

PayPal Global Research – 61% of businesses to embrace social commerce in 2020

- 35% of businesses currently accept social commerce, with a further 26% planning to accept it in 2020
- A third of social shoppers purchase via social platforms on weekly basis
- Facebook, Instagram and WhatsApp are most popular platforms for social shopping
- More than a third of consumers would not buy through social platforms, with security and trust the biggest concerns

Dublin, 14th February 2020 – According to PayPal’s Global mCommerce Report*, 61% 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 35% of businesses currently accept social commerce, with a further 26% planning to accept it in 2020. Those that are already using it have seen 45% of their sales transactions made via social channels over the last six months.

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

However, the global research revealed that 36% 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 63% of businesses are optimised to accept mobile payments on their channels and only 24% of these have a mobile app with purchasing functionality.

This is despite the fact that almost 80% 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 44% of consumers opting to shop this way.

Maevae Dorman, Vice President of Global Merchant Services, PayPal, said: “The opportunity for Irish businesses is vast. 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.”

*PayPal’s Global mCommerce Report measures the gap between consumer adoption of mobile commerce, and businesses that are actually optimising for it. The research was carried out by Ipsos between 23.07.19 - 25.08.19. Ipsos interviewed a sample of 22,000 consumers (aged 18-74) who owned or used a smartphone and 4,602 business influencers or decision makers who sell or take payments online to consumers (and businesses) in countries across the globe.