

Mobile commerce: the next frontier for local small businesses

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Online sales in South Africa have been on a gradual increase since the onset of the pandemic, bringing the industry to over R30bn by the end of 2020. And, with mobile penetration in the country reaching unprecedented heights, mobile commerce or 'm-commerce' is on industry experts' watchlist, with retailers across multiple sectors looking to cash in on the trend. Local small businesses should not miss the boat of aligning with this growing direction as customer behaviour evolves.



Veroshen Naidoo

This is the opinion of Veroshen Naidoo, regional investment manager at Business Partners Limited, who sees mobile commerce as being more than a trend. As he explains: "It's a lifeline that connects businesses to a vast digital marketplace, breaking down geographical barriers and leveling the playing field."

With more South Africans shopping and transacting, using their smartphones, small businesses have an opportunity to join the early adopters in meeting this growing need. They possess the agility, innovation and local knowledge necessary to thrive in this new era and in doing so, to reach new customers and compete on a global scale," he adds.

M-commerce in Africa: the figures and forecasts

According to research conducted by global payments solution provider, EBANX, the African continent has seen unprecedented growth in mobile-driven commerce, with 83% penetration of mobile users. Forecasts predict that Africa will be home to the most significant number of digital buyers worldwide.

Bringing these figures a bit closer to home, a recent GeoPoll study found that 45% of South Africans browse the internet using their mobile phone for more than four hours a day. To this point, data by Statista placed South Africa at the top of the list of the leading African markets in which mobile owns the highest share of total e-commerce.

Given the proliferation of digital payment methods, banking apps and e-tailers, all indicators point to the reality that South Africans are living mobile, talking mobile and shopping mobile.

For Naidoo, this digital transformation should be a signpost to small businesses who are looking to reach new customers, expand their local and international footprint and seize market share from competitors.

Back to the building blocks

Arguably, the most immediate and pressing task for small businesses looking to leverage the mobile commerce movement, is to optimise websites for mobile use. Despite rising levels of smartphone penetration, many e-tailers have focused too heavily on the development of their websites for desktop use.

One survey by Dynamic Yield found that almost 70% of users found that pages and links on mobile shopping sites were too small to click on. A further 36% of users found it difficult to find what they were looking for on mobile shopping websites. These findings point to the fact that building responsive websites that can operate across any device, is no longer a nice-to-have, but an essential part of building a successful business online.

“Mobile users expect fast-loading, user-friendly websites. A responsive design ensures that your site adapts to different screen sizes, delivering a consistent and enjoyable experience, whether customers are browsing on a desktop, smartphone or tablet. A well-designed, responsive website also reflects positively on your brand's credibility. Customers are more likely to trust and engage with a business that invests in a modern and user-centric online presence.”

Make it personal

One of m-commerce's biggest drawcards is its potential for a high level of personalisation. The 24/7 availability of online shopping and the quantum leaps that have been made in recent years by brands looking to ride the tide of digitisation, has shifted customer needs and expectations. The contemporary consumer expects to be engaged with on a level previously unimagined – advanced algorithms and machine learning functions have enabled a stream of communication that is always on.

Effective personalisation relies on data, and in the mobile commerce space, data is a goldmine of insights. By analysing customer behavior and preferences, businesses can refine their marketing strategies, optimise their product offerings, and continually improve the user experience.

“Personalisation can transform a run-of-the-mill shopping experience into something memorable. Features such as push notifications, location-based services and recommendations based on search and transaction histories are some of the ways in which brands can establish a connection with their audiences.

Most recently, WhatsApp released its *Channels* feature, which allows for one-way broadcasting of marketing messages to many subscribers and followers at once. The good news for small businesses is that tools such as these are relatively cost-effective and easy to use. These platforms could be the key to enhancing customer experiences, increasing conversions and building long-lasting brand loyalty,” concludes Naidoo.

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