



Digital Commerce Acceleration

Increased online purchases present new opportunities for digital commerce players

February 2021

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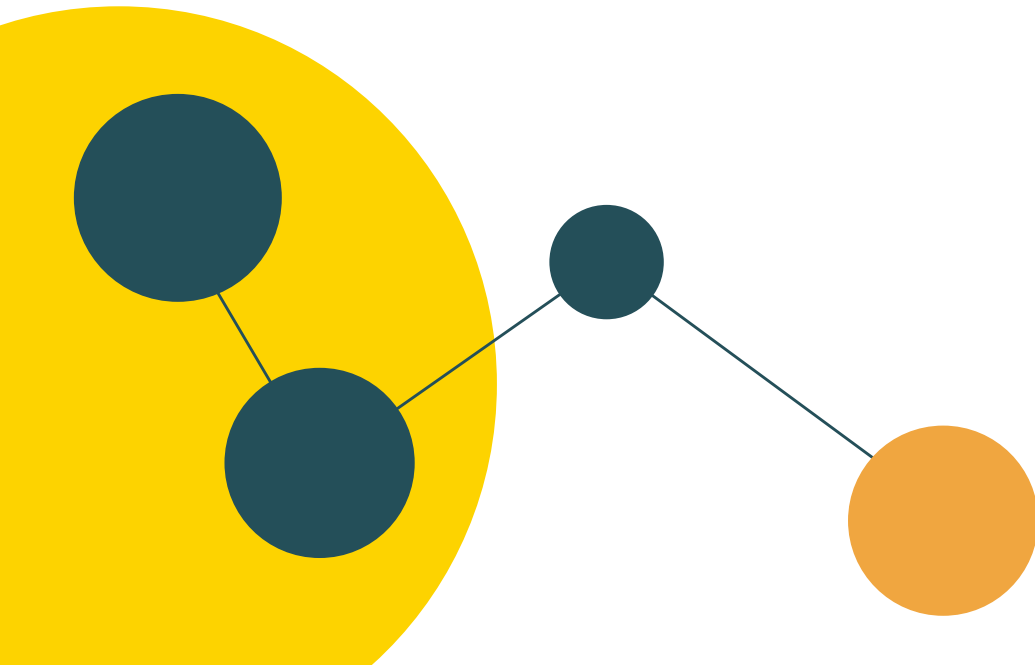
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“Digital commerce has to solve a **specific customer problem.** Leveraging data, human-centred logic and exceptional design, will assist retailers to prioritize and fulfil customer demands at the core of their interactive and omni-channel digital commerce experience.”

Rodger George
Advisory Consumer Industry Leader, Deloitte Africa

Introduction

The increase in online shopping in South Africa presents an exciting growth opportunity for retailers, wholesalers and manufacturers. To accelerate digital commerce in South Africa, research indicates that it will become increasingly important to design offerings that solve specific consumer concerns and use consumer insights to strengthen differentiation.

There has been an uptake in online shopping due to the COVID-19 lockdown in 2020, in South Africa and across the world. COVID-19 has challenged and shifted many of the barriers consumers have had to online shopping.

Manufacturers, wholesalers and retailers need to understand the key factors that influence consumer behaviour and accelerate their efforts to meet consumer expectations.

Deloitte Africa commissioned a South African survey on online shopping and complemented these findings by applying a South African filter to the **Deloitte Global State of the Consumer Tracker** longitudinal survey to gain a better understanding of the factors influencing online shopper behaviour and to identify specific nuances among various consumer groups.

A strong digital commerce offering is not just about having the right technology in place. It is also about a new way of generating growth and revenue and future-proofing a business.

With this in mind, the starting point for any organisation seeking to develop a digital commerce strategy should always be: *'What problem are you solving for a customer?'*

To be able to answer this question, a clear understanding of customers' needs and wants is required.

This report aims to provide insights that will help to better understand South African online shoppers and hence will assist in developing effective digital commerce strategies.

Key objectives of the report:



Investigating what consumers expect in terms of online shopping experiences



Uncovering what drives consumer expectations



Determining the concerns and barriers against online purchasing



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



Investigating the key positive and negative consumer perceptions regarding online shopping

Top takeaways



Click on icons to jump to Insight

Growth in online shopping is set to accelerate...

Ongoing concerns about COVID-19 and the convenience of online shopping are key drivers of future online shopping. The frequency of online shopping is expected to increase in the coming years, **with two in three respondents indicating they will shop more online in 2021.**

...but focus needs to be on omni-channel shopping experiences.

Consumers' purchasing journeys **will increasingly become a blend of in-store and online shopping experiences** across all categories.

Electronics and fashion are the most popular categories online.

Clothing, electronics, footwear, household appliances and health products are the **most popular categories among South African online shoppers.** Interestingly, fresh food features relatively highly among the new top categories - likely a result of the lockdown measures, which gave grocery delivery apps a strong boost.

Online shoppers know what they want and where to get it.

South African consumers are discerning shoppers. **More than two thirds (67%) of respondents indicated that they go to a specific online store and look for the product they want.**

Consumers choose an online store based on key influencing factors...

There are **key elements**, including effective checkout, low delivery costs, and clear and simple return or refund policies, **that influence South African consumers' decisions** where to shop. If online retailers can get this right, they will succeed at the start of the online journey and see their market share grow.

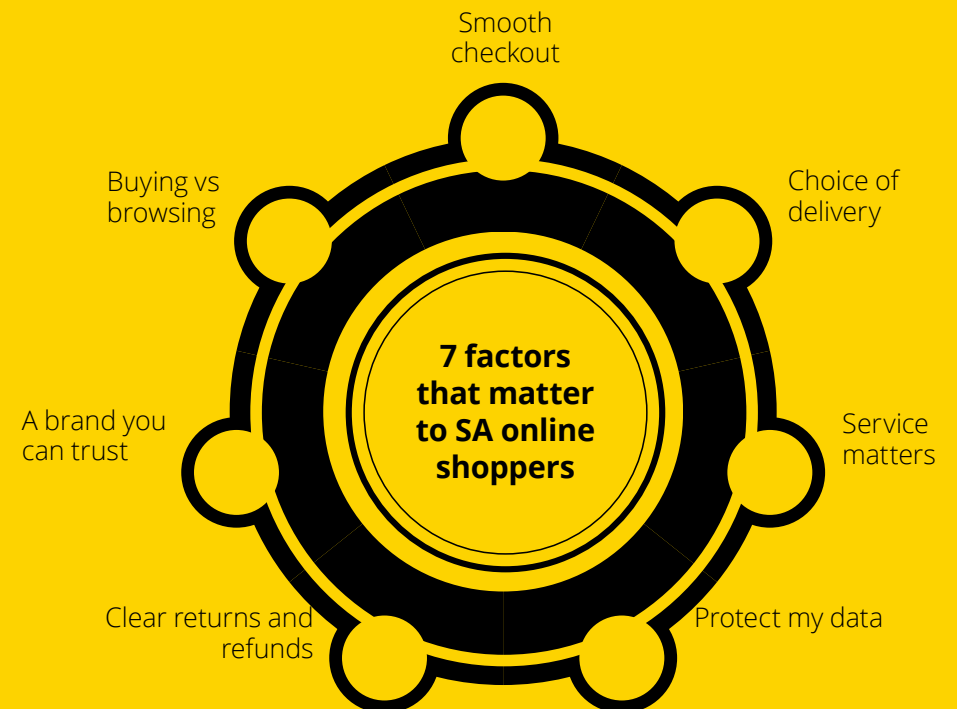
...while certain elements will make them go and stay away.

South African consumers also highlighted their **frustrations with and concerns about certain key elements**, including poor data and payment security, high delivery fees, cumbersome returns and unreliable delivery times. Online retailers that can address these will see an adoption of online shopping and further unlock the potential of e-commerce.

Seven factors that matter most to South African online shoppers

The survey data revealed **seven factors that matter most to South African consumers.** Some of them are directly linked to certain steps in the customer journey, while others are overarching issues or concerns that apply to multiple points on the customer journey.

These factors should be part of the foundation of any digital commerce offering being taken into the market, irrespective of target segment or category.





**South African
online consumer
shopping insights**

Growth in online shopping is set to accelerate...

The South African e-commerce market was estimated to be US\$3bn in net sales in 2019 and growing by a compound annual growth rate (CAGR) of 13% on average (2019-24).¹

Over the next five years, e-commerce revenues are expected to grow by a CAGR of more than 9%, continuing on the robust growth path seen in recent years.²

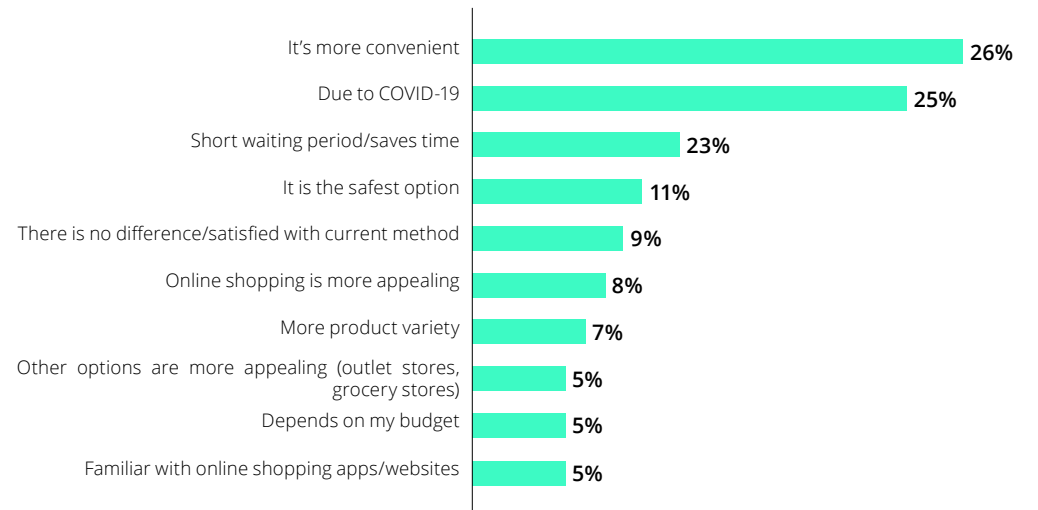
As seen in other markets, COVID-19 has acted as a catalyst for e-commerce in South Africa and growth could accelerate significantly as consumers migrate from in-store shopping to online alternatives.

With a 37% e-commerce penetration, approximately 22 million consumers shopped online in 2020. This number is expected to grow by 44% to 32 million users by 2024.³

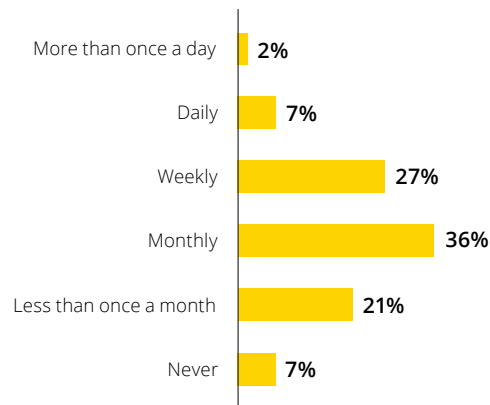
More than 70% of survey respondents indicated that they shop online at least once a month, pointing to an opportunity for major growth in online shopping.

Ongoing concerns about COVID-19 and the convenience of online shopping are key drivers of future online shopping. The frequency of online shopping is likely to increase in the short term, with two in three survey respondents indicating they will shop more online in 2021.

Reason for increased online shopping



Online shopping frequency



Over **70%** of respondents indicated that they shop online at **least once a month.**

Expected online shopping frequency in 2021



2 in 3 respondents will **shop more** online in 2021.

n = 1 004
Source: Deloitte Africa Digital Commerce Survey, 2020

n = 1 004
Source: Deloitte Africa, 2020

...but focus needs to be on omni-channel shopping experiences

While financial concerns may impact overall market growth, with the *Deloitte Global State of the Consumer Tracker* (survey date 6 January 2021), indicating that 55% of South Africans are concerned about losing their jobs, online

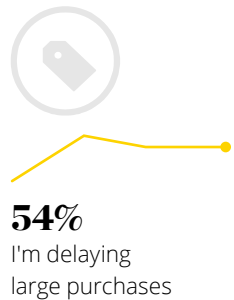
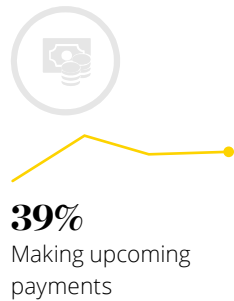
growth can be attributed to a channel shift from offline to online where health and safety concerns will impact consumer shopping behaviours – in January 2021, only 34% of South Africans felt it was safe to go to a store.⁴

Categories are also impacted. South Africans plan to spend more, online and in stores, on groceries, household goods and medicine, but plan to cut down on clothing/footwear, electronics and furnishings in the short term.⁵

Consumers' purchasing journeys will increasingly become **a blend of in-store and online** shopping experiences across categories.

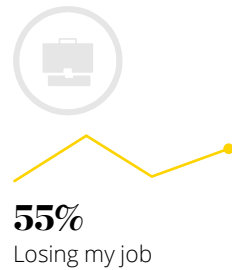
Consumer concerns

Financial concerns



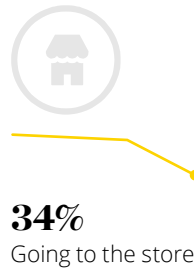
Employment concerns

I'm concerned about...



Safety concerns

I feel safe...

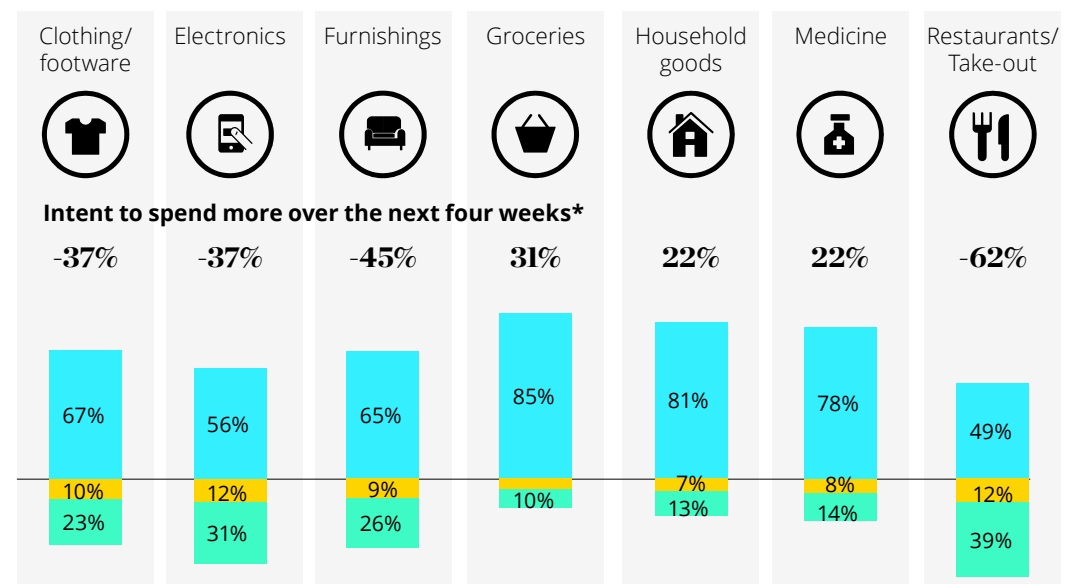


Health and safety **concerns** will impact consumer shopping decisions to go online.

Intended shopping channel

in-store vs online

- In-store
- Online - Delivered
- Online - Picked up



Source: Deloitte Global Consumer Tracker, 2021

* For the next four weeks starting 6 January 2021
Source: Deloitte, 2021

Electronics and fashion are the most popular categories online

Clothing, electronics, footwear, household appliances and health products are the most popular categories among South African online shoppers. These trends are similar to global online shopping preferences.⁶

Interestingly, fresh food features relatively highly among the top categories in South Africa. The popularity of fresh food among

consumers is likely a result of the lockdown measures introduced in response to COVID-19, which gave grocery delivery apps a strong boost.

The top five online stores accounted for 43% of net sales of the top 100 net sales in South Africa in 2019,⁷ reflecting the dominance of these leading online stores. On average, South

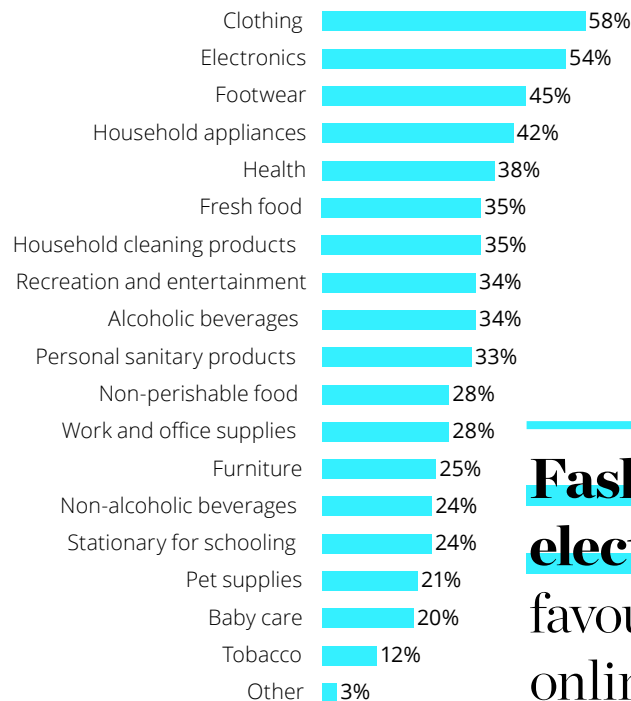
Africa's top online stores achieved a year-on-year growth of 15% in 2020.

In the past few years, e-commerce was mostly characterised by pure-play pioneers. Traditional retailers and manufacturers are only now starting to invest in and focus on their omni-channel offerings, which will bring more choice to consumers across the different categories.

Top 5 online stores by net sales in South Africa



Popular categories



COVID-19 has given grocery delivery apps a boost.

Fashion and electronics are firm favourites among online shoppers.

Net sales of top three players per category in South Africa (in Rm), 2019



Electronics & Media



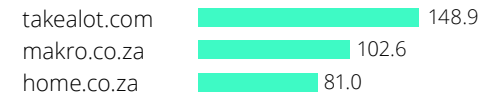
Food & Personal Care



Fashion



Furniture & Appliances



Toys, Hobby & DIY



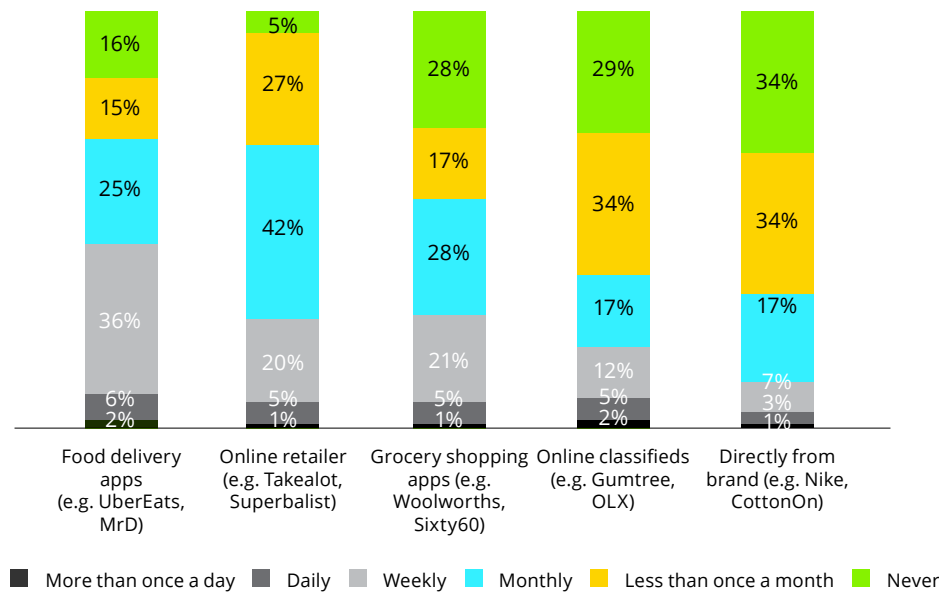
Sources: ecommerceDB as of November 2020
Source: Statista – eCommerce in South Africa, December 2020

n = 940
Source: Deloitte Africa, 2020

Online shoppers know what they want and where to get it

South African online shoppers use a variety of online shopping providers. In the six months between June and November 2020, South African consumers mostly used food delivery services weekly (36%), online retailers monthly (42%) and online classifieds less than once a month (34%).

Usage of online services for purchases by frequency of online shopping



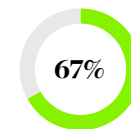
n = 940
Source: Deloitte Africa, 2020

In general, South African consumers are discerning shoppers. More than two thirds (67%) of respondents indicated that they go to a specific online store and look for the product they want. An almost equal share of consumers (65%) said that they know what product they want, but compare various online stores to find a suitable offer.

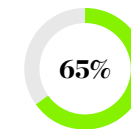
While most consumers across all age groups tend to be focused online shoppers that know what they want to buy, consumers younger than 35 years are more likely to browse without having a particular product in mind.

The overall acquisition rate of email marketing and social media marketing is moderate. The acquisition rate of social media marketing is low among consumers who shop online less than once a week, which might indicate that the products advertised are not relevant to them.

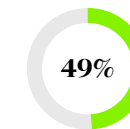
Key online shopping behaviour during product discovery



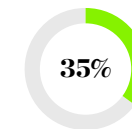
Go to a specific online store and search for the product I'm looking for



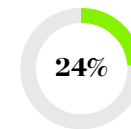
Know what I want, search online and look at all stores that stock it



Go to online stores and browse rather than shopping with a particular product in mind



Receive an e-mail and follow it to make a purchase



Click on ads on social media to purchase the product I see advertised

n = 1 004
Source: Deloitte Africa, 2020

The typical digital commerce journey starts with a **specific product** in mind.

Consumers choose an online store based on key influencing factors...

Given the increasing number of e-commerce providers and the only partially unlocked online shopping market, it is important for digital commerce players to understand the factors that influence consumers when deciding whether to shop online, as well as the factors that influence the choice of provider.

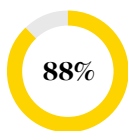
Consumers look for a provider they can trust and that offers hassle-free and effective online shopping at the right price.

Effective checkout, low delivery costs and clear and simple return or refund policies are important factors for consumers. In addition, consumers prefer providers with good customer service, in case they face any challenges or questions throughout their online shopping journey. The push to pure self-service is likely to frustrate certain customers, especially those who are not yet comfortable with online shopping.

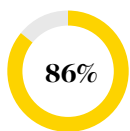
This shows the importance of a well-designed and intuitive user interface built on a solid foundation of technology supported by human-led and responsive customer service.

Customers are likely to return or be attracted as new customers to a digital commerce provider that gets all these elements right.

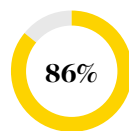
Factors influencing choice of online stores



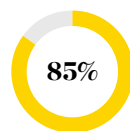
Effective checkout



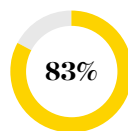
Low delivery fees



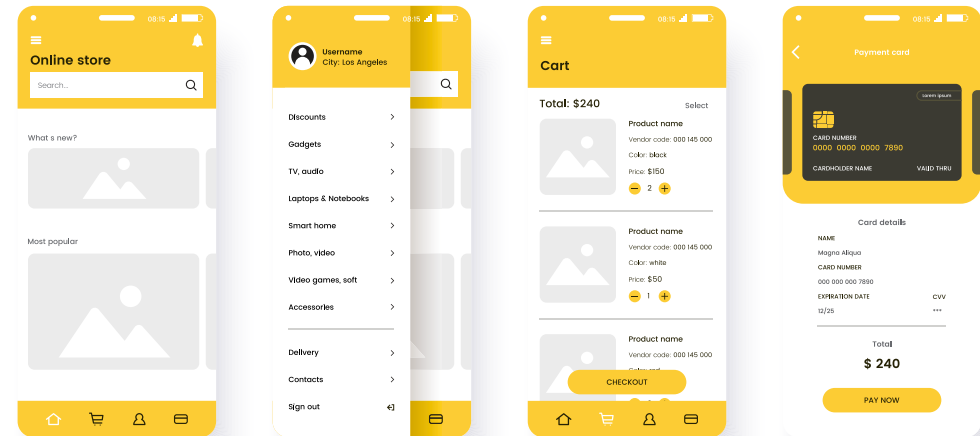
Access to and support from customer service



Reassurance regarding returns and refunds



Trust in the brand



Offering a hassle-free, smooth and affordable shopping experience along the entire customer journey, backed by responsive customer service, creates **trust and loyalty.**



...while certain elements will make them go and stay away

Poor security of online payments and personal data, high delivery fees, cumbersome return processes and unreliable delivery times are the key concerns for online shoppers when choosing an online shopping provider and, therefore, present barriers to online shopping adoption.

Concerns around data and payment security tend to decline with an increase in frequency

of online shopping, reflecting that trust in and familiarity with the platform are built up over time and that the convenience online shopping provides to frequent e-shoppers may outweigh delivery costs.

In addition to security and delivery related concerns, online shoppers are frustrated by a lack of product information, including insufficient photos and product descriptions.

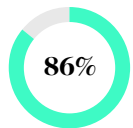
*“Security of payment is paramount. Any suspicion that **payment security** is not up to scratch will lead to me cancelling the purchase.”* Weekly online shopper

*“Online stores need to give you all **exact product info** and dimensions. I bought a dress and it was way too small.”* Daily online shopper

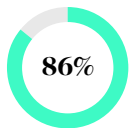
*“I get frustrated when I am **looking for a product** but they don’t tell you the details so you need to do research elsewhere.”* Monthly online shopper

*“Security of the information supplied, from **personal details** like addresses to the bank card details are a key concern for me.”* Weekly online shopper

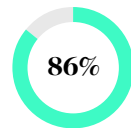
Concerns impacting the choice of online stores



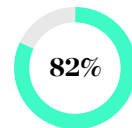
Poor security of online payments



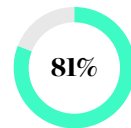
High delivery fees



Difficult to return products



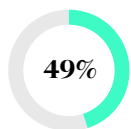
Lack of personal data protect



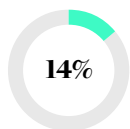
Unreliable delivery time

n = 1 004
Source: Deloitte Africa, 2020

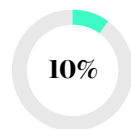
Top 5 pain points for online shoppers



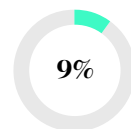
Lack of security



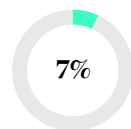
Late deliveries/
unreliable
delivery times



Limited details
about the
product



False advertising/
fake products



Difficult return
process

n = 1 004
Source: Deloitte Africa, 2020

Unlocking the online shopping potential and **becoming the online store of choice** relies on addressing key consumer frustrations and concerns.

Key insights across the South African consumer's online shopping journey



Consumers crave **a seamless brand experience** throughout their shopping journey and expect their information to be kept safe. Addressing their concerns, and focusing on the critical elements will result in a positive brand experience and loyalty.

Click here for the nuances per: [Income profiles](#) | [Frequency profiles](#)

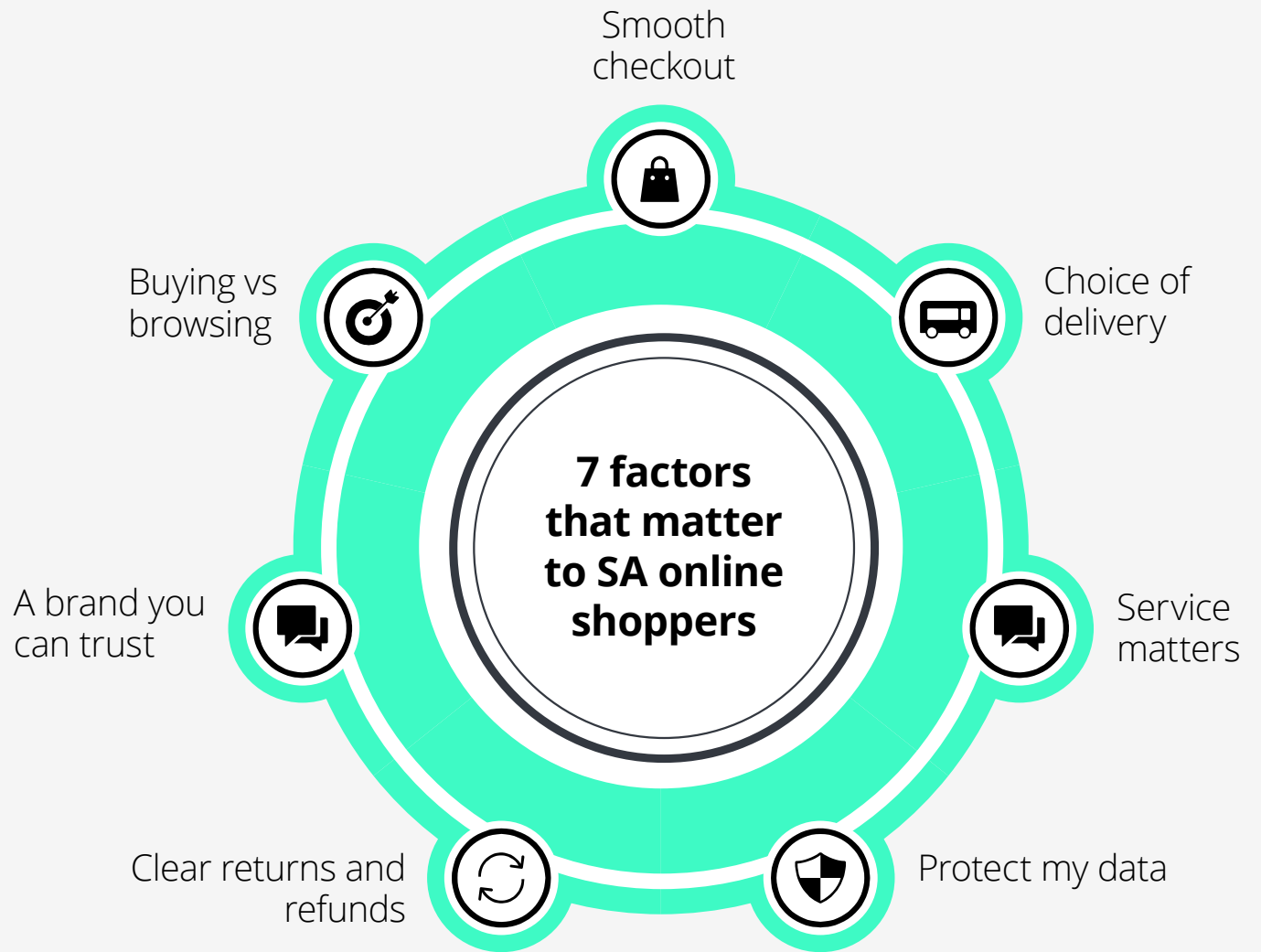


**Unpacking seven factors
that matter most to
South African online
shoppers**

What matters most to South African online shoppers?

The survey data revealed seven key factors that stood out and matter the most to South African online shoppers. Some of them are directly linked to certain steps in the customer journey, while others are overarching issues or concerns that apply to multiple points on the customer journey.

Each of these factors should form part of the foundation of any digital commerce offering being taken into the South African online market, irrespective of target segment or category.





Smooth checkout

88%

of all respondents rated the ability to **transact effectively at checkout** as an influencing factor when choosing an online store.

The inability to check out smoothly and effectively was rated as the top influencing factor among shoppers when shopping online.

Consumers are expecting a frictionless end-to-end experience when visiting an online store. A clear view of stock availability, the ability to add things to a cart that remembers them, the ability to select different delivery options and effective payment alternatives have become the benchmark of an enjoyable online shopping experience.



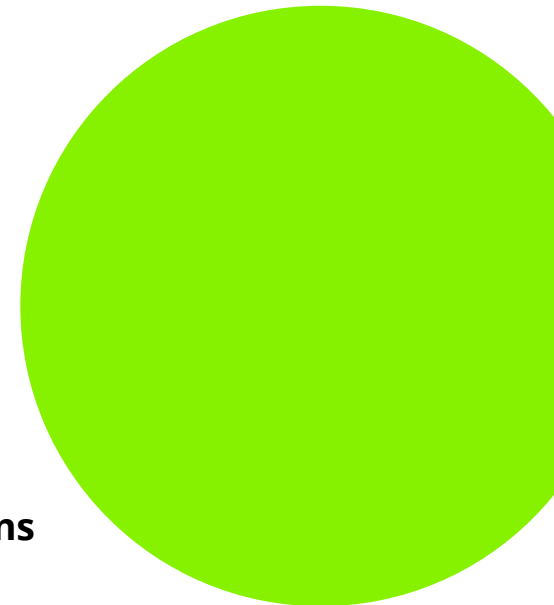
Key considerations:

- ✓ Invest in human-centred design to ensure slick, fast and intuitive user interfaces and experiences.
- ✓ Develop easy to navigate checkouts based on a clear understanding of what matters most to your customers.
- ✓ Allow for improved customer experience through back-end integration to facilitate availability and delivery options.

What our experts think



Click on image to jump to Insight



Bruce Collins



Choice of delivery

86%

of all respondents rated **high delivery fees** as a concern and a key influencing factor when shopping online.

The perceived high cost of delivery makes online shopping less attractive to lower income consumers, a market segment in South Africa yet to be unlocked.

While quick delivery times are often seen as a differentiator among online retailers and 'next day delivery' or even 'same day delivery' have become the norm in advanced digital commerce markets such as the United States or China, it seems that expectations depend on the product category.

South African e-shoppers expect reliable delivery times that fit into their daily schedules and are willing to pay for specific dates and times.



Key considerations:

- ✓ Consider the customer's attitude to importance of time when it comes to specific categories of goods purchased.
- ✓ Have a business case for multiple delivery alternatives, for example, longer delivery time for a reduced cost, subscription delivery for multiple purchases.
- ✓ Be aware of how ecosystem partners can help or hinder the customer experience.
- ✓ Consider the global trends when it comes to the delivery of specific products (e.g. passing on the delivery surcharge to consumers for big basket items, speed of logistics for fresh food).

What our experts think



Click on image to jump to Insight

Kavitha Prag



Service matters

86%

of all respondents rated **customer service** as an influencing factor when choosing an online store.

Having clear and open lines of communication with customers throughout every stage of the purchasing journey is essential.

Consumers are not particularly forgiving of slow response times nor a lack of communication regarding changes in delivery and refunds.



Key considerations:

- ✓ Provide consumers with access to your business when they want it and through the channel that they prefer.
- ✓ As consumers expect online businesses to be 'always on' configure your service operations to support the peaks and troughs in demands.
- ✓ Carefully map your service recovery journey, and make it a 'wow' experience – it could be your most important differentiator.
- ✓ Examine the customer journey to find opportunities to deliver moments of delight for customers.

What our experts think



Click on image to jump to Insight

Ica van Eeden



Protect my data

86%

of all respondents rated **poor security of online payments** as a concern when shopping online.

81%

of all respondents rated a **lack of personal data protection** as a concern when shopping online.

Protection of data, including financial and personal data, was seen as a fundamental concern across all demographics.

Having a platform that protects financial and personal data is seen as one of the top priorities when deciding on an online shopping channel. The importance of the protection of personal data tends to increase with rising income levels.



Key considerations:

- ✓ Compliance with data privacy regulations will require data privacy consent frameworks and related data management capabilities. These enable improved data management and resultant data quality.
- ✓ Trusted quality data is the bedrock of customer analytics. Understand how to improve business performance through real-time and hyper personalised marketing for increased basket value
- ✓ Enrich each customer service experience with deep customer information context and experience analytics to drive emotive connection through tailored servicing.

What our experts think



Click on image to jump to Insight

Ryan Schefermann

Schefermann





Clear returns and refunds

85%

of all respondents rated **policy on returns and refunds** as an influencing factor when choosing an online store.

82%

of all respondents stated that **difficult returns** are a concern when shopping online.

Having a clear returns and refunds policy builds trust with consumers.

Having the ability to return products promotes choice, safety and security in the mind of the consumer.

It also reduces the barriers to online shopping where products cannot be touched and felt.



Key considerations:

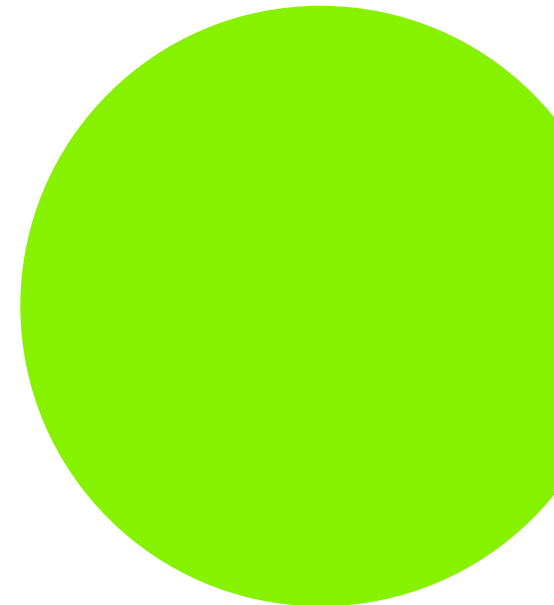
- ✓ Integrate your data, utilise analytics to predict demand and develop fulfilment solutions that best suit your business's needs.
- ✓ Invest in the back-end capabilities of the business to meet the expectations set by a heavily invested front end.
- ✓ See reverse logistics as an opportunity for market growth and to enhance the value proposition to customers.

What our experts think



Click on image to jump to Insight

Kavitha Prag





A brand you can trust

83%

of all consumers rated trust in the brand as an influencing factor when choosing an online store.

Consumers are choosing online store brands that have built a trustworthy reputation.

This reputation is either gained through market awareness, peer recommendation or a prior smooth and frictionless experience with the brand.



Key considerations:

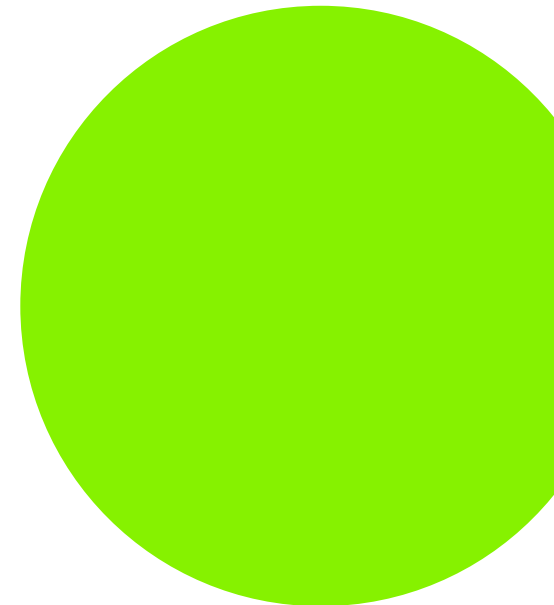
- ✓ Ensure the authenticity of the value proposition that you are delivering to consumers to maintain trust.
- ✓ Consider the position of your digital commerce brand within your current brand architecture models. The greater the distance from your mother brand, the greater the additional investment required to build consumer trust.
- ✓ Consider additional brand focused advertising to build consumer trust in the digital commerce platform.

What our experts think



Click on image to jump to Insight

Ahmed Bulbulia





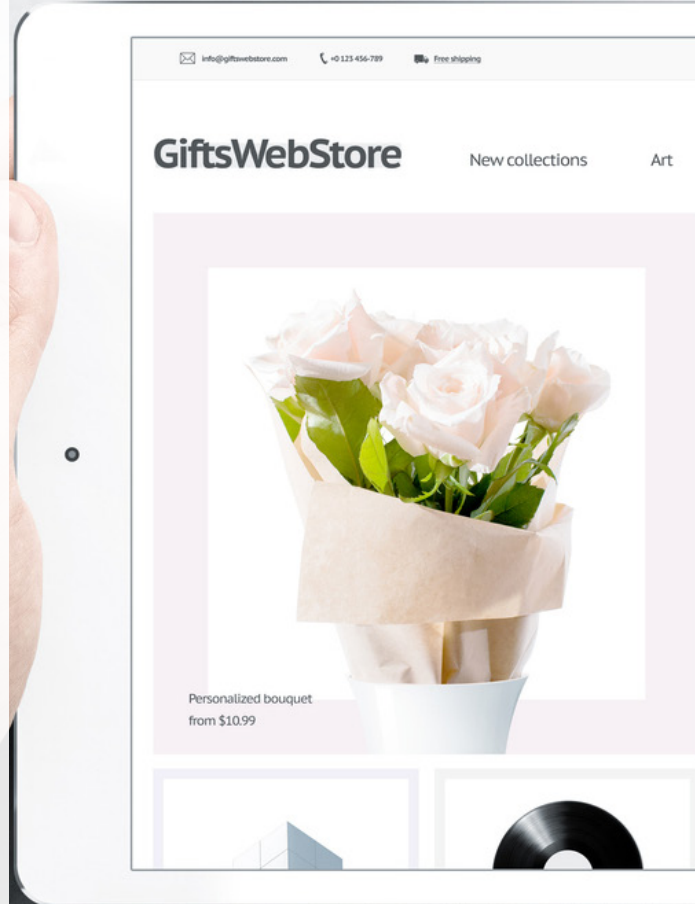
Buying vs browsing

67%

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

With a seemingly unlimited range of products available online and a growing number of online retailers, finding the right product or the most suitable online retailer may seem to be a daunting task for consumers.

South African online shoppers tend to be very targeted when choosing products and online retailers. About two thirds of online shoppers go to a specific store with a particular product in mind.



Key considerations:

- ✓ Understand the importance of different channels within the customer journey and how they integrate to create a seamless omni-channel experience.
- ✓ Ensure that your digital commerce operating model is optimised for inventory availability and working capital effectiveness.
- ✓ Have a clear view of your consumers' ecosystem that surrounds your products and how you develop and leverage partnerships to influence consumers' choice.

What our experts think



Click on image to jump to Insight

Johnathan Smit

“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.”

Ica van Eeden
Digital Commerce Leader, Deloitte Africa





Appendices

Deloitte Africa Digital Commerce Survey Methodology

This report is based on an online survey conducted among 1 004 consumers in South Africa across all nine provinces.

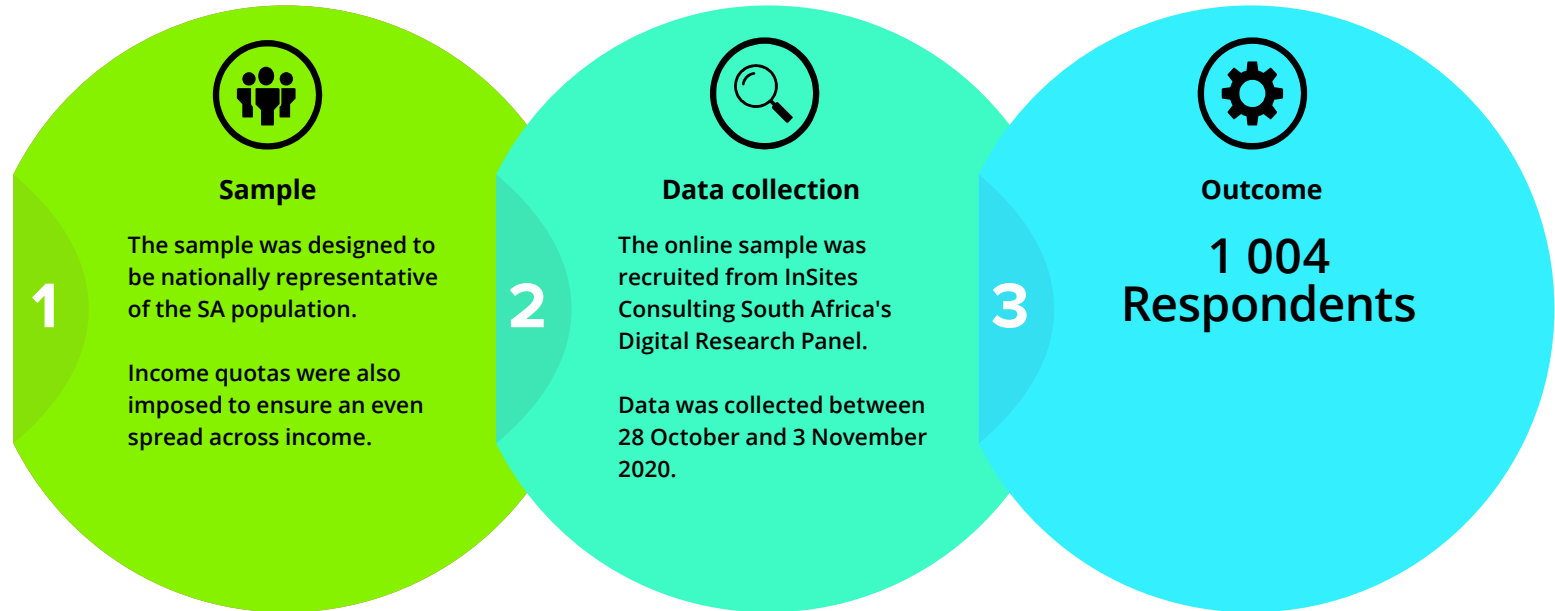
In order to be considered as a respondent, the participant had to be above the age of 18.

The survey captured the views of consumers that either already shop online or are not yet online shoppers.

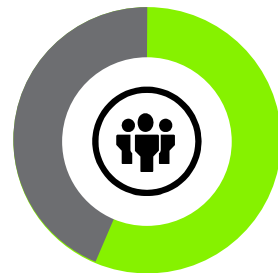
The survey aimed at a nationally representative sample. Income quotas were applied in order to capture views across a wide income spectrum.

Two primary lenses were applied to the data in order to identify variances among different online shopper groups: (1) frequency of online shopping and (2) monthly income of the online shopper. These lenses were chosen for their impact on online shopping behaviours, preferences and needs. This resulted in two online shopping profile groups (see pages 25-27).

Where applicable, references to these profiles are made in the report to highlight key differences and nuances distinctive to them. These characteristics may help to craft digital commerce and engagement strategies, develop product offering and tailor unique customer experiences for individual customer profiles.

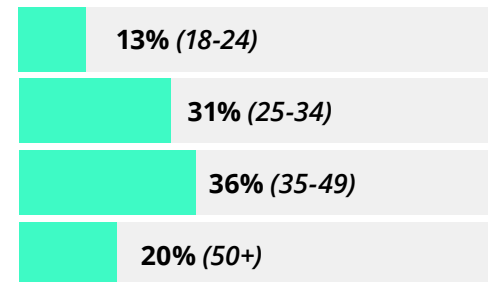


Gender

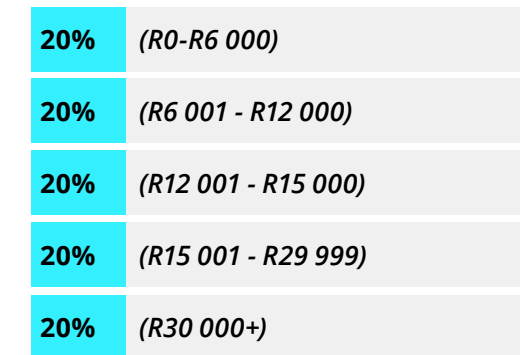


56% **Male**
44% **Female**

Age



Income



Quotas were applied to gender, age and income. Percentages might not add up to 100% due to rounding. Response percentages exceed 100% where respondents were allowed to select multiple answers.

Deloitte Global State of the Consumer Tracker

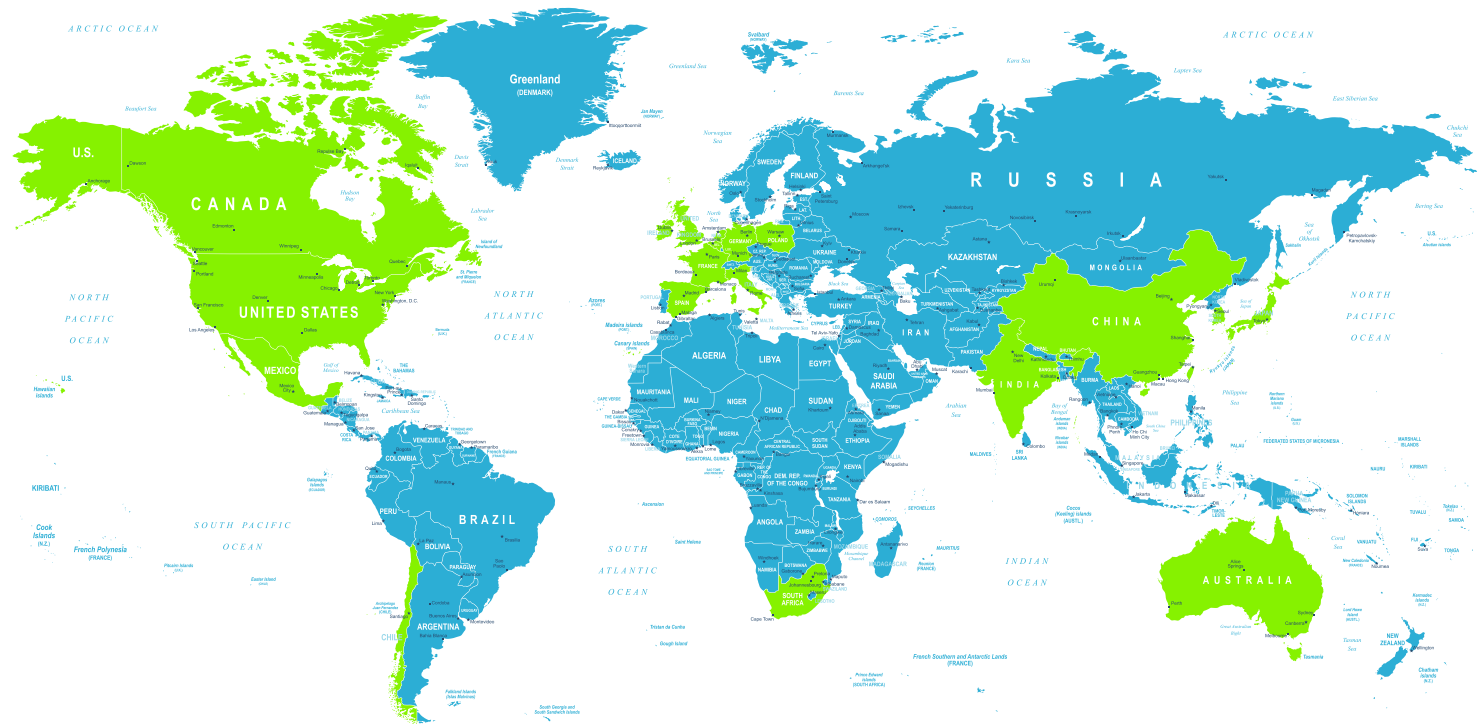
Overview

Since the outbreak of the COVID-19 pandemic, the world has seen what started as a global health crisis morph into an economic crisis. At Deloitte we are keenly interested in understanding consumer behaviours and the interplay impact between personal health and financial wellbeing.

In an effort to understand how these consumer behaviours are changing, Deloitte started conducting longitudinal surveys of consumers across 19 countries.

To find out more about the [Deloitte Global State of the Consumer Tracker](https://www2.deloitte.com/us/en/insights/industry/retail-distribution/consumer-behavior-trends-state-of-the-consumer-tracker.html) and to access the full tracker, please follow the link below: <https://www2.deloitte.com/us/en/insights/industry/retail-distribution/consumer-behavior-trends-state-of-the-consumer-tracker.html>

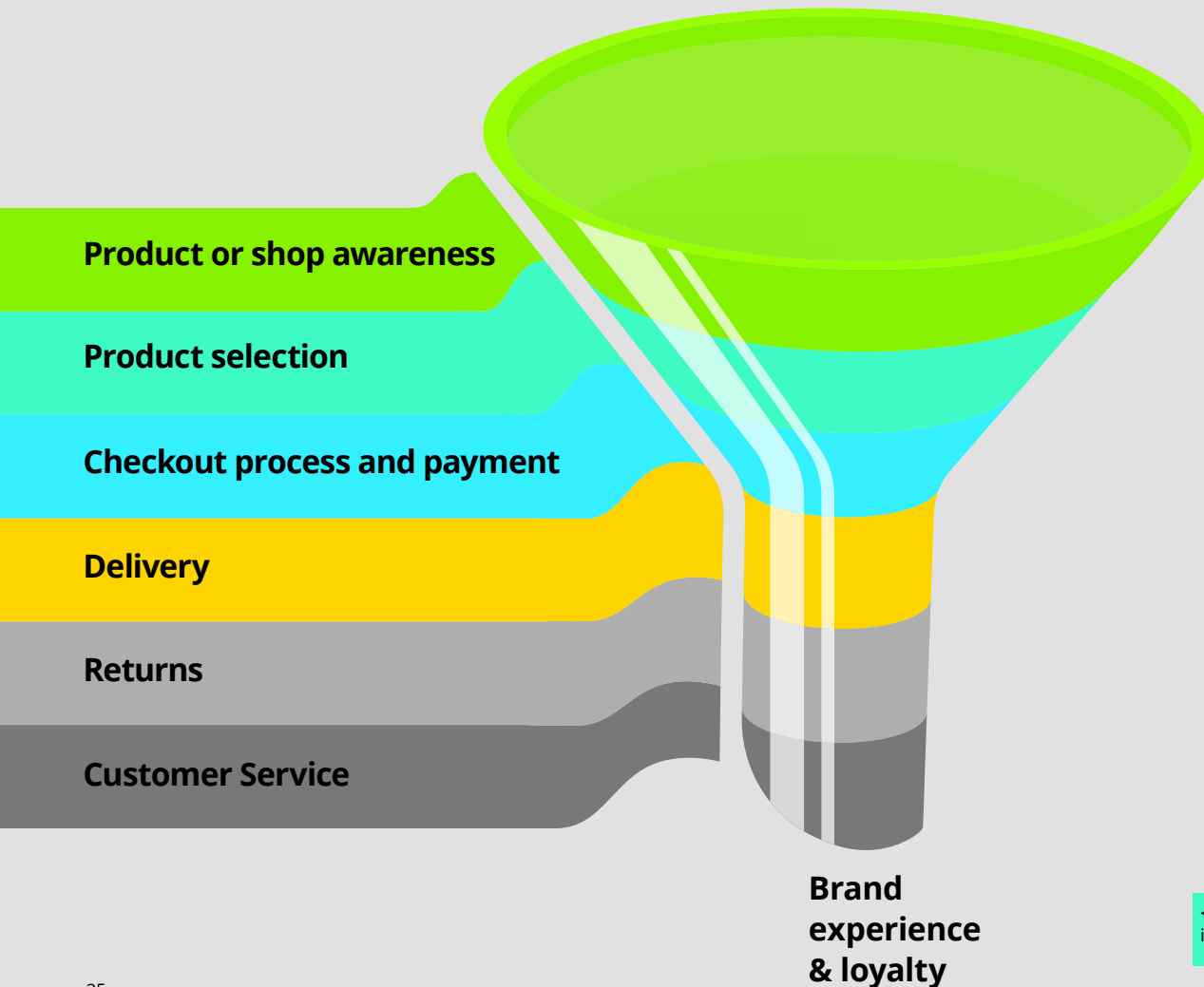
19 Countries are included*



*Australia, Belgium, Canada, Chile, China, France, Germany, India, Ireland, Italy, Japan, Mexico, the Netherlands, Poland, South Africa**, South Korea, Spain, United Kingdom, United States, new addition



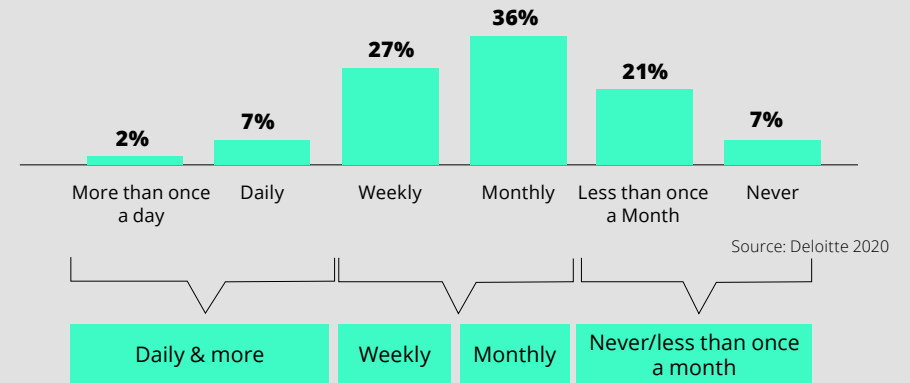
Mapping South African consumer's online shopping journey for different consumer profiles



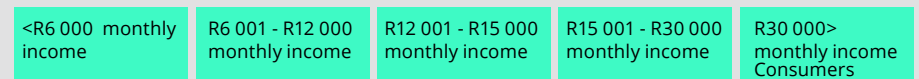
In analysing the survey responses, nuances were found to be present across the online shopping journeys of different consumer profiles. This was particularly pronounced when analysing consumer profiles by frequency of online shopping and income. How these profiles were derived and an overview of noteworthy nuances are detailed below.

Key variables that shifted the online shopping journey were (1) frequency of online shopping and (2) individual monthly income earned. To showcase where these profiles differ from the general South African consumer's online shopping journey, noteworthy differences between and unique features of consumer profiles are detailed in what follows.

Consumer grouping by online shopping frequency



Consumer grouping by monthly income



SA consumer's online shopping journey – frequency profiles

A number of noteworthy nuances were found across the shopping journey of different profiles by frequency of use, as outlined below. Where notable differences across a single element of the purchasing journey were not found, that profile exhibits behaviours that have been noted in the general South African consumer online shopping journey.

Shopping journey	Profile 1: Daily	Profile 2: Weekly	Profile 3: Monthly	Profile 4: Never/less than once a month
Product or shop awareness	<ul style="list-style-type: none"> I often start my shopping with a product in mind, but at the same time I tend to be flexible in my choice of store. I will visit certain stores and browse to see what is on offer. I am open to engage with advertising that I receive either via email or social media as long as I feel it is relevant to me. I often use online search engines to explore and find products I am going to purchase. I am open to engage with less formal digital commerce vendors that operate through WhatsApp or SMS. 	<ul style="list-style-type: none"> I switch easily between shopping on my mobile phone and on my PC. I shop at stores that I'm comfortable with. I interact with advertising that I'm exposed to. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I prefer to shop at large online retailers that have a trusted brand. I hardly engage with advertising I see on social media or receive via email.
Product selection	<ul style="list-style-type: none"> I want to have a clear view on the availability of stock. I have considered subscribing to product and services. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I am concerned when there is insufficient product information. I know exactly what I am looking for when I shop online. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey.
Checkout process and payment	<ul style="list-style-type: none"> I tend to be flexible in my payment method but I prefer cash on delivery. 	<ul style="list-style-type: none"> I prefer to pay with my credit card and I don't really need other forms of payment. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey.
Delivery	<ul style="list-style-type: none"> I see delivery fees as a key factor that influences my choice of online store. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey.
Returns	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I am concerned about the refund and return policies.
Customer service	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I appreciate good customer service throughout my shopping journey
Additional insights	<ul style="list-style-type: none"> Due to these consumers' maturity in online shopping, they are more proficient at exploring various digital commerce providers that meet their specific needs. They are more comfortable with being flexible in the way they choose to pay different providers. Brands need to focus on building loyalty to maximise the opportunities presented by consumers. Defining a value proposition that targets their unique needs and focuses on driving repeat purchases is key. Effective paid marketing also offers an opportunity to unlock these consumers' potential. 	<ul style="list-style-type: none"> These consumers have already been captured by and are comfortable with online shopping. Increased shopping by these consumers is likely to come from products they might not have considered buying online before. This gives digital commerce providers an opportunity to leverage analytics to identify relevant products that can be up-sold and cross-sold to this profile. 	<ul style="list-style-type: none"> These consumers have not yet fully migrated into the digital commerce space. Digital commerce providers often find themselves competing with physical stores for these consumers. Therefore, it is important that digital commerce providers showcase the convenience of online shopping through efficient and intuitive search functionalities, extensive and relevant product information and a smooth fulfilment process. 	<ul style="list-style-type: none"> Given that these consumers tend to be inexperienced with online shopping, it is important to guide them through the process. Offering responsive and efficient customer service throughout the journey may help to instil trust in online shopping among first time or inexperienced online shoppers. In addition, offering a transparent and uncomplicated return and refund process, may help to reduce anxiety and increase the willingness to try out online shopping.

SA consumer's online shopping journey - income profiles

A number of noteworthy nuances were found across the shopping journey of different profiles monthly, as outlined below. Where notable differences across a single element of the purchasing journey were not found, that profile exhibits behaviours that have been noted in the [general South African consumer online shopping journey](#).

Shopping journey	<R6 000 monthly income	R6 001–R12 000 monthly income	R12 001–R15 000 monthly income	R15 001–R 30 000 monthly income	R30 000 > monthly income consumers
Product or shop awareness	<ul style="list-style-type: none"> I prefer to shop via mobile phone and I hardly use a PC to shop online. 	<ul style="list-style-type: none"> I prefer stores with a trusted brand reputation. I engage with adverts from online stores that I see on social media. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I switch easily between shopping on my mobile phone and on my PC and I expect it to be easy. 	<ul style="list-style-type: none"> I prefer to shop on my PC but I sometimes use my mobile phone.
Product selection	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I enjoy browsing through the different products that are available at my favourite online store. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I know exactly what I want when I shop online and I want to find it easily. 	<ul style="list-style-type: none"> I am not very concerned about product info as I tend to do my research elsewhere if I can't find enough information.
Checkout process and payment	<ul style="list-style-type: none"> I prefer cash on delivery when I pay for products and I hardly ever use a credit card. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I prefer to pay for products online using the payment channel that I feel is right for me. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I make most of my purchases with my credit card and I don't really need other forms of payment.
Delivery	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> High delivery fees concern me more than longer delivery time when I shop online. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I am concerned about delivery fees because I shop a lot and it adds up.
Returns	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> I prefer online shops that are transparent with their return and refund policy. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey.
Customer service	<ul style="list-style-type: none"> I appreciate good customer service throughout my shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey. 	<ul style="list-style-type: none"> No notable differences from general SA consumer's online shopping journey.
Additional insights	<ul style="list-style-type: none"> These consumers tend to be careful shoppers, as they cannot risk purchasing the wrong product. Therefore, customer service needs to be geared towards assisting with making the right choice. Given their strong preference for mobile phones as their key mode for online shopping, the UI/UX design needs to be optimised for a mobile phone online shopping experience. Due to the limited access to and trust in certain electronic payment methods, it is important that the digital commerce provider includes cash on delivery as a payment option. 	<ul style="list-style-type: none"> Given these consumers' preference for stores with a strong brand reputation it is important to build credibility of digital commerce offerings through awareness-based campaigns. These consumers tend to be the most frequent browsers when visiting digital commerce platforms, suggesting a high degree of aspirational behaviour. Therefore, it is important for providers to tailor their offering to be flexible in their delivery approach to remove barriers to reaching consumers' aspirations. 	<ul style="list-style-type: none"> These consumers like the convenience that online shopping offers, but are looking for ways that can enhance this convenience, be it through experimenting with different digital commerce platforms or alternative payment methods. Digital commerce providers need to ensure that their search functionality is intuitive and that they provide flexibility in payment methods. 	<ul style="list-style-type: none"> For these consumers, the mobile and PC experience needs to be on par and switching between the two needs to be frictionless. Given that they know what they are searching for, product metadata needs to be in place to make the search easier and the results more refined and relevant. 	<ul style="list-style-type: none"> These consumers tend to be well informed and likely have done research prior to purchasing. There is an increase in omni-channel shopping as time progresses. Given that this group has the highest disposable income, but is price conscious when it comes to delivery fees, loyalty may be enhanced through membership-based subscription delivery solutions.

Endnotes

1. Statista (2020). eCommerce in South Africa 2020.
2. Ibid.
3. Ibid.
4. Deloitte (2021). Deloitte Global State of the Consumer Tracker.
5. Ibid.
6. Statista (2020). eCommerce in South Africa 2020.
7. Ibid.

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