

Here's why South Africa's online shoppers keep coming back for more

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Online shopping is becoming ubiquitous in many parts of the world. The internet today enables retailers to open online and serve customers at any time of the day without the need for them to visit a physical store.



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This is especially true in countries like China, the US and the UK, which [lead the pack](#) when it comes to e-commerce. Globally, e-commerce is a trillion-dollar industry and [online retailing](#) is a major part of it.

Online retailing is a relatively new phenomenon and still a small element of total retailing in Africa. In South Africa, for instance, [total online sales](#) in 2016 were estimated at [R9 billion](#) which was only 1% of [total retail sales](#).

The [rapid penetration](#) of internet technologies around the continent provides hope for e-commerce's continued growth. Firms that want to enter the online retailing market must learn and develop strategies that will help them benefit from this growth.

I undertook a [study](#) that looked at various factors that influence customer attitudes towards online stores. It focused on existing online shoppers from South Africa's Gauteng province, which is the country's economic powerhouse. There were 201 respondents in the study. All were older than 18 and from the middle- to upper-income groups according to the [South African Living Standard Measure](#). 98 were men and 103 were women.

The respondents completed a structured questionnaire. They gave answers on a scale from 1 (strongly disagree) with a statement to 5 (strongly agree). The customers were asked to have a specific online store in mind when answering the questions.

The findings

The findings showed that customers, in general, were positive about the online retail stores they were using. Four main factors influenced their attitudes and intentions to shop at a particular online store again. These were:

1. **Store offerings:** Denoted by the choice of products and the price at which the products are offered, this emerged as the main source of customer value associated with a store. Customers rate an online store's offering as high when they are happy with the type and quality of products on offer as well as the price at which these are offered.
2. **Navigation aids:** This refers to website elements that help shoppers to easily find what they are looking for. Navigation aids can make online store visits easy and encourage shoppers to take desirable action like visiting more pages associated with an online store and purchasing products. Examples of online store navigation aids include a good site map, a FAQ (frequently asked questions) section and a built in search facility.
3. **Security concerns:** Online shopping entails sharing of personal information, including credit card details and many respondents were anxious about the security of such information. They worry about data breaches and the possibility of their personal information ending up in the hands of hackers or other unauthorised people.
4. **Fulfilment reliability:** this refers to dependability in the way in which online shopping orders are processed. It is about having the right products delivered to customers within stipulated time frames.

Implications for retailers

Online retailers need to realise that not everyone who has access to internet is a potential customer. Segmentation and target marketing is key to ensuring that customers are satisfied with an online store's offering. When this is properly done, it will help an online store to stock products and implement pricing strategies that will have high appeal to the target market.

It's also important to give serious attention to online store design issues. They need to provide good navigation aids to facilitate the provision of access and search convenience. Ease of navigation is critical to enhancing any online customer's shopping experience.

Thirdly, online retailers need to appreciate that their customers are likely to have some security concerns. Online retailers have a duty to help ensure their customers' security by keeping up to date with technological developments in this area and using the best security systems available.

The study's findings about order fulfilment show how important it is to invest in a good order processing system. Customers need a clear indication of when they can expect their orders. If there are any delays customers must be informed in good time to quell their anxiety. Online retailers should invest in order tracking services so customers can easily follow the progress of their orders.

It is worth noting that focusing on these four factors – store offerings, navigation aids, security concerns and reliability in order fulfilment – can encourage customers to repurchase from the same store. Any online retailer must work not just to acquire new customers, but to retain existing ones.

Limitations and future studies

All these findings must be understood bearing in mind that the study had some limitations.

It was based on a sample of respondents drawn from Gauteng, which is South Africa's most urbanised province. This means the findings may not be generalised to all parts of the country.

Secondly, it looked at online stores in general rather than those in a particular industry. This means that any industry differences in factors that influence attitude towards online stores could not be established.

Future studies may include samples drawn from different parts of the country or the continent as well as aim at establishing industry differences or similarities by focusing on retailing within a single or a few industries.

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