

Social media can create retail sales - with the right marketing

Source: Admap, October 2016

ADMAP

Downloaded from warc.com

This article examines how marketers can move from just using social media as a branding channel towards exploiting the full range of new ad formats and 'buy now' buttons to generate sales.

- Recent years have seen a marked increase in the capabilities of social media to do more than just create brand awareness - it can now drive direct sales.
- New ad formats on platforms such as Facebook, Instagram and Pinterest include many of the characteristics of traditional ads with advanced targeting and can be bought in real time.
- Brands such as clothing retailers Kohl's and AllSaints have used multi-pronged conversion strategies when showcasing new lines through social media, with great success.
- Performance marketing makes it possible to attribute investment to results both clearly and quantitatively and so define the targets of a social media strategy.

[Michael Kahn](#)

Performics Worldwide

Retailers have tended to use social as a branding channel, but new ad formats, 'buy now' buttons and shoppable cards are causing retailers to use social for direct response. Kohl's launched a fashion line via a live fashion show streamed on Periscope and YouTube with shoppable calls to action.

Marketing Retail

This article is part of a collection of articles on marketing retail. [Read more.](#)

Paid search marketing remains the cornerstone performance channel for direct-response advertisers, like retailers and lead-generation brands. But social in retail marketing is on the rise. When talking about 'performance', we mean a channel that's highly efficient in driving direct, attributable sales and revenue (vs. awareness) for brands. Historically, advertisers have regarded social as a branding channel, best for promoting awareness and boosting share of voice. To illustrate, the top three leading social campaign goals, according to North American social media professionals, are: brand awareness, website traffic and audience reach/share of voice (Simply Measured and TrustRadius, 2015). Performance objectives, such as generating leads and driving conversions/revenue, rank fourth and fifth, respectively.

But retail marketers are starting to change their thinking on social. With new ad formats and opportunities from Facebook, Twitter, YouTube, Pinterest and Instagram, social media's role is no longer relegated solely to branding. In fact, social media's value now lies in a combination of branding and deeper-funnel performance objectives, aligned to consumers based on stage in the purchase path. And the recent emergence of social media as a performance channel is what's driving increased social investment from brands, as well as new revenue for the platforms.

Social performance formats

In recent years, the social networks have released a flurry of new ad products and formats meant to appeal to direct-response advertisers. These formats possess many of the traditional characteristics of performance ads, akin to paid search and programmatic display. They can be bought in real time on a cost-per-click basis and targeted based on context such as demographics, geography, device, affinity or previous interaction with the brand (e.g. retargeting shopping cart abandoners). Even emerging social platforms, like Instagram, have rolled out advanced targeting options. Previously, Instagram ads could only be targeted by age and gender; new targeting options now include Facebook demographics, interests and Custom Audiences.

Two of the most prevalent newer social formats are 'buy now' ads and shoppable product cards. On the 'buy now' side, both Twitter and Facebook now feature Buy Now buttons within ads integrated into users' feeds, for real-time social commerce. New

Instagram direct-response-oriented formats include calls to action like 'Sign Up', 'Shop Now' and 'Install Now'. And Pinterest Buyable Pins contain 'Buy It' buttons that enable users to purchase things they see on Pinterest without ever even leaving Pinterest. Additionally, when Pinterest users pin a Buyable Pin, they're informed when the price of the item drops. E-commerce features like this are helping advertisers sell more product through social, especially during promotional periods like Black Friday and Cyber Monday.

Shoppable product cards are another direct-response opportunity that is driving performance in social. To illustrate, Twitter Cards enable brands to include - in tweets - product photos, videos and other media experiences that lead directly to the brand's site. This performance content increases click-through rates and social referral traffic to the brand site, where shoppers can buy.

Shoppable product cards are also bringing performance to social video. Recently, Google introduced shoppable product cards in YouTube, making YouTube a more actionable channel for advertisers. Now, advertisers can showcase products available for purchase, via call-to-action overlays, directly within YouTube videos, on mobile and desktop. These ads can lead directly to conversion and are thus welcome for retailers previously hesitant to allocate budget to social or video. Shoppable cards feature product details such as price, product image, product details and inventory availability. Product listings are pulled from a real-time feed from the retailer, ensuring accuracy in pricing and availability. The ads lead from YouTube to a product page on the retailer's site, where shoppers can complete the purchase.

Shoppable cards are especially powerful in engaging shoppers in the moment, shortening the path to conversion when they see a product they like within a YouTube video. Advertisers can create YouTube video content that features their products (how the product is used, tutorials, influencers recommending the product, etc.) to pique shoppers' interests. And then shoppers can buy right there, from the video.

Let's take a look at shoppable formats in action for a US multichannel retailer, Kohl's. Recently, Kohl's launched a new fashion line via a live fashion show during New York City Fashion Week. Performics sought to drive sales for the Kohl's product line before, during and after the show. Social and YouTube were a huge part of this. Pre-show, we used a new Twitter ad opportunity, 'Add to Calendar', to help people remember when to tune in to the fashion show. During, we livestreamed the fashion show on Periscope to generate excitement for people who couldn't be there in person. Post-show, we ran Facebook Ads and Promoted Pins to drive shoppers to the [Kohls.com](https://www.kohls.com) Runway page to buy the new product. We also leveraged shoppable call-to-action overlays on the YouTube video of the show; this enabled consumers to shop the new collection in One-Click, at the moment they saw something they loved on a model walking down the catwalk in the video.

Social media marketing is highly effective when tied to promotions or events like the Kohl's Fashion Show. But, with the emergence of more performance-based formats, social media is also becoming more of an evergreen channel for many brands. To illustrate, apparel retailer AllSaints sought to increase sales in the UK among its core audience – young, affluent urbanites (music-loving Millennials aged 18–30). In true direct-response fashion, AllSaints wanted to maintain a 300% return on ad spend. Facebook proved to be the perfect platform for engaging the specific AllSaints audience profile at high media efficiency. Performics leveraged Facebook's people-based targeting capabilities to reach this audience, with a strategy of customising messaging based on stage within the purchase funnel.

Through a multi-pronged engagement and conversion strategy, we first focused on generating excitement for the brand by targeting consumers with ads featuring 'look books', photo albums and behind-the-scenes footage of the latest fashion shoots, such as surfers wearing the new line of AllSaints biker jackets. People who engaged with this content were then served Facebook Link Page Posts, showcasing clickable stills of products, like the new biker jackets, which drove directly to the product pages for shoppers to buy. We then employed Facebook Dynamic Product Ads, which allow retailers to upload their product feeds into Facebook, to retarget recent AllSaints website visitors with product ads, all driving to the AllSaints on-site product pages to encourage purchase. The holistic approach created an always-on cycle – from inspiring awareness to generating purchase – pushing shoppers down the conversion funnel in a highly efficient manner.



Clothes brand AllSaints used Facebook to serve clickable product stills

Elevating social measurement

Another hallmark of performance marketing is the ability to clearly and quantitatively attribute investment to results. Historically, performance marketers have paused with social media because of the lack of ability to rigorously measure sales and leads. To illustrate, 31.6% of US retail executives said they've been unable to show the impact that social media has on their businesses (Duke University Fuqua School of Business, 2016). Another 52.6% said that they have a good qualitative sense of social media's effect on their bottom line, but not a good quantitative one (Duke University Fuqua School of Business, 2016). But this is also quickly changing.

Today, the best approach to social measurement is leveraging a combination of social network site analytics and your own on-site analytics. On the social network side, the networks have been squarely focused on elevating measurement. For instance, on Pinterest, advertisers can track metrics like Pin content that drive the most shares, sales or leads on both desktop and the mobile app. Additionally, Instagram recently rolled out the ability to buy, manage and measure ads within the Facebook ad interface. Previously, Instagram ads could only be managed separately from Facebook. This integration brings elevated Facebook measurement tools to Instagram, positioning it to more easily win direct-response advertising dollars from brands. On the on-site side, the ability to drive social ads – like YouTube shoppable cards and Facebook Dynamic Product Ads – to your native site, where metrics are captured by on-site analytics, is also aiding in uncovering the true bottom-line value of social investment.

Clear definition of KPIs is also essential to proper social measurement. Like paid search, advertisers can now set and manage to specific social performance goals, including conversions. To illustrate, Twitter recently unveiled objective-based campaigns, which enable advertisers to align Twitter spend directly to a specific Twitter performance objective, like clicks to a site, conversions, leads, app installs or app engagements. Once an advertiser chooses a custom objective, Twitter recommends the best ad format to achieve that objective. Twitter also provides customised reporting metrics to align with that objective, making it easier for advertisers to optimise to a clear goal.

A social performance approach

It's time for advertisers to take advantage of the performance evolution of social media marketing, and start using social to drive revenue. Here are a few tips to get started:

- Understand consumer intent and how/if your audience is willing to make a purchase through social. Uncover how your specific customer base interacts with each social media network; for instance, fashion/beauty and home brands have seen success on Pinterest.
- Build a customer experience (CX) loop, which will inform experience creation in different stages – unaware, aware, consideration, purchase and enjoy.

- Plan based on consumer intent to construct highly personalised and relevant experiences, per CX loop stage, that are more likely to convert. Currently, digital media plans for many brands are geared to the masses. But in a world where consumers are ignoring media that isn't highly relevant, delivering the right experience, at the right moment, is critical. The current state must give way to the future, which is intent-based.
- Define your KPIs (e.g. loyalty vs. acquisition) to determine which ad formats to use and which social metrics to track and optimise towards.
- Create performance content, like YouTube videos featuring product tutorials, to engage shoppers. As shoppers are becoming more likely to block/actively avoid ads, brands must take an owned/earned content-first approach – with content aligned to consumer intent – to even have a chance of catching shoppers' eyes. Couple this content with performance social advertising to convert shoppers.
- Feature rich product info in new performance ad types, including images, price, inventory and even in-store availability.
- Optimise mark-up tags and metadata behind performance formats to increase visibility. To illustrate, if leveraging Twitter Cards, be sure to: write an engaging title; include a detailed meta description; and include an optimised URL, relevant image and company Twitter handle.
- Leverage data to retarget shoppers, reach current customers and build granular lists for custom targeting, which is highly effective in Facebook.
- Combine branding and performance strategies to engage and convert shoppers by helping them through the entire purchase funnel.
- Leverage both social network and on-site analytics to measure success and connect social investment to business results.
- Create evergreen, always-on social campaigns in addition to promotional media flights.
- Never stop testing and learning. As new technologies, applications and ad formats become available, shopper behaviour is changing at an exponential rate. Advertisers must learn to move faster and adopt new strategies; they must have a greater appetite for testing than ever before.

Advertiser investment in social media is on the rise. In fact, US retail executives plan to increase social media from 10.7% of marketing budget in 2016 to 22.5% in 2021 (Duke University Fuqua School of Business, 2016). With the emergence of social performance ad formats, and the increasing ability to tie social media investment to bottom-line results, performance advertisers are well-positioned to realise the greatest return on their growing social investment.

About the author

Michael Kahn is CEO at Performics Worldwide, the global performance marketing agency inside Publicis, and performance global practice lead for Publicis Media. Working with the agency's global leadership team, he oversees strategic service and performance excellence.

Read more articles on marketing retail

[Marketing retail: the omnichannel challenge](#)

Colin Grimshaw

[Get ahead in omnichannel retail by breaking down marketing barriers](#)

Tamara Belopopsky

[How a digital marketing strategy radically re-positioned high-street retailer Argos](#)

Josh Roth and Jason Andrews

[Give consumers what they want, when they want it with omnichannel retailing](#)

Lucie Greene

[How UK brick-and-mortar retailers revitalised their offering](#)

Alison Hoad

[How Aldi marketed its way to the winning discount position](#)

Jamie Peate

© Copyright Warc 2016

Warc Ltd.

85 Newman Street, London, United Kingdom, W1T 3EU

Tel: +44 (0)20 7467 8100, Fax: +(0)20 7467 8101

www.warc.com

All rights reserved including database rights. This electronic file is for the personal use of authorised users based at the subscribing company's office location. It may not be reproduced, posted on intranets, extranets or the internet, e-mailed, archived or shared electronically either within the purchaser's organisation or externally without express written permission from Warc.

