

The future of search— and commerce—is social.

Insights from our latest research on the power of social business transformation.

March 2024

Product discovery and research is no longer reserved for traditional web search engines. According to the latest Deloitte Digital research on social media, consumers turn to social media platforms for 42% of their searches—and 48% of consumers said they specifically have searched social media to learn about brands and/or products. These changing behaviors—which are especially prominent among younger generations—have inspired social platforms to enhance search capabilities and features in ways that address user preferences and patterns, while also giving brands new avenues to improve discoverability. In turn, brands now recognize the importance of effective social search strategies and capabilities.

As social search has grown, so has the willingness of consumers to buy products and services directly through social platforms. Globally, social commerce revenues are expected to grow five-fold between 2024-2030, to \$6.2 trillion.¹ Brands are increasingly tapping into this opportunity through shoppable posts and creator partnerships that leverage click-to-buy commerce tools. Meantime, social platforms have been working to expand what brands can do through capabilities such as shoppable

live streams, in-app virtual try-ons via augmented reality tools, and more.

The parallel growth of social search and social commerce is creating synergies and opportunities that brands should not overlook.

Our research sheds light on what's driving consumer behaviors, and how social-first brands—those with the greatest social media effectiveness—are making moves to put social media at the core of their conversion strategies.

A NEW FOUNDATION FOR GROWTH.

In this series we explore how social-first brands are driving innovation and growth through a more comprehensive, connected approach to social media.

Part 1: Social means business. Serious business.

Part 2: Reclaim share of culture through a new approach to social communities.

Part 3: The power of letting go: Social-first brands prioritize content co-creation.

Part 4: The future of search—and commerce—is social.

DOWNLOAD THE FULL SERIES:

<https://response.deloittedigital.com/stateofsocial>

The insights in this series are based on Deloitte Digital's 2023 B2C survey of marketers and consumers (please see Methodology p. 7), in addition to other research and our client experience.

Optimizing for discoverability.

The vast majority of business-to-consumer (B2C) brands recognize the growing importance of being discovered through social platforms, with nearly nine in 10 saying they've already activated a social search strategy focused on identifying and utilizing the relevant keywords (such as product types), hashtags, labels and profile categories that consumers most often search. This is an increasingly essential area of ongoing focus given the evolution of algorithm-enabled social feeds—which generally prioritize content similar to what users post and engage with, rather than what's been posted by people or brands with the greatest share of voice. And given that consumers only follow an average of seven brands on social, discoverability

increasingly depends on your brand's ability to identify and become part of conversations around trending or widely searched topics on a given platform or within a given target community.

Sound familiar? Social search engine optimization (SSEO) has plenty in common with traditional web SEO, both in terms of approach and impact. For both, success depends on a thorough understanding of platform-specific tools and best practices in order to drive results. Both involve smart, continuous content optimization based on audience insights and trending topics. And both are essential to a brand's ability to connect with new individuals and audiences, and ultimately drive conversion.

61% OF GENERATION Z AND MILLENNIAL CONSUMERS USE SOCIAL PLATFORMS FOR SEARCH FREQUENTLY OR VERY FREQUENTLY.



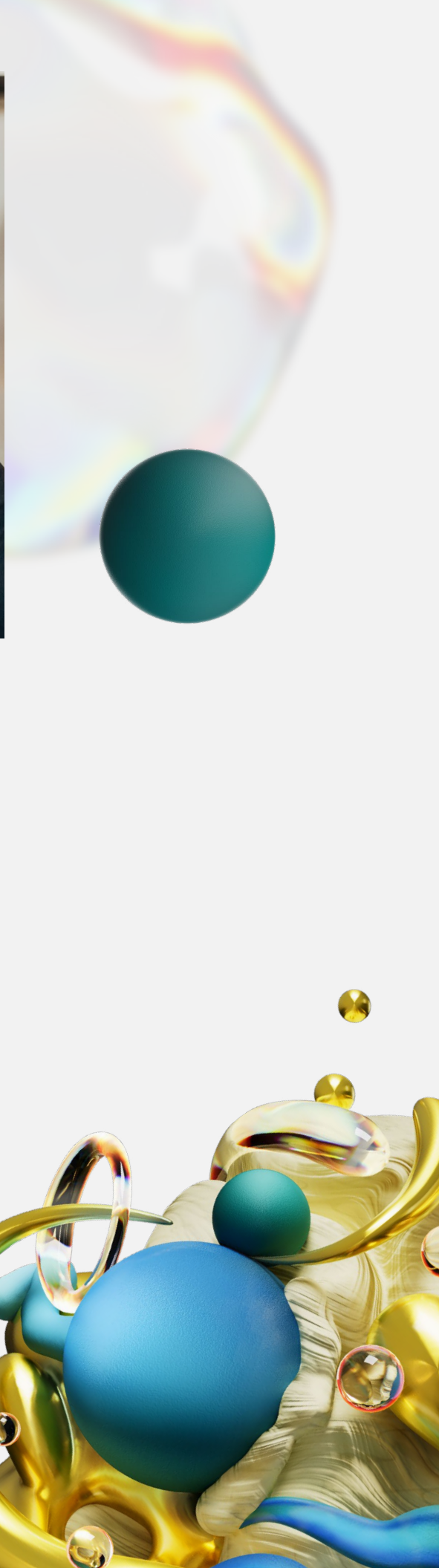


While traditional SEO skills and capabilities are foundational for SSEO, the speed of trends and cultural shifts on social amplify the importance of continuous monitoring of relevant topics and rapid improvements to social content based on those insights. Similarly, social platforms are rapidly adding discovery and SEO-based features and ranking factors—making it important to test and adapt strategies and practices frequently as updates occur. As an example, audio / sounds and effects can help increase a piece of content’s discoverability—but only for brands that recognize and seize that potential. (For more on social audio, see the third installment in this series, “The power of letting go: Social-first brands prioritize content co-creation.”)

Our research reveals that social-first brands are 3.5x as likely to say boosting SEO is extremely important to their social strategies, compared to low-maturity organizations. And across all brands, those that place a high importance on boosting SEO and driving website traffic enjoy the greatest impact on overall effectiveness.

Social-first brands are focused on improving discoverability in other important ways. For example, they’re 3x as likely as low-maturity organizations to *always* manage paid and organic budgets together. In so doing, social-first brands are able to test and learn what works through organic efforts—and then amplify that success through paid tactics.

These efforts to improve discoverability are having an impact. More than two in five consumers said they’ve discovered a new brand on social media within the past 12 months. Among those consumers, 55% said they discovered the brand from a social media ad, while 33% said they discovered the brand through social search.



Shortening the path to conversion.

So what happens once a consumer discovers a brand on social? Increasingly, they're clicking "buy"—provided they can do so easily, right in the platform. In fact, 3 in 5 surveyed consumers said they want more opportunities to discover *and purchase* products on social media. And among those who have made a purchase on social, 60% rated the experience as good or excellent. In separate Deloitte Digital research on consumer commerce, we found that "easy checkout options" was the No. 1 most-cited reason why a consumer chose to purchase from a particular brand online.²

Not surprisingly, social-first brands are leading the way in pioneering effective social commerce—and they're reaping outsized rewards as a result. On average, they derived an average of 12.3% of their *total* B2C revenue in 2022 from social commerce. Compared to

low-maturity organizations, social-first brands are 2.9x as likely to say driving commerce is extremely important to their social strategies. This priority on revenue generation also shows up in the key metrics that social-first brands are focused on, most notably conversion rate.

In addition to collapsing the purchase funnel, on-platform social commerce can provide a fast-track to trust and loyalty among customers. For example, when a creator comments on a shoppable post "it was super easy to buy" or "the delivery came so fast," it can help build confidence in your brand's capability and/or reliability—two key factors in trust. In-app delivery updates can further build trust by proving not only your capability but also transparency. And post-sale check-ins—even a simple "do you have any questions now that you've received your delivery?"—show your brand's humanity.

72% OF CONSUMERS ARE WILLING TO BUY PRODUCTS AND SERVICES WITHIN A SOCIAL MEDIA PLATFORM.

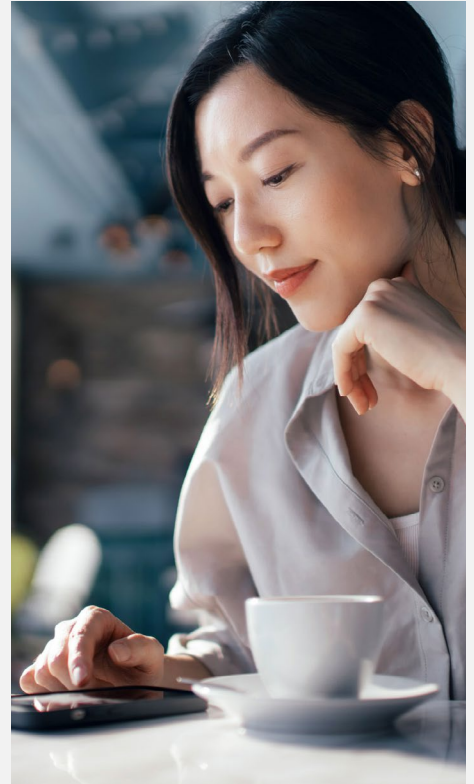


It's important to recognize that consumer trust is dependent on multiple factors—some of them beyond your brand's control. For example, half of consumers are hesitant to shop on some social media platforms because of concerns about the security of their personal information. However, 26% of consumers who joined a new social platform in the past 12 months did so specifically because they trust the platform. Brands should make sure to focus their social commerce strategy on platforms that are not only most *used* by target audiences, but most *trusted* by those audiences.

At a more foundational level, social commerce success depends on having core digital commerce infrastructure in place. In separate research we've found that consumers broadly feel brands fall short when it comes to what they consider digital commerce “basics” today—

including real-time inventory availability, intuitive product search and filtering, and easy checkout solutions.³ When those elements fall short in the eyes of consumers, your brand is likely to hear about it—and on social, that feedback will become part of how consumers experience and view your brand's relevance and trustworthiness.

These considerations mean that social commerce isn't just something to “turn on” as an additional channel for digital commerce. Being social-first demands smart selection of the social platforms that are most used and trusted by your customers, and that integrate efficiently with your existing commerce data and technology systems. So that no matter where, when or how customers choose to purchase from your brand, you're able to orchestrate consistent, relevant and trustworthy commerce experiences.



Connect to growth through social search and commerce.

Based on our research and client experience, here are some key moves that can help your brand achieve greater effectiveness in social search and commerce.

PROCESS

- **Leverage social listening as a key data source:** Use SEO keyword data and social listening data to inform and optimize social as well as website content, aligning with what users are searching in both social and traditional search engines.
- **Place social at the forefront of communication planning and creative development:** Ensure social commerce goals and objectives are addressed alongside foundational commerce capabilities, enabling seamless activation and quality user experiences throughout the social conversion funnel.

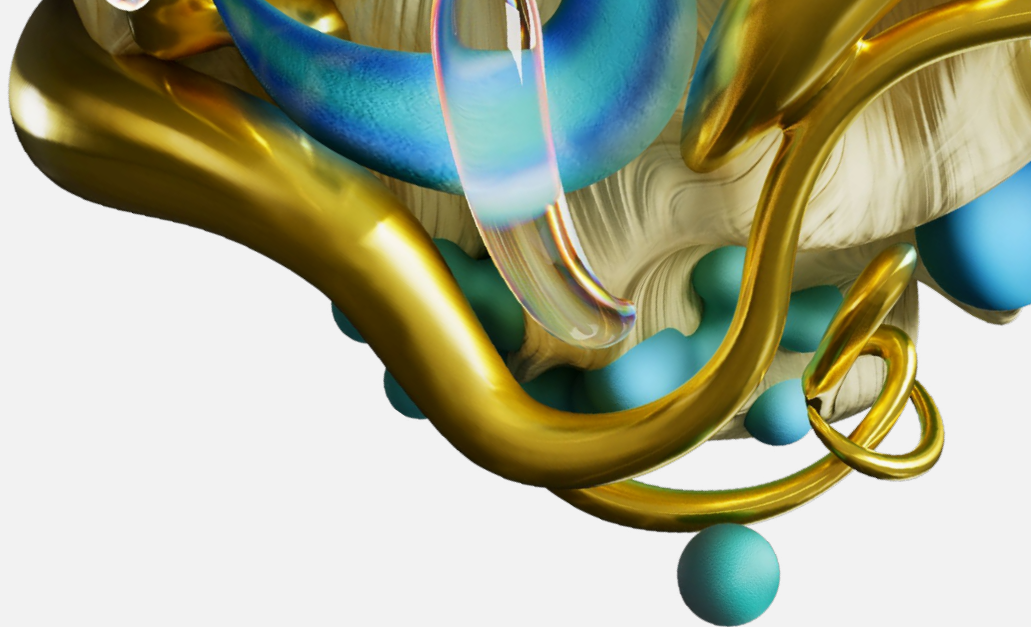
PROGRAM

- **Optimize the social consumer experience:** Enable consumers to discover and purchase from your brand without leaving the social platform(s).
- **Co-create with audiences, influencers and creators as an extension of your brand:** Given that consumers trust influencers and creators more than brands today, these collaborations can enable increased discoverability across platforms as well as greater willingness to buy within livestreams and other social spaces.

PEOPLE

- **Approach social as an organizational investment:** Hire talent with a social-first mindset across SEO and commerce teams.





METHODOLOGY

Original research results in this report are based on a blind survey conducted in May 2023 by Lawless Research on behalf of Deloitte Digital. Respondents included marketing leaders at 450 US business-to-consumer companies across a range of consumer industries and sectors, plus 1,000 US adult consumers. Building on this research Deloitte Digital developed a proprietary maturity framework to define and score social media effectiveness. In this series we refer to the most effective quartile of respondents as “social-first brands” and the least effective quartile as “low-maturity organizations.”

ENDNOTES

1. Stephanie Chevalier, “Social commerce revenue worldwide from 2022 to 2030,” *Statista*, April 12, 2023, <https://www.statista.com/statistics/1231944/social-commerce-global-market-size/>, accessed February 23, 2024, gated.
2. A commissioned study on business-to-consumer (B2C) commerce conducted by Lawless Research on behalf of Deloitte Digital in September-October 2023, reflecting the responses of 550 leaders at US B2C companies, plus 1,000 adult US consumers who had purchased a product or service online in the past 60 days, with a representative distribution across generation, gender, race and ethnicity, and household income.
3. A commissioned study on business-to-consumer (B2C) commerce conducted by Lawless Research on behalf of Deloitte Digital.

GET IN TOUCH

Kenny Gold

Managing Director
US Head of Social,
Content and Influencer
Deloitte Consulting LLP
kennygold@deloitte.com

Christina Kavalauskas

Senior Manager
US Group Strategy Director,
Social Innovation and Operations
Deloitte Consulting LLP
ckavalauskas@deloitte.com

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