

Satisfying demand during the Covid-19 crisis - guidelines for SA's e-tailers

By [Dr Nicole Cunningham](#)

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Online shopping (or e-commerce) is abuzz on social media as it was [recently announced](#) that online retailers could sell any product, other than alcohol or cigarettes, under Alert Level 4. This new regulation is expected to lead to a drastic increase in online shopping amongst South Africans.



Credit: JeShoots via Pxabay

What are customers saying?

A [recent Nielsen syndicated study](#) focusing on the impact of Covid-19 on consumer behaviour revealed that 29% of South Africans have claimed to be shopping more online. But are South Africa's online retailers geared for this increase?

A quick review of the major online retailer's social media pages' show array complaints from customers. Why is this? Could it be that South African online retailers were not prepared for the increase in demand across their online platforms? Possibly. But there are basic elements that South African online retailers just aren't getting right.

Very few complaints are focused on the products themselves but rather seem to focus on the lack of service and communication. The most common complaints reported on social media sites can be grouped into themes: late or no delivery; incorrect item delivered and little or no customer service.

This is problematic as it has been predicted that many consumers will adapt their shopping behaviour to rely more on online shopping long-after the pandemic has passed. However, if customers experience online shopping negatively this simply won't happen and could be damaging to the growth of online retail in South Africa.



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Nielsen 29 Apr 2020



As an avid online shopper, before the lockdown, I regularly ordered groceries the night before and had them delivered the next day from a well-known grocery retailer. In late March, I thought I would beat the long queues and shop online. I spent 45 minutes putting my cart together only to be told at check-out that my groceries would be delivered mid-April. The availability of the delivery slots should've been communicated immediately. I haven't shopped online from that particular grocery retailer since.

So the question is, how can online retailers improve so that we regard online shopping as a reliable and convenient alternative?

What can online retailers do?

Adopting a user-friendly app/website design

Consumers should not be made to feel as though they are searching for a needle in a haystack. Initially, products should be sorted by category (i.e. kitchen), thereafter sub-categories should be presented so that the consumer can sort the products according to brands, pricing, reviews, availability, and so on.

Not many online retailers allow a consumer to sort product categories by availability, given the current climate whereby consumers want products as soon as possible, this would be something to consider.

Developing a comprehensive search function

Ensuring that the product is easy to find from the consumer's point of view is important as consumers will leave the site feeling frustrated if they cannot find the product or the search function is not accurate. The search function on the online retailer's site should be noticeable, allow for further filtering, allow for detailed searches with a brand's name, and include an autocomplete function.

Offering competitive pricing

South African consumers are known to be extremely price-conscious and given the current pandemic, the threat of unemployment, and poor economic outlook, online retailers should be aware of this. [A Nielsen report](#) highlights that South African consumers are the second most price-sensitive country in the world, meaning that we identify changes in prices quite quickly and we are drawn to promotions.

Consumers would generally perceive it to be more convenient to purchase all of their items from one online retail store but consumers will switch and purchase from another online retailer if they find a product at a cheaper price. Therefore, online retailers should ensure that their pricing is competitive and consider offering 'price matching' if a consumer finds the product on another online site at a cheaper price.



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As an online retailer, the focus should be on retaining customers as loyal customers tend to return to the retailer and often spend more on their next purchase. Online retailers should also consider offering promotions and communicating these through their social media and other direct marketing platforms.

However, online retailers should be cautious in providing promotions that are not considered significant – a 5% discount does not appeal to consumers. Instead, online retailers should consider the discounts through bundling whereby consumers receive a substantial discount if they purchase two or more products within the same category or their basket size is over a certain amount.

Delivery

The delivery (or non-delivery) of online products was the most common complaint on the social media sites of South Africa's prominent online retailers. Many online retailers spend a fortune (in money and time) developing their sites and apps but don't consider the logistics of actually getting the product to the consumer.

Generally, when ordering products online customers are given the option to opt for a standard or express delivery. Usually standard delivery is free and express comes at an additional cost but even with standard or express delivery. Regardless of the delivery option, consumers often wait weeks for their delivery (even for common products like a toaster) or their delivery doesn't arrive when it should.

Online retailers should invest in their individual delivery services to allow for better management of the delivery service because often, these services are outsourced yet the delay in delivery is always blamed on the online retailer. By owning the delivery service, online retailers have better control over the process and can ensure timely deliveries.

With that being said, all online retailers should also allow for the live-tracking of deliveries or the selection of a specific delivery window. Currently, most online retailers specify that the order will be delivered between 8 am and 5 pm on a specific day but with more consumers working from home, this needs to be more specific or allow for live-tracking.

For example, by tracking their delivery, consumers should be given a number, to indicate where they are on the delivery route. Let's say a courier is delivering X amount of parcels on a particular day, the live-tracking system should communicate the number that the courier is currently busy with and continuously update throughout the day. Online retailers should also have an area-specific delivery contact call-centre whereby consumers can contact the driver or area manager directly should any changes or queries arise.



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Customer service

Often when customers shop online, they experience certain issues. Most online retailers only offer an email address where consumers can log a query. But in this day and age, consumers want assistance immediately. With the increased usage of artificial intelligence (AI) across several industries, online retailers should also be adopting AI to assist in addressing customer and their queries or complaints.

This could be done through the introduction of chatbots that are designed to mimic a written or verbal conversation with a human being. Although extensive research and development are required to develop a chatbot, online retailers should explore the possibility as this would lessen the strain on current call-centres, email inboxes, and consumers turning to social media to complain.

In the meantime, online retailers should ensure that they offer speedy and helpful responses, especially through their social media pages where customer's complaints and queries are often ignored.

Remember mobile

The majority of South Africans access the internet through their mobile devices and mobile devices are readily available in South Africa. In a global [2020 Digital Overview report](#), Southern Africa's mobile connectivity relative to the population was 169%, the largest reported in the world. Online retailers should, therefore, ensure that they offer a mobile presence through a mobile app or mobile-friendly site.

This would require focus on user-friendliness as online retailers need to remember that the screens are smaller, not all mobile phones are smartphones and data-heavy sites and applications should be avoided.



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Payments

As of January 2020, [Statista reported](#) that the most common online shopping payment method was via credit card (41%), followed by a bank transfer (20%) and e-wallet (17%). Online retailers should ensure that they offer a range of payment methods to ensure that consumers don't simply abandon their carts when they don't see a preferred payment method they can trust.

As seen in the Statista data, credit cards are the most common payment method, therefore online retailers should ensure that they offer additional safety measures (i.e. 3D Secure). This would increase the perceived trust and possibly the basket size.

South Africans generally [only spend \\$109](#) on online purchases. Although this is one of the highest across the African continent, it is \$400 lower than the global average. One of the main reasons cited for the lower spend is the lack of a variety of payment methods and the lack of trust. As South Africa has a large number of unbanked consumers – [estimated at 11 million](#) – it calls for online retailers to be more innovative in the payment methods they offer while adhering to lockdown regulations.

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