

The power of tech for cross-border trade

By [Mike Higley](#)

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Marshall McLuhan was a media and communications theorist, but he is better known for creating the term 'global village', a description that describes how borders have effectively disappeared because of advances in electronic technology and communications.



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It may come as a surprise that he came up with the phrase in 1964, which shows that the concept is by no means a new one – but it is certainly one that has accelerated rapidly in the last 20 years with the growth of the internet, mobile phones, and the rising expectations of instant connectivity.

The shift to an online retail environment

With a shift in retail industry trends, driven by growing access to and use of the internet, and new or evolving technologies that support a move to an online retail environment, consumers are now able to access almost all stores and products through online platforms. This has done more than just change the way people communicate with each other, it has also changed the way people buy and pay for goods and services.

E-commerce has revolutionised how businesses and their customers behave, by enabling them to interact and transact quickly, easily and – perhaps most importantly – beyond the physical range of a brick-and-mortar shop.

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Globally, the e-commerce industry is worth more than \$2trillion, and accounts for a tenth of all retail sales, according to an IPC Cross-Border E-Commerce Shopper Survey. Across the world, this has been driven predominantly by the growth and popularity of sales via mobile technology, and the picture looks remarkably similar in Africa.

The prevalence of mobile technology has meant that e-commerce has emerged as a particularly effective way to buy and sell goods across the African continent. E-commerce generated more than \$16bn in 2017, and is forecast to reach \$29bn by 2022, reports Practical ECommerce. The continent has recognised the potential of this sector, with many countries investing in advanced telecommunications infrastructure and internet services.

Using technology as an enabler

With the growing trend towards online shopping, businesses both big and small have had to adapt to ensure they are reaching and meeting the needs of existing and potential customers. This means using technology as an enabler to keep up with customer needs by providing timely information about what customers want to know.

In the logistics industry, this has a very specific application: for many customers, information about the package they are waiting for can be just as important as the package itself. They want to know where the package is and when they can expect to receive it. Savvy retailers have taken this on board, and ensure that they are able to communicate this kind of information effectively to their customers.

It also provides opportunities for these businesses to differentiate themselves as additional technology and tools are introduced in the market. Using these tools will allow businesses to find ways to proactively communicate with their customers, and give them information that they want and need in a way that fits seamlessly into their lives.

By finding creative ways to use technology as an enabler, businesses will truly be able to make the world smaller and more accessible for individuals wanting to transact across borders, or for businesses looking to start selling beyond their own borders.

These individuals and businesses need partners and service providers that will help remove the boundaries that currently impeded their cross-border operations.

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