

## Online sales continue to boom

If January and February 2008 is anything to go by, the online retail industry is set to experience significant growth in the forthcoming months of 2008.

Digital Planet, a popular online electronics website has seen an astonishing 65% sales increase in January and February 2008 based on 2007 figures. "This is undoubtedly the biggest swell in sales, since the 1999 internet boom," says Neil Watson, Managing Director of Digital Planet.

Netflorist, a South African online florist, reflects a similar picture: "While most retailers are experiencing negative growth, NetFlorist's revenues grew at 35% year-on-year for January 2008. Time-poor consumers will increasingly shift to online purchasing as online offerings improve and the cost of doing it yourself is higher than the delivery fee. This will be driven by increasing numbers of women, opening up markets for more traditionally feminine retail categories," says Ryan Bacher, Managing Director of Netflorist.

Notwithstanding that broadband in SA remains very costly, the increase in online shopping can largely be contributed to the fact that consumers are now, more than ever, after convenience. Credit card security and price have taken a back seat as consumers change their shopping behaviour to fit in with a fast-paced lifestyle.

"Feedback from our customers confirms that online shopping provides a better alternative to shopping at retail stores as it eliminates the normal frustrations experienced with shopping such as traffic, long queues and poorly trained sales staff to name but a few. We believe that this shift in mindset has had a direct impact on our business success. I think the age of the internet in South Africa has finally arrived," concluded Watson.

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