

COMMERCE

Should luxury brands amp up social strategy with Facebook commerce?

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Gilt Groupe · Instant Access



By RACHEL LAMB

Brands that start monetizing their Facebook pages may begin to see an increase in online conversions.

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One smart retailer out of the gate is Gilt Groupe, which has already added tabs to its branded Facebook page that allows customers to look at products on the social network site. Users can add items to their carts and when they are ready to check out, they are brought directly to the branded ecommerce site at <http://www.gilt.com>.

“This opens up a whole new sales channel for brands,” said Kate Mosteller, director of marketing at Exit41, Andover, MA. “Brands are already putting so much emphasis on social media, especially Facebook, and now this is a chance to start to monetize investment in social media.

“Some of our brands have seen a 10 percent increase in online conversions,” she said.

Exit41 uses software that allows consumers to start their ordering process through Facebook and ends up on a brand’s ecommerce site. The company does not handle Gilt Groupe's business.

Gilt Groupe did not respond by press deadline.

Gilty as charged

Brands typically start their Facebook-commerce strategy by creating a separate tab on their Facebook pages for their customers to see new products, sales or details about a particular campaign.

For example, when consumers check out Gilt Groupe's Facebook page, they can sign in or register after "liking" the page.

Gilt Groupe ▶ Preview Sales

Company



Users can start browsing products on Facebook after they "like" Gilt's page

Consumers can preview sales and check out Gilt Groupe's lookbook, featuring designers and trends.

The pictures are large and detailed. Clicking "Shop Now" directs customers straight to Gilt Groupe's ecommerce site.

Richard Wood, managing director at **Gillissa**, said that a strong presence on Facebook can drive interest from a brand's wall to a wide variety of products.

Gillissa is a developer of software for Facebook commerce. Its software takes up-to-date information from a consumer's product information and sends pre-formatted Tweets and Facebook posts to copywriters to proof and publish.

These posts include product titles, descriptions, prices, discounts, images and URL addresses.

This way, the consumer has timely, well-written and relevant content.

"It offers the opportunity to publish a mixture of content, including a focus on product-specific information across a potentially wide audience in a timely fashion," Mr. Wood said.

“Issuing product-related content that is fresh, informative and ideally with short-term incentives [such as] new in stock, discounts, special sales, can dramatically increase online interest in specific products,” he said.

Consumers are mainly using this channel from their Web browsers, but Ms. Mosteller said that the trend is slowly trickling into mobile.

The f-word

Women aged 15-24 are the most active on social networking sites, according to market researcher comScore. They also spend 20 percent more time on retail sites than men, and women spend more time on comparison-shopping and review sites.

This type of mindset is perfect for Facebook, as consumers tend to look to their peers and friends as influencers in what to buy.

The importance of Facebook as a network of its own cannot be underestimated. Its popularity across many demographics and geographies means that a good brand presence can drive interest from its Facebook wall to a wide variety of products, according to Mr. Wood.

Exit41's Ms. Mosteller agrees.

“If I like something on Facebook, all of my friends will see it and it’s this whole viral effect and they will start to like it, too,” Exit41’s Ms. Mosteller said.

“Some brands have millions of likes, and that is the first step toward fcommerce,” she said. “It’s all contained right within Facebook and levels of integration are really high.”

Final Take

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