

COMMERCE

Facebook evolution presents new kind of social commerce: WWD speaker

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By RACHEL LAMB

NEW YORK – The new updates by Facebook this week will require a major shift in strategy for brands advertising on the platform, presenting opportunities more focused on sharing and interaction, according to a speaker at Women's Wear Daily's Digital Forum yesterday.

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Luxury Daily

Luxury brands including Oscar de la Renta, Bulgari, Burberry and Tory Burch have begun to use social commerce, but the updates to the Facebook platform, especially of the “timeline” feature, will shake up how brands use the site to share goods and services. In fact, a majority of brand interaction will now be done through sharing between consumers.

“The days of fan pages are dead,” said Wade Gerten, CEO of 8thBridge, Minneapolis, MN. “Over the past few years, we’ve learned a lot about what works with social commerce and what doesn’t.

“Some of the early pioneers in Facebook commerce attempted to just take the entire product catalog and put it on your homepage, especially at discounted prices,” he said. “But for a lot of luxury and fashion brands, it is not brand-consistent.

“You don’t want to continually sell things half-off, especially not to your core customers.”

8thBridge developed Facebook-commerce solutions for brands such as Oscar de la Renta, HauteLook and 7 For All Mankind.

Good timing

The new Facebook will change the way that brands interact with and are shared by consumers.

In the next week, Facebook users will be introduced to the “timeline,” which is essentially an algorithm that tracks the users’ statuses, pictures, likes, friends, music and fashion preferences from as far back in their lives as they choose.

Everything that a consumer does or interacts with on the site will be automatically added to the timeline.

However, this is the first time that brands can take advantage of consumers liking products on sites other than Facebook, per Mr. Gerten.

Through this new platform, brands can create not just a network of pages or people, but anything from a network of handbags, resorts or music that becomes a user’s outward identity on the Web.



Mr. Gerten at WWD

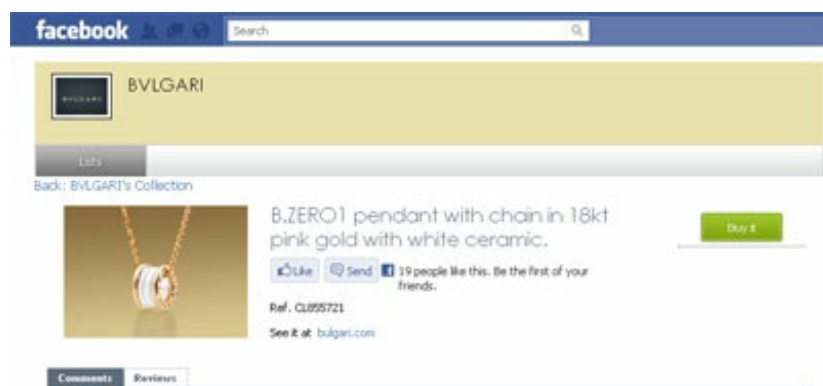
Brands can now take advantage of sharing opportunities by offering levels of interaction. This involves adding options such as “like” “own” or “want.”

Users can check out products as if they are on an ecommerce site. This is useful because consumers want to look products but may not want to leave Facebook, Mr. Gerten said.

Consumers can choose one of these options to share their friends.

For example, if a consumer likes a product from a brand, she can put it on her “want” list

on Facebook. This aggregates the brand in with the user's friend's content and has a greater ability to be shared.



Bulgari using Facebook commerce

Bridging channels

Brands can adapt to the new Facebook through three steps, per Mr. Gerten.

The first is integrating brands, products and offers into the social network so that advocates can express themselves on their own terms.

Giving consumers the ability to express themselves in this way will likely drive the shopping activity and time spent with the brand on Facebook, Mr. Gerten said.



Mr. Gerten at WWD

The second step is to promote loyalty. This includes extending these offerings into other channels.

For example, if a consumer sees something in a store that has a QR code on it, she can scan the code and add it to her "want" list to share on Facebook.

This incorporates both mobile and in-store, increasing the amount of times and the number of ways that a consumer spends time with the brand.

The third step is to extend a competitive lead in social shopping. Brands should stop making social media about a product, but more about people.

The one thing that Mr. Gerten warns against is allowing consumers to actually transact on Facebook. Approximately 75 percent of consumers are against entering personal information such as a credit card numbers on social media.

Instead, brands should allow consumers to shop and check out products on Facebook and then bring them back to a branded Web site or mobile site to finish the sale.

“Brands can literally be woven into a consumer’s life,” Mr. Gerten said. “Billions of Facebook users use the site for the same reason they buy brands – they want to be loved and they want to belong.”

Final Take

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