

Mobile customers demand convenience when browsing, paying

Research, undertaken by PayU, an online eCommerce payment gateway in South Africa, has shown there are higher conversion rates at checkout when there are less friction points and that the most frequent online shoppers are purchasing through mobile.



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The shift to mobile is undeniable and the impact it has had on buyer behaviour is starting to shine through, as customers demand convenience when browsing and paying.

Johan Dekker, head of payments in Africa at PayU EMEA says, “We are seeing the adoption of alternative buying methods, as consumers strive for that single click transaction. For instance, we have seen other payment types gain traction due to difficulties some customers are experiencing with 3D Secure.”

Single-click checkouts are taking the lead overseas, also driven by the growth in wearables and the ability to use digital solutions to handle physical transactions. Internationally, users can simply swipe a smartwatch against a till point to pay. Convenience has become a driving impulse and it is a trend that, as attitudes change and entrenched systems adapt, may well soon drive the South African marketplace.

According to PwC's Total Retail Global Report, convenience is as much a part of value as price in South Africa. When

asked, “What has been your main influencer for buying online in the last 12 months,” 57% said that convenience was their main factor, compared to just 30% for price.

“Those online shopping platforms that make it easy to find, pay and get an item are those reaping the rewards. Make it too complicated to pay and the impulse burns out and the sale is lost. A fact further reinforced by the statistic that customers who do not make a purchase on the spur of the moment then take another seven days to decide,” says Dekker.

Security still an issue

This ties in with a study done by Picodi.co.za, which released some fascinating statistics. According to this research, 75% of online purchases are made on impulse and enticed through discounts, free shipping. The rise in mobile device prevalence over the past decade is sure to have been the catalyst in the online buyer’s demand for convenience, less friction apparent heightened impulsiveness. However, what about security?

2016 Research by Effective Measure showed that in South Africa, 59% of shoppers still preferred the desktop to the mobile handset, as it is perceived as more secure. This has meant that even with significant mobile adoption, South Africa’s slow online shopping uptake could have been impacted by perception. The same report showed that mobile commerce was growing 2.5 times faster than eCommerce and that attitudes are changing. This is further driven by a greater awareness of products and services that should result in a growing faith in online payment solutions.

PayU are seeing an even split between mobile device and desktop usage. This suggests that perception issues may well be turning. The company found that mobile shoppers are also more likely to spend their hard-earned money over weekends and after work hours. Though the correlation is tenuous, it could point to the previous safety fears being situational, rather than device specific. Less hasty decision-making from the comfort of your couch or bed may be after all another form of convenience!

South African online browsing and purchasing habits will continue to change, shaped largely by technology. According to PayU, consumers will want more choices when it comes to how they pay for things and they will increasingly need the assurance that it is secure and reliable. The latest payment technology in the market, such as its one-click checkout solution, plays into the convenience and safety aspect by removing the 3D Secure and CVV friction points, which should result in higher conversion rates for merchants.

Dekker also foresees the coming of age of crypto currencies, as their mass adoption looks increasingly more likely thanks to the progress of blockchain by techies and a better understanding by future everyday users. “Digital payments will continue to displace cash, driven by further innovations in smart devices; mobiles and wearable tech,” concludes Dekker.

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