



ARE WE READY TO USE THE SOCIAL 'BUY' BUTTON?

UK Consumer Attitudes Toward
Commerce on Social Media



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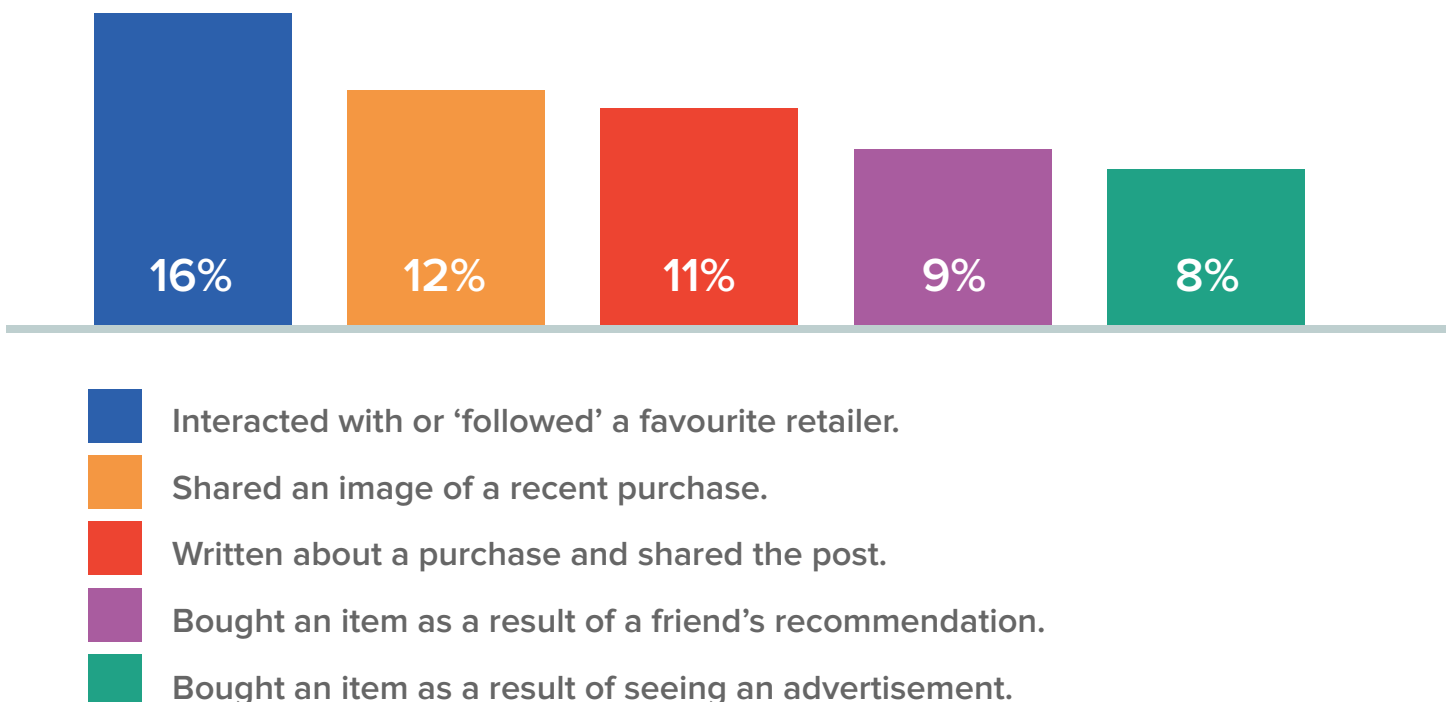
UK Consumer Attitudes Toward Commerce on Social Media

There has been a lot of talk about the opportunity for consumers to purchase via social media. Will social media channels finally find a way to commercialise their existence? Might this be the formula for success that brands have been looking for to monetise and drive ROI from their social activities for so long? To answer these questions, Bronto Software commissioned YouGov to conduct research among all UK adults 18 and older. What we discovered can help you unlock the commercial opportunities in social media.

Is the Market Ready for Social Commerce?

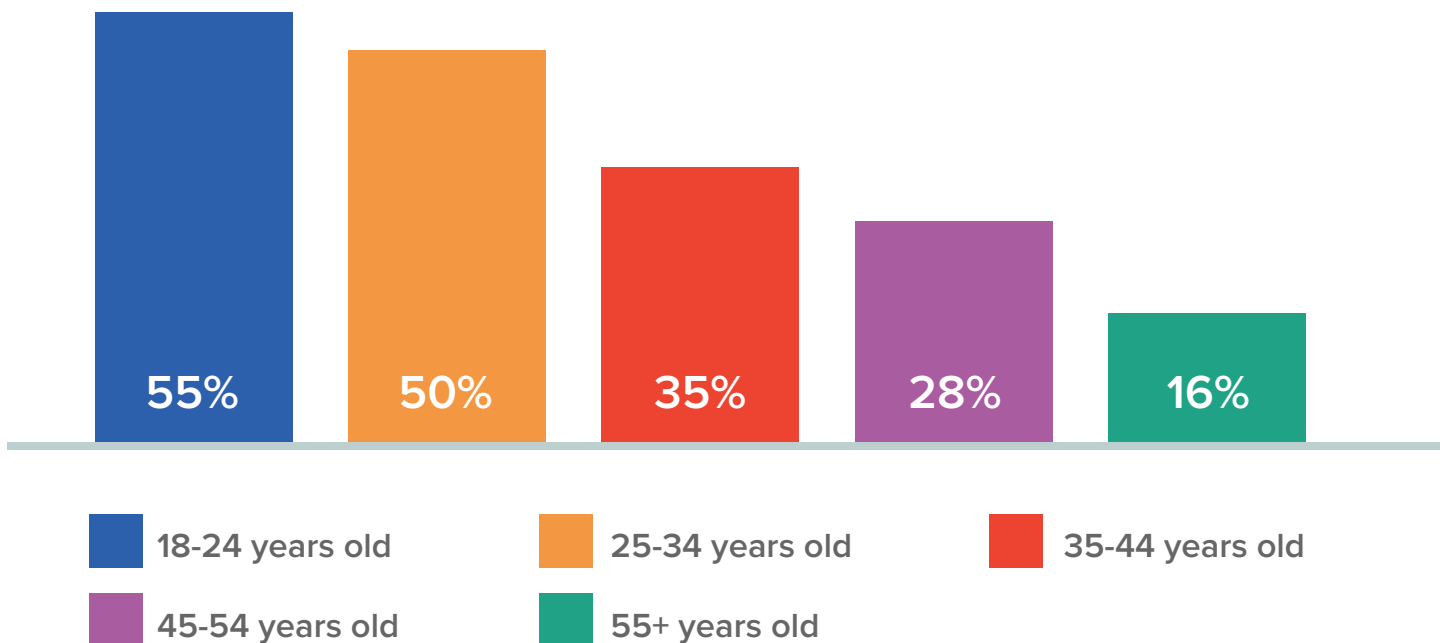
Most marketers choose to wait until a new market extends beyond the early adopters to ensure that their investment in the new opportunity will pay off in the near-term. We have clearly reached that stage for social commerce in the UK. Fully one-third of Brits (32%) state that they are ready to make a purchase directly over a social media network. Coincidentally, that is the same percentage (32%) who have interacted with social media in regard to recent purchases or favourite retailers, with most engaging in more than one interaction. Engaging in these social media activities can be seen as a precursor to actual purchase activity.

Social Media Activities Engaged in the Past 12 Months



Not surprisingly, engaging in these activities is related to age. The younger the adult, the more likely they are to have already engaged in one or more of these social media activities, which creates the environment for social commerce.

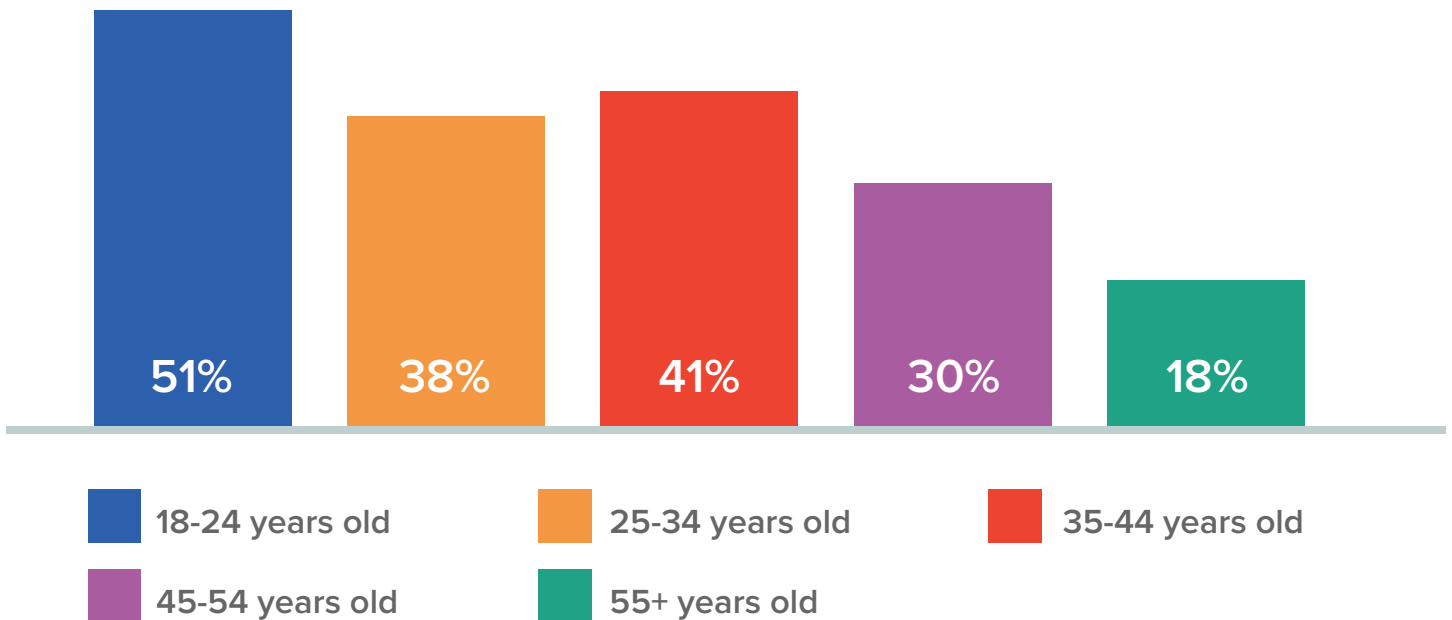
Engaged in One or More Social Media Activities



Who is Most Likely to Buy via Social Media?

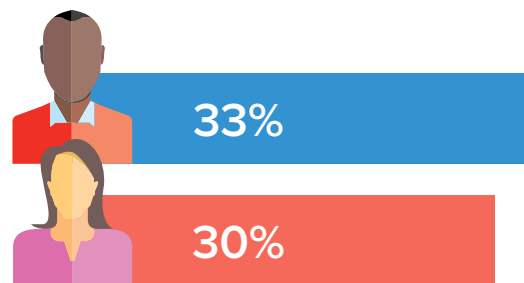
Given this pattern of social media activity, we would expect that age is inversely related to the stated inclination to purchase, that is the younger one is, the more likely to say they are ready to buy via social media. The expected relationship holds true at the polar ends of the age spectrum. Half (51%) of the 18-24 year olds say they are ready to buy via social media versus only 18% of those age 55 and older. However, the 35-44 year olds are next most likely to say they are ready to purchase via social media at 41%, followed by the 25-34 year olds at 38% and the 45-54 year olds at 30%.

Ready to Purchase via Social Media



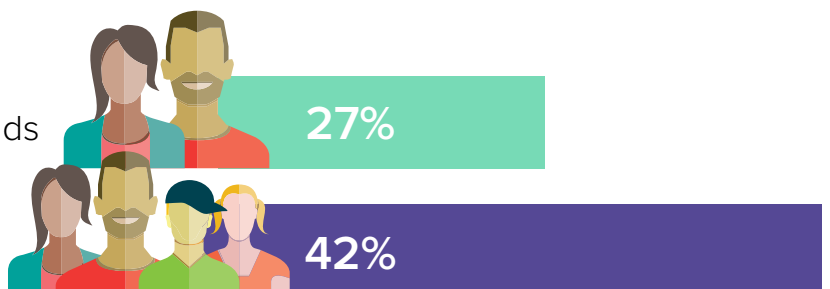
Men are slightly more likely to buy via a social network than women.

Men Women



Households with children in them are significantly more likely to buy via a social network than households with no children present.

No Children Children



How Much Are We Willing to Spend?

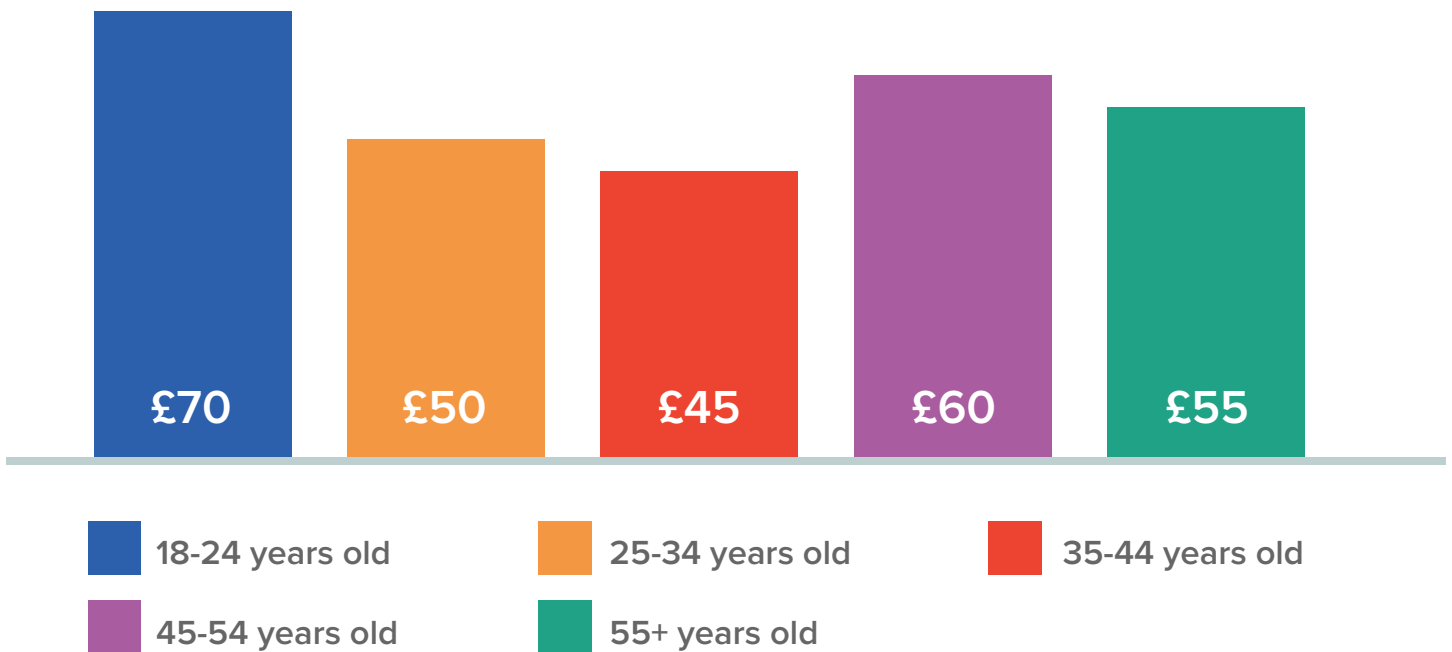
UK adults ready to buy directly via social media are willing to spend, on average, GBP 55.68 for a single item. That translates to a social commerce marketplace of 16 million adults willing to spend GBP 900 million, a market definitely ready for retailers to pursue.

Interestingly, men reveal themselves to be the big spenders in this channel. On average, men state that they are willing to spend GBP 73.75 on a single item versus only 36.25 for women.

Amount Men and Women are Willing to Spend on a Single Item



Amount Willing to Spend by Age Group



What Are We Willing to Buy Directly from Social Media?

Not surprisingly, the category of goods that UK consumers are most willing to buy from social media networks are books, CDs and DVDs (10%), i.e. goods that are consistent, predictable and easily understood. This is the category that launched ecommerce to the masses in the 1990's and therefore, it should not surprise us that it leads for social commerce, ranking the first choice for every age group.

What is surprising is that clothes (8%) rank second for social media commerce. There is a clear age bias to this choice with 14% of both the 18-24 and the 25-34 age groups saying that they would be interested in purchasing clothes directly from social media networks. The 18-24 age group is also more interested in purchasing event tickets (15%) through social media than other age groups.



Summary

The time for social media commerce in the UK has arrived. With a ready marketplace of GBP 900 million, retailers should follow up their current consumer social media interactions with opportunities to buy directly. The younger age groups are more actively engaging in social media, but there is opportunity in many other markets as well. If you target men, households with children and/or the 35-44 age bracket, you can find ready markets there as well. The key is to begin testing the waters before your competitors can establish a stronghold.



About the research

YouGov conducted this research for Bronto Software on June 22-23, 2015 via an online survey administered to 2,098 members of their panel of registered users, chosen to represent the British adult population. Random error on a sample of this size is +/- 2% at the 90% confidence level. YouGov Public Opinion research is conducted according to Market Research Society guidelines, providing national studies for commercial clients and the media.

About Bronto Software

Bronto Software, a NetSuite (NYSE: N) company, provides a cloud-based commerce marketing automation platform to mid-market and enterprise organisations worldwide. Bronto is the number one ranked email marketing provider to the Internet Retailer Top 1000, with a client roster of leading brands, including Armani Exchange, Timex, Samsonite, Theory and Vince Camuto. The Bronto Marketing Platform is deeply integrated with commerce platforms, such as NetSuite, Magento, Demandware and MarketLive. The company is headquartered in Durham, NC, with additional offices in London, Sydney, New York and Los Angeles. For more information, visit <http://bronto.co.uk>.

