

5 ways SMMEs can become competitive in e-commerce

By [Thembani Biyam](#)

18 Nov 2021

A few years ago, the majority of South Africans had never made a single purchase online. Today, the local e-commerce market has experienced a massive boom as lockdown restrictions aimed at curbing the spread of Covid-19, made online shopping feel like the safer, and sometimes the only, option for consumers.



Thembani Biyam, CEO of Orderin

According to a 2018 [report](#) from shopping centre and property research company, Urban Studies, retail sales in the country reached a new high of R1trn in 2017 and yet online shopping merely accounted for 1.8% of total retail spend that year.

To give some context to just how far South Africa lagged behind in the e-commerce market, 19% of all British, and 10% of American retail spend in the same year, came from online purchases. Fast forward a few years, and during the easing of lockdown restrictions in May last year, an online survey found that only 74% of shoppers indicated that they would immediately be returning to physical stores.

For larger businesses, the foray into e-commerce is much easier than it is for SMMEs, either because they have more money to invest, or because they already have the existing infrastructure or digital capabilities they can piggyback off of, to build or expand their e-commerce offering.

But, digital technologies can help to level the playing field for SMMEs. By leveraging innovation-enabling technology, the more agile and speedy SMME can become a force to be reckoned with.

Here's some guidance on the key steps SMMEs can take to achieve this.

Improve your catalogue and product discovery

The old adage goes “the customer is king” but if a potential buyer is not seeing a product, that king is going to be ruling somewhere else. The days of relying solely on foot traffic for sales are over but when it comes to e-commerce, many SMMEs battle to understand which places are the best to list their product, and to get the most traffic.



OrderIn relaunches as a delivery-as-a-service platform

20 Aug 2021



Within the first month of Orderin providing the delivery platform for Pick n Pay's delivery app (then called Bottles), they saw a 345% increase in order volumes, so making sure that a business is using an e-commerce platform that has the knowledge, skills and experience to do this, is the first step for a business of any size.

Create easily shoppable catalogues or storefronts

Research shows that 67% of South African online shoppers go to a specific online store and search for the product they want. So to compete with the e-commerce giants, SMMEs must create a seamless and easy shopping experience. Is a site easy to navigate? If a customer searches for something specific, will they be able to find it? Developing this kind of e-commerce infrastructure can take years, and a significant investment, to achieve.

The average SMME in South Africa is unlikely to have the staff complement, the technical skills or the budget to achieve this, which is a problem we wanted to solve when we relaunched Orderin as a delivery-as-a-service provider. As part of our offering, we develop customer-centric web apps for businesses which can go live in a matter of weeks, allowing businesses to get online fast.

Make payments easier for consumers

Once a customer has found a product, they're looking for simple and safe ways to pay for it. The same research mentioned above found that 88% of respondents rated the ability to transact effectively at checkout as an influencing factor when choosing an online store. So if an SME is struggling to find simple and cost effective solutions to help their customers pay for their goods, that is going to affect their bottom line.



Woolies extends digital shopping capabilities with NFC-enabled stores

10 Aug 2021



Providing easy, contactless payment options ranging from credit cards, instant EFTs and even QR codes ensures that customers don't abandon their cart and go wherever it's easier to pay.

Meet customer's delivery expectations when fulfilling online orders

As e-commerce giants have grown and expanded their offerings to include multiple delivery options, consumer expectations have grown too. They want orders fulfilled quickly, reliably and in a way that fits into their lifestyles. Unfortunately, SMMEs

struggle to meet these expectations. Many small businesses who are operating in the e-commerce space are also reliant on courier companies who can let the brand down through late deliveries, and poor communication which leaves the customer disappointed, or worse, infuriated.



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SMMEs should strive to ensure delivery is fast and efficient, and that the customer is kept informed of the progress from order fulfilment through to delivery. We've built our platform to allow businesses to book driver hours based on their forecasted demand. Our high-powered system then assigns orders as they come through to drivers based in nearly 100 delivery hubs across the country.

To ensure maximum efficiency, we are able to track and interact with drivers throughout the whole process and to make the whole system transparent and user friendly- we have built in order status notifications and driver tracking functionality for the customer.

Provide support in less manual and time-consuming ways

If a customer has an issue, a query or a problem, the last thing they want is to jump through time-consuming hoops to try and get a business's attention. By providing digital support tools which enable fast, reliable and automated after-sales support and customer support, an SMME will not only set themselves apart from the competition, but is likely to win a repeat customer.

On the Orderin platform, we've achieved this by providing round the clock support- through a live chat solution which employs a team of trained agents who resolve issues quickly, and which provides automated responses to frequently asked questions. We've seen the results in action on McDonald's Scoot platform where we have been able to provide a first response to queries in under 2 minutes, and where we have an average resolution time of 12 minutes.

It's no secret that SMMEs are the lifeblood of South Africa's economy. Formal SMMEs contribute up to 40% to the country's GDP and employ around 45 to 50% of the labour force. Ensuring that these businesses are able to meaningfully participate in South Africa's economy, is therefore vital to the country's recovery.

In today's economic landscape a business can no longer compete on price, product or service quality alone, as changing consumer behaviour continues to shape the retail industry. This is particularly true for SMMEs who are likely to find themselves driving in the slow lane of the digital revolution, if they don't get on board.

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