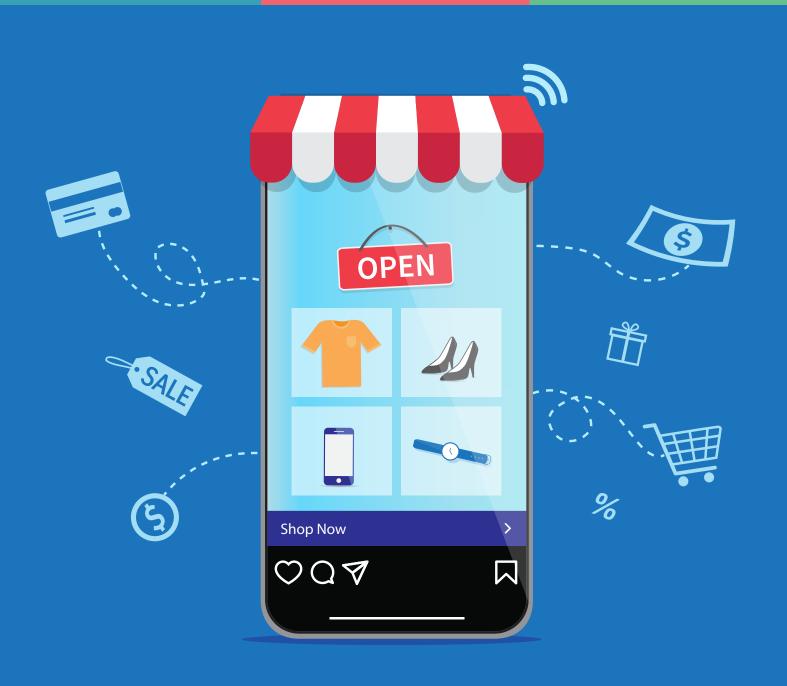


INSTAGRAM FOR ECOMMERCE

HOW THE PLATFORM CAN TRANSFORM YOUR ECOMMERCE STRATEGY



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INTRODUCTION

According to Instagram's own reporting, there are more than a billion active Instagram accounts worldwide, and more than 90% of those follow at least one business account. This alone makes it obvious why brands feel it necessary to have a presence on the platform (I'm assured that many people find it useful, too).

Owned by Facebook, the platform also offers an impressive swathe of advertising options which, combined with its visual nature, makes it a fantastic platform for promotion of products and services. However, Instagram has had stiff competition from Pinterest in the eCommerce field and has had to keep improving its business offering.

With plenty of opportunity for brands and a consistently growing offering, Instagram certainly has the potential to revolutionise eCommerce strategies around the world.

WHAT IS INSTAGRAM

Launched in 2010 and then purchased for around \$1Bn by Facebook in 2012, Instagram is a predominately image based social media platform that became the 4th most downloaded mobile app of the 2010s. Driven by competition from Snapchat, the platform introduced 'Instagram Stories' in 2016 which is now used regularly by around 500M users.



Over the last decade, the platform has introduced multiple updates including the capacity to upload video (initially capped at 15 seconds, drawing comparison with the now defunct Vine platform, before it was increased to 60 seconds) and IGTV, a separate app that allows general users to upload 10 minute videos and some popular, verified users to upload up to an hour.

In November of 2019, Instagram released 'Reels' – a function similar to the TikTok video sharing platform. While these features are often seen as attempts to co-opt the successes of other platforms, the Instagram ecosystem is undoubtedly a more polished and better policed place for brands to operate, making it a more attractive proposition for branded social media.

Instagram's most liked image of all time is of an egg, which received 54M likes and, in my opinion, was only second to the Twitter hashtag #wagathachristie as social media moment of the 2010s.

WHAT IS INSTAGRAM FOR BUSINESS

As you would expect, Instagram for Business is the platforms business specific offering, which aims – in their own words – to:

- **Connect passions** Tap into people's passions to create deeper relationships with your business online and off.
- **Immerse visually** Tell your story using unique creative tools and immersive formats that inspire action.
- **Spark exploration** Connect to new customers and strengthen relationships with existing ones.

While troublingly out of date (the stats come from between 2015 and 2017), Instagram offers the following four reasons for brands to consider the app

60%

of people say they discover new products on Instagram.¹

80% increase

in time spent watching video on Instagram.³

200 million+

Instagrammers visit at least one business profile daily.²

1/3

of the most viewed stories are from businesses.⁴

However, it is not just the organic offering that has brands looking to Instagram – in October of 2013, just 18 months after its purchase by Facebook, they announced that image and video ads would soon appear. Image ads appeared quickly on November 1st 2013 with video ads arriving a year later on October 30th 2014.

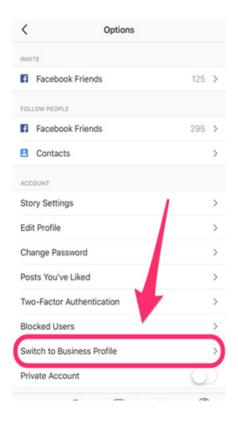
These advertising products were followed by image and video carousels in 2015/16 and, with 200,000 advertisers using the platform, Instagram Insights – a native analytics platform – was released in 2016, with shopping lists (2018) and 'Checkout on Instagram' (2019) adding further functionality and utility to the platforms business and eCommerce offering.

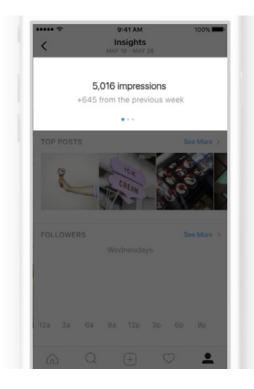
SETTING UP AN INSTAGRAM BUSINESS ACCOUNT

Setting up a business account is a fairly hassle-free experience, and can be done from either the mobile app or using the windows app if you're on a desktop or laptop. You simply select 'Sign-Up', then in the settings of the app, select 'Switch to business account', before adding pertinent business information.

This then opens up a range of options, including options to include additional business information, and the ability to gather insights on followers, posts and stories.

Instagram offers the following to convince:





Get recognised as a business.

Make your account on Instagram a business account to get insights about your stories, posts and followers.

With a business account you can:

Get real-time metrics on how your stories and promoted posts perform throughout the day.

Get insights into your followers and how they interact with your posts and stories.

Add information about your company, such as business hours, location and phone number.

Convert to a business account within your app account settings.

Create your business account

WHY WE THINK INSTAGRAM CAN REVOLUTIONISE ECOMMERCE

While Facebook has seen its demographic creeping up, Instagram has consistently enjoyed a younger demographic which has been open to interaction with businesses and have a growing desire to and willingness to purchase in through the Instagram app. While it's unlikely to replace your website or Amazon, it represents a phenomenal opportunity for growth for eCommerce brands.

While, again, the 70% figure to the right is 3 years out of date, product discovery is only the beginning of what Instagram has to offer shoppers in 2020 and beyond, and with shopping having shifted online at an accelerated rate due to the pandemic, the visual nature of Instagram offers a virtual storefront and a far more visual shopping experience.

People have always come to Instagram to shop and discover new products.

70%

87%

of shopping enthusiasts turn to Instagram for product discovery¹ of people say that influencers have inspired them to make a purchase²

When they were inspired by something they saw, they would take steps to find and buy it straight away.

WHAT IS INSTAGRAM SHOPPING?

Instagram Shopping is a set of features from the platform that let people shop using your photos and videos from wherever they are in the app. The features include the following:

- Shops customisable storefronts which allow users to shop directly on business profiles.
- **Shopping tags** allow brands to highlight products in stories and feeds. Brands using checkout on Instagram can also highlight products in post captions and bios with product mentions.
- **Instagram shop** in-app shopping allows users to discover products and brands.
- Collections allows brands to customise their shop by curating products into themes.
- **Product detail page** product-focused pages which showcase relevant information on an item including pricing and media (where the product has been tagged).
- Ads with product tags maximises the reach of products by boosting shoppable posts or unique ads.
- **Checkout on Instagram** eligible businesses and creators (only available in the US at present) can sell their products directly on Instagram using Facebook Pay, without leaving the app.
- **Shopping from creators** users can shop 'inspiring looks' from creators they love using Instagram.
- **Product launches** brands can announce upcoming product launches, allowing users to preview details and set reminders to buy.
- **Live shopping** is a new channel for checkout-enabled brands, allowing them to sell products through their Instagram Live.

IS YOUR BRAND ELIGIBLE FOR INSTAGRAM SHOPPING?

To be eligible to sell on Instagram, you need to meet certain requirements:

- Compliance with Instagram policies
- You must be located in a supported market
- Must demonstrate trustworthiness
- Have provided accurate information
- Must follow best practices
- Must have a business account
- Must connect your Instagram Business account to a Facebook Page
- Need to set up a Business Manager account.

SETTING UP YOUR SHOP

Provided you have confirmed the above, you can begin the setup process:

- Set up your shop in Commerce Manager.
- Select a checkout method.
- Select sales channels by choosing to have a shop on Facebook, Instagram, or both.
- Add products to your shop by connecting a catalogue or creating one.
- Review your shop and submit to Instagram for review.

WHY YOU SHOULD CARE

While we know that it's additional work for brands to manage a shopping experience on yet another platform, but the following findings from Statista may give you some indication as to why we think the extra work may be worth it:

"144 minutes per day, up from 142 minutes in the previous year. Currently, the country with the most time spent on social media per day is the Philippines, with online users spending an average of three hours and 53 minute(s) on social media each day. In comparison, the daily time spent with social media in the U.S. was just two hours and three minutes."

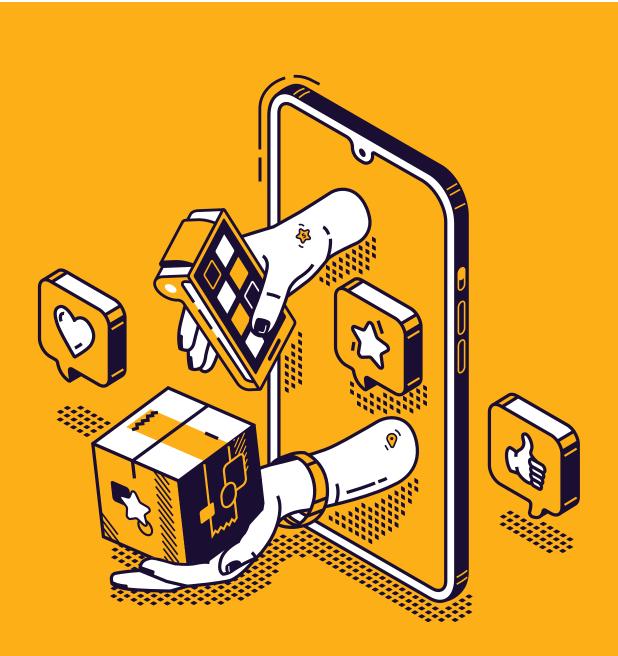
However, it's not just the amount of time that users are spending on social media, it's also the fact that they are following brands specifically for reasons to shop:

"UK's Generation Z consumers are more keen to follow brands on social media for the financial perks it brings than any other generation. According to the results of a 2019 survey carried out by Attest, special offers and discounts were the primary reason to follow the social media accounts of brands for Gen Z consumers. For Millennials, on the other hand, the most prominent reason was products updates."

In a piece of research conducted by ParcelHero and quoted here, the emphasis is even greater:

"The latest research found 16 percent of UK consumers had purchased items via social media at the beginning of the year, and that figure has soared to 20 percent during lockdown, with ParcelHero adding that by the end of 2020, nearly 11 million British shoppers will have splashed the cash after first seeing a product on social media. That's despite the fact that, unlike the USA, most platforms still don't have a checkout here in the UK."

The shift to eCommerce in the first spate of national lockdowns was marked, and it means that brands are going to need to make a big push to give themselves the best chance of weathering the inevitable economic fallout from CV-19.



CONCLUSION

The move to captive audiences has been in process for a long time – and Facebook specifically killed off a whole host of websites when they tried to ensure users were staying on their platform rather than clicking away. While there are a host of reasons to be angry at the development, there is little doubt that these changes are here for the short to mid-term, so brands are going to need to adapt.

While we would never predict the death of the website, it is likely that brands are going to need to be present in one form or another on multiple platforms which are going to begin closing their ecosystems to keep users on the platform longer. This is likely to result in a fragmenting audience that, combined with Google's shift to providing answers in SERP may see overall site traffic take a hit.

For this reason, as well as in an attempt to power through CV-19 restrictions and ensuring your brand is able to capture market share by being early adopters with on-platform selling, we recommend keeping up to date with the progress and, as the UK is likely to be among the next batch of countries to see the rollout of the Instagram buying feature, you should have your images and resources ready to go.

Whichever reason compels you to push your brand on Instagram, the constant is that you need to do so, and we hope that this eBook has made that argument and provided a little help on the way. For more information on the ins-and-outs of Instagram, check out our resource section.



GET IN TOUCH WITH US TODAY

ABOUT US

Click Consult is a multi award-winning digital and search marketing agency with a focus on organic (SEO) and paid search (PPC). Part of global consumer brand business Ceuta Group, we have a team of 70-plus specialists and a portfolio of more than 60 clients worldwide.

Our complementary services include content marketing, outreach, social media, conversion rate optimisation (CRO) and international/multilingual search marketing. We can also offer training and consultation to support your teams or existing strategy.

Click was named both SEO Agency of the Year and Organic Search (SEO) Team of the Year 2020; ranks within Econsultancy's 'Top 100 Digital Agencies', and Prolific North's 'Top 50 Digital Agencies'. We're also a Google Premier Partner, and a Microsoft Advertising Select Agency Partner.

HOW CAN WE HELP YOU?

CONTACT US

Follow us on <u>Facebook</u>, <u>Twitter</u> or <u>LinkedIn</u>, or to find out what Click Consult can do for you, call:

0845 205 0292

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