

What Is "Social Shopping" And Why Is It So Important

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It's fun. It's informative. It's getting bigger by the day.

Social shopping is a combination of e-commerce and traditional shopping where consumers use sites like Facebook, Twitter, Kaboodle and others to gather information about products, prices and deals. Using the wisdom of crowds, users communicate and exchange information. Many sites allow users to create custom shopping lists and share them with friends.

Others focus on user interactions that pass on information and recommendations that are hard to obtain from sales personnel. Some services even allow users to shop online together to complement the social environment. Visitors learn what is popular, where the best deals are and they can follow links to products they wouldn't necessarily find on their own. Visitors also get a chance to meet fellow shoppers and make friends.

There are dozens of sites that are designed exclusively for social shopping like [Kaboodle](#), [StyleHive](#), [Storz](#) and – my personal favorite – [IlikeTotallyLoveit](#). For other social networking sites like Facebook and Twitter, it has become an integral part of their business.

Social shopping sites may generate revenue not only from advertising and click through, but also by sharing information about their users with the retailers. There are many ways retailers can benefit from social shopping features, too. Some sites offer comparison shopping. Others combine physical stores with social features. For example, they allow customers to share deals from physical retailers through the phone and website and interact with users that have similar shopping interests.

Some websites use established social networks and tools rather than trying to build their own. Using applications like Facebook Connect, visitors can ask their Facebook friends' opinions on purchases directly on the social shopping site. Others sites use Twitter API which allows users to share content through tweets.

The success of social shopping as a business model is still undetermined, although several companies like [Socialshopping](#) have managed to publish their services and gather lots of users.

Here are a few benefits of social shopping for the consumer and retailer alike:

Marketing

The rise of social shopping provides internet marketers with even more online opportunities and challenges. This new form of word-of-mouth advertising offers a wealth of opportunities for internet marketers with limited budgets to work on. It also creates a great opportunity for online retailers to engage in some low-cost, word-of-mouth advertising.

Trust

Product recommendations that come from social users may have more credibility and therefore may be more trusted. Visitors are very likely to return more often, spread the good word and purchase the products they learn about on these sites.

Tools

Users have many tools at their disposal for sharing and exchanging information. Widgets, browser bookmarklets, wishlists, profiles, buzz measuring features – to name a few - help users interact with each other. These tools allow marketers and retailers to analyze current interest about their product.

Sales

Yes - social shopping creates more product awareness and intent to buy, but the creation of direct sales hasn't been fully realized as of yet. This may not happen until social shopping reaches the mainstream. But considering the popularity and rapid growth – it may happen very soon.

If you are a consumer, social shopping provides a fun, informative and intelligent way to learn about and purchase products - and make friends at the same time. If you are a business, it is a good idea to get involved in social shopping now. It is early enough to establish yourself in the communities, promote your product and be recognized. Once you establish yourself in a community – it will open the door to many other opportunities ahead.

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