

RETAIL

## Digital, social commerce key to post-pandemic retail: report

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*Digital commerce is growing more rapidly than ever. Image credit: Getty*

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By NORA HOWE

Consumer shopping is continuing to move towards digital as user-generated content (UGC), private labels and access to product sampling accelerates social commerce growth, according to Bazaarvoice.

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The annual **Shopper Experience Index** report examines how, largely due to the global pandemic, consumer shopping preferences and behavior have quickly evolved and how brands can meet new expectations through multiple retail channels. The goal of the report was to better understand what behaviors consumers have internalized and committed to and how these adjustments will change retail in a post-COVID-19 world.

"Social commerce will only continue to become more and more mainstream," said Suzin Wold, senior vice president of marketing at **Bazaarvoice**, Austin. "We are seeing this in real time, as social companies are continuing to update their platforms to be more commerce-friendly.

"For instance, Instagram moved their shopping tab to where the activity' tab previously was, where likes and comments are hosted," she said. "YouTube has rolled out shoppable ads, and TikTok is incentivizing influential users to add shoppable tags to their posts.

"Soon, people will be using social media to shop just as much as they use it to socialize."

The Shopper Experience Index is based on data from over 11,500 brand and retailer websites in the Bazaarvoice Network, Bazaarvoice's Influenster community of more than 6 million members, and a global survey of more than 6,000 consumers in the United States, Canada, Mexico, the United Kingdom, France, Germany, Spain and Australia.

### Rethinking retail

The research highlights that consumers are changing how the world shops in five prominent ways: demographically varied behavior; private labels; social commerce; digital commerce and product sampling.



*According to Bazaarvoice, more than half of shoppers in the U.K. would rather shop digitally than in-store. Image credit: Getty*

In the U.S., 60 percent of shoppers are open to new products, with 62 percent willing to switch products if the quality changes. More than half of U.S. shoppers want a mix of UGC and professional photography on product pages.

In the U.K., shoppers have adapted to purchase more online than in-store, as 55 percent of shoppers would pick shopping digitally over in-store. However, in Australia, 64 percent of shoppers would pick in-store shopping due to the country's successful response to the pandemic.

Especially in the U.S., private label products have become sought after due to an improvement in perception and offerings. In the past year, 53 percent of shoppers made a private label purchase, according to the report.

Nearly 50 percent of the global population is using at least one social media platform, and 1 in 3 U.S. shoppers (about 32 percent) have used it to discover and purchase new products within the last year. In terms of age, 43 percent of 18-24 year-olds and 47 percent of 25-34 year-olds have used social media for shopping.

Additionally, when shopping directly on a brand or retailer's ecommerce site, 42 percent of shoppers will not purchase a product if there is not UGC available on the product page.

Nearly half, 49 percent, of shoppers look on product pages for customer photos, followed by other websites where the product is sold (47 percent) and search engines (35 percent).

While digital shopping is not going to replace brick-and-mortar any time soon, it is outperforming it. Nearly a third of American shoppers said they have reduced their in-store trips, while 18 percent reported they only shop in-store for essentials and 20 percent are not shopping in-store at all.

According to Bazaarvoice's client network of nearly 12,000 brands and retailers, online ordering was up 39 percent year-over-year in 2020 globally.

Finally, product sampling is great helping to replace the in-store "testing" experience. More than half, 52 percent, of shoppers said they value the ability to touch, see and try on products the most about an in-store shopping experience.



*Social media is expected to become as much of a shopping tool as it is a communication tool. Image credit: Getty*

Due to lockdowns and restrictions, brands must reach consumers at home.

Based on the survey, 82 percent of shoppers liked the idea of receiving free samples, with 53 percent willing to write a review of the free products they received. Shoppers appreciate sampling because it gives them the in-store experience of physically interacting with a product that they crave, but from the safety of their own home,

Bazaarvoice suggests.

### Bringing the store home

To preserve consumer connections and maintain momentum through the pandemic, brands have had to creatively bring the in-store experience into consumer homes.

High-end beauty brands and retailers have been exploring the possibilities of augmented reality technology in recent years, but the global pandemic has accelerated innovation and created new expectations for the shopping experience.

This week, French fashion house Chanel rolled out its newest lipstick color-matching tool, LipsScanner. Before the pandemic, consumers would have just gone into the Chanel Beauty boutique and tested the 400 shades, but now, using artificial intelligence and virtual try-on technology, the brand can match any color to its nearest lipstick shade and provide expert advice through a mobile app ([see story](#)).

Similarly, tech giant Google introduced a new feature allowing consumers to digitally try on cosmetic products through the search function on mobile devices. By using the front-facing camera on their phones, users can now visualize products on themselves as well as on models with similar skin tones, then make purchases directly through the platform ([see story](#)).

"Although it is not how they traditionally sell, luxury brands should start leaning on social media for both inspiration and conversion," said Ms. Wold. "Shoppers want to see photos of people like them using or wearing products, as it helps them envision themselves using or wearing said products."

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