

MikMak

Livestream Commerce:

What is it and how to incorporate it into shopping experiences



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Introduction

You've been hearing about it everywhere: Livestream commerce is the next big thing in online shopping. After all, what better way for a shopper to learn about a product than to see its value in action?

Livestream commerce rose in popularity in China, and McKinsey research cites that **two-thirds of Chinese consumers** said they had bought products via livestream in the past year. While the rest of the world is catching up, brands globally are testing different livestream channels and formats in their social strategy. In this article, we will review the basics, explore the exciting examples of brands that have leveraged it, and look forward to what brands can expect in the future.



SO LET'S DO A QUICK REVIEW

Livestreaming is the act of recording and broadcasting simultaneously on the internet. That means you are watching a video in real-time. No editing. No movie magic. Just the creator and the viewers. Two-way interaction is also possible via chat and sometimes through video stitching on various platforms.

Today in the US, livestream capabilities are found on most major platforms, from social channels such as Instagram, Facebook, and TikTok to Twitch, Reddit, and even LinkedIn.



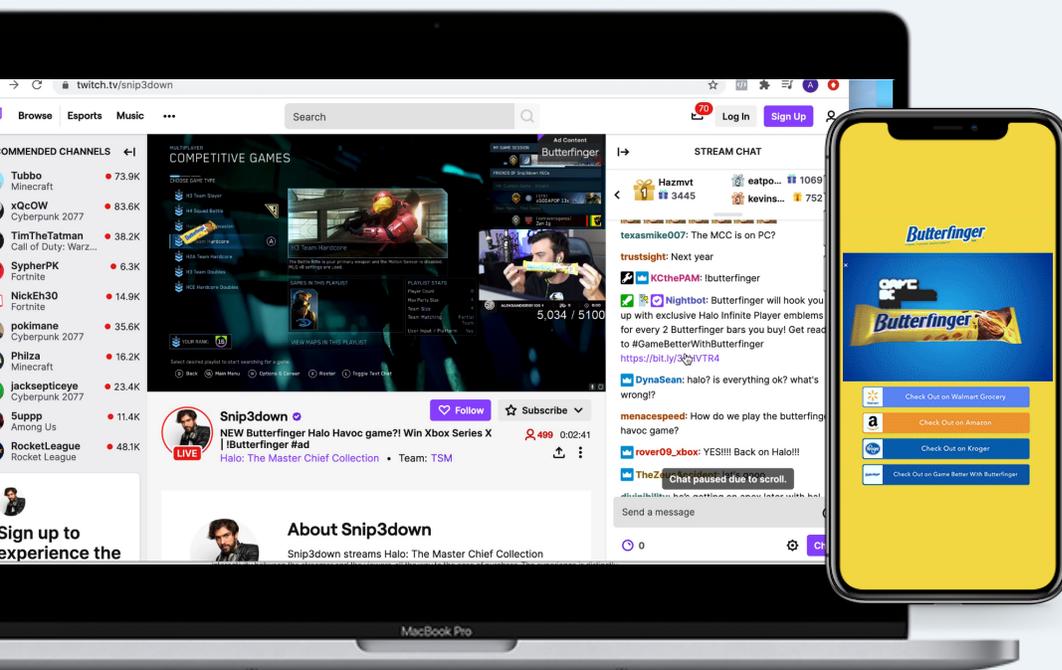
Globally, the market size for video streaming is expected to reach **\$224B by 2028**.

All of these platforms incorporate a chat element in which viewers can interact with the broadcaster. This has made livestreaming a promising avenue for brands to reach their consumers. Brands have been partnering with streamers on Twitch, Walmart has been **livestreaming shopping events on TikTok**, and Facebook hosts **Live Shopping Fridays**. Globally, the market size for video streaming **is expected to reach \$224B by 2028**.

As with the rise of social commerce, the success of livestream commerce is largely driven by creators and the content that they produce. The success of a brand in **leveraging livestream commerce** to drive sales depends on how well they understand their consumers and how they relate to their products to be able to find the partnerships, channels, and content strategy that will work. It is also a must to have the eCommerce measurement capability to see attributable performance **across shopping experiences in real-time**.

Inspirational use cases for livestream commerce

Every gamer has their go-to snack. Butterfinger saw this as an opportunity to reach their consumers by utilizing livestream commerce on Twitch. Partnering with the Halo video game series franchise, Butterfinger launched **Butterfinger Halo Havoc to tap into the gaming world**, where four Twitch streamers played the asteroid blasting game, and their viewers could participate as well. Here is **Snip3down**, one of the four streamers, during his livestream:



Butterfinger Halo Havoc, combining CPG and gaming

We love this example because of how well it encapsulates the best practice of making a brand **experienceable** and **shoppable**, all in a seamless way. From the placement of playability of Butterfinger's product as part of this mini game, to the interactivity between the streamer and the viewers, all the way to the ease of purchase. The experience is distinctly Butterfinger.

Other notable brands that have tapped into Twitch as a livestream shopping platform include **E.I.f. Cosmetics** and **Kellogg's**.

P&G: Incorporating livestreaming into a larger engagement strategy

The value of livestream is in its creator and content, and certainly promising when it's leveraged as part of a larger engagement strategy. **P&G debuted BeautySphere**, a virtual storytelling world, to allow consumers to engage with its brands "through live and simulated content, livestream panel discussions and a gamified challenge."

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Since then, P&G has continued to test out livestreaming. On March 22, 2022, P&G Senior Scientist, Morgan Everhardt did a live demonstration for Dawn Dish Soap. In the stream on Instagram live, she showed the brand's new flip bottle, which allows consumers to use every last drop and reduce waste. She also talked about the science behind the soap, and acted as a brand ambassador, answering questions and interacting with comments on the stream.

We're excited to see these forays into live content as new ways to connect with consumers and deepen engagement to make the customer experience stickier. For livestream commerce to gain more acceptance, we are looking for an even broader adoption of mobile shopping and higher acceptance of influencers throughout the entire customer journey. Today, influencers and their reach in the US are limited by the channels that they are active in and the demographic they appeal to.

In the US, Gen Z'ers (20% of the US population) are the most accustomed to influencers as a native part of their shopping journey. If successful, multichannel brands can become key players in expanding this experience.

Live Shopping Fridays, watching someone else test out the product

Plenty of shoppers look for reviews before buying a product. Knowing that something is trusted by your peers provides a sense of security before making a purchase. This is especially a shopping preference of Gen Z and Millennials, and Facebook capitalized on this idea by introducing **'Live Shopping Fridays'**.

This event series featured streams from brands such as Abercrombie and Fitch, Bobbi Brown, Clinique, Sephora, Dermalogica, Alleyoop, and Zox. Some brands focused on “how to” tutorial style videos, while others showed the creator testing the product for the first time. Viewers were also given the ability to add items to their shopping cart and check out at any time during or after the livestream. The shopper also could opt into updates from the brand. Further, consumers could ask questions in real time and someone using the product could address those questions, helping clear up any apprehensions a consumer may have before buying a product online.



Livestream commerce is a creator led economy. This means for technology features to take off, great creators need to continue to create content in this medium. If we look to China where livestream commerce is more advanced, successful influencers have celebrity status that extends beyond the channel itself. The channel (and often the host)'s ability to captivate, entertain, and provide value to their audience can be so powerful that shoppers come to these channels for product recommendations without even knowing what they are ready to buy. The marketing funnel becomes so inverted that purchase consideration can occur before even product awareness. In the US, there are highly influential creators across social platforms, and we're looking for growth in both the number of creators and their influence to take this commerce format to the next level.

Livestream commerce and its possibilities

Livestream commerce is already gaining a foothold in the US. At MikMak, we've seen our customers across categories such as CPG, grocery, and beauty successfully use livestreaming as part of their eCommerce experience. Whether taking place on social media platforms, retailer sites, or brand websites, livestreaming is an opportunity for brands to shorten the path to purchase and be where their consumers are engaging to cultivate and own their audience even before they begin the shopping journey.

Want to learn more about engaging your consumer? Use key data and analytics to accelerate your brand, **[schedule a demo today](#)**.



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About the Author

Kayla is MikMak's Senior Account Manager, overseeing some of the largest portfolio of world's leading brands, with a passion for social commerce and influencer strategy. Prior to joining MikMak, Kayla held several account management roles at eMarketer (now Insider Intelligence). Kayla resides in Hoboken, New Jersey with her fiancé and her house plants.

The MikMak Shopping Index is a collection of key eCommerce KPIs collected across hundreds of brands and over 250 channels and 2000+ retailer integrations to understand consumer online shopping behavior. With a sample size of up to 5M shoppers, MikMak's Shopping Index provides insights into current and developing industry trends, and forecasts demand and behavior in the online marketplace. The Index also includes data from MikMak Shopper Intelligence, which ties first-party eCommerce data to 1000+ demographic and psychographic data points, and can be segmented by product, retailer, and more. Shopper Intelligence is available through an industry exclusive partnership with LiveRamp.

MikMak's Shopping Index was developed to provide a standardized set of metrics, methodology, and benchmarks to help drive brands' business results and strategy.

To learn more about these metrics and how they drive eCommerce Performance, check out [**The Modern Digital Marketer's Guide to eCommerce Performance Metrics**](#)

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