

Looking Beyond Engagement, Retailers Embrace Social Media As A Selling Tool

By Brian Anderson, Associate Editor

Customer engagement and interaction has gone digital, and social media is helping shoppers become more communal with their favorite brands — and also gets shoppers to share more information.

Almost two thirds (64%) of social media users say they visit social media sites at least once a day via their desktop/laptop, according to a recent [report](#) from Nielsen. As a result, retailers have embraced the social storm to get their brands in front of target consumers.

Social networks are playing a role in several stages of the buying cycle. However, a new trend is emerging: Retailers are closing sales using social selling tools and tactics.

“The way I see it, social [media and engagement] is going to be a very dominant way for retailers to actually complete transactions,” said Chris Bennett, Co-Founder and CEO of [Soldsie](#). “It’s going to be the future of the retail industry, especially in the next four or five years.”

Soldsie, an e-Commerce service that allows retailers to turn their Facebook and Instagram profiles into extended digital marketplaces for their brands, is one of the few services available to retailers looking to bridge the gap between social and e-Commerce. With the solution, shoppers can comment on social media posts with the hash tag #sold, and then receive an email invoice to finalize their transactions.

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Soldsie



Like many new and emerging technologies, it will take some time and effort before brands see the ROI of social selling tools, according to Bennett. “Many retailers that are new to social selling are going to have to go through a learning curve before they see it make an impact on the bottom line. These retailers need to have an open mind when they begin selling via social.”

While social selling can be effective when combined with rich visual content on sites such as Pinterest and Instagram, this strategy may not align with every retailer's marketing strategies or target audience.

"When social selling is authentic and fits in the flow of a genuine experience, it has an amazing and positive influence," said Justin Garrity, Senior VP of [Postano](#) by TigerLogic, a social media visualization platform.

"People want to know what products their friends and other fans recommend or like, and this knowledge can be especially powerful in shaping a consumer's own purchasing decisions."

"In the grand scheme of things, social media is not based solely on overall revenue; it's more about building engagement and promoting conversations."

- Eric Jaffe,
Sears Holdings

Listen Before You Sell

To effectively implement a social selling strategy, retailers need to first leverage social media as a way to learn more about shoppers who are engaging with them. Social media facilitates word-of-mouth in the digital age, and new platforms are available for retailers to see where their audience is and what they're talking about, according to Garrity. "When consumers are able to see what merchandise or brand content others are posting about, the experience can be especially powerful for shaping opinions on new products or the product they're considering buying at that moment."

As consumers chatter on Facebook, Twitter and even Instagram, brands can leverage this feedback in any aspect of the business — whether it's product design, designing a marketing campaign or learning what offers or messaging resonates with brand advocates.

"In the grand scheme of things, social media is not based solely on overall revenue; it's more about building engagement and promoting conversations," said Eric Jaffe, Senior VP of the [Shop Your Way](#) rewards program at Sears Holdings. "You can easily measure your social success based off the conversations your content is creating and the amount of engagement members are having with one another."



Shop Your Way is a shopping community that gives customers a place to find product information, reviews and recommendations from other shoppers within the group. Users can go to the site and research products from their favorite brands. They also can learn about new brands and products from their fellow community members.



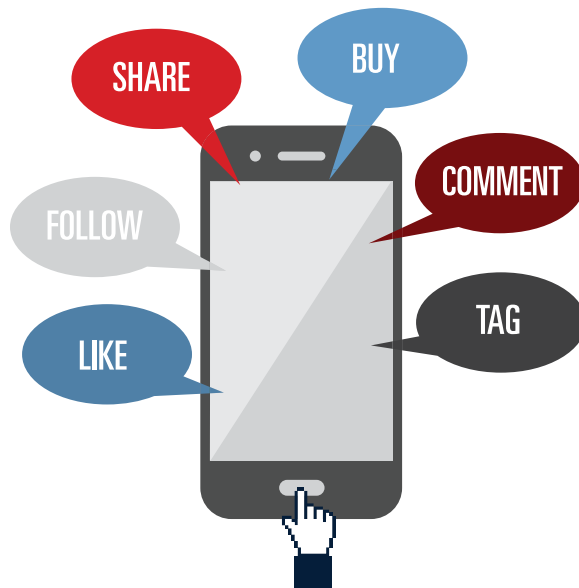
Amplifying The Shopper's Voice

Social not only can help expand the retailer's message, but also magnify the voice of the customer. And shoppers are more than willing to share their experiences, whether they're positive or negative. For example, [the user review web site](#) Yelp has received more than 57 million written reviews in Q1 2014 alone.

"Almost everyone has a publishing machine in their pocket and can post their thoughts, share photos and/or videos whenever they want," Garrity said. "As a real-time channel that delivers the latest information, news and trends, social has created influencers that share their thoughts, reviews and recommendations with tremendous impact and otherwise might not exist."

Social networks and online communities such as Yelp empower consumers to strengthen their voices, allowing them to reach people and brands worldwide. With Shop Your Way, Sears is encouraging customers to share their product reviews and recommendations, and ask questions to the entire community, which includes fellow consumers and even store associates.

"We are focusing around the members, and building relationships with them that go beyond what they purchase from us," Jaffe said. "Our program is focused around understanding and rewarding our members; and what makes the difference is the fact that our members are building this social community around our brand."



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Postano by TigerLogic

Jaffe added that while customers prefer to hear about other customers' shopping experiences, they also are looking into "what store associates have to say about products and brand-related inquiries."

That is why Sears recently unveiled [new mobile features](#) that enable users to connect directly with store associates from their favorite brands. These associates will respond directly to the user, strengthening the connection between the brand and the shopper while also improving the shopping experience.

Merging The Powers Of Mobile And Social

Almost half (47%) of smartphone owners visit social networks every day, according to Nielsen, indicating a new engagement opportunity for retailers as

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- Nielsen

consumers research and discover products. In the early years of social media, many retailers were under the “e-Commerce mindset” that consumers are shopping via social and mobile with intent, according to Bennett. However, shoppers tapping into Facebook and Instagram on their mobile devices may not be ready to complete a purchase.

“I think that is one of the reasons why retailers see such low conversion rates for their mobile and social efforts,” Bennett said. “Especially with social media, not all consumers are shopping with intent anymore — they are discovering things. You have to give the consumer time to get from that stage of discovery to the stage where they checkout and purchase a product or service.”

But if retailers are engaging socially with shoppers on a consistent basis, the eagerness to shop and discover new products will gradually increase and lead to more potential sales.

“Groups of members, especially social communities, are the most valuable to retailers,” Jaffe said. “Highly engaged members end up spending more and — more importantly — shop more frequently.”

Retailers Use Social Media To Build Communities And Strengthen Consumer Connections

Social media has evolved into more than just another advertising channel for retailers to showcase their products.



In addition to solidifying their relationships with existing customers, retailers are increasingly using social media to attract new buyers. More than half (55%) of retail leaders have successfully expanded their customer base using social media, according to a [report](#) from [Aberdeen Group](#).

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Innovative retailers such as **Belk**, **C. Wonder**, **Glam Grab** and **Threadless** are incorporating social media into all aspects of the shopper's journey. These retailers have implemented new social media strategies to better understand their audience, form branded communities and — ultimately — boost sales.

C. Wonder Uses inSparg To Gain Insight, Leverage Shopper Spontaneity

Shoppers have become more spontaneous, and social media has given retailers the ability to benefit from these behaviors online as well as in the store.

Women's apparel retailer C. Wonder specializes in creating an experience that transports women into a world of luxury and surprises. The retailer uses the Social Merchandising Suite from [inSparg](#), a social merchandising platform, to create a fun and dynamic e-Commerce site that matches the in-store experience. Features such as the Trending Product Feed allows C. Wonder to analyze its audience's social conversations in order to provide relatable product recommendations.

Since implementing the Social Merchandising Suite, C. Wonder has seen a three-fold increase in social sharing and a four-fold increase in conversion rates for customers who visit the company's trending products page.



As with any new technology, certain drawbacks prevent retailers from implementing social in different parts of the company. Retailers often are unable to control what was said and shared about their brand, according to Veronika Sonsev, CEO of InSparq.

Glam Grab has seen a 355% growth in sales since leveraging social selling in its marketing strategy.

- Soldsie

But “retailers now understand that it's much like in-store experiences — they can't control who walks through the door,” said Sonsev in an interview with *Retail TouchPoints*. “Retailers now know to embrace customers no matter how they engage with the brand; and once it's done well, it pays huge dividends in terms of finding and retaining customers.”

Glam Grab Bridges Social Media, e-Commerce Gap With Soldsie

In the early era of social media, many retailers tested the channel in different areas of their marketing strategies. Now retailers are not only using social media to engage customers, but also allow shoppers to complete transactions through social selling.

Online jewelry retailer Glam Grab currently is using [Soldsie](#), a platform that allows retailers to sell products through Facebook and Instagram, to boost social engagement and sales. Using Soldsie, the brand holds weekly flash sales via Facebook, offering online shoppers the chance to bid on products and complete transactions.

Glam Grab has seen a 355% growth in sales since leveraging social selling. In addition, the company's Facebook page now has more than 30,000 likes compared to the 2,000 it had prior to implementing Soldsie.



“All social media sites are capable of effectively executing a social selling strategy,” said Bennett of Soldsie. “Many social media sites have gotten a lot more visual, which is a major piece to successfully sell on social media.”

On average, users of the Soldsie platform see a 70% conversion rate for shoppers who comment on social posts and claim an item, and more than half (60%) of the checkouts happen within 30 minutes after the claim, Bennett noted.

Belk Promotes 125th Anniversary Through Multichannel Campaigns

Department store chain Belk worked with [HelloWorld](#), a multichannel, interactive promotions and loyalty solutions provider, to promote its 125th anniversary. The “125 Days of Prizes” campaign included web, mobile and social channels, where consumers were encouraged to participate in a sweepstakes for a chance to win one of 200,000 prizes during the 125-day event.

Belk saw a significant increase in mobile interactions, with 13% of registrants opting in to receive exclusive offers via text message. Social engagement also increased, with Pinterest followers doubling from 7,000 pre-launch to 15,000 post-campaign. More than 61,000 posts about the campaign were added to Facebook. Overall, the campaign saw significant social lift, gathering 220,000 registrations for the sweepstakes — 80% of those opting in to receive additional information on future promotions.

“Mobile has made social media a form of real-time marketing,” said Matt Wise, CEO of HelloWorld. “Retailers need to have the right message at the right time in order to get shoppers to engage and participate. When done correctly, however, the user-generated content created will make it much easier.”

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Threadless And Wanelo Focus On Social Communities

While social media was first used to help retailers deliver messages to their target audiences, it currently is allowing shoppers to have a voice on topics revolving around the brands and products they care about most. Each social media site has a different audience for each retailer, but the collective feedback is invaluable, according to Kyle Geib, Marketing Coordinator at [Threadless](#).

Threadless is an online retailer that uses the community to create new products and offerings for its shoppers. Artists are able to

submit design ideas for various styles of men's and women's apparel, as well as iPhone cases and traditional art prints.

Threadless is "based around the artwork, and the brand is lucky that social media has gotten a lot more visual," Geib explained. "When images are posted through social media, they are performing far more efficiently when it comes to creating the right engagement with each particular audience."

"Anybody can run an e-Commerce site now, much like how anyone can run a blog."

- Rachel Youens, Wanelo

In the last year, Threadless has had "hundreds upon hundreds" of social interactions through Twitter, Facebook, Tumblr, Instagram and other social channels, according to Geib. The online community submitted more than 32,000 designs throughout the year, and averaged approximately 34,000 votes per day on designs in order to select the products to be produced and sold.

"There's more to the web site than just T-shirts," Geib said. "We're not only sharing designs, but making sure that these artists get the promotion they deserve."

Another popular online community is Wanelo, which considers itself the "new digital mall." With more than one million members, Wanelo offers shoppers a chance to discover and buy products from more than 300,000 stores — all recommended from other members of the community.

The retail industry is evolving much like the news industry did, according to Rachel Youens, Social Commerce Evangelist at [Wanelo](#).

"Anybody can run an e-Commerce site now, much like how anyone can run a blog," Youens said. "Social media isn't traditional anymore, so Wanelo gives users the ability to follow their favorite brands in a single location."

Of the 300,000 participating retailers, Nordstrom and ModCloth have seen great success using Wanelo in various social media campaigns. In one campaign, Nordstrom asked popular bloggers and Wanelo influencers to create stories on Wanelo with their favorite



picks from a recently released Kate Moss collection. These stories would then be curated and reposted to spotlight key influencers and boost their credibility.

ModCloth held a similar campaign, asking bloggers to create stories on Wanelo around an eight-piece outfit. The stories — a great method for promoting new products and enhancing brand awareness — would then be re-shared, much like Nordstrom's campaign, in order to promote conversation and provide influencers in the community well-deserved exposure.

Social media has become an integral part of retailers' marketing strategies. From providing valuable behavioral data to serving as a transactional platform, social media has the potential to play a positive role at every stage of the shopper's journey, and ultimately enable retailers to take their customer experience to the next level.





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