

Banks see growth in Black Friday transactions and a shift to digital payments

Standard Bank and Nedbank both recorded increased transaction volumes over the Black Friday weekend this year and noted growing consumer adoption of digital payment methods.



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Standard Bank saw a 20% increase in the number of transactions processed over the weekend when compared to the year before, and a 22.5% increase in the value of purchases over the same period. Volumes increased to 8.6 million transactions processed over the weekend.

South Africa's largest card issuer also saw double-digit volumes of transactions increase in both card not present and contactless payments over the Black Friday weekend. According to the bank, SA consumers have made a "massive shift" to digital and contactless payments, extending the growth trend spurred on by the impact of Covid-19 restrictions.

Contactless payments surge

Standard Bank said that customers using contactless payments and tapping their cards at a point of sale have seen a surge in usage of more than 31% when compared to the previous Black Friday weekend, topping the 25% growth the previous year.

Covid-19 preventative measures meant that many consumers opted for digital payment options when making their purchases, significantly boosting e-commerce. Over the course of the Black Friday weekend, online purchases by Standard Bank customers increased almost 19% when compared to the previous year, exceeding the 15% growth recorded in 2021.

Ethel Nyembe, Standard Bank head of group card commented: “Customers are seeing the value that digital payments offer. Safety and convenience are the key factors that have led to the fantastic growth trends we are seeing in online and contactless payments. And this convenience is continuing to evolve.”



FNB customer spend surpassed R3bn on Black Friday

28 Nov 2022



Meanwhile, Nedbank's overall acquiring volumes on Friday, 25 November (Black Friday) saw a significant 38% year-on-year increase from 2021 levels, and it reported an increase in average spend by consumers of 11% on both days over the weekend.

According to the bank, the past Black Friday weekend also served to further embed the shift by South African consumers towards digital payments and online shopping. “Our data reveals a massive year-on-year increase of 88% in online transactions on Black Friday, whereas, the growth in physical purchases rising by 30% on Black Friday,” said Privesan Naidoo, executive: trading products at Nedbank.

Nedbank's data reveals that contactless payments saw growth between 2021 and 2022, by 39% on Black Friday. Considered over the two-year period from 2020 to 2022, these spikes are even more dramatic, going up 73% and 52% on each of the days.

“These figures point to a growing preference for the convenience and safety of contactless payment methods like Nedbank Tap-and-Pay and Tap on Phone, as well as the numerous third-party contactless payment options,” Naidoo said.

Despite the significant increase in transaction volumes and values, real-time payments (RTC) also increased in excess of 100% this year.



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Spending trends

Other notable trends evident from the data gleaned from Nedbank's transactional platforms include the following:

- Spend levels by age group remained relatively similar, with consumers in their 20s, 30s and 40s accounting for the vast majority of transactions.
- The biggest increase in spend proportion was seen amongst consumers in their 30s, which increased from 21% of total spend across Nedbank channels in 2021 to 27% in 2022.
- The three most popular spend categories amongst consumers on Black Friday weekend were groceries and food, general shopping, and clothing, followed closely by fuel, alcohol, and furniture.

- In line with the above statistics, supermarkets emerged as the merchants that enjoyed the most support from consumers, with Pick n Pay, Checkers and Superspar taking the top three spots in terms of overall transaction values.

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