

# Mobicred looks at Q4 spending patterns as lockdown eases

The impact of the Covid-19 pandemic on both consumers and retailers is evident. Retailers are under pressure to reimagine and transform their businesses, build out e-commerce solutions and expand their online offerings. Consumers, having already navigated a difficult year, and still uncertain about what the future holds, are likely to spend more conservatively over the next quarter.



South Africa's largest credit facility, Mobicred, has just released its latest Consumer Spend Index for the last quarter (Q3, 2020). The data reveals spending trends as South Africans settle into shopping after the stricter level of lockdown.

## Basket size

While the [previous quarter's figures](#) showed a higher level of e-commerce adoption, this spike was to be expected amid coronavirus infection fears and consequent limitations on physical shopping during lockdown.

Despite adoption rates levelling off, the new data shows an increase of 9% in average transaction size for existing customers and a slightly higher increase of 12% for first time online customers in the last quarter. Averaging out at just over a 10% increase in basket-size per online transaction, online shopping looks set to just keep growing, says Mobicred.

Heading towards the end of the year, the company says that a slight slowdown on the previous quarter in terms of new retailers being onboarded is evident, which is to be expected as retailers start to refocus on traditional brick and mortar, in the build-up to the festive season.



E-commerce should buoy SA's Black Friday 2020 sales

30 Sep 2020



## Category growth

A comparative view of online shopping trends across industries this quarter, against last quarter, shows that tech is

continuing its strong growth trajectory, climbing another 29%. Growing at a similar level, fashion retail was up 27% while beauty and health came back strongly with an upswing of 37% over the period.

Climbing by 10% from last quarter, general retail showed strongly with 36% growth while one of the previous quarter's star performers, beds, coming in at the same rate. More generally, home and furniture managed to hang on to its gains in the last quarter and upped it by another 40% over the last quarter. After being hit hard over the last six months, the auto industry has clawed its way back with an impressive upturn of 135%.



## South African retailers should prepare for a predominantly online Black Friday

6 Oct 2020



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## Black Friday sales

As the year draws to a close, retailers are hoping that the annual Black Friday (27 November) and Cyber Monday (30 November) sales days will relieve some of the losses suffered in the middle part of the year.

"Consumers, having kicked the tyres and taken online shopping for a test-drive during the lockdown period, are almost certainly going to turn to e-commerce before braving shopping centres to take advantage of the deals offered. Retailers who have taken their lockdown learnings to heart and invested in building out their online platforms to facilitate greater e-commerce trade will certainly have the upper hand by offering a stronger push online," says Mobicred.

Along the same lines, Mobicred says it is preparing for a huge increase in customer applications in the build-up to the end of November, and will be adding additional products to its bouquet of merchants, providing "wider choice to consumers and a seamless transacting experience for merchants".

Already a highlight on the shopping calendar, Black Friday and Cyber Monday in 2020 can provide consumers who have been hard hit financially due to Covid-19 with an opportunity to purchase products at competitive prices.



## Smart m-commerce opportunities for Black Friday and beyond

James Bayhack 20 Oct 2020



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According to Jason Sive, CEO of Mobicred, "It should be really interesting watching the online retail space over season. While there will be a massive flight by shoppers to online, the spending power of the average consumer is definitely in question."

Meanwhile, for retailers who have not managed to effectively convert their sales channels to include online e-commerce offerings, and especially ensured the readiness of their fulfilment partner to deal with the additional capacity needed over this time, the weekend may well represent a watershed moment.

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