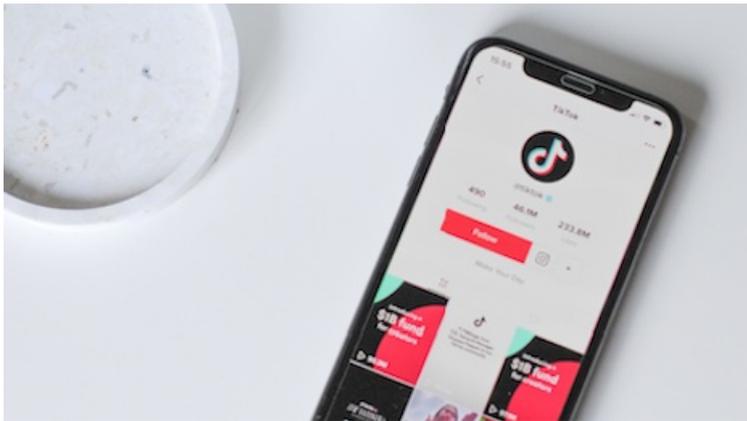


MARKETING

## How first-party data and social commerce meet

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Social platforms like TikTok continue tapping into social commerce opportunities. Image credit: Unsplash

By SARAH RAMIREZ

More brands and retailers are prioritizing social commerce in 2022, but it poses a challenge for marketers relying on first-party data.

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From Meta's Facebook and Instagram to emerging players such as TikTok and Pinterest, social commerce is becoming more accessible to consumers. According to experts speaking at Tinuiti's [social commerce webinar](#) on Jan. 11, marketers should diversify their social channels to optimize their spend and data.

"We're seeing emerging platforms such as Snapchat, TikTok and Pinterest really refine their social commerce capabilities and release new products to gain more traction in that purchasing space," said Lize Keefer, strategist of paid social at [Tinuiti](#), New York.

### Diversifying channels

Within the last year, more than a third of consumers have made a purchase on Facebook, followed by 17 percent on Instagram. Only 4 percent have made purchases on TikTok, a figure that is expected to grow as more advertisers successfully launch on the platform.

Generally, there are two ways that social commerce is accessible across social platforms.

Users can either click a call-to-action that redirects to an external destination to make an immediate purchase or buy directly within a platform. The latter option is currently only available on Facebook and Instagram, although other companies are developing their own versions.



*Dior and Snapchat introduced an AR filter for the B27 sneakers. Image credit: Dior/Snapchat*

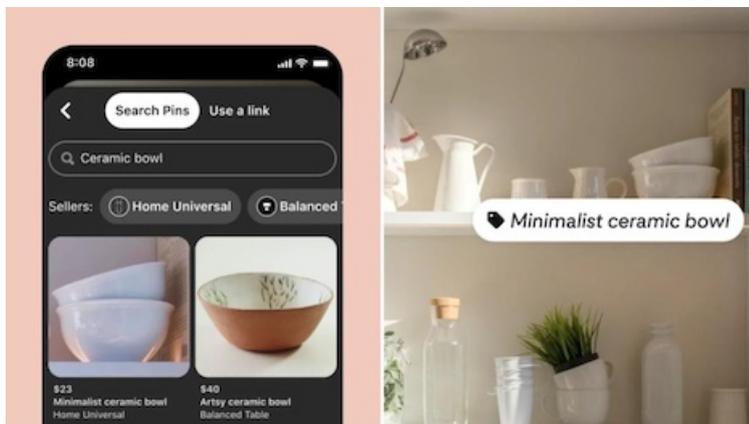
For now, however, most social purchases are made on the retailer's owned product page which is essential for new customer acquisition and driving repeat purchases.

One way to encourage product discovery and conversions is leveraging other offerings on social platforms, such as AR lenses specifically for brands in fashion and beauty. For instance, French fashion label Dior is among the luxury brands that have found success with virtual try-ons on Snapchat.

Working with influencers is another way that brands can foster consumer trust, especially among younger consumers. About half of Gen Z consumers trust recommendations from influencers, and two-thirds follow influencers on social media.

Although brand trust and credibility are other important aspects behind consumers' purchase decisions, ad placement and optimization cannot be overstated.

"The biggest piece of advice here is to opt into as many placements as possible," Ms. Keefer said. "We want to make sure that we're keeping costs down and the best way to do that is optimize into all placements if you can."



Ms. Keefer also noted that cost-per-impression has increased since measurable audiences have essentially diminished as more consumers have opted out of tracking.

"It's really important to test out new channels, new campaigns, new ad sets and understand what's working for you," said Richard Harris, founder/CEO at **Black Crow AI**, New York.

"Making sure that you do own your own data is so key to being able to build relationships with your customers," he said. "We're seeing that data and the customer relationship have become synonymous."

### Challenges and opportunities

As social platforms build up their commerce strategies, brands need to safeguard and own data about their consumers instead of ceding it to technology companies.

According to Mr. Harris, this is why it is important to use social commerce to draw shoppers to owned ecommerce sites to glean more first-party data.

"All those data points are happening online as well in your digital store," Mr. Harris said. "Things like how users behave in session, how deeply they scroll, how fast they're moving, how detailed their searches are, how often they come back, what products they look at."

Currently, many digital advertisers rely on third-party cookies. These track users across sites to better help advertisers understand user behavior, allowing brands to improve user experiences and audience targeting.

Meanwhile, first-party data information is gleaned from the behaviors or actions of consumers, site visitors or social media followers through owned sites, apps, emails, surveys or more. This is often more time-consuming to evaluate since it tends to be siloed across organizations ([see story](#)).

More luxury brands are recognizing the importance of first-party data, including German fashion label Hugo Boss.

The brand is looking toward data sets to inform all aspects of the business from design and consumer interests to supply chains and manufacturing, analyzing every interaction that occurs within the company. However, there is a fine balance between ensuring creative freedom remains and implementing machine-learned information ([see story](#)).

"It's about owning and activating your key asset as a brand, which is your first-party data data that your customers give to you as they interact with you," said Black Crow's Mr. Harris. "Use that first party data to create predictions and then activate them in social commerce."

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