

# Is your mobile commerce strategy excluding the mass market?

 By [Lauren Hartzenberg](#)

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While South Africa saw a [25% increase](#) in online retail over the last 12 months, we need to grow e-commerce beyond the 2% of total retail sales that it currently occupies. And mobile should be the way to do that, says Yolande Steyn, an independent consultant with experience working at FNB and Vodacom.



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Speaking at the fifth eCommerce Africa conference in Cape Town this week, Steyn shared that last year alone, 13,5 million smartphones were shipped in South Africa. Fifty-one percent of all phones in the local market now are smartphones, and 70% of all unique browsers are coming from a mobile source.

“More and more we need to understand that our interactions with customers are not happening on fancy MacBooks. It's coming from a mobile phone,” she said. “When we first started doing m-commerce it was done doing banking on SMS. Then we did banking on USSD. Now we're doing banking on apps. Same thing in e-commerce.”

E-commerce businesses that have taken the shift to mobile seriously have developed a mobile-focused strategy, of which a mobile app can be an important component. But they haven't necessarily seen the exponential growth they were expecting.



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## The mobile dropoff

Steyn presented an all-too-common scenario. Let's assume you've got your e-commerce business figured out; you've got a great product that your customers want, and your customer service, deliveries, stock management, payments integration, and everything else, is working well.

“What you'll start off seeing is downloads, many from your existing customers - they're on desktop but they want the app experience. You probably see a deeper engagement with your customers, because they're engaging with your brand using multiple interfaces. But you're still seeing the same customers.

"Then you realise... this is Africa," Steyn said.

"Even though the market is 100% committed to smartphones, the phones that are being used are not 100% committed to the type of mobile commerce environment we're designing."

***“ When you build, consider what you’re building for, and more importantly, who you’re building for. For the small percentage with beautiful, high-end phones, or for 61% of the market? ”***

Firstly, the screen real estate of budget phones can be half that of a typical high-end smartphone. Aside from screen size, the resolution and pixel rate is lower, so is RAM and processing power, storage space is minimal and often their touch screens don't work very well, she explained.



Secondly, users in South Africa have developed specific behaviours around how they use their phones because of data constraints. Looking at the per MB charge of data worldwide, South Africa is not the most expensive. But here, the percentage of income that people have to spend on data is much higher, she explained.

“Most of our mass market users will probably not switch their data on when they're out and about. They'll try to find free W-Fi hotspots – the infrastructure for which isn't consistent in South Africa – and they'll try to do shopping and browsing on Wi-Fi only. They're stingy with data and will carefully prioritise how they spend it.”

## You can't eat data

The gravity of the situation was then illustrated in the following scenario: Imagine you've developed a visually stunning 100MG app with advanced functionality that's available for download. Now consider that in South Africa, the average cost of 100MG of data is R30, which is equivalent to a loaf of bread and a bottle of milk.

**“ People have to decide whether they're going to buy food or top up data. That's why data is such a hot topic in South Africa, because it touches people's pockets in ways we're not always aware of. ”**

“It's emotional because we have made it necessary to own data so that we can communicate, but then we make apps that leak and steal data. And if you're not sensitive to that, consumers will take your app off their phone and they won't visit your website.

“So next time you launch a beautiful product and it's full of video, consider how many of the customers you're targeting are actually watching that video or clicking on that link, because they're worried about what it's going to do to their data usage.”



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## The cash conundrum

The next issue she pointed out is not necessarily mobile-specific, but a reality for many South Africans all the same. Thirty-four percent of South African online shoppers prefer to pay with cash, she noted, adding that many people still have a severe distrust of online payments systems.

They may simply be terrified of entering their card details online, or be overwhelmed by how not user-friendly some payment systems can be. “What may be easy for you can seem complicated to a new digital user,” Steyn stressed.

“We're getting better at payments, and we're seeing greater adoption of online payments in SA, but we still haven't cracked it when it comes to mass market.”

**“ Then there's the fact that 40% of the South African workforce is still paid their wages in cash. ”**

E-commerce company Jumia, Africa's first unicorn, manufactured trust where there wasn't any. They pioneered cash on delivery, because they understood the continent's payment constraints.

“If you want the masses to visit your site, download your app and buy from you, but they're unable to transact on it, what's the point?”

## Key takeaways

With every hurdle you put in front of a mobile customer, you lose a percentage of them, and ultimately sales.

Steyn closed her presentation with a few learnings:

- Make sure your build works on low-end devices as well as they do on high-end devices, even if this means designing a separate app for each. Design for the common denominator.
- Every time you publish an update, think about the cost to your customer in real terms.
- Be critical about performance. It has to work every time and it has to be quick.
- Think experience: UX is the most important element. Keep it simple and easy to use, and design with size of the screen in mind.
- Make sure there's help at hand. 'Contact us' options tend to be great on full sites, but lacking on mobile, which is where they're needed most.

"It's all about the experience, but you have to know your customer and what they're holding in their hands, so that you design for it," she concluded.

## ABOUT LAUREN HARTZENBERG

Managing editor and retail editor at Bizcommunity.com. Cape Town apologist. Dog mom. Get in touch: [lauren@bizcommunity.com](mailto:lauren@bizcommunity.com)

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