

E-commerce in Africa

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'Black Friday and Cyber Monday are known as major e-commerce jackpots for brands, advertisers and consumers across the globe. Those fortunate enough to understand the importance of e-commerce and to be able to dedicate marketing budgets to such events report breaking sales records year-on-year.' - Tracy Humplick, Head Of Digital Media at Dentsu Aegis Network, Tanzania.



While the rest of the world cashes in on the Black Friday e-commerce wave, the majority of brands and businesses in Africa are still heavily focused on physical store-based consumer behaviour and footfall.

Barriers in Africa

In their defence, the e-commerce landscape in Africa faces many barriers, such as:

- **Low internet penetration.** According to a study by Deloitte in 2016, 'Only 20% of the African continent has internet access'.
- **Cheaper smartphones but costly data.** Quite a lot of bandwidth is needed to cater to e-commerce websites and other platforms.
- **Poor logistics and infrastructure.** The further you go from big cities, the more unreliable delivery becomes.
- **Modes of payment.** Cash on delivery is the most common payment method in certain parts of Africa where little or no access to banks means not as many consumers own debit/credit cards.
- **Traditional mindsets and trust issues.** For example: 'I need to see it/touch it/believe it exists to put my money on it'.

Advantages of selling online

Here's my take on why retailers and marketers across Africa should invest in e-commerce despite these barriers:

I'll start with the obvious. Retailers get the opportunity to create brand awareness, push products and drive sales in one go at a time that matters most to online shoppers. Marketers get to test their creativity and craft campaigns that capitalise on the day's huge online traffic, generating additional ROI for clients.

Then there are those factors specific to Africa: mobile apps and internet pages are becoming lighter, and payment solutions such as M-Pesa allow customers to check out and transact through mobile wallets.

Better yet, there are the untapped young generations of spenders, for example, millennials and Generation Z, who are much nimbler shoppers and have been exposed to technology almost all of their lives. E-commerce is an integral part of their buyer journey.

Google search trends also show just how much consumers are looking for a reason to shop, be it for themselves, friends, family or significant others. Give them this chance – and at pocket-friendly prices!

A (single) untapped opportunity

Yes, e-commerce is BIG and it is getting bigger with time. The question is, have you considered lesser-known holiday (shopping) marketing opportunities in your calendar – like Singles' Day?

FUN FACT: Singles Day started as an obscure 'anti-Valentine's celebration for single people in China back in the 1990s, but now it's the biggest shopping event in the world, laughing in the face of Black Friday and Cyber Monday.

In 2009, e-commerce giant Alibaba spotted the commercial opportunity and made it an online retail celebration to boost sales in the lull between China's Golden Week holiday in October and the Christmas season.

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