



# ORGANIZATIONAL AWARENESS

# E- COMMERCE IN AFRICA

# Blu Flamingo Selected Track Record: Across Industries

## Track Record

Through my network, I have had the privilege to work with blue chip brands in the region such as...

### Banking



### Automotive



### Education



### Food & Beverage



### Telecommunications



### NGOs / Government



### Media / Creative Agencies



### Electronics /Technology



# Organisation of this presentation

Firstly, a concept of e-commerce is briefly introduced,

followed by the construction of the research model,

We then discuss factors impacting e-commerce.

Finally, implications of our study results and analysis are discussed.

We close with what strong players are doing right in this industry.

## Concept of E-commerce

Several studies of eCommerce in developing countries have emphasised the influence of contextual impediments related to economic, technological, legal, and financial infrastructure as major determinants of eCommerce adoption.

Despite operating under such constraints, some organisations in developing countries are pursuing the eCommerce agenda while others are not.

Generally those that are pursuing it while being mindful of contextual imperatives will be ahead of a curve that is inevitable and use their learnings to quickly adapt and be market leaders

**While developed countries have harnessed and adopted E-Commerce, developing countries are not yet fully adapted to its adoption.**

**The aim of this presentation is to share with you the fundamental areas which organisations need to be aware of when it comes to the factors that play a role in the adoption and development of E-Commerce and, hence, develop strategies that conceptualise the influential factors that form as enablers and disablers of E-Commerce.**

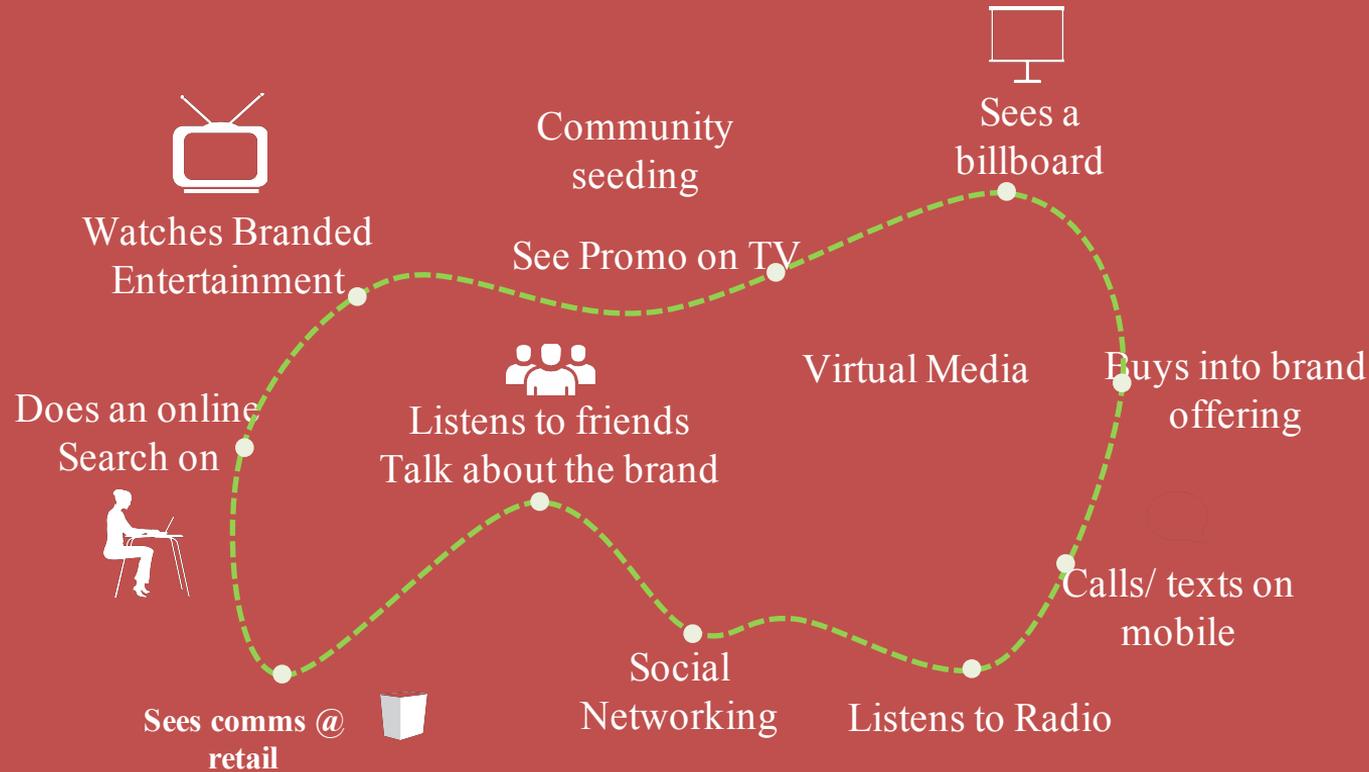
**The purpose is to enable you harness the benefits and advantages offered by this new mode of trade.**

**Investing in ecommerce is important for all businesses, because consumers use all channels at their disposal when researching, selecting and buying a product. In-store browsers can become online shoppers and vice versa.**

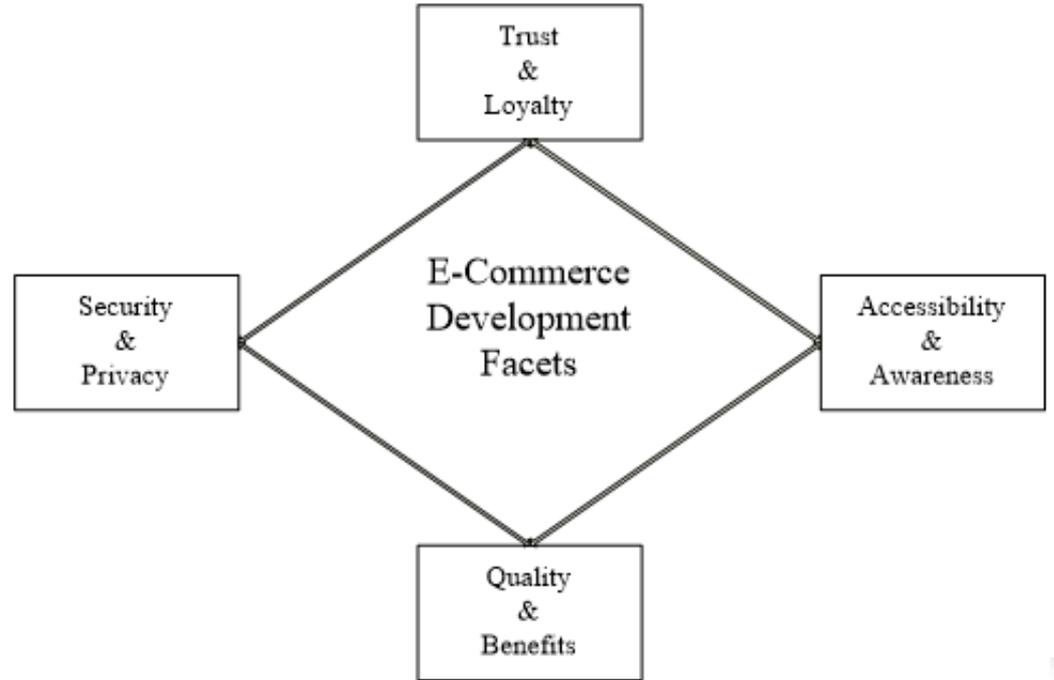
**I don't have to tell you that times have changed (that's what clocks and calendars are for) or that the internet has dramatically affected the way people shop and interact with businesses. Many businesses have only waded into the waters of e-commerce, but the time has come to dive in.**

**Recently compiled data shows that retailers need a strong internet marketing and e-commerce strategy now, more than ever.**

**Improving a businesses e-commerce and internet marketing strategy can prevent a retailer from falling behind their competitors and provide new sources of revenue as more consumers choose to shop online.**



# The Model:



# Key factors impacting E- commerce

## **Security, Fraud and Hacking;**

Issues of information security are a major obstacle to the growth of E-Commerce. The perception of risk regarding Internet security has also been recognised as a concern for both experienced and inexperienced users of internet.

## **Awareness and Perceived Usefulness**

Much research has outlined the significance of the influence of perceived usefulness on attitude towards the use of e-commerce.

The real reason why customers would use E-Commerce is that they find it a useful facility for conducting shopping online (Alghamdi, 2011).

# Key factors

## **Accessibility:**

Getting people to use, perceive, understand, direct and interact with the web.

As the internet is fast becoming a major source of information and services, a well-designed e-commerce website has become essential so that citizens can access public information and improve their participation.

## **Perceived Quality:**

The perceived quality of a service has two dimensions; the technological dimension, which refers to what is delivered, and the functional dimension, which refers to how the service is delivered.

Speed of response, offer updates, and site effectiveness, refers to the technical quality

To understand  
Africa is to  
understand the  
different  
numbers.

## THIS IS AFRICA!

ONE BILLION PEOPLE

more  
mobile  
users than  
the US &  
Europe



more than 2,100 languages

70% of africans are  
under 25

5M university  
graduates every year

54 countries  
7% average GDP  
growth for  
the next

7/10 20 YEARS

fastest  
growing  
economies  
by 2015



100+ million  
monthly  
active people  
on Facebook

# The Problem:

Retailers have learned to cope with two realities.

1 - The pace of innovation in digital channels exceeds the rate at which large retail organizations can adopt new technologies to embrace the change. As a result, retail organizations must invest in a fragmented and disconnected array of technologies to address emerging channels like social, mobile, tablets, and web personalization.

2 - The infrastructure that supports the customer experience in retail organizations is typically fragmented because there really aren't any turnkey end-to-end multi-channel customer experience management technology solutions.

# WHAT ARE TOP PERFORMERS DOING RIGHT?

# Talking Points Global

- Integration with back-office systems was one of the top value drivers for maximizing the return on investment for Top Performers.
- 98% of Top Performing retail organizations consider their digital customer experience a source of competitive advantage.
- Sixty-three percent (63%) of all respondents indicated changing consumer preferences and channel proliferation were the top two challenges. When asked if the organization had a five year plan for addressing these challenges, only 26% of marketers said yes.
- Seventy-four percent (74%) of Top Performers allow marketers to own and maintain web properties.

# They have clear KPI's

The KPIs used for distinguishing Top Performers focus on performance metrics that speak to year-over-year improvement in relevant, measurable areas.

Not all KPIs are weighted equally. The KPIs MAINLY used are:

- 12-month change in revenue
- 12-month increase in conversion rates on website
- 12-month increase in unique visitors to website

# GETTING IT RIGHT

Top Performers are increasingly creating a unique and differentiated customer experience as the single most valuable way to create a defensible competitive advantage.

Seventy-four percent (74%) of Top Performers allow marketers to own and maintain web properties.

Top Performers have a good grasp of optimising for Mobile and take mobile shopping into account when designing their strategy

Usability: Usability is a difficult component to measure, but it was consistently ranked as a high-priority value driver for Top Performers. In the context of a digital retail setting, multi-channel communications must be intuitive and easy for marketers to set up in the back office.

# GETTING IT RIGHT

Ownership and accountability for website optimisation in the marketing and sales teams is crucial in managing the web experience.

Marketing Operations integration: Ensuring that they integrate seamlessly.

# GETTING IT RIGHT

Digital leaders make decisions based on data and build capabilities that connect people, processes, and technology across all channels that engage with consumers.

Some 80 percent of digital leaders effectively invest in their digital IT infrastructure to support growth.

Reckitt Benckiser, maker of popular cold and flu remedies, used search data from WebMD, a medical website with approximately 32 million monthly visitors, to track the course of a given illness and anticipate where outbreaks were likely to occur. Through targeted geography- and symptom-specific advertising and promotions, sales of cough and cold products during one four-week period grew by 22 percent nationally over the previous year.

# Conclusion

**It should be clear to business owners and marketers that the old models of retail have changed and that it's essential to change their strategy in accordance with the new reality.**

**E-commerce and online sales will become an ever-important factor in the revenue of retailers.**

**The digital experience has become a core differentiator for Top Performing retail organizations. It's not about engaging users across channels, it's about engaging users across a customer experience.**

**For CPG marketers, that typically means multiple technologies will support back-office channel engagement, so integration continues to be a core value driver for Top Performing organizations.**



**Thank  
You**

 **BLU FLAMINGO**