

35% growth in Black Friday online sales points to prepared shoppers, industry resilience

According to data from DPO South Africa, the country's largest payment service provider, Black Friday trading volumes spiked by 400% on 29 November, compared to an average trading day. Overall there was a 35% year-on-year transactional volume growth for the Black Friday and Cyber Monday shopping period, above the company's prior [prediction of a 30% increase](#).



©avemario via [123RF](#)

The average transactional value per basket this year was R1,406, compared with R1,502 in 2018, and peak shopping was not at midnight, but between 9am and 10am on Black Friday morning. With online merchants kicking off the shopping holiday earlier this year, PayGate numbers also show that the daily transactional volume between Monday and Thursday before Black Friday was 50% greater than a normal trading day.



PayGate anticipates a 30% increase in sales in SA, this Black Friday

18 Oct 2019



Peter Harvey, MD of the DPO Group - Southern Africa, which comprises payments solutions PayGate, PayFast and SiD Secure EFT, says that these statistics speak to the fact that the consumer went into the shopping extravaganza with a plan this year.

"They picked up on the opportunities ahead of time, did their homework and worked the specials. The early start on the sale offerings also saw shoppers picking up on specials and not gambling on last minute deals that they may otherwise miss in the frenzy of Friday shopping," he says.

DPO South Africa believes the numbers and trends of Black Friday 2019 point to a more mature market and an industry that was better prepared. "It is clear that Black Friday and Cyber Monday are here to stay. South African shoppers have embraced the event and have planned well in advance this year," Harvey says.



Eben Esterhuizen 2 Dec 2019



Industry more resilient

“The industry as a whole was much more resilient and, bar a few glitches that could have been internet load related, there was no noticeable downtime. Despite the large increase in checkouts, PayGate was able to comfortably deal with the extra traffic, hitting 353 transactions per second (TPS), compared to around just under 100 TPS last year,” he says.

Harvey believes that South African digital commerce in general and the payment industry, in particular, have hit their strides and says merchants can build on this resiliency over the next months.

“Overall the 2019 Black Friday experience has been a great success. The South African consumer has shown that they are savvy shoppers and our banking and payment industry is ready to meet the challenge as digital commerce continues to grow. Merchants can take heart knowing that there is still some fat in the market and should be planning now to ensure they capitalise on the upcoming festive season.”



Black Friday is where margins go to die

27 Nov 2019



Growth in Africa

DPO South Africa also predicts that Black Friday will see significant growth in the rest of Africa. Harvey explains that the rest of Africa is showing significant interest in how Black Friday and Cyber Monday is playing out in South Africa and believes digital retailers to the north will be kicking off a sustained Black Friday drive in 2020.

“Our Group CEO and the DPO executive team travelled down from Nairobi to spend the day with us. African digital retailers are certainly paying attention, and the lessons learned from South Africa gives them a great head start when it comes to rolling out their own initiatives next year.”

2019 Black Friday PayGate numbers at a glance

Year-on-year growth from 2018 to 2019:

- Monday through Thursday (25 to 28 November) volume – up 50%

- Black Friday (29 November) year-on-year volume growth – up 400%
- Eight-day Black Friday, Cyber Monday shopping event volume growth – up 35%
- Highest measured transactions per second (TPS) grows from 100 to 353 – up 253%
- Card transactions – up 35%
- Instant EFT transaction – up 30%
- First hour of Black Friday transactions (midnight to 1am 29 November) – up 33%
- The busiest hour of trade was 9am to 10am on Friday 29 November
- 61% of traffic came from mobile phones, according to DPO Group company, PayFast

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