

Is m-commerce a game changer for African retailers?

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New technologies such as cloud computing are revolutionising the way people do business across the globe. In the African market, infrastructure has traditionally proven to be a challenge that has hindered adoption of new technologies. However, mobility is one area where Africa is leading the game, particularly when it comes to mobile phones.



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The rapid evolution in the capabilities of mobile phones is revolutionising the retail space, and the concept of mobile commerce or m-commerce has become a central focus in the digital strategies of many retailers. Mobile phones offer an exciting channel not only for online sales in countries that have low penetration of connectivity via traditional means, but also for engagement with customers in a variety of new and exciting ways.

Recent research from Martec International suggests that globally, 4.8% of total sales by retail businesses is driven through mobile devices, a figure that equates to half of all online sales. While online shopping statistics may reflect the same in Africa, this could be set to change. According to 2014 figures released by Informa Telecoms & Media, there were 778 million mobile subscribers in Africa at the end of June 2013. The firm predicts that this figure will reach one billion in 2015 and will exceed 1.2 billion by the end of 2018. It is clear that mobility is a significant growing trend across the African continent, and retailers need to pay attention to it as a platform for sales, real-time proximity marketing and on-the-move customer engagement.

Leveraging the advantages

Mobility enables retailers to engage and interact with their customers in ways that would have been impossible just a few years ago. However, leveraging the advantages of mobility requires retailers to alter their behaviour when it comes to dealing with customers. In today's world, customer engagements are about creating conversations with customers rather than focusing on transactions. The way customers think and interact has changed, and retailers need to adapt their mind-set from simply closing sales to developing brand recall and creating perceptions in the minds of their customers. With mobility as a significant driving factor in the African market, having the right conversation at the right time has become more important than ever for the retail community.

The way customers purchase goods is becoming increasingly complex, often involving multiple channels such as in-store and online. However, the concept of embracing an omni-channel marketing strategy is a challenging one that requires not just a shift in mind-set, but also the right technology support. One of the most important aspects of marketing in a changing retail world is to ensure that all back-end systems are sufficiently prepared. For example, in order to achieve consistent marketing across all channels, it is essential to first have a single view of stock no matter where a customer places an order from. This requires significant systems integration.

Analysing data

In addition to that, an efficient management of sales and customer data can help retailers to gain a better understanding of the shopper's behaviour. Analysing this data should be high on retailers' lists of priorities.

Transforming the retail space in today's dynamic environment is a journey that requires a change in culture as well as a change in technology, and these two aspects must work together to be successful. In order to have conversations with customers, it is firstly essential that retailers be able to identify them and have a single view of them across the different channels of interaction. Embracing online and mobile commerce, as well as optimising in-store and supply chain systems, are core areas in creating a next generation shopping experience.

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