



Compete & Twitter

# Tweets in Action: Retail

The Relationship between Tweet exposure and Site Visitation and Purchasing



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# Methodology

Compete and Twitter recently partnered to analyze the impact that Tweets from retail companies have on the consumers who see them. Compete, a Kantar Media company, is a Boston, MA-based research company that uses an opt-in panel of 2+ million internet users to understand online consumer behavior.

For this study, Compete leveraged its U.S. internet panel to look at the relationship between being exposed to a retail Tweet and the corresponding rate of retail site visitation and purchasing. The panel used by Compete was 100% comprised of desktop internet users and thus did not include Twitter usage on mobile phones or tablets. The study also did not capture Twitter desktop activity on third party applications and instead focused solely on Twitter.com usage.

To achieve a representative sample, Compete analyzed 2,600 panelists who were exposed to at least one Tweet posted by a company in the retail vertical during the time period of August 1st through October 14th 2012. Some examples of retailers used in this analysis were Apple, Amazon, Groupon, Pottery Barn and Walmart. Overall, 665 retail sites were included.

Additionally, Compete built two Control groups in order to isolate the impact of Tweet exposure on retail shopping and purchasing. The first control group – general Twitter users – was made up of 2,600 U.S. internet users who visited Twitter during the same time frame but were not exposed to retail handle Tweets. The second control group was made up of a separate sample of 2,600 U.S. internet users who represented the average internet browser. Both control groups were demographically and behaviorally similar to the Exposed population.

During this analysis timeframe, which included the busy back-to-school period, consumers could have qualified for inclusion by being exposed to any type of Tweet – organic or promoted – posted by one of the retailers included. Exposure to a retail Tweet could have occurred in the following ways:

- Seeing a Tweet in their feed posted by a retailer that they follow
- Seeing a Retweet of a retailer Tweet in their feed posted by someone they follow
- Visiting a retailer's page on Twitter (e.g., <https://twitter.com/amazon>)
- Searching on Twitter and encountering a retailer's Tweet there

Finally, the results included in this report were calculated to show overall activity in the retail sector or sub-sector level. Tweets from all 655 retailers and corresponding site visitation and purchase activity have been rolled up. If you are interested in learning how a specific sub-vertical or brand fared, please contact [press@twitter.com](mailto:press@twitter.com).

# Executive Summary

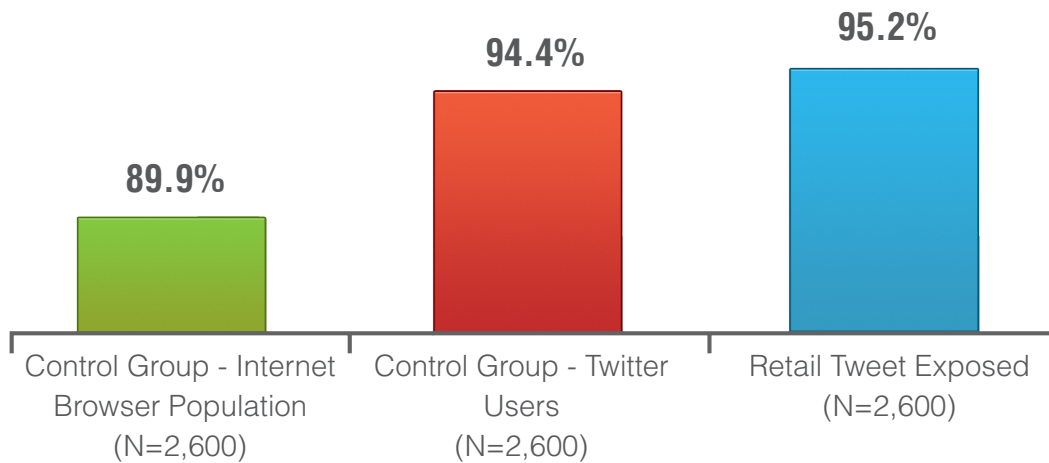
Overall, Twitter users are heavy online retail shoppers and buyers. Additionally, the more Tweets that Twitter users see, the more likely they are going to buy. This provides support to the hypothesis that Tweet exposure is a driver of purchase activity.

## Findings

### Exposure to Tweets leads to higher retail site visitation

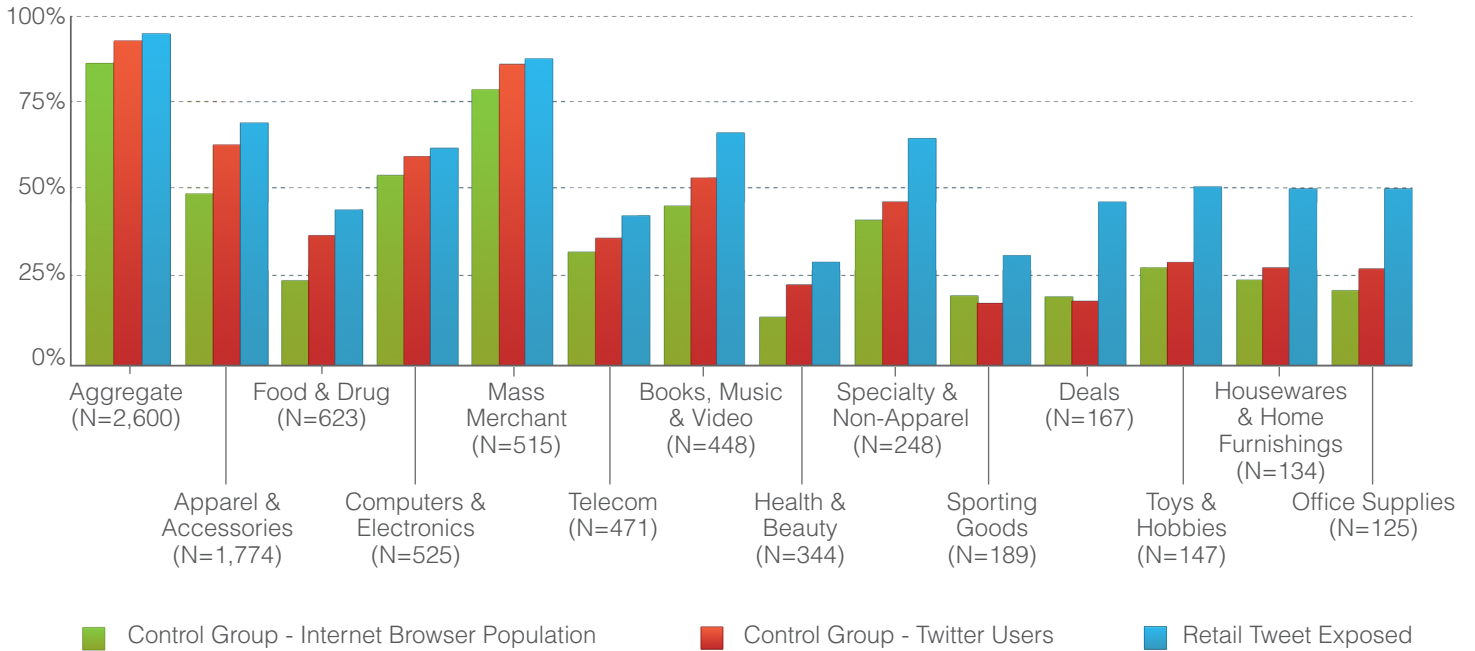
Because the retail industry includes popular websites like Amazon.com, Apple.com, Walmart.com and other large retailers, a high percentage (89.9%) of general internet users visited an included retail website during the analysis timeframe. However, both groups of Twitter users (exposed and control) were observed to visit retail websites at a higher rate – 95.2% and 94.4%. These lifts were both significant at a 95% confidence level.

**Visited an included Retail industry website**



Additionally, when looking at sub-verticals inside the retail industry, Compete found that the trend noted above held true – Twitter users, particularly those exposed to Tweets by retailers, are significantly more likely to visit the website of a retailer in that sub-vertical than the average internet user. This trend becomes more pronounced as you look at the niche sub-verticals towards the right in the chart below. As retailers go from mass appeal to niche, finding and addressing this highly engaged audience becomes increasingly impactful.

## Visited website in each retail sub-vertical

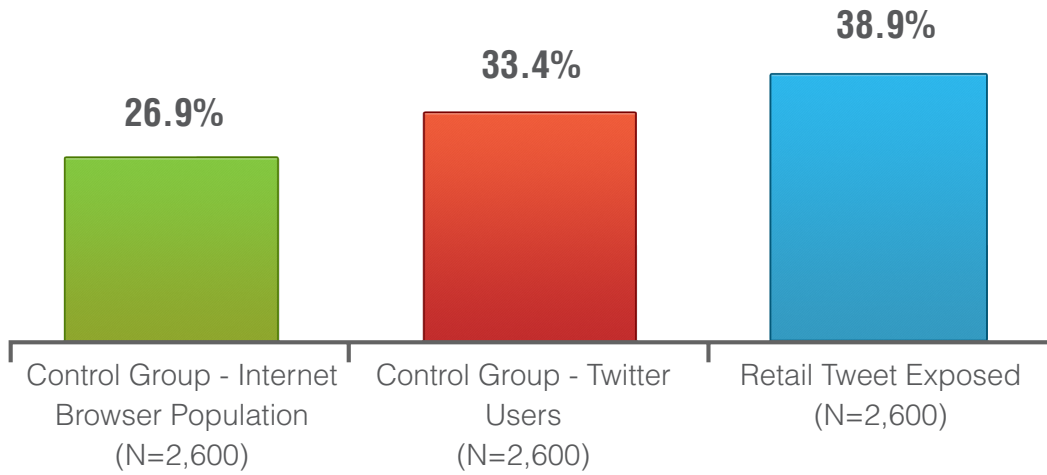


*Note that these findings take into account the effect of being on Twitter and control for any demographic or behavioral differences.*

### People exposed to retail Tweets are even more likely to purchase

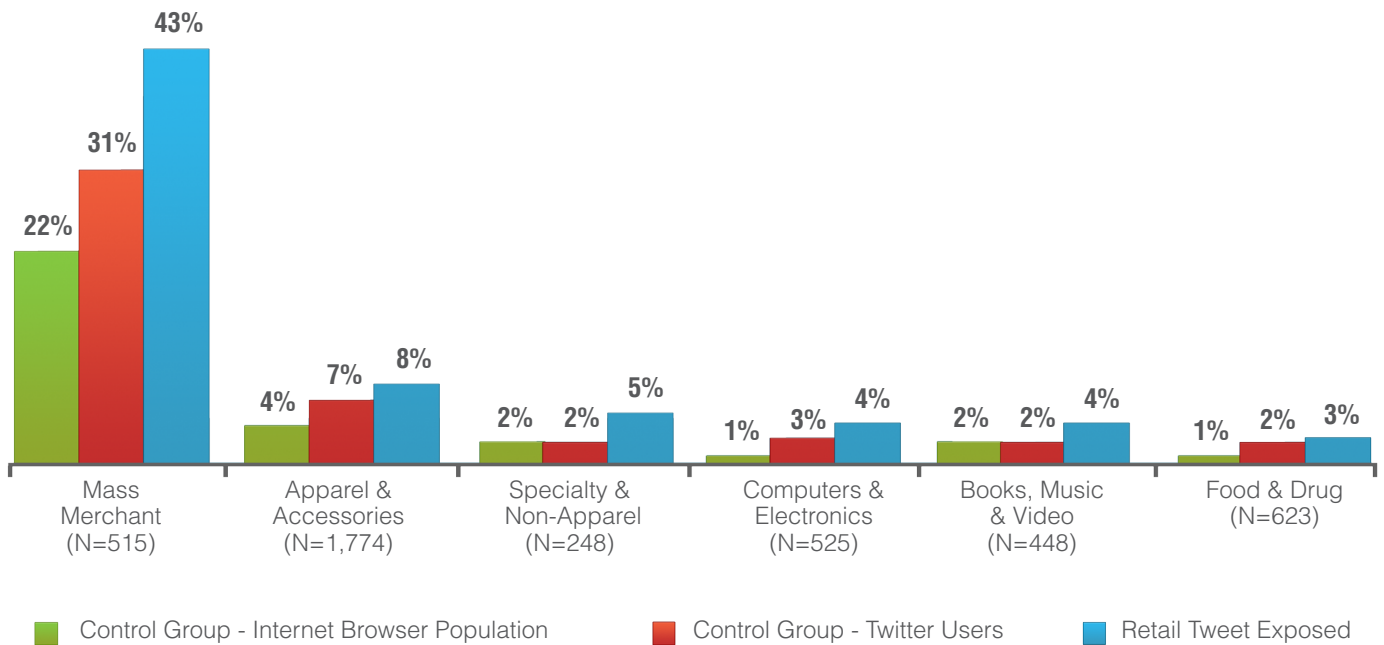
When looking at the rate of purchase at retail websites, Compete observed an even larger lift when comparing Twitter users to the average internet user than when looking at general site visitation. Overall, 26.9% of U.S. internet users purchased something from a retail website during the analysis timeframe. However, Twitter users purchased from the same sites at a rate of 33.4% and those Twitter users who were exposed to a retail Tweet purchased at a 38.9% rate. That's a lift of 1.4X and 1.2X respectively, both statistically significant from the average internet purchase rate at a 95% confidence level.

## Purchased online from an included retail industry website



Similar to site visitation, Twitter users are also more likely than the average internet user to purchase from retailers across the various sub-verticals analyzed as shown in the chart below. The impact of being exposed to a retail Tweet is even more pronounced on ecommerce purchases as it is on site visitation. Thus, retail Tweet exposure correlates with lead quality – **users arrive with a higher propensity to buy.**

## Purchased online from retailer sub-vertical

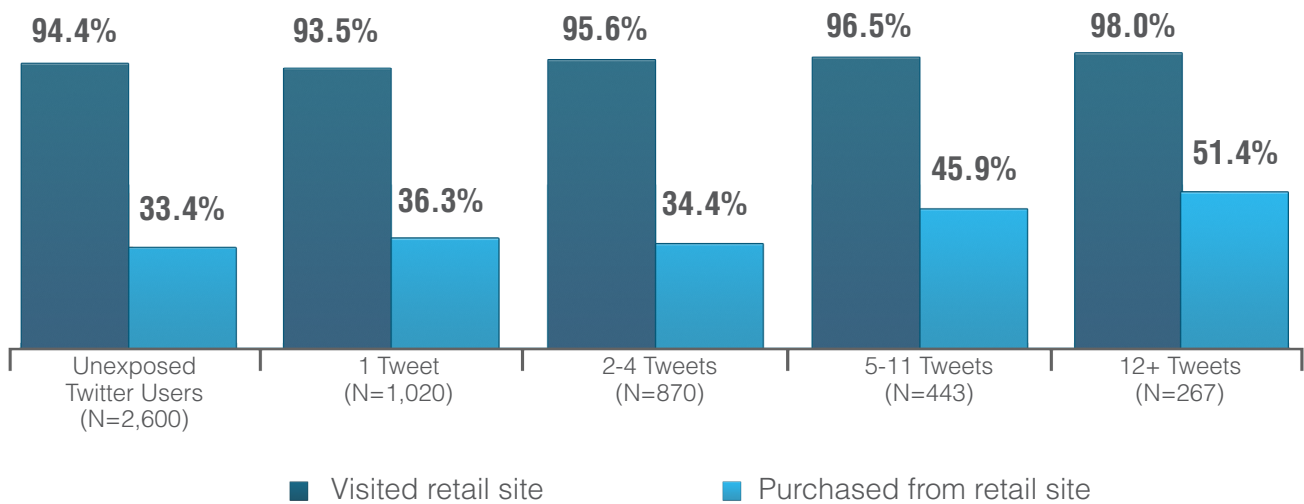


*Note that these findings take into account the effect of being on Twitter and control for any demographic or behavioral differences.*

## The frequency of Tweet exposure correlates with visitation and purchase lift

In order to understand the role of Tweet exposure on visitation and purchase activity, Compete analyzed how the volume of Tweets may impact these key metrics. As seen in the chart below, as consumers are exposed to more and more Tweets from retail companies, their likelihood to visit and purchase grows. Twitter users exposed to retail Tweets 12 or more times were 32% more likely to purchase from those retailers compared to all users exposed to retail Tweets.

**Tweet exposure frequency and corresponding visitation and purchase rate**



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## Conclusions

Consumers who see Tweets from retailers are people who, for one reason or another, are engaged in conversation about or with that retailer. These people prove to also be much more likely to shop and buy from retailers websites. This characteristic becomes more pronounced as we consider the sub-verticals within retail.

The results demonstrate that more exposure correlates with more retail activity. While it is not clear from this study that more retail Tweet exposure causes more retail activity, it provides a basis from which marketers and researchers can investigate that relationship further.

It is our hope that this paper will help spur more investigation in this area.

For more information on this study, please contact [press@twitter.com](mailto:press@twitter.com).