

Going.co.za purchases Diligo.co.za

In its first acquisition, Going.co.za has purchased Diligo.co.za for an undisclosed sum. Diligo.co.za, founded in 2010 by Lauren Graham and Kimberley Wood, will now operate under the Going name, where users will have access to lifestyle products at up to 70% off current retail prices.

The company's chairman, Paul Greenberg, suggested more acquisitions of small retailers would arise as the market consolidates. The investment comes as a recent MasterCard Worldwide Online Shopping Survey showed significant increase in online shopping among South Africans, with 58% of respondents saying that they now use the Internet for online shopping. This is an increase from the 44% who did online shopping in 2009, and 53% from 2010.



ANNOUNCEMENT:

Diligo.co.za has been bought by Going, a marketplace for discounted brand name products. Going sources discounted premium products and brands from around the globe that they sell at up to 70% off retail prices. [Read more here.](#)



He says more e-commerce players will come on the market because they are finding themselves in a place where they have grown large customer databases but are not profitable. "This no man's land will be a challenge for e-commerce finding scale. We saw the same thing in Australia and the UK three years ago, where there was a proliferation of e-commerce spending big money, building loyal customer following but, as private equity funds dried up, the lack of profitability caused a speedy market consolidation. The smaller players struggled to find momentum and either closed down or sold out to the bigger ones."

He says his various acquisitions, including those in Australia and South Africa, are as much about the talent as they are for the companies' infrastructure and customer bases.

"I think these smaller e-commerce people have had to do more with less and they have some really interesting solutions around CRM, site search and so on. There is a shortage of talent in this space and these people are showing they are very nimble and have some great knowledge with them. We are still using some of the pearls of wisdom that were brought in from the acquisitions we made years ago."

Acquisitions for talent are common in the tech space - Google does it often and it will happen more in South Africa, especially as the number of e-commerce sites grow.

"I think the space is getting a little too fragmented and atomised and we want to consolidate the market through more acquisitions."

The purchase comes at a time when Going is strategically focusing on growing a customer base that is now demanding wholesale opportunities. "There is a convergence of B2B and B2C when it comes to sales and we are looking at more acquisitions to bolster our customer bases," adds MD, Neville Bear.

Comments Lauren Graham of Diligo, "It's an exciting time in the e-commerce space and, after working with the Going team, I'm confident our customers are in good hands. I have no doubt it will continue to offer users exceptional deals in multiple categories and continue to provide great service and delivery with its extensive logistics and sourcing experience."

Although primarily focused on the B2B market, this purchase shows the company's intention to build simultaneously an offering selling excess brand name goods to cost conscious consumers who have been unable to get access to wholesalers.

For more information, go to www.going.co.za.

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