

# **Social Impact Study:** **How Consumers See It**

Consumer Research Study of 1088 Online Shoppers about the influence and impact of Social Sharing on consumer purchase

**March 2012**

# Study Methodology



- Survey timeframe – Jan 15 – Feb 8, 2012
- Sample size – 1088 respondents
- Margin of Error = +/- 3%
- Respondent qualifications
  - Online shoppers (shopping at least quarterly online)
  - Facebook users (login to FB account at least monthly)
  - Age distribution of online shopper population

# Executive Summary



## Conclusions

- Social sharing is a mainstream activity today, with 62% of all online shoppers having read product-related comments from friends on Facebook, and 75% of these shoppers having clicked through to visit the retailer's site
- Social sharing also drives conversions, with 53% of shoppers who clicked through to the retailer's site having purchased the product that was shared
- Social sharing serves as a valuable product discovery mechanism to online shoppers – equivalent in shopping helpfulness to Google search
- Social proofing on retailer sites (via friend opinions) significantly increases shopper confidence, with 57% of shoppers becoming more likely to buy
- Once consumers are exposed to positive social sharing experiences, it creates a virtuous cycle of social sharing and purchase
- Retailers can drive more social sharing by understanding the inhibitors and motivators for their customers to share (contained in this report)

# Executive Summary



## Recommendations

- Retailers will increase their benefits from social sharing by displaying socially shared content directly on their ecommerce sites
- Offering an option to share “on-site only” will remove a major inhibitor for many consumers to share, which also provides confidence-building social proofing content for new visitors
- Retailers will increase referral visits from social sharing by making it simple for consumers to share product discounts/deals with their friends
- Retailers will further increase referral visits by encouraging consumers to share the reasons they decided to purchase that product. Combining these reasons with deals will increase shopper referral visits significantly
- Retailers should look for opportunities to dramatically increase the velocity of sharing enabled by Facebook’s frictionless sharing initiative

# I. Social Sharing Behavior

# Sharers: Light sharing



56% of online shoppers have clicked on Like buttons related to Products

Home > Kitchen & Dining > Appliances > Blenders

## Sale! KitchenHelper 5-Speed Blender



~~\$89.99~~ **\$79.99**

**ADD TO CART**

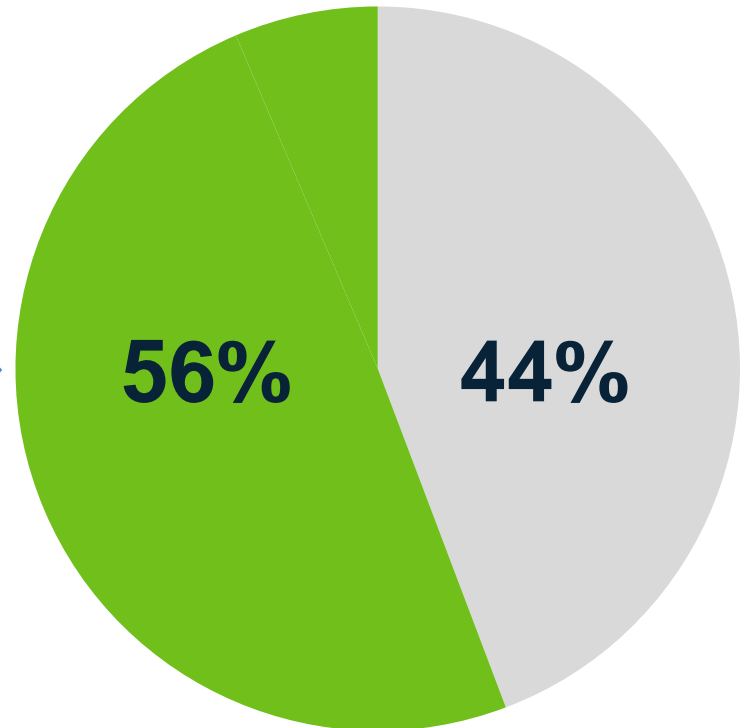
The KitchenHelper Blender features 5 speeds with a 0.9 HP motor and Intelli-Speed electronic controls. It has a die-cast metal base, steel-reinforced coupler, 1-piece stainless-steel blade. Dishwasher-safe and shatter-resistant.

See more colors



**Reviews**  
★★★★★ 4.6 out of 5 - "Rated Best of the Best"  
1288 of 1356 (95%) recommended

 Like  127 people like this.

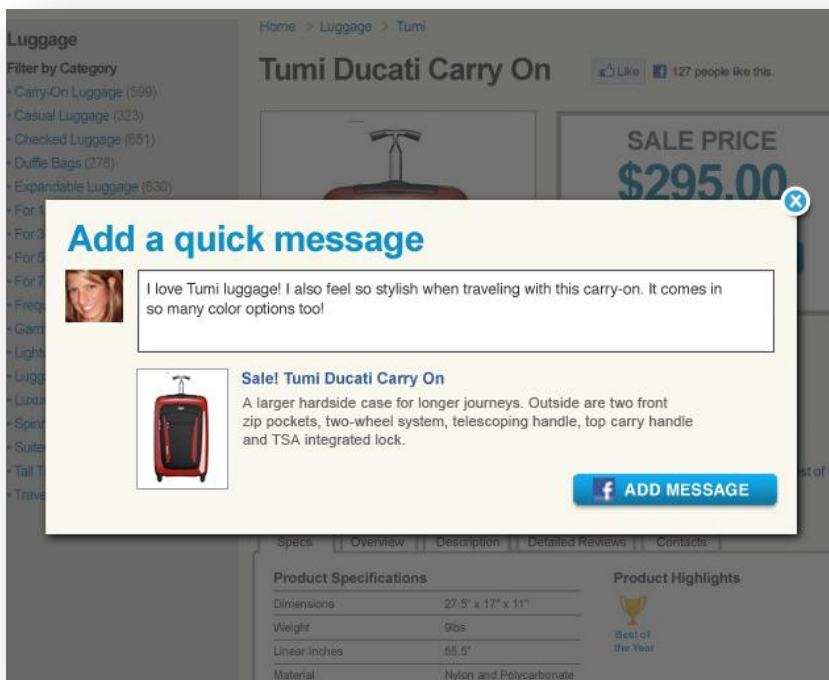


Question: Have you ever clicked on a "Like" button relating to a PRODUCT before?

# Sharers: Engaged sharing



38% of online shoppers have shared comments with friends about products they have purchased



38%

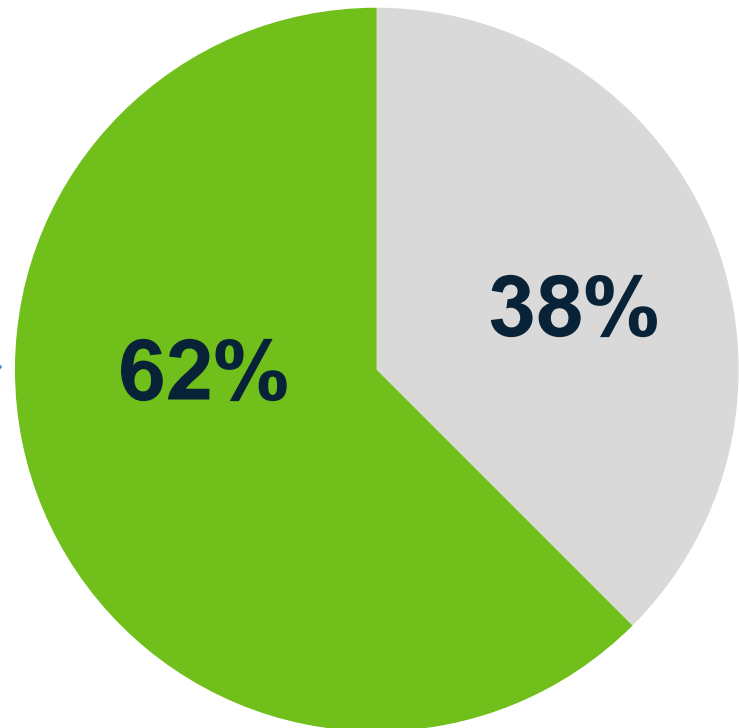
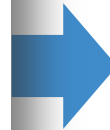
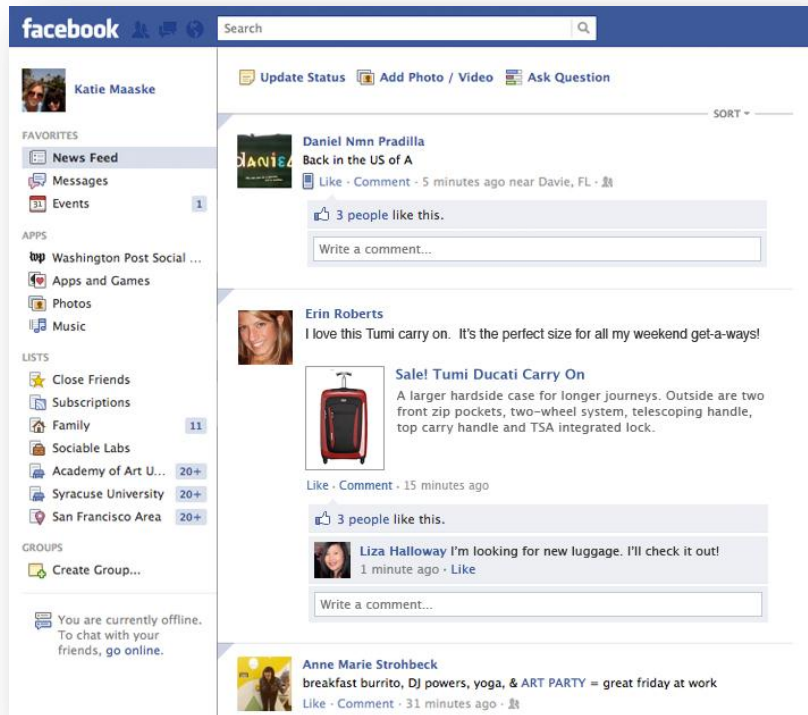
62%

Question: Have you ever clicked on a "Share" or "Like" button and shared comments with friends on Facebook about a PRODUCT YOU HAVE PURCHASED?

# Shoppers: Reading shared comments



62% of online shoppers have read product comments shared by their friends on Facebook

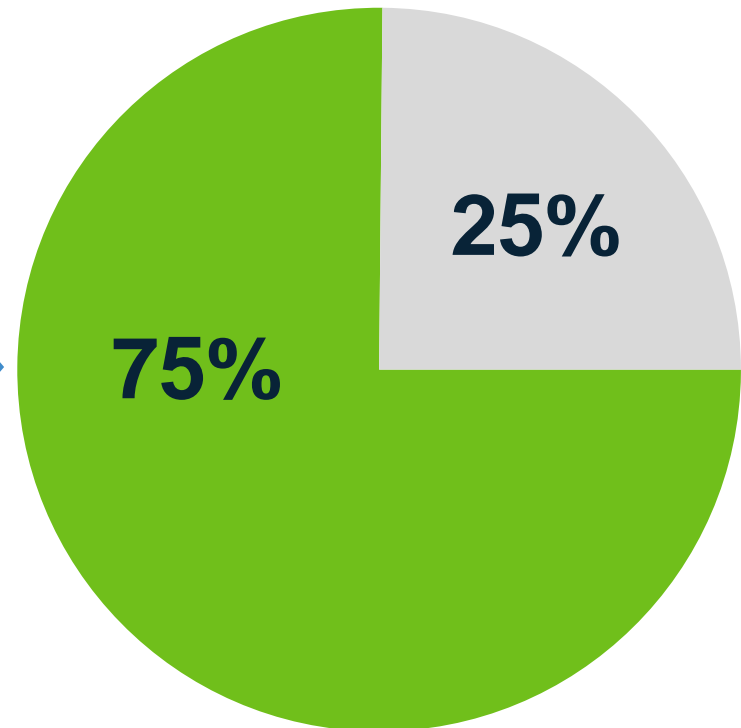
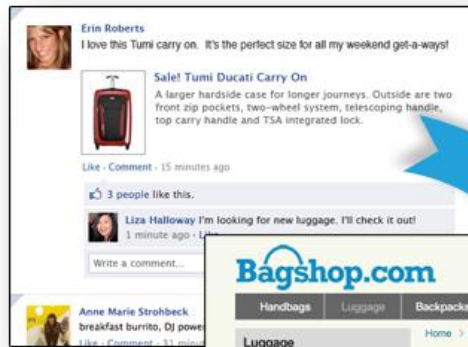


Question: Have you ever read a comment on your Facebook page from a friend talking about a product they purchased?

# Shoppers: Clicking through to retailer



75% of the people who read these comments have clicked on the product image, linking them to the retailer's site



Question: Did you click on the product link in your friend's Facebook comment?

# Shoppers: Purchasing once there



53% of those who went to the retailer's site have purchased the product when they got there


**Bagshop.com**

Handbags | Luggage | Backpacks | Business & Laptop | Sports & Duffels | Messenger Bags

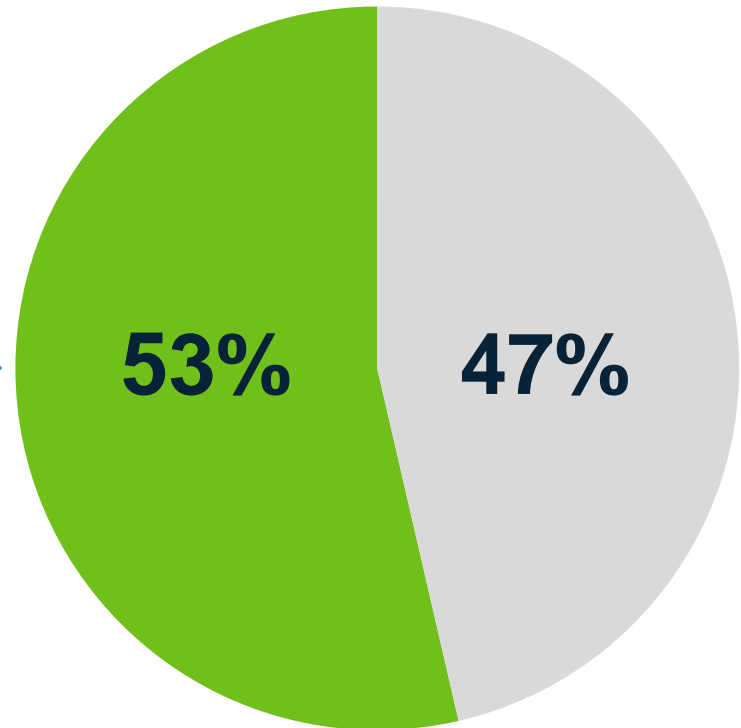
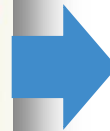
You have **1** item in your shopping cart

Buying from Zappos.com is safe. Your order will be processed on our secure servers.

[CONTINUE SHOPPING](#) Not Your Shopping Cart? Remove Item and Logout [PROCEED TO CHECKOUT](#)

CURRENTLY IN YOUR SHOPPING CART			
YOUR ITEM	ITEM PRICE	QUANTITY	PRICE
 <b>Tumi Ducati</b> SKU: #7947491 COLOR: RACE	\$295.00	1 <a href="#">UPDATE</a> <a href="#">Remove</a> <a href="#">Move to Favorites</a>	\$295.00
SUBTOTAL (1 ITEM):			\$295.00
STANDARD GROUND SHIPPING:			FREE
* ESTIMATED TAX TO BE COLLECTED:			\$0.00
<b>GRAND TOTAL:</b>			<b>\$295.00</b>

[CONTINUE SHOPPING](#) [PROCEED TO CHECKOUT](#)



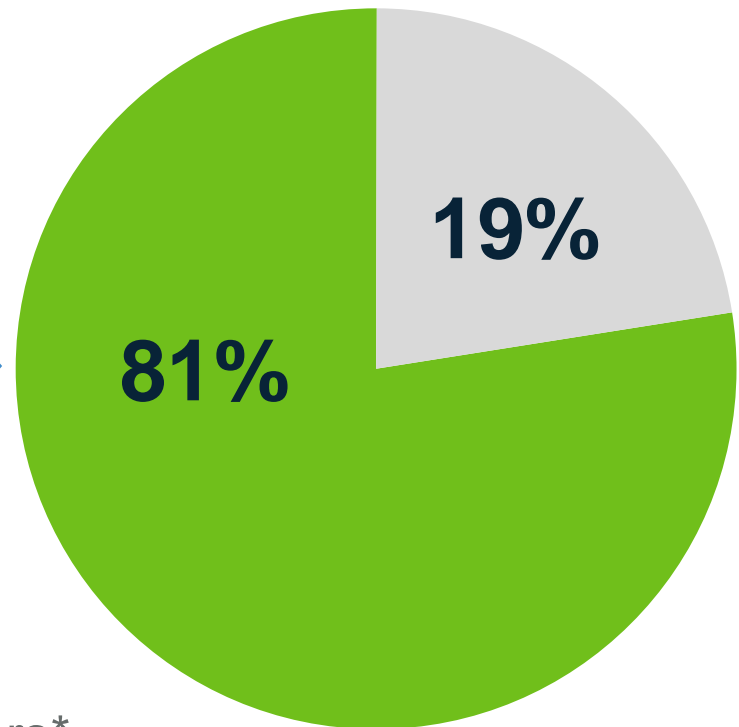
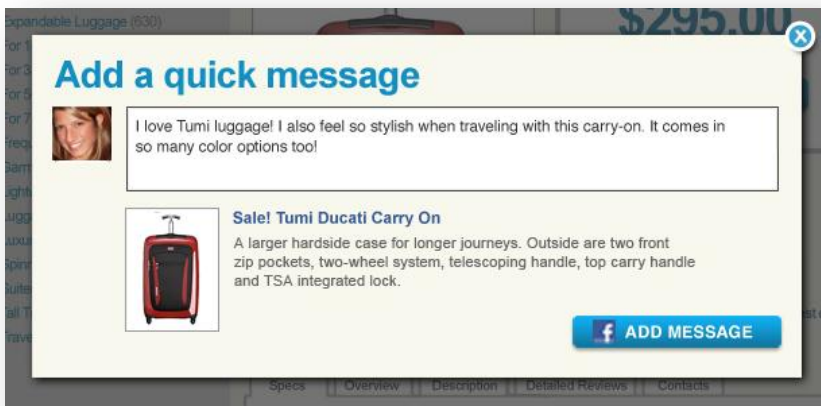
Question: Did you ever purchase a product you learned about from a friend's comment on Facebook?

# Shoppers: Purchasing once there



And the people who did buy this way (“Social Buyers”) are extremely valuable customers – 81% are Social Sharers too

## Social Buyers = Sharers



## Plus...

- Share twice as often as social visitors\*
- Post to facebook 2.6 times more often

# Shoppers: Purchasing once there



The Share-to-Purchase funnel has caused 25% of all online shoppers to purchase a product from social sharing

## Share-to-Purchase Funnel





## Social Sharing is mainstream today

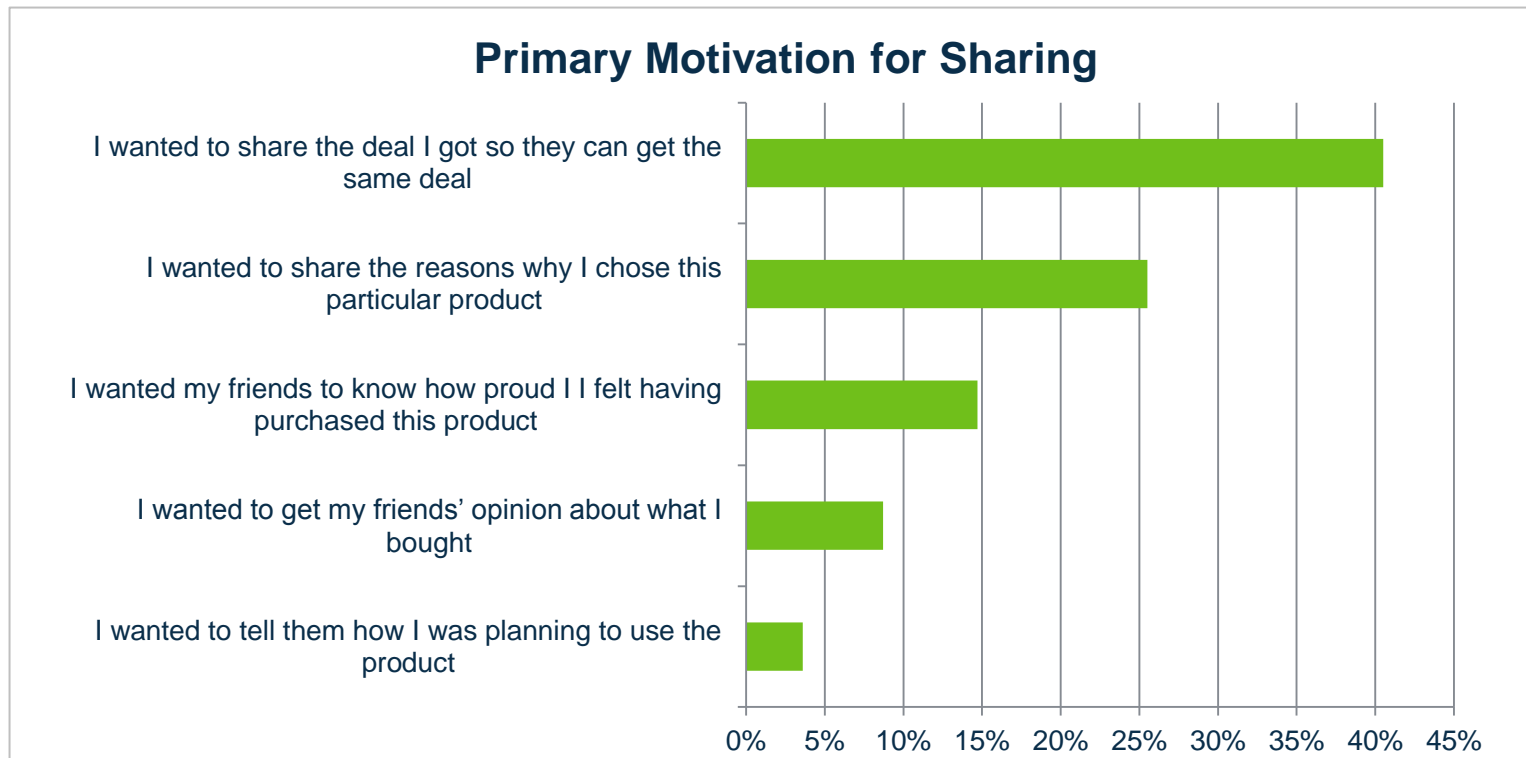
- 38% of online shoppers are sharing product comments with friends on Facebook
- 62% of online shoppers are reading product comments shared by their friends on Facebook
- Causing 47% of all shoppers to click over from these comments and visit retailer sites
- And 25% of all shoppers to purchase on those sites
- Plus, those that do buy become Social Sharers themselves – creating a virtuous viral loop

## II. Social Sharing Motivations

# Sharers: Why sharer's share



The primary motivation for sharing product comments with friends is to share product deals they found and the reasons why they bought the product

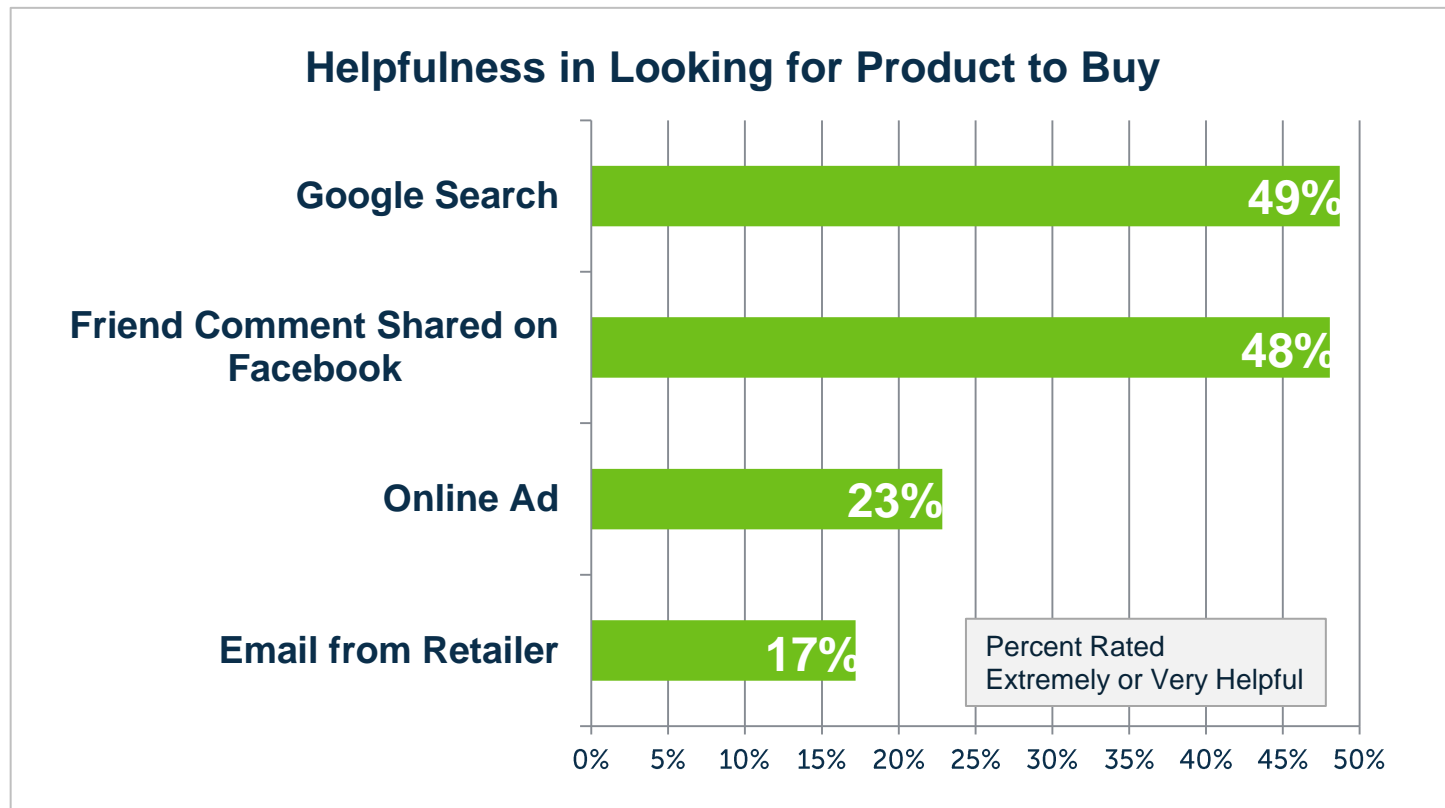


Question: What was your primary motivation for sharing information about your product purchase with friends on Facebook?

# Shoppers: How helpful is Social Sharing



Consumers find social sharing equivalent to Google search in helpfulness when looking for a product to buy



Question: Please rate how helpful the following information sources would be when you're looking for a product to buy?

# Shoppers: Why helpful for finding products

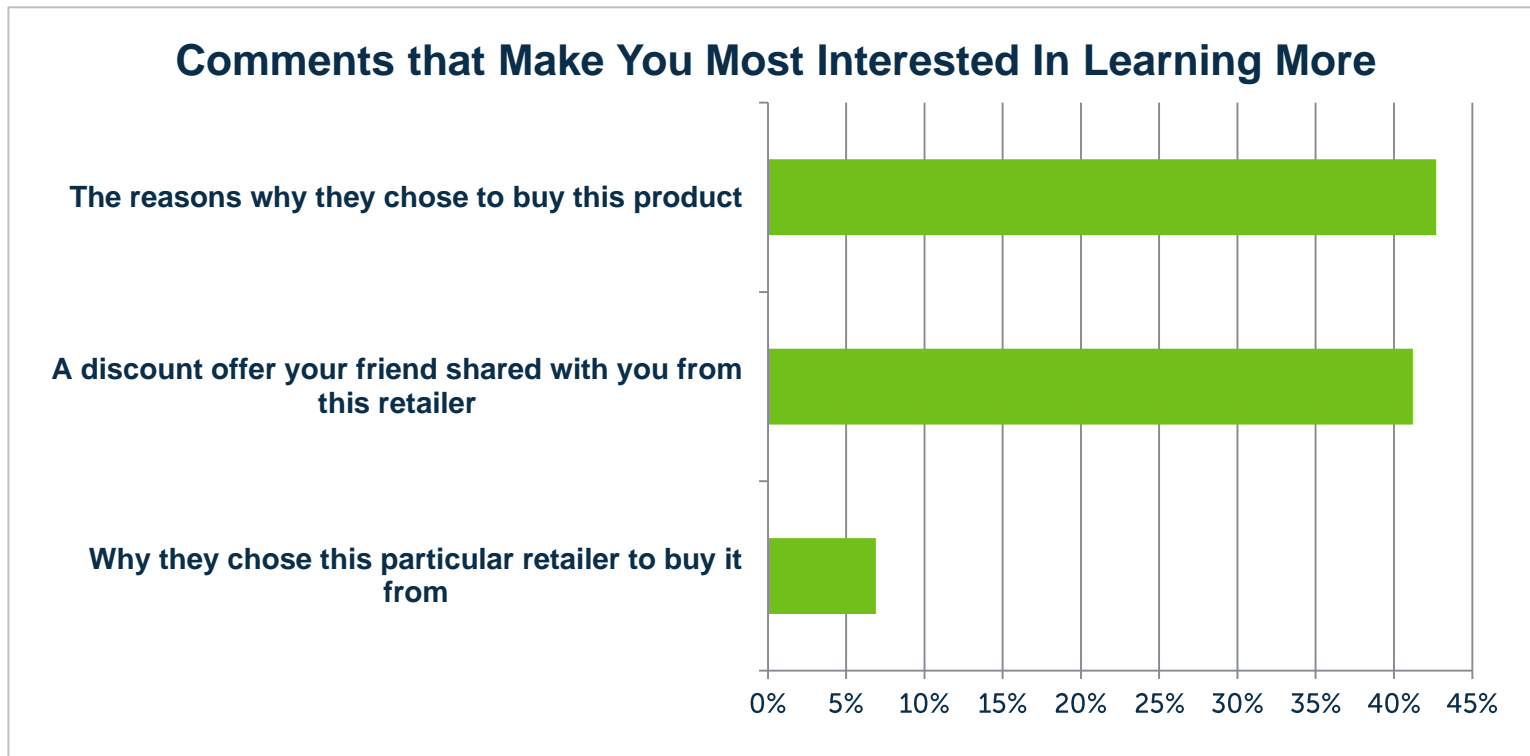
The primary benefit they experienced in reading them is discovering new products they might want to buy



Question: What is the primary benefit of getting product related messages like this from friends on Facebook?

# Shoppers: What drives click through to retailer

The primary content that would make people most interested in clicking on the product to learn more is...

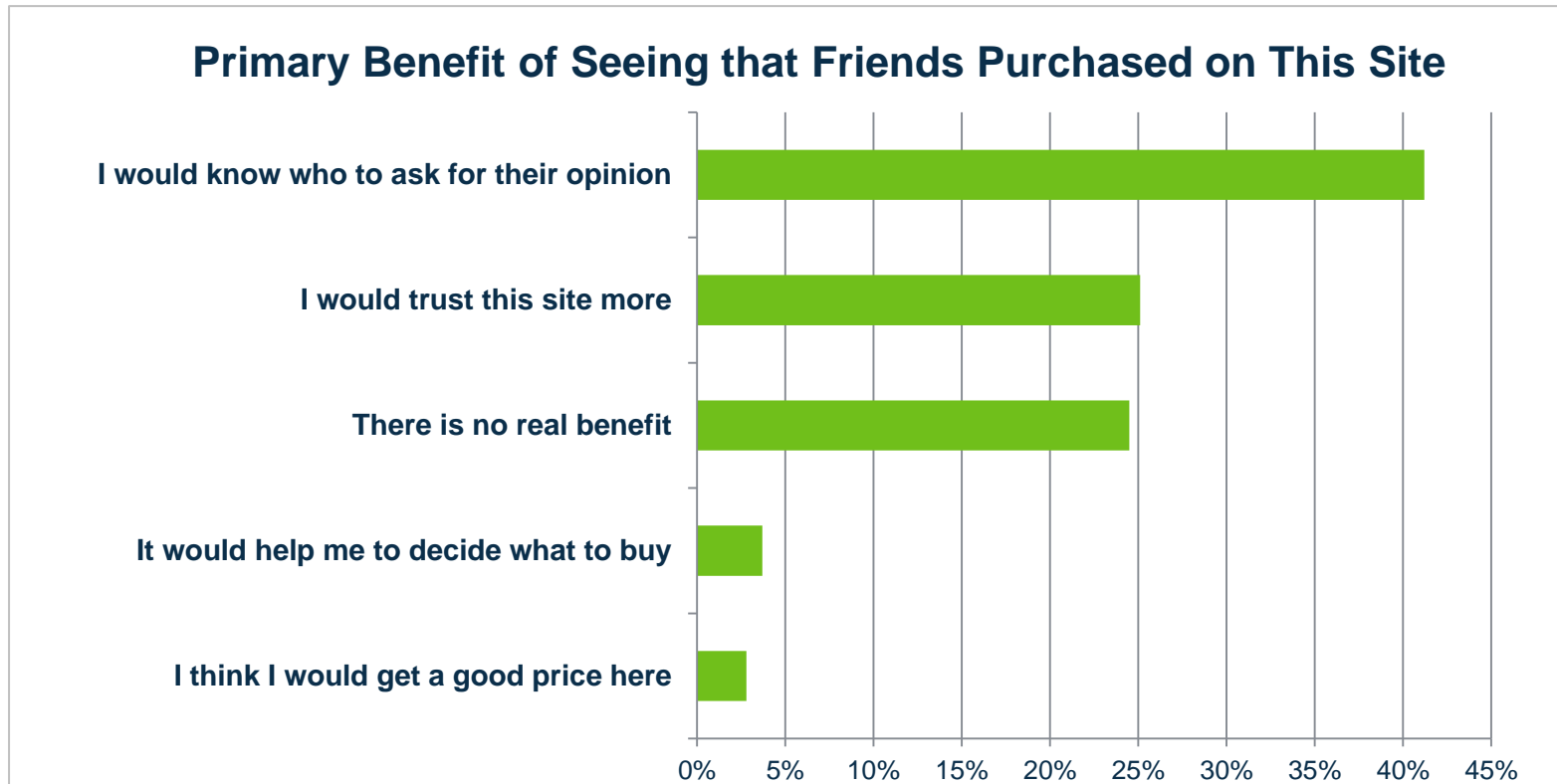


Question: Which of the following types of friend comments would make you most interested in learning more about this product?

# Shoppers: Why helpful when they visit



The primary reasons are they would trust the store more and they would know who to ask for an opinion



Question: What is the primary benefit of seeing that your friends made a purchase on this site?

# Summary



## Social sharing is valuable to consumers for product discovery

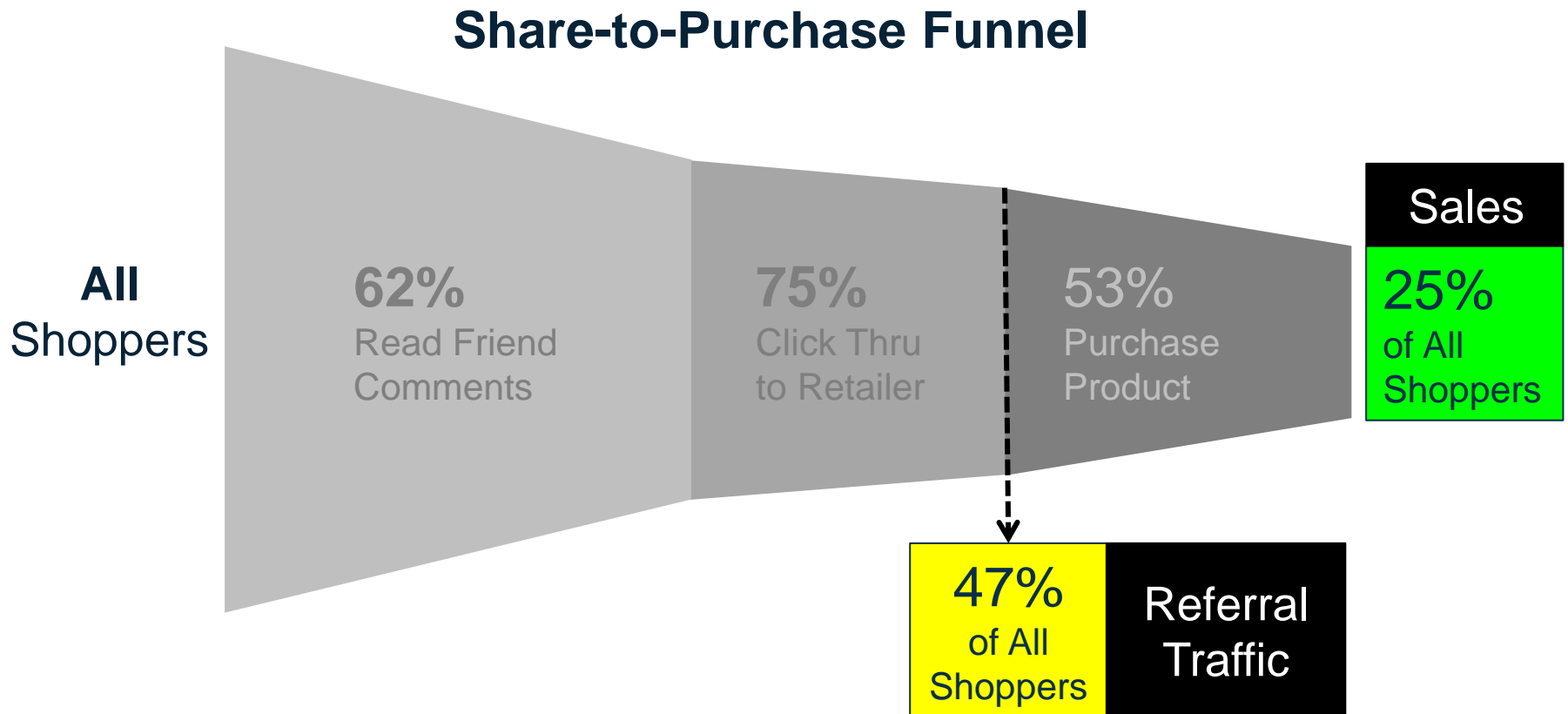
- Sharers share primarily to help their friends – sharing deals they found and/or the reasons they bought the product
- Shoppers get value from shared content primarily because it helps them discover what products to buy
- Comments that drive shopper action are (1) the reasons their friend bought the product and (2) discounts they can share
- Seeing friends activity and purchases on a retailer site (“Social Proofing”) is valuable to shoppers because it (1) identifies friends who could be helpful to a purchase decision and (2) increases trust in the retailer

## III. Impact on Retailers

# Higher referral traffic and sales



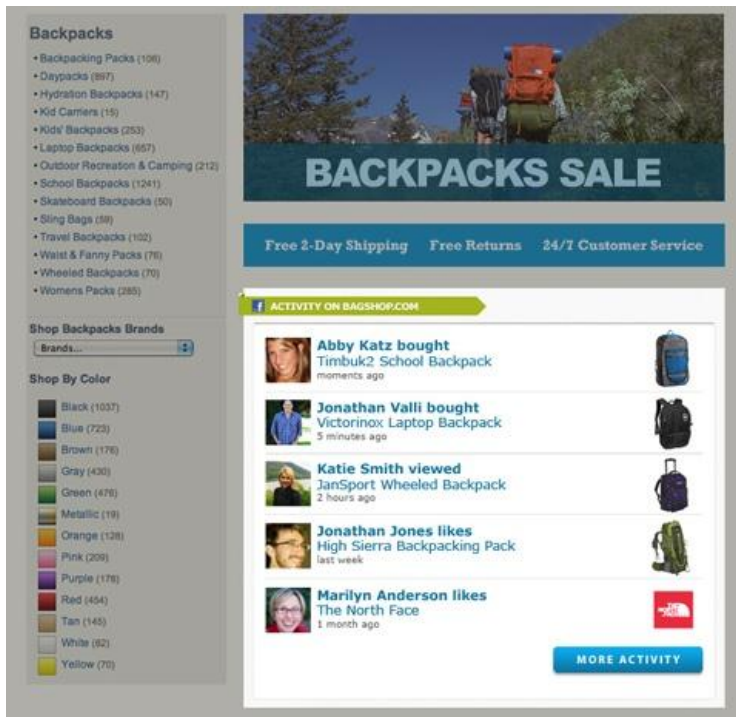
47% of all online shoppers visited and 25% of all online shoppers purchased at retail sites from Social Sharing



# Higher engagement and retention



62% of shoppers are more likely to stay and shop on a site that shows their friends who have purchased there



33.2% more likely to **stay and shop** if shown anyone's activities

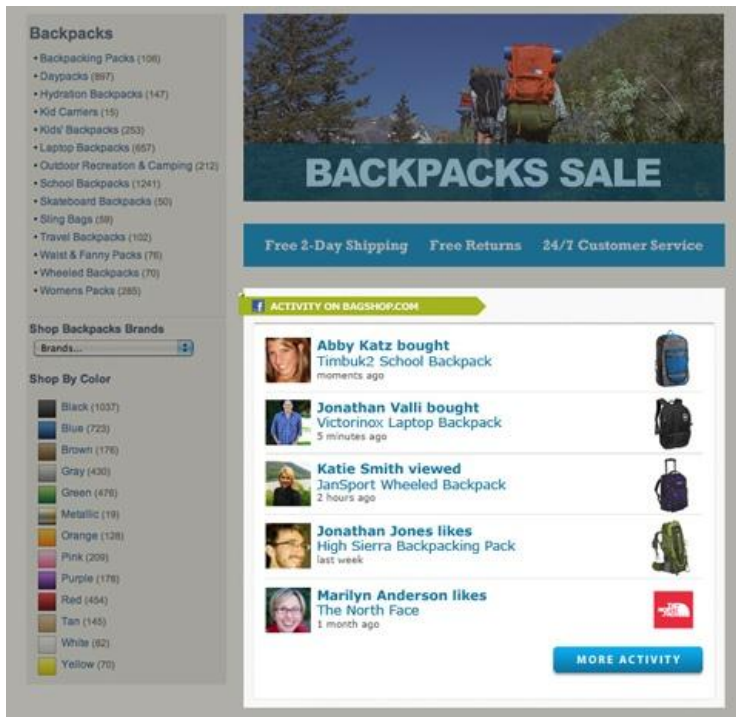
62.4% more likely to **stay and shop** if shown their *friends'* activities

Question: On a retailer's website, if you saw a list of people who have purchased on this site, what impact would that have on your use of that site?

# Higher conversion rate



57% of shoppers are more likely to purchase on a site that shows their friends who have purchased on the site



57.1 % more likely to  
make a purchase  
If show their friends

Question: How would the fact that your friends made a purchase there impact the likelihood that you would purchase a product there?

# Summary



## Social sharing drives significant top-line value for retailers

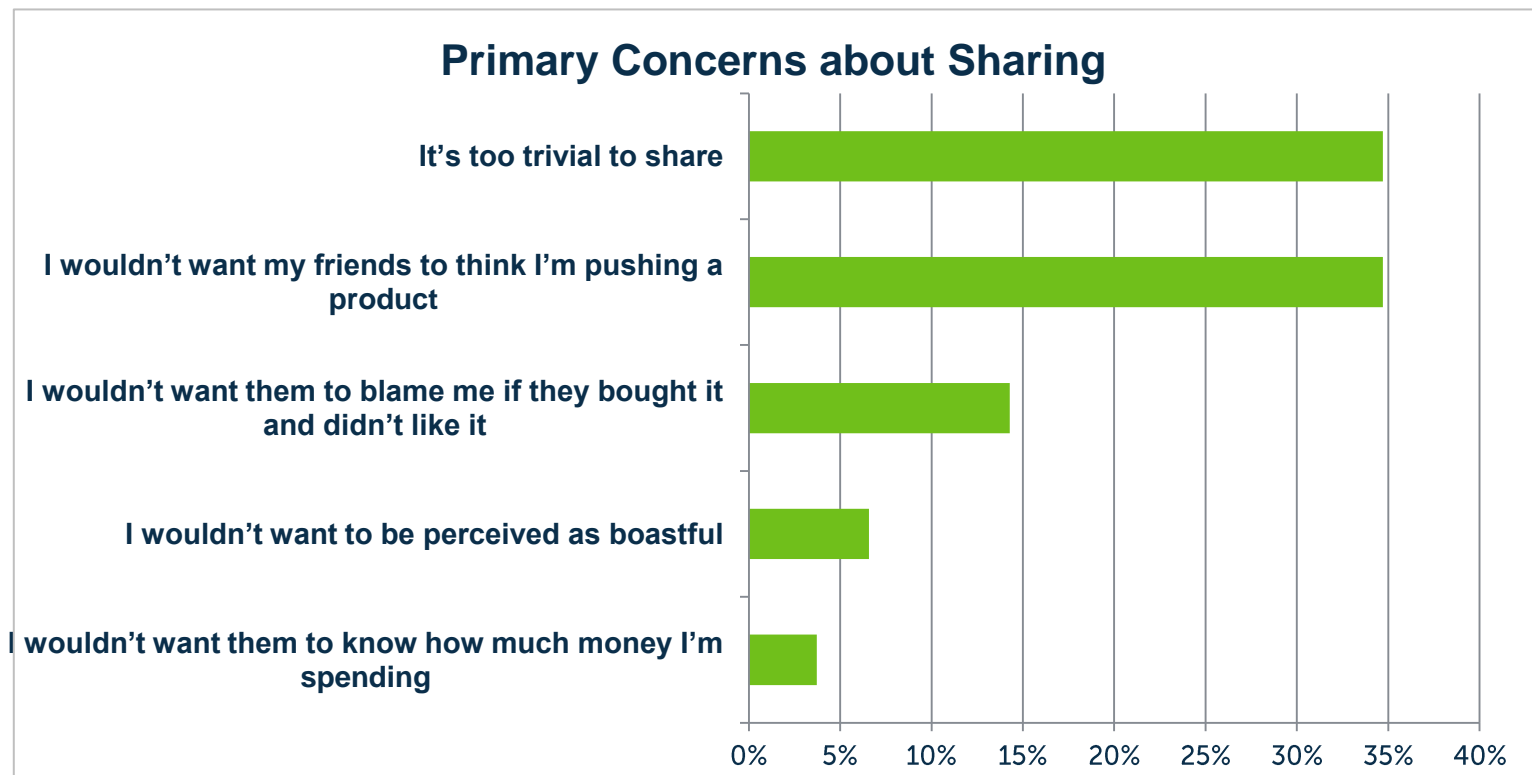
- 47% of online shoppers visit retailer sites from social sharing
- 25% of online shoppers make purchases from social sharing
- 62% of shoppers are more likely stay and shop on sites with social proofing showing their friends purchasing on the site
- 57% are more likely to purchase on a site with social proofing showing their friends purchasing on the site

## IV. How to Drive More Impact

# Sharer: Resistance points to sharing



The primary reasons more people don't share product comments is a concern they will be perceived as too trivial or "pushing" a product on their friends



Question: Going forward, what would your primary concern be about sharing information about a product purchase with your friends on Facebook?

# Sharer: On-site sharing alternative



73% are more likely to share if it doesn't go back to their Facebook profile

**Tumi Ducati Carry On** Like 127 people like this.

**SALE PRICE**  
**\$295.00**  
\$345.00  
**ADD TO CART**  
FREE SHIPPING

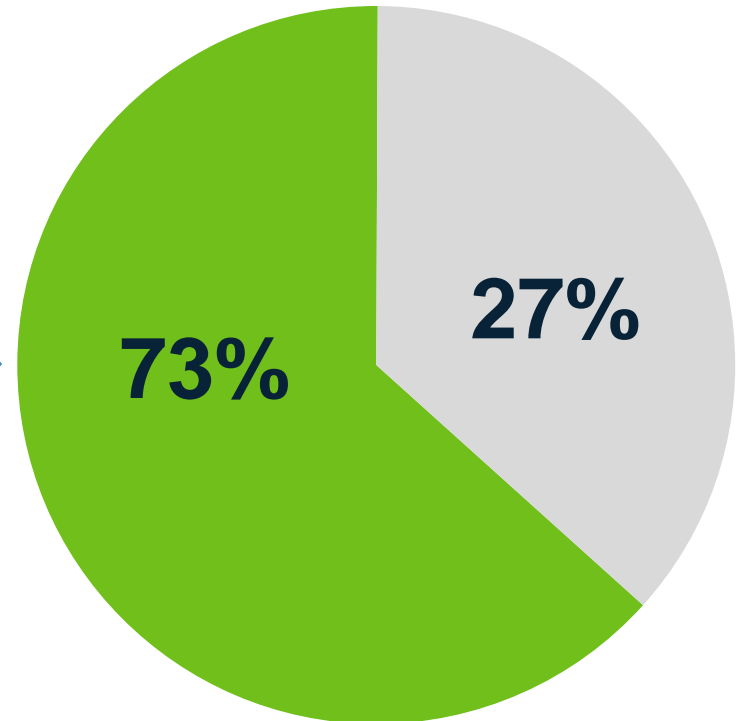
See more colors

Reviews  
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Leave a Comment

I love this Tumi carry on. It's the perfect size for all my weekend get-a-ways!  
 Post to Facebook (Not you?) **Comment**

**Sammy Wolfson**  
I love Tumi luggage too! I have the whole collection in red. So easy to spot at



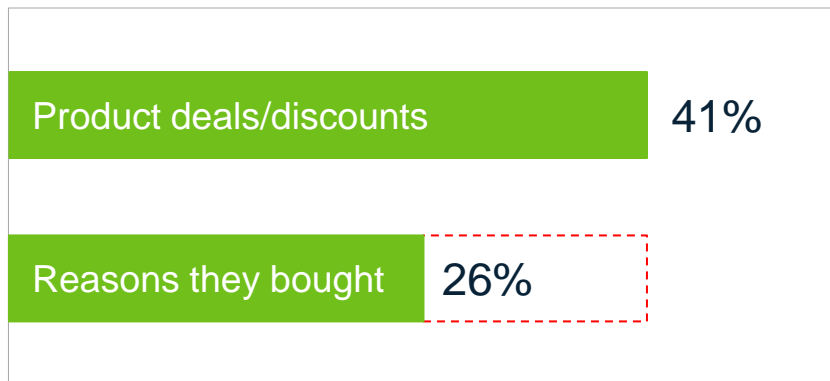
Question: Would you be more likely to share product information if it remained on the retail website, and wasn't posted back to your Facebook News Feed?

# Shoppers' needs vs Sharers' comments

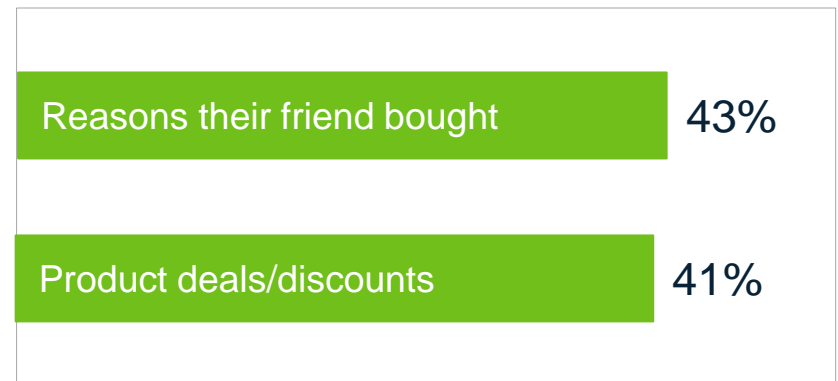
The big opportunity is to ensure sharers provide content in both key areas shoppers need in order to take action

## Comparing Motivations

### Top Sharer Motivations to Share



### Top Shopper Motivations to Act



Most Sharers want to talk about the same two things Shoppers want to hear about before they act. But Sharers need to make sure they say why they bought the product. A deal is not enough for many shoppers.

# Summary



Understanding motivators and inhibitors of social sharing is key to increasing social sharing

- 73% of consumers would be more likely to share if comments remained on the retail site for friends
- Give sharers the option to share only on the retailer's ecommerce site using their Facebook identity
- Prompt sharers to share content their friends will find valuable (e.g. "why they bought the product")
- Sharing of deals or great savings is valuable for both sharers and shoppers

# V. Conclusions and Recommendations

# Executive Summary



## Conclusions

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# About Sociable Labs



Sociable Labs provides on-site social commerce solutions that maximize referral traffic and on-site conversion through **high-velocity social sharing and curation**. At the core, Sociable makes social sharing useful to consumers, driving product discovery, referral visits and the confidence to buy when they get there. Sociable leverages the power of Facebook's frictionless sharing platform to drive dramatically higher sharing and the power of Pinterest-style social curation to merchandise your products in highly credible and engaging ways.

Learn more at [www.SociableLabs.com](http://www.SociableLabs.com)

- [All-in-One Frictionless Sharing Suite](#)
- [ROI-Guided Social Design Solutions](#)

To find out more about Sociable Labs, email [Info@SociableLabs.com](mailto:Info@SociableLabs.com) or call (855) SOCIABLE (762-4225)