

# Can local FMCG e-commerce still deliver?

This year, for the first time, local fast-moving consumer goods (FMCG) e-commerce growth specifically is expected to outstrip total e-commerce growth.



Image supplied. This year for the first time, local FMCG e-commerce growth specifically is expected to outstrip total e-commerce growth

This reflects the latent power in this important retail niche, but retailers and brands need to work harder in a more competitive landscape.

Locally and abroad the sector is still growing and is driving total retail growth.

This is despite local e-commerce growth slowing, says Trade Intelligence's retail analyst, Nicola Allen, in an article [The future of SA Grocery e-commerce. Can it still deliver.](#)

According to Trade Intelligence's 2023 E-Commerce Channel report which covers the latest trends in local FMCG e-commerce and the key players and strategies driving them., this is inevitable considering the huge leaps made during and post-Covid.



#BizTrends: South African e-commerce continues to thrive

Lauren Hartzenberg 27 Mar 2023



## Positive market projections

The local market has legs, and this is reflected in positive market projections supported by shopper feedback.

Trade Intelligence conducted an online survey in June among over 800 online grocery shoppers and 11% of them had only started shopping online this year.

Out of all the online grocery shoppers, 73% said they planned to shop online more often in the future (as opposed to less often or the same amount). Interestingly, this number was higher among online grocery shoppers than among all online shoppers, again reinforcing the power of the online grocery sector.

## Not immune to financial pressures

FMCG e-commerce is, however, certainly not immune to the financial pressures being felt by shoppers – when it comes to finding specific grocery products online or on an app, more shoppers are scanning the specials than searching either for a product or brand.

This search for value is not limited to actual prices though – affordable delivery fees are also a must.

Online grocery shoppers also prioritise (and expect) convenience – in terms of ease of payment and ease of finding what they're looking for; and a positive shopping experience – including the app simply being easy to use.

Online retailers and brands that can collaborate to meet these shopper needs will be the ones that have their growth targets delivered.



### Checkers trials Xtra Savings Plus

Danette Breitenbach 23 Jun 2023



---

## Retailer apps

The Report finds that Checkers Sixty60 dominates, well ahead of Pick n Pay asap!, which in turn is well ahead of the likes of extensions of existing retailers like the Woolies app (which now incorporates Dash), SPAR2U and Dis-Chem's DeliverD as well as super apps like VodaPay and Nedbank's avo, and digitally-native competitors like Zulzi, YeboFresh and OneCart.

In this increasingly cluttered space, new entrants include Yassir and SolShop, each banking on a different strategy.

Yassir launched in South Africa off the back of its presence in North African countries. SolShop is attempting to combine the respective strengths of e-commerce and group buying through its app. Both are expanding, but still restricted to Gauteng