

THE RECENT TRENDS OF SOCIAL COMMERCE

Dr. Swati Sharma*

ABSTRACT

Internet is regarded as the most revolutionary discovery and invention of the human civilization till date. Its impact in each and every sphere it has affected is incredible and dramatic. There is hardly any area of human activity where internet has not left its deep imprint. When it comes to the world of commerce, Internet has proved to be a boon even in this area. The idea of e-commerce just started to work wonders, when it was modified to combine with another interesting aspect of internet, viz. social media, to give rise to its improved version of the Social Commerce. Social Commerce is the platform which facilitates online shopping through the platforms of social media. It proved to be a wise initiative as it comprehended two of the most favourite activities, viz. online shopping and social media. The concept has gained enough prominence in due course of time and has proved to be really promising for every form of business enterprises. The paper discusses the basic concept of social commerce and throws light on the various prominent platforms for it. Moreover, the very logic behind the emergence of the concept and its ingrained advantages have been discussed along with the challenges that it faces in the way of its growth and development.

KEYWORDS: Social Commerce, E-commerce, Business, Consumers, Social Media, Online Shopping.

Introduction

The development of the electronic commerce is not a matter of long forgotten past. Still in our rapidly changing society, nothing stays the same for long. Same is the truth with electronic commerce, whose modified and improved version is ruling the roost in the present commercial world. The modified and improved version of e-commerce that we are talking about is the emerging concept of social commerce. Social commerce is the combination of social networking media and the business entities conducting transactions through e-commerce. It encompasses the idea of conducting business transactions through the widely popular social media. The concept of social commerce is beyond popularity in the western world, and is gradually gaining much ground in India at a great pace because it allows the social media users to connect with other like-minded people while shopping online. Consumers are the basis and essence of every business entity and acquiring new customers while maintaining the older ones is the most crucial strategy that every business enterprise has to devise carefully. In this era of cut-throat competition, the latest technique to achieve the above goals is social commerce. The era of physical shopping in the physical shops is significantly coming to an end. The era of virtual world is overshadowing other forms of operations. Society has moved from transacting in physical stores to transacting online, and is now further progressing towards transacting through the social media.

Meaning of Social Commerce

In the simplest of the terminologies, Social Commerce is the combination of social networking media and the business entities conducting transactions through e-commerce. It encompasses the idea of conducting business transactions through the widely popular social media. Shopping is aptly regarded

* Lecturer, Department of E.A.F.M., Faculty of Commerce, Shri Bhawani Niketan Girls P.G. College, Jaipur, Rajasthan, India.

as a social activity as it involves the exchange of opinions and preferences between friends and family members. That is why offline shopping still exists and has not become extinct as it affords an opportunity for people to meet up and have fun while shopping. The reason social commerce is gaining prominence is because it allows the consumers to stay online while making purchases or gathering information in regards to a product. Social Commerce relaxes the consumers by simplifying the process through facilitating purchases via social media. This allows business enterprises to gain customers through social media. Thus, the trend of social commerce is on a rise. It is often believed that social commerce will completely replace e-commerce within a span of a few more years. However, the opinion is not unanimously accepted. Contradictorily, it is also opined that since social commerce is nothing but an extension of e-commerce, the former has no existence without the latter. The most popular view that is accepted by the majority is that the concept of social commerce shall go hand-in-hand with e-commerce, leading to mutual growth and development.

Platforms of Social Commerce

The most popular platforms that facilitates transactions through social media are: Facebook, Twitter, Instagram, and Pinterest. Research surveys suggest that maximum number of respondents prefer to purchase products on Facebook (19%), followed by Twitter (10%). The other platforms in these regards are Instagram and Pinterest.

- **Facebook:** Facebook affords the interested business enterprises to create virtual stores and communicate with the users of the Facebook through messenger. The communication may extend not only before and during the time of purchase, but may also extend beyond the transaction. The business entities can provide complete information regarding their product or service on the Facebook, which will enable the interested buyers to assess the same without causing troubles to the businessman. Not only that, Facebook even facilitates the placing of orders and the methods to ensure payment for the products or services on the Facebook itself. It also provides an easy and convenient option to the users to store their credit card information and other relevant financial information to avoid the repetition of putting the details every time they make a purchase through Facebook. This convenience often enhances the quantum of purchases through Facebook.
- **Twitter:** Twitter comes second in the most influential platform to conduct social commerce after Facebook. It also works on similar lines as Facebook. It enables the business enterprises to create their respective account on Twitter and offers its "Buy Now" button. It enables the retailers to display their advertisements once a customer has visited their page. It also saves the crucial financial information and facilitates easy and convenient method of completing transactions.
- **Pinterest:** Though Pinterest is not the most preferred platform of social commerce at present, the average order coming from it is higher than most of the other social platforms. Moreover, it has to be noted that Pinterest started its social commerce transactions much later than other platforms in 2015. It is regarded as much more helpful than other platforms in assisting the users to make choices while shopping through social media.
- **Instagram:** Though, Instagram was one of the earliest to come up with the mediums of social commerce in the form of various buttons, such as, „Shop Now', 'Install Now' and a lot more than this; its share in the current social commerce platforms is not really remarkable. Apart from the above discussed buttons, Instagram also introduces tools of social commerce like video ads, photo ads, and others to attract the attention of the users of Instagram and gain customers in the process.

Rationale of Social Commerce

Social commerce, despite being a concept in its infancy, has gained tremendous public support in an incredibly short span of time. This is because it provides not one, but two of the most favourite activities to the users on the same platform. These two activities are social media and online shopping. The popularity of social media is beyond any spur of doubt and online shopping is something which interests and excites any youth in any mood they are stuck in. Apart from that, there are various other reasons for the same, such as:

- It is often said that eat as per your wish, but dress to charm the world. Hence, approval and appraisal matters when it comes to shopping of articles visible to others.
- Some people cannot make a firm decision on their own and requires the opinion of their friends and family before making a purchase.

- It acts as the most reliable source of true consumer feedback, which allows the future and prospective consumers to make an informed and wise decision.
- It is an interactive platform where each and every customer is valued keeping in mind, the connection everyone has and the ability to make the goodwill or tarnish the reputation of any business entity.

Drawbacks of Social Commerce

The biggest drawback that plagues the concept of social commerce and has the capability to defeat all its advantages is the lack of control on consumer feedback. Though, true and genuine feedback of the consumers is truly the strength of social commerce, this boon has the ability to be converted into a curse because of its ability to be misused. Goodwill is really decisive for the success of any business enterprise. Any post on a social media spreads like a forest fire to one and all the users of the social media. Hence, reputation may be a matter of a few moments in regards to social media. It may be established in a very short span of time, but may even be ruined in just a few moments. This fact may be utilized by the unscrupulous traders against their competitors, to degrade the profits and tarnish the reputation of the competitor. Not only that, lack of privacy can also pose a serious threat to the acceptance and development of social commerce. Another serious challenge that social commerce is faced with is the requirement of ample amount of time and personnel. A large number of active personnel is required to regularly update the newer products and redress the consumer grievances in a prompt and timely manner.

Conclusion

It may be said that the infant concept of social commerce has gained great popularity in a very short span of time. It has attracted consumers at large and have proved to be one of the most efficient and effective marketing strategy for various forms of business enterprise. Though the problem of negative reviews on public platforms and its ability to tarnish reputation cannot be ignored, it proves to be a real boon in case of genuine reporting. It ensures that each and every customer is duly valued and their grievances are properly redressed in time. It realizes the idea of „Consumer is King“ to a great extent. Social commerce has the ability to work wonders for small merchants, fresh designers and various start-ups. A perfect blend of social commerce with e-commerce can prove to be incredibly successful for the business enterprises. A business enterprise manned with dynamic and able number of personnel in order to update the latest developments and progress in regards to the business enterprise, its products and services, and also to ensure that the consumer grievances are properly redressed may establish its name in the hearts of the customer and may ensure dramatic success and achievement of its goals. Thus, social commerce has the ability to be the only method of transactions in the near future because of the innumerable benefits that it affords to its users.

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