

Online auctioning grows in South Africa

Online auctioning, which allows the selling of goods and properties online in a live format, started surfacing in the US around 10 years ago and is now slowly making its way into Africa.



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"Take eBay as an example; this online auctioning site concludes more than 25 million auctions per day," says Joff van Reenen, director and lead auctioneer, High Street Auctions. "South Africa is definitely on trend but we are still a few years away from this becoming a mainstream trend locally. One of the major reasons for this being South Africa's infrastructure is still developing, so lines sometimes just aren't fast enough for uninterrupted communication."

According to the 2013 State of Broadband Report (released by the UN Broadband Commission), 41% of South Africans use the internet; this is slightly above the world average of 35.7%. However, internet access does not necessarily translate to using the internet as a purchasing tool, especially if the item being purchased is a big-ticket item such as property.

"It's difficult to beat the excitement of live auctioning! This will never be replaced by technology, but rather the trend leans more towards technology serving as an assistant, as there is room on the market for both live and digital auctions. "The internet is providing the property market with a sound marketing tool with 80% of enquiries being done online and digital marketing creating awareness and serving as a viable communication channel."

Telephone bidding is a prevalent way of auctioning that even technophobes are embracing. It allows greater access to participation and eliminates challenges such as geographical and physical limitations. If buyers are unable to attend, proxy can be given to a member of the auction team who will be physically present during the live auction and bidding on their behalf.

"Telephone bidding is a prevalent auctioning trend globally and especially prominent in South Africa. This is a very good place to start if online auctioning is too intimidating," he concludes.

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