

# 4 things small businesses can do to keep the trust of their customers

South African consumers have been spending more time and money online than ever before, thanks to the democratisation of the online world. Internationally, around 30% of consumers have changed their shopping behaviour from physical shopping trips to online shops and marketplaces.



Peach Payments' head of SME growth and marketing, Joshua Shimkin | image supplied

Locally, the [South African Digital Customer Experience Report](#) for 2022 reports that 87% of respondents claim to have made an online purchase in the last year, up from 76% in 2019. Consumer spending grew by over 40% in 2021 and is projected to grow by a further 39% growth this year.

While Covid and government policies played a key role in driving demand for first-time users during lockdowns, the South African online landscape remains underpenetrated.

To get the best from the year-on-year growth and positive outlook for the e-commerce space in South Africa, there are a number of things small and medium-sized online enterprises (SMEs) can do to build - and keep - the trust of their customers.

"It is critical for online SMEs to take a dedicated and deliberate approach to building trust with their customers," says Joshua Shimkin, head of SME growth and marketing at South Africa-based online payment gateway Peach Payments.

Below he outlines four things online SMEs can do to take advantage of the growing e-commerce industry in South Africa:

## 1. Use trusted payment gateways

Consumers want to make sure that their personal data, especially credit card information, is safely secured. For this reason, it is critical for online SMEs to offer payment methods that require a one-time Pin or banking app authorisation (known as 3D Secure).

“The right payment gateway will also ensure newer payment methods use established security protocols before becoming available to business owners. That’s one of the many benefits of using a payment gateway instead of integrating directly into a single payment method,” says Shimkin.

## 2. Keep an eye on reviews

The *South African Digital Customer Experience Report* boldly states that the impact of reviews are 'indisputable' – they can either be the fuel to the success of your online SME, or they can lead to the failure of your business. The impact of reviews on the South African e-commerce market is massive, with the spending influenced by reviews possibly being as high as R35.81bn this year.

Respondents to the report indicated that more than half (57%) relied on third-party review platforms such as TripAdvisor, Google or HelloPeter. Shimkin says keeping track of these reviews and responding to them is a worthwhile exercise for SMEs, as it helps customers to feel noticed and important, and adds a layer of legitimacy for online businesses.

## 3. Know your customers

One of the biggest challenges for local online SMEs is that consumers benchmark them against global brands and not just against their local competition. As many as 67% of South African online consumers are spending their money on local websites, while 63% are spending on retail apps.



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An efficient way to improve the customer experience, Shimkin suggests, is using channels customers prefer, and include targeted ads on platforms such as Instagram and Facebook.

“Also keep in regular communication with your customers, asking for their direct product feedback. This will give you invaluable knowledge to improve your offering,” Shimkin says.

## 4. Be honest and transparent

Being transparent and creating a sense of intimacy with your customers is essential to building trust with them. Luckily, what works to build offline trust works online too: frankness, underpromising, overdelivering and being true to the values you hold as a business.

“Trust, to quote Salesforce’s Marc Benioff, is the glue that holds successful relationships between companies and their stakeholders together. Without it, your online SME will struggle to thrive and scale. With the trust of your customers,

though, it's hard to fail," Shimkin concludes.

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