
Are businesses ready for the social commerce revolution?

The social commerce revolution where consumers buy goods and services via social media channels looks set to eclipse online and mobile commerce, but are businesses ready for it?

According to PayPal's recent [Global mCommerce Report](#), 61pc of businesses are expected to embrace social commerce in 2020. The global survey, carried out by Ipsos for PayPal, involved 22,000 consumers and 4,602 businesses across the world.

The research showed that 35pc of businesses currently accept social commerce, with a further 26pc planning to accept it in 2020. Those that are already using it have seen 45pc of their sales transactions made via social channels over the last six months.

On average, 30pc of consumers have used social commerce in the past six months. Of these social shoppers, a third (33pc) are purchasing via social platforms weekly. The most popular platform for shopping is Facebook, followed by Instagram and WhatsApp.

Obstacles for social commerce

However, the global research revealed that 36pc of consumers said they would not consider buying through social platforms, with security and trust as the biggest concerns. Twenty-one per cent of shoppers said they had abandoned a purchase due to security concerns.

The global research found that 63pc of businesses are optimised to accept mobile payments on their channels and only 24pc of these have a mobile app with purchasing functionality.

This is despite the fact that almost 80pc of consumers have used their smartphone to make a purchase previously and almost half shopping via their mobile device at least weekly. Globally, mobile devices are the most preferred way to pay online with 44pc of consumers opting to shop this way.

Do Irish firms have social graces?

"The opportunity for Irish businesses is vast," explained Maeve Dorman, vice-president of Global Merchant Services, PayPal. "With both mobile and social commerce on the rise, there is huge potential for them to target a much larger audience and drive business growth within Ireland and further afield.

"This demand for mobile and social commerce will only increase in the years to come. Not only do

consumers want to be able to shop on the go from wherever they are, they want greater choice and peace of mind during the purchasing process.

“Therefore, businesses need to ensure they are providing a simple and secure purchasing process with trusted payment options via mobile-friendly platforms and social media channels. Only then will they be able to make the most of their online selling potential and fulfil consumer expectations.”

Pictured above: Maeve Dorman, vice-president of Global Merchant Services, PayPal

Written by [John Kennedy](mailto:john.kennedy3@boi.com) (john.kennedy3@boi.com)

Published: 14 February, 2020