

5 ways brands can seize the advantage of digital communities this festive season

By <u>Greg Bailie</u> 26 Oct 2023

With over half of all consumer spending in South Africa happening online, and as we are on the cusp of the biggest retail season of the year, with many consumers already starting festive shopping, retailers cannot afford to ignore this trend.



Source: © 123rf 123rf Greg Bailie, sales lead, global business solutions, TikTok - sub-Saharan Africa, gives 5 ways brands can seize the advantage of digital communities this festive season

Wunderman Thompson's *Future Shopper Report 2023* reveals that 58% of all consumer spending in South Africa takes place online, a figure that is expected to grow to 71% by 2033.

In addition, a Gartner survey found that 48% of consumers start shopping for the festive season in October. Many others are spurred on by promotional days such as Black Friday and Cyber Monday and the trend continues into January with resolution-related purchasing and the hunt for sales after the festive season rush.

Notably, 76% of South Africa's online consumers have used social platforms to make purchases online. This means the final quarter of the year represents a critical period for brands to tap into this online activity.

Online shopping linked to social media

Online shopping is inextricably linked to social media as seen through the 64 billion global views for#TikTokMadeMeBuyIt on TikTok. By offering an experience that blends community, entertainment, and shopping all into one, TikTok is having a culture-defining impact on modern retail.

As consumers continue to turn to TikTok for product discovery, the opportunity for brands small, large and in between to connect with their own unique audiences has never been greater.



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5 ways to tap into the power of digital communities

Here are five ways brands can tap into the power of digital communities this festive season.

1. Start planning early

Brands that want to successfully maximise online sales and seize the season-long appetite need to start planning early. TikTok for Business found that brands that campaigned early and maintained a presence throughout the 2022 festive period got more rewarding results than those that employed short-lived campaigns.

TikTok's internal research found that consumption of shopping content on the platform in the fourth quarter of the year was 1.2 times higher than any other quarter, with an increased interest in ideas, reviews and discounts consistent throughout the period.

In addition, campaigns on the platform that lasted longer than three months were twice as likely to lead to conversions, and 52% of total sales in the last four months of the year were recorded in October and December.

This is compelling evidence that planning for a three to four-month campaign is likely to yield positive results for brands. That said, planning involves getting to the bottom of the brand's target audience, creating quality content and tapping into creator collaborations.

2. Stand out with content that entertains

Gone are the days when a stock-standard approach to marketing will attract significant sales. Some 44% of people surveyed for the *Future Shopper Report* said that online shopping trounces offline (physical) shopping when it comes to having fun.

And 60% of South Africans said they would not shop with retailers, brands or marketplaces that deliver underwhelming experiences. Brands that want to stand out from the season's clutter should consider injecting some form of entertainment value into their campaigns, possibly using it as their primary vehicle to deliver messages.

This is where TikTok presents an opportunity for brands to tap into cultural or seasonal moments and drive real impact for their businesses.

TikTok recently unveiled its first-ever <u>What's Next: Shopping Trend Report'</u> to explore shifts in shopping behaviours and culture on TikTok, and to showcase how brands can take on a more active role in community commerce by equipping businesses with the tools they need to engage with audiences on TikTok.

The platform boasts more than 1 billion monthly active users globally.

According to TikTok Marketing Science US Holiday Shopping Behaviour Custom Research conducted in 2020, 74% of users around the globe said the platform inspired them to find out more about a brand or a product, while 67% said the platform inspired them to shop, even when they weren't looking to do so.

Today, brands are echoing the creative ways TikTok communities express themselves in video.

Generally, the experience is real, light-hearted and fun. Whether they are starting trends, connecting communities or bringing awareness to critical public service initiatives, brands are creating authentic audiences by harnessing shared joy.

According to the *What's Next: Shopping Trend Report*, research shows that the TikTok community resonates with brands and products that drive community conversation and spark joy, with almost half (41%) of TikTok users saying they make purchases that spark joy

.#BookTok, for example, is now one of the leading book recommendation platforms globally. Its singular combination of social media and book reviews is revolutionising how people find books to read.

Exclusive Books is a brilliant example of how a brand has cleverly harnessed the power of the platform to merge its physical store experience with its online presence. There is a BookTok section in all its stores and online – "BookTok made me read it" – which is dedicated to books recommended by TikTok creators who are passionate about books and literature.



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3. Harness the content creator advantage

Brands have been leveraging the influence of famous people since back in the mid-1900s to encourage calls to action, get people to place their trust in them or associate with them. Think of the star athlete, who endorses running shoes, or the actress, who swears by a particular range of skincare products.

This type of influence was always associated with popularity and status. Since then, social media has played a significant role in creating new possibilities for who could be seen as influential. Enter bloggers, home cooks and full-time vacationers. This, however, was within the traditional influence game, which relies on popularity and who has the most followers.

Today, popularity no longer drives influence. Rather, it is expertise: knowledge, ability, interest, passion, skills, competence and know-how, and expertise creates real influence on an interest-based platform such as TikTok.TikTok creators cultivate interest communities or what is referred to as 'digital campfires' where relationships are deeper; engagement is higher and loyalty is stronger.

Now, people come together in online communities based on their common interests, where they can share stories and converse with one another. Digital campfires are expressed through hashtags such as #SmallBusinessTok, #MoneyTok or #DIYTok.



4. Make the most of communities

So, how can businesses leverage communities – or "Toks" – this festive season? On TikTok, content is co-created with people, not just for people, and participation is an interactive two-way approach to storytelling.

TikTok users cluster into communities based on interests. Communities are superior to followers because they engage with your brand and with each other, making word of mouth scalable.

The What's Next: Shopping Trend Report reiterates that if brands want a spark from audiences, it's important for them to build and maintain user trust with unique, honest, and authentic perspectives to create longer-form content, connections, and partnerships, eventually leading to long-term loyalty from audiences.

Ahead of this festive season, brands and businesses should consider using an always-engaged strategy, which is an efficiently scaled and ongoing interplay between organic and paid content that helps them achieve their unique business goals.

Research from the *What's Next: Shopping Trend Report* also shows that advertising on TikTok drives brand trust and loyalty. When brands advertised on TikTok consistently over an extended period, there was a 41% increase in trust with viewers1 and after seeing an ad on TikTok, viewers are 41% more likely to trust the brand and 31% more likely to be loyal to a brand.



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5. Grow together

Whether the objective is looking to drive positive customer satisfaction, repeat purchases, or organic word-of-mouth, brands can lean into unique TikTok features like AR, LIVE, TikTok Shop, and Creators to allow consumers to feel closer to the products and brands they love.

For example:

- Try This at Home, Digitally: In-depth reviews and interactive AR filters make shopping feel more intimate and immersive, enabling brands to engage with customers from new perspectives, share in-depth product details, and unlock new brand connections.
- Customer-to-Creator Pipeline: TikTok gives brands a chance to convert customers into passionate advocates by showcasing product features, sustainability practices, and more

The power of TikTok for retail lies in the infinite loop created by users who are inspired to create content following their purchase, with 49% of TikTok users say they create a post about a product/brand they purchased from (2x more likely vs. other platform users).

The world has embraced the power of digital communities. It's time for brands to innovate for the future, harness the power of communities to build brand-love and maximise those festive season sales.

ABOUT GREG BAILIE

- Greg Bailie is the sales lead, global business solutions, TikTok sub-Saharan Africa.

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