

A Study on Impact of Social Commerce in India (MEESHO)

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Abstract—The introduction of social commerce apps, social interactions on the internet offered new economic prospects. This is mostly due to the proliferation of social interacting sites, which have also led to the expansion of e-commerce. The present trend in ecommerce has created a new book called MEESHO, which uses social technology to create new atmosphere for social exchanges. These social acquaintances can lead to improvement in better standard of living which is easy to access and shop according to their convenience with an option of choice-based selling. This builds trust and escalates the likelihood and brings out more choice for the customer as well business development.

The paper intends to attempt an in-depth study on MEESHO, a social Commerce application. We conclude by giving prospects for a flourishing business in the future.

Index Terms—E-commerce, Meesho, Consumer Buying Behaviour, SWOT Analysis

I. INTRODUCTION

The decades of media strategy is increasing to gain customers trust with Multiple Players means of Protection and Integrity easy approach of E Commerce websites is reimagined the electronic media landscape while also affecting how associations disseminate marketing messages. As a response, internet entertainment has influenced clients' perceptions of the associations. The practice of the internet as a promotional device is obviously not another oddity. Most large business groups have used social media as a promotion tool. Minor industries face several challenges in expanding their operations. Among other things, there are inadequate financial capitals, which cofinally attempts by little dares to linger developing efficiently. Furthermore, these endeavors must compete with large commercial groupings. The use of virtual media is one of the anticipated solutions to the issues of advertising small

businesses. What could be the ways in which brands contest with unbranded items on internet markets? The key is to adopt a customer-centric slant and construct faith and trust via consistency; Excellence should not be neglected. Amazon continues to position itself as gaining over its rivals, in the market for selling unbranded, limited, and private-label items. According to research, the 'clicked' clothes label in Amazon Fashion, has over 1 million goods and is the most preferred platform of e-commerce in the market. However, while there appear to be countless possibilities to offer the lowest manufactured items on Amazon, vendors seeking to show up in populous markets should not ignore the position of the customer. The usage of the internet as a selling tool is certainly not a novel concept. Most large commercial organizations are utilizing social media as a marketing tool. Insignificant industries face several challenges in expanding their operations. Worryingly, digital podium corporations are growing yonder partaking market forte in a sole area to inflowing several economic and social sector. Among other things, there are inadequate financial capitals, which cofinally attempts by little dares to linger developing efficiently. Furthermore, these endeavors must compete with large commercial groupings.

The use of virtual media is one of the anticipated solutions to the issues of advertising small businesses. Internet media enables small and independent businesses to successful advertising campaigns many industries are coming forward like Instagram, Facebook, Meesho (and now WhatsApp) and countless more programs with business profiles are more suited to benefit small enterprises. Meesho's reselling approach is parallel to that of aided shopping. Between the platform and the customer, there is a third entity. The reseller will distribute a product to their network over WhatsApp or IG (Instagram). When a consumer desires to order their

choice of goods, they will do so post the addition of their margin, and Meesho will carry the products directly to the client. The trader hoards coinage on promotion and logistics, the vendor is awarded with gains through their markup on each product, and Meesho receives a commission from the provider which is generating more interest on customer choice.

Objectives of the Study

This industry analysis case study paper has the following objectives:

(1) To analyze the emerging trends in the social commerce industry.

(2) To identify the road ahead for Social Commerce

Research Methodology

This paper consists of developing a theoretical concept based on model building using secondary data and literature.

The list of sources for secondary data such as case studies, e-commerce blogs, websites, research papers, literature review papers, e-papers, and exhaustive sources is mentioned on search engines namely google scholar.

II. REVIEW OF LITERATURE

Social Commerce 2024: Statistics

Social commerce – the use of social media for shopping – has revolutionized how consumers discover and buy products online. As this trend continues to grow, businesses must adapt to stay competitive.

In this article, we will explain what social commerce is, its key trends, and the top statistics for 2024. With industry data and exclusive findings from our latest survey, we'll reveal how today's shoppers use social platforms and how your own brand can leverage them to drive sales.

Social commerce involves promoting and selling products directly to social media users without them having to leave the website or app. This differs from traditional E Commerce, where transactions occur on a dedicated online store or marketplace website. With social commerce, product discovery, brand-to-customer interaction, and transactions happen all in one place.

According to our data, 82% of consumers use social media for product research, with 55% of Gen Z favoring TikTok and 52% of Millennials preferring Facebook.

No doubt, social commerce will continue to shape the future of online shopping. It aligns with broader eCommerce trends emphasizing convenience, engagement, and personalized experiences.

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2024 Social commerce statistics:

These statistics – a combination of industry data and our own survey results – offer a snapshot of social commerce trends in 2024. Here are the key insights:

1. About 86% of people made an online purchase within the last month.
2. Most consumers (82%) use social media for product discovery and research.
3. YouTube is the go-to platform for product discovery among 70% of Gen Z.
4. Facebook dominates social commerce, except among Gen Z.
5. Credit and debit cards are the preferred payment method for 62% of consumers.

Theoretical Framework:

Social commerce taps into the power of social media for business, creating an engaging and convenient experience for customers. For any business looking to connect with a global audience, cultivate brand loyalty, and achieve sustainable growth, it's more important than ever to implement social commerce strategies.

Sources

The statistics and other general information were obtained from our own survey and various resources, including:

- Accenture
- Forbes
- McKinsey
- Simplicity DX
- TikTok Shop
- E-Marketer
- Influencer Marketing Hub
- Optin Monster
- Sprout Social
- Tidio
- Facebook Business
- Instagram Business
- Pinterest Business
- Statista

Main takeaways of the article is to come from a combination of external sources and a survey conducted by Detailly for Hostinger in August 2024. The survey gathered insights from 250 US consumers, focusing on their social commerce habits, preferences, and experiences.

Additional research from trusted industry sources was also incorporated to provide a comprehensive overview of the social commerce landscape.

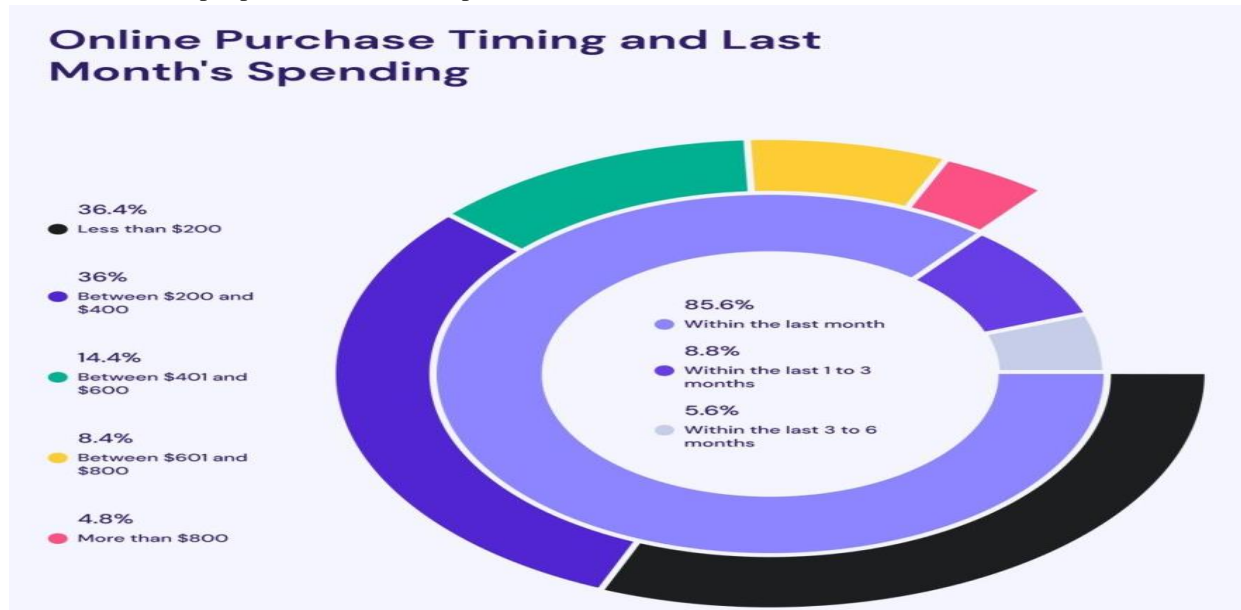
This study is projecting an agenda for the adoption of social commerce by utilizing the social support model and associated theories on intention to use significant matter for exploring business on a largescale.

The success story of the most promising Social selling app brings an articulated picture of how did a social commerce app succeed in making sales at the doorstep so practical. The study also brings out the reality of how the business has given rise to many small and medium vendors a chance to demonstrate large selling platforms with their innovative and skillful offerings. This case study can be further utilized in marketing classrooms to imbibe innovation and enterprising skills.

The study discoveries in case will give more insight into consumer buying behavior trends and help social commerce sellers to target better to obtain satisfaction of the buyer and obtain his trustworthiness.

Data Analysis and Interpretation:

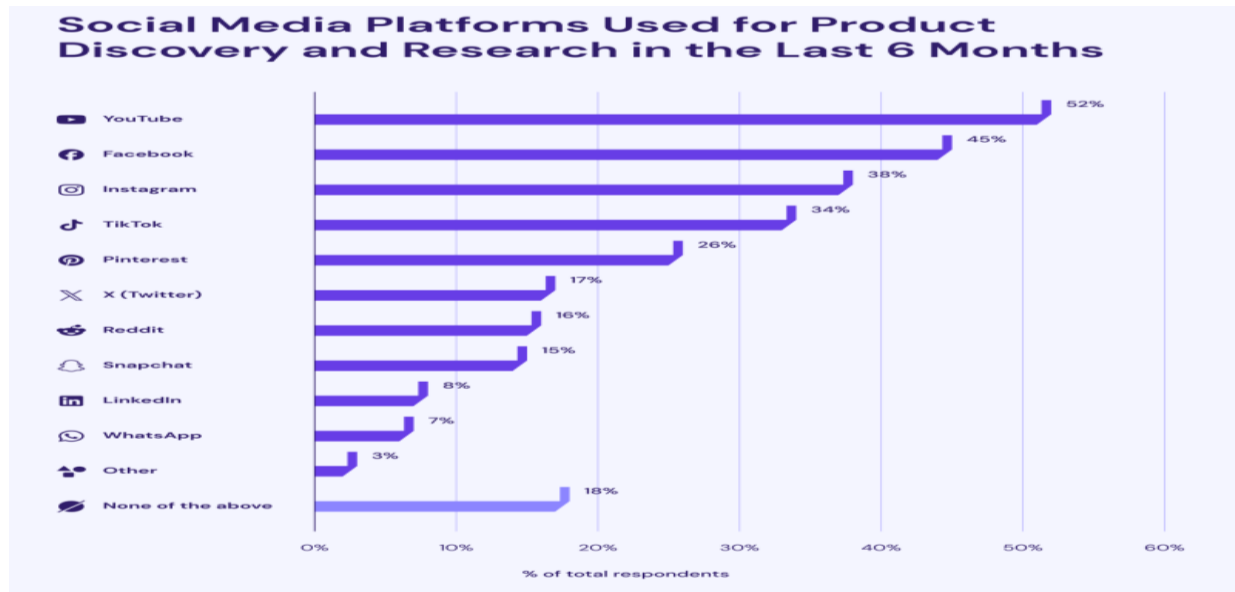
1. About 86% of people made an online purchase within the last month.



According to the latest E-Commerce statistics, 85.6% of respondents reported making an online purchase within the last month. Most respondents (36.4%) spent less than \$200 on their most recent online purchases.

Meanwhile, 36% spent between \$200 and \$400, followed by 14.4% who spent between \$401 and \$600. A smaller portion, 8.4%, reported spending between \$601 and \$800, and only 4.8% spent more than \$800 on their last online purchase.

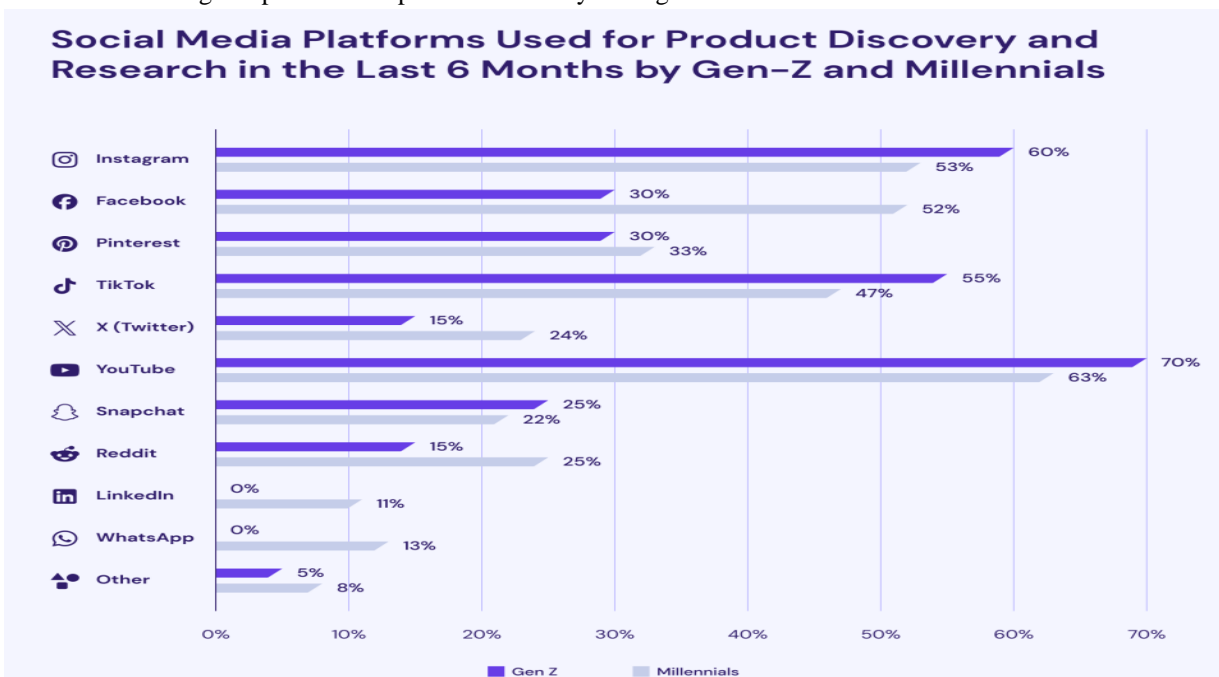
2. The majority of consumers (82%) use social media for product discovery and research



According to our survey, 82% of consumers use social media platforms to discover and research products. YouTube leads the way, with 52% of respondents using it for product research, followed closely by Facebook at 45%. Instagram and TikTok are also popular platforms, with 38% and 34% of

consumers using them for the same purpose, respectively. Other platforms like Pinterest (26%) and X (Twitter) (17%) follow, with more niche networks such as Reddit, Snapchat, and LinkedIn rounding out the list.

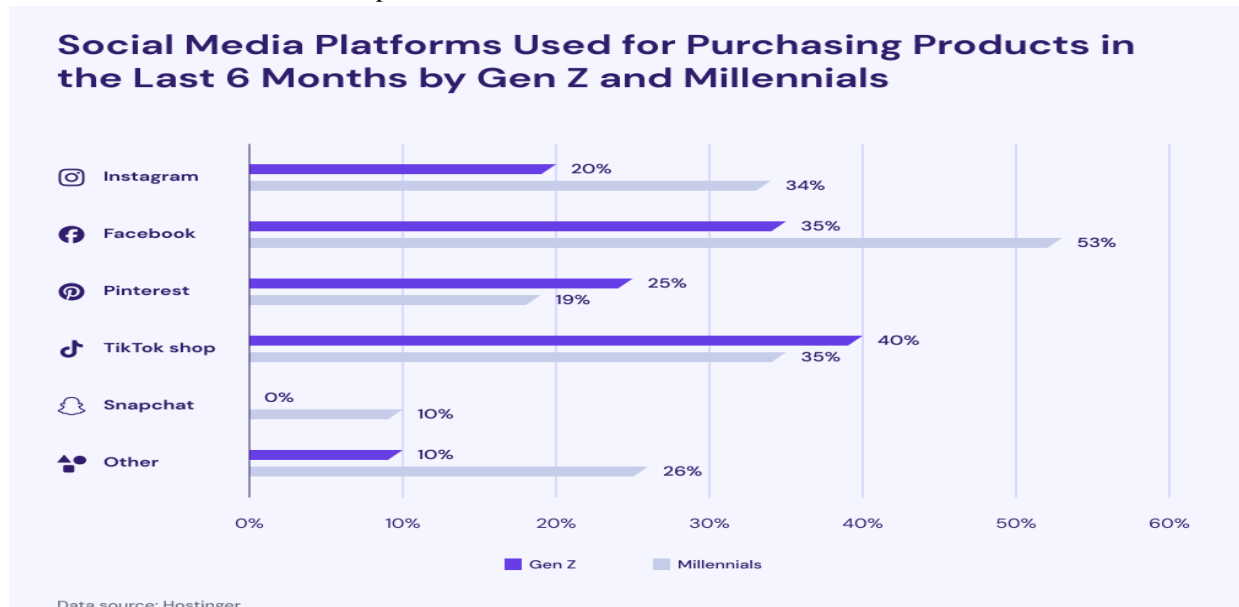
3. YouTube is the go-to platform for product discovery among Gen Z and Millennials



YouTube continues to dominate as the top platform for product discovery among Gen Z (70%) and Millennial respondents (63%). A large chunk of Gen Z also favors Instagram (60%) and TikTok (55%). Facebook (30%) is less popular with this generation.

Although Millennials also use Instagram (53%) and TikTok (47%) to discover products, 52% of them slightly prefer Facebook – a clear difference from Gen Z.

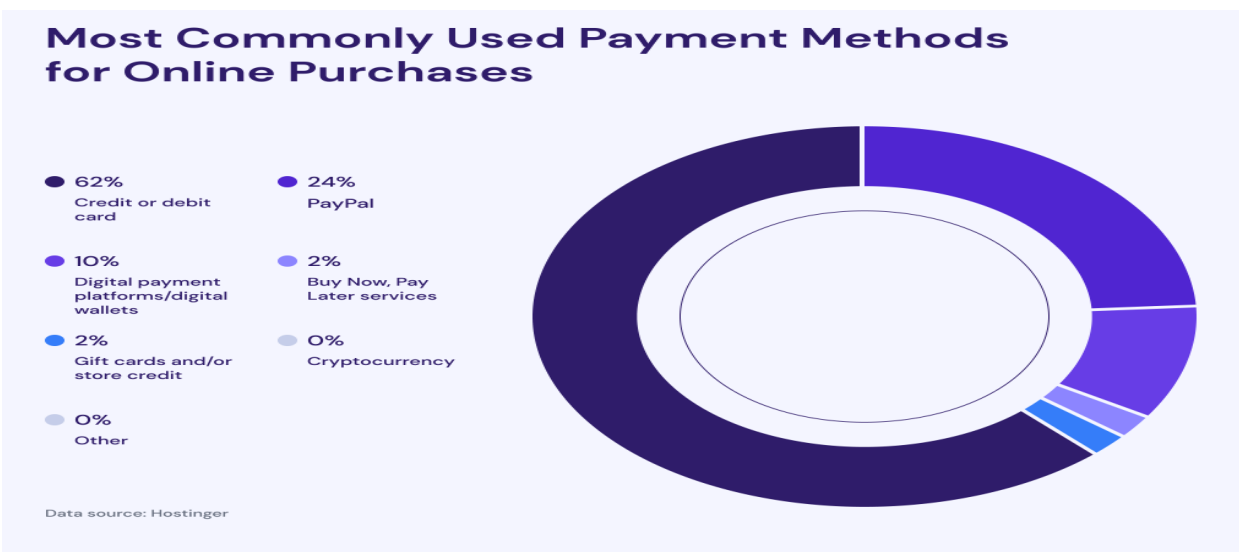
4. Unlike Gen Z, most Millennials purchase on Facebook



Facebook and TikTok are the most popular platforms among Millennials and Gen Z for shopping. Facebook is the most widely used among Millennials (**53%**), while TikTok Shop takes the lead for Gen Z with 40%.

As for other platforms, **34%** of Millennials shop on Instagram, while only **20%** of Gen Z do the same. Gen Z is more inclined to use Pinterest for shopping (**25%**) compared to **19%** of Millennials.

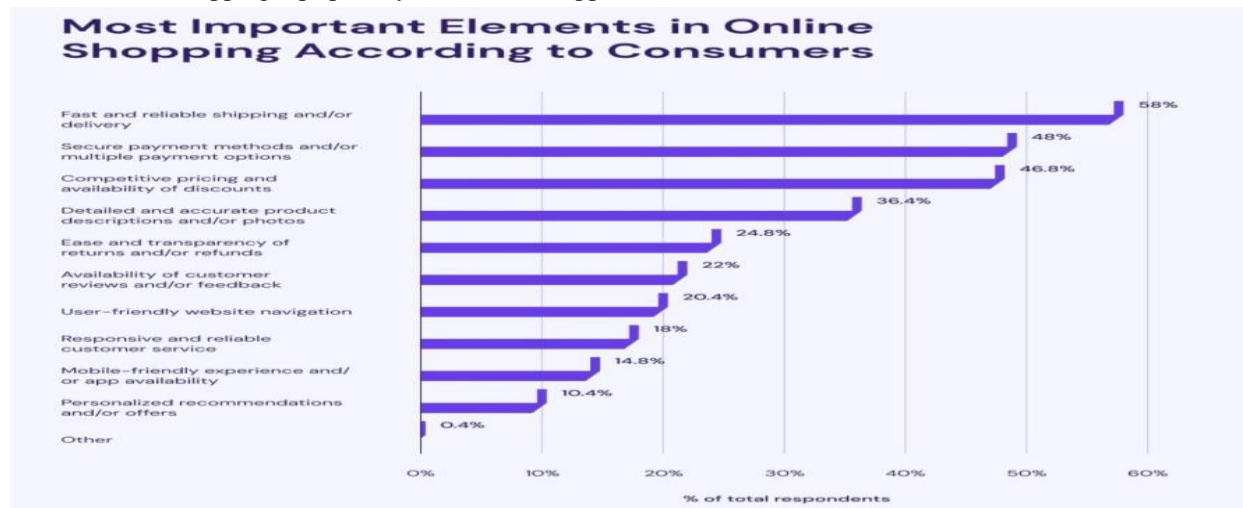
5. Credit/debit cards are the preferred payment method for 62% of consumers



According to our study, 62% of consumers prefer credit or debit cards for their online purchases. PayPal is the second most popular option that is used by 24% of respondents. Other digital payment platforms, such as Google Pay or Apple Pay, are used by 10% of consumers, while 4% reported using other payment methods.

This preference for credit and debit cards is consistent across various household income levels. So, despite the increasing popularity of alternatives like digital wallets and buy now pay later services, traditional payment methods still reign supreme.

6. Fast, reliable shipping tops priority for 58% of shoppers



Our data shows that 58% of consumers consider fast and reliable shipping the most important factor when shopping online. Secure payment options follow closely behind, valued by 48% of respondents. 46.8% prioritize competitive pricing and discounts, followed by detailed and accurate product descriptions with 36.4%. Other factors that consumers care about are

ease of returns and refunds (24.8%), the availability of customer reviews (22%), and user-friendly website navigation (20.4%). Interestingly, despite the widespread use of smartphones, mobile experience (14.8%) and personalized recommendations (10.4%) are lower priority.

6. 35% of customers use chatbot support when shopping online



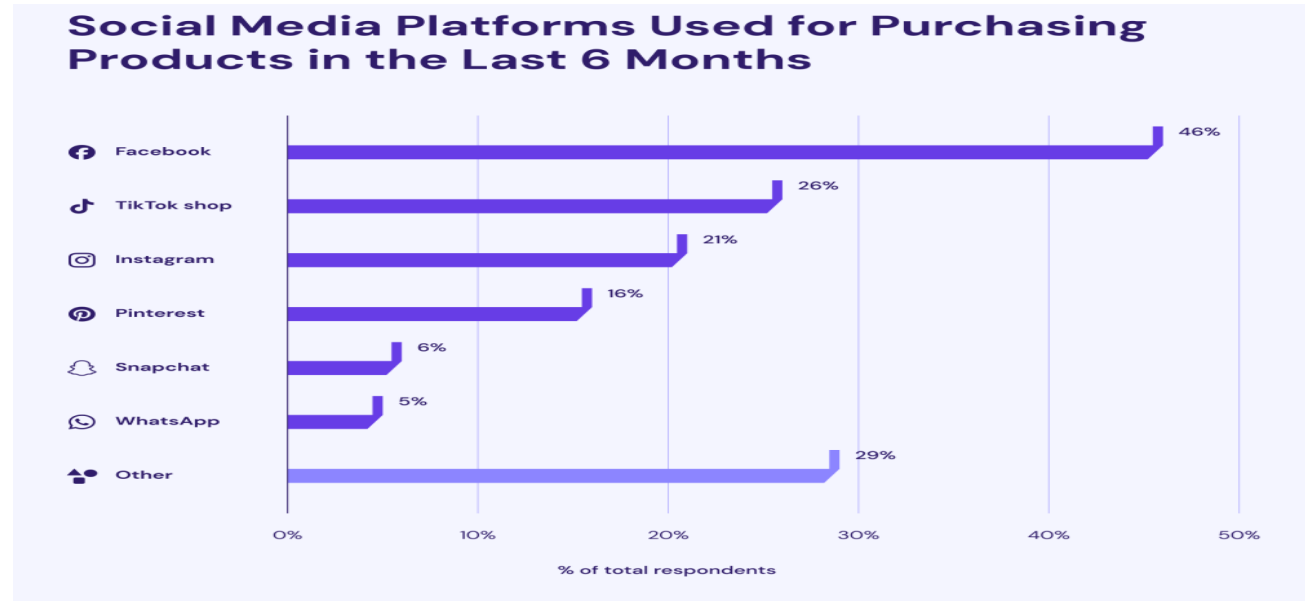
In the last six months, 35% of consumers reported using chatbots when shopping online, making them the most commonly used customer support tool. Other tools, such as virtual size guides (26%) and AI-powered product recommendations (26%), are also popular. While newer technologies like live video or audio shopping assistance (15%), virtual experiences (14%), and augmented reality for viewing products in the home (14%) are gaining traction, they are still less popular compared to chatbots.

7. Social commerce penetration rate projected to reach 25% in 2024

Social commerce is set to reach a 25% penetration rate in 2024, meaning one in four potential customers use social media to shop. In 2023, social commerce generated \$571 billion. With an expected annual growth rate of 13.7%, it's projected to exceed one trillion dollars by 2028. If you're yet to promote and sell your products on social media, it's high time to take advantage of social commerce to connect with customers and boost sales.

The four most popular social commerce platforms Social media platforms are some of the most visited websites in the world. So, it's no surprise that they are powerful tools for businesses looking to get discovered and increase sales. In fact, in 2023 alone, roughly two-thirds (65%) of Millennials purchased goods from the social media accounts of brands they follow. In comparison, about 60% of Gen Z users followed and bought from brands, while approximately 52% did so from influencers. Gen X

users have a strong preference for retailers, with 61% following and purchasing directly from their social media accounts. Meanwhile, only 11% of Baby Boomers followed and purchased from influencers. As seen in the chart below, Facebook leads the way, with 46% of our respondents using it to make purchases. It's followed by TikTok at 26%, Instagram at 21%, and Pinterest at 16%.



Facebook

Facebook is the leading platform for social commerce. 46% of online shoppers name it their preferred social network for making purchases. Its global reach and over three billion monthly active users give businesses unparalleled access to potential customers. It's also recognized for offering the best social commerce experience, with 23% of global consumers rating it the highest. It's safe to say that Meta dominates social commerce with its four integrated platforms: Facebook, Messenger, WhatsApp, and Instagram. Establishing your business presence on Facebook will make it easier to expand to the rest of Meta's platforms.

TikTok

TikTok has rapidly emerged as a powerful player in social commerce, with 26% of users using the platform to discover and research products. Among Gen Z, TikTok ranks third in preference

for product discovery (55%), while 47% of Millennials place it fourth on their ranking of shopping platforms. Meanwhile, 40% of Gen Z consumers have bought products from TikTok Shop, compared to 35% of Millennials. Its ability to engage users with short, captivating videos contributes to its success in sparking impulse purchases. And with TikTok Shop, users can easily act on that impulse without leaving the app. So, consider tapping into TikTok for an opportunity to reach a highly engaged, impulse-driven audience.

Instagram

Instagram is one of the most influential social commerce platforms. 53% of Millennials and 60% of Gen Z shoppers use Instagram to discover and purchase products. According to our survey, 21% of respondents had bought products on it in the last six months. As a visual platform, Instagram excels in showcasing products through photos and

videos. Features like Instagram Stories and Shopping also let users interact with brands directly. Instagram continues to be a preferred platform for younger generations, while platforms like Facebook and YouTube see more engagement from older demographics. Businesses looking to tap into the Gen Z and Millennial markets should focus on optimizing their presence on Instagram.

Pinterest

Pinterest plays a unique role in social commerce. Its users mainly use the platform to create boards, save ideas, and explore new trends. This makes Pinterest a popular platform for discovery, with **16%** of shoppers using it to find new products. Unlike many other social platforms, **96%** of the top searches on Pinterest are unbranded, showing users' openness to new ideas and brands. This makes Pinterest valuable for businesses looking to engage with consumers early on, even before they have a specific brand in mind.

III. ADVANTAGES OF SOCIAL COMMERCE

Enriched engagement, direct customer interaction, personalized experiences, and ease of purchase are just a few advantages that make social commerce so vital for your eCommerce strategy. Let's explore more of them in detail.

One-third of Gen Z and Millennials completely trust influencer product and brand recommendations

In 2023, Gen Z and Millennials had the highest levels of trust in product and brand recommendations from social media influencers.

One-third of each group even expressed complete trust in them. In contrast, over 40% of baby boomers reported no trust at all in influencer recommendations. They were even more skeptical of them than Gen X (22%) and Gen Z (10%). 60% of Gen Z found new products or brands on social media. Compared to the overall consumer base, Gen Z consumers were almost twice as likely to discover and purchase a product through an influencer. This statistic highlights a huge opportunity for businesses to leverage influencer marketing and social recommendations to build trust and drive sales among younger demographics. Reach up to 62.6% of the global population

As of April 2024, there were over five billion social media users worldwide, which is 62.6% of

the global population. Northern and Western Europe had the highest social network penetration rates, at 80.2% and 78.2%, respectively.

With social commerce, businesses can tap into this global market, expanding their reach and attracting more clients.

Findings:

- Social commerce strategies to boost engagement and sales to the latest insights might wonder how to put them into practice.
- Here are some of the findings can give the output status of social media to improve customer engagement, simplify the shopping process, and drive sales.
- The primary finding of social media is to increase social posts into instant shopping opportunities
- Posts allow customers to browse and purchase products directly from social media platforms without leaving the app. By reducing friction in the buying process, customers are more likely to convert.
- The media platform, businesses lower the chances of abandoned carts. Since customers don't need to leave the app to complete their purchase, the buying process becomes smoother, increasing the likelihood of completing the checkout.
- As highlighted by our survey, 82% of consumers use social media for product discovery, and 86% have made an online purchase in the last month.
- Looking ahead, social commerce is projected to account for a 25% penetration rate in 2024, driven by increasing consumer engagement and technological innovations.
- Platforms like Facebook, Instagram, YouTube, TikTok, and Pinterest play significant roles in shaping the future.
- The media helps the customers to know the reviews, photos, and videos of the product to an authentic customer experience.
- To build the trust and credibility. People are more likely to make a purchase when they see a product being used and loved by their peers.
- Encouraging customers to share their experiences with the product can be an

organic, cost-efficient way to promote your brand.

IV. SUGGESTIONS

On social media, businesses can run highly targeted ad campaigns with tailored messaging to reach users with specific demographics, interests, and behaviors. This can lead to higher click-through rates, ROI, and overall conversions. With ad analytics, businesses can rework their campaigns and improve them over time.

V. CONCLUSION

The customer experiences with responsive interactions in diversifying the business on a large capacity to transform the unit into a potential framework to meet their concerns.

Every customer involvement is to improve potentiality of the business and strengthen the trust and confidence with an effective notice of ask questionss and raise their concerns on social media, respond to them quickly and thoughtfully so that they know they are valued. By this customer feedback also recorded for a better exposure.

Remember: A good customer experience helps create a positive brand image that fosters loyalty and encourages repeat purchases.

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