



business models that can enable seamless purchase opportunities (i.e., no more than 2 clicks) at “discovery”.

Let’s explore this concept further.

Discovery is often said to be replacing traditional search. This is partly due to the belief that product or brand discovery through social or interactive media is expected to yield higher conversion rates (i.e., conversion from explore to find to buy) than pure intent-driven search. Discovery is by definition contextual as it often comes in the form of product recommendations and direct endorsements from people within the customer’s social graph. In other words, the origin of a decision to purchase something may be triggered while we’re online, most likely because we are actively interacting with or passively observing someone we know (a Facebook friend) or someone we’re interested in (following on Twitter). As such, although intent-driven search will never truly go away (i.e., Google search to find specific products), discovery does feel like it could be a powerful ‘call to purchase’.

If this is true, then the important question for businesses becomes: how can you position yourself to capture value at the point of discovery?

Discovery will very likely have a big impact on how, when, and why we search. However, what is most relevant is whether or not discovery ends in a transaction. In order for discovery to lead to transactions, social networks that help users discover things by using data to personalize and target information will also have to create strong incentives for users not to jump over to Google to satisfy their intent and find a way to make a purchase. This means allowing B2C businesses to provide a wide range of purchase opportunities that are both efficient as well as non-intrusive. For example, businesses can leverage a network’s data mining capabilities to identify ‘discovery moments’, provide attractive pricing, and possibly store destinations for localized in-store pickup, all value-added prompts that do not interfere with the consumer’s social experience.

It is important to keep in mind, however, that large social networks such as Facebook and Google + will undoubtedly wait until they can achieve scale with any explicitly commercial applications, so the full migration from search- to discovery-driven commerce may take a while. Nonetheless, as someone begins to think about a purchase and discovers something to buy, social networks provide strong filters that could influence and accelerate purchasing decisions. Learning about a new product from the right person at the right time within the right context, such as interests (explicit or implicit) or location (mobile), could bring the entire decision-making process online, from discovery to search to payment, entirely within one site.

This is ultimately the real ‘social opportunity’, and it is arguably unavoidable. As such, those who are left out will lose irrecoverable ground to their more thoughtful and prepared competitors.