

Online shoppers enjoy the services

By [Bekezela Phakathi](#)

28 Jun 2013

Although the number of South Africans accessing the Internet to shop online has decreased slightly in the past year, the majority of locals who shop online are "highly satisfied" with their overall experience, the latest MasterCard Online Shopping Survey released on Thursday (27 June) has revealed.



SA's internet economy has been steadily increasing over the years, in part because of the surge in online shopping. It was worth about R59bn in 2011, making up 2% of the economy. It is expected to grow to about 2.5% by 2016.

The MasterCard Online Shopping Survey, which is now in its third year, found that 91% of South Africans who shop online are very happy with their overall experience, a 4% increase from the 87% who said the same thing in the 2012 survey.

The annual survey, which serves as a benchmark that measures consumers' propensity to shop online, was conducted in 11 countries across the Middle East and Africa between December and January. The South African report surveyed banked South Africans aged between 18 and 64, who access the Internet at least once a week.

A further indication of South Africans' positive sentiment for online shopping is that 76% of respondents return to an online shopping site that they have used before and 74% expressed that they felt it was both easy and convenient to make online purchases. These figures show slight increases - 2% and 1% respectively - when compared with the previous survey's results.

Online shopping falls slightly

Despite this positive sentiment towards shopping online, the number of South Africans accessing the Internet to shop online is down 4% from the previous survey, with 54% of respondents saying that they usually use the Internet for shopping.

"While online shopping continues to be a regular Internet activity for more than half of South Africans who are actively online, there is a slight shift downwards in their online purchasing behaviour, which could be attributed to the slowdown recorded in the economy during the survey period," said Philip Panaino, division president for MasterCard SA.

"This is supported by the South African Reserve Bank, noting in its fourth-quarter review of 2012 that retail activity was

disappointing as consumer spending was negatively affected by a pickup in inflation."

Arthur Goldstuck, managing director of World Wide Worx said on Thursday (27 June) that there had been a rapid rise in the number of South Africans classified as active Internet users - those who fairly recently acquired regular access to the Internet - "which means we are seeing a larger-than-ever base of users who have never shopped online before".

Transaction, banking apps growing

The survey also revealed that mobile banking apps are popular in SA, with 29.2% of those with Internet access on their mobile phones already use them and the majority (44%) being familiar with the technology.

"It is anticipated that the advent of transactional apps and the rapid rise of smartphone usage in SA will have a significant impact on online shopping in the coming years," Goldstuck said. "Mobile commerce is still in its infancy but as it is made easier, and users become more familiar with the concept, it will rise at the same rate as web-based online retail."

The survey also found that shoppers felt that online shopping could be improved if shipping charges were "minimal" or free.

Nearly half of the respondents said that their favourite online store is Kalahari.com, with the next most popular sites being Groupon, Amazon, Bid-or-Buy and Takealot. Of those who have shopped online in SA, only 29% of their purchase occasions have been from foreign sites, down from 34% in the previous survey.

Source: Business Day via I-Net Bridge

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