

Transcript: Using social media as an ecommerce platform

Welcome to the Digital Masterclass Series: the importance of going digital in a post-COVID world. Today's topic is using social media and ecommerce platforms. For the agenda today, we're going to look at what is ecommerce; the relevance of ecommerce in Australia; the types of ecommerce channels that you can use in social media; marketing your product online; and customer service from a digital perspective.

Let's begin. What is ecommerce? The main purpose of ecommerce is to facilitate the process and purchase of goods or services via the internet, and it primarily consists of buyers and sellers. All you need is a computer and a smartphone with an internet connection, and you're ready to go.

Let's take a look at ecommerce participation in Australia – it's the 11th largest ecommerce market in the world, and is projected to reach \$US 32 billion by 2024. Ecommerce totals 9% of all retail trade in Australia. Some of the biggest participants include eBay, Amazon, Woolworths, JB Hi-Fi, Big W, Coles, and the list goes on. On the right of this slide, you can see household online participation in January 2021. As you can see, 5.2+ million people (the number of households) shopped online in January 2021 alone, which equates to a 25% increase from the previous year.

Let's take a look at Australian online shopping, and what people are buying online. On this slide you can see a graph representing online shopping in January 2021 compared to January 2020, which shows the different types of products that were purchased online. As you can see, online variety store purchases have increased by 27%, fashion by 40%, home & garden by 48%, health & beauty by 30%, hobbies & recreational goods by 36%, media by 20%, and food & liquor by 50%. For more on this, you can head to <https://auspost.com.au/business/marketing-and-communications/access-dataand-insights/ecommerce-trends>.

Now, let's take a look at the types of ecommerce and social media channels that are available for businesses or individuals to use. First are social media platforms: you can use Facebook Marketplace, Facebook online shops or Instagram online shops. You can also use a third-party commercial site like Amazon, Alibaba, eBay or the App Store. There's also the option of using websites with a plugin so you can integrate Shopify, Wix and Squarespace.

For today's focus, we're going to look at social media channels to set up your online shop. Let's start with Facebook, for Facebook Shops and Facebook Marketplace. Facebook is an easy place for businesses to set up their online store. You can list your products with a description, and you can also take payments online or in person.

Instagram is another option. You can visit a shop via their Instagram profile, and you can also browse products and collections. On the right of this slide there is a graphic representing an Instagram page. To shop in Instagram, all you have to do is click on 'view shop' or the shopping bag icon, and it automatically brings you to the store's categories and catalogues. Now, if you feel this is something that your business is interested in and wants to pursue, this slide includes a link to some guidelines, so you can click on the link and follow the prompts to set up your online Facebook or Instagram shop.

Now, let's look at Facebook Marketplace. This is an interesting option, because you have some levels of professional services and products, but you've also got trash and treasure items. What's great about Facebook Marketplace is that you can reach thousands in your community and can set a radius based on your location. You can also list items and find great deals directly within Facebook.

You can also look for the Facebook Marketplace icon, which you can see on this slide. If you click on the icon and download Facebook, it will bring you straight to Facebook Marketplace. People can only see the information you publicly share on Facebook. If you feel this is a platform that you'd like to explore further, this slide includes a link to help you set up Facebook Marketplace and a link to Facebook Shops too.

This slide shows an example of a retail clothing store that decided to go online. They developed a marketing plan to achieve two main goals: the first goal was to increase brand awareness; and the second goal was to sell more clothes. The path this store decided to follow was to set up a Facebook shop and an Instagram shop. Their marketing strategy focuses on YouTube ads, Google Ads, Facebook ads and an Instagram influencer. Although this is a fictional example, similar marketing strategies can be applied to many real-life situations. After putting in place a marketing strategy, a period of process feedback follows. This is essentially a trial and error process to test the various platforms to see what works and to gain insights into which platform provides the most views and where their target audience is engaging, ie. which social media platform best suits the online community.

This process really plays a big part in delivering key information to the retail clothing store. Before you set up an online store or switch to ecommerce, it's worth stressing the importance of having a pre-launch checklist. The pre-launch checklist essentially ensures you do all the necessary preparation before actually launching the ecommerce site. There are a number of reasons why you need to do this, but the main reason is visibility. Online visibility is key, and building towards this takes time, effort and strategy. So, let's take a look at the pre-launch checklist for the retail clothing store example, which you can see on this slide.

- They focused on a niche market and have done their research to identify their target audience. They found their ideal client, by identifying the demographic, location, age range, interests and hobbies of their ideal customer.
- They used some personal brand building, so they've had a following on social media – maybe via YouTube, a Facebook community group or an email marketing list – to build and hype the pre-launch.
- They have differentiated themselves from a design perspective, which means that this business really prides itself on its quality and design, so that you don't have the same store selling you the same product.
- And finally, they've built a brand story. Having a brand story is what really gets their customers through the door from the ecommerce perspective. So once all of these items on the checklist can be ticked off, the retailer is feeling very confident with launching their brand on social media through ecommerce.

As mentioned before, the importance of marketing in ecommerce is key, and this is because there is a high volume of products online and competition for different audiences is fierce, so having a marketing plan is really important.

This slide shows the four tips for a marketing campaign:

- Have a pre-launch strategy. Visibility is key, so build up your brand, get your email list, community guides etc.
- Trial and error. You've got to really trial the different ecommerce platforms and look at where your target audience is, and once all these are done well, it eventually leads to more purchases.
- Another topic to touch on is prioritising customer satisfaction through a digital perspective. An example of this is when you purchase something from Telstra, they send you a follow-up email to ask you about how satisfied you are with the experience. This is usually in the form

or a rating system of one to ten, and having this feedback really helps them keep track of customer satisfaction.

- Collecting online reviews is another great way of capturing feedback and should be part of your online marketing strategy, because online purchasers look at what other people are saying as well.

- It's also important to have a goal for retaining customers, so doing email follow-ups, having an email listing, having a community group or a loyalty card discount voucher etc. really helps retain customers.

- Also, you want to measure returning customer purchase through your any digital platforms, so you really get a sense of where the customer satisfaction is, so you can tailor this to your product and brand and everything you do on ecommerce.

So thank you very much. We hope this video has helped you. See you next time and bye for now.