

Encouraging consumer trust as online retail hots up

"E-commerce's rise, especially now, reinforces the point that consumer trust and legitimacy of online retailers are paramount, especially in an era of heightened risk and uncertainty," says Craig Lubbe, CEO for Bidorbuy.



E-commerce, specifically in the retail sector, has broken barriers despite the global pandemic's lockdown restrictions. Statista, a global business-data platform, believes that the South African market will reach just over R62bn this year, and show a compounded annual growth rate of 10% for the next four years. User penetration will be 37% this year, and is expected to hit almost 51% by 2024.

Even given the devastating impact of the national lockdown restrictions, which meant that online shoppers could order only "essential" items, 22% of one thousand South African adults surveyed in late April by Ipsos said they were using online shopping more frequently than in the month before, with 65% shopping less at a supermarket according to Nielsen figures released in early May.

"We're seeing more and more people realise that online shopping can be trusted, and is a safe and efficient way to address issues of health, safety and affordability," says Lubbe. The site has over two million registered users, and reports double-digit year-on-year comparable growth in both revenue and new users.



SA's record e-commerce performance offers hope for battered economy

30 Jun 2020



Emphasising the role of trust as a major issue in people's lives, the *2020 Edelman Trust Barometer* – an online survey of more than 13,000 respondents in 11 countries around the world – reported a significant increase in trust among consumers in April in 10 of the 11 countries. Trust is at "the heart of" ensuring an online shopper returns over and over again, notes Lubbe.

Almost two-thirds (65%) of those surveyed believed business CEOs should take the lead in addressing the challenges of the pandemic, with 60% believing that CEOs of global businesses should use the power and resources of their companies to first help the people of the country in which they're headquartered.

"What this says is that we in business/e-commerce have a moral obligation; it's a moment of reckoning for us," says Lubbe.

Security and privacy

Security and privacy for consumers shopping online are, of course, non-negotiable, with credit-card fraud a "massive concern" for South African users, says Michael Richards, owner and director of SiteMeUp Marketing, a local specialist web-development company in the retail sector.

America's Federal Trade Commission, which enforces anti-monopoly laws and promotes consumer protection in that country, reported in its Consumer Sentinel Network databook in February last year that identity theft was among the three most common categories of fraud complaints it received, and that credit-card fraud was the most prevalent in this category, with more than 167,000 people reporting usage of their information to obtain credit without their permission.

Says Richards, "Secure payment gateways such as DPO PayGate have increased their security features to a PCI DSS compliance basis, which is an international standard." PCI DSS, or Payment Card Industry Data Security Standard, is a standard for organisations that handle branded credit cards from the major card schemes.



Selling online? Don't take your foot off the pedal

3 Jul 2020



Another factor that determines the legitimacy of a site from a user's point of view – that reassure them that the site is lawful, credible and of an acceptable standard – is its overall look and feel, its level of professionalism and modernity, how quickly it loads, how efficient its links are, and if it offers a welcoming and enjoyable experience.

"Aside from quick and easy navigation, there should be excellent product categorisation, a strong focus on customer reviews, and consistent communication around order progress," says Richards. "This includes online tracking, SMS notifications on order status, and multiple payment-method options which should be seamless and secure."

Pricing and delivery

Evaluating price is a grey area that many shoppers simply misjudge, Lubbe believes. "What we're finding, especially as disposable income lessens, is that shoppers tend to shop around more for better deals," he says. Shoppers tend to look at similar items on different sites, as well as assessing the displayed "percent off" sign compared to the original price. But some sites may inflate the retail price to make it seem that a deal is better than it actually is, Lubbe warns.

While Black Friday in November is normally the biggest shopping occasion, Lubbe advises buyers to look out for other

special promotion days, too, such as public holidays or Mother's Day or Father's Day. Richards agrees, saying that typically Thursday mornings and Mondays are when upcoming promotional specials are communicated.

Lubbe says that on sites that offer auction-format sales, like Bidorbuy, monitoring live-active auctions gives the shopper a real-time sense of how other shoppers rate a deal. "The certainty and simplicity of buy-now offers often holds great value, or if the buyer is after the thrill and excitement of bidding in auctions, in promotions starting at just R1 – and everything must go!- is something they'd find fulfilling and enjoyable."

Shipping costs can add significantly to the overall purchase price, and Lubbe advises people to always check whether free shipping is included or not. Shipping and returns policies should be easy to find on the site, and very clearly communicated, he adds. "And check to see if the site offers a buyer cover or buyer protection programme."



Big brick-and-mortar retail needs to up its online game to survive

David Jenkins 7 Jul 2020



From a delivery perspective, customers who receive their goods in unexpectedly eco-friendly and/or creative packaging often consider this the final touch needed to make it a memorable experience, says Richards.

As much as South Africa's leading online retailers are active on social media, so too are their followers, who will make public and voice their opinion on how efficient – or inefficient – an e-tailer is in dealing with their queries.

Customer journey

"Value can mean different things for different people, but ultimately it's about the customer's journey," says Richards.

From the moment they see a social media post suggesting they click through to a site, to when they get an update on their order progress, efficient and consistent customer service will lead to repeat business from a loyal customer, and in the process, a degree of invaluable trust is built between the service provider and the shopper.

"As a proudly South African business, and a pioneer in local online retail, we remain committed to educating shoppers on the incredible benefits a good, value-driven online buying experience can offer," says Lubbe. "Expect the e-commerce space to evolve and innovate in ways and means you thought were never possible – it can only get better."

For more, visit: <https://www.bizcommunity.com>