

# Medallia

## Social Media's Role in the Shopper Journey

A Medallia Market Research Briefing



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# Session Contents

- The product discovery journey
- Purchase and post-purchase
- The role of influencers
- Looking toward the future
- Recap

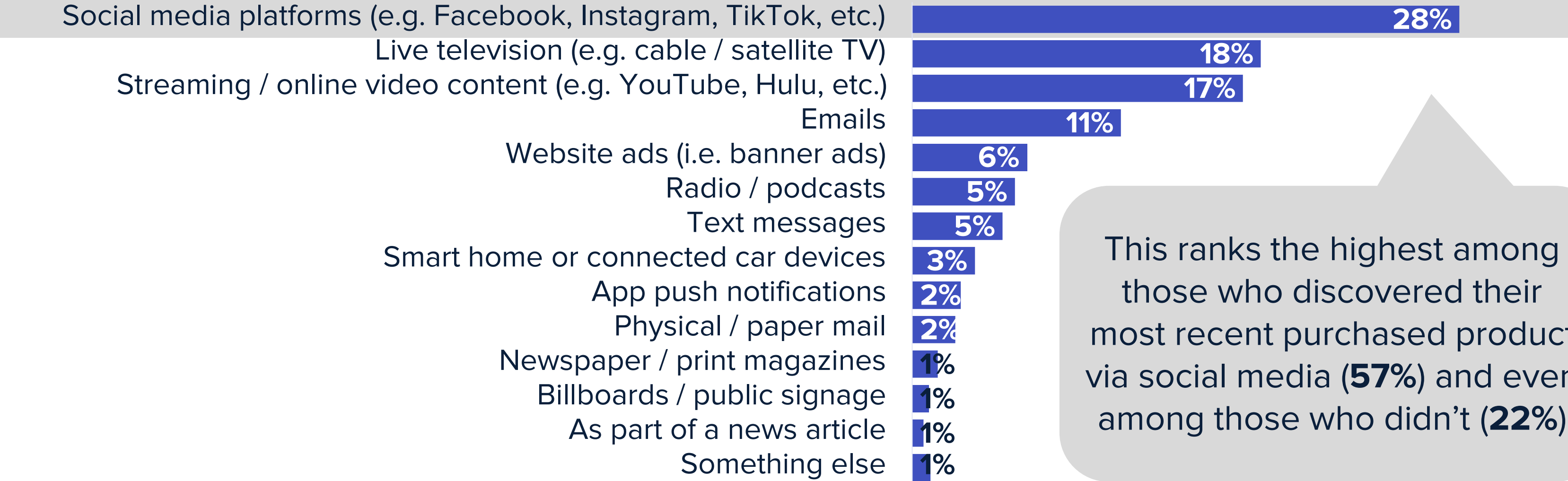


The product discovery journey

# Consumers believe they encounter advertisements more on social media than anywhere else

## Consumer perception of where they encounter ads the most in a given week

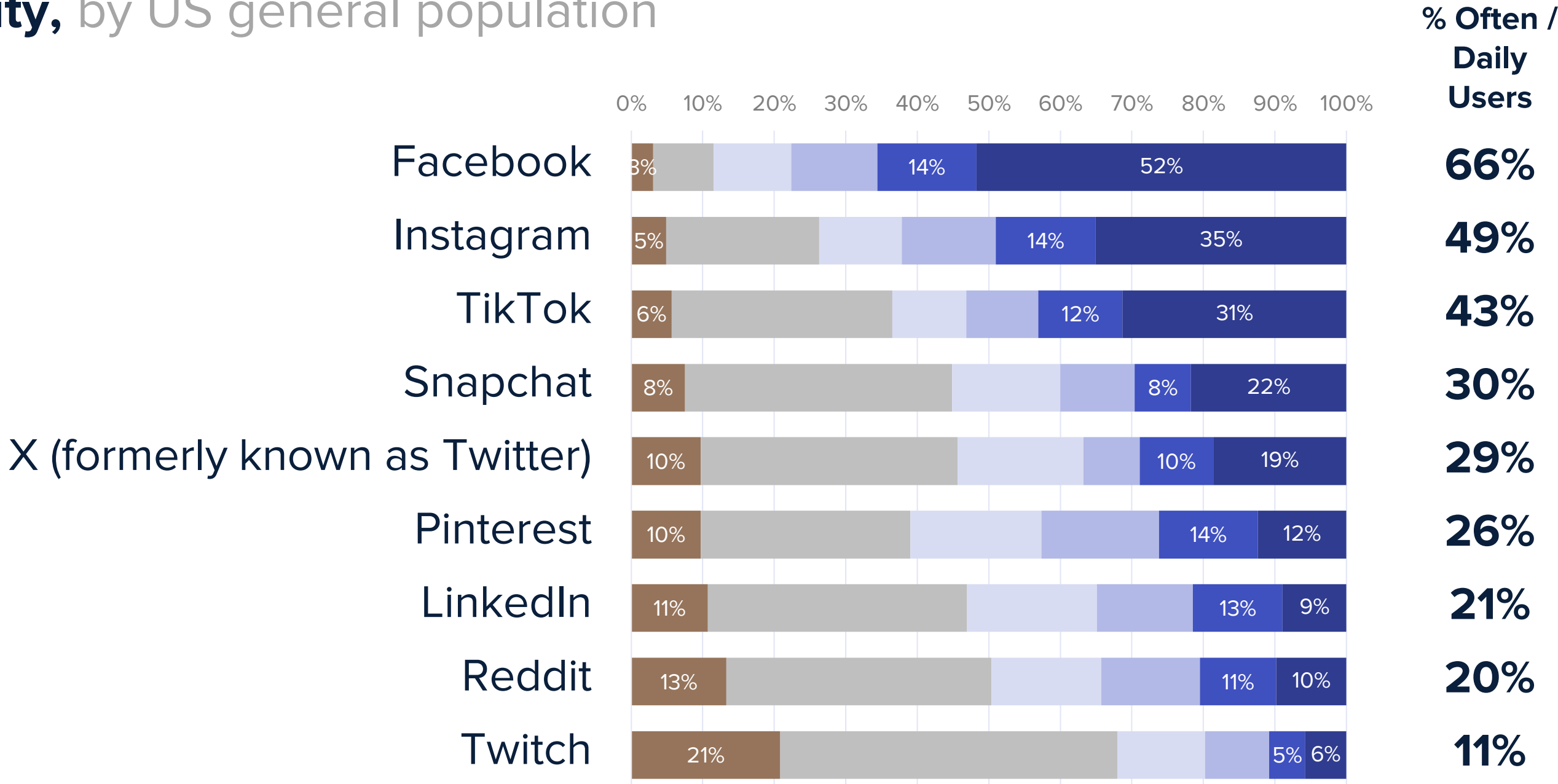
US General Population



# Facebook, Instagram, and TikTok can each count over 2 in 5 Americans as often / daily users

## Social media activity, by US general population

- I have never heard of this platform
- I have heard of this platform, but never used it
- I use this platform, but rarely
- I use this platform on occasion
- I use this platform often, but not daily
- I use this platform daily







Many social media users feel overwhelmed with advertisements, but it isn't all without value

From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "For each of the following statements, select your level of agreement."

Among social media users:

**62%** say social media has too many ads on it

**51%** worry about the amount of influence social media has on everyday life

while at the same time...

**60%** have discovered a new brand via social media before

**49%** feel ads they see on social media are personalized to their interests

**44%** believe the experience of shopping for products on social media platforms is good

# Social media is also one of the most common ways consumers discover new products that they ultimately buy

## Source of discovery for most recent product purchased

Top 5 rank, of 18 possible choices

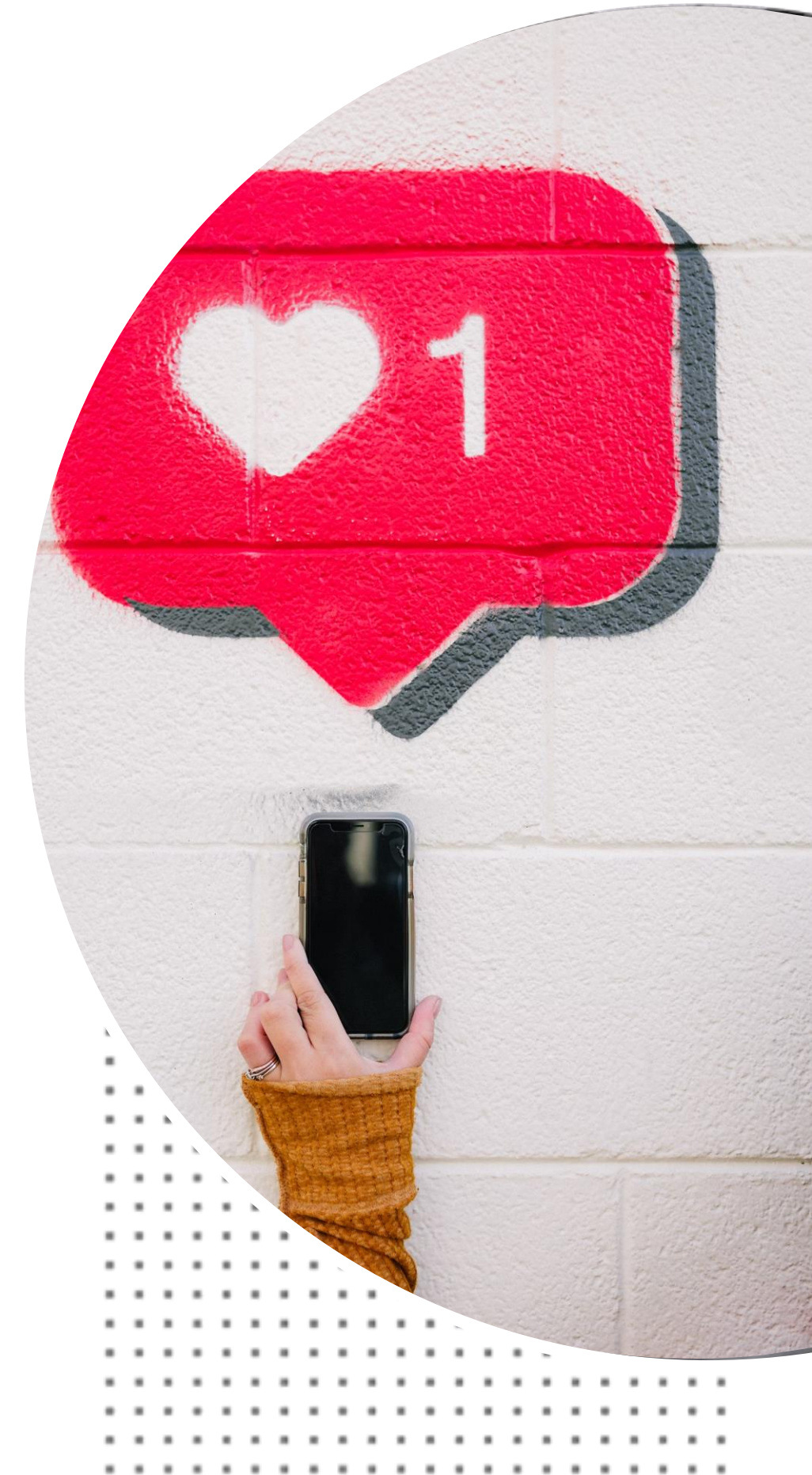
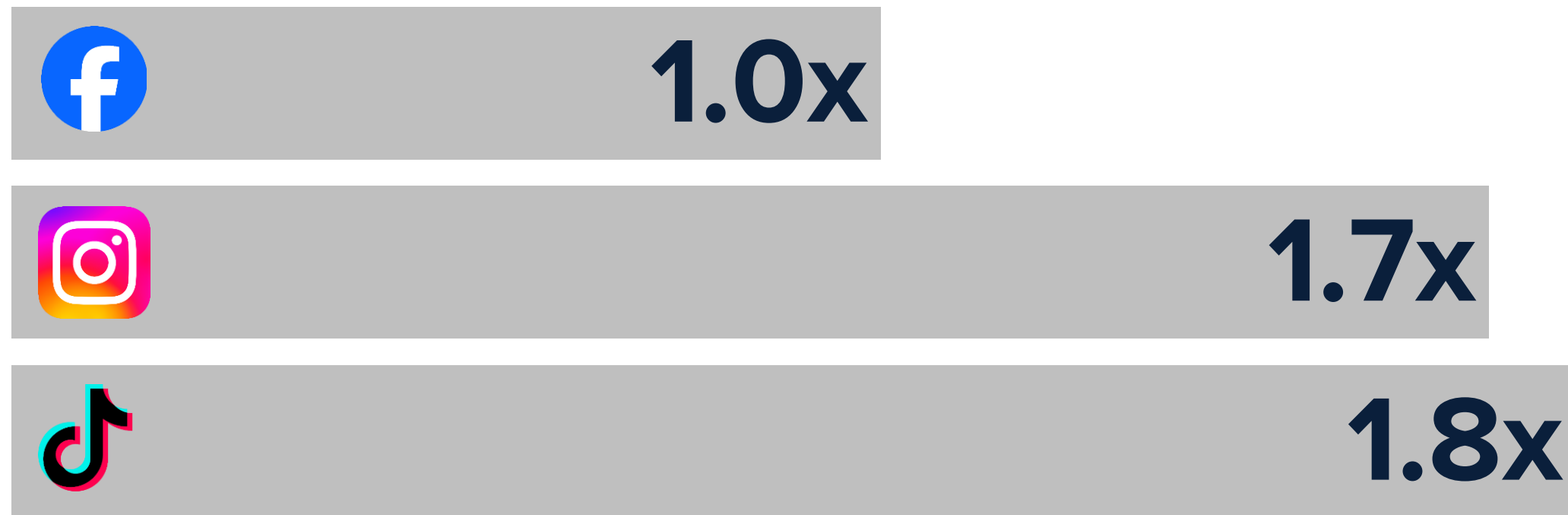
- #1 Shopping in-person at a store **(16%)**
- #2 Social media platform (e.g. Facebook, Instagram, TikTok, etc.) **(15%)**
- #3 Family / friend told me **(13%)**
- #4 Browsing on that brand's website **(8%)**
- #5 Website ad (i.e. banner ad) **(7%)**



# Daily use of Instagram and TikTok is tied to more new product discovery, whereas the relationship is weaker for Facebook

## Platform use and product discovery – a relationship

Index: daily user rate among who discovered their most recent product purchased via social media vs. those who didn't





# Gen Z is especially likely to discover new products via Social Media

Those who discovered their most recently purchased product via social media are

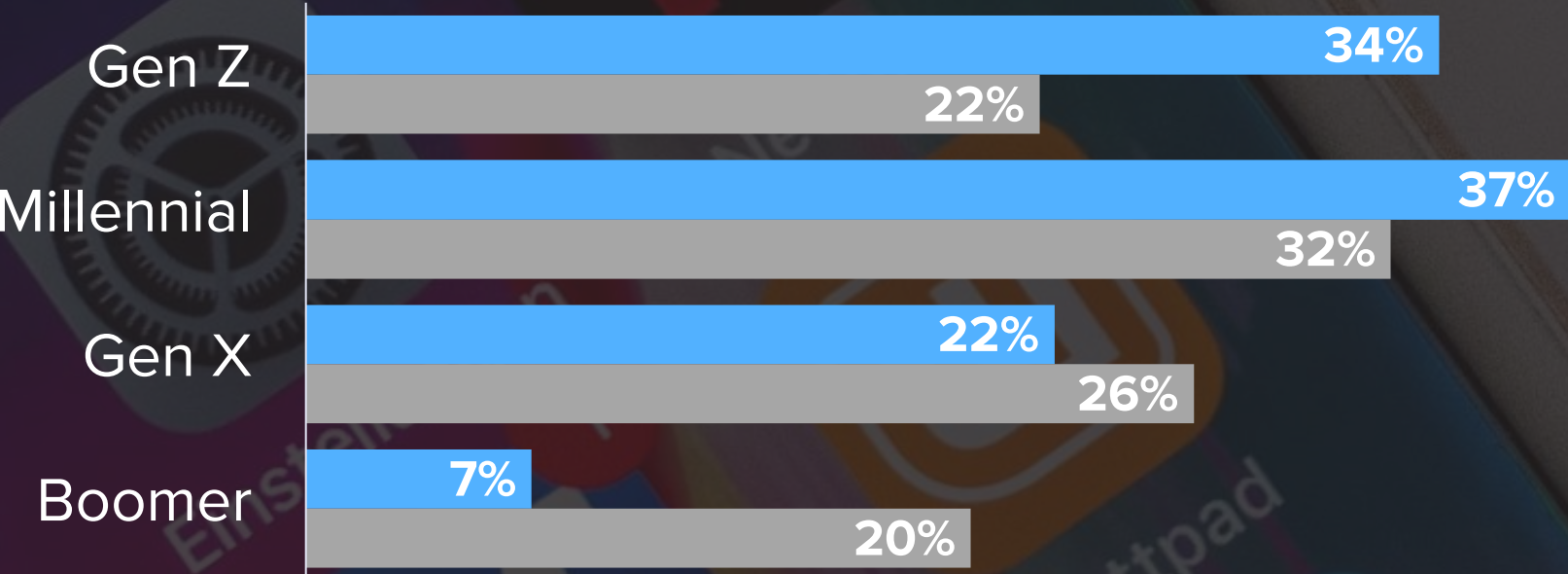
# 54%

more likely to be Gen Z than those who didn't

## Generational distribution among group

By method in which most recent product purchased was first discovered

- Social Media WAS source of most recent product discovery
- Social Media was WAS NOT the source



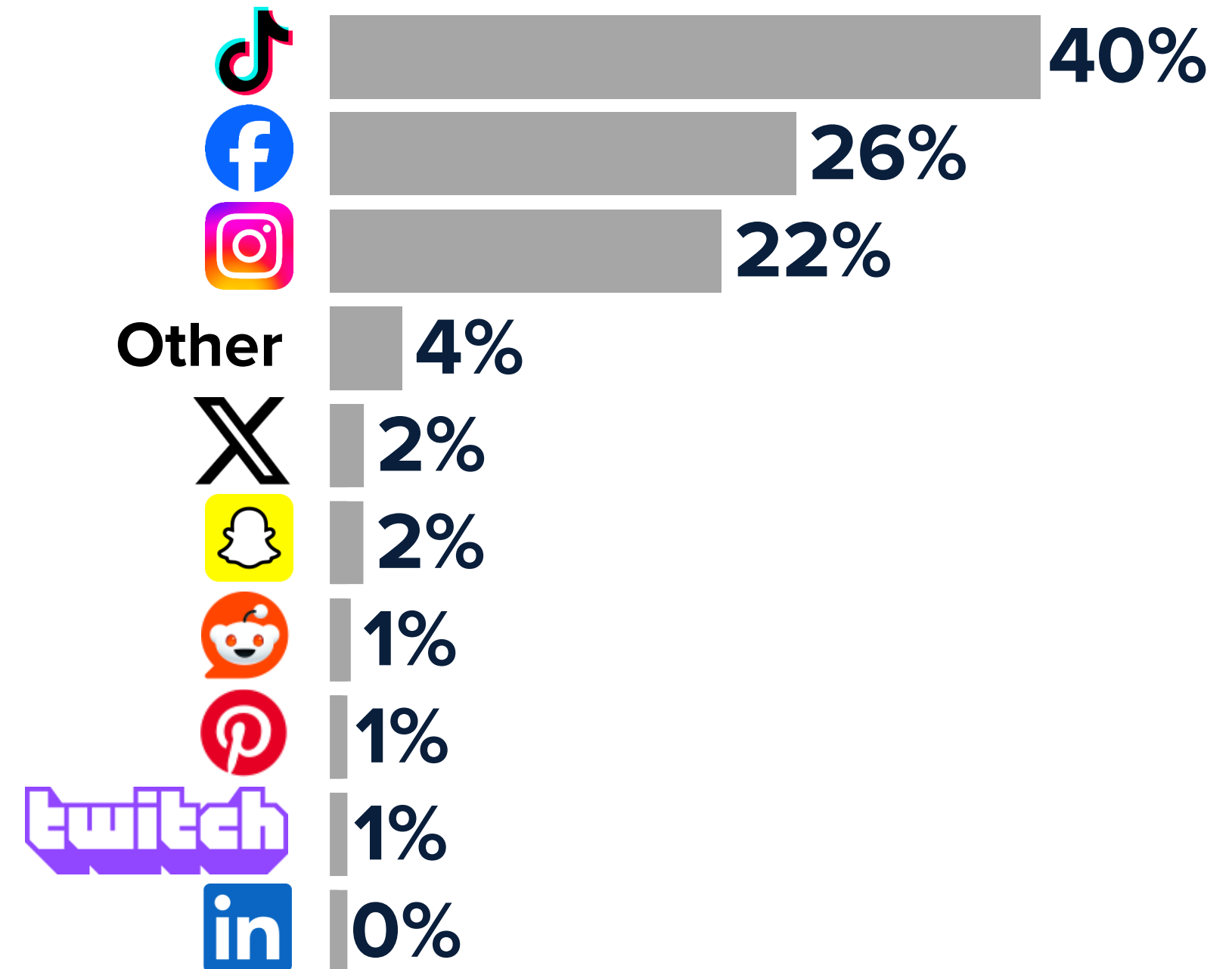


TikTok might not be the most commonly used platform overall, but it punches above its weight as a product discovery tool

From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "Earlier you mentioned you first found out about this product by seeing it on a social media platform. On which platform did you first see it?"

## Where most recent product purchased was first discovered

Among those with discovery via social media





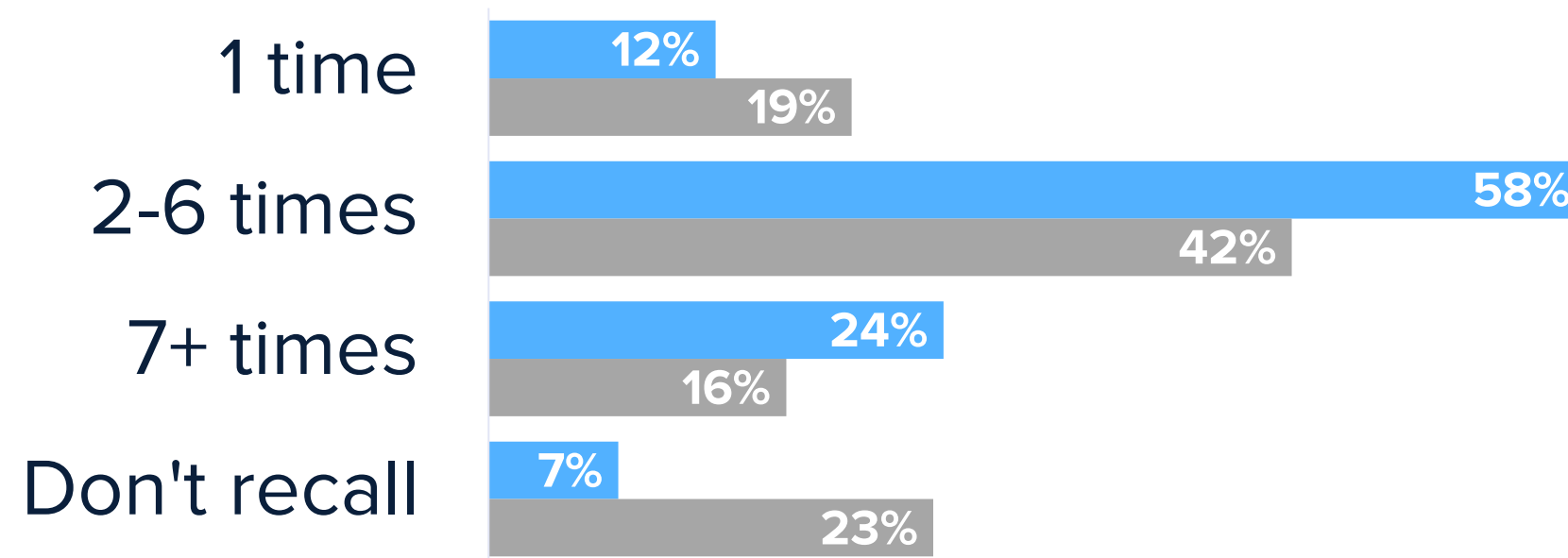
# Purchase and post-purchase



# Product discovery via social media typically involves 2+ impressions before a purchase is made

## Times encountering product ad / info before purchasing by discovery source

- Social Media WAS source of most recent product discovery
- Social Media was WAS NOT the source

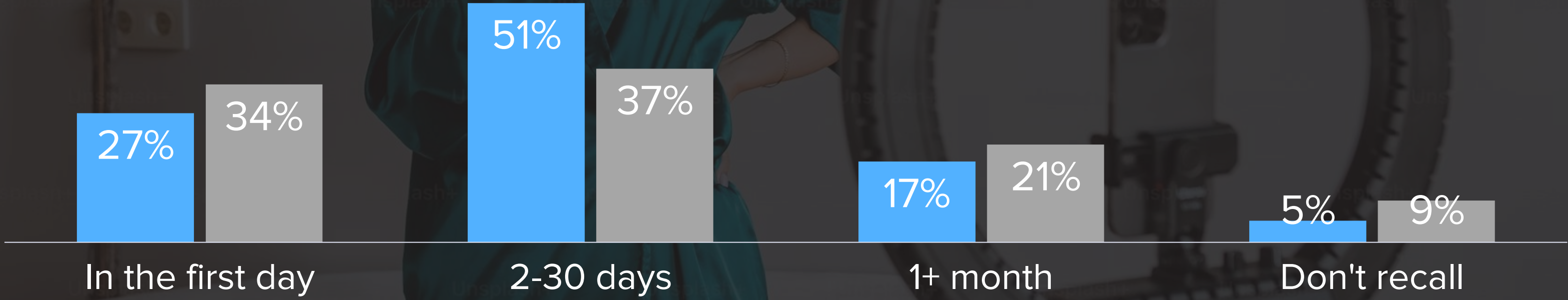




# Product discovery via social media is less likely to lead to impulse buys but also long (1+ month) waits

How long after first discovering the product was it purchased?

- Social Media WAS source of most recent product discovery
- Social Media was WAS NOT the source

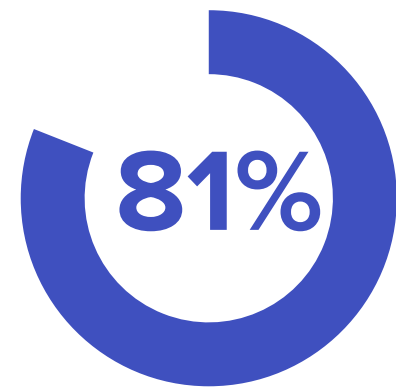


From Medallia Market Research June 2024 Social Media Survey (n = 2,000); “After first seeing / hearing about the product, how long was it before you actually purchased it? Use your best estimate, based on what you recall.”

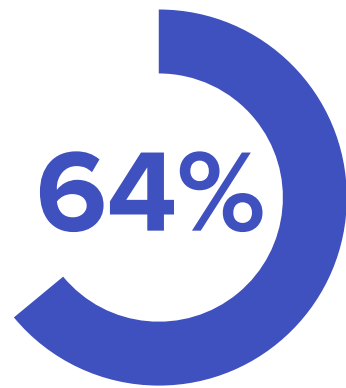


# Consumers feel the journey is smooth overall

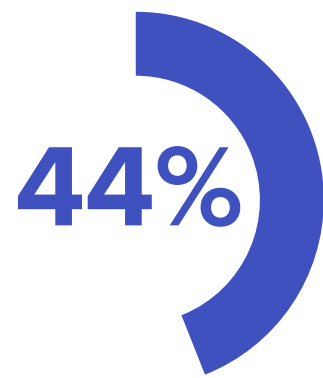
Among those who purchased a product first discovered via social media:



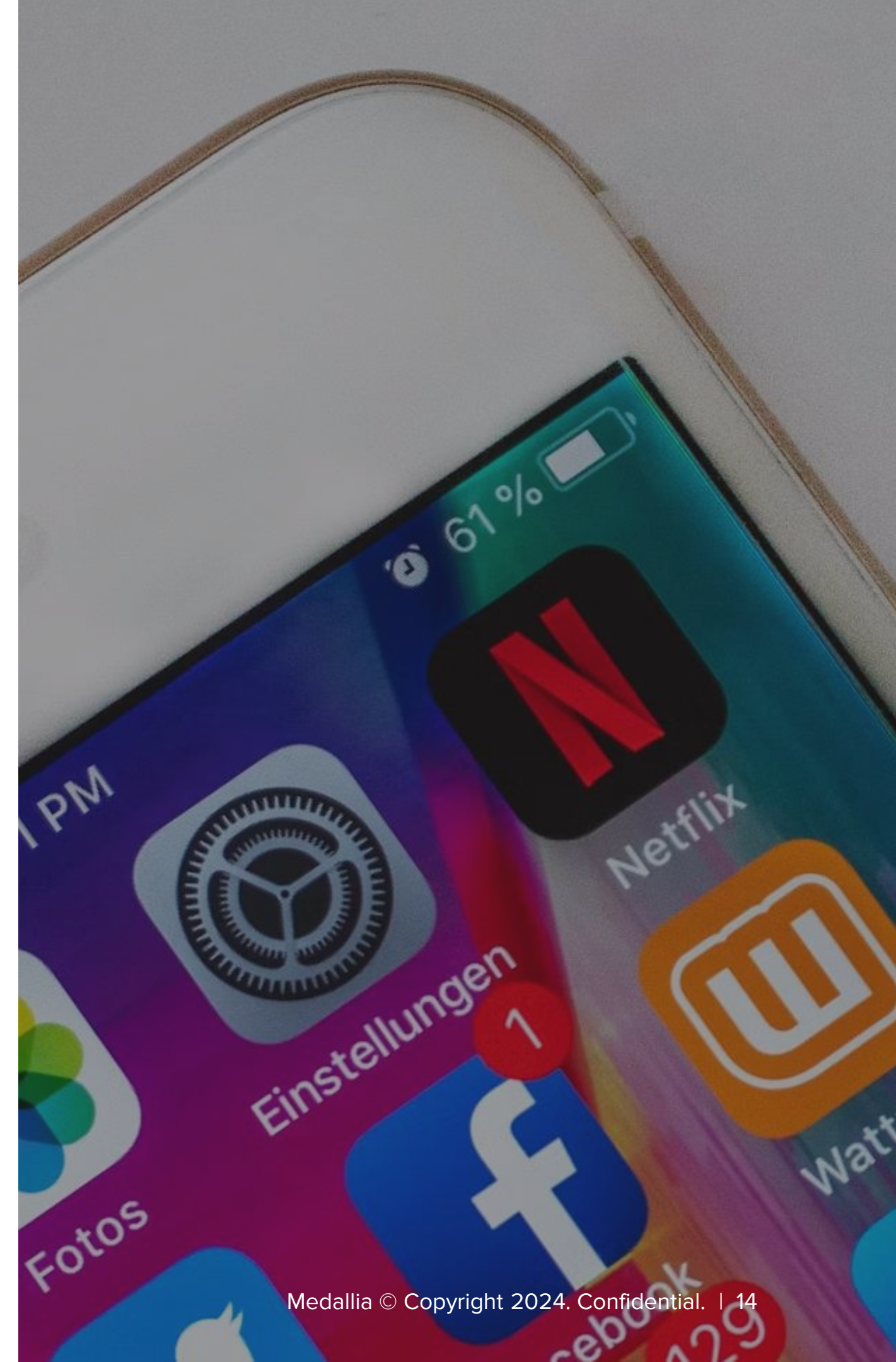
felt the process of buying this product was easy



Felt the advertisement of the product was personalized to their interests



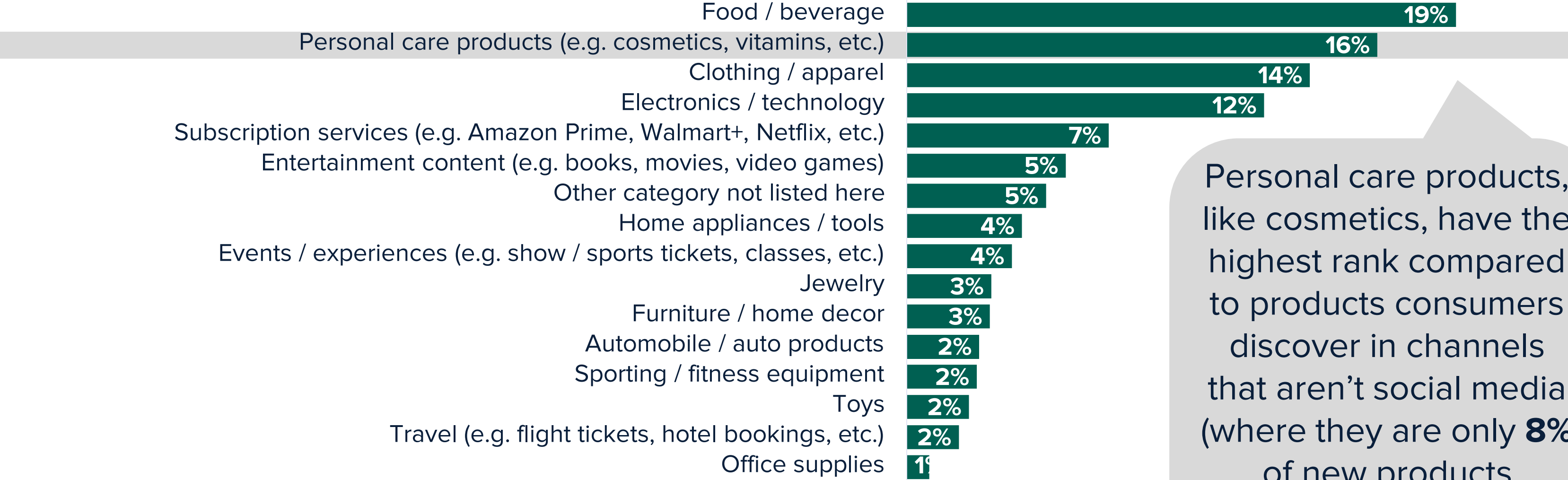
said this was their first time hearing about this brand (not just the product)



# Food & Bev are the most common products discovered via social media, but personal care over-indexes the most

## Type of product purchased, if discovered via social media

Among those who say social media was the source of discovery for most recent product purchased

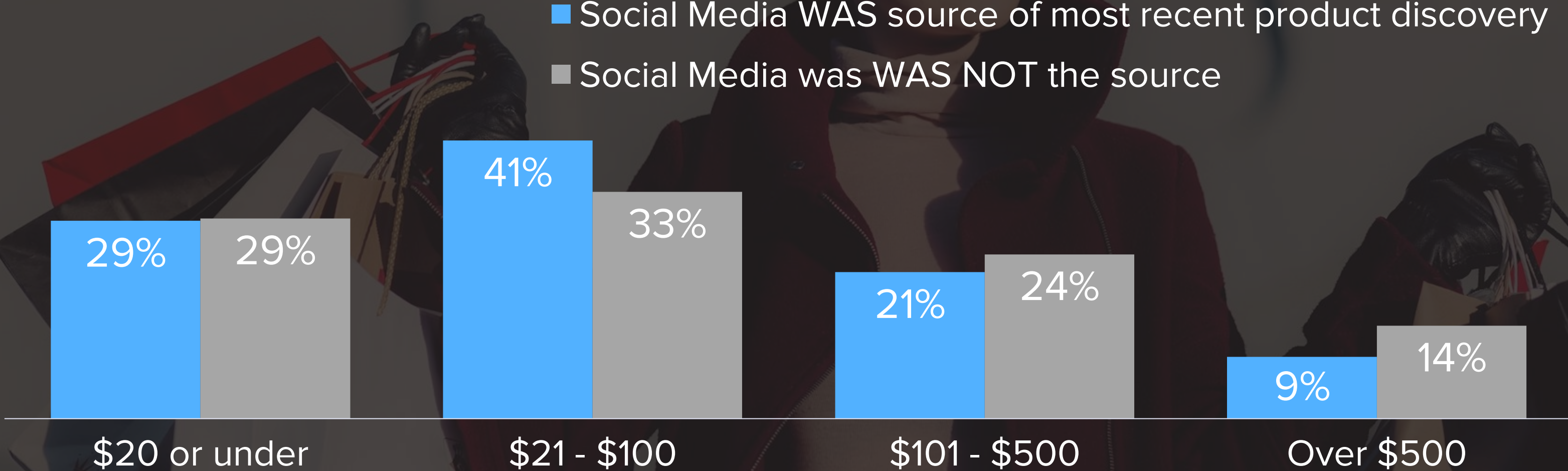


Personal care products, like cosmetics, have the highest rank compared to products consumers discover in channels that aren't social media (where they are only 8% of new products purchased)



# Products discovered via social media are more likely to be in a \$21-\$100 price range, and less in a \$500+ range

## Product price, based on source of discovery





# If starting via product discovery on social media, 8 out of 9 purchases occur elsewhere

## How a product discovered through social media ultimately gets purchased

Among those who cite social media as the source of their most recent new product discovery



*More common methods (in order):*

**22%** went to store in-person

**16%** clicked link from social media to brand's website

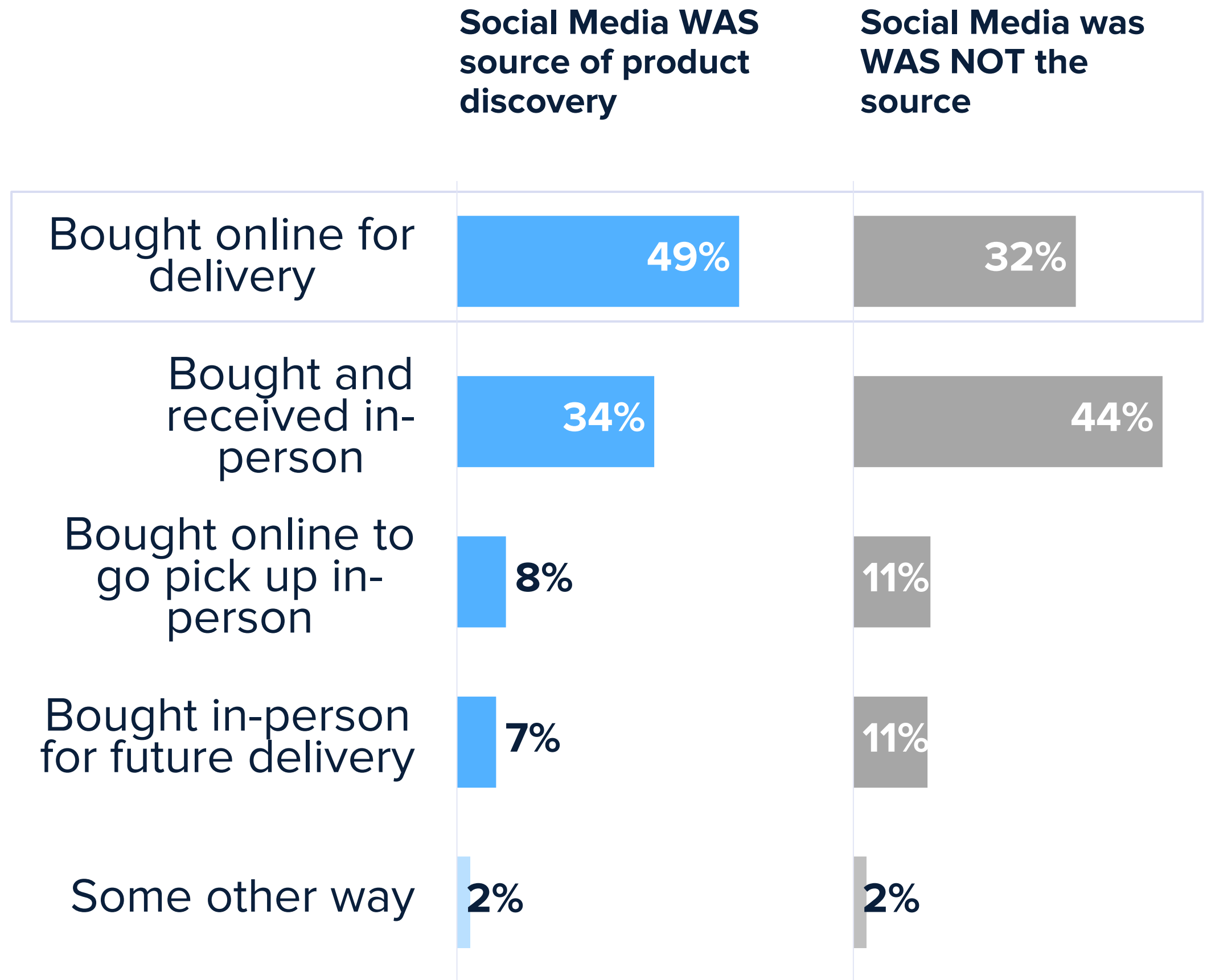
**14%** went to separate online retailer (e.g. Amazon)

**11%** typed in brand's website directly

Those who discover products on social media are far more likely than others to purchase for delivery.

However, over 1/3 go to make the purchase in-person.

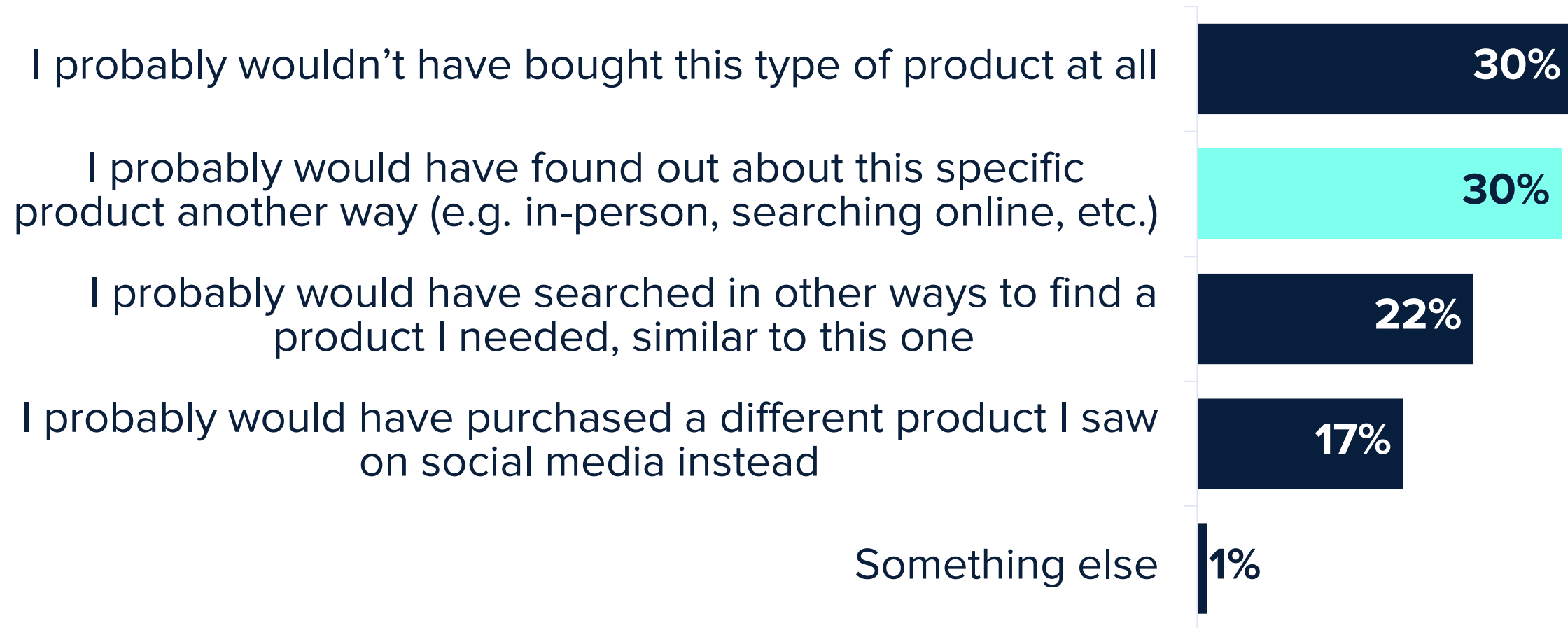
From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "How did you receive the product in this situation?"



# Incrementality: without social media-driven product discovery, only 30% believe they would have found that product another way

## If not social media discovery, than what?

Among those who did discover product via social media



From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "If you didn't find out about this product via social media, what do you think would have happened instead?"





If discovering a product via social media, sentiments on the purchase are typically positive

From Medallia Market Research June 2024 Social Media Survey (n = 2,000); “For each of the following statements, select your level of agreement.”

## When purchasing a product first discovered via social media...

79%

felt the advertising of the product was an accurate representation of how the product turned out to be

72%

believe they got a good deal on the product

72%

would be interested in buying another product from that brand

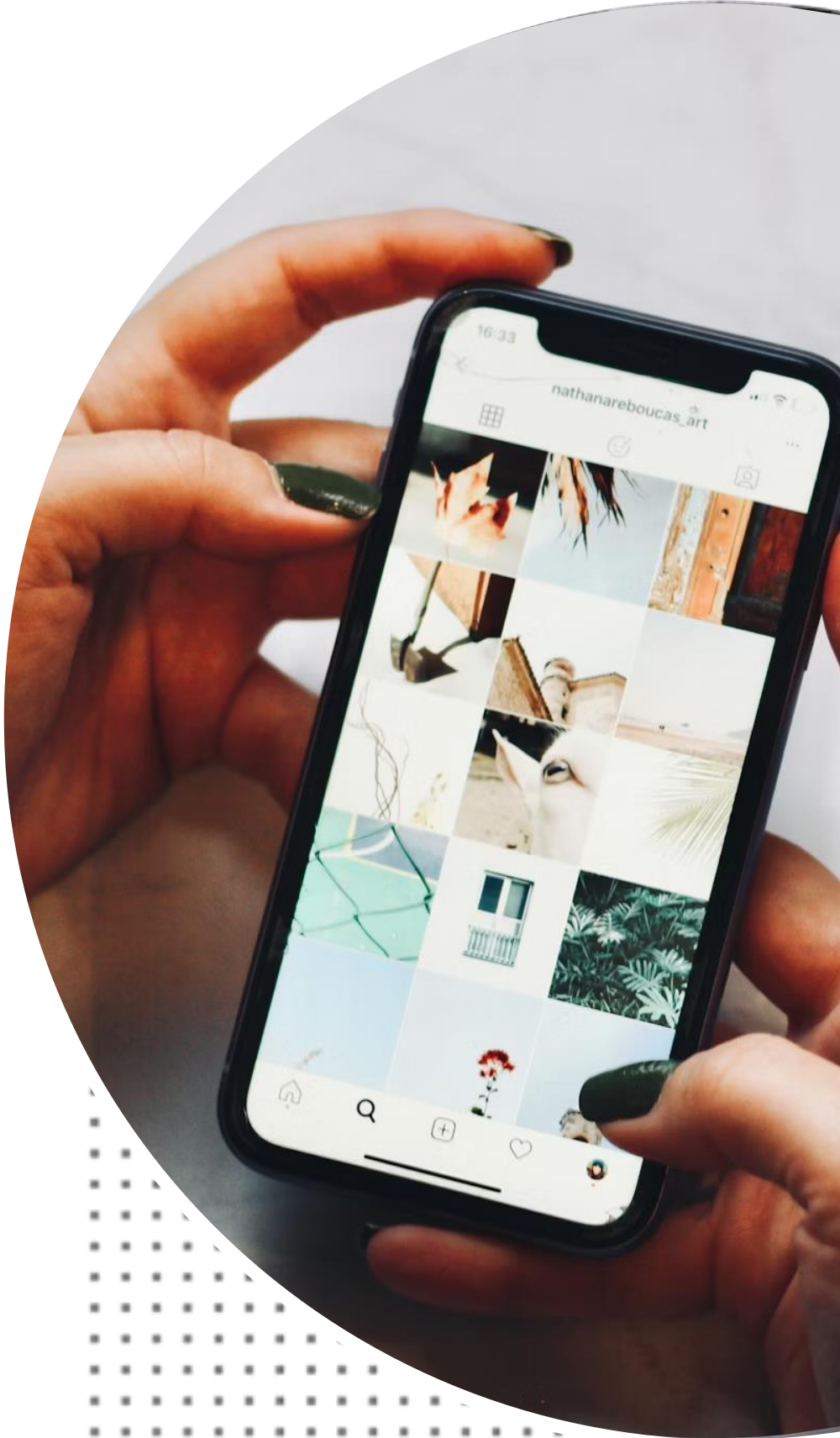
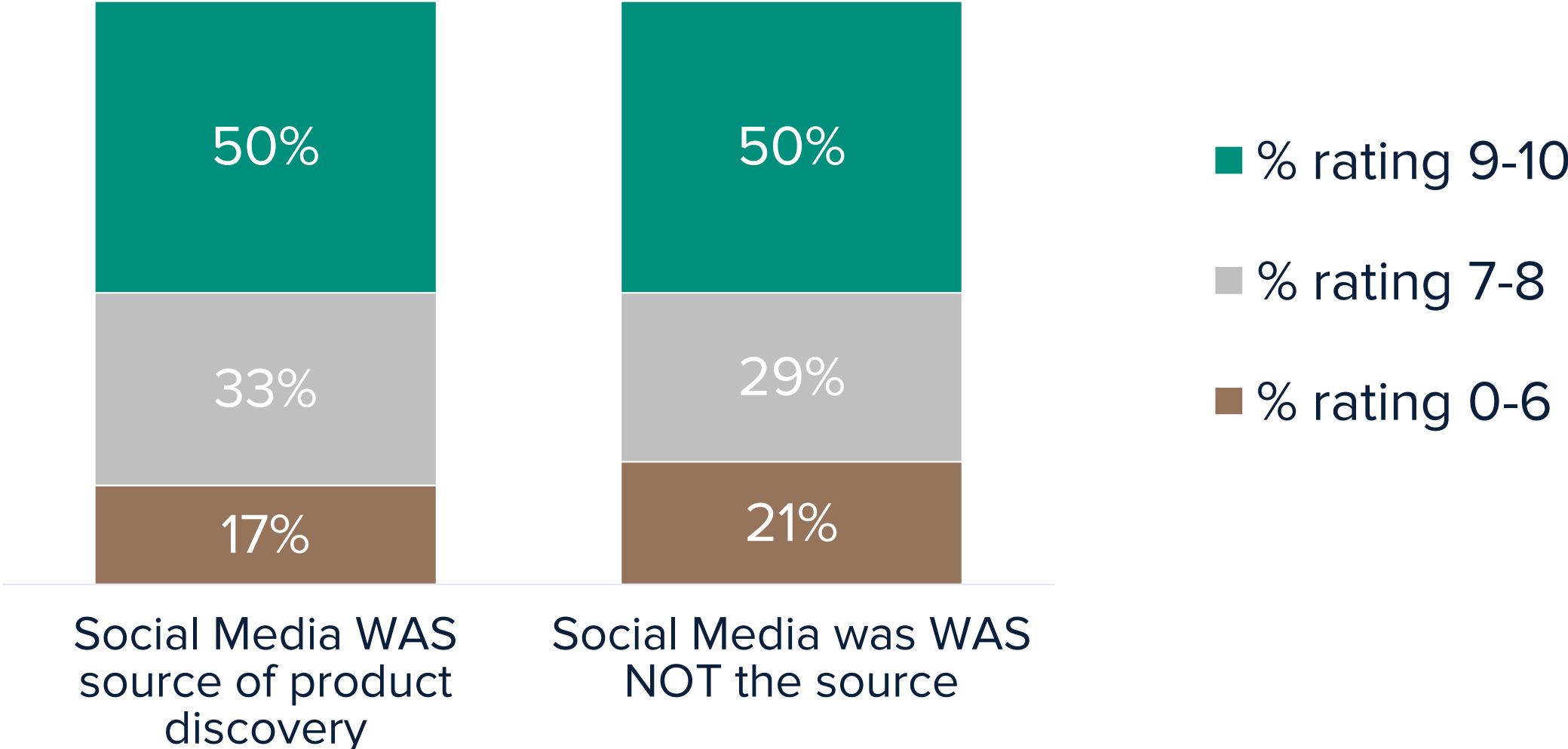
70%

would be interested in buying the product again in the future



# Satisfaction of social media-found products is similar to products found other ways

Overall product satisfaction (OSAT), 0-10 rating scale



# Customer service often, but not always, stays in social channels

For those who discovered the product via social media...



(vs. 20% for those who discovered products through other methods)

and of the 56% who contacted customer service...



(vs. 10% for those who discovered products through other methods)



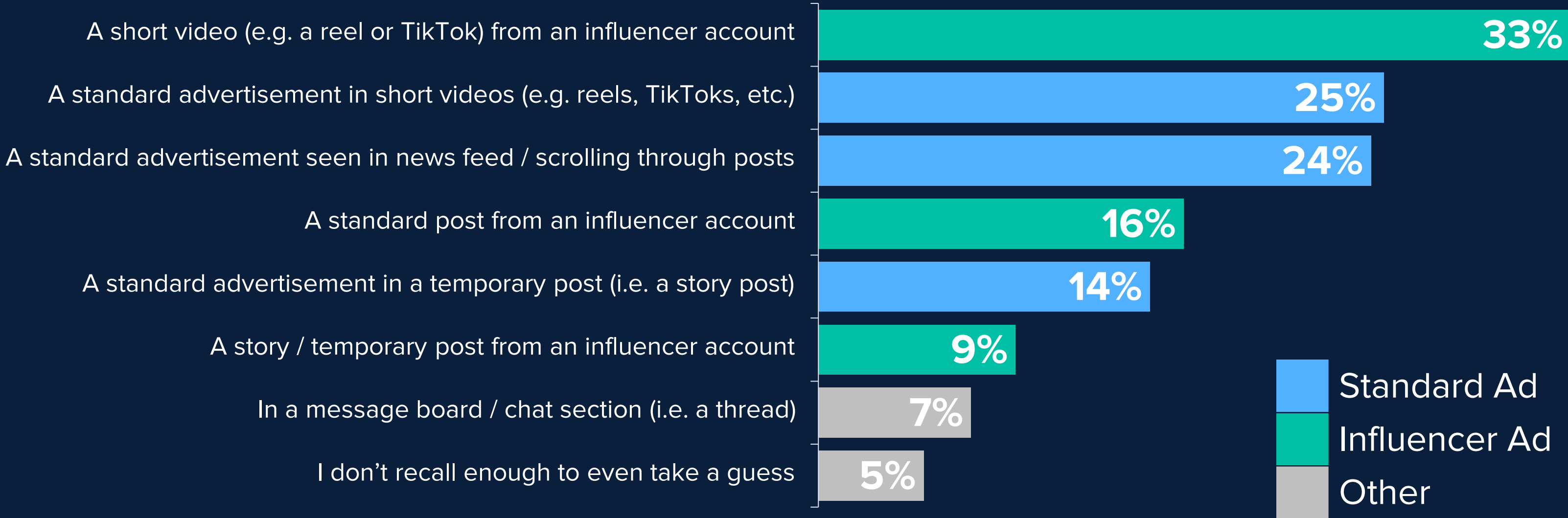
# The role of influencers



# Influencer marketing is a big part of product discovery via social media

## Type of advertisement(s) that led to product discovery on social media

Among those who first discovered product via social media

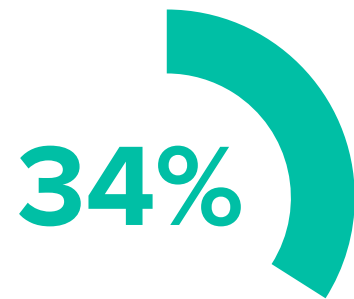


# Sentiments on influencer marketing are mixed

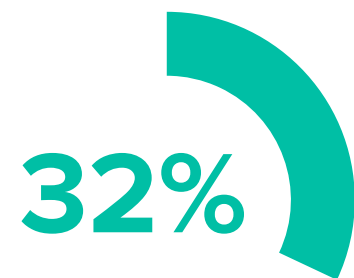
Among social media users



say they can usually tell if an influencer is actually advertising a product, versus just happens to be using it



are more likely to be interested in a product if it is advertised by an influencer they follow, instead of it being just a regular advertisement



say they trust the products being promoted by social media influencers they follow

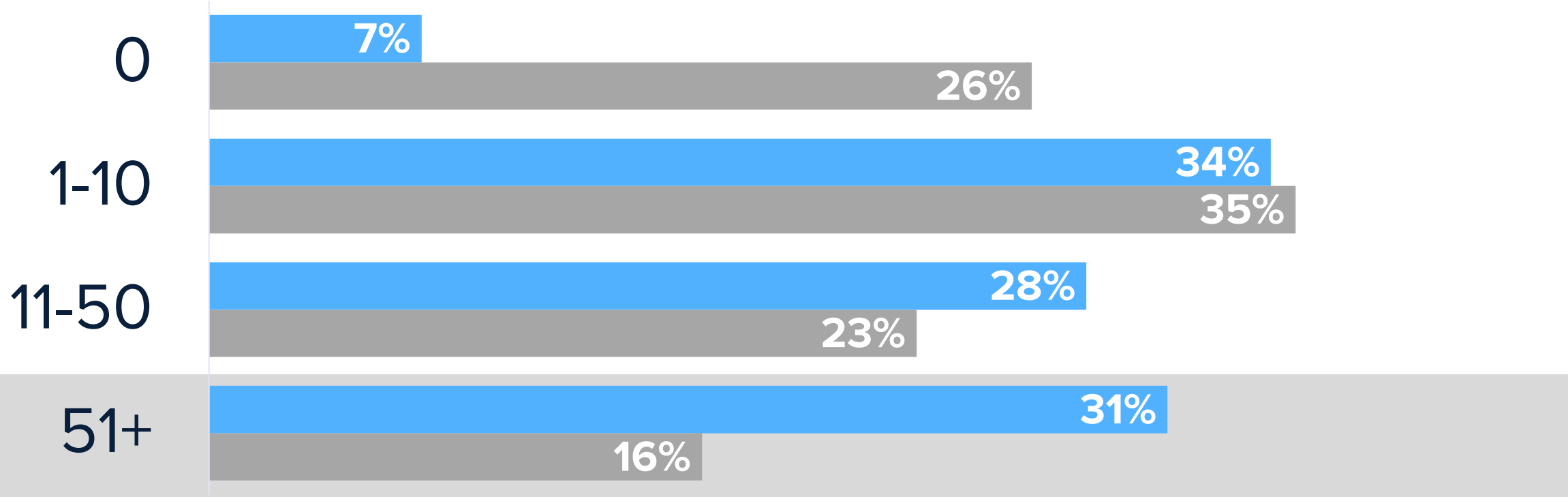




# A third of those who discovered their most recently purchased product via social media follow over 50 influencers

## Amount of social media influencers followed

By whether respondent discovered most recent product via social media or not



- Social Media WAS source of most recent product discovery
- Social Media was WAS NOT the source





# Reasons why people follow certain social media influencers

Among those who follow 1+

If they are relatable to my life	44%
If they are funny	37%
If they have good quality of explanations / detail	30%
If they have a good balance of regular content vs. advertising	23%
If they are especially talented	21%
If they are specialized to niche interests / my local area	19%
If they have good camera / audio quality of content	19%
If I like them based on something else they are famous for (e.g. movies, sports, etc.)	17%
If other people I know follow them	15%
If they have a high frequency of content released	14%
If I know them personally	13%
If they are good looking	12%
If I'm not aware there are others that cover those topic(s)	10%
If they have a high follower count overall	9%

Relatability, humor, and quality of explanations drive people to follow certain influencers

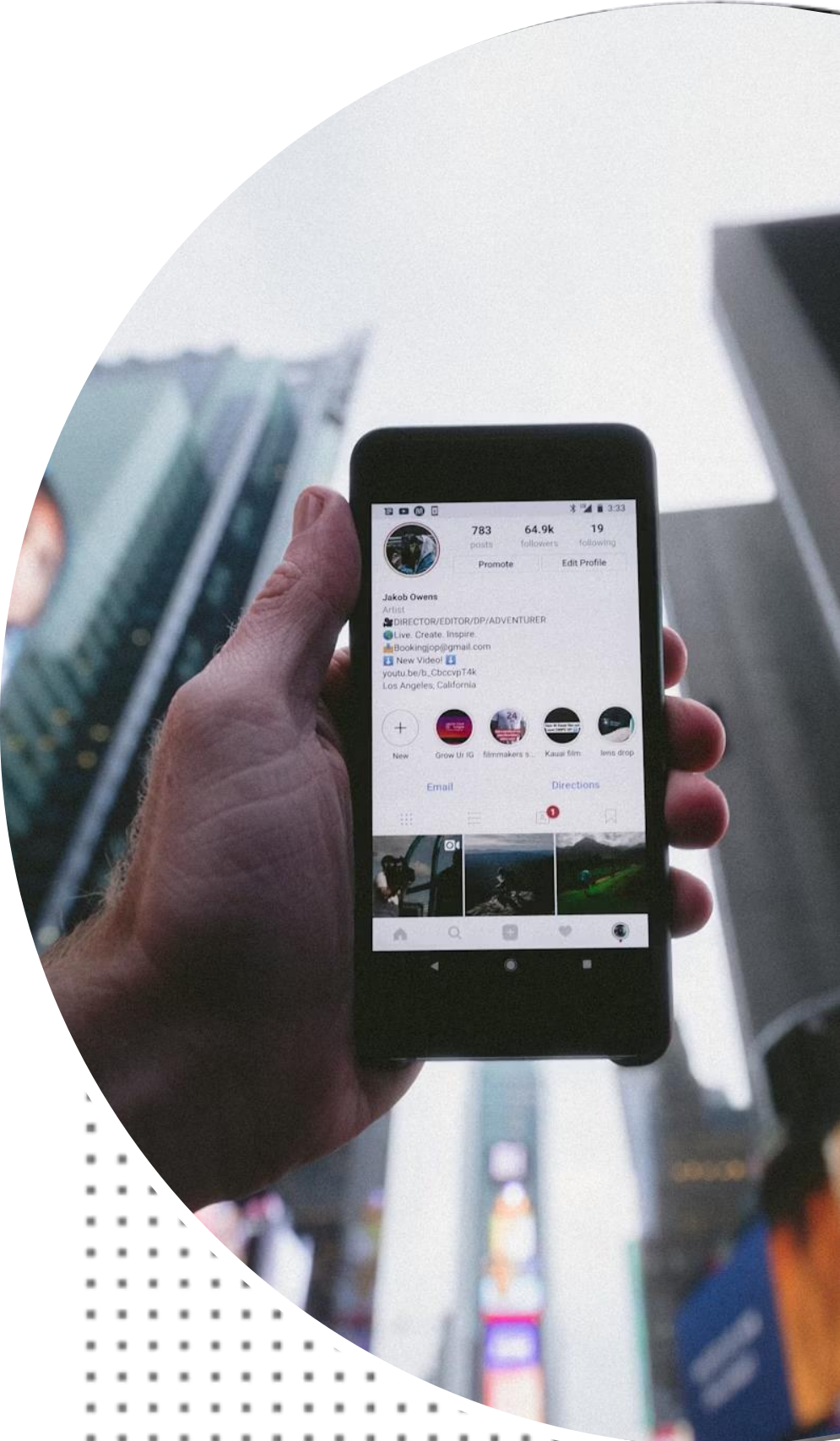
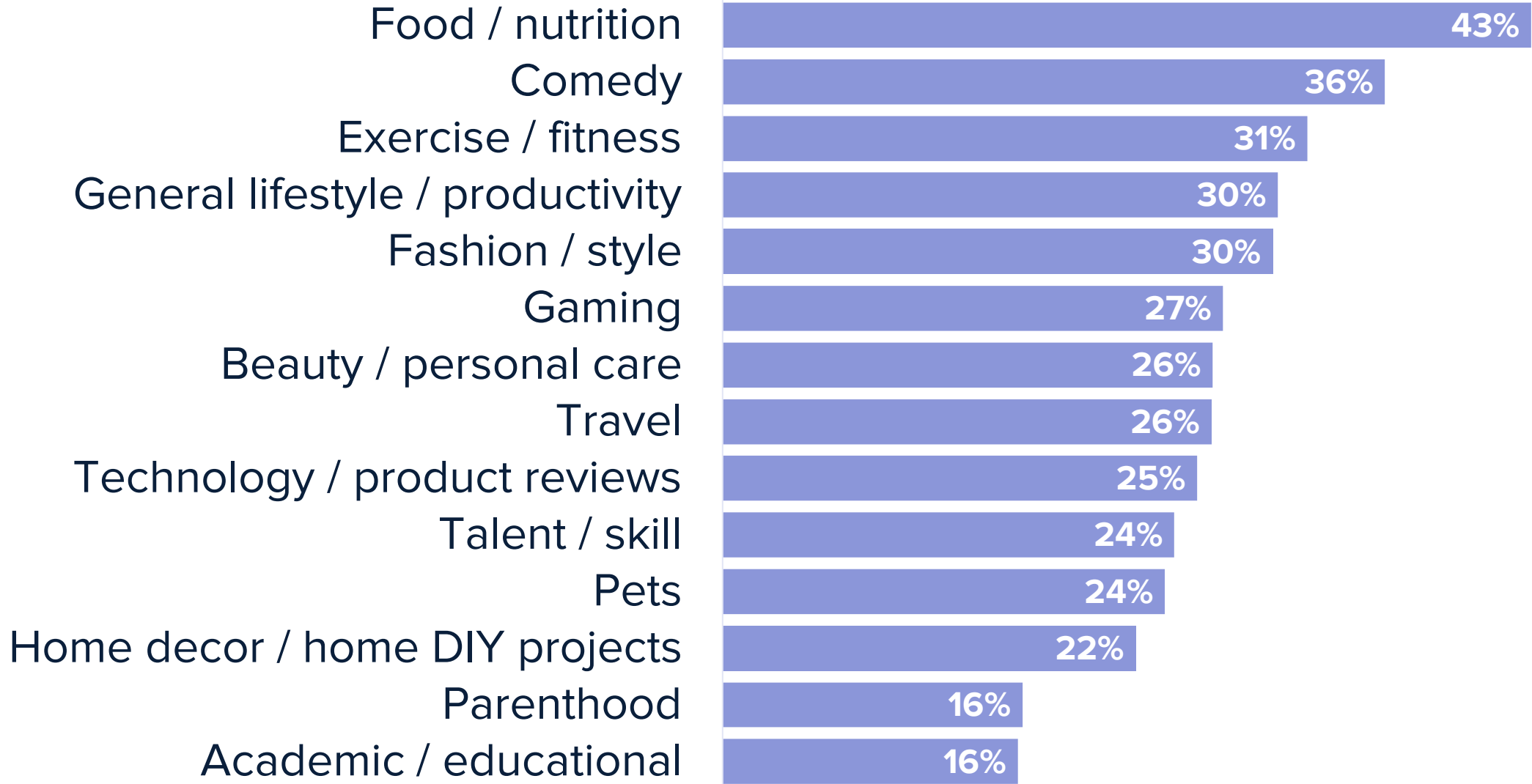
From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "Why do you choose to follow the influencers that you do, over others that make content on those same topics? Select the attributes that typically lead you to follow those account(s) specifically."



# Food / nutrition and comedy are the top categories of influencers followed overall...

## Types of influencers followed

Among those who follow 1+ influencer on social media



...but Beauty is the top category when a customer discovers a product via an influencer

-  **#1 Beauty / personal care (29%)**
-  **#2 General lifestyle / productivity (24%)**
-  **#3 Food / nutrition (24%)**
-  **#4 Technology / product reviews (20%)**
-  **#5 Fashion / style (20%)**

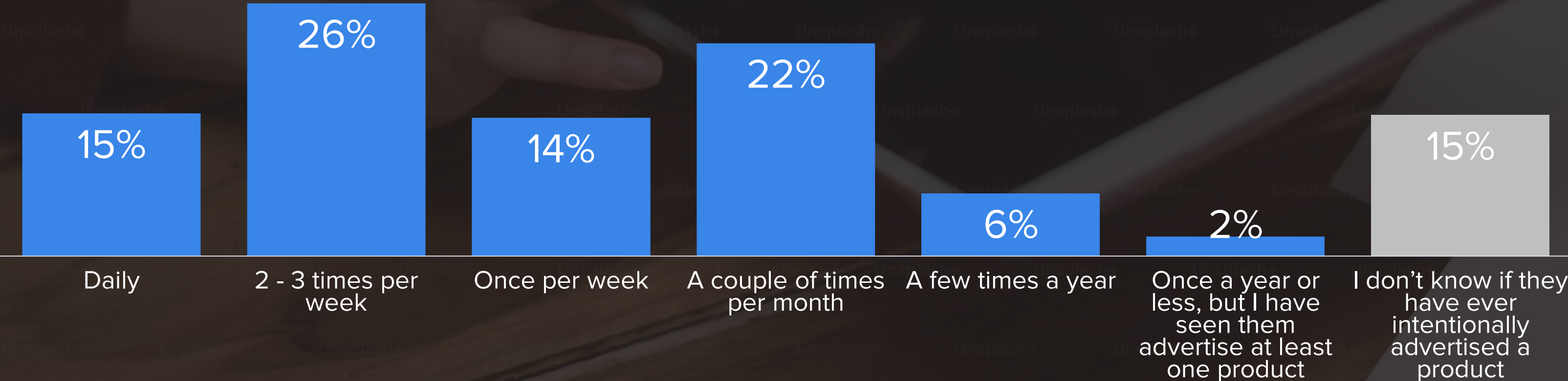
From Medallia Market Research June 2024 Social Media Survey (n = 2,000); “Earlier you mentioned you found out about this product from an influencer on social media. What type of influencer was this, based on the content they make? If more than one applies, select multiple.”



# Consumers notice influencers making sponsored content, and it's often multiple times per week

## How often customer notices that influencer is advertising a product

If that influencer was the source of the customer's most recent new product discovery





Looking toward the future



If ads on Instagram couldn't be skipped (something Instagram is reportedly testing now)...



**% of users that would cut back their Instagram use by 25% or more:**

**51%**

Among those who currently use Instagram often / daily

**57%**

Among those who use Instagram, but not often / daily

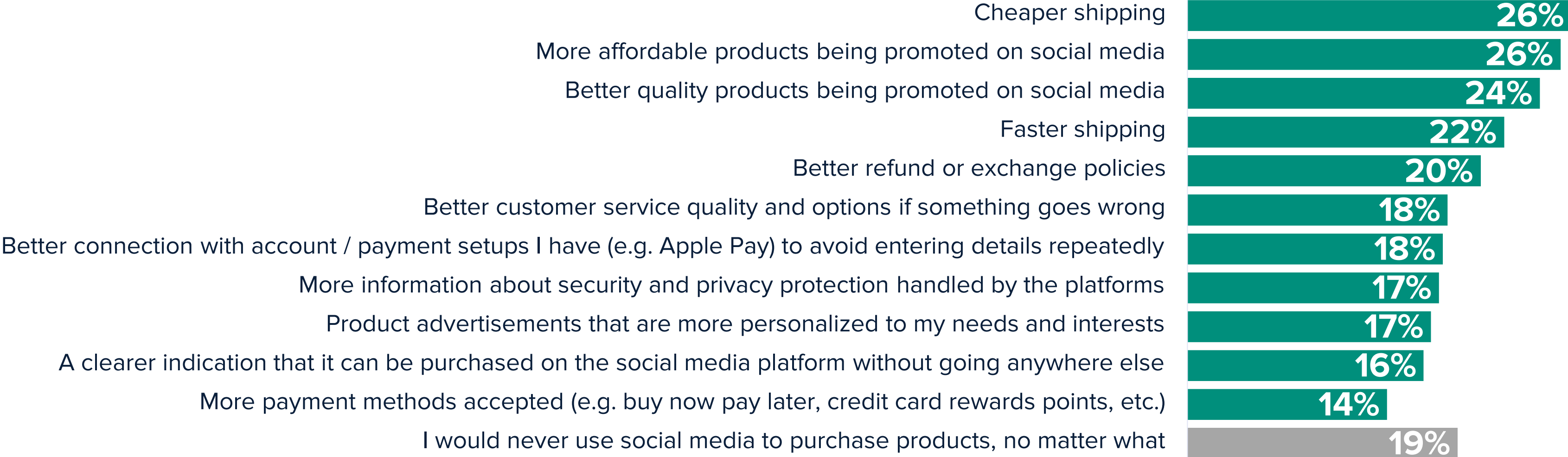
From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "If Instagram were to change so that a user was sometimes required to watch an ad before seeing a video reel or a post, and that ad cannot be skipped, how much would it affect your use? Select the choice that best applies"



# Cheaper and faster shipping are 2 of the top 4 factors that would get people to buy through SM more often

## What would get people to buy directly within a Social Media platform more often

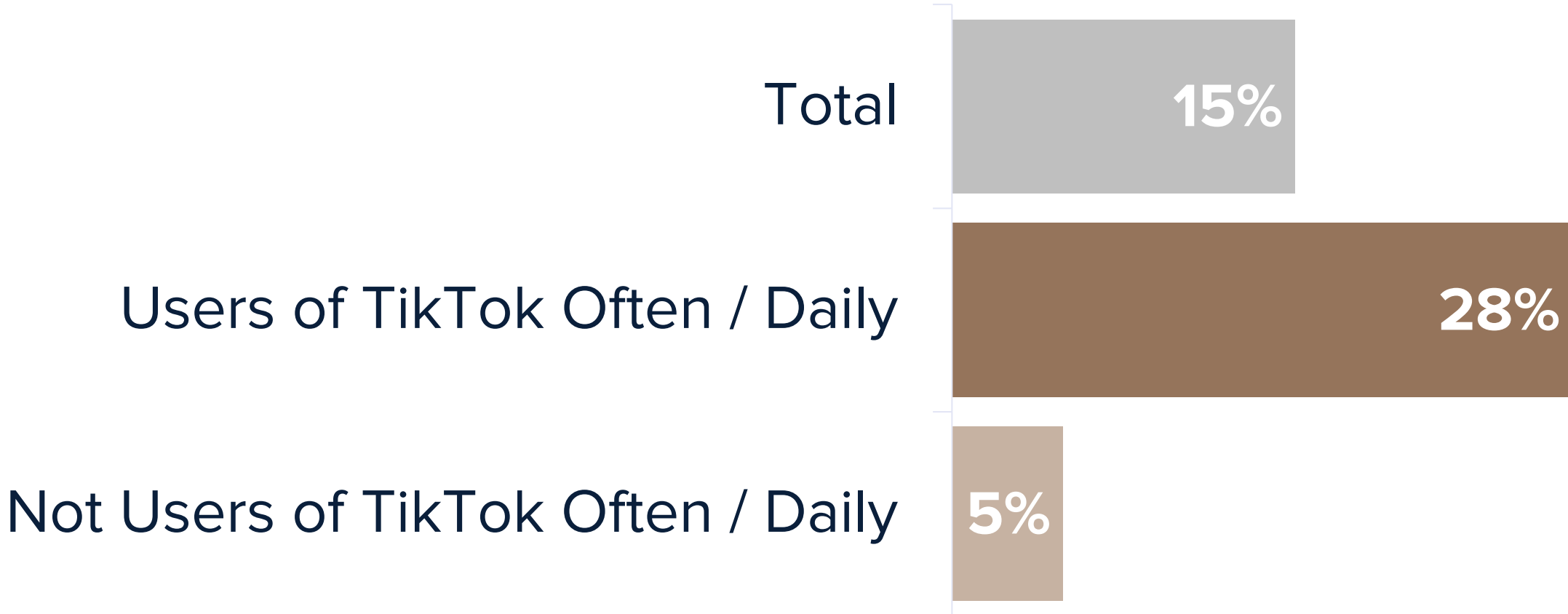
US General Population



From Medallia Market Research June 2024 Social Media Survey (n = 2,000); “What would make you purchase products directly through a social media platform, without going to another site, more often? Select all that apply”

# TikTok Shop has caught on among regular TikTok users

**% saying have made a TikTok Shop purchase in the past year, by level of TikTok usage**

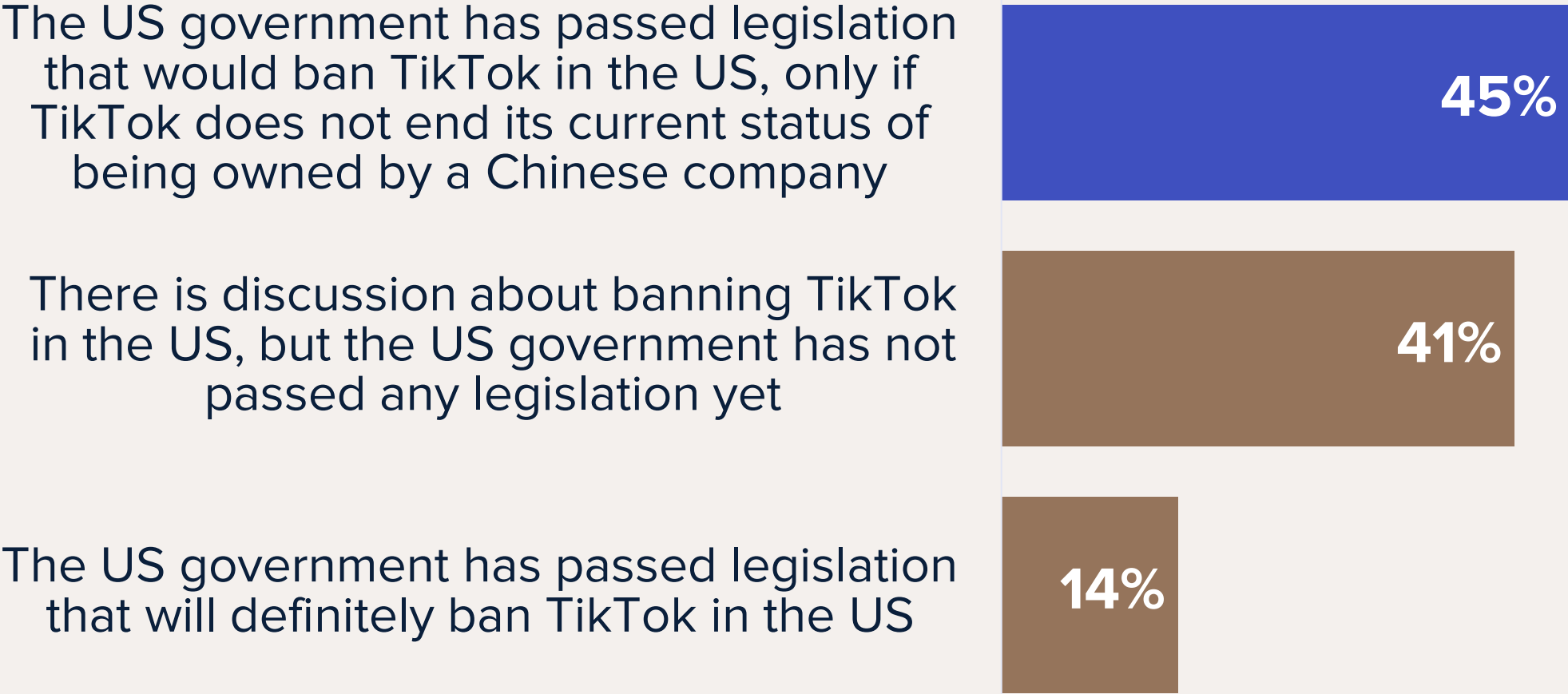


# Most people recall TikTok in the news, but only about half have a correct understanding of the potential ban

80%

recall hearing recent news about TikTok  
(among those aware of TikTok)

## Public's understanding of potential TikTok ban among those who recall hearing news

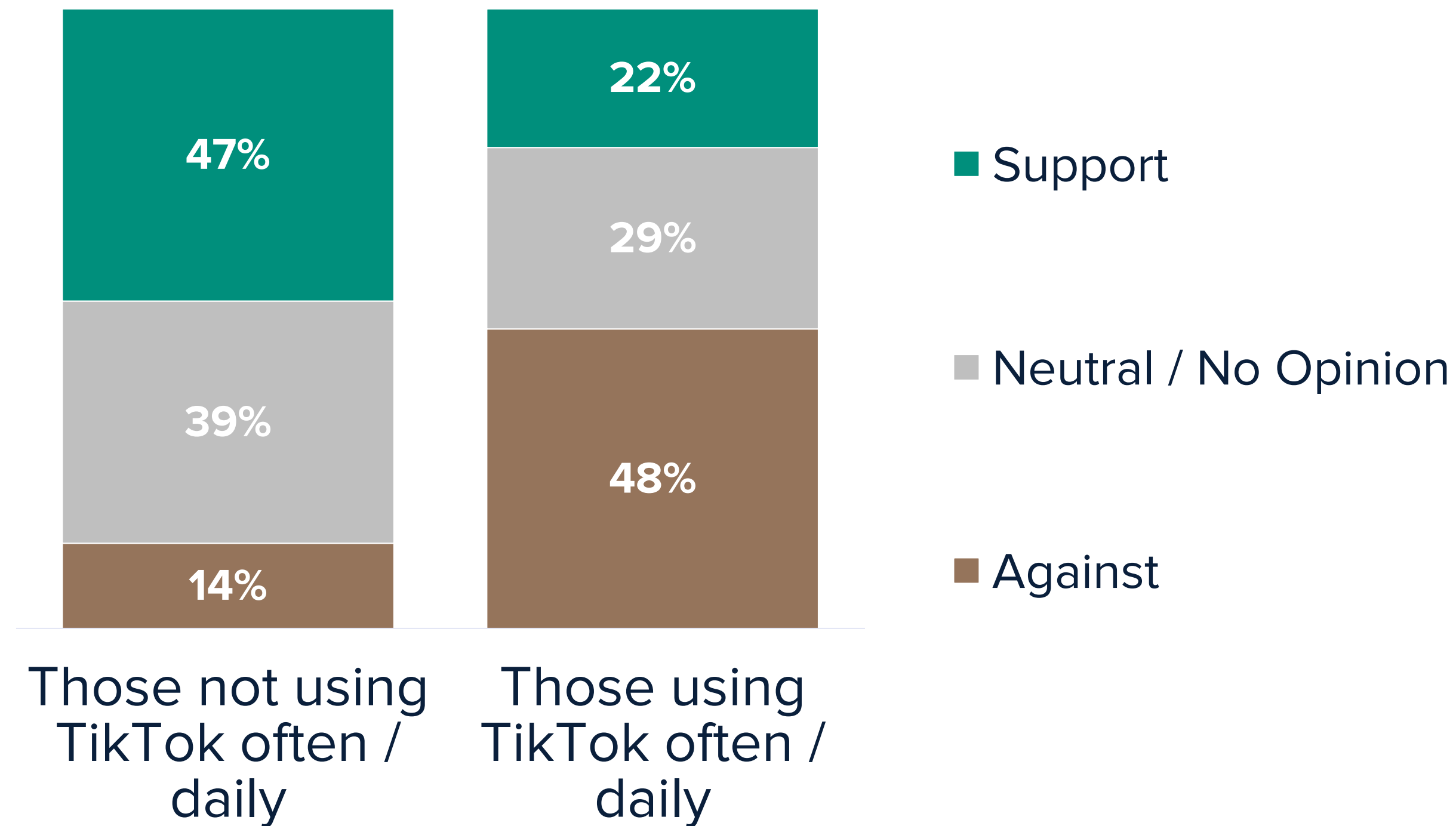




Regular  
TikTok users  
are  
generally  
against the  
potential  
ban

From Medallia Market Research June 2024 Social Media Survey (n = 2,000); "In case you didn't already know, the current situation is that the US government has passed legislation that would ban TikTok in the US, only if TikTok does not end its current status of being owned by a Chinese company. What is your view / opinion on this decision by the US government?"

## Viewpoint on possible US TikTok ban, if company does not relinquish Chinese ownership

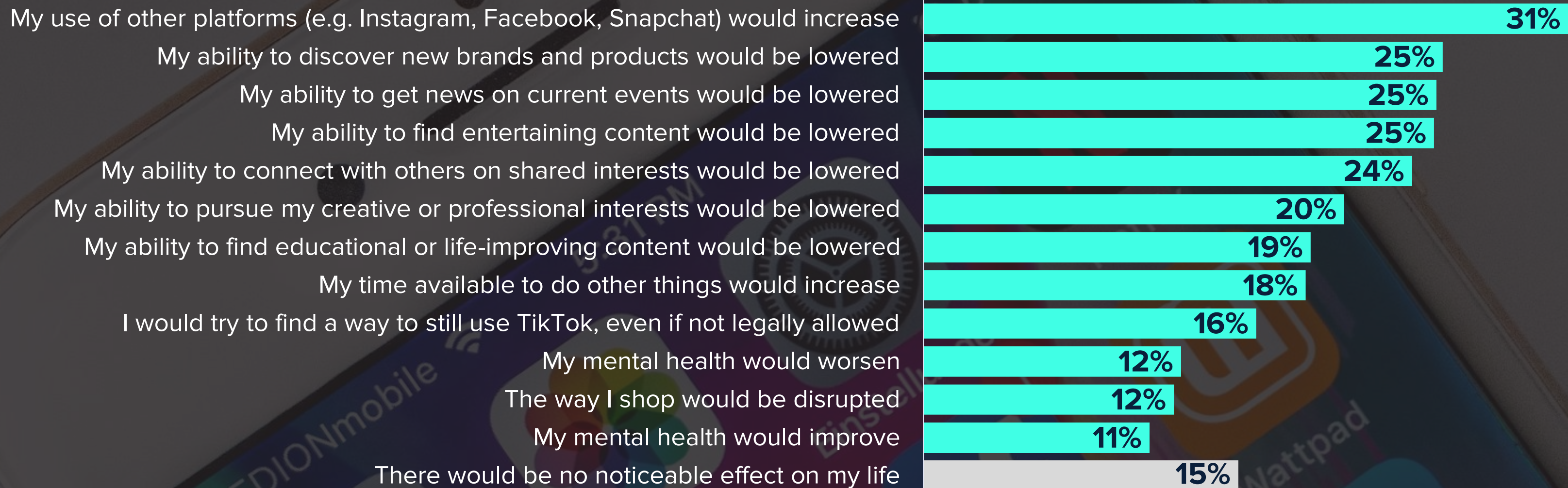




# If TikTok is banned, users would shift to other platforms but also feel brand / product discovery would worsen

## How TikTok users would react to a TikTok ban

Among those who report using TikTok often or daily





# Recap

- Social media is a major part of consumers' new brand and product discoveries. Consumers perceive social media to most often be the place they see advertising, and in recalling the source of initial awareness for the most recent product they purchased, social media is 2<sup>nd</sup> behind only seeing an item while shopping at a store in-person.
- Gen Zers are especially likely to discover new products on social media, and TikTok over-indexes compared to other platforms in driving new product discovery (relative to the rate at which it is used by the population in general).
- Beauty / cosmetics are an especially social media-heavy product category. That category over-indexes the most in terms of how often its source of discovery is social media (vs. other channels / types of advertisements). Also, while social media influencers for food / nutrition and comedy are the most popular for following in general, beauty influencers are the most common type that leads to new product discovery.
- Social media-based product discovery is more often involved in purchase journeys that last longer and involve more total impressions than journeys where a product is first discovered in another way.
- Satisfaction is typically strong when consumers first discover products through social media. The rate of issue is even lower than when a product is first discovered through other channels. Only 11% actually buy through the social media platform itself (vs. going to another site or going in-person to buy), but there is growing popularity and interest in buying directly through platforms (15% have tried TikTok Shop already, for instance), if product cost and shipping cost / speed could be more competitive with other retailers.
- Looking toward the future, about half Instagram users say their use of Instagram would drop 25%+ if advertisements became unskippable. And active TikTok users generally oppose a ban if Chinese ownership is not relinquished (though others are relatively more supportive). If TikTok were to be banned, users most believe they'll shift their usage toward Instagram and Facebook, but would suffer in product / content discovery in the process.





# Thank you

Questions? Contact  
[briefings@medallia.com](mailto:briefings@medallia.com)

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# Appendix

MEDALLIA

# Market Research Suite

1

## Sense360

Tap into consumer insights at scale with massive panels, real-time data, and unblinded visibility on competitors.



Transaction panel



Foot traffic panel



Visit-based survey panel



Syndicated surveys



One-click analysis

2

## LivingLens

Capture video surveys and uncover trends with AI-powered analysis tools.



Video surveys



Capture anywhere



Transcription analysis



Filter & categorize



Easily edit and share

3

## Medallia Agile Research

Create, edit and distribute your own surveys. Analyze results with powerful reporting tools and dashboards.



Survey builder



Distribute anywhere



Powerful reporting



Easy-to-use dashboards



Expert support

Harness richer insights at scale so you can take action with confidence



# Real-world behaviors. One-click analysis.

