

How e-commerce can benefit your retail business

Issued by [Lima Bean](#)

30 Jun 2011

On the Lima Bean blog earlier this year, we looked at [the state of e-commerce in South Africa](#) and concluded that while it's not quite on par with that of Europe and the US, it's definitely growing in leaps and bounds.

No doubt about it, e-commerce has provided consumers with a more convenient way of purchasing, and users are taking full advantage of increased online security and privacy settings. All signs show that this boom is set to continue. Research and analyst firm World Wide Worx released a study which showed South Africa's total online retail spend exceeded R2-billion in 2010, an impressive growth of 30% from the previous year. Certainly, we can expect these figures to increase further over the next few years as Internet access becomes more accessible and affordable.

In terms of the retail industry, e-commerce is bigger and better than ever and if you haven't already realised, there are huge benefits to offering customers the ability to purchase your products online. Let's take a look at some of these benefits:

1. You aren't restricted by location

With traditional retailing you are for the most part restricted to customers that are physically able to access your store. With an e-commerce store, customers anywhere in the country or world can access your store, drastically increasing your potential customer base. You also don't incur the cost of opening a separate store in each location you want to sell, which would be expensive.

2. E-commerce is 24/7

For consumers, one of the draw cards of an e-commerce store is that products are online and available 24/7. This presents a lot more convenience for those that work all day and only have limited time to shop. Customers can browse and purchase at leisure from the comfort of their own home, even if it's a Sunday evening. Of course, this factor also contributes to overall customer satisfaction and a better user experience. It can be very annoying arriving at a store just as it is closing.

3. E-commerce reduces overheads

For retailers, you can rest assured that this is one of the main attractions. Having a physical store, especially if you stock a wide variety of products and need a lot of space, can be very costly, and that is before you've even sold anything or paid your shop assistants. With e-commerce you can negotiate just-in-time terms with suppliers so that you don't need to store the physical products before purchased. Or you can store stock at a much cheaper warehouse or storage facility.

4. An online store means greater product selection

This follows on from the point above. Due to the reduced overheads of an e-commerce store, one can provide a much greater product selection and provide more products through your online store than you could provide in your physical store. This is one of the big draw cards for customers shopping online - greater product selection.

5. Better customer engagement and relationships

An online 'relationship' with a customer is by no means an easy one to develop or maintain and retailers need to work hard to ensure they are engaging with them in the right way and delivering goods that the customer wants and needs. Fortunately, with e-commerce retailers get a helping hand. This is because when a customer requests information or purchases a product they have to submit certain information. The data collected from an e-commerce website can range from basic information such as name and contact details to demographics, purchase history and buying behaviour, which can all be used to target customers more effectively and therefore also increase conversions (sales).

The world is steadily moving online and the amount of South Africans that are now purchasing products and services through the Internet is increasing at a steady pace. The only question that really begs to be asked is: "are you willing to miss out on what e-commerce can do for you as a retailer?"

Web solutions company Lima Bean specialises in development of e-commerce websites. For more information please visit www.limabean.co.za/e-commerce or email sales@limabean.co.za.

- **Lima Bean's international growth gains momentum** 6 May 2016
- **Lima Bean becomes *Real Meal Revolution's* digital and strategic partner** 14 Nov 2014
- **Lima Bean revitalises Wellness Warehouse's online experience** 23 Jul 2014
- **Lima Bean launches Outdoor Warehouse e-commerce website** 14 Nov 2013
- **Lima Bean launches the Yes Baby Daily wedding deal website and directory** 3 May 2013

[Lima Bean](#)



Lima Bean is a leading web development company founded in 2005, with a core focus on designing and building high quality content management systems (CMS) and enterprise e-commerce systems.

[Profile](#) | [News](#) | [Contact](#) | [Twitter](#) | [Facebook](#) | [RSS Feed](#)

For more, visit: <https://www.bizcommunity.com>