

MARKETING

Instagram, TikTok most influential in reaching Gen Z: report

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Social ads continue to reach younger consumers. Image credit: Shutterstock

By KATIE TAMOLA

Gen Z and millennial consumers are increasingly gravitating towards "buy now, pay later" options in their social shopping practices.

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New **data** from StitcherAds reveals that 60 percent of Gen Z and millennial consumers have bought a product via social media using a buy now pay later service. Brands are effectively capturing the attention of Gen Z using social media, enticing consumers with exclusive deals and promotions, especially on the Instagram and TikTok platforms.

"Our survey revealed that younger generations are buying from ads slightly differently," said Bryan Cano, director of strategy at **StitcherAds**, Austin.

"Across all consumers, the creative element most likely to lead to a purchase from an ad is featuring a promotion/sale, with nearly 70 percent citing it as one of the top three factors."

StitcherAds commissioned a study on how social media advertising influences purchasing habits across generations, analyzing 500 US-based respondents, ages 18 and over.

What millennials want

As brands vied to keep up with online shopping habits as the COVID-19 pandemic progressed, certain ecommerce options highlighted during that time including Buy Now, Pay later (BNPL) are expected to remain. Younger generations have especially shown reverence for these kind of options.

When asked if they have ever purchased a product that featured a BNPL option in a social ad, 60 percent of millennials and 57 percent of Gen Z consumers said yes, respectively, versus only 37 percent of Gen X and 19 percent of baby boomers, respectively.

When presented with social ads, millennials in particular are looking for as many details as possible. Fifty-eight percent of millennial respondents saying they prefer to see all the details about a new product or brand in an ad and do not want to go to a company's website to learn more.



Fifty-nine percent of Gen Z consumers also ranked Instagram as the platform with the best ad experience. Image credit: Instagram.

"The way Millennials consume information is very different," Mr. Cano said. "They are analytical and they want access to information on-demand.

"This also speaks to the need for retailers to work more closely with social platforms since clicking out to their own dedicated sites can seem cumbersome," he said.

When it comes to which social platforms are most influential on Gen Z consumers, Instagram appears to be leading the pack. Fifty-nine percent of Gen Z respondents shared that Instagram's advertising influences their purchasing decisions the most, followed by TikTok at 57 percent, Facebook at 36 percent and Twitter at 29 percent.

Fifty-nine percent of Gen Z consumers also ranked Instagram as the platform with the best ad experience, followed by 48 percent for TikTok and 34 percent for Twitter, respectively.

Millennials, at 63 percent, are the most likely to try a new brand or product based on an ad they have seen on social media in the past month. A good promotion goes a long way as well, with 96 percent of millennials said they were very likely to purchase something based on an ad if it featured a promo code or coupon.

Video ads continue to hold widespread appeal, with all generations 63 percent of Gen Z, 59 percent of Gen X, 52 percent of millennials and 48 percent of baby boomers, respectively agreeing they are more likely to click on a video ad over any other format.

Personalization continues to go a long way

Consumers from various age groups continue to appreciate personalized efforts from brands.

Seventy-nine percent of millennials and 59 percent of Gen Z respondents report being more likely to click on a personalized ad on mobile versus desktop.



In a post-pandemic landscape, consumers are still seeking convenience, personalization and overall excellent service. Image credit: Getty

During the Financial Times "Future of Retail" virtual conference on Sept. 23, industry experts discussed how the COVID-19 pandemic and the innate tech-savviness of younger generations have shaped new ecommerce capabilities among social platforms. As consumers continue to turn to social commerce, brands cannot neglect the opportunity to augment their social presences and capitalize on these apparently permanent digital buying habits (see story).

In regards to spreading the word about an enticing brand or product, many young consumers are also likely to

recommend a product to their friends. Almost half of millennials at 46 percent and 34 percent of Gen Z respondents shared they are likely to make a recommendation to a friend or family member based on an ad they saw on social media.

With personalization, promotions and more in mind, brands must continue to distribute and augment social ads that elicit interest which could lead to positive feedback and brand loyalty.

To better understand consumer mindsets and behavior, Clarus Commerce surveyed 2,500 U.S. individuals about their shopping habits and expectations for loyalty programs and analyzed the benefits customers expect and how those expectations have changed throughout the pandemic.

Ninety percent of respondents said they are likely to choose a retailer where they are a premium loyalty member over one offering a lower price, and 88 percent of premium loyalty members say they are likely to recommend a retailer with valuable premium loyalty benefits to a family member or friend ([see story](#)).

Effective ads lead to more engagement, which could lead to positive reviews, another exceptionally beneficial tool in brands' arsenals.

"For retailers wanting to connect with younger generations, if offered the option to split up payment and if the products are well-reviewed, they are willing to spend more," Mr. Cano said.

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