## BIZCOMMUNITY

# **Embrace international markets**

By Megan Roper

Cross border e-commerce continues to provide significant growth opportunities for retailers and manufacturers with an international online product offering. A 2017 DHL report revealed cross-border retail volumes are predicted to increase at an annual average rate of 25% between 2015 and 2020 (from \$300 billion to \$900 billion) - twice the pace of domestic e-commerce growth. This presents great opportunity for African businesses looking to take a piece of the pie.



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Mobile is a great enabler for commerce in Africa. The increase in penetration rates means that more and more customers are checking out and paying for orders directly from their mobile phones. This presents a shifting trend, where previously, mobile would mainly be used during the research stage of a purchase, with customers then moving to a brick and mortar outlet or desktop to complete the purchase.

Mobile is a win-win for both the customer and the retailer. For the customer, it brings a new level of convenience, and they are now free to shop on the go, anytime, anywhere. For the retailer, it allows for easy personalisation of offers and instant customer experience (CX) tactics.

### Open business to global trade

We have seen the emergence of a new trend – the accidental exporter. A manufacturer of bespoke menswear in South Africa, for example, is suddenly receiving orders from a customer in Australia who has come across their internet page. Overnight, their business has gone global.

Contrary to what many retailers think, cross-border shipping is actually simple and retailers in sub-Saharan Africa are perfectly positioned to take advantage of international opportunities. 'Brand Africa' is something that has increased exponentially in popularity in recent years which provides great opportunity for businesses on the continent. It's time for retailers to remove the boundaries and open up their business to seamless international trade.

In the m-commerce value chain, service delivery is of utmost importance. More often than not, your delivery partner is the only party with direct, personal contact with your customer, so they're essentially an extension of your business. With no barriers to entry in m-commerce, competition is fierce, so you need to ensure that you take every opportunity to delight your customer, just as importantly, at the end of the transaction stage – at delivery.

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Cross-border e-commerce offers boundless growth opportunity for African business 15 Mar 2018

#### Actively pursue international customers

If you're embarking on an m-commerce strategy, I encourage you to actively pursue international customers. Don't be led by the misconception that it's too difficult to manage and deliver.

Evidence shows that international customers will spend significantly more than local ones. So even if your international traffic to your website is small, it can be worth a lot for limited effort. There are free online tools available which will give you an indication of your international traffic on your website – this will give you an idea of which countries to focus your efforts on.

Customers in many markets are also becoming more discerning, citing product availability and trust, as well as attractive offers, as the motivating factors for shopping with overseas online retailers.

There is no risk in offering your customer an express delivery option. Customers want choice, not only in their product selection, but also when and how they receive it. In our experience, customers will be willing to pay a fair price for a faster more efficient service.

We have found that that basket values often increases with the introduction of international express shipping. Customers tend to buy more to justify the premium shipping costs.



#MobileCommerce: From search to checkout, the top 5 features likely to make your user tap "buy now" Lynette Hundermark 20 Jul 2018

#### **Boosting intra-Africa trade**

Intra-Africa trade is also something that shouldn't be ignored. Home to one of the fastest growing middle classes in the world, Africa is a captive market, filled with consumers who are looking for variety and easy access to goods. It's also widely reported that Africa is the fastest growing mobile market, so businesses should be looking for opportunities to connect. There are also a number of trade blocs in place to boost Intra-Africa trade, which make products more affordable for buyers.

There are a wide variety of off-the-shelf solutions (such as payment providers and programs that localise a website's check-out experience for the visitor), helping retailers to adapt their offering to the digital world and to transact with customers in foreign markets.

Global logistics partners can provide support in identifying the right trade-off between centralised and local warehousing and fulfilment, while fast, reliable and flexible delivery options can be an important tool in turning speculative interest into long-term customer loyalty.

Embrace the opportunity and take your business global.

Visit our Mobile Commerce special section for further insights throughout the month of July.

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