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

South Africa's e-commerce industry is booming. Constrained from operating as normal due to lockdown and safety restrictions, many businesses have made a long-overdue entry into the online sales space, with remarkable consumer uptake.



Warrick Kernes, founder of Insaka eCommerce Academy

Now, with lockdown restrictions easing, the temptation is to throttle back on online efforts and go back to the ways of old. That would be a big mistake, believes Warrick Kernes, founder of the Insaka eCommerce Academy. "Businesses really need to embrace this and make it part of their strategy."

More South Africans are delving into online buying for everything from groceries and toiletries to hardware and digital devices. But it's when you drill down into the statistics that the true uptake becomes apparent.

Payment gateway PayFast recently <u>released information</u> regarding transactions during the January to June 2020 period. The data shows a 139% surge in e-commerce activity among 18-24 year olds, a 55% hike in the 25-34 year bracket and an impressive 62% increase among those aged 55-64, when compared with 2019 figures.

Quite simply, says PayFast MD Jonathan Smit, "Covid-19 has definitely accelerated industry growth."



Gen Z driving e-commerce growth in SA - PayFast 23 Jun 2020

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Long-term strategic value

Encouragingly for those already operating in the e-commerce space, and those interested in starting an online business, these consumer habits are likely to persist long after Covid-19 has subsided. This should be a wake-up call for businesses that still do not fully recognise the long-term strategic value of harnessing their e-commerce potential.

Kernes elaborates, "A lot of people have had a wake-up call, but now that lockdown levels are going down they are very promptly returning to the comfort of the old normal. But we shouldn't ignore the lessons of Covid-19. This is the way of the

future, so embrace it fully and make this part of your business." Borrowing from Persian poet Rumi, Kernes urges: "Don't go back to sleep!"

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Covid-19 a shot in the arm for e-commerce Lauren Hartzenberg 25 May 2020

Growing interest

The PayFast eCommerce Virtual Summit, hosted by Insaka in May, underlined the surge of interest in starting an ecommerce business. Insaka reports that more than 10,000 people signed up for the online event and discovered the Academy's range of free and paid-for training resources.

While Kernes asserts that e-commerce remains the "easiest and least risky way to start your own business", he stresses that the sudden rush of people signing up to buy online is putting heavy pressure on service providers. "A lot of support services, such as couriers and payment gateways and software suppliers, are battling to keep up with the demand," he explains.

Kernes' advice to service providers at this time is to focus heavily on the customer service experience. "With many service providers currently battling to keep up with demand, some customers are being left high and dry. I always believe that managing customer expectations is key."

While he urges consumers to be sensitive to the pressures inherent in the current market amidst this rapid shift in buying habits, Kernes believes providers that are capable of delivering great service will be rewarded with repeat business.

Grocery delivery app Zulzi is a case in point, he says, noting that founder Donald Valoyi's savvy business model was quick to pivot during lockdown by drawing Uber drivers into the mix to make deliveries. The result was a quick personal-shopper type service which is now used by the likes of Checkers, Woolworths, Dischem and Pick n Pay.



How NetFlorist pivoted to essential goods in 36 hours Lauren Hartzenberg 3 Jun 2020

Boosting your e-commerce business

"Previously the challenge with building an online store was creating a website and taking payments online or delivering a

parcel overnight. Today, these challenges are largely solved, but now a new challenge has emerged due to the mass of sellers coming online," says Kernes.

So how do you stand out?

• Get the basics right. Work hard to create trust by offering great customer service and delivering fast.

• Market across all platforms. "There isn't one social media platform which is going to turn your business around, there isn't a secret switch to make orders pour through your site," says Kernes. Instead he suggests testing a variety of marketing channels and approaches.

• Keep learning and growing. Building a slick online store is just the beginning, to truly succeed you need to continually invest your time in learning how to develop a sustainable online business.

• Pick your partners with care. Find and partner with companies that support your customer service drive, recommends Kernes. "For example, uAfrica is a service that streamlines the booking of deliveries with couriers and reduces the cost of that delivery for each merchant. It also automates the process of sending updates to customers and creating waybills. I'd recommend using software and services like uAfrica as it saves on costs, makes life easier and assures high customer service levels."

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