Insight

When it comes to the platforms used for social commerce, consumers with higher education levels seem to be more active and receptive audiences.

Based on our data, consumers with a high education level are:

92% more likely to make a purchase on Instagram

189% more likely to make a purchase on Pinterest

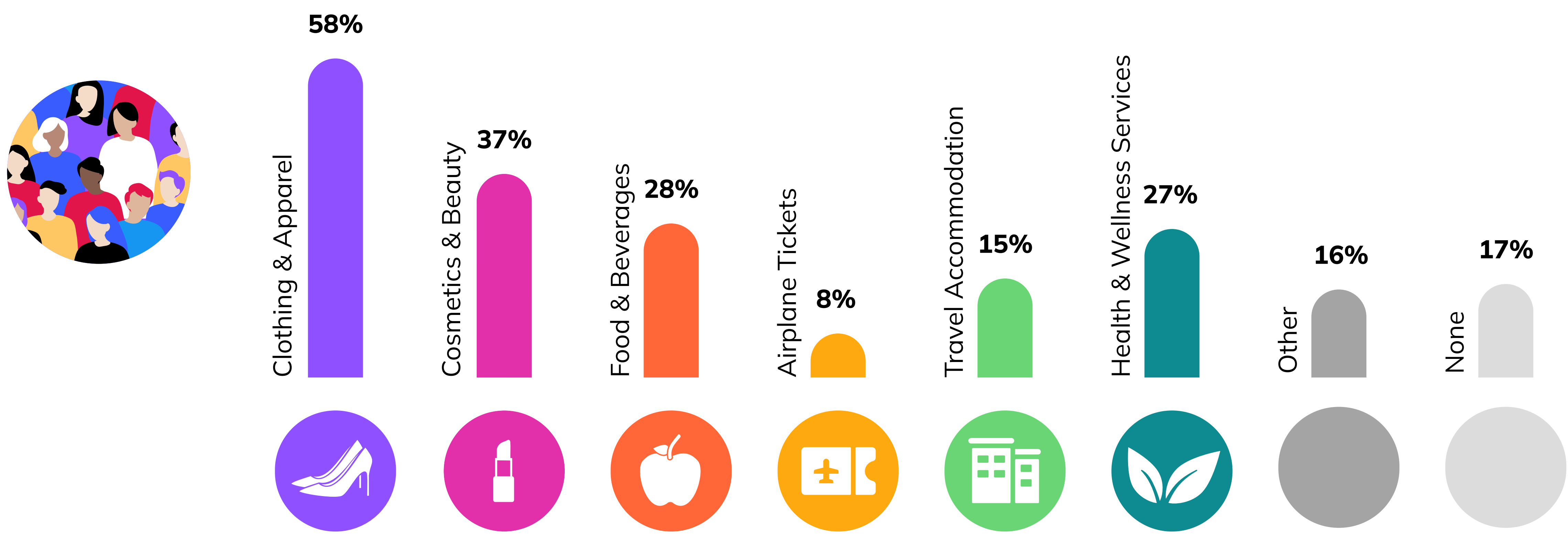
69% more likely to make a purchase on TikTok

Therefore, if deciding between targeting high or low education consumers, our data indicates that those with high education levels are a better bet.

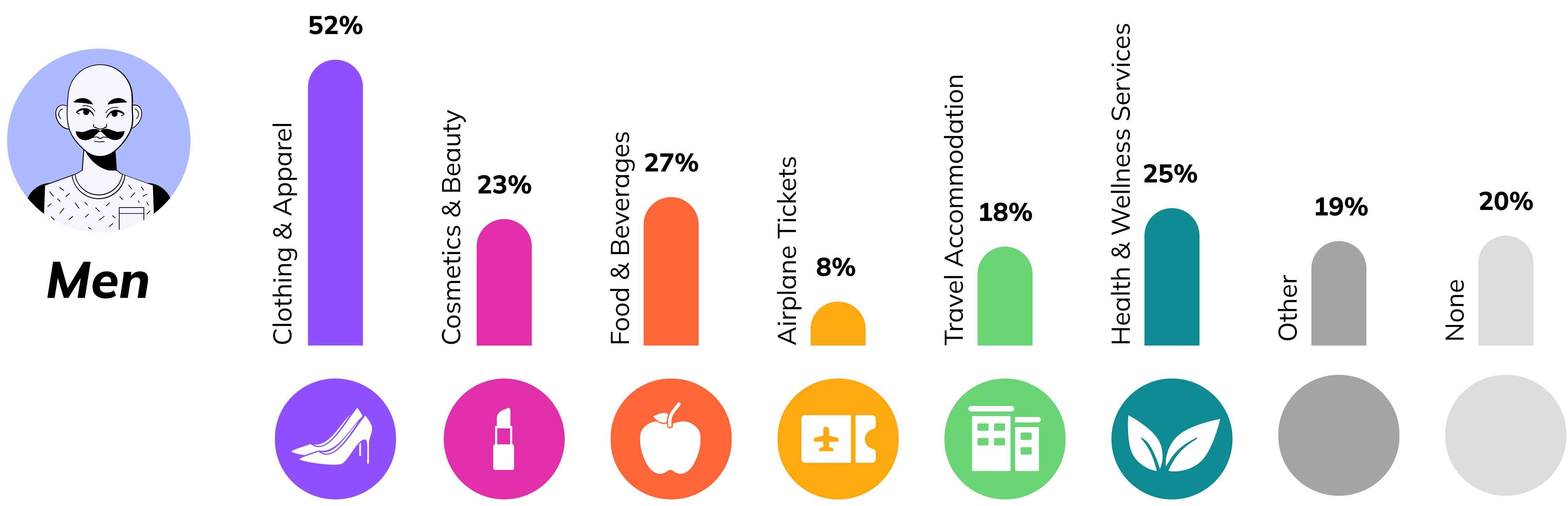
Purchase Consideration: Categories

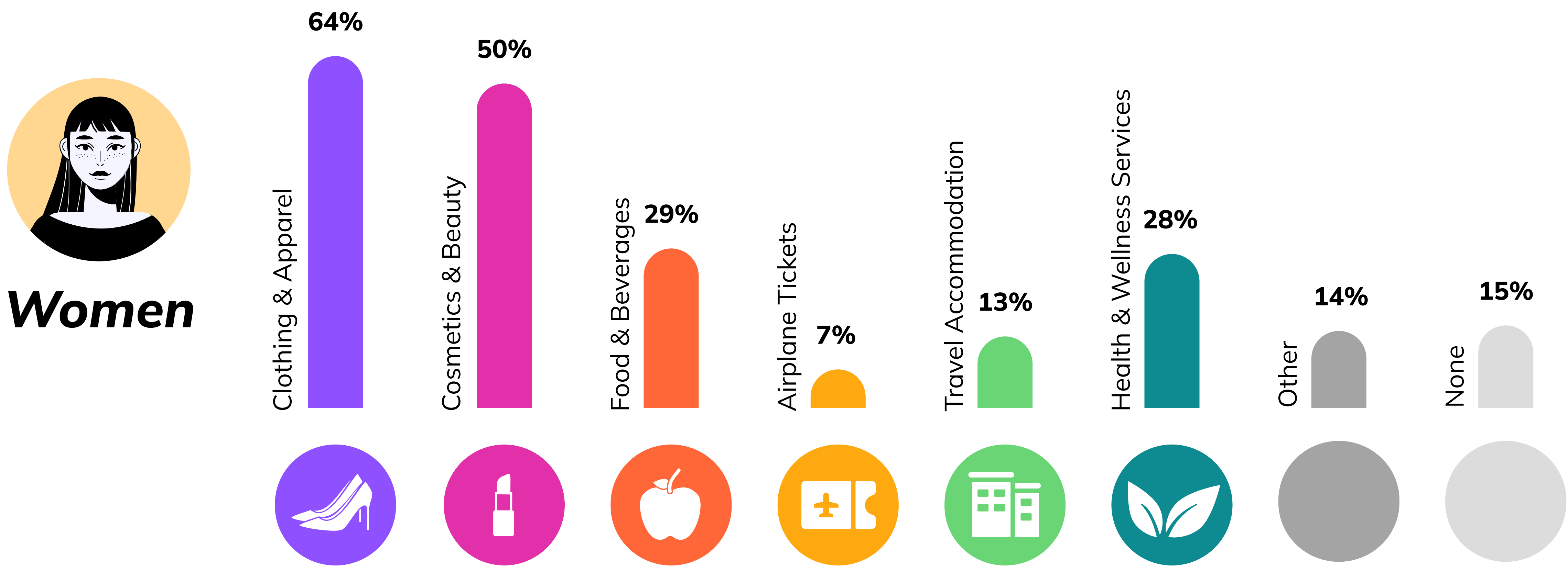
Now that we know how different platforms are performing concerning social commerce within various target audiences, let's delve into the performance of different categories — with the goal of helping brands from a wide range of industries improve upon their social commerce strategies.

For this section, our survey question was as follows: **Which of the following would you consider buying on social media, if any?** Keeping in mind that respondents can choose multiple options, here's how the **general population** answered:



From this, we can see that the most popular categories are: "Clothing & Apparel", "Cosmetics & Beauty", "Food & Beverages", and "Health & Wellness Services". But does that change when looking at the responses of men vs. women? Let's see. For the same question:



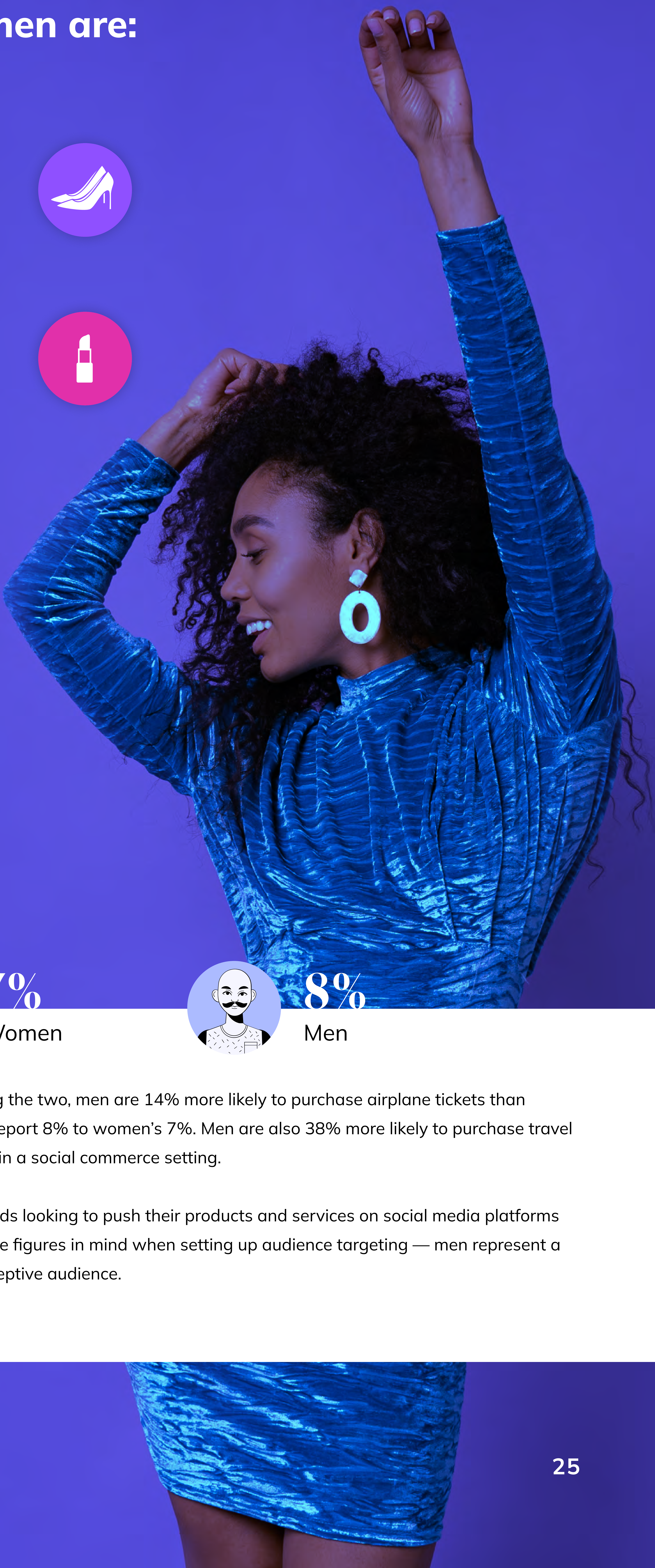


When comparing the two target audiences, it's clear that, overall, women are more willing to make purchases on social media platforms — especially for the categories of "Clothing & Apparel" and "Cosmetics & Beauty".

Based on our data, women are:

23% more likely to purchase "Clothing & Apparel" products

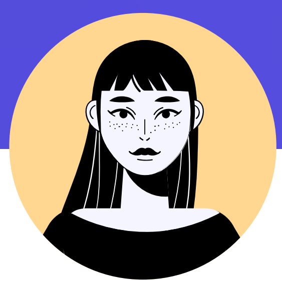
117% more likely to purchase "Cosmetics & Beauty" products



While this may not be surprising, it does reinforce the fact that women have proven themselves to be a far more receptive audience than men for the above two categories.

Additionally, compared to only 15% of women, 20% of men chose the option "I would not consider buying on social media" — meaning men are 25% less likely to make a purchase in a social commerce setting in any category.

Audience Insight



7% Women

8% Men

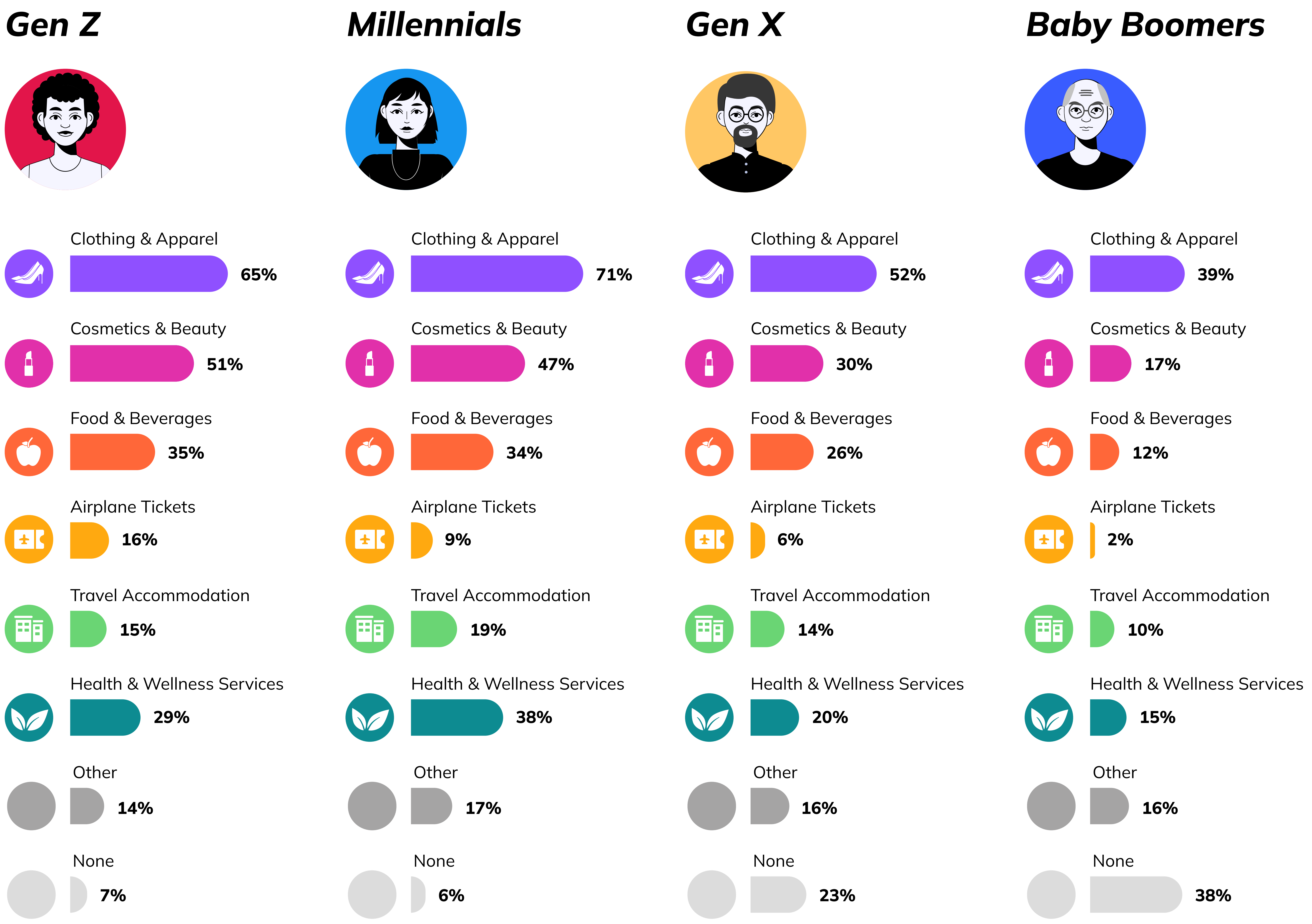
When comparing the two, men are 14% more likely to purchase airplane tickets than women — they report 8% to women's 7%. Men are also 38% more likely to purchase travel accommodation in a social commerce setting.

Thus, travel brands looking to push their products and services on social media platforms should keep these figures in mind when setting up audience targeting — men represent a slightly more receptive audience.

Generation

Next, let's consider how different generations responded to this question to better understand their purchase consideration for the chosen categories — and to see if certain age groups are a better fit for certain industries.

Which of the following would you consider buying on social media, if any?



Overall, younger generations are more likely to make social commerce purchases — with Gen Z reporting higher figures the Baby Boomers for every category, with the exception of "None - I would not consider buying on social media".

Based on our data, Gen Z are:

67% more likely to purchase clothing & apparel on social media

200% more likely to purchase cosmetics & beauty on social media

192% more likely to purchase food & beverages on social media

700% more likely to purchase airplane tickers on social media

50% more likely to purchase travel accommodation on social media

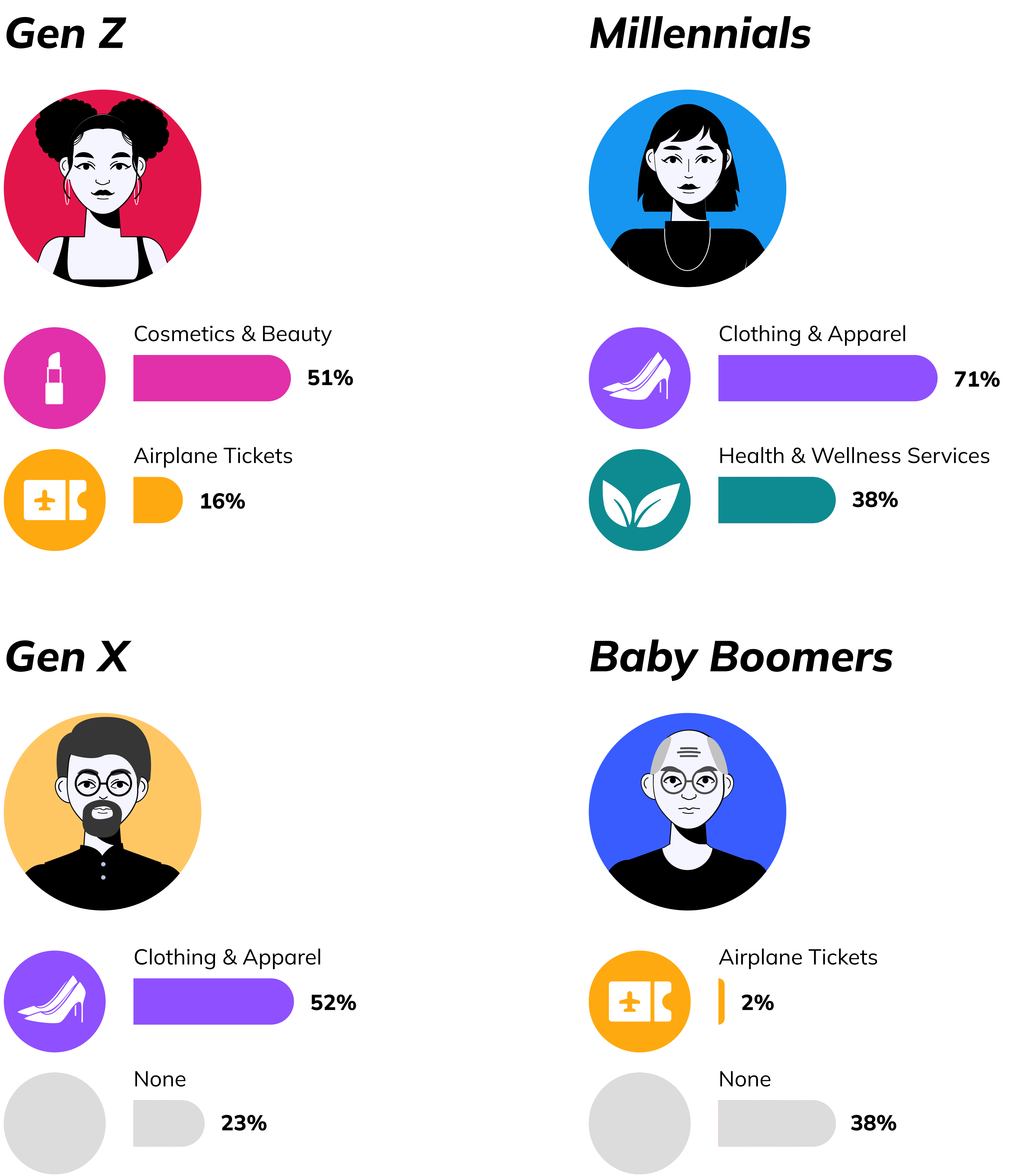
93% more likely to purchase health & wellness services on social media

than Baby Boomers.

Clearly, Gen Z and Millennials represent better audiences for most categories of social commerce purchases — with clothing and cosmetics brands ranking high on their preference lists.

Audience Insight

Based on our data, each generation had at least two categories where their answers stood out.

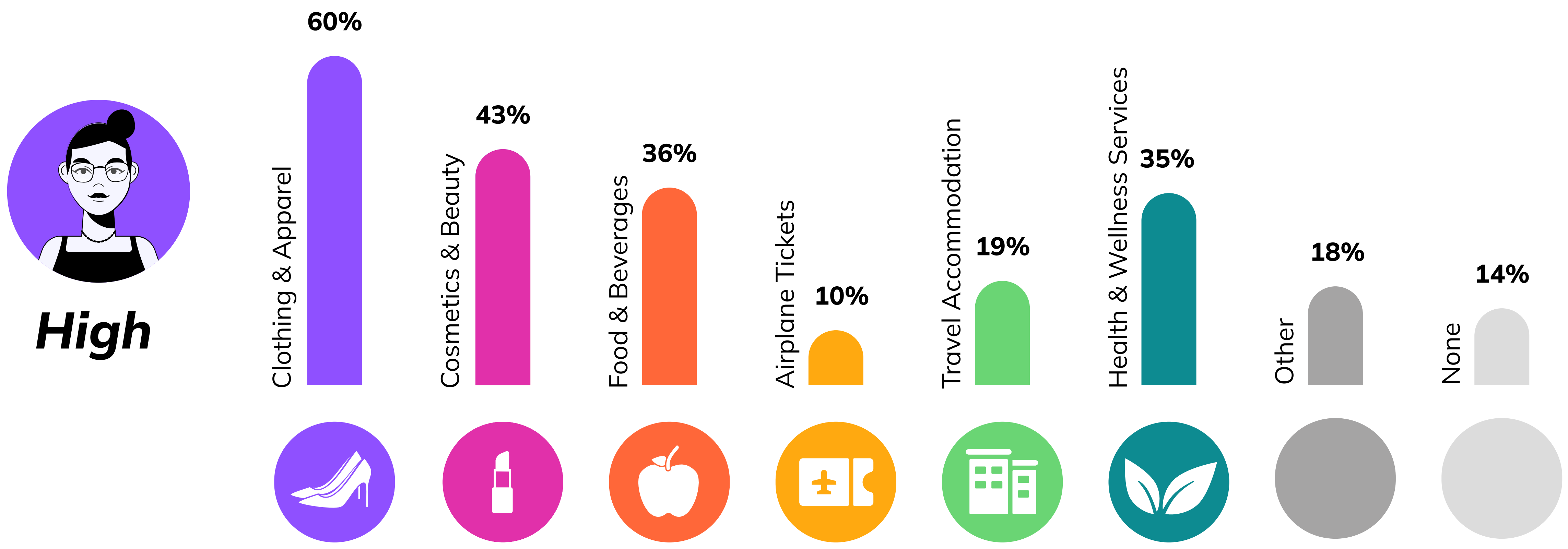


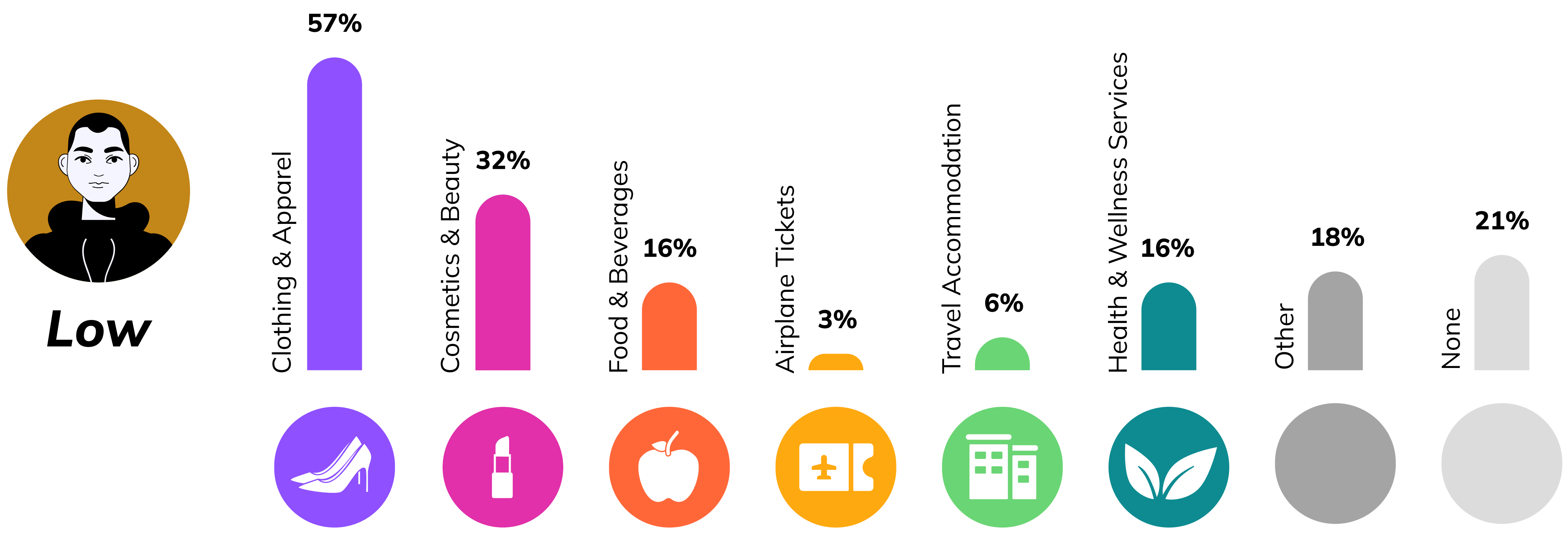
Gen Z was generally more likely to purchase from most categories when compared to Gen X or Baby Boomers — but, at 16%, they really stand out when it comes to their willingness to purchase airline tickets. Airline brands should keep this insight in mind when rolling out their next social media marketing campaign.

Alternatively, Baby Boomers have the lowest rate for airplane tickets and travel accommodation — as well as the highest rate for “None - I would not consider buying on social media”. Travel brands should consider whether or not targeting Boomers via social media is worth the time and effort.

Education Level

Next, to see how education may have impacted purchase consideration for the chosen categories, we will consider the differences between respondents with low and high educational levels.





When comparing the two, there are some interesting similarities and differences to be found. To begin with, both audiences report somewhat similar responses for the categories of "Clothing & Apparel", "Cosmetics & Beauty", and "Other".

Based on our data, consumers with high levels of education are:

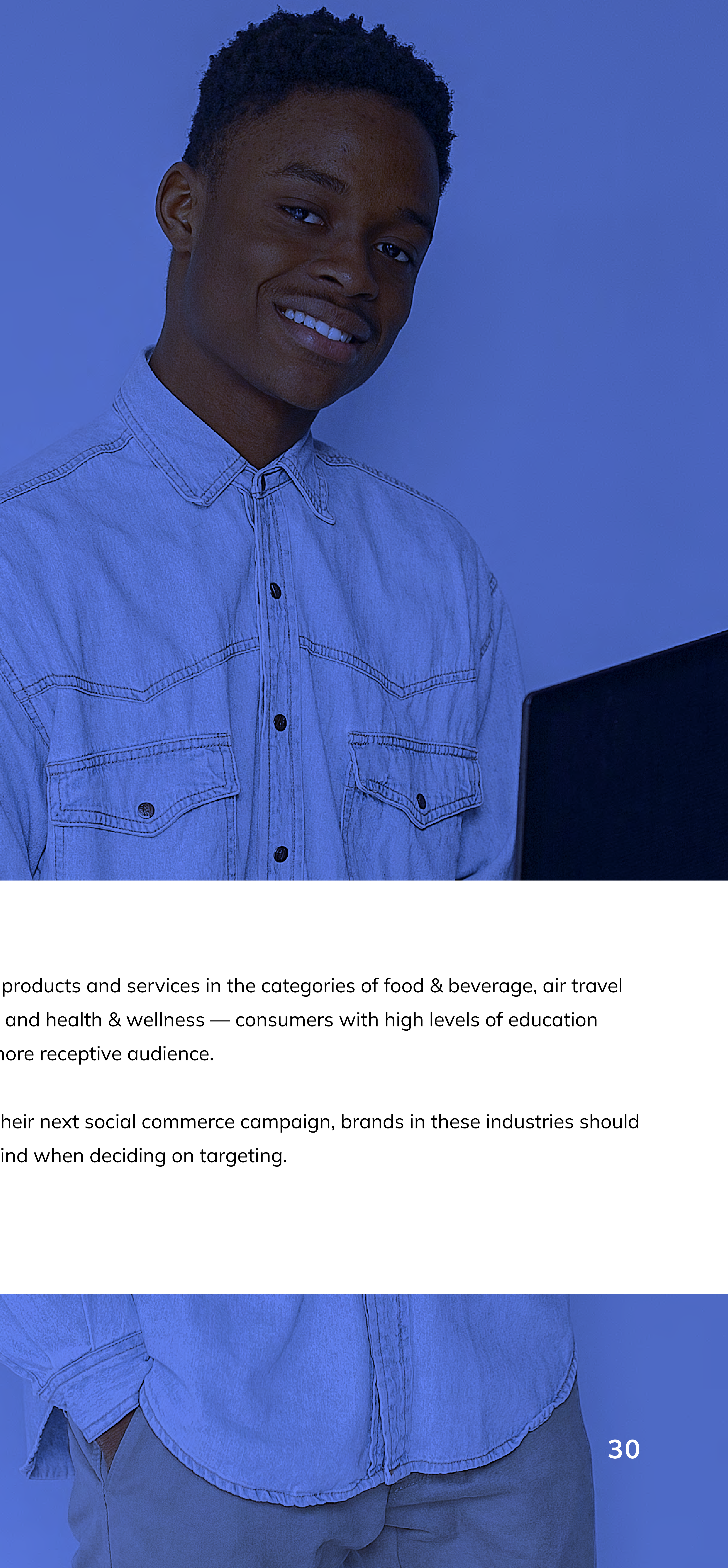
125% more likely to purchase food & beverages

233% more likely to purchase airplane tickets

217% more likely to purchase travel accommodation

119% more likely to purchase health & wellness services

Additionally, those with low education levels are 50% more likely to not make purchases on social media altogether — meaning consumers with high education levels represent a more active audience for social commerce.



Audience Insight

For brands that offer products and services in the categories of food & beverage, air travel and accommodation, and health & wellness — consumers with high levels of education prove to be a much more receptive audience.

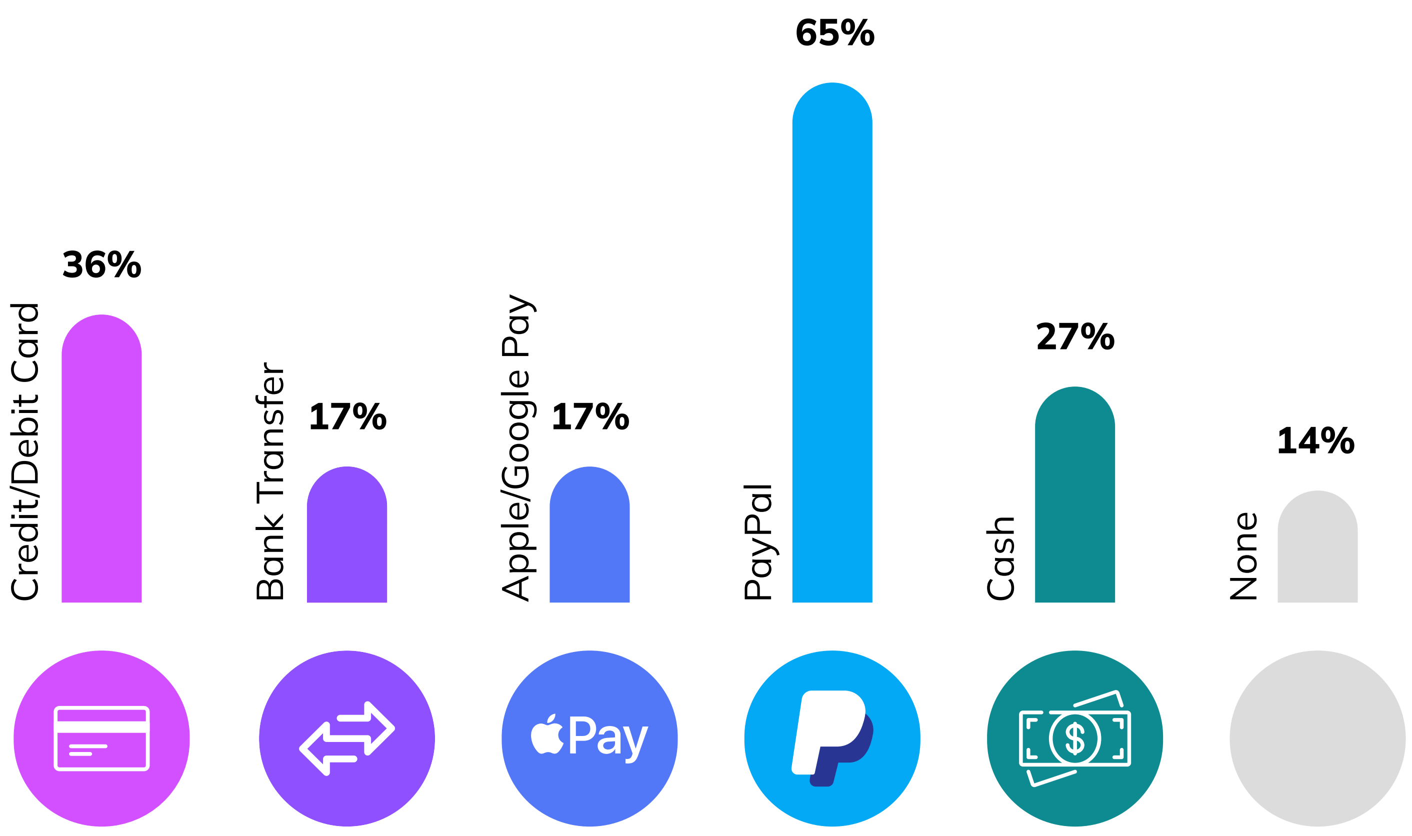
So, when rolling out their next social commerce campaign, brands in these industries should keep this insight in mind when deciding on targeting.

Purchase Consideration: Payment Options

The next aspect of purchase consideration to analyze is payment options. When considering whether or not to make a purchase, most consumers will be impacted by the payment options available to them. In fact, according to Column Five Media, 56% of consumers said they want to see a "variety of payment options" when buying goods and services online.

Furthermore, a 2020 survey from PaySafe on how Covid-19 has impacted consumer payment preferences found that "70% of UK consumers think that contactless payments are more convenient than cash, and 61% are happier to use contactless cards than they were a year ago."

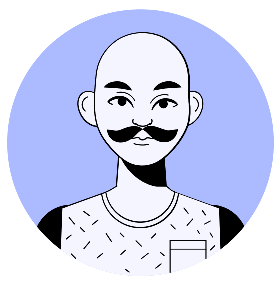
Clearly, consumers' preferences concerning payment preferences are evolving, and in order to keep up, a variety of payment options is now a must for brands. But which audiences prefer which options? Let's see. We asked: **Which of the following payment options would you consider when purchasing on social media?** Here are the results for the **general population**:



Based on this data, PayPal is the clear frontrunner for the general population, followed by a credit/debit card and cash on delivery.

But does this change when looking at men vs. women? Well, for credit/debit cards, bank transfers, Apple/Google Pay, and cash on delivery, men and women show similar preferences. But for the remaining options, men and women differ a bit:

Women are *24%* more likely to choose PayPal than men



Men are *55%* more likely to not consider buying on social media

Audience Insight

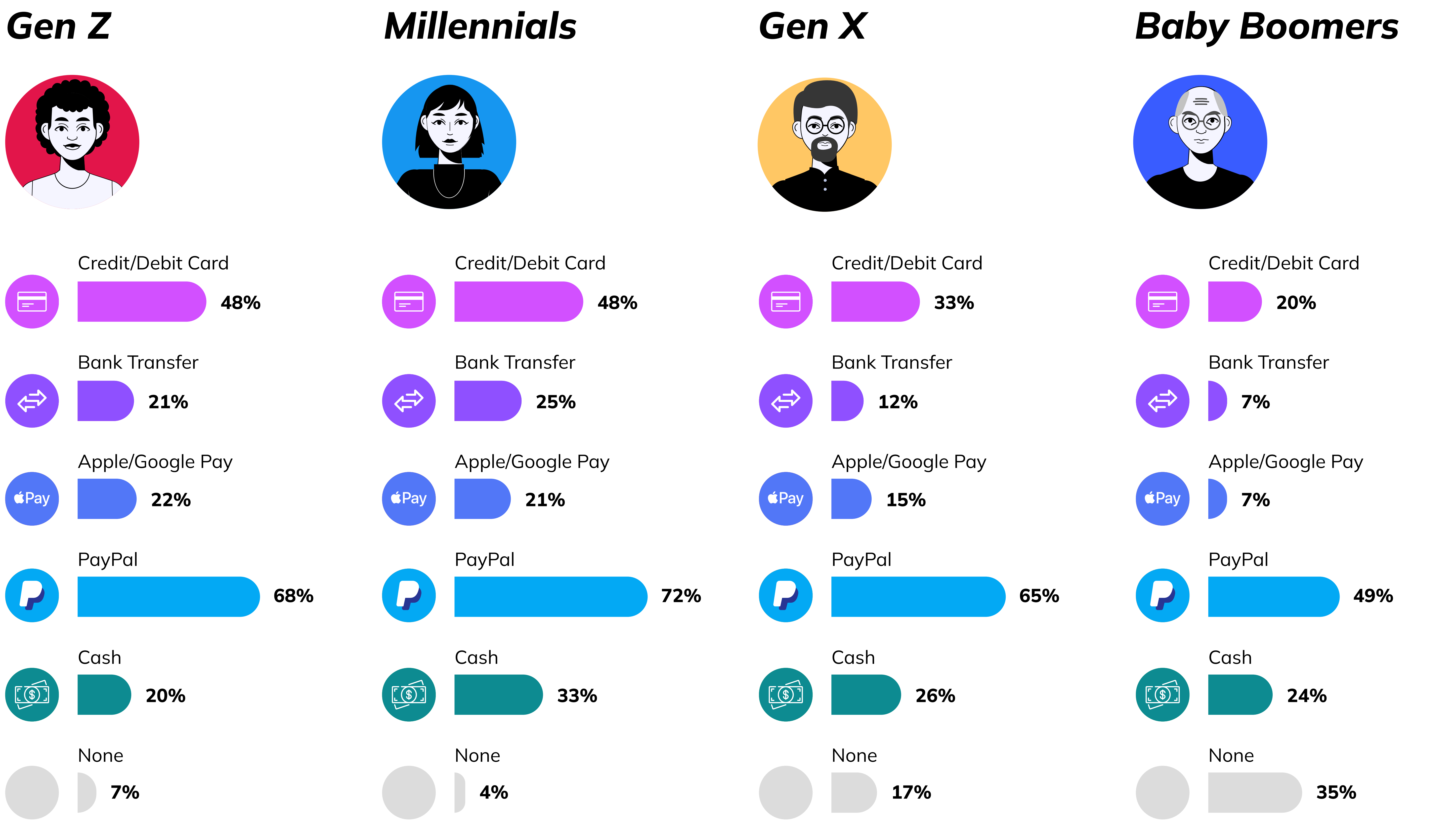
For brands that want to increase social commerce purchases, offering multiple payment options is paramount. Clearly, PayPal and credit/debit cards are the most popular payment options available. But it never hurts to provide consumers with choice.

And for brands that are targeting female audiences, make sure to offer PayPal as a payment option — otherwise, you might miss out on a huge chunk of potential revenue.

Generation

Next, let's consider which payment options our four main generations chose to see if age had an impact on the types of payment options preferred — and if those preferences should impact your own social commerce strategy.

Which of the following payment options would you consider when purchasing on social media?



When considering this data breakdown, Gen Z and Millennials show a great deal of similarity — with the only real disparity being "Cash on delivery", which Millennials are 65% more likely to choose than Gen Z.

However, Gen Z, Millennials, and Gen X all prefer PayPal and credit/debit cards — in that order. The only standout generation is Baby Boomers, who prefer PayPal (49%) or not to make purchases on social media at all (35%).

Bank transfers and Google/Apple Pay were more popular with Gen Z and Millennials, but still nowhere near as popular as PayPal.

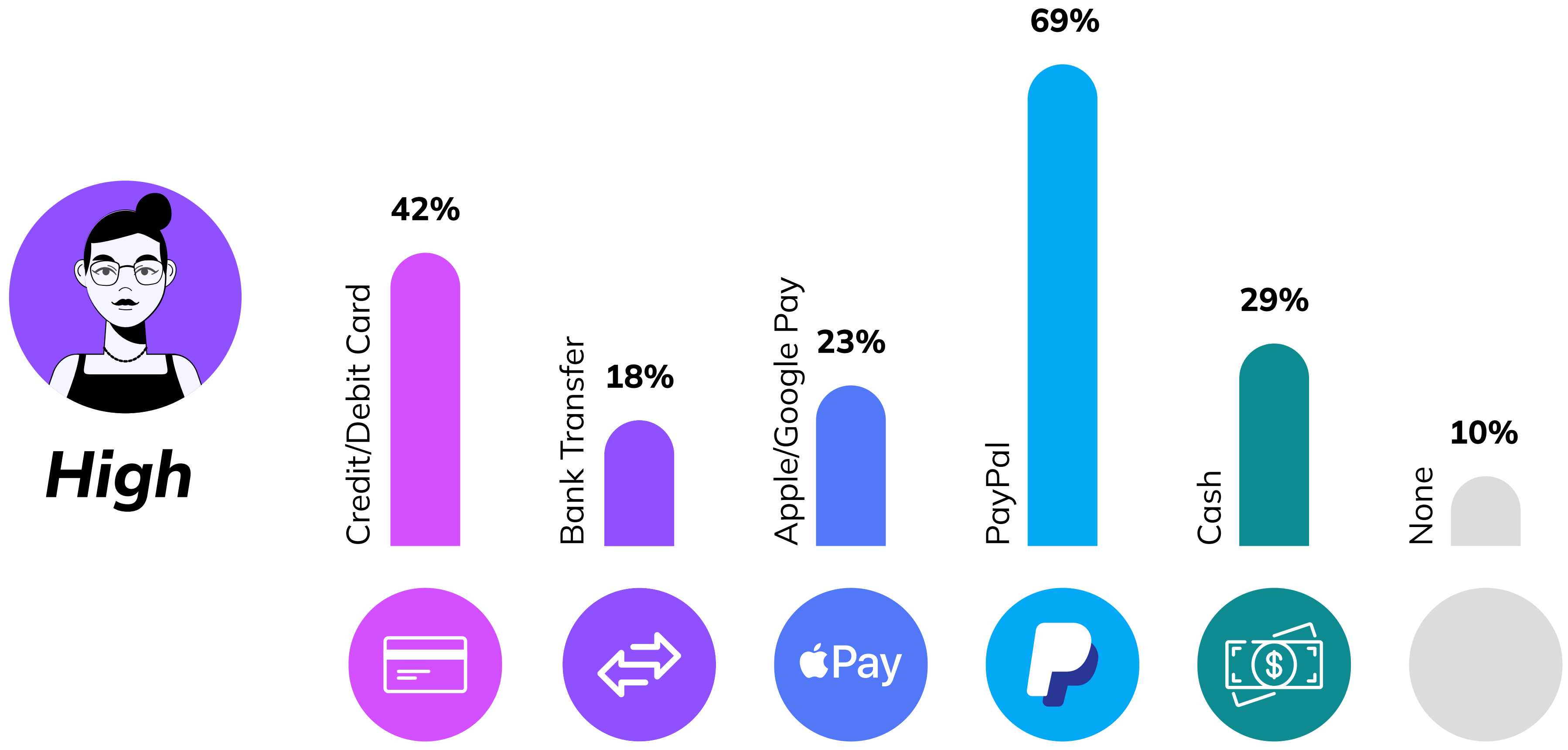
Audience Insight

PayPal and credit/debit cards are crowd-pleasers for all generations as payment options. But especially for brands that target younger generations, don't discount the usefulness of bank transfers, Google/Apple Pay, and cash on delivery.

While these choices may not be as popular, keep in mind: the more options you offer, the more consumers you can cater to.

Education Level

We also found interesting differences when considering the demographic of education — notably between respondents with self-reported high and low education levels.

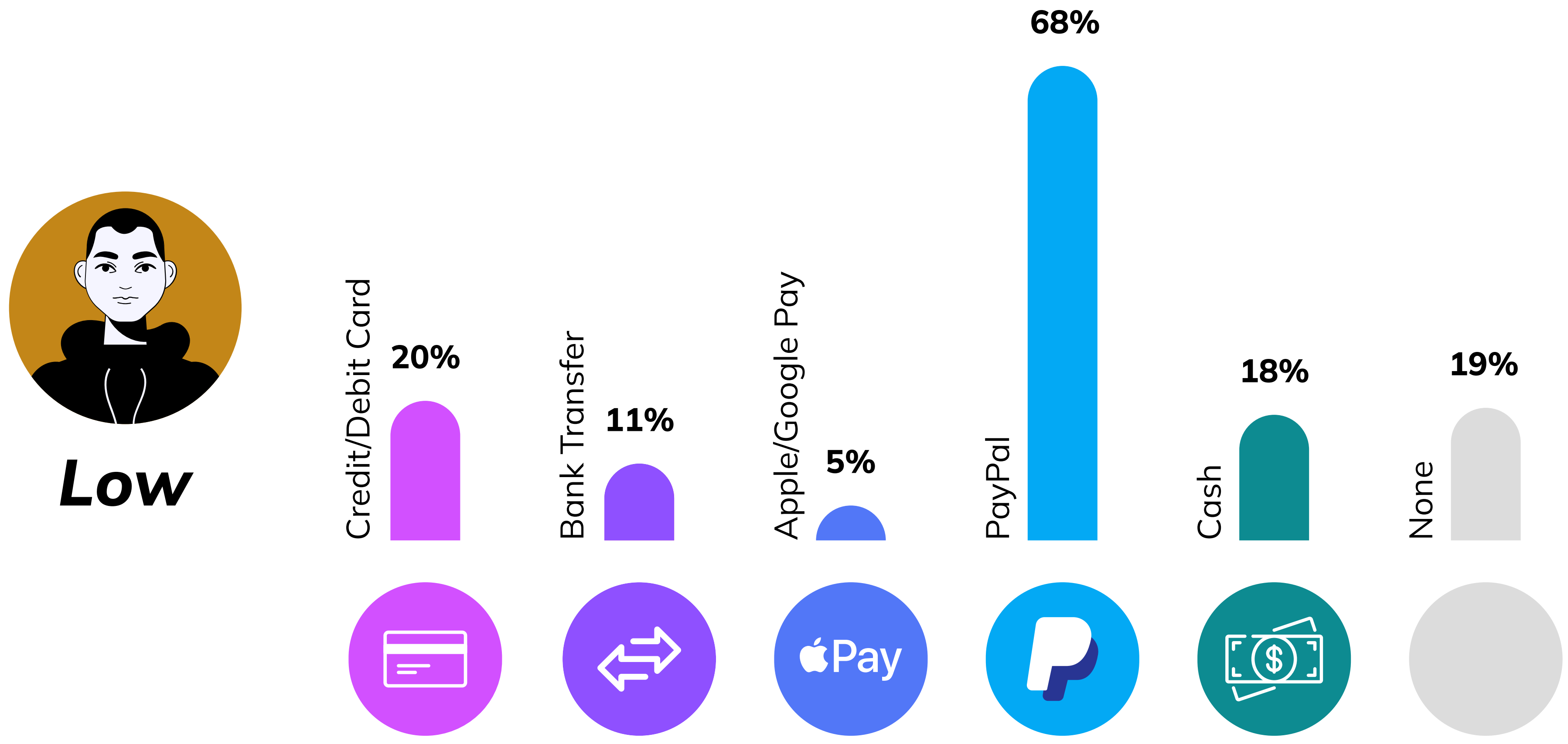


110% more likely to use a credit/debit card

64% more likely to use a bank transfer

360% more likely to use Apple/ Google Pay

61% more likely to use cash on delivery



90% more likely to choose “None - I would not consider buying on social media”

For these two audiences, the only solid option for both is PayPal — with 69% for the highly educated and 68% for those with low education levels. However, the rest are quite dissimilar.

Audience Insight

For brands targeting consumers with higher education levels, providing a variety of payment options is paramount. While PayPal is always a safe bet, credit/debit cards and cash on delivery should also be considered.

For brands that want to reach consumers with low education levels, keep in mind that they may not be as receptive to making social commerce purchases altogether — but if they’re your chosen audience, you must offer PayPal.

Remember — while only 10% of highly educated consumers chose “None - I would not consider buying on social media”, 19% of consumers with low education levels chose it.

CHAPTER III

Which Purchase Drivers & Barriers Are Influencing Consumers the Most?

Which Purchase Drivers & Barriers Are Influencing Consumers the Most?

Now that we've analyzed our data on what's impacting consumers' purchase consideration, it's time to turn to purchase drivers and barriers. But first, let's start with some simple definitions to ensure we're all on the same page.

Purchase drivers are elements of a brand experience that positively influence consumer purchase decisions — including access, ease of purchase, value, price, good reviews, etc.

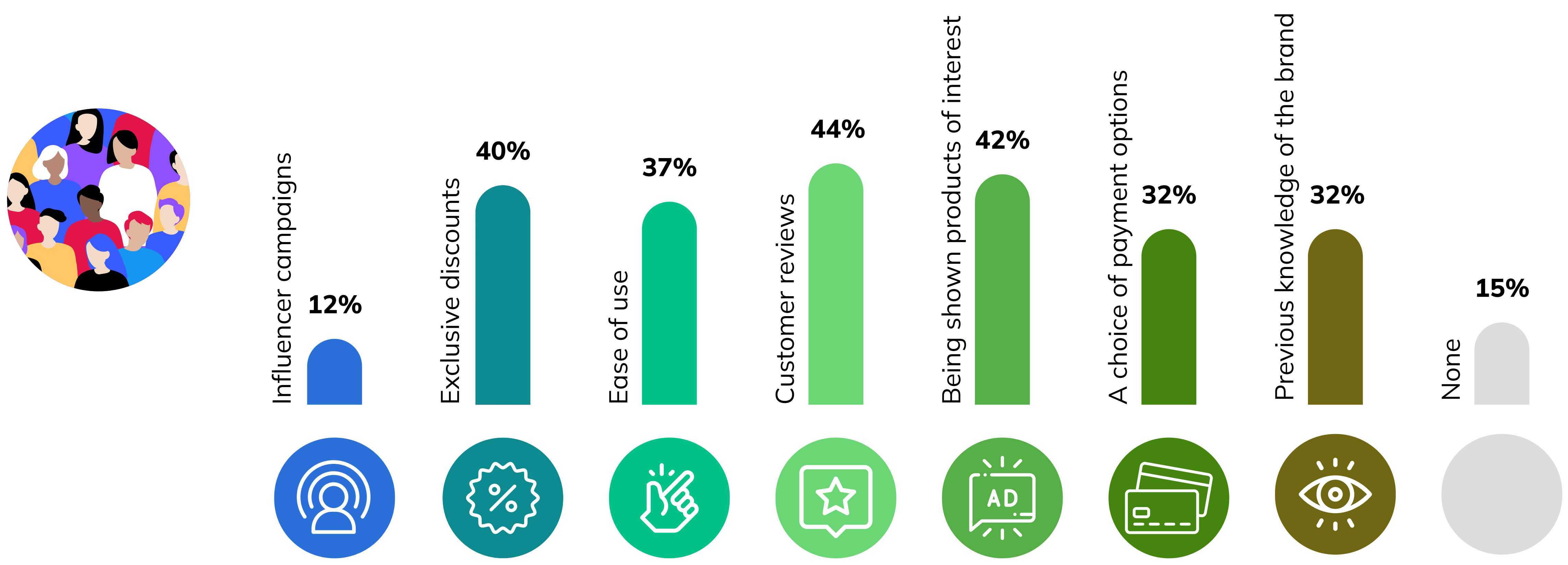
In essence, they drive a consumer towards making a purchase.

On the other hand, **purchase barriers** are elements of your brand experience that can influence consumer purchase decisions in a negative way — such as poor reviews, price, lack of trust, etc.

While it's vital to understand both to form a healthy brand strategy, we'll begin with purchase drivers.

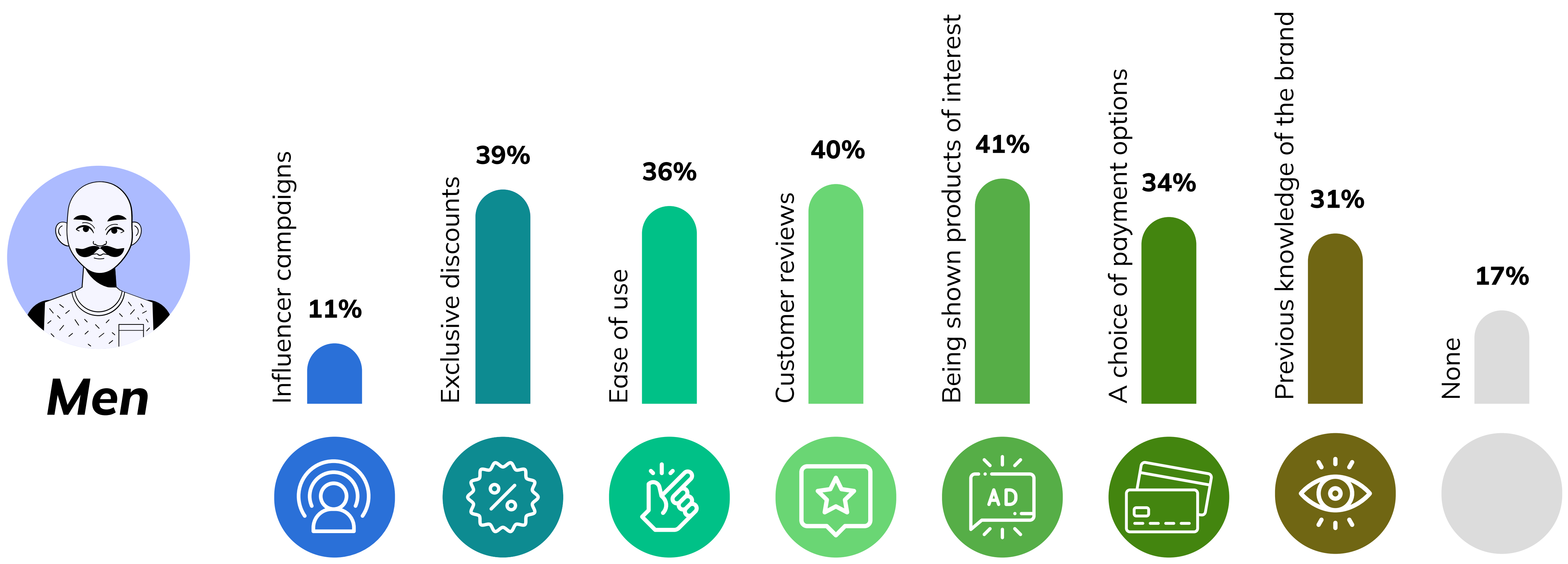
Purchase Drivers

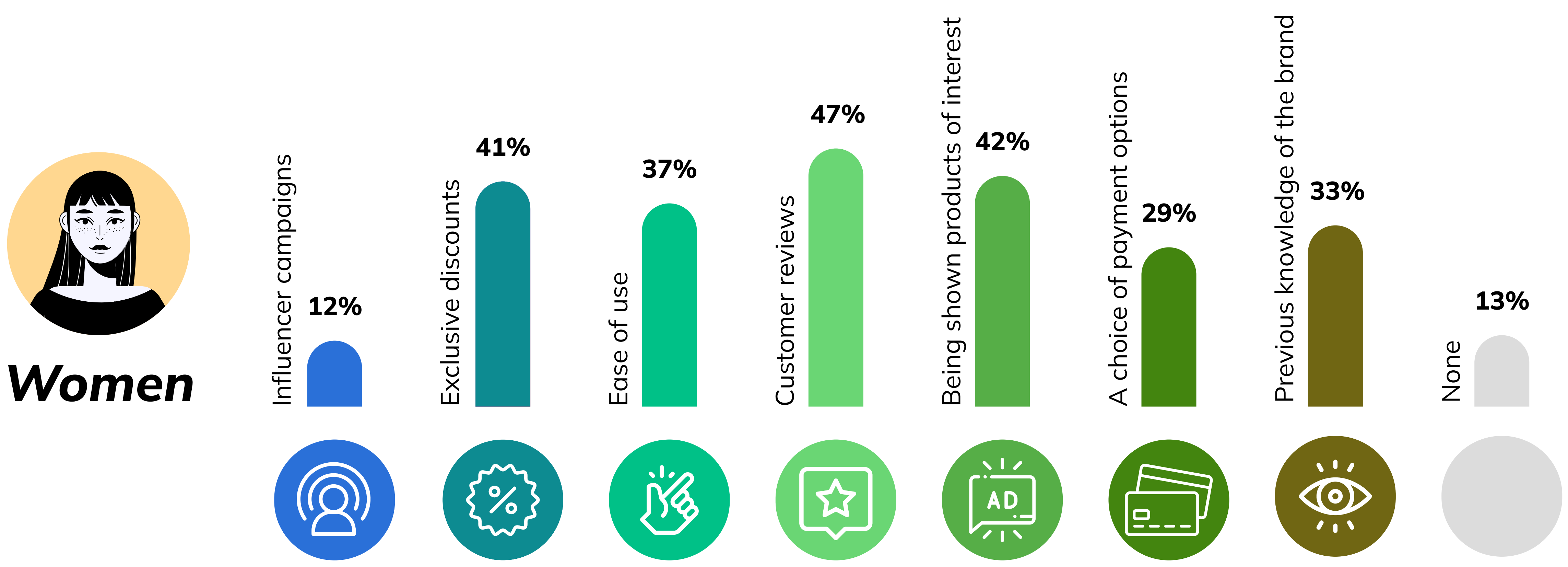
To better understand what is driving consumers to make purchases on social media platforms, we asked the following question: **Which of the following might influence you to make a purchase on a social media platform, if any?** Keeping in mind that respondents can choose multiple options, the **general population** answered as such:



From this data, we can surmise that for most consumers, the biggest purchase drivers are other customers' reviews (aka social proof), being shown products of interest, and receiving exclusive discounts. Ease of use, a choice of payment options, and previous knowledge of the brand trail behind a bit — with influencer campaigns coming in last.

But how does this data track when comparing male and female consumers?





Men vs. Women

For the most part, men and women report similar purchase drivers for social commerce. For both audiences, “customer reviews” and “being shown products of interest to me” are the top two — just in reverse order. Where women prefer “customer reviews”, men look to “being shown products of interest to me”.

The only places they diverge slightly are for “customer reviews” and “a choice of payment options.” While both men and women ranked “customer reviews” highly, women were 18% more likely to choose it over men.

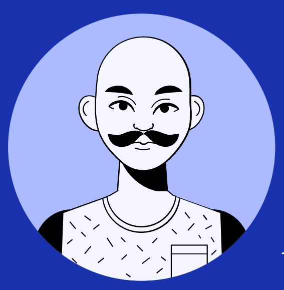
Audience Insight

When looking to drive more purchases within your target audiences, some things are sure to help — positive customer reviews, personalized product recommendations, and exclusive discounts.

But for brands that target more women, it would make sense to place more focus on garnering positive reviews. As previously stated, women are 18% more interested in them than men.

And for brands that have a more male target audience in mind, offering a choice of payment options is a great idea — as men are 17% more interested in them than women.

Women are *18%* more interested in positive reviews than men

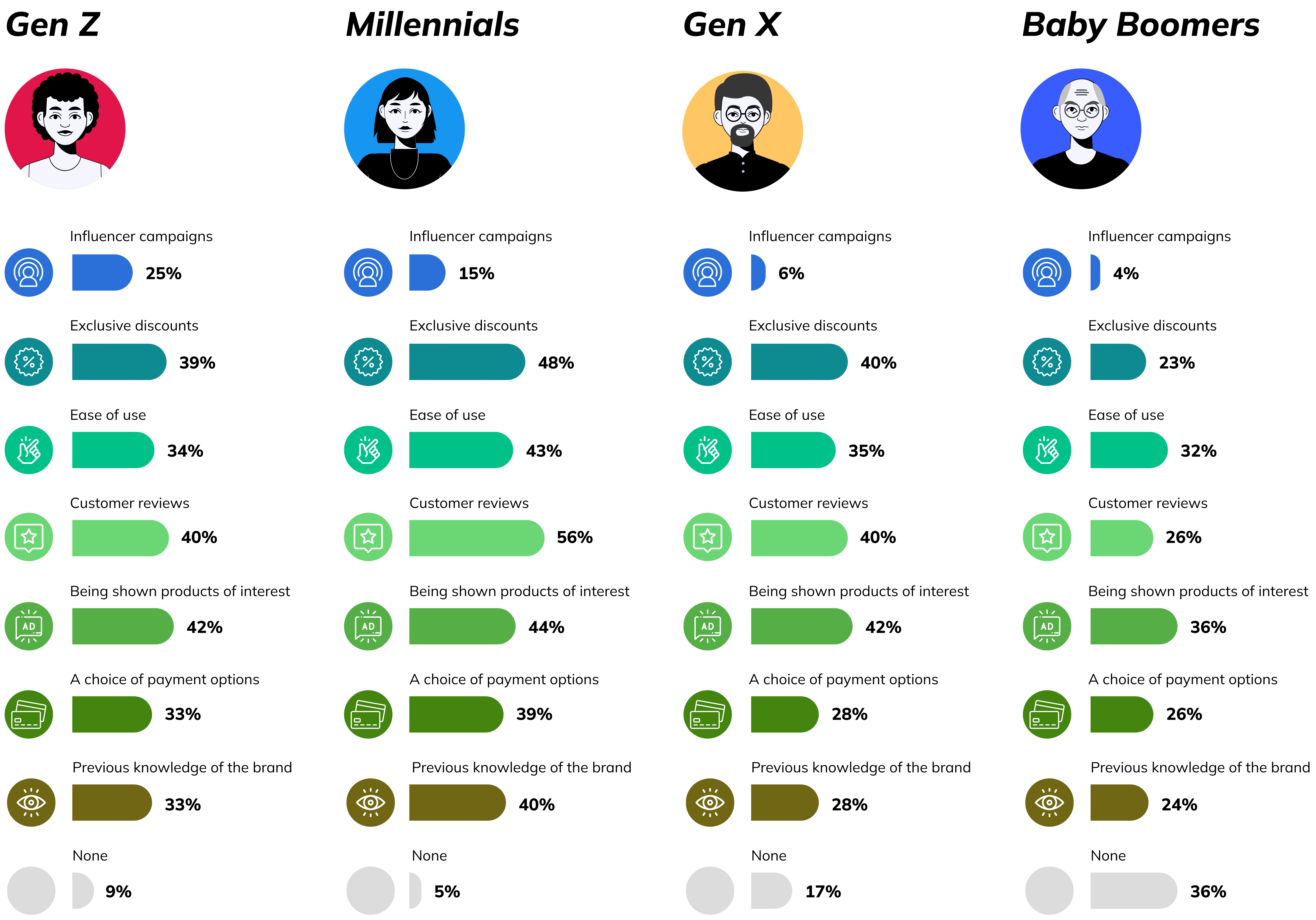


Men are *17%* more interested in payment options than women

Generation

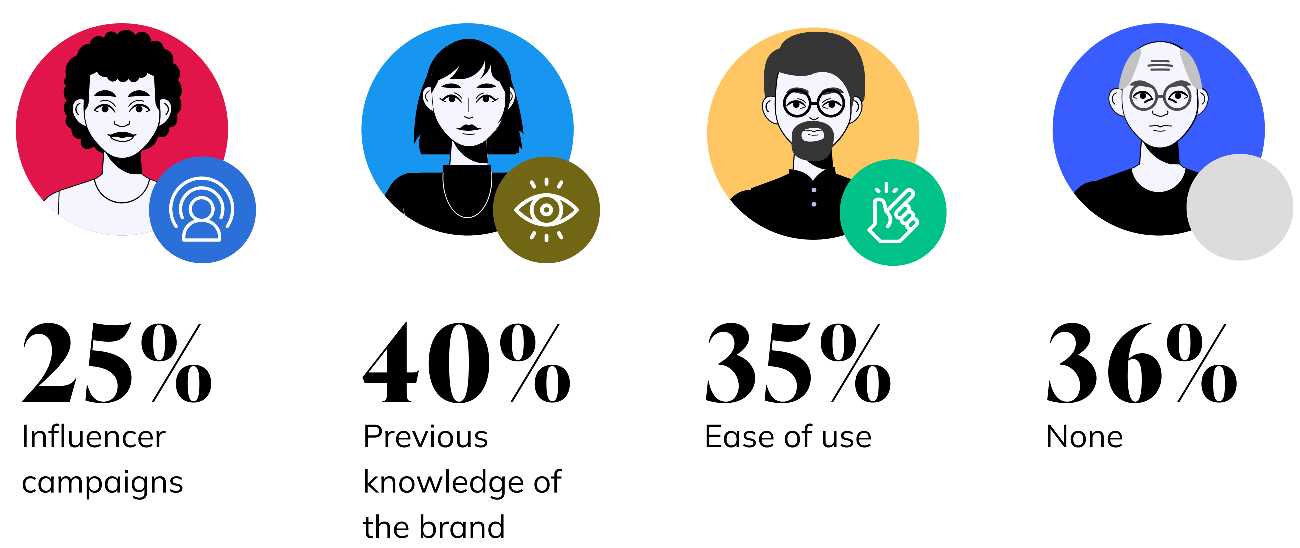
Now it's time to break down our data by generations to discover what different age groups prefer when it comes to driving purchase decisions and to answer the question: does age have an impact on purchase drivers?

Which of the following might influence you to make a purchase on a social media platform, if any?



For Gen Z, Millennials, and Gen X, "customer reviews" all play a fairly important role in driving purchase decisions — with Millennials leading the way at 56%. Another popular purchase driver is "being shown products that interest me", which was high on the list for Gen Z, Gen X, and Baby Boomers.

For Millennials and Gen X, "exclusive discounts" deserve honorable mention — as does "ease of use" for Baby Boomers. Still, — though perhaps not the top purchase driver — each generation had an option that was unique to them:



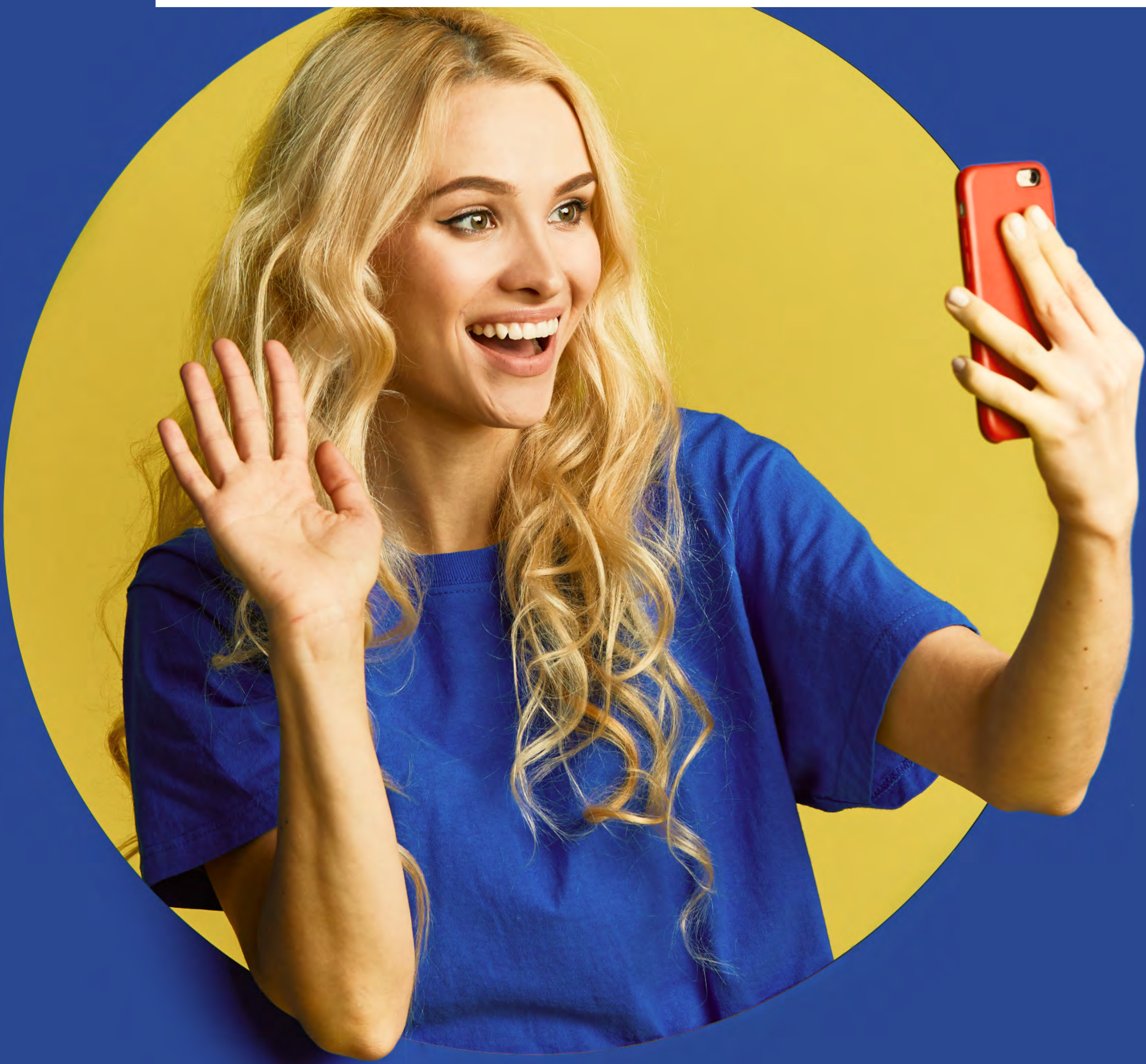
Audience Insight

While influencer campaigns weren't top on Gen Z's purchase driver list, they proved more popular for them than any other generation. Unsurprisingly, Gen Z is 525% more likely to be driven to make a purchase than Baby Boomers based on an influence campaign.

Gen Z is **525%** more likely to be driven to make a purchase based on an influence campaign

Baby Boomers, on the other hand, are most likely to have chosen "None of these", which indicates that, while being shown products of interest and ease of use are important, there are more factors they consider when purchasing from brands.

Millennials were more invested in "previous knowledge of the brand" than any other generation — so brands targeting this audience should consider running more extensive brand awareness campaigns to set a baseline of brand knowledge.

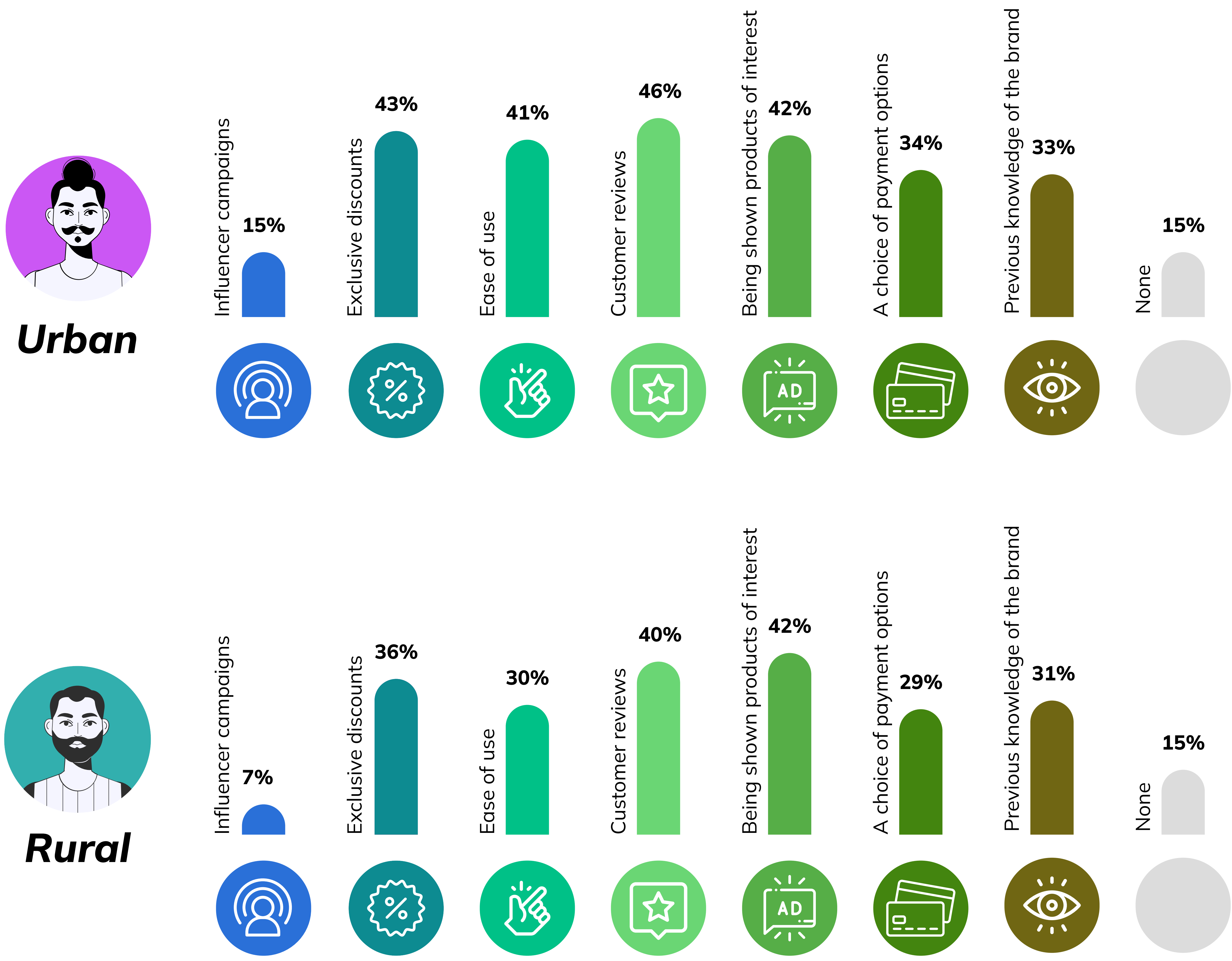


Location

Finally, let's consider another demographic — location — to see if there is a significant difference between two important target audiences: urban and rural consumers. After all, consumers' location has a large impact on their day-to-day lives — how they live, what they value, and the ways they interact with social commerce. And brands are taking notice.

According to a report from eCommerce operations provider Brightpearl, 24% of retailers said they would be closing physical stores in 2021. Why? Well, one of the biggest shifts that the pandemic brought about was in spending habits. Since 2020, many consumers have made the "switch to more local shopping and a move away from the High Street, with 63% of consumers saying they will shop more locally over the next year."

So, with the changes we've seen in urban and rural populations, it's now more important than ever to gather data on what these revamped audiences want from brands concerning social commerce.



From this data, it's clear that — while their top two choices are the same — urban and rural consumers diverge a good bit percentage-wise when it comes to what's driving them to make purchases on social media.

Urban consumers are:

114% more likely to be driven to purchase by influencer campaigns

19% more interested in exclusive discounts

37% more interested in ease of use

15% more affected by customer reviews

17% more influenced by a choice of payment options

Interestingly, both urban and rural consumers are equally invested in "being shown products of interest to me" — which proves that personalization is vital for all target groups.

They're also quite similar concerning "previous knowledge of the brand", which indicates that both audiences require brands to lay a strong foundation with awareness before they'll consider making purchases.

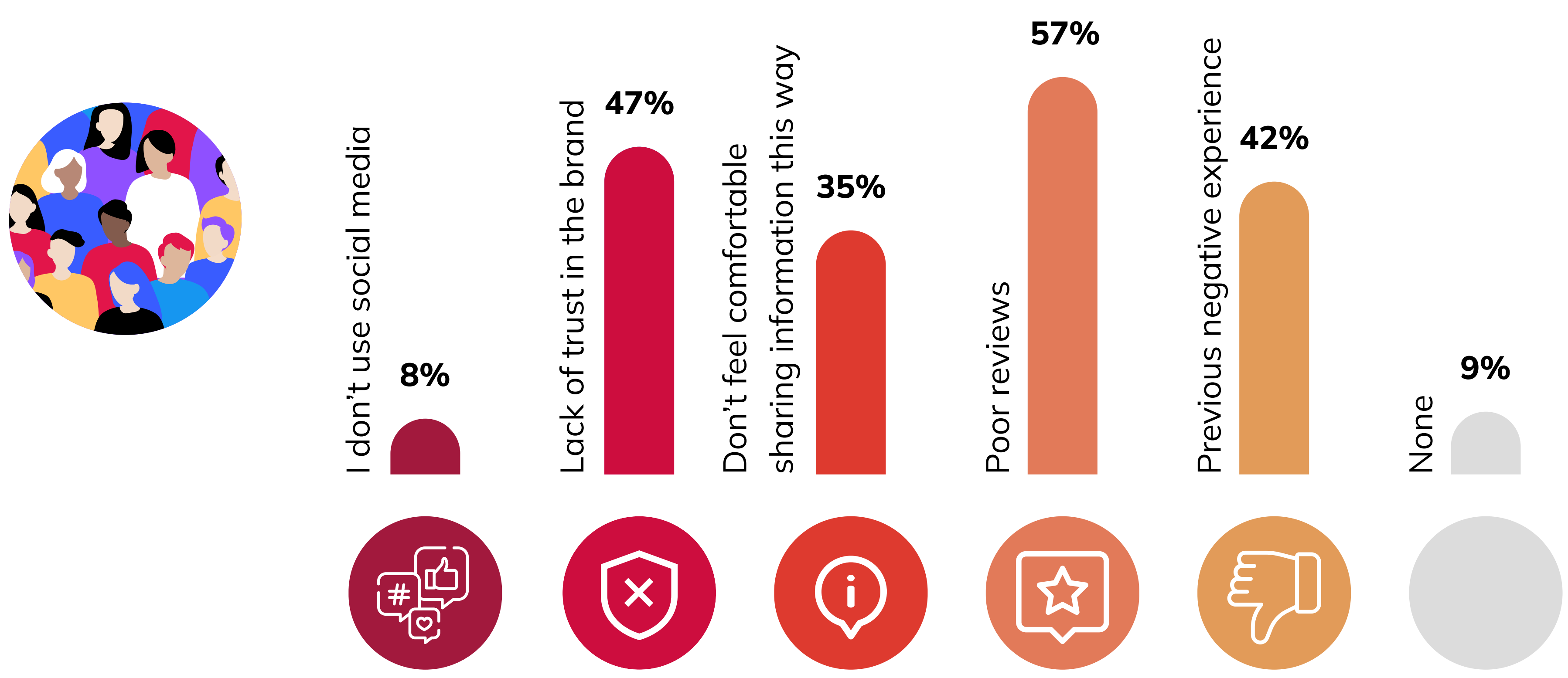
Audience Insight

For brands looking to target urban consumers, positive customer reviews, exclusive discounts, and being shown products of interest represent the most important purchase drivers.

So, make sure you spend time personalizing your brand communication and offers, as well as investing in positive social proof. Showing the same products and using identical discounts for everyone won't get you far with urban consumers when it comes to social commerce.

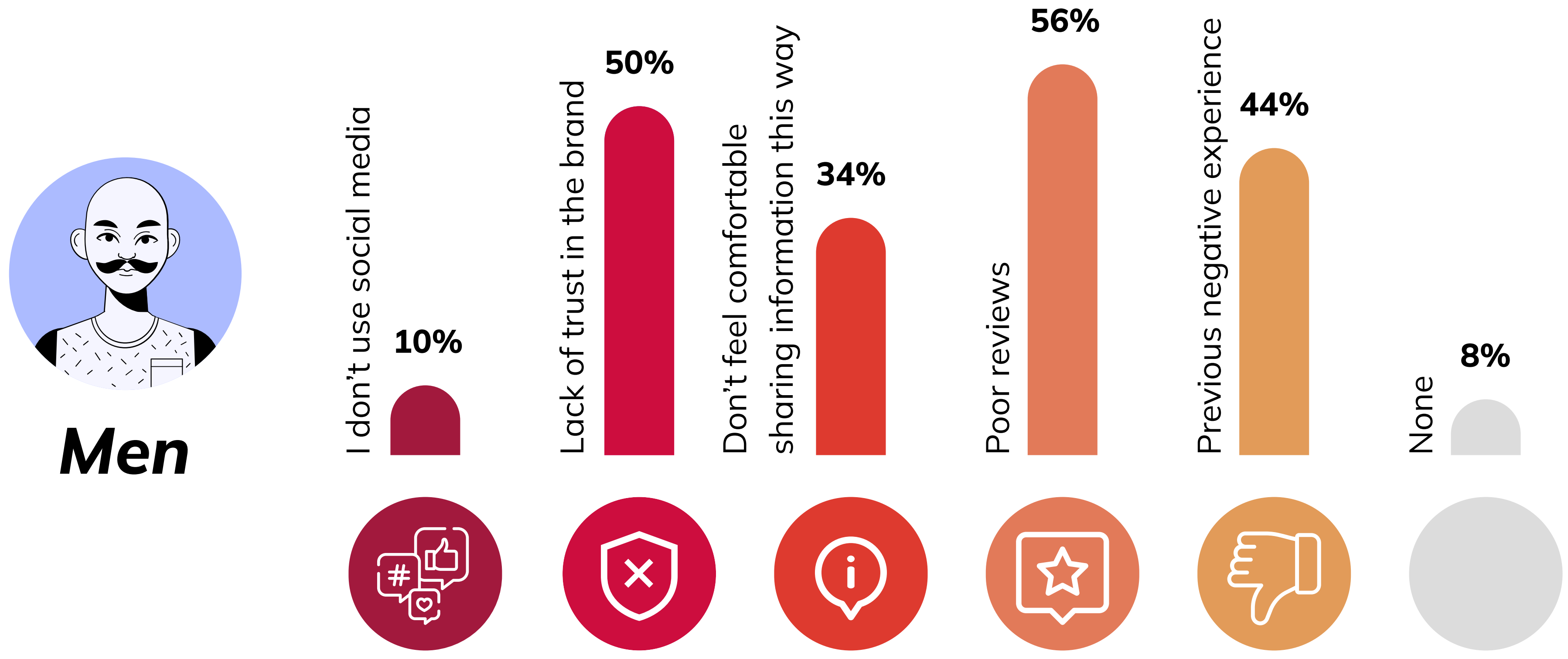
Purchase Barriers

Now that we've covered purchase drivers, let's discuss purchase barriers — aka elements of your brand experience that have a negative impact on consumers' purchases decisions. Keeping in mind that respondents could choose multiple options, the **general population** reported the following:

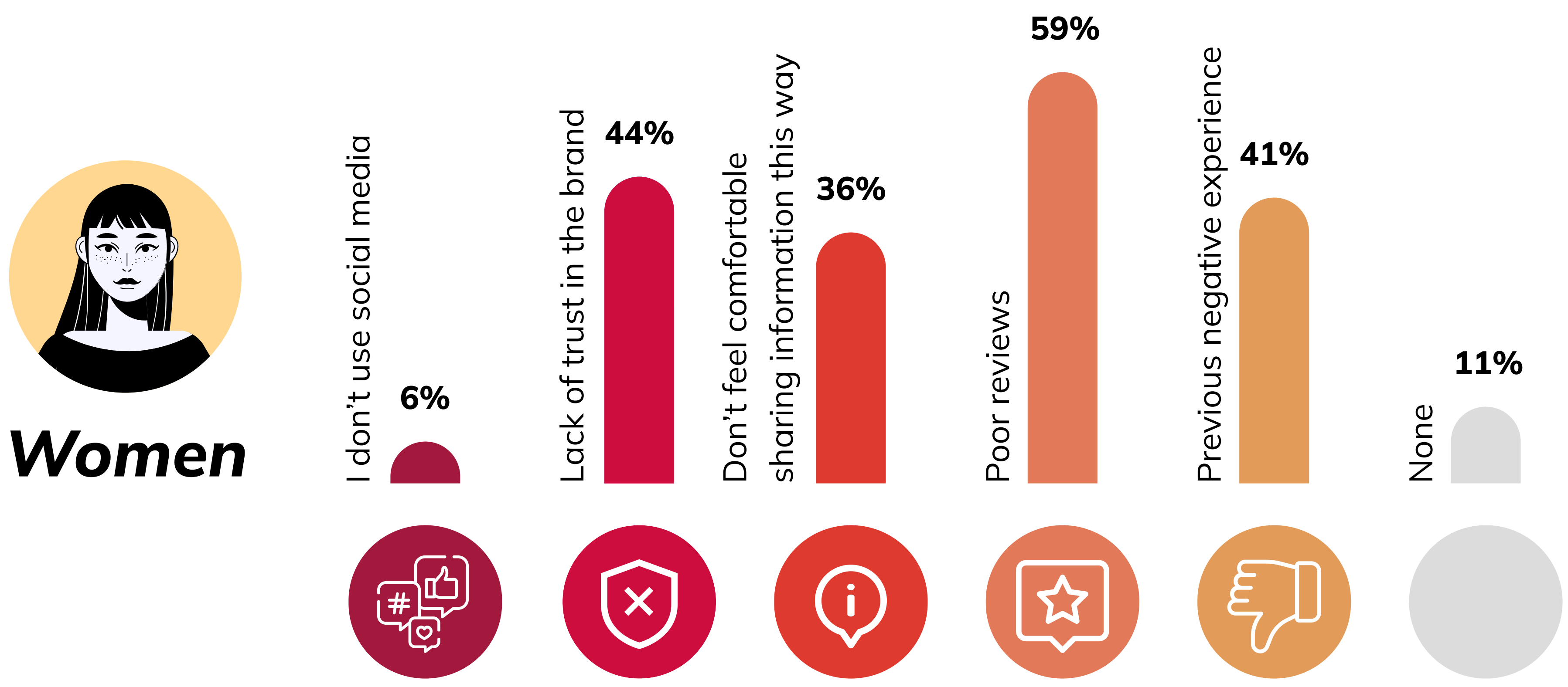


From this data, it's clear that the most popular purchase barriers for the general public are "poor reviews", a "lack of trust in the brand", and "previous negative experience". From this, we can see how important positive social proof and trustworthy, positive brand experiences are for brands to reduce purchase barriers.

But does this data change when comparing men and women? Let's see.

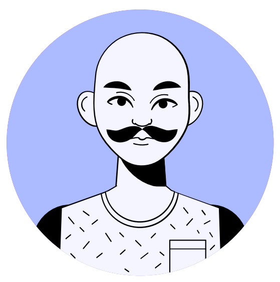


From this data, we can see that men and women generally agree on the importance of our chosen purchase barriers. The only noteworthy differences can be seen in "lack of trust in the brand" — with men being 14% more likely to have chosen it over women.



Audience Insight

Interestingly, men and women had very similar feedback concerning purchase barriers. Though men are 67% more likely not to use social media, for those that do, certain patterns emerge.



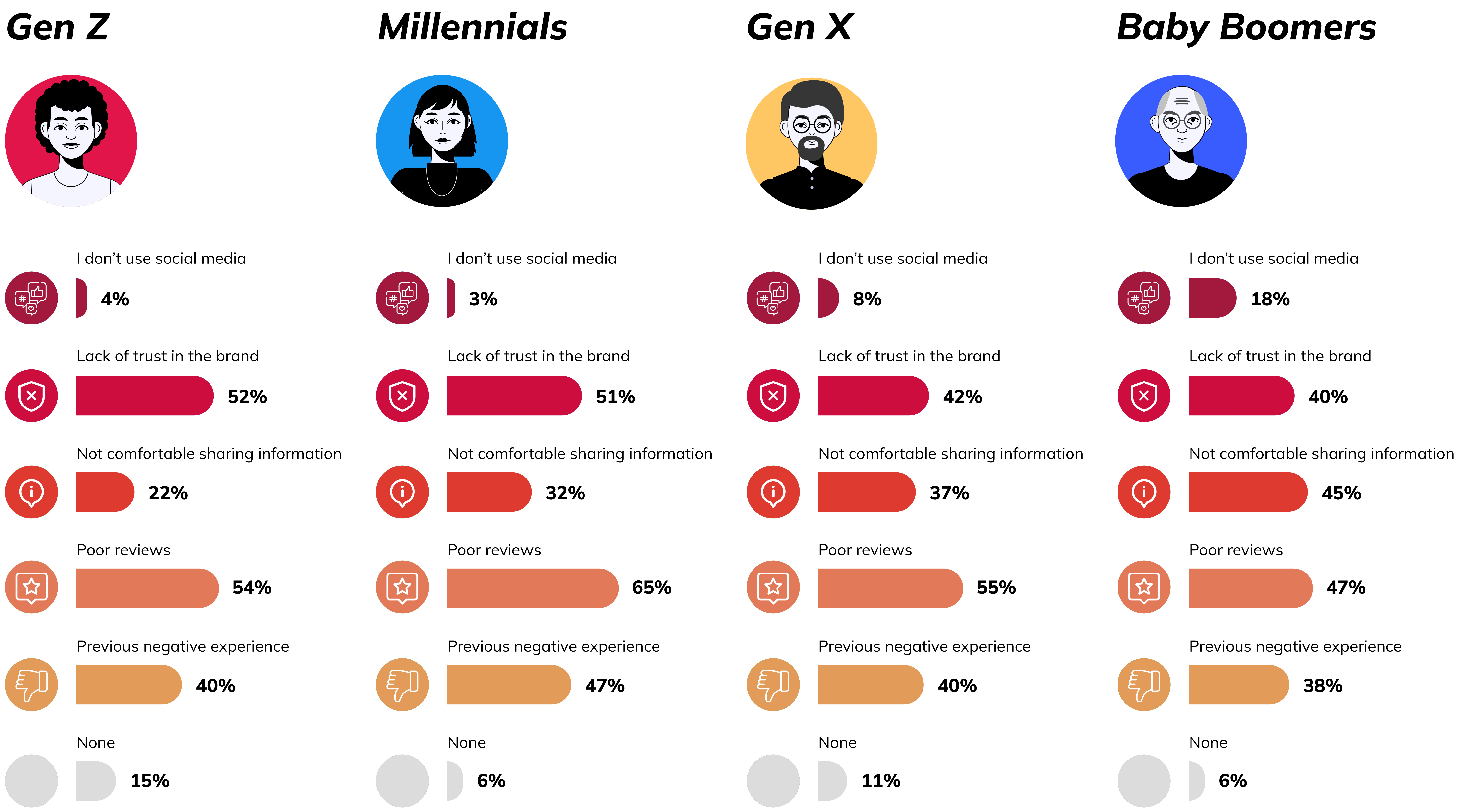
Men are ***67%*** more likely not to use social media

For both men and women, “poor reviews” represents the strongest purchase barrier — followed by “lack of trust in the brand”. Thus, brands who want to connect with both men and women should keep a close eye on their reviews and work hard to provide consumers with strong trust signals.

Generation

Next, let's consider how our different generations reacted to the listed purchase barriers to see if anything stands out.

Which of the following might stop you from making a purchase on a social media platform, if any?



In this instance, Gen Z, Millennials, and Gen X report quite similar preferences, with each group reporting a "lack of trust in the brand" and "poor reviews" as their main purchase barriers.

Baby Boomers share "poor reviews" as a top barrier, but following close behind was "don't feel comfortable sharing information this way". This generation was also the most likely to choose "I don't use social media" — being 350% more likely than Gen Z.

Clearly, consumers are looking at other customers' reviews, and negative reviews reflect badly on your brand. As the number one barrier to keep in mind, it's paramount that you make sure your brand isn't garnering too many negative reviews.

Audience Insight

Interestingly, the option “Don’t feel comfortable sharing information this way” increased with each generation:

Gen Z

22%

Millennials

32%

Gen X

37%

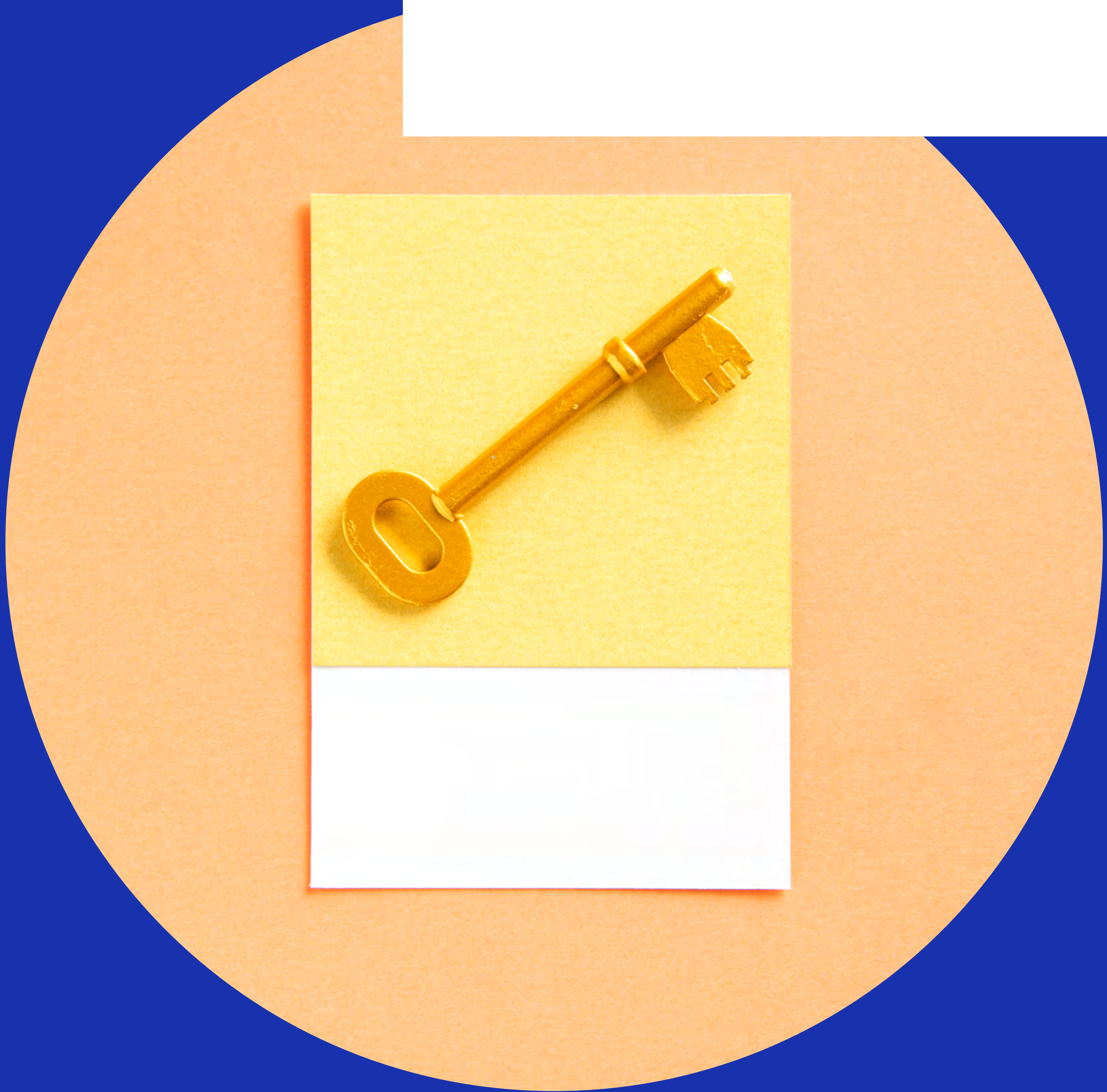
Baby Boomers

45%

As we know, buying products and services on social media platforms requires users to share sensitive information — like their name, address, payment information, etc. And, clearly, as consumers age, they are less willing to do so.

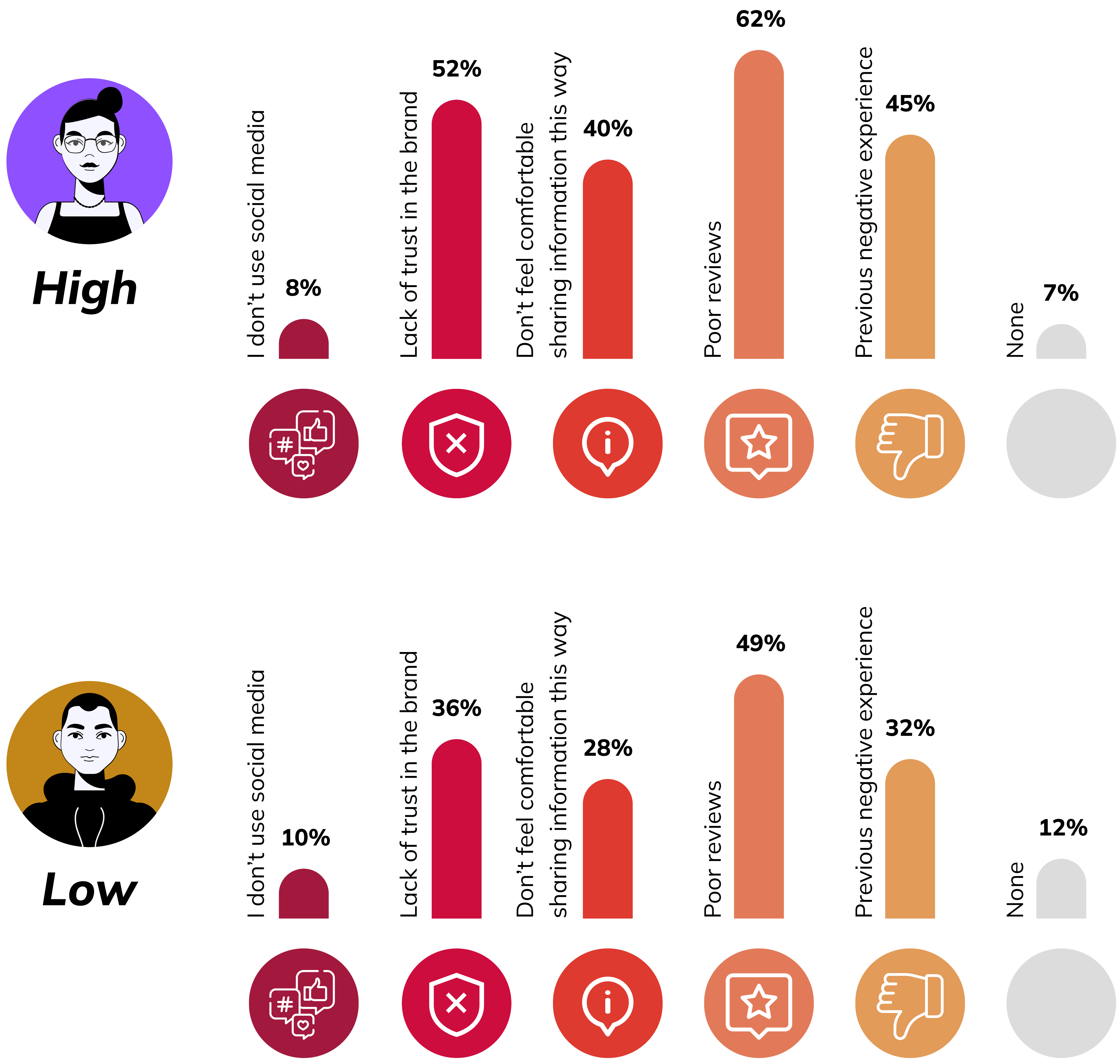
This may be due to the fact that younger generations, like Gen Z and Millennials, grew up with the internet — whereas Gen X and Baby Boomers remember a time before it. Thus, younger consumers are much more comfortable on the internet, and trusting social media platforms with sensitive information may come more naturally.

For brands that target older consumers, keep in mind that you might need to work harder to win their trust and loyalty via this channel. So make sure everything is secure and in line with the most up-to-date data protection and industry standards.



Education Level

As a final grouping, we'll compare the data of consumers with self-reported high and low education levels to see if there are any important similarities or differences in their reported purchase barriers.



44% more likely not to trust a brand

42% more likely to "not feel comfortable sharing information this way"

26% more likely to consider poor reviews

41% more likely to consider a previous negative experience

When looking at the data, both consumers with high and low education levels show quite similar responses. They agree that "poor reviews" and a "lack of trust in the brand" are the top purchase barriers — followed by "previous negative experiences" and "don't feel comfortable sharing information this way", in that order.

However, the differences exist in the reported percentages of each, with highly educated consumers reporting higher percentages for almost all purchase barriers listed.

Audience Insight

When it comes to purchase barriers, consumers with high education levels are harder customers to convince to make a purchase. More influenced by poor reviews and previous negative experiences, as well as lacking in trust for brands, they're a tougher sell.

Brands that target consumers with high education levels should keep this in mind when setting up social commerce campaigns and do everything in their power to emit strong trust signals, lessen the number of poor reviews, and make their customer journey as secure and smooth as possible.

Conclusion

Whether social commerce is currently a part of your brand marketing strategy or not, there's no use denying that it's a growing power in the marketing mix. With more and more consumers turning to social media platforms to discover new brands and make purchases, ignoring social commerce as a potential channel would be folly.

In the first chapter of this report, we established a baseline for who is using social media to make purchases and how they're using social media in the framework of social commerce.

We found that, although younger consumers are more active on social media and more likely to make purchases, we can't discount older consumers altogether. Similarly, though consumers with high education levels reported higher rates of sharing about their purchases and discovering new products they like on social media — those with low education levels are still an interesting audience.

In the second chapter, we dove into our data on purchase consideration — with insights into which platforms, categories, and payment options consumers prefer and are most impacted by. This section revealed Facebook and Instagram to be the hottest contenders — while platforms like TikTok and Pinterest hold great potential.

When it comes to payment options, PayPal took first place with every audience we considered — followed by credit/debit cards. Keep this data in mind when venturing into the realm of social commerce.

Finally, we looked at various purchase drivers and barriers to gather insight into what exactly is influencing consumers to make (or not make) purchases on social media platforms. Interestingly, customer reviews showed up as a top choice for both drivers and barriers.

As a driver, "positive reviews" led the pack for almost every audience we considered, while "poor reviews" was a huge barrier for many audiences, as well. Keep this in mind when launching your next social commerce campaign — reviews matter and consumers are highly impacted by them.

Hopefully, you now have a much more nuanced understanding of how different audiences feel about making purchases on social media — and which ones might be the best fit for your brand's next forway into social commerce.

Thank you for reading, and best of luck in all your future endeavors!

The Insights Hub Behind This Report

Brand is Perception and Perception Drives Human Behavior

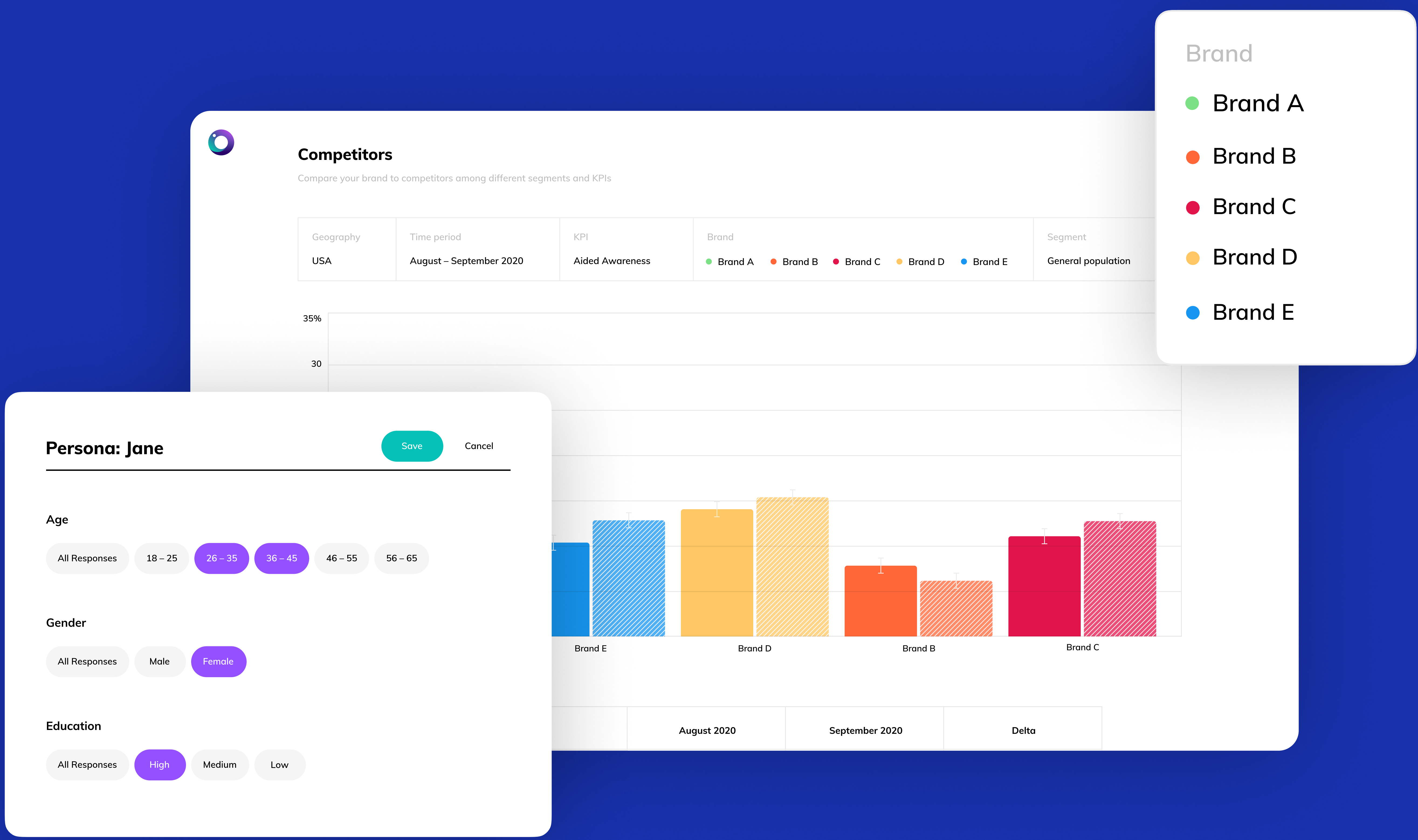
If you can understand human behavior, then you can predict human behavior. If you appreciated the insights in our “State of Marketing” report, then you may be interested in exploring our brand analysis platform.

Hundreds of Key Insights: One Great Dashboard

Armed with the right data, brand managers and marketers can make the right decisions for their business and future success. If you don’t fully understand how aware different audience groups perceive your brand, you could be missing out on important opportunities to accelerate growth and set yourself apart from the competition.

Which topics are important to your consumers? How do customers really feel about your brand? Are there any potential target audiences that you are currently missing out on? Latana, the “Google Analytics of branding” helps leading marketers answer these kinds of questions.

Use brand tracking to explore and measure how different groups of consumers feel about your brand, and where you stand compared to the competition.



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