

SA consumers warming to online shopping

By [Nick Hedley](#)

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Online retailers are seeing a surge in activity ahead of the festive season as more consumers do their shopping online.

While South Africans have been relatively slow to convert to online shopping, e-commerce sites have reported that many are warming to the idea. Internet penetration in South Africa is rapidly increasing, giving online retailers greater exposure to consumers.

According to a study by World Wide Worx and backed by the howzit MSN online portal, broadband access in South Africa has more than doubled in the past two years.

While surveys by different online retailers showed an increase in the number of customers who plan to shop online for the festive season, their figures are significantly different.

A survey by Kalahari.com shows that an astounding 92.4% of South Africa's connected shoppers will be doing their festive season shopping online this year - an increase of close to 5% compared with last year.

Liz Hillock, head of marketing at Kalahari.com, says: "We are certainly seeing more shoppers foregoing the busy rush of festive shopping malls for the convenience of online shopping."

Last year, Kalahari.com's annual festive season shopping survey showed that only 13% of connected shoppers elected to hit the malls for seasonal shopping, and the number has decreased to 9.6% this year.

According to Kalahari.com, electronics goods are still the gift most coveted by shoppers. Jaco Jonker, CEO of Bidorbuy.co.za, says toys are expected to be among the best-selling categories on Bidorbuy.

Other pre-Christmas bestsellers among consumer products on Bidorbuy include kitchen appliances and quirky gifts such as sushi rollers, biltong makers, colourful knives sets, battery operated corkscrews, pasta makers and popcorn makers.

Also popular are the latest high-tech devices that may not yet be available through the standard retail channels in South Africa, such as the iPad Mini or iPhone 5.

"We are experiencing a surge in the number of visitors and the number of transactions concluded on the site," says Jonker.

People shopping online have been "motivated by convenience, the variety of products on offer and by lower prices".

The eBucks online festive survey showed nearly 52% of respondents said they intended to buy Christmas gifts from a combination of "physical" and online shops.

According to the survey, 40% of respondents "like to touch, see and experience their purchases" in traditional shops only, and 8% of respondents said they were opting for the time-saving convenience of shopping online.

Professional services company Deloitte's year-end holiday survey says South African consumers are "set to browse online and buy in-store this festive season".

While online shopping "has gained popularity", Deloitte says "most consumers say they will be hitting the malls".

According to South Africans surveyed by Deloitte, the key advantages of in-store shopping over online shopping are the ease of exchanging or returning goods, as well as the after-sale services provided, such as repairs.

The majority of consumers also listed payment security, the professional advice provided by shop assistants and the simple pleasure of shopping among their top reasons to shop in malls.

But online shopping is also perceived to have unique advantages. The ability to scan other consumers' opinions on prospective purchases, the convenience of home delivery and shopping at any time of day are seen as big advantages.

"South African consumers have been slow to pick up on online shopping when compared to Europeans, but are continuing to use the internet as a tool to search for products and compare prices."

Deloitte says while roughly two-thirds of South African consumers surveyed say they will use the internet to search for and compare products online, only 21% say they will make some of their festive season purchases on the internet.

The South African Council of Shopping Centres says most local shopping will be through traditional channels - in shopping centres and central shopping districts. E-commerce and smartphone retail applications have yet to gain much traction in South Africa, it says.

CEO Amanda Stops says: "In South Africa we are two to three years behind what is already happening in the US and Europe for smartphone shopping. In the US more than 15% of all sales are already linked to e-commerce."

Source: *Business Day*

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