



NOVEMBER, 2020

SA Digital Commerce Consumer Report

Key themes



Introduction

Deloitte's 2020 South African Digital Commerce Consumer Survey:

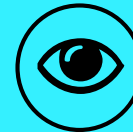
Focus on solving customer concerns and unlocking the critical elements in their online journey.

Background to our Digital Commerce Market Offering and research

With Covid-19 lockdown, we've seen an uptake in online shopping. This has driven digital commerce to the top of the Executive agenda. Many of the barriers consumers had for online shopping have been challenged and shifted. In order to develop an online journey that is relevant for the modern day consumer we need to develop an offering that is relevant and meets their needs, addresses their concerns and gives them a reason to engage.

We believe that every company considering Digital Commerce is challenged with figuring out, how to combine an offering that addresses: customer needs; data; operations and tech platforms into compelling user experiences that support their business strategy.

Specific objectives of the study:



Investigating what consumers expect in terms of online shopping experiences



Uncovering what drives consumer expectations



Determining what the concerns / barriers for increase shopping are



Investigating consumer profiles across the South African population and nuances for online shopping



Investigating the key positive and negative perceptions regarding online shopping from a consumer perspective

Approach and Methodology

We felt there was a lack of insights into understanding the concerns, critical elements in the customer's online shopping journey and understanding the different consumer profiles.

Most studies only engaged the higher income groups that are online and already shopping, and there was limited insights into the mass South African market and what would drive them to consider engaging in digital commerce activities.

For this reason, Deloitte commissioned a specific research study designed to give a view of the South African population that was representative of our local context. With this we are able to gain deep insights into their online shopping preferences, behaviours and future intend.



This report is a summary of the key themes that emerged from the research.

Who we surveyed

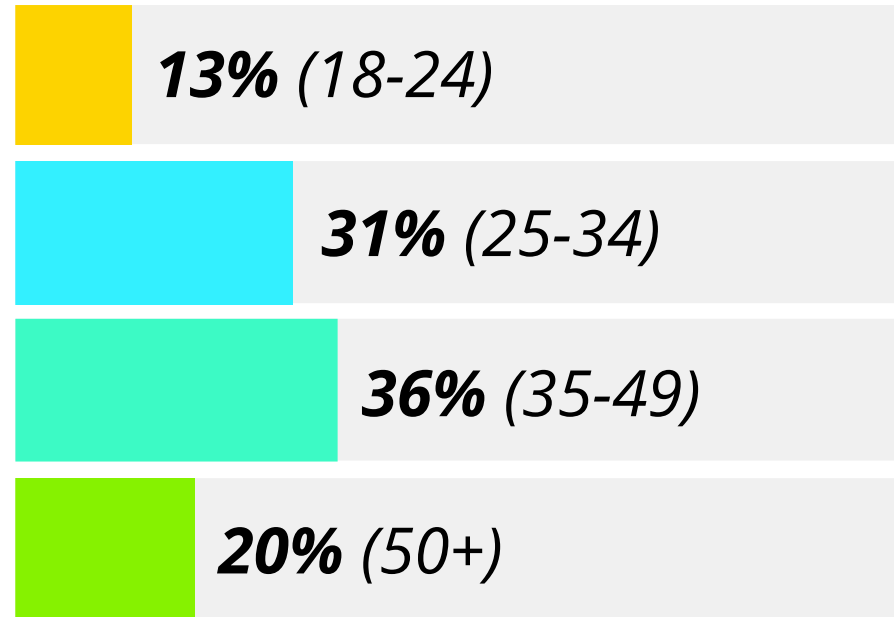
Gender



56% Male

44% Female

Age



Income

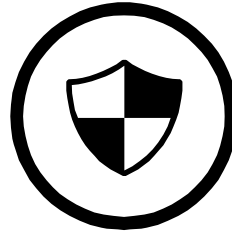


Quotas were applied on gender, age and income.

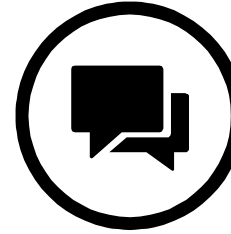
Key themes from the research



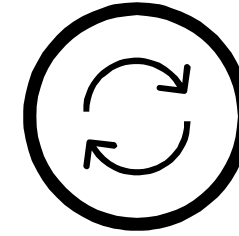
Through the research 7 key themes emerged



Protect my
Data



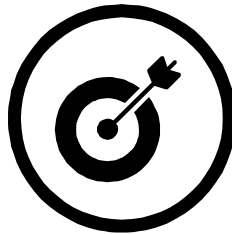
Service
Matters



Clear
Returns &
Refunds



Smooth
Check out



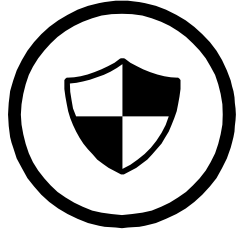
Buying vs
Browsing



Choice of
Delivery



A brand you
can trust



Protect my Data

86%

Of all consumers rated **poor security of online payments** as a concern when shopping online

81%

Of all consumers rated that a **lack of personal data protection** was a concern when shopping online



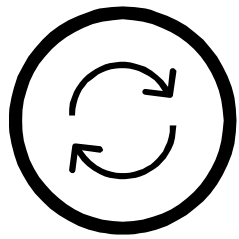


Service Matters

86%

Of all consumers rated **customer service** as an influencing factor when choosing an online store





Clear Returns & Refunds

85%

Of all consumers rated **Policy on returns and refunds** as an influencing factor when choosing an online store

82%

Of all consumers stated that **difficult returns** are a concern when it comes to online shopping



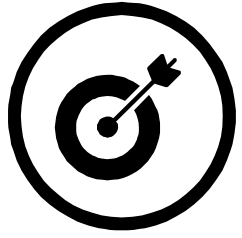


Smooth transactions

88%

Of all consumers rated the ability to **transact effectively at checkout** was an influencing factor when choosing an online store

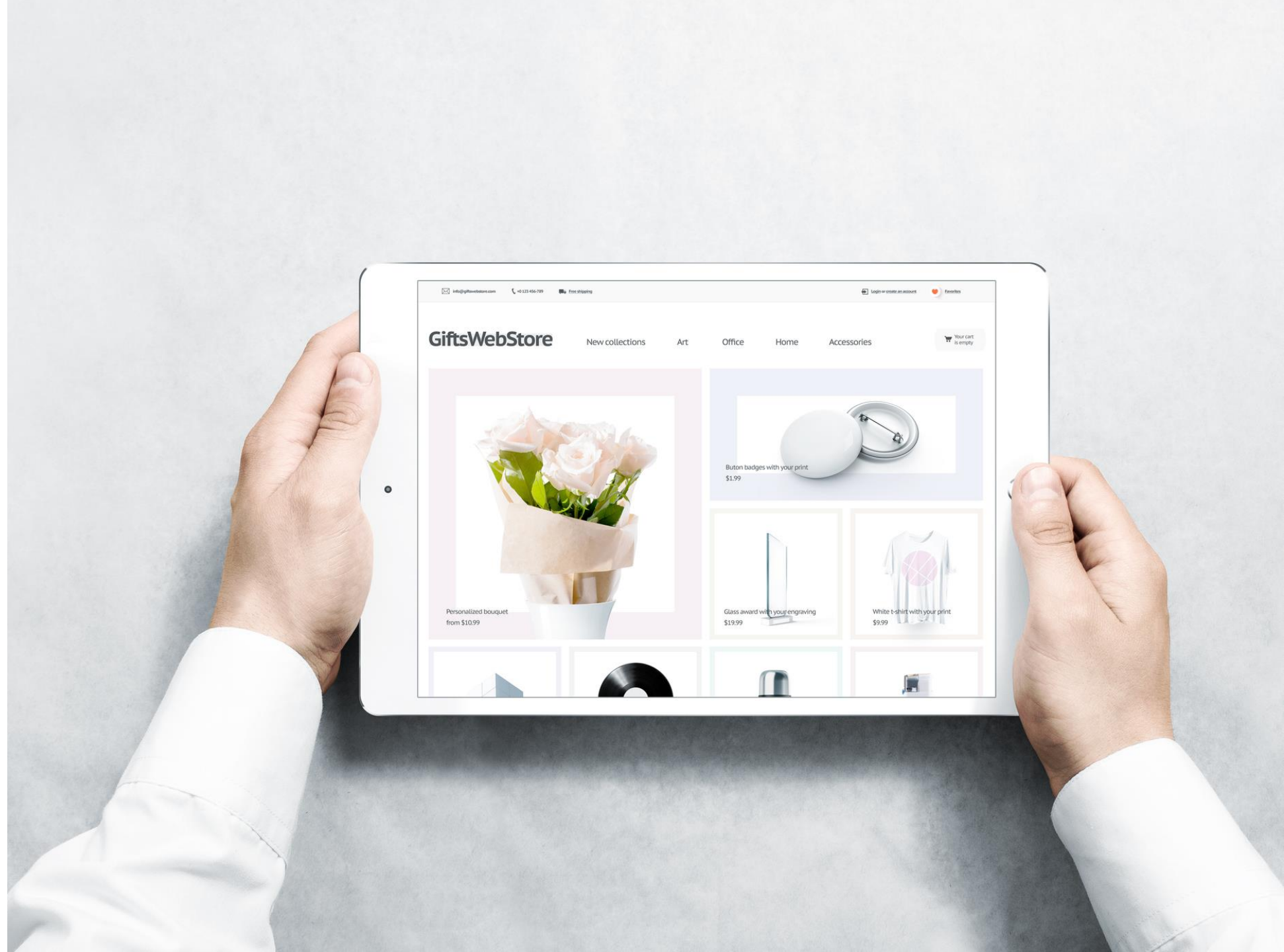




Buying vs Browsing

67%

of online shoppers go to a specific online store and search for the product they are looking for



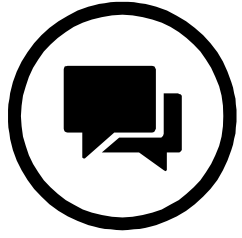


Choice of delivery

86%

Of all consumers rated **high delivery fees** as a concern when shopping online





A brand you can trust

83%

Of all consumers rated
trust in the brand was an
influencing factor when
choosing an online store



Summary insights from research

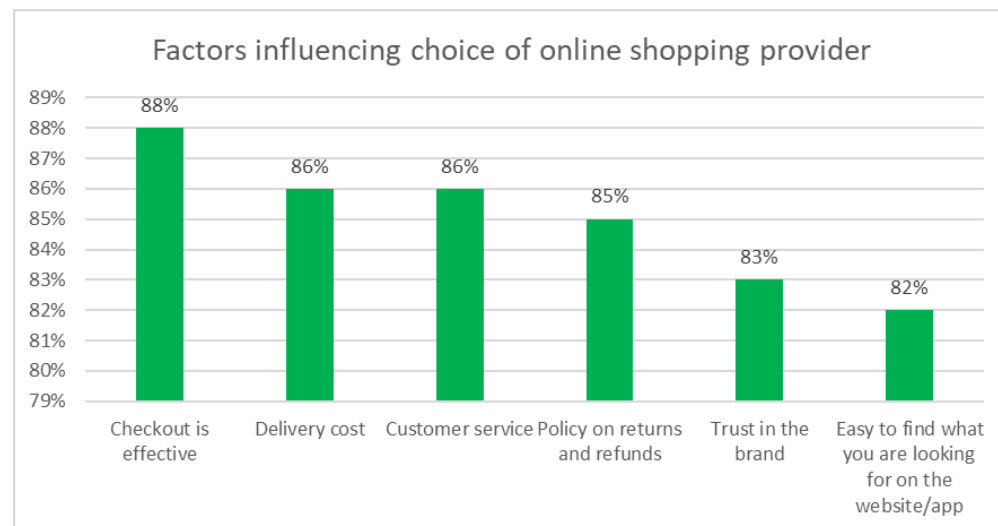
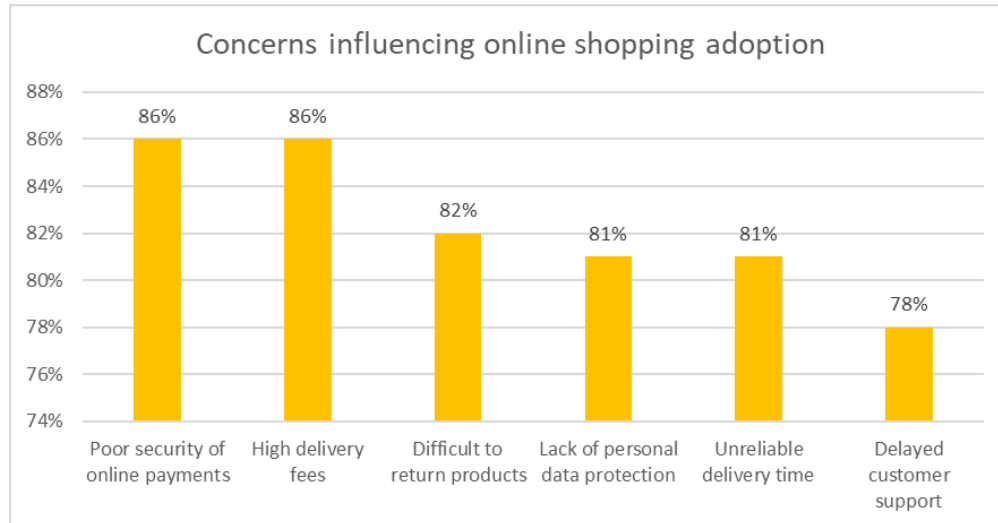


**2 in 3
consumers
see
themselves
engaging in
more
online
shopping
next year**



Key theme summary

Unlocking the online shopping potential requires companies to address consumer concerns and focus on critical elements in their shopping journey



The consumer concerns that are creating barriers for online shopping adoption are:

- Poor payment security and personal data protection
- High delivery fees and unreliable delivery times
- Difficulty in returning products, and
- Delayed customer support

- Consumers want effective checkout and good customer service.
- They also want lower delivery fees, although consumers are willing to pay extra for same day delivery.
- Consumers want reassurance regarding returns and refunds as well as sufficient product information.
- Easy-to-navigate websites with a wide variety of payment options, as well as quick and reliable delivery times.

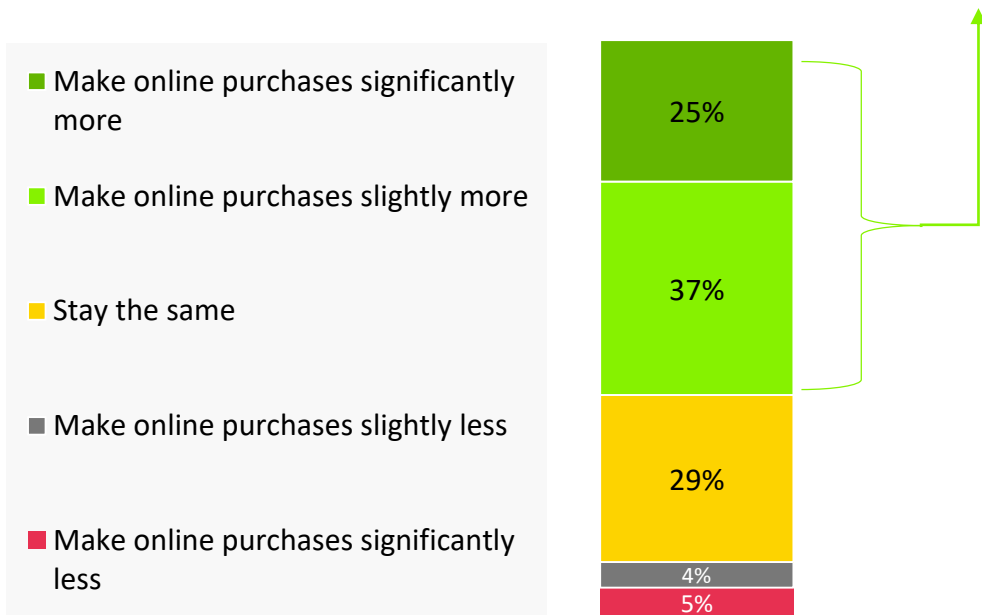
Are the key influencing factors that can unlock the online shopping customer journey.

So what?

Deloitte's Digital Commerce Offering

The opportunity of increased online shopping necessitate the acceleration for action

2 in 3 consumers see themselves engaging in more online shopping next year,



How to use these 7 key themes:

A strong digital commerce offering is not just about having the right technology in place. It's about a new way of generating growth, revenue and future proofing your business, but the starting point should always be: "What problem are you solving for a customer?" The research supplies insights into the key areas to focus on.

Using the insight from the research, digital commerce offerings should:

- 1) Address the concerns that remain barriers for consumers to increase their online shopping activities,
- 2) Focus on the hygiene factors, while
- 3) Using the critical influencing factors to differentiate themselves from the competition.

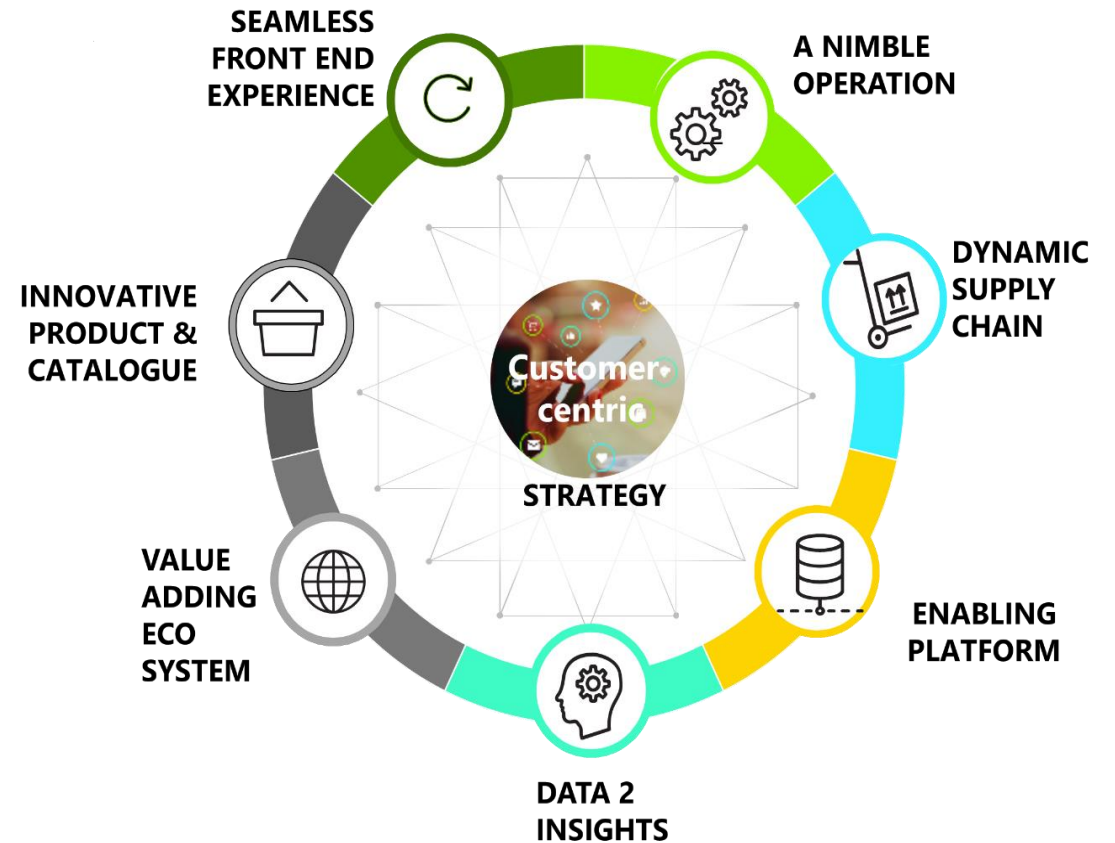
Ask us how

Deloitte's Digital Commerce Offering

The starting point should always be: "what problem are you solving for a customer?"

Within a Digital Commerce business, there are more than 37 capabilities needed, and at Deloitte, we are uniquely positioned to tap into our local and global multi-disciplinary teams utilising existing offerings and capabilities, but applied to address the unique challenges and aspects of a digital commerce environment and business. We have structured our Digital Commerce offering to cover 8 core streams and a 6 step process to support clients on their digital commerce and omni-channel journeys.

Collaboratively, we ideate, build, enable, innovate and operate our clients' B2B and B2C Commerce offerings. **Leveraging exceptional human-centred logic and design to solve specific customer problems digitally, and put what's best for customers at the epicentre of their interactive and omni-channel digital commerce experiences.**





For more information regarding our Digital Commerce offering please contact.



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