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MARKETING

Instagram further commercializes its platform via native payments

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The new feature is in the same spirit at Instagram's shoppable collection ads. Image credit: Chanel

By DANNY PARISI

Instagram has added a payments option to its platform, continuing the path it has been on to make its user experience more shoppable.



According to a report in TechCrunch, the social network is rolling out a new feature to a limited set of partnering businesses that allows users to make payments natively through Instagram for purchases and appointments. The native payment feature makes Instagram even more of a commercial platform, something Instagram has been working towards over the last few years.

Payment options

Instagram is one of the most popular social media platforms in the world.

This is particularly true for luxury brands. Instagram's aspirational nature and popularity among fashion and beauty influencers means that luxury brands in those sectors have invested a lot into making Instagram a home.

In turn, Instagram has been working to monetize that popularity. While advertising on Instagram is strong, the platform has worked hard to make commerce available through the application as well.



Facebook and Instagram have both put restrictions on what information third parties can access from the platforms. Image credit: Facebook

The latest effort in this strategy comes in the form of a native payment feature. Instagram is now testing the option for users to make payments to brands natively through the app, rather than clicking an Instagram post to be navigated away to a brand's own store page, which was the extent of Instagram's shoppability previously.

Currently, the feature is restricted to only a few businesses, such as Resy, allowing users to book a reservation through the app. Instagram has not commented on any future additions to the feature, but it is likely to be expanded to other brands and businesses as well.

Shoppable content

The new native payments are not the only form of commerce Instagram has created, but are easily the most advanced. However, as recently as February, Instagram has begun introducing more commerce and payment options to its platform.

Earlier this year, Instagram further cemented itself as one of the most attractive social media platforms for luxury brands with the introduction of collection advertisements.

This new ad format blends advertising, social media and commerce by letting brands add a collection of viewable products to an Instagram ad that customers can then purchase without leaving the app. The feature represents Instagram's continued drive to lure in more brands and retailers to its platform (see story).



Instagram is a valuable tool for luxury brands. Image credit: Cartier

Instagram's road towards making its platform commercial as well as social is one it has embraced for more than a year now. This strategy will be particularly notable as it seeks to make up for loss of advertising due to recent scandals.

The Cambridge Analytica scandal has made Facebook so vigilant about protecting its users' information that it is cracking down on which third parties can access data.

According to TechCrunch, a number of third-party applications were suddenly made incompatible with Instagram this week after the Facebook-owned company abruptly changed access to its API. This comes just a few days after Facebook revoked its Partner Categories feature, which allows brands and advertisers to target relevant users through Facebook and Instagram (see story).

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