

Rise of social commerce: Gen Z moves mall culture online

By harnessing the power of social media, Gen Zs are driving a new wave of the e-commerce boom. Apps including Facebook, Instagram and TikTok, which tailor content to the user's interests and behaviour, have allowed this new generation of spenders to create a personalised shopping mall experience - online.



Credit: cottonbro via Pexels

According to data sourced by online payment gateway PayFast, the fastest-growing group of local online shoppers are Gen Zs, aged between 18 and 24. "Our payment engine shows a year-on-year increase of 218% in this age bracket. Younger buyers are using their smartphones and social media to shop," says Jonathan Smit, managing director and founder of PayFast.

The launch of integrated shopping platforms on social media including Facebook and Instagram has offered a seamless e-commerce experience that allows buyers to spend, while scrolling through their feeds.

"Globally, the appeal of social commerce amongst younger buyers is high. Locally, we still have a strong mall culture amongst older buyers, but Gen Z are moving this online, by supporting local brands through their social media pages," says Smit.



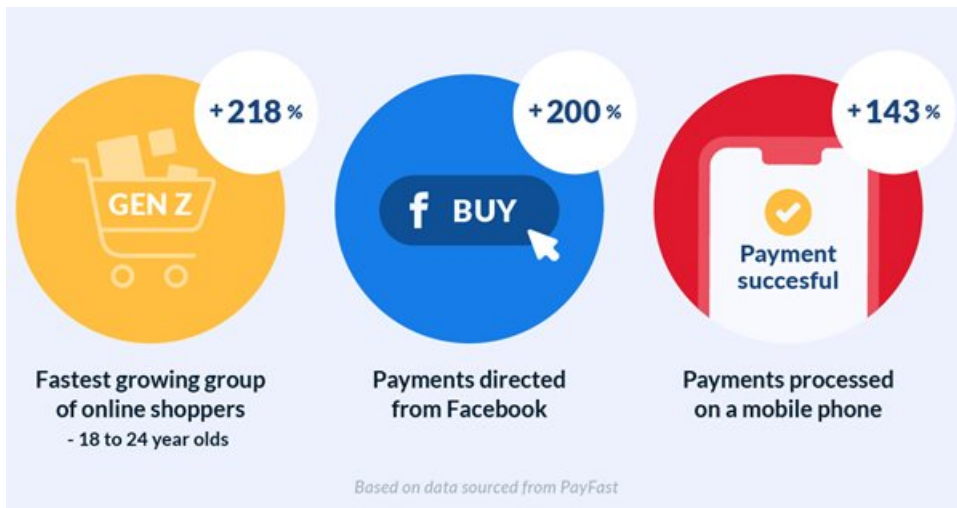
The changing landscape of social e-commerce

Yvette Gengan 26 May 2021



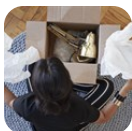
#TikTokmademebuyit

Compared to this time last year, PayFast has seen a 200% increase in payments directed from Facebook to its payment engine. While Facebook remains the most popular social media platform locally amongst all age groups, Instagram and TikTok are gaining traction with younger users.



“Gen Z makes up over 40% of social media engagement in South Africa. Born in a digital age, they are familiar and motivated by user-generated content, which is how e-commerce stores are appealing to younger shoppers,” says Smit.

#TikTokmademebuyit has upwards of 2.3-billion views globally, with the latest social media app set to drive further innovation in the e-commerce sector by partnering with shopping cart platform, Shopify. It is estimated that there are around 6-million local TikTok users, with many local and small businesses driving sales by engaging with short-form video content on the app.



A watershed moment for e-commerce in SA

Lauren Hartzenberg 18 May 2021



PayFast noted a 143% increase year-on-year of payments processed on a mobile phone, representing two-thirds of their total payment volumes processed. “As a country, we’ve always had high percentages of smartphone usage. E-commerce merchants have to think mobile-first, when building their online stores to attract young shoppers,” says Smit.

For more, visit: <https://www.bizcommunity.com>