

# Takealot's Pick-up Points a milestone for SA e-commerce

By [Lars Veul](#)

24 May 2019

*Pargo CEO and co-founder Lars Veul shares why he thinks Takealot Pick-up Points make so much sense.*



Earlier this month popular online retail giant Takealot announced the launch of its own Click and Collect network to service Takealot online shoppers with a convenient delivery method by opening 30 of their own pick-up points around the country.

This is a huge milestone for e-commerce and Click and Collect in South Africa. Takealot aligning their delivery and check-out experience with those of major South African e-commerce players like TFG, Cape Union Mart, OneDayOnly, Wellness Warehouse and HomeChoice proves that online retail in South Africa needs a practical delivery solution tailored for the local market.



## Takealot revamps flagship pickup point in Gauteng

9 May 2019



Click and Collect delivery is gaining traction in South Africa, following a trend that has been showing up globally. At Pargo, we've seen consistent growth since 2015 in the percentage of people that prefer Click and Collect to traditional home delivery. In fact, over last year's Black Friday period this percentage had grown to around 20% of all deliveries.

When Pargo opened its doors in 2015 as the first last-mile company in South Africa offering Click and Collect, the percentage was at 5%.

## Why is Click and Collect on the rise?

Over the last 15 years, there has been a huge rise of e-commerce in (South) Africa that is fuelled by increased smartphone adoption, internet penetration and a growing middle class. More people than ever order anything, from anywhere, at any time. Logistics, however, is still the biggest challenge, meaning people either can't receive their goods, or they don't trust the current options so refrain from ordering at all.

**Access:** Experience has shown that the biggest reason why customers choose collection points over home delivery is access. A large percentage of the South African population live and work in areas that are not easily accessible for couriers. These areas include townships and rural towns. To respond to this need, Pargo has created a network of over 2,200 pick-up points, with a store in every town and every suburb in South Africa, including the most remote ones.



### Scaling e-commerce in Africa

Dean McCoubrey 13 Feb 2019



**Missed deliveries:** People are not at home. Traditional courier services generally deliver during the week between 9 am - 5 pm. This is impractical as people are at work and don't necessarily have somebody at home to receive the parcel on their behalf. Besides a large percentage of South African shoppers live in security estates which adds additional challenges to courier delivery. Many South Africans are excluded from receiving online orders at their offices, due to stringent company regulations.

**Cost:** Click and Collect delivery is more cost-effective than home delivery as parcels are consolidated at hubs – the pick-up points. As an example, sending 10 parcels to 10 people is more expensive than sending 10 parcels to 1 store.

**Returns:** The Click and Collect network offers customers a simple and convenient returns solution without the frustration of waiting for a courier all day. After all, 90% of customers check the returns policy of an online retailer before making a purchase.

With Click and Collect on the rise, Pargo is constantly working towards its vision to create access for anybody in Africa. We've recently expanded our Click and Collect network into the neighbouring countries of Botswana, Lesotho, Swaziland and Namibia. Additional pick-up points in South Africa's urban areas, townships and rural areas are on the cards.



### The staying power of 'click and collect'

27 Feb 2019



With more than 2,200 pick-up points in Southern Africa, I believe Pargo is well-versed at helping retailers in South Africa with customised Click and Collect solutions, thereby enhancing customer experience while increasing revenue.

We are excited to see where Click and Collect will take us and which unique African challenges it will help us to solve.

## ABOUT THE AUTHOR

Lars Veul, CEO and co-founder of Pargo.

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