PHOTON®



Social Commerce Reimagined

Crafting the Blueprint for the Future



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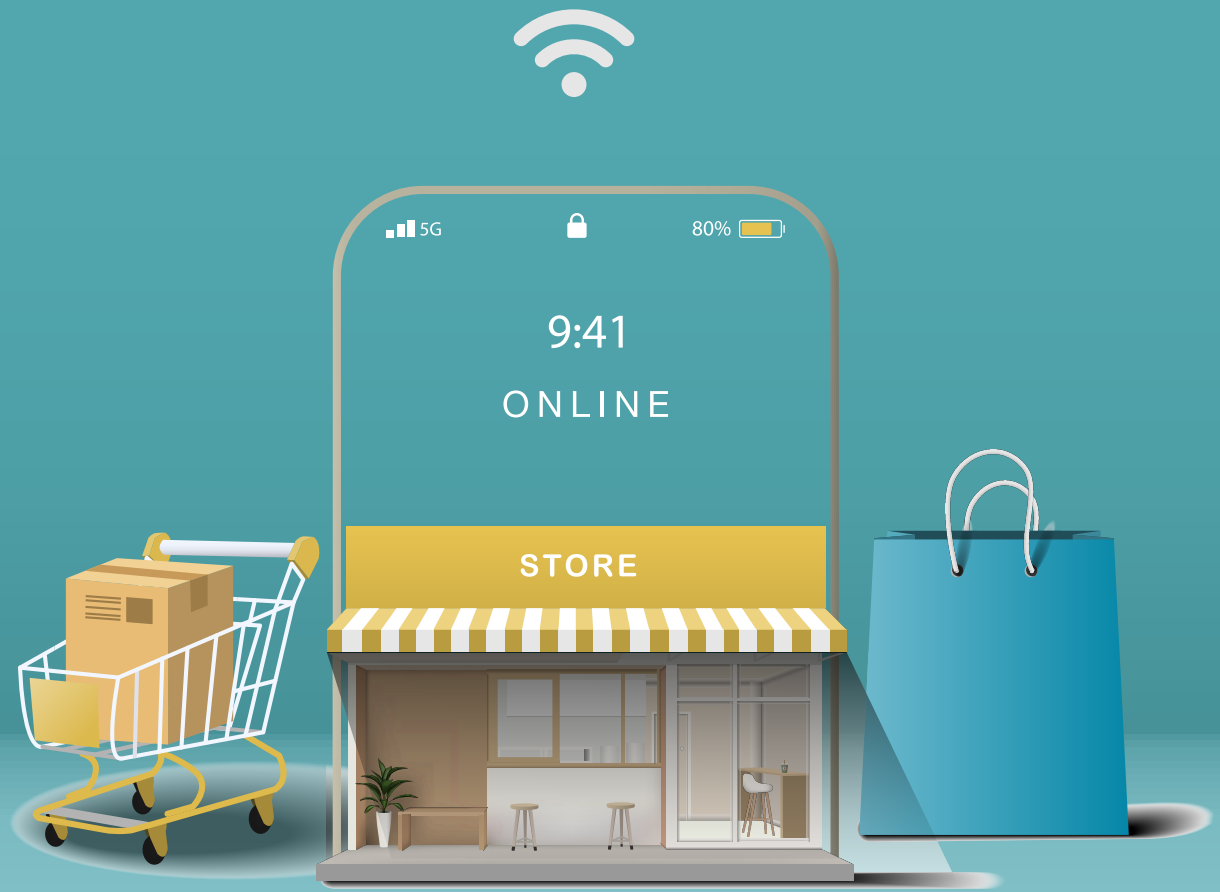
Reimagining Social Commerce

Social commerce is transforming the retail landscape, merging the dynamics of social media with the convenience of e-commerce to create personalized and immersive shopping experiences. This is creating both opportunities and challenges for brands in the marketplace. It requires enterprises to **rethink marketing, customer experience, product strategies, customer success and more....** This can quickly become complicated and overwhelming.

Photon's C^3 model—**Create, Connect, Convert**—empowers brands to craft meaningful content, build genuine relationships, and drive seamless transactions. This approach ensures that every interaction is an opportunity to deepen engagement and foster customer loyalty, ultimately leading to measurable growth.

The social commerce market is projected to reach nearly $80 billion in the U.S. by 2025 and exceed $2 trillion globally, driven by increased mobile usage and a shift towards more immersive shopping experiences. Brands must strategically leverage these trends by focusing on authentic consumer engagement, seamless integration across platforms, and ensuring a frictionless path to purchase.

By leveraging social commerce, companies can create memorable customer experiences that lead to **long-term brand loyalty and sustained success** in this ever-evolving world.



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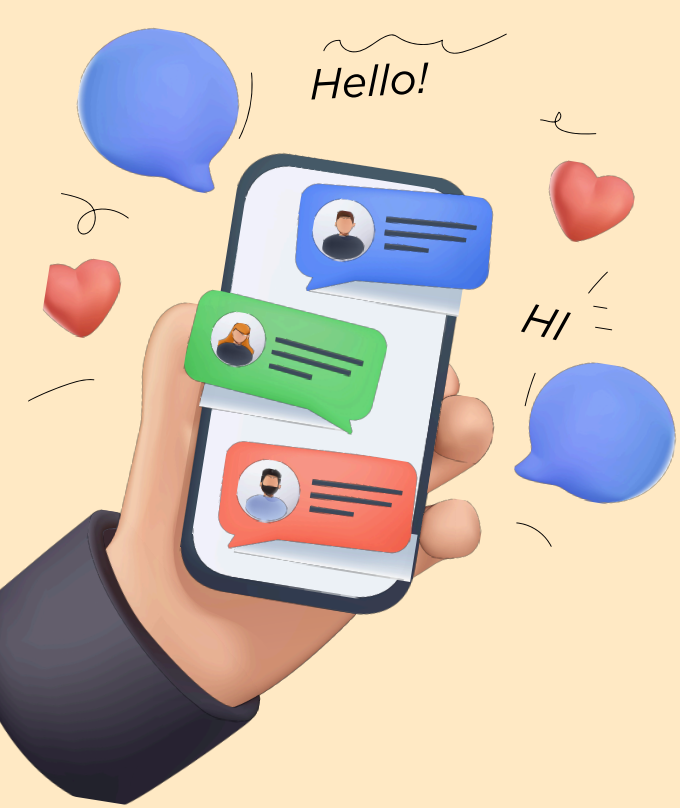
"True transformation in social commerce isn't just about adopting the latest technologies—it's about ensuring those innovations align with real human needs. At Photon, we help brands deliver exceptional customer experiences by blending data-driven insights with authentic engagement."

Mukund Balasubramanian

President & Co-Founder of Photon

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SOCIAL + ECOMMERCE = SOCIAL COMMERCE



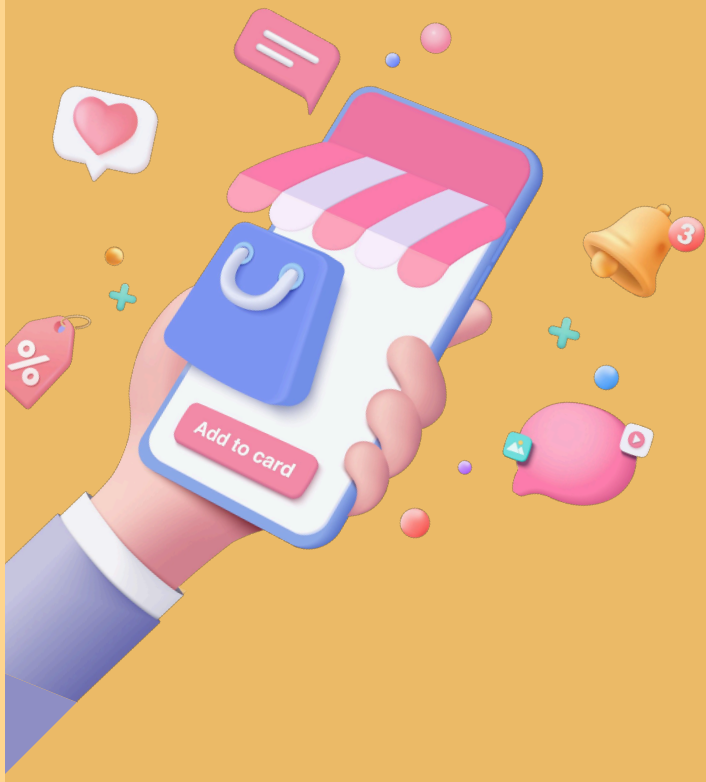
Social Media

Online community platforms for sharing information, ideas, and media

eCommerce

Buying and selling products over the internet





Social Commerce

Buying and selling products directly on social media platforms

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The Eras: Leading to Today

Social commerce merges the immediacy of e-commerce with the influence of social media. It turns peer recommendations, influencers, and user-generated content into powerful drivers of sales, making shopping seamless, interactive, and personal. The evolution of social commerce can be traced through distinct eras, each building on the last to shape today's experience.

The Early Years 2000s - 2010s



The Birth of Social Commerce

Social commerce began with experiments like Yahoo!'s "Shoposphere" in 2005, where users shared product lists and reviews. In 2007, Facebook Marketplace brought buying and selling into the social space, blending commerce with community. By the decade's end, Instagram and Pinterest introduced features like wish lists and peer reviews, fostering a culture of social shopping.

The Golden Era 2015 - 2020



Scaling Influence and Integrating Shopping

This period saw platforms like Instagram and Facebook roll out shoppable posts, making browsing and buying seamless. Influencers became central to brand strategy, offering authentic endorsements that drove trust and sales. Live shopping events emerged, combining real-time engagement with instant purchasing, turning audiences into active buyers.

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The Current Era
2020 - Present

Personalized, Frictionless Shopping

The pandemic accelerated social commerce as platforms like Facebook Shops and TikTok Shopping created integrated storefronts. AI recommendations and streamlined payment options now ensure a frictionless shopping journey, embedding commerce naturally into daily social interactions.

A Social Shopping Renaissance

Looking ahead, hyper-personalization, voice-activated shopping, and micro-communities will redefine the space. Brands will tailor every interaction, making shopping as simple as speaking or as social as joining a live event. The future isn't just about buying—it's about creating meaningful, engaging experiences.



The Future

More on the future state later,
let's focus on the here and now.

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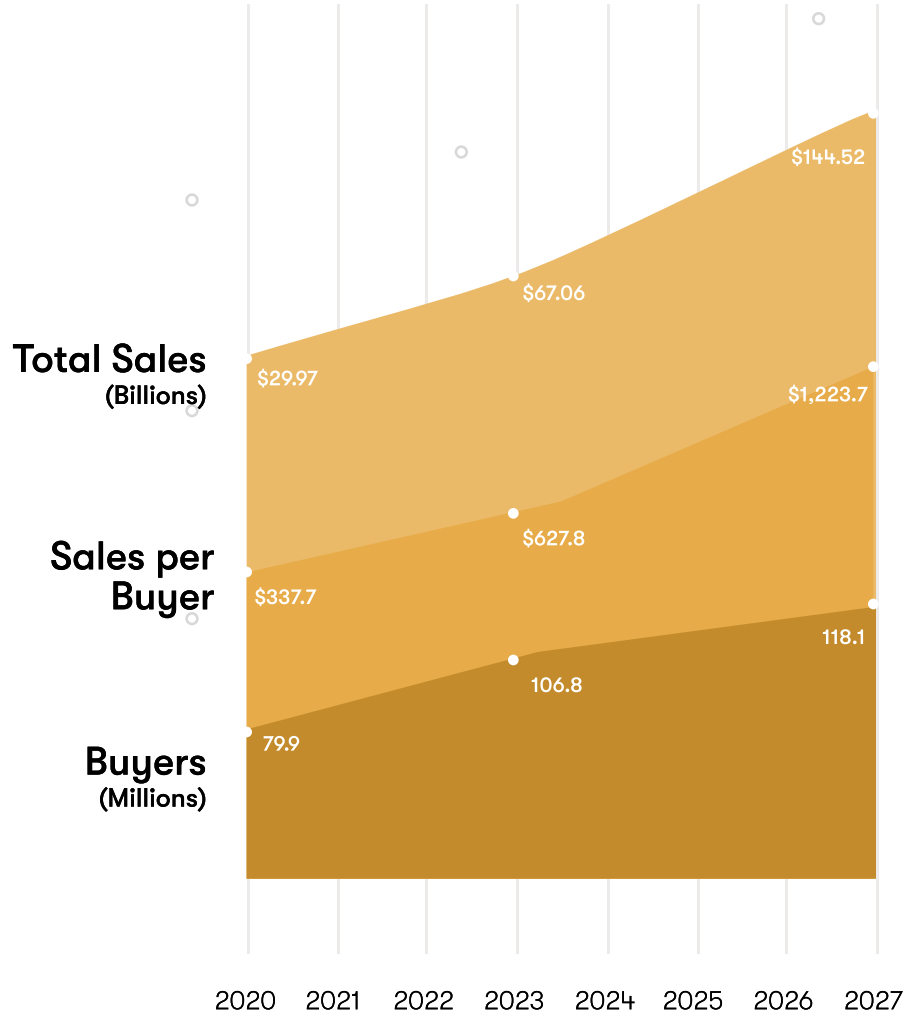
TODAY'S LANDSCAPE & ECOSYSTEM

Building upon its historical roots, social commerce has evolved significantly, integrating comprehensive technological solutions to enhance the shopping experience. Programs like Salesforce Commerce Cloud, Adobe Commerce, Replika, PFSweb, and Shopify, along with the platforms themselves and advanced payment solutions, provide **end-to-end solutions** that cover every aspect of social commerce.

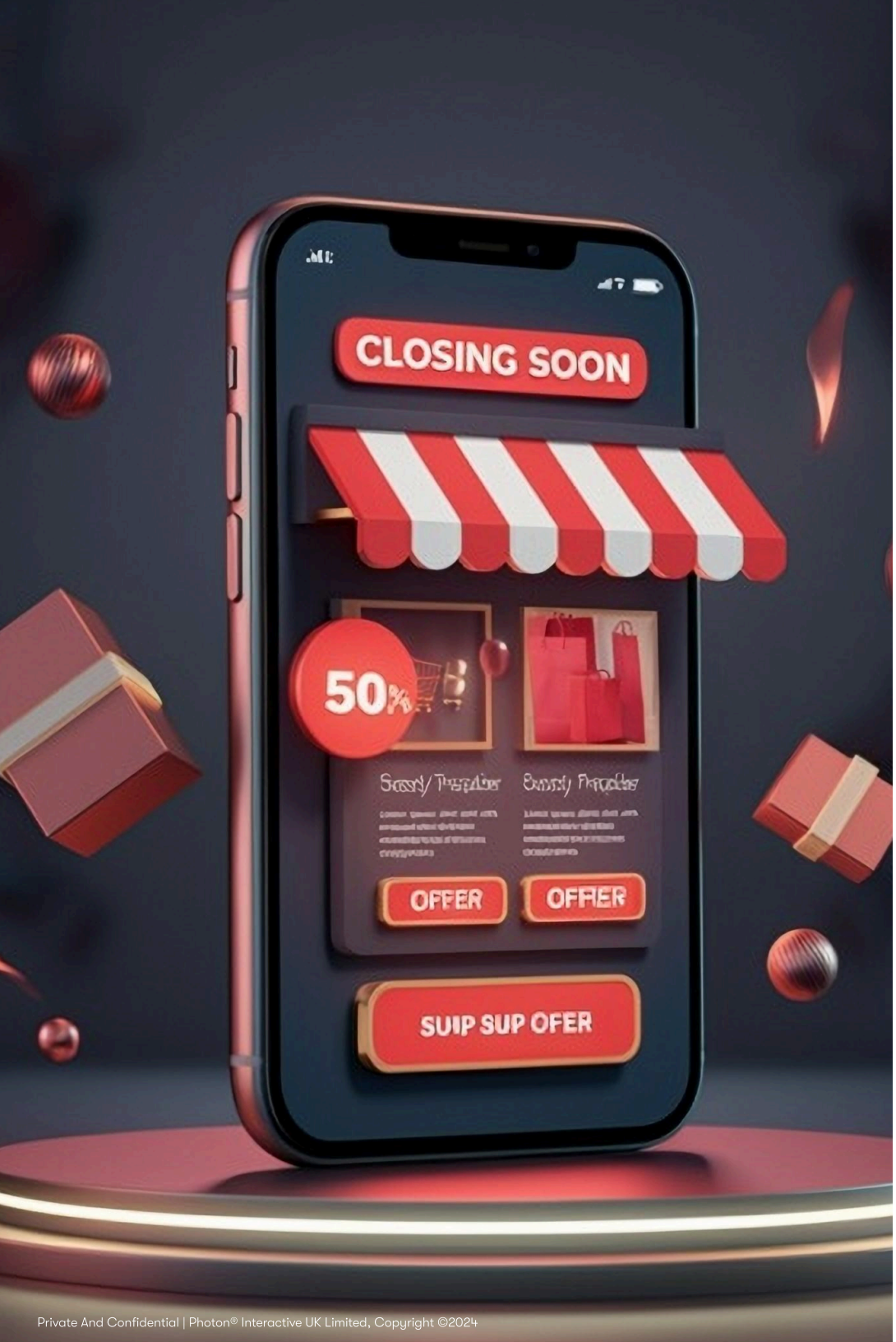
These solutions include platform setup, which allows businesses to establish and customize their online storefronts with ease, influencer and seller management programs that facilitate seamless collaboration and content creation, and direct-to-consumer (D2C) distribution capabilities that ensure efficient product delivery. This integration creates **a cohesive ecosystem that supports the entire social commerce process from start to finish.**

The **growth** of social commerce today is **largely driven by deepening the relationship with existing social buyers** rather than attracting entirely new ones. This trend is clearly reflected in this graph from eMarketer, which shows that **customer penetration** and increasing the depth of spend among current buyers **is expected to grow 2X the next three years.**

While platforms like TikTok offer an exception because they attract the youngest audience and hence add new social buyers when the youth come of age and begin social purchasing, everyone else's **focus remains on engaging with and nurturing established customers.**



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70%

of shoppers in the U.S. purchased an item they discovered in their social media feeds, emphasizing the importance of visibility and engagement across social platforms.

Meanwhile, even though social media users now spend **15% of their waking lives on social media,** what social commerce shoppers are looking for is a much more old-fashioned value. **They want reliability.**

They want to know when they order something, it's going to get there reliably, that if they want to return the item there is a simple path to do so, they want quality products - shoppers want to know this new way of purchasing is safe; and **the brands who deliver that reliability first, foremost and always** are the brands which will set themselves apart and **build generational loyalty** in the social commerce space.

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THE STATE OF SOCIAL COMMERCE
KEY STATS AND TRENDS

U.S. AGE DEMOGRAPHICS

Social media users now spend about

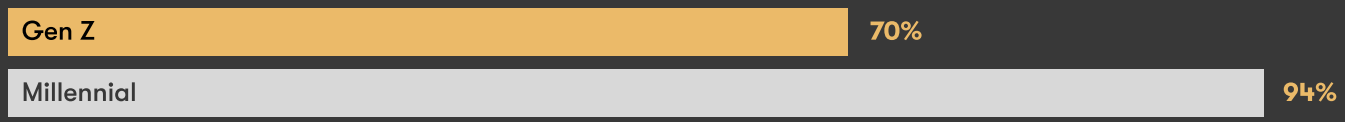
15% of their waking life on social platforms

Half of

Gen Z (18-26)
Millennial (27-42)

Social media users in the U.S. Has engaged in at least one purchase through social channels



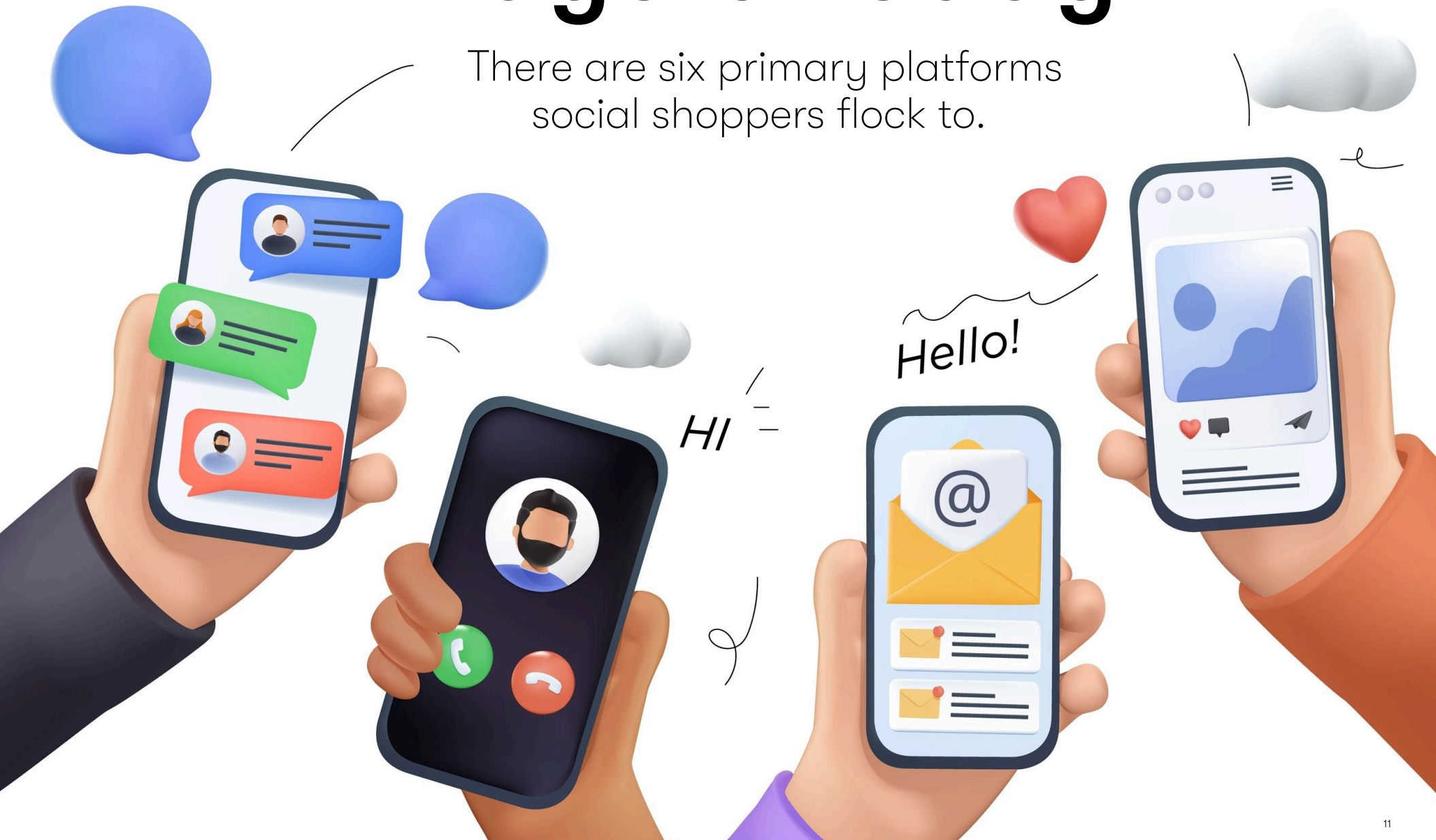


Shoppers in the United States purchased an item on their social media feed

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Key EcoSystem Players Today

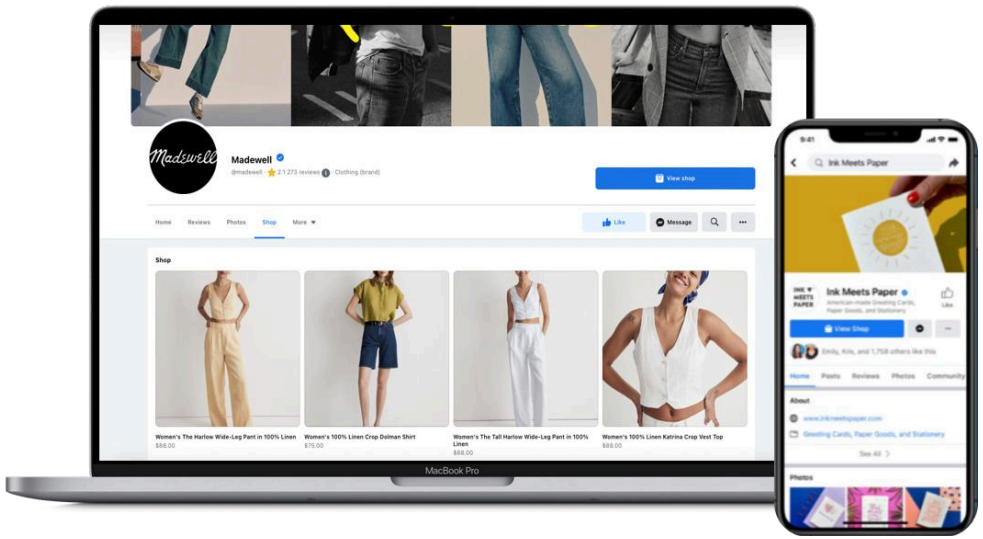
There are six primary platforms social shoppers flock to.



PLATFORM PLAYERS

FACEBOOK

49% of U.S. adults purchase through facebook



KEY STATS

More Than
89%
Of Marketers Use Facebook For Social Commerce Sales

62 %
Of US Social Buyers' Most Recent Purchase Was On Facebook

PLATFORM FEATURES

- Facebook Shops For Customizable Online Storefronts
- Integration With Shopify For Automatic Product Syncing

TECHNOLOGY STACK

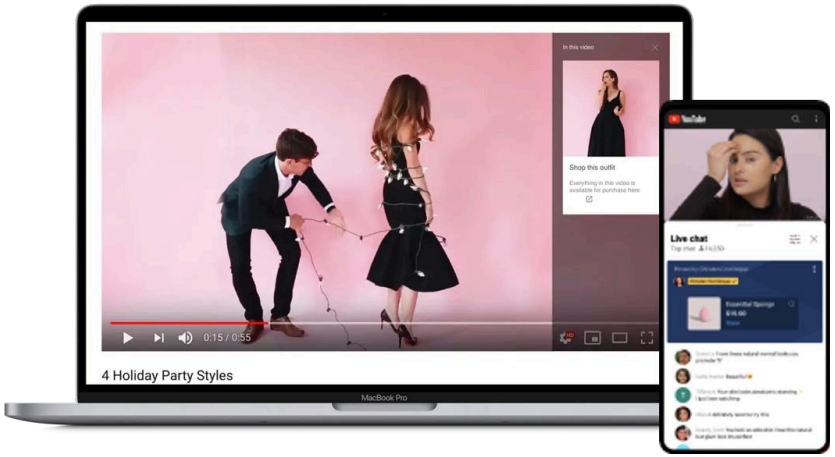
- Facebook Checkout For In-Platform Purchases
- Messaging Platform (Facebook Messenger) For Customer Interactions
- Integration With Shopify

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PLATFORM PLAYERS

YOUTUBE

46% of U.S. adults purchase through youtube



KEY STATS

Over
2 BILLION
Logged-In Monthly Users

70%
Of Viewers Have Purchased A Product They Saw On YouTube

PLATFORM FEATURES

- Shoppable Video Ads Allowing Direct Purchases From Video Content
- YouTube Merch Shelf: Integrates With Merch Partners To Showcase Products Below Video

TECHNOLOGY STACK

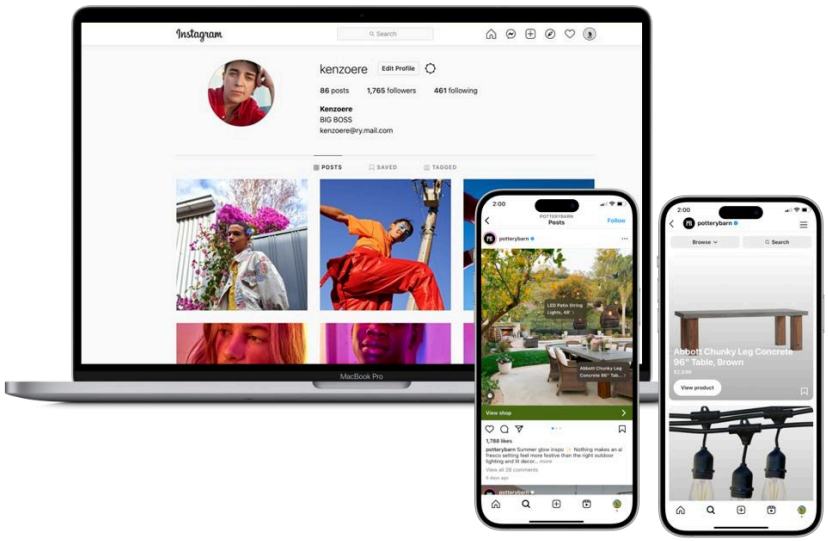
- Integration With Google Shopping And Various E-Commerce Platforms
- Advanced Video Recommendation Algorithms
- Integration With Shopify, BigCommerce, And Other E-Commerce Platforms

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PLATFORM PLAYERS

INSTAGRAM

40% of U.S. adults purchase through instagram



KEY STATS

26%
Of The Global Population Over 13 Uses Instagram

70%
Of Shoppers Use Instagram To Find Their Next Purchase

PLATFORM FEATURES

- Instagram Shops For Customizable Virtual Storefronts
- Shopping Tags For Tagging Products In Posts And Stories

TECHNOLOGY STACK

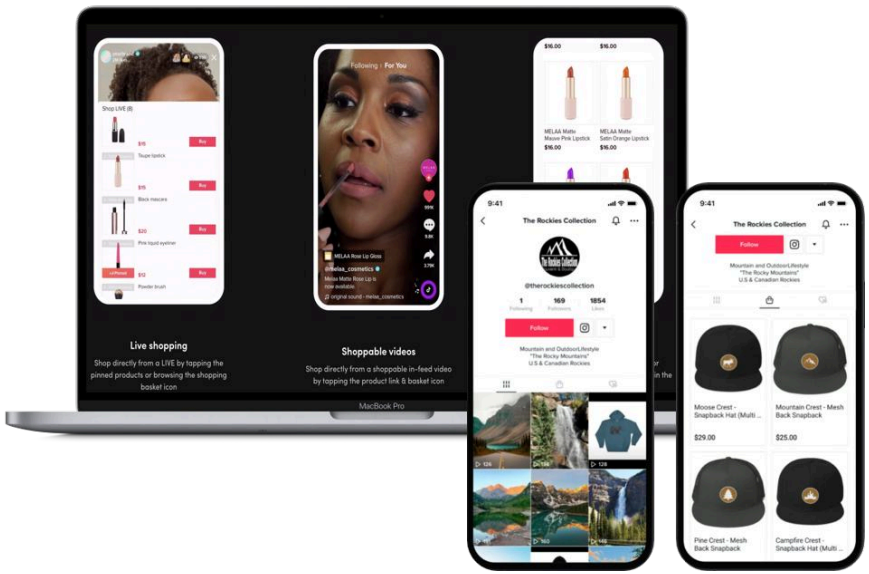
- Integration With Meta's Ecosystem
- Advertising Capabilities For Sponsored Product Posts
- Integration With Shopify

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PLATFORM PLAYERS

TIKTOK

39% of U.S. adults purchase through tiktok



KEY STATS

Predicted To Hit

48.8 MILLION

US Users By 2025

43%

Of Gen Z Audiences Start Their Online Product Searches On TikTok

PLATFORM FEATURES

- In-App Social Shopping Through Shopify Partnership
- Merchants Can Add Shopping Tabs For A Virtual Storefront

TECHNOLOGY STACK

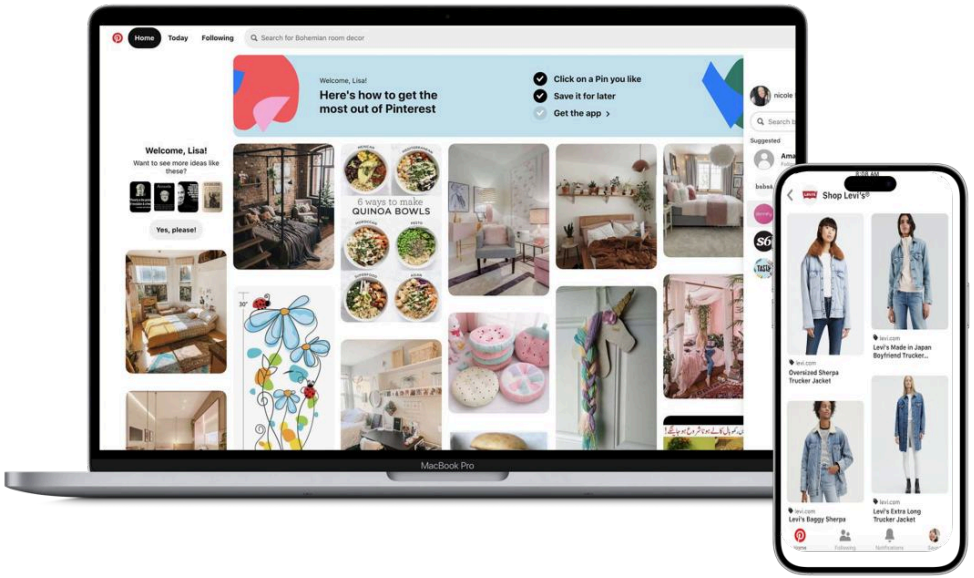
- Integration With Shopify
- Advanced Recommendation Algorithms

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PLATFORM PLAYERS

PINTEREST

36% of U.S. adults purchase through pinterest



KEY STATS

More Than
465 MILLION
Monthly Users

97%
Of Pinterest Searches Are Unbranded

PLATFORM FEATURES

- Mood Boards And Pinning For Product Discovery
- Shoppable Product Pins For Direct Purchases

TECHNOLOGY STACK

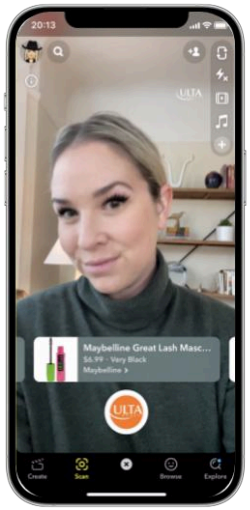
- Search Engine Capabilities Combined With Social Media
- Integration With Shopify And Other E-Commerce Platforms For Product Listings

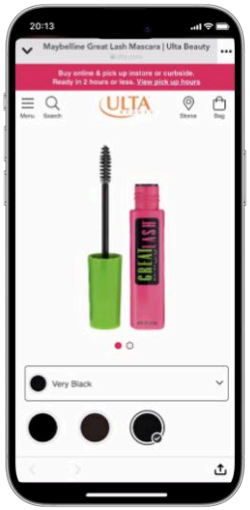
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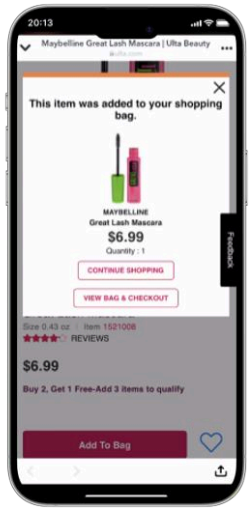
PLATFORM PLAYERS

SNAPCHAT

31% of U.S. adults purchase through snapchat







KEY STATS

319 MILLION
Daily Active Users

37%
Of Users Have Used AR Filters To Engage With Brands

PLATFORM FEATURES

- Shoppable AR Lenses And Filters For Interactive Product Try-Ons
- Snap Store: In-App Store Feature For Direct Purchases

TECHNOLOGY STACK

- Augmented Reality (AR) Technology For Interactive Shopping Experiences
- Integration With Third-Party E-Commerce Platforms For Seamless Transactions
- Partnerships With Shopify, BigCommerce, And Magento

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The New Blueprint: **C³ Model (Create, Connect, Convert)**

The evolution of social commerce has shown us one thing: success isn't about following trends; it's about building lasting relationships. To thrive in this new era, brands need more than strategies—they need a blueprint for creating meaningful connections. That's where Photon's C³ model comes in.

Photon's C³ model—Create, Connect, Convert—redefines what it means to engage with consumers. It's a blueprint for moving beyond transactions and into relationships that matter.



Create

isn't just about content; it's about crafting stories that invite your audience to join in, building emotional connections that linger. It's the difference between showcasing a product and inspiring a movement.

Connect

is where commerce turns personal. Photon believes that authentic engagement is key—whether through a live session, an AR experience, or simply being present where your customers are. It's about seamless, human interaction that makes your brand relatable.

Convert

is not a push; it's a natural step. When you've created something meaningful and connected genuinely, conversion follows. It's about trust earned, providing value at the right time, and making the path to purchase intuitive and rewarding.

With Photon's C³, commerce transforms from a transactional funnel to an experience-driven journey—one your customers want to take, again and again.

"The C³ model isn't just a framework; it's a philosophy. At Photon, we believe that creating authentic experiences, connecting meaningfully, and converting through earned trust is how brands truly grow in the social commerce era."



Jim Kim
Chief Creative Officer

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SEAMLESSLY CONNECTED:
TRANSFORMING COMMERCE

C^3 (Create | Connect | Convert): Photon's Social Commerce Framework

Journey

Create → Connect → Convert



Levers

Content Strategy
- UGC
- Influencer Partnerships
- Brand-Generated Content

Engagement & Interaction
- Live Streaming
- Chatbots & AI
- Gamification

Sales & Marketing
- Social Ads
- Flash Sales & Promotions
- Seamless Checkout Process

Data Analytics & Consumer Insights
- Behavioral Analytics
- Conversion Tracking
- CRM

Fulfillment & Logistics
- Order Management
- Inventory Management
- Shipping & Delivery
- Returns Management

Enable

Technology & Platform Integration

Integrated E-Commerce Platforms | Social Media Platforms | AI | PaymentTech | AR & Virtual Try-On | SupplyTech

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C³ Model In-Action

These case studies demonstrate the power of social commerce in driving user engagement, increasing conversion rates, and enhancing customer loyalty, and dives into how past and current successes demonstrate **the principles behind the C³ model.**

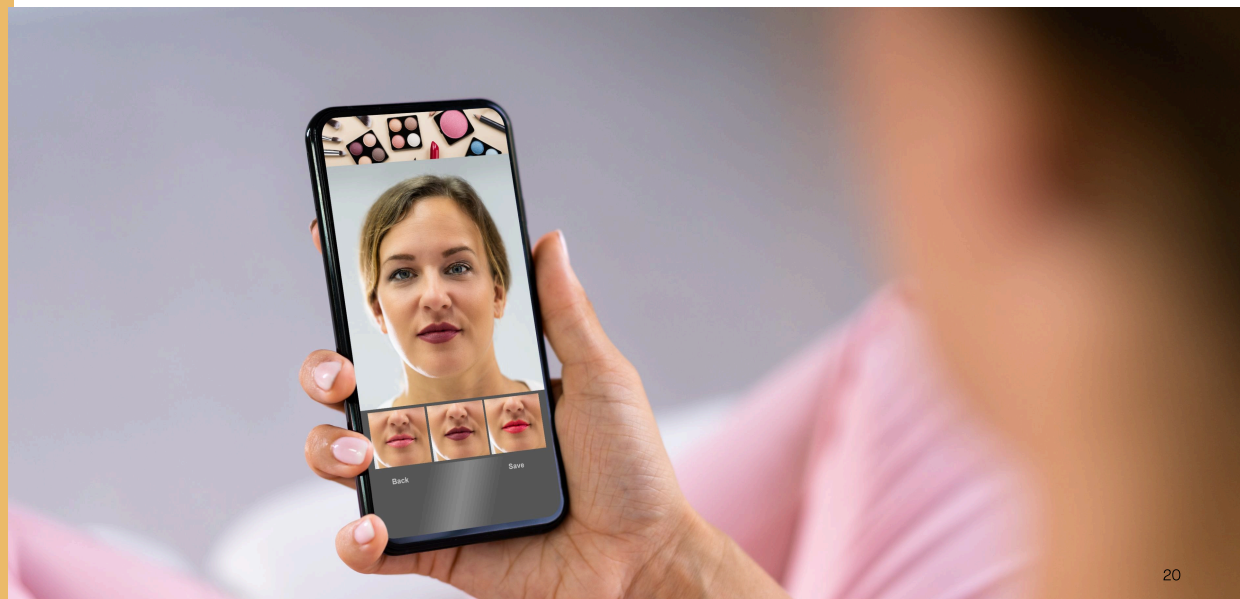
By leveraging social media platforms, user-generated content, and personalized shopping experiences, these brands, big and small, young and established, have successfully navigated the evolving digital landscape to achieve significant growth.

L'ORÉAL PARIS

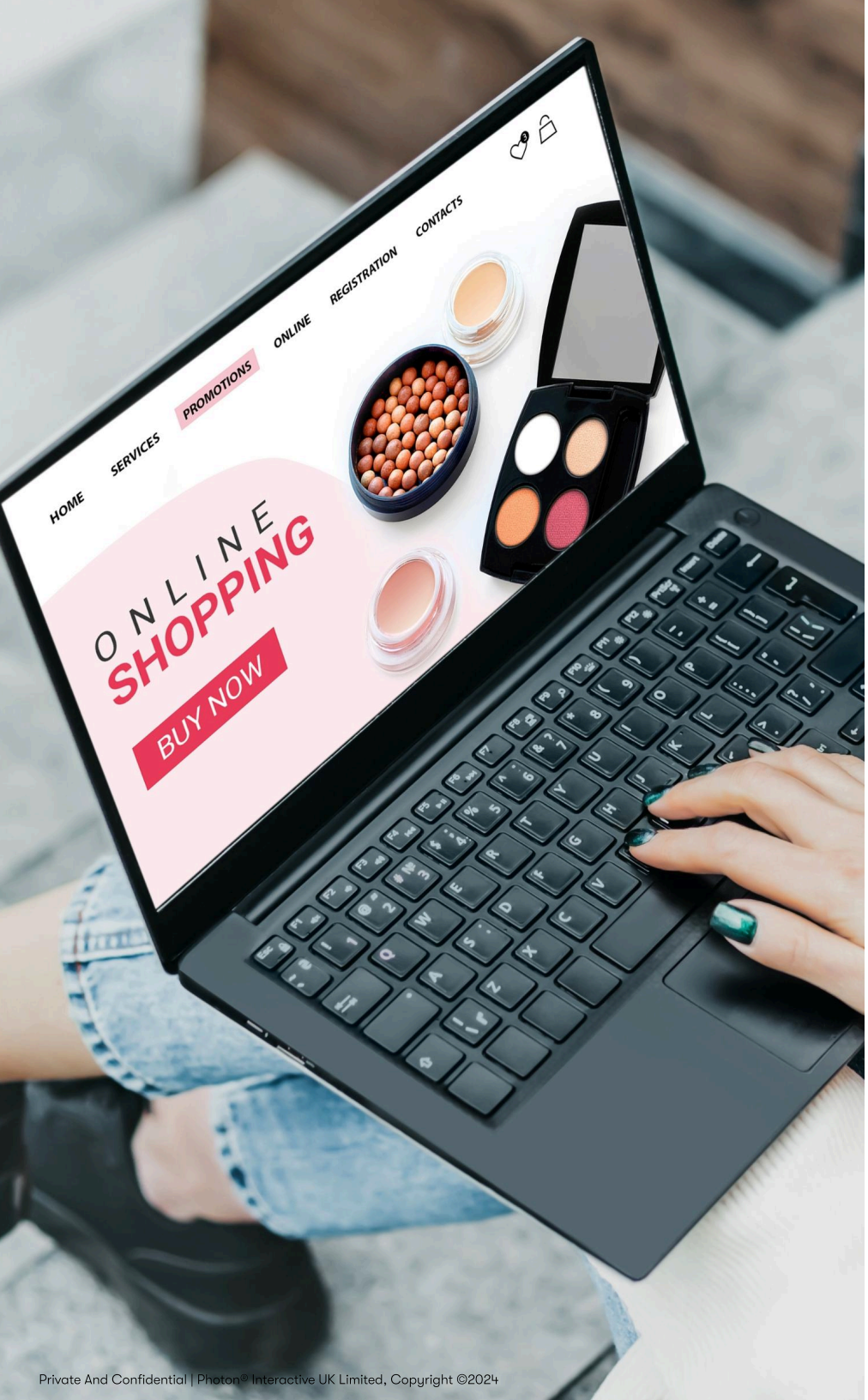
L'Oréal has redefined social commerce by **combining advanced technology with a consumer-first approach,** which aligns with the principles of Photon's C³ model. By investing in ModiFace, L'Oréal enabled customers to "Create" their own personalized experiences through virtual try-ons, offering an engaging way to explore beauty products. This integration boosted consumer engagement significantly, driving conversion rates through an **interactive, visual experience.**

L'Oréal then partnered with Replika Software, “Connecting” and empowering beauty advisors and influencers to **interact directly** with potential buyers via platforms like Instagram and TikTok. This **real-time connection built trust, enhancing authenticity in brand interactions.**

Leveraging an eCommerce platform for a seamless path to purchase, L'Oréal ensured that the customer journey was frictionless, fully embodying the "Convert" aspect of the C³ model. This strategic use of technology **helped L'Oréal capture 25% of its revenue from e-commerce,** showcasing the power of blending human connection with innovative digital experiences.



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KYLIE COSMETICS℠
BY KYLIE JENNER

Photon's C³ model can also be applied to Kylie Cosmetics. Partnering with Shopify Plus, Kylie Cosmetics ensures that the "Convert" component remains compelling, offering a **seamless, mobile-responsive shopping experience** that showcases large product images and prominent “SHOP NOW” icons.

Shopify’s scalability allows the brand to handle high traffic during major product launches, guaranteeing consistent service quality. This, coupled with limited-edition drops, creates urgency and a sense of exclusivity, ultimately fueling consumer excitement and anticipation. For example, the brand achieved a remarkable **conversion rate of 2.5-3% and an average order value between $50 and $75,** driven largely by high-quality content and well-executed scarcity tactics like limited-edition drops and product bundling.

Kylie Jenner’s social media influence is the power behind the “Create” concept as she is the centerpiece for driving ‘compelling’ content. Combining that with Shopify's capabilities has enabled the brand to **leverage product tags and interactive content to create meaningful connections** with customers.

The "Convert" element is further reinforced by back-in-stock alerts and bundling strategies, which boost repeat purchases and increase average order values. By strategically using these elements, Kylie Cosmetics achieved a **9% year-over-year increase** in e-commerce sales, with **70% of its total revenue coming from online sales,** demonstrating what the effective application of a complete C³ approach can deliver.

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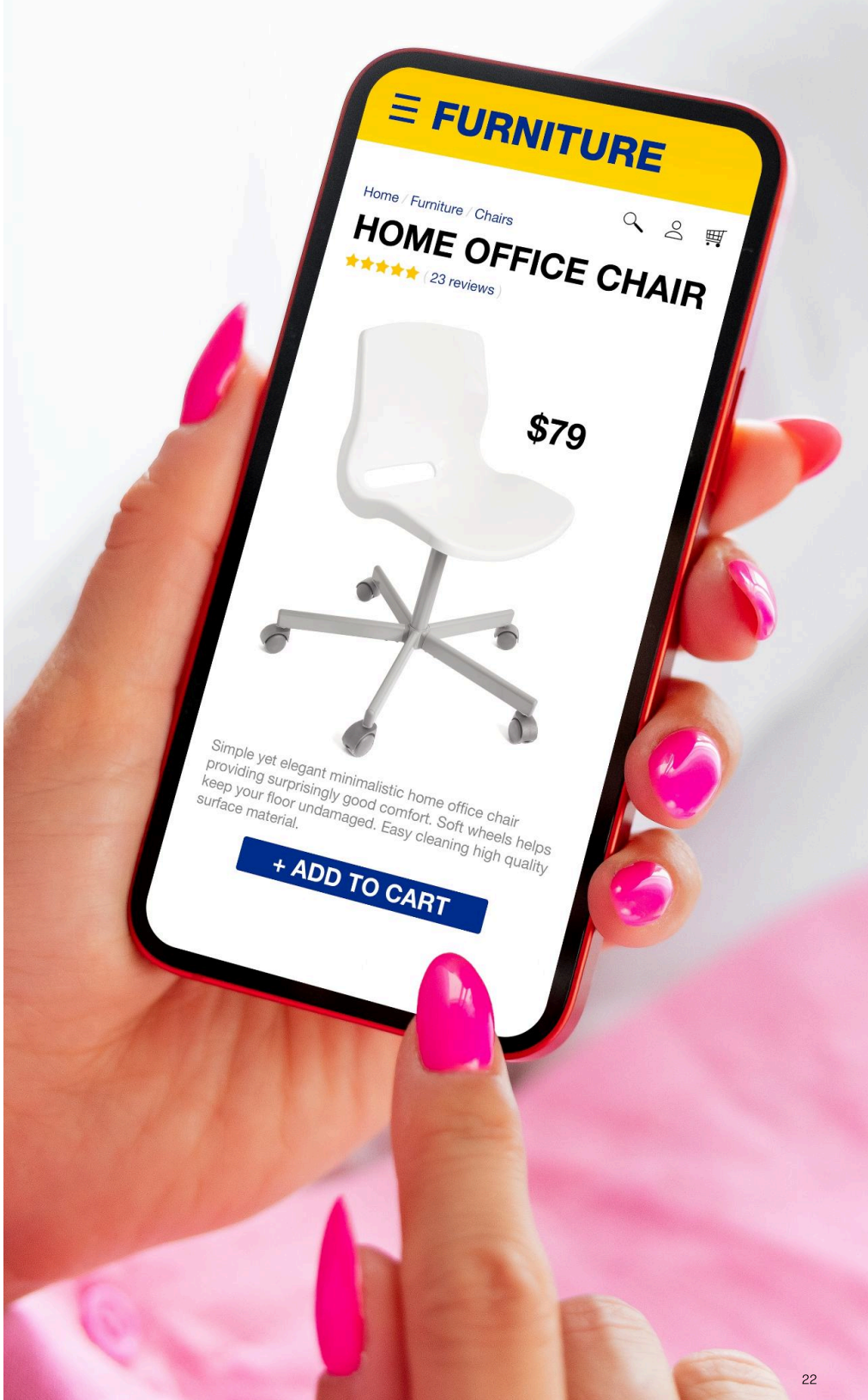
Room&Board

Room & Board, a high-end furniture brand, effectively drove social commerce success on Pinterest. Through visually compelling Promoted Pins and Shopping Ads, the brand represented the "Create" element **to showcase its high-quality furniture in real-life settings,** engaging customers with curated, browsable content.

By integrating Pinterest's personalized shopping features, Room & Board connected with consumers seamlessly, enabling them to discover, save, and interact with products in an aspirational context.

The "Convert" component was highly successful, as evidenced by their **promoted pins achieving a 51X return on ad spend (ROAS) and shopping ads delivering a 33X ROAS.**

By leveraging Pinterest's platform capabilities, including **rich pins and direct catalog integration,** Room & Board provided an **intuitive shopping journey** that allowed customers to browse and buy without leaving the platform—demonstrating a complete and effective C^3 integration that significantly boosted sales.



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zimba

Zimba, a teeth-whitening brand, effectively demonstrated elements of Photon's C^3 model through its social commerce efforts on Facebook Shops. By integrating with Shopify, Zimba "Created" a visually appealing and consistent product presentation that engaged users directly on Facebook.

The bold product imagery and clear branding made the shopping experience more accessible, enhancing initial consumer interest and aligning with the brand's visual storytelling goals.

For "Connect" and "Convert," Zimba leveraged Facebook Shops to directly engage with its audience and streamline purchases. This approach led to 1,200 incremental product orders in just two months and an **increase of 6.7% in average order value compared to its website sales.**

By enabling users to purchase directly within the Facebook environment, Zimba reduced friction in the buying journey, thereby connecting with consumers at the point of interest and converting that engagement into immediate sales.

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Predicting the Future

The future of social commerce is being driven by cutting-edge technologies that continue to **transform how consumers interact, make purchases, and experience brands** within social media ecosystems.

We created a top five list of the latest emerging trends for 2025 and beyond which point to a more immersive, personalized, and effortless shopping journey.

1. Hyper-Personalization

Hyper-Personalization is reshaping social commerce, driving the next evolution in social selling by leveraging AI and data to craft highly tailored, immediate experiences. As brands **analyze user behaviours and preferences,** they **create interactions that feel uniquely personal,** ensuring that **every engagement** on social platforms **resonates with the individual.**

This approach goes beyond simple recommendations—it's about making each social media interaction meaningful, using data to showcase products that align precisely with user interests at the right moment.

Looking ahead, hyper-personalization will be the key differentiator in social selling, allowing brands to **create authentic, engaging experiences that build trust and drive long-term loyalty.**



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2. Voice Search and Smart Assistants

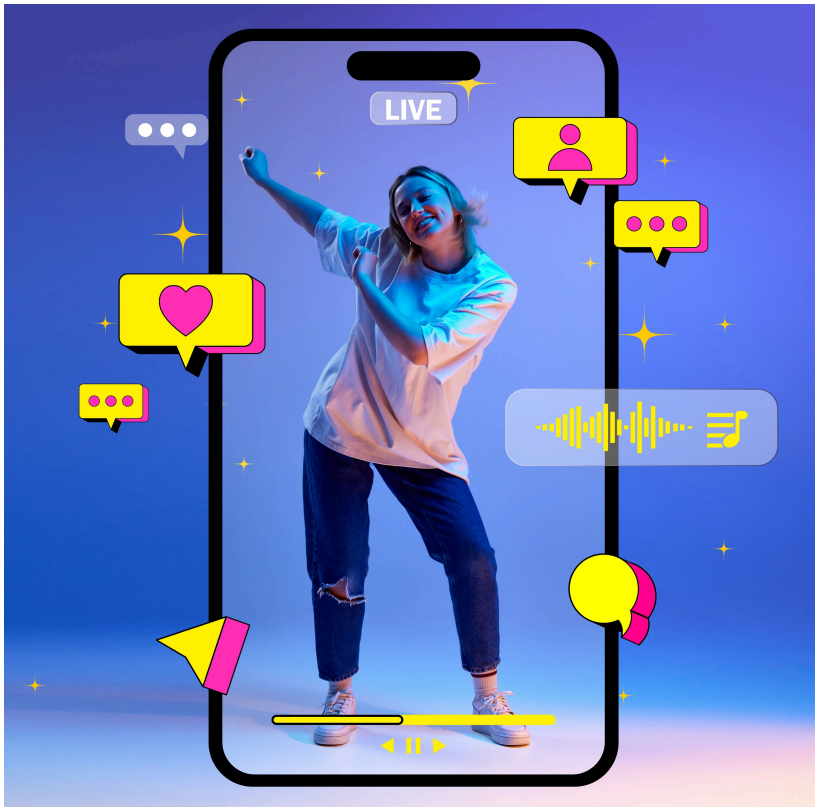
Voice Search and Smart Assistants are carving a role in social commerce, making shopping as effortless as speaking. A simple command like, “What’s trending in skincare on TikTok?” can guide users to shoppable posts or live streams instantly. **Platforms are adapting to this, turning curiosity into action with voice-enabled discovery and transactions.**

Smart assistants like Alexa or Google Assistant enhance this by **directing users to live shopping events or completing purchases with a command like, “Order this now.”** As AI integration deepens, voice-driven shopping will redefine how users engage with brands, merging convenience with the dynamic nature of social commerce.

3. Micro-Influencers

Micro-Influencers are becoming central to social commerce strategies. Unlike celebrity endorsements, **micro-influencers—who have smaller but highly engaged audiences**—are providing **authentic and relatable content that resonates more deeply with consumers.**

With engagement rates averaging 6%, **micro-influencers outperform traditional celebrities in driving social commerce conversions.** This shift allows brands to reach target audiences more effectively, fostering genuine interactions and increasing trust in their product offerings.



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4. Live Shopping Events

Live Shopping Events continue to grow as a key engagement tool. Livestream shopping has proven to be highly effective, with some brands experiencing an impressive 55% add-to-cart rate during live events. These interactive sessions enable viewers to ask questions in real time, see product demonstrations, and access exclusive offers, **creating a dynamic shopping environment that builds community and trust** while **driving spontaneous purchases.**

5. Social Payments

Social Payments are further simplifying transactions by enabling consumers to complete purchases without leaving their favorite social apps. **Integrated payment systems,** like those available on platforms like TikTok, Instagram, and Facebook, ensure a frictionless shopping experience, **encouraging impulse purchases** and boosting conversion rates.



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By embracing these five emerging technologies and trends, **social commerce is evolving** to become more interactive, personalized, and seamlessly integrated into everyday social media interactions.

This transformation makes shopping an engaging, frictionless, and **more human experience,** aligned with the latest consumer expectations and digital behaviors.



How to Start Your Social Commerce Journey

The path to thriving in social commerce begins with a simple truth: customers value reliability above all else.

On-time delivery, trustworthy packaging, quality products, and seamless customer support are the bedrock of success.

The most advanced technology in the world won't matter if these fundamentals aren't met.

From there, **the journey evolves into something more transformative.** Start by defining your **key personas**—understanding who your customers are, what they need, and how they engage. Map out a **"hero flow,"** a happy path that **captures the ideal customer journey.** This foundational step ensures that every interaction feels intuitive and meaningful, setting the stage for deeper connections.

Next, by **crafting your brand's story**—one that invites your audience to engage meaningfully. Whether through influencer partnerships, live shopping events, or user-generated content, focus on creating moments that resonate. **Stories spark connections, and connections build trust.**

Ensure that your systems and platforms are ready to scale. Social commerce thrives on **integration**, where every click and interaction feels **effortless**. Secure your data, streamline your APIs, and make purchasing intuitive. A **frictionless journey** is what keeps customers coming back.

Finally, look to the future with **a commitment to personalization and innovation**. Hyper-personalized shopping experiences, real-time engagement, and community-building aren't just trends—they're tools for building loyalty in a **world that is starving for connection.** Embrace these opportunities but do so with an eye toward **what matters most** to your customers: **trust, authenticity, and value.**

Social commerce is more than a strategy—it's a shift in how businesses connect with people. Your journey begins with understanding these principles and acting on them. The landscape ahead is exciting and full of potential; now is the time to **step forward and start building relationships that last.**

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