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## **ARTICLE** **STRATEGY**

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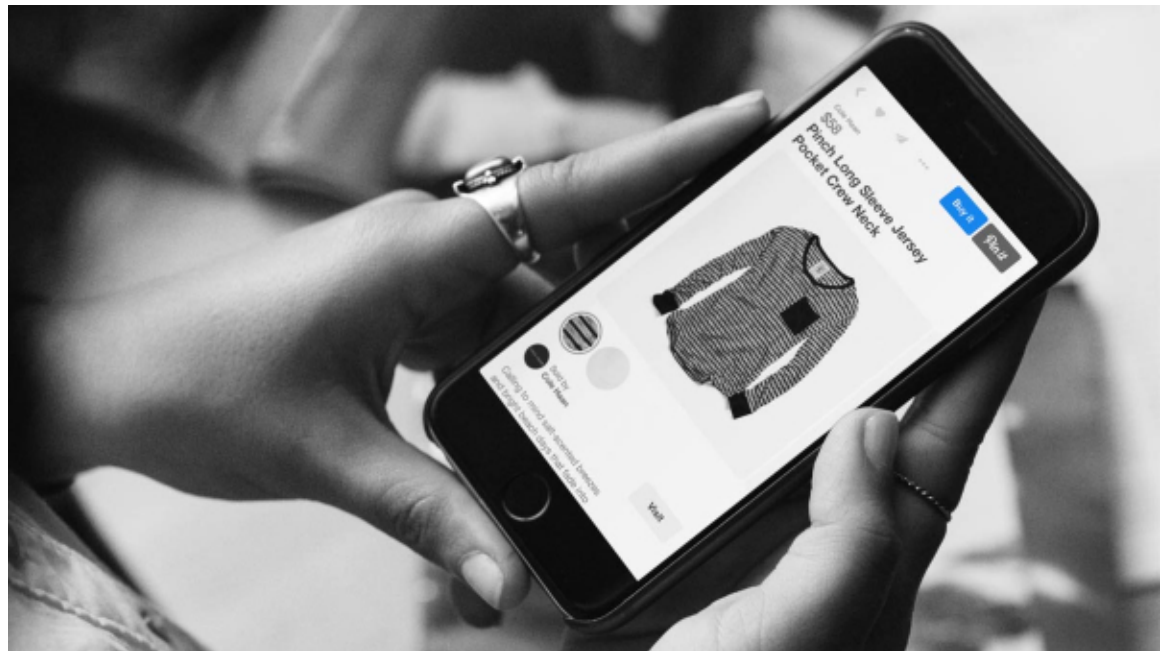
*by Alexandra Samuel*

STRATEGY

# How Pinterest's Buy Buttons Can Change e-Commerce

by Alexandra Samuel

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COURTESY OF PINTEREST

Will buyable pins turn Pinterest into the web's new shopping mecca? That's the question marketing and e-commerce professionals need to answer now that Pinterest has announced it will soon offer "Buy" buttons to let users buy products directly within its app. And while there are plenty of reasons to think that buyable pins could turn the platform into an e-commerce powerhouse, it stands a greater chance of succeeding if it adopts key features offered by other online retailers and search engines, such as Amazon, and adapts them to the unique habits of the Pinterest community.

My own thinking about the power of buyable pins has been shaped both by research on how social networks drive purchasing (as featured in these pages in [2012](#) and [2013](#)), and by my experiences as a compulsive online shopper. As someone who regularly goes on digital shopping benders (often pinning my top finds before I commit to them) I have a personal stake in seeing buyable pins enhance the Pinterest experience — instead of detracting from it.

So what will Pinterest get out of me spending the entire weekend online (strictly hypothetically), [shopping for dresses](#)? Well, it [won't take a direct cut](#); for now all the revenue earned through buyable pins will go straight to retailers — though Pinterest stands to make good money by charging companies to promote their now-buyable pins. The platform stands to win big by plugging what is currently a major hole in its user experience: for all the time shoppers like me spend curating potential purchases on Pinterest, we have to go elsewhere when it comes time to take out our credit cards.

Interestingly, that “elsewhere” is as likely to be offline as online. As a [2013 Vision Critical study showed](#), half of Pinterest users actually buy in-store when they get around to buying something they've pinned. By making it easier for shoppers to buy directly from Pinterest, brands may shift some of that offline shopping back online, which would allow Pinterest to more clearly establish the ROI of promoted pins.

Moving purchasers more quickly from pin to purchase is one way buyable pins could also help brands boost sales. While half of Pinterest-driven purchases are made within one week of pinning, only 10% are made within 24 hours. Since about a third of Pinterest purchasers buy items they hadn't previously contemplated, this suggests there is a big opportunity to increase impulse buying through the platform.

To realize these potential gains for both retailers and the platform itself, Pinterest needs to offer the features that will make it competitive with other visual shopping sites. Inspired by Pinterest's success, a number of these sites have already introduced Pinterest-style curation, including my personal favorite, [ShopStyle](#). Even Amazon has introduced a pinboard-like feature called [Amazon Stream](#). To compete for shoppers, Pinterest will need to think about certain features that have helped other sites succeed. That means, for example, giving users a way to filter and sort search results by price and available size. The platform may also need a way to flag discounts for deal-hunters. The ability for users to get a notification whenever a pinned item goes on sale — and then click to buy immediately — could be a powerful purchase driver.

But buyable pins won't take off by simply replicating what has worked well elsewhere. Pinterest needs to leverage the unique strengths of its platform. One of those is the power of curation: 43% of Pinterest purchasers said that the platform influenced their purchase by providing additional information or product reviews, usually from other users. If Pinterest can come up with a model that allows dedicated taste-makers to actually earn income by curating buyable pins, it will inspire the kind of value-added pinning that drives purchasing.

The most obvious way to do that would be through an affiliate program that allows pinners to earn some portion of the revenue of any item purchased through a buyable pin on their boards. That would not only drive focused curation, but encourage curators to prioritize buyable pins when they are creating their boards – which again, provides retailers with a reason for making their pins buyable (and paying to promote them).

While this model might seem most obvious for categories like fashion and home décor, the Vision Critical report showed that cooking and dining was actually the most-followed topic among Pinterest users (66% said they followed these pins), and 24% of Pinterest purchasers bought in this category.) However, a simple per-pin purchase model won't always work, especially when, for example, users want to buy multiple ingredients for a single recipe. Enabling buyable pins for entire shopping lists – so that a single click adds all the ingredients to your [next Amazon wish list](#) – will also help Pinterest drive purchasing.

If all of this sounds like the beginning of a golden era in which online shoppers can easily purchase from collections curated by an army of citizen-stylists, be aware that there are potential risks here too. Part of what has made Pinterest so effective as a purchase-driver is the strong element of serendipity: you never know what interesting item you might stumble across while browsing your friends' latest pins, or scanning for [Wonder Woman-themed clothing](#). As we've seen with other social networks, the shift towards monetizing a platform with paid promotions and transaction revenue can often lead to a [backlash from users](#) who mourn the loss of a grassroots-driven experience.

As Pinterest explores ways to make the platform more valuable to corporate customers, it will need to ensure that promoted, buyable pins don't crowd out the quirky, user-driven pinning that gives the site its character. It's a challenge that's hardly unique to Pinterest: Facebook, Twitter and Instagram have all created their own instant conversion or buy tools, blurring the line between social networks and e-commerce sites. What will make on-site purchasing work for all of these sites – and particularly for Pinterest – is treating instant purchase as an extra feature in the content that a user might encounter anyhow, rather than as a reason for putting it in front of their eyeballs.

The Internet already offers people plenty of ways to buy stuff; what makes social networks special is the ability to connect with our friends and peers. Well-handled, a purchase feature means that the stuff our friends, colleagues or favorite style mavens share is easier for us to buy when we want to. Handled badly, it not only fails to make the sale: it turns our social relationships into just another shopping mall.

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