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## ONLINE RETAIL 2025

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# Online Retail in South Africa 2025

A study conducted by World Wide Worx, in partnership with Mastercard, Peach Payments, and Ask Afrika.

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## Executive Summary

South Africa's online retail sector has moved firmly into its next phase of growth and maturity. A decade ago, e-commerce accounted for less than one percent of national retail. By 2023, it had risen to 6% of turnover, with total sales of R71 billion. In 2024, online retail expanded by 35% to an estimated R96 billion, representing 8% of total retail sales. Current trajectories indicate that by the end of 2025, online sales will surpass R130 billion and approach 10% of the national market. Against the backdrop of sluggish offline growth, this shift represents a structural rebalancing in South African commerce.

The retail sector's largest players continue to anchor this transformation. Shoprite's Checkers Sixty60 reported growth of 47% in the first half of 2025, generating nearly R19 billion in sales. Pick n Pay's online turnover rose by over 60% in its 2024 financial year, consolidating its position in on-demand and scheduled delivery services. Woolworths reported growth of 37% in fashion, beauty and home online sales, alongside nearly 50% expansion in Woolies Dash grocery deliveries. The Foschini Group's Bash platform now contributes 12% of group sales after year-on-year growth exceeding 40%, while Truworths' online contribution has reached 6% of South African sales. Although still at lower levels, Mr Price and Clicks are also scaling steadily, with online sales up 10% and 23% respectively in their most recent reporting periods. Collectively, these figures demonstrate that online channels are no longer peripheral to South African retailers; they are core engines of growth.

At the same time, the entry of global competitors has introduced new dynamics. Amazon launched its South African site in 2024 with a modest initial catalogue but has since expanded into groceries, pet food and health supplements. The opening of a Cape Town seller centre in 2025 signals a commitment to building local capacity and a long-term competitive presence. In the fashion space, Shein and Temu made rapid inroads in 2023–2024, reaching an estimated R7.3 billion in turnover and almost 40% of online clothing sales. However, the closure of tax loopholes, stricter customs enforcement, and the resilience of local retailers have moderated their impact. Their growth is now expected to slow, suggesting coexistence with rather than displacement of established players.

A survey of South African retailers confirms the strength of this momentum. Online operations are becoming operationally mature, with 92% of businesses expressing satisfaction with their payment providers and integration processes. Fraud and security remain areas of vigilance, but only a minority report them as significant obstacles. Cart abandonment is now more likely to be caused by long checkout processes and shipping fees than by failed transactions, reflecting the progress made in payment infrastructure. Retailers also report strong profitability: 74% are currently profitable online, and a similar proportion expect turnover growth above 40% in 2025. Marketing activity is increasingly digital-first, dominated by email, social media, and paid online advertising, while search engine



marketing and shopper incentives have grown in importance. Larger retailers have also reinvested in traditional media, signalling a broader, multi-channel marketing environment.

The consumer perspective underscores this picture of steady normalisation. Nearly half of South Africans report that they shop primarily on local platforms, while only 9% prefer international ones. A majority – 56% – have never shopped on Shein or Temu, and only 5% report weekly purchases from these sites. The barriers to offshore adoption remain delivery times, customs charges, and trust. Almost half of consumers say they trust local platforms more than international sites, compared to just one in ten who feel the opposite.

Subscription and loyalty services play an important role, with free delivery and rewards programmes the most valued features. Awareness of artificial intelligence in online shopping is high, at 60%, but active use remains limited to just over a quarter of consumers.

Demographic analysis provides further insight into who is driving growth. Younger consumers, particularly those aged 18–34, remain the most active online shoppers, but uptake among middle-aged and older groups has increased significantly since the pandemic. Online shopping is no longer confined to metropolitan elites; adoption is growing in secondary cities and peri-urban areas, aided by improved logistics networks and mobile payment penetration. Gender divides are narrowing, with women showing strong representation across grocery and fashion categories, while men are increasingly engaging in electronics and general retail purchases. Income segmentation shows that while higher-income households still dominate in terms of absolute spend, middle-income consumers are now the fastest-growing cohort of online buyers.

Taken together, these findings present a clear picture of a sector in consolidation. Online retail in South Africa is expanding at more than ten times the rate of physical retail and is expected to account for at least 12% of the national market by 2027. Global entrants will add pressure, but regulatory changes and local resilience will limit their dominance. Retailers are increasingly profitable, consumers are steadily more confident, and the demographic base for growth is widening. The shift of retail online is no longer an open question; it is a structural reality that will shape South African commerce for the rest of the decade.



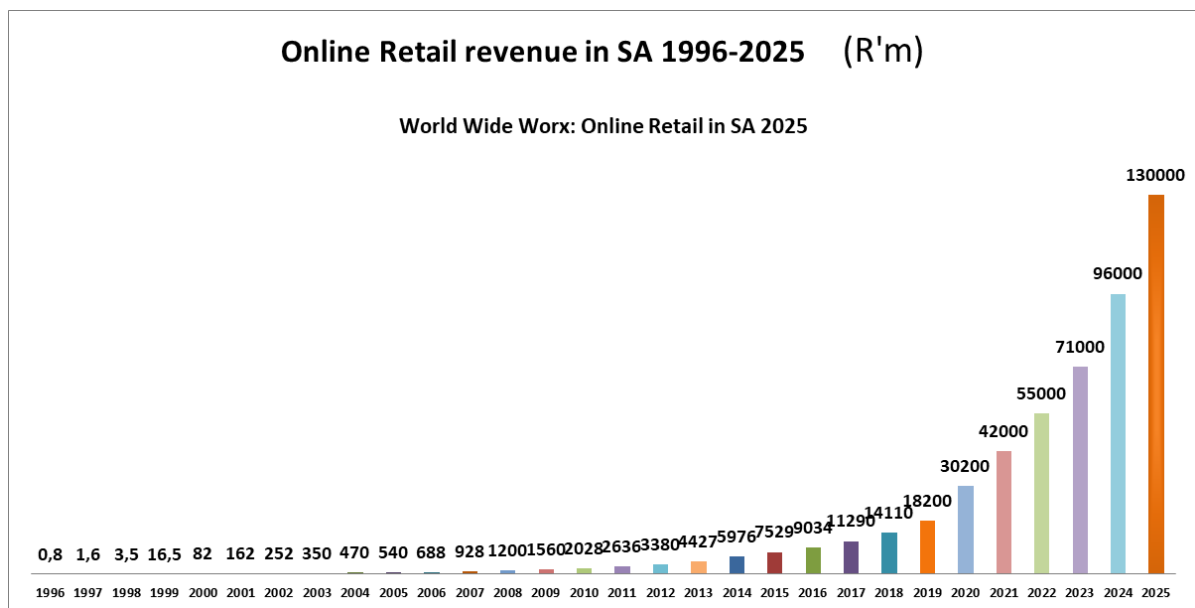
# The Online Retail landscape in 2025

By Arthur Goldstuck

## A decisive phase of transformation

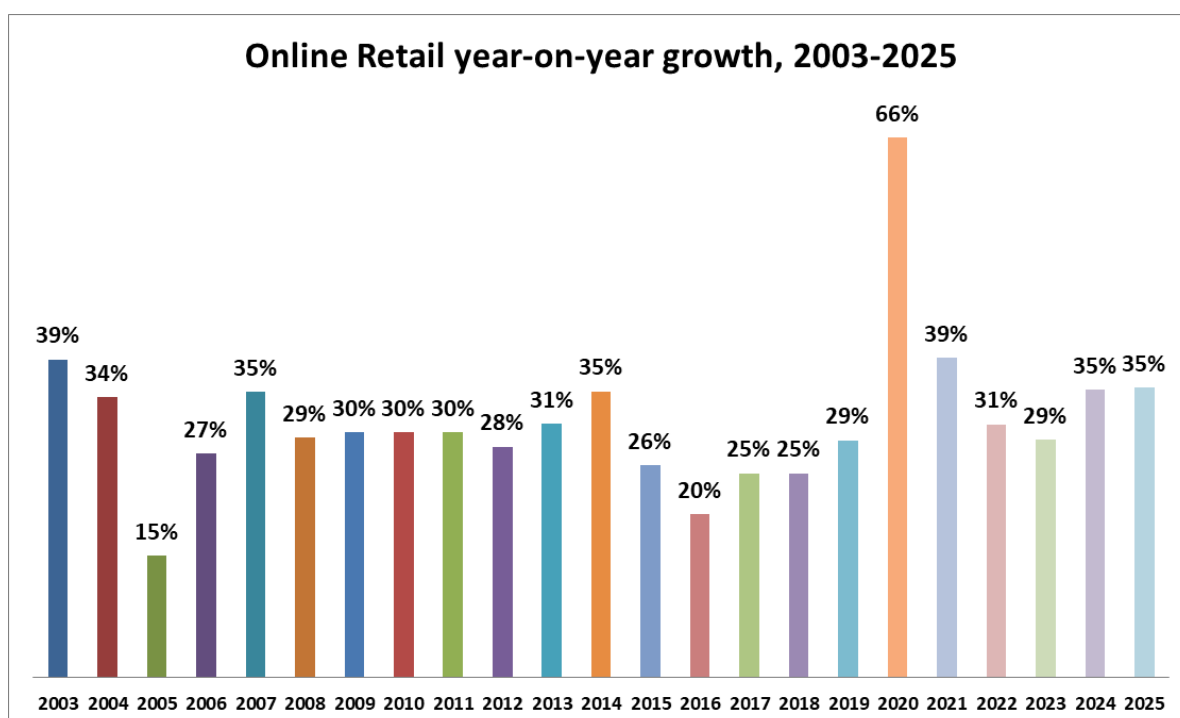
South Africa's online retail sector has entered a decisive phase of transformation. What began as a marginal activity a decade ago, accounting for less than 1% of total retail sales, has now become central to the story of the country's consumer economy. By 2023, online retail had grown to 6% of the market, reaching R71-billion on the back of a 29% year-on-year increase.<sup>1</sup> This was a critical threshold, signalling the online retail's permanence as part of the mainstream. The following year confirmed that momentum was not only sustained but accelerating. Online retail grew by around 35% in 2024 (Aggregated retailer disclosures, 2024), pushing total sales to an estimated R96-billion and accounting for roughly 8% of all retail trade in South Africa.<sup>2</sup> In contrast, Stats SA (Stats SA, 2025) reported that overall retail trade grew by just 2.5% during 2024, illustrating the widening disparity between physical and digital channels.<sup>3</sup>

The trajectory in 2025 suggests that this gap is not narrowing. Based on disclosures from leading retailers, online sales are on track to grow by approximately 35% in 2025. If achieved, this would elevate e-commerce turnover to around R130-billion, or 9–10% of national retail sales. Meanwhile, offline retail remains sluggish, with Stats SA (Stats SA, 2025) recording growth of only 1.6% in June 2025.<sup>3</sup> For the first time in South Africa's history, nearly one in every ten rand spent on retail will be spent online by the end of this year.



## A Decade in perspective

To understand how dramatic this change is, it is worth recalling the online retail landscape just a few years earlier. In 2018, e-commerce accounted for less than 2% of total retail sales, with an estimated turnover of R14-billion. Growth was steady but unremarkable, and most retailers still viewed online as a secondary sales channel. The Covid-19 pandemic in 2020 altered this trajectory. Lockdowns forced consumers to adopt digital shopping habits, and retailers were compelled to scale up infrastructure quickly. Between 2019 and 2021, online retail doubled, growing from about R20-billion to over R40-billion. By 2022, the sector had begun to stabilise, but the consumer habits forged during the pandemic proved sticky. In 2024 and 2025 we are witnessing the consolidation of that behaviour into the retail mainstream. The story of South African retail is no longer about how fast online will grow, but about which retailers will capture the gains.



## Grocery and FMCG

The fastest and most visible growth remains in grocery retail, where the shift to digital has been accelerated by the adoption of on-demand shopping apps. Shoprite (Shoprite Holdings, 2025)'s interim FY2025 results highlighted the extraordinary pace of this transformation: "Digital sales through Checkers Sixty60 increased by 47.1% for the half year, cementing our leadership in on-demand grocery."<sup>4</sup> This statement is notable not only for its growth rate but also for the confidence with which Shoprite (Shoprite Holdings, 2025) positions digital commerce as central to its strategy. The figure translates to R18.9-billion in sales through Sixty60, a number that was unimaginable for on-demand grocery only a few years ago.

Pick n Pay (Pick n Pay, 2024) has also underscored the scale of the change. In its FY2024 results, the company reported: “Online sales grew by 60.6%, reflecting strong momentum in our on-demand and scheduled delivery platforms.”<sup>5</sup> This figure demonstrates the competitive intensity within the grocery segment, where both major chains are racing to capture consumer loyalty through digital convenience. The results show that on-demand delivery is no longer an experimental service but a driver of sustained revenue growth.

This represents a stark contrast to earlier years. In its 2019 integrated report, Pick n Pay (Pick n Pay, 2024) described online as “an exciting growth opportunity but still a small part of our business”. At that time, online contributed well under 2% of sales. The comparison with 2024 shows how quickly digital channels have scaled from marginal to material.

## **Fashion, Beauty and Home**

The apparel and home sector has also experienced transformative growth in its digital channels. Woolworths (Woolworths Holdings, 2025), in its interim FY2025 results, declared: “Online sales in Fashion, Beauty and Home grew by 37.2%, while food delivery through Woolies Dash grew by 49.2%.”<sup>6</sup> The report illustrates how Woolworths (Woolworths Holdings, 2025)’ dual emphasis on premium grocery and lifestyle retail has given it a broad base for online adoption. The almost 50% growth in Dash demonstrates that consumer confidence in digital grocery channels is extending to higher-value, higher-frequency categories.

The Foschini Group (TFG (The Foschini Group, 2025)) has been particularly emphatic about the success of its e-commerce strategy. In its Q1 FY2026 trading update, the company announced: “TFG (The Foschini Group, 2025) Africa online sales increased by 40.2% year-on-year, with Bash now contributing materially to group revenue at 12%.”<sup>7</sup> This disclosure is striking because it demonstrates how a relatively new digital platform has been able to scale to double-digit contribution levels in a very short time. The implication is that online commerce is no longer peripheral to TFG (The Foschini Group, 2025) but has become one of its primary growth engines.

Truworths (Truworths International, 2024) has similarly highlighted the progress it is making in e-commerce adoption. In a November 2024 trading statement, it reported: “Online sales increased by 38% and now account for approximately 6% of Truworths (Truworths International, 2024) Africa’s retail sales.”<sup>8</sup> This clear acknowledgement shows that online sales are now material enough to be featured prominently in financial disclosures, reflecting a broader trend across the sector.

Looking back, the scale of this growth is even more striking. In 2020, Truworths (Truworths International, 2024) said that online sales were “a small but growing part of our portfolio”. At that time, penetration was below 2%. To move from this base to nearly 6% in four years is evidence of a structural shift in consumer behaviour and company strategy.

Even in the value segment, where digital penetration has historically lagged, change is evident. Mr Price (Mr Price Group, 2025) reported in its Q3 FY2025 update: “Online sales grew by 10.5% in the quarter, contributing 1.8% of retail sales, reflecting steady but still modest channel penetration.”<sup>9</sup> The numbers remain small, but the acknowledgment of online sales in official updates indicates that even discount-focused retailers are compelled to participate in the digital transition.

## **Health and Beauty**

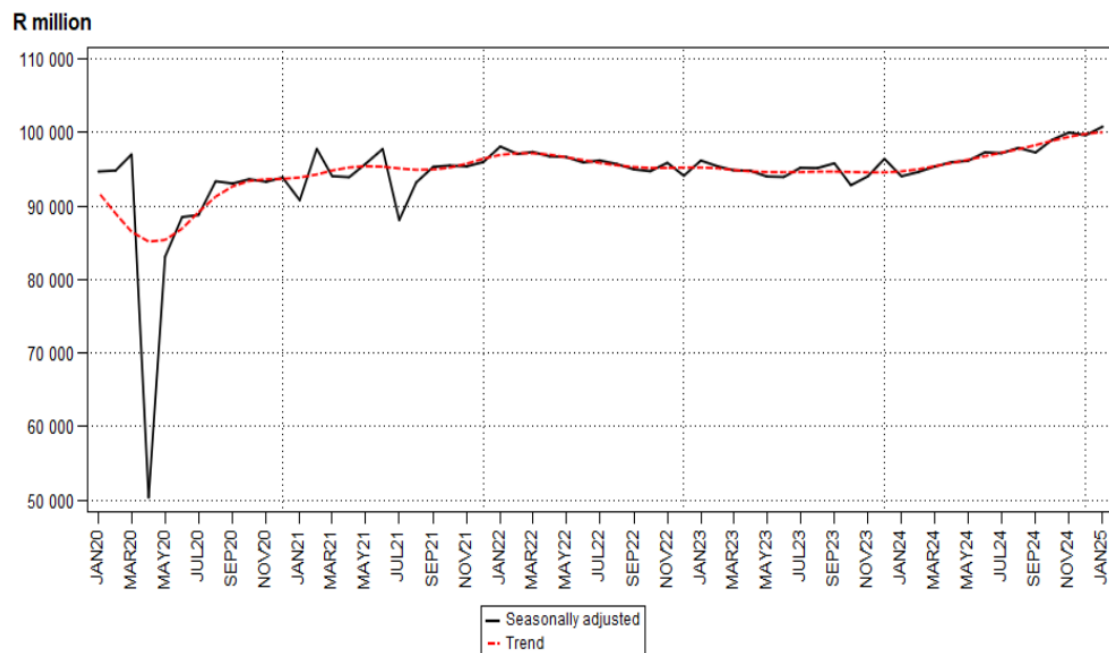
The health and beauty sector is also beginning to see stronger contributions from e-commerce. Clicks (Clicks Group, 2025), in its H1 FY2025 results, reported: “Online retail sales increased by 23.0% and contributed 4.4% to retail turnover, up from 3.6% in the prior year.”<sup>10</sup> The steady increase reflects growing consumer comfort with purchasing pharmaceuticals, personal care products, and health items online – categories that were once considered firmly tied to physical retail. Although Dis-Chem has not published comparable figures, industry commentary suggests similar trends.

In historical perspective, this growth is significant. As recently as 2019, Clicks (Clicks Group, 2025)’ annual report stated that online sales were “immaterial to overall turnover”. The shift to nearly 5% by 2025 demonstrates both the rapid adoption of e-commerce in the sector and the importance of digital channels to long-term strategy.

## **Aggregate growth and market dynamics**

When the disclosures of these retailers are combined, they reveal a consistent pattern. In 2024, South African online retail expanded by about 35%, while offline retail grew by just 2.5%. By mid-2025, the median growth rate across major retailers points to 38% for the full year. This would lift the sector to approximately R130-billion and raise its share of the market to close to 10%. The comparison with Stats SA (Stats SA, 2025)’s reported offline growth of 1–2% underscores the structural divergence.<sup>3</sup> Online retail is not simply growing faster; it is fundamentally reshaping the composition of South Africa’s retail economy.

**Figure 1 – Retail trade sales at constant 2019 prices**



StatsSA January 2025

## Structural drivers

The demand-side drivers of this growth are clear. Convenience remains paramount. Grocery apps like Sixty60 and Woolies Dash have set a new standard for immediacy, with delivery within an hour now seen as routine. Apparel retailers are investing in digital platforms with better user experiences, improved size and fit guidance, and loyalty integrations that encourage repeat purchases. Meanwhile, consumers have become more confident in buying categories like health and beauty online, a trend reinforced by Clicks (Clicks Group, 2025)' double-digit growth.

On the supply side, retailers are investing heavily in the infrastructure needed to scale e-commerce profitably. Shoprite (Shoprite Holdings, 2025) has expanded its Sixty60 logistics fleet and built "dark stores" – intended purely for fulfilment – to handle on-demand volumes more efficiently. TFG (The Foschini Group, 2025) has integrated Bash across its portfolio of brands, making it a central pillar of its operations. Woolworths (Woolworths Holdings, 2025) has tied its digital strategy into its loyalty programme, allowing seamless interaction between online and offline. Across the board, the use of fintech tools, ranging from mobile payments to buy-now-pay-later services, has lowered friction and expanded access.

Yet, challenges persist. High fulfilment costs erode margins, especially in low-basket-value categories. Load-shedding remains a disruptive force, requiring constant investment in backup systems and infrastructure resilience. Security risks in logistics and distribution also

continue to place strain on operations, adding costs that are unique to the South African context. Nevertheless, retailers have demonstrated their willingness to absorb these costs in the short term to secure long-term market share.

Global Entrants: Amazon (Reuters, 2025a), Shein and Temu in South Africa

The arrival of global e-commerce giants has added a new dimension to South Africa's online retail story. By mid-2024, Amazon (Reuters, 2025a).co.za officially launched, signalling the entry of the world's most dominant digital retailer into one of Africa's most promising e-commerce markets. Its soft launch introduced around 150,000 products across 15 categories, a modest start compared to other markets but one deliberately structured to scale. By early 2025, Amazon (Reuters, 2025a) had expanded its catalogue to include groceries, pet food, and health supplements, listing both global brands such as Nestlé and Red Bull, and local favourites like Beacon, Simba, and Koo. Reuters reported that customer uptake of these additions was "extremely positive," with bulk and multipack offers performing particularly well.

Amazon (Reuters, 2025a) also embedded itself in the local ecosystem by opening a walk-in seller centre (Reuters, 2025b) in Cape Town in January 2025. The centre supports SMEs with registration, product imaging, and fulfilment services. This aligns with Amazon (Reuters, 2025a)'s global model, where over 60% of sales come from independent sellers. The move demonstrates its intention to cultivate a base of local merchants rather than rely solely on imported stock. Analysts have described the strategy as a deliberate, strategic foothold, measured in its early growth, but designed for long-term competitive pressure. For incumbents like Takealot, Shoprite (Shoprite Holdings, 2025), Pick n Pay (Pick n Pay, 2024), and Woolworths (Woolworths Holdings, 2025), Amazon (Reuters, 2025a)'s arrival is a clear signal that digital competition will intensify in categories beyond fashion, with groceries emerging as a likely battleground if Amazon (Reuters, 2025a) introduces Prime-style membership in 2026.

## **Shein, Temu and the shape of South Africa's online retail**

When Shein and Temu entered South Africa, they were more than merely new players in a crowded fashion market. They introduced a different kind of retail altogether: direct-to-consumer imports, bypassing local wholesalers and store networks. By 2024, the Localisation Support Fund (Localisation Support Fund & BMA, 2024) (LSF), working with consulting firm BMA, estimated that the two platforms had reached a combined R7.3 billion in sales: about 3.6% of the national CTFL (clothing, textiles, footwear and leather) market, and almost 40% of online sales in the category. On the surface, those numbers suggest a sudden and dramatic disruption.

But to understand the impact, it's worth triangulating their claims with official trade and retail data, and examining how LSF's localisation mandate might colour its conclusions.

## **Imports tell part of the story**

South African Revenue Service (SARS (SARS, 2025)) data provides the most reliable picture of goods entering the country. In 2024, imports under the three CTFL-related HS sections totalled about R92-billion, up 11.4% from 2023. Of that, R65.5-billion came from textiles and clothing, R21-billion from footwear, and R5.5-billion from leather goods and handbags.

Against that backdrop, the LSF's figure of R7.3-billion in Shein and Temu sales represent less than a tenth of the value of imported CTFL goods. But SARS (SARS, 2025) statistics represent customs value (at cost, insurance, and freight), while LSF's figure represents retail turnover, which includes shipping fees and margins. The categories also aren't perfectly aligned: SARS (SARS, 2025) imports include both finished products and raw materials. Even so, the comparison suggests that Shein and Temu's penetration, while real, is not overwhelming when placed within the broader trade flows.

## **Domestic retail shows resilience**

Stats SA (Stats SA, 2025)'s retail trade survey adds another perspective. At the start of 2025, the clothing, textiles, footwear and leather subsector was one of the strongest contributors to overall retail growth, adding over 10% year-on-year in January. That growth reflects local retailers' continuing strength and undercuts the idea that foreign e-commerce has hollowed out the domestic market.

The timing is important: by September and November 2024, government had closed the tax loophole (Reuters, 2025c)s that had allowed Shein and Temu to undercut local players. VAT was applied to all low-value parcels, and the flat 20% duty was replaced with the full World Customs Organisation-aligned tariff rates. SARS (SARS, 2025) tightened declaration rules again in April 2025, demanding full invoice details. Those changes mean Shein and Temu no longer slip as easily beneath the regulatory radar, and their pricing advantage is likely to narrow further in 2025 and beyond.

It should also be borne in mind that the Localisation Support Fund (Localisation Support Fund & BMA, 2024) was set up with the express mandate of promoting South African manufacturing and jobs. Its reporting often highlights risks to local industry: in this case, BMA projected that up to 34,000 jobs could be at risk by 2030 if offshore e-commerce is left unchecked.

That doesn't mean the numbers are fabricated: the R7.3-billion sales estimate is consistent with the scale of imports captured by SARS (SARS, 2025) and the broader size of the retail market. But the framing of Shein and Temu as existential threats reflects the Fund's mandate to lobby for localisation. The assumptions behind its forecasts (market share growth trajectories, consumer price sensitivity, enforcement levels) could by the nature of their provenance be conservative for local industry and aggressive for offshore platforms.



## The likely impact of Shein and Temu

- **Shein and Temu are significant but not dominant.** They captured an impressive slice of online fashion in a short time, but their retail sales are still a fraction of total CTFL imports and an even smaller fraction of South Africa's overall retail trade.
- **Their growth will face headwinds.** With tax and customs changes closing loopholes, compliance costs rising, and delivery times under scrutiny, the easy gains of 2022–2024 are unlikely to be repeated.
- **Local players are adapting.** Domestic retailers have posted strong sales growth despite offshore competition, aided by their ability to offer faster delivery, easier returns, and familiar payment methods.
- **Policy matters.** The state has already intervened to protect local industry, and the LSF's lobbying makes further measures more likely. Any projections of runaway growth by Shein and Temu must be tempered by regulatory realities.

Shein and Temu's arrival has reshaped consumer expectations for low-cost, fashion-forward online shopping, but the story is not one of outright dominance. Their market share figures sit within an import landscape already worth nearly R100-billion a year. As government tightens enforcement and local retailers sharpen their digital offerings, the more likely scenario is coexistence: Shein and Temu remain influential, but they do not eclipse South Africa's domestic CTFL sector.

## Global context

South Africa's trajectory is part of a wider global trend, but it has its own characteristics. In markets like the United States (eMarketer / Insider Intelligence, 2024), online penetration has reached around 15% of total retail, while in China (McKinsey & Company, 2024) the figure is closer to 30%. South Africa's 9–10% by 2025 may seem modest by comparison, but it reflects the unique structural challenges of the local economy. These include infrastructure constraints, logistics costs, and a more limited base of affluent consumers. At the same time, the pace of growth – consistently above 30% per year – is faster than many developed markets, suggesting that South Africa is catching up rapidly. For global investors, this signals both opportunity and risk: opportunity in the form of strong growth potential, risk in the form of execution challenges.

## Outlook

The outlook for online retail in South Africa is decisively positive. By the end of 2025, e-commerce will account for close to 10% of all retail sales, a milestone that seemed distant just a few years ago. The structural gap between online and offline growth rates is unlikely to narrow; if anything, it may widen further as consumer behaviour continues to shift and as

retailers deepen their investments in digital infrastructure. By the end of 2026, the market is expected to surpass R150-billion, capturing as much as 12% of national retail turnover.<sup>1</sup>

This transformation has profound implications. Retailers can no longer afford to view digital as a side business. It must be at the centre of strategy, operations, and investment. Competitive advantage will be determined by logistics efficiency, the quality of digital experiences, and the ability to integrate online and offline seamlessly. For those who succeed, the rewards are considerable: access to a rapidly expanding market at a time when offline growth remains tied to the sluggish pace of the wider economy.

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# Survey of South African Retailers, 2025

## Executive Summary

The 2025 Online Retail in South Africa study surveyed 201 technology decision-makers at South African retailers. Roles represented include Owners/MDs/CEOs (38.3%) and Ecommerce Decision Makers (29.9%). Company sizes skew toward mid-market: 51–200 employees (37.3%) and 21–50 (22.4%), with smaller shares from 1–5 (8.0%) and 6–20 (9.4%), and larger organisations at 201–1,000 (14.9%), 1,001–5,000 (6.5%) and 5,001+ (1.5%). Compared with 2024, the 2025 sample contains fewer micro/small firms and more mid-market and larger firms; that shift should be kept in mind when interpreting year-on-year movements..

Roadmaps are measured. Most respondents plan no new payment methods over the next 12 months (53.2%). Where additions are contemplated, the emphasis is on convenience enhancers that fit existing flows: mobile wallets (22.4%), Instant EFT/PayShap (16.4%), BNPL (14.9%) and QR (11.4%), with limited interest in payment links (3.0%) or biometrics (1.0%).

Selection criteria highlight execution fundamentals. “Very important” concentrates in ease of integration (91.5%), security (91.0%) and user experience (91.0%), followed by price (80.6%) and trust (79.6%). Reporting/reconciliation and stability/failovers are each “very important” to 75.1%. Multiple currencies is clearly lower priority (29.9% “very important”; 30.4% unimportant/very unimportant), reinforcing a domestic orientation.

Conversion friction sits where operations meet UX and cost. The top cart-abandonment drivers are a long/complicated checkout (37.3%), shipping fees (31.3%) and card declines (27.9%). This mirrors the selection priorities – integration, security and UX – and points to immediate uplift from shorter flows, clearer shipping economics and continued reduction in decline rates.

Operational strain is generally low. Large majorities describe payment failures (87.6%), refund management (83.1%) and customer queries (88.1%) as “not challenging”. Fraud detection shows the most persistent pressure yet remains manageable (70.1% “not challenging”; 17.4% at least moderately challenging). Technology to handle traffic (14.0% at least moderate), stock forecasting (10.5%) and platform integration (10.5%) are secondary concerns.

Go-to-market is digital-first and service-led. Email/social/paid digital (93.5%) and search (72.1%) dominate marketing importance, supported by shopper incentives (56.2%) and a renewed role for traditional advertising (45.8%). Strategy usage confirms a blended model: in-store payments (73.6%), cash on delivery (37.3%) and collection/return points (35.8%) bridge online–offline expectations. WhatsApp is embedded for support (69.2%) and promotions (51.2%); sales (35.8%) are typically settled via EFT invoices (90.3% among WhatsApp-for-sales users), with in-chat payment-link usage still niche (16.7%). The key

blockers – gateway integration (38.8%), reconciliation (29.9%), consumer trust (27.9%) and fraud/scams (24.4%) – explain the lag.

Security shows a gap between stated priority and adoption. Although 91.0% rate security “very important,” 64.7% are not using passkeys/biometrics and 91.5% are not considering them. Where used, passkeys mostly rely on email (33.8%) or mobile number (30.8%) rather than biometrics (fingerprint 2.5%; Face ID 1.5%). Most anticipate no implementation challenges (65.2%); among those who do, cost (17.4%), fraud risk (12.4%), customer resistance (8.5%) and compliance (8.5%) predominate.

Cross-border platforms present confidence with caveats. Most respondents report no impact from Temu/Shein (65.2%), over half plan no counter-strategy (53.2%), and self-ratings of capability are confident (significantly better 63.7%; better 11.4%; same 17.4%). Even so, 34.8% report some impact, and a minority see reduced transaction values (9.4% vs 7.5% increased; 72.1% no impact). Where responses are planned, the levers are competitive pricing (22.9%), faster delivery (18.9%) and range expansion (17.4%).

AI adoption intent is selective and front-of-house. Marketing/content leads at 53.7%. Smaller shares target customer support/engagement (19.4%), checkout/payment processes (15.9%), personalised recommendations (12.9%), fraud detection (8.0%) and inventory/forecasting (8.0%); 25.4% are not considering AI.

Financial footing and outlook are strong. Profitability is widespread (very profitable 42.3%; somewhat profitable 31.3% – 73.6% combined), with 12.4% breaking even and 4.0% in loss (5.0% don’t know; 5.0% prefer not to answer). Growth expectations are bullish: 49.3% foresee 41–60% turnover growth and 24.9% expect more than 60% (74.2% above 40%); 4.5% expect contraction (6.0% don’t know; 10.4% prefer not to answer). Five-year sentiment is overwhelmingly positive (very optimistic 77.1%; optimistic 15.9% – 93.0% combined).

Implications for 2025 are practical and focused: simplify and accelerate checkout; make shipping costs predictable and visible; continue lowering card declines; add methods that raise completion without complicating integration (mobile wallets 22.4%; Instant EFT/PayShap 16.4%; BNPL 14.9%; QR 11.4%); convert WhatsApp conversations to conversions by closing integration and reconciliation gaps and strengthening assurances; pilot low-friction passkeys/biometrics in high-risk flows; and extend AI beyond marketing into support triage, fraud signals and personalisation. With the sample’s mid-market tilt noted, these steps keep momentum high while guarding against the early warning signs visible at the edges.

## Methodology

This report is based on interviews conducted by World Wide Worx with technology decision-makers from over 200 businesses across South Africa. The primary objective of these interviews was to gain insights into the landscape of online retail in the region and to understand the factors that influence online retailers when selecting a payment gateway.

**Sampling Procedure:** The sample for this study consisted of businesses operating in various sectors of the South African economy, ranging from small enterprises to larger corporations. The businesses were selected based on their involvement in online retail activities and their status as technology decision-makers within their respective organisations.

**Data Collection:** The interviews were conducted using online surveys conducted via phone calls. This method allowed for efficient data collection while ensuring flexibility for respondents to participate at their convenience. The structured survey format facilitated the collection of standardised data across all interviews, enhancing the comparability of responses.

**Respondents:** All respondents included in this study are merchants of payment processing gateways. These individuals were identified based on their roles and responsibilities within their organisations, specifically focusing on their involvement in decision-making processes related to online retail and payment gateway selection. Throughout this report, they are referred to simply as “respondents”.

**Ethical Considerations:** All participants were assured of confidentiality and anonymity, and their responses were used solely for research purposes. Informed consent was obtained from all respondents prior to their participation in the study, and they were provided with the option to withdraw from the survey at any point.

Overall, this methodology aimed to gather comprehensive insights into the factors influencing online retailers’ selection of payment gateways in South Africa, providing valuable information for businesses, policymakers, and other stakeholders in the ecommerce ecosystem.

## Position in company

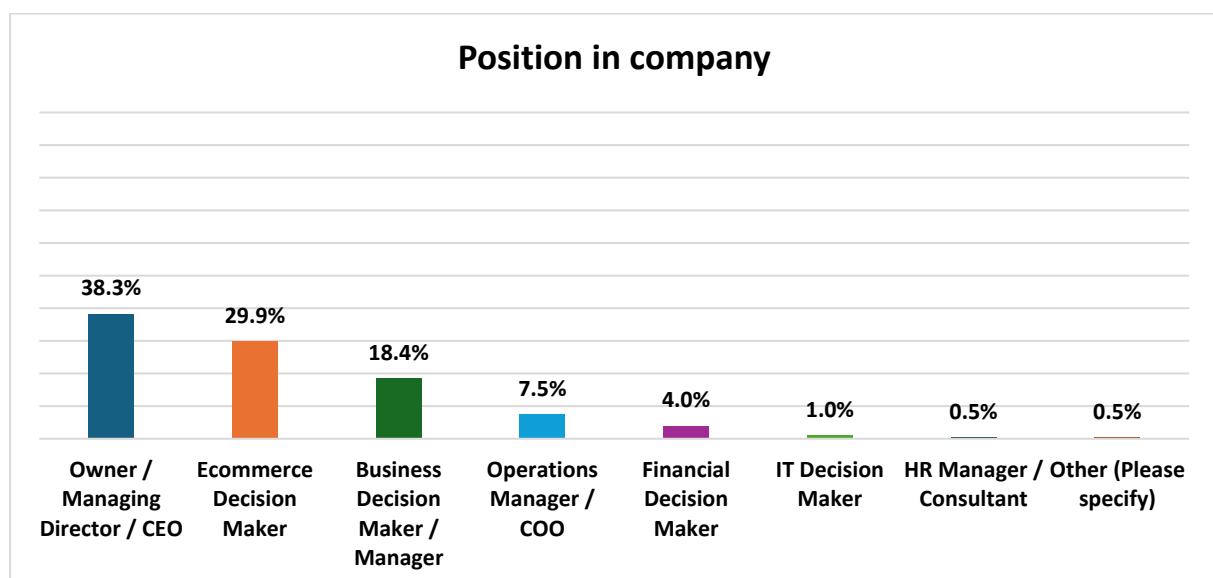
The survey sample (201 respondents) represents a wide spectrum of business leadership and decision-making roles within South African organisations, with a strong emphasis on ownership and top-level management.

The largest share of respondents were Owners, Managing Directors, or CEOs, making up 38.3% of the sample. This indicates that the research reached a significant number of individuals with direct authority over business strategy and operations.

The next largest group were Ecommerce Decision Makers (29.9%), highlighting the prominence of online commerce expertise in the dataset. This strong representation suggests that digital commerce continues to play a central role in the South African business landscape.

Business Decision Makers / Managers accounted for 18.4%, providing a substantial middle-management perspective, while Operations Managers / COOs contributed 7.5%, reflecting operational oversight within organisations.

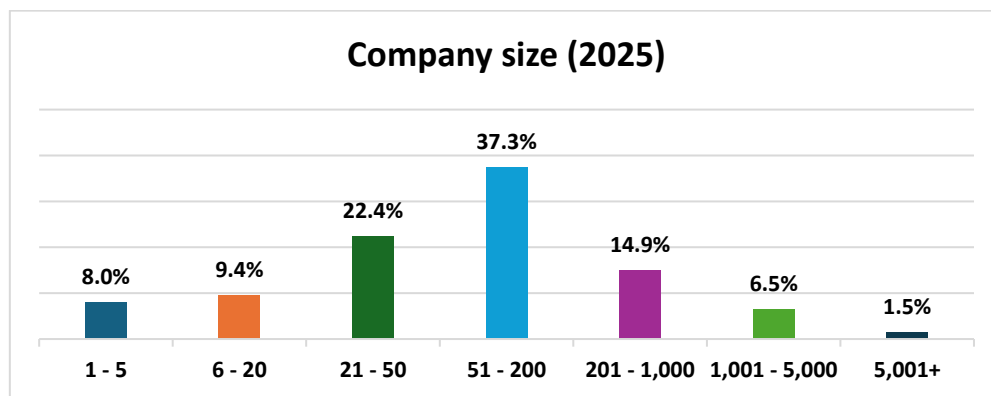
Other decision-making categories were represented to a lesser extent: Financial Decision Makers (4.0%), IT Decision Makers (1.0%), and HR Managers / Consultants (0.5%). Additionally, 0.5% of respondents fell into the “Other” category, where their roles were specified outside the predefined options.



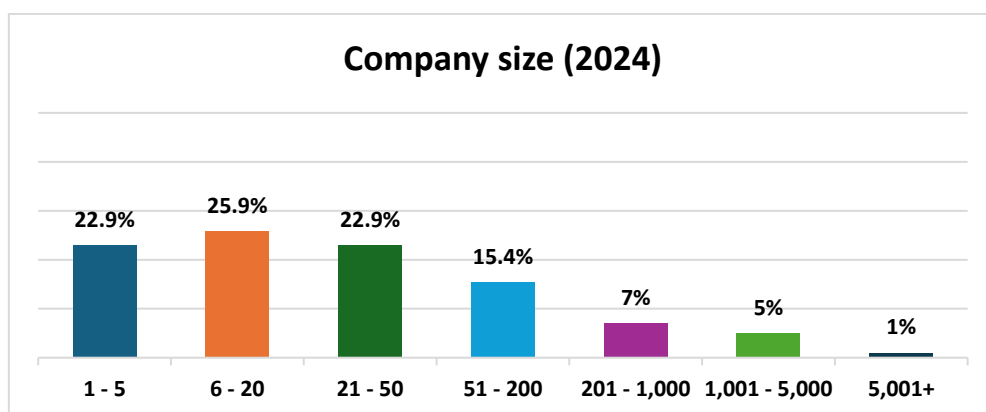


## Employee count

The 2025 sample skews mid-market. The largest share comes from companies with 51–200 employees (37.3%), followed by 21–50 (22.4%). Together, these segments make up 59.7% of responses, reflecting businesses that have moved beyond the small-enterprise stage but are not yet large corporates. Larger organisations are present: 201–1,000 (14.9%), 1,001–5,000 (6.5%), and 5,001+ (1.5%). Smaller firms feature less prominently: 6–20 (9.4%) and 1–5 (8.0%).



By contrast, the 2024 sample was weighted towards smaller companies. Firms with 1–5 employees (22.9%) and 6–20 (25.9%) together accounted for 48.8% of responses, while the mid-market segments were slimmer, 21–50 (22.9%) and 51–200 (15.4%), and large organisations lighter still: 201–1,000 (7.0%), 1,001–5,000 (5.0%), 5,001+ (1.0%).

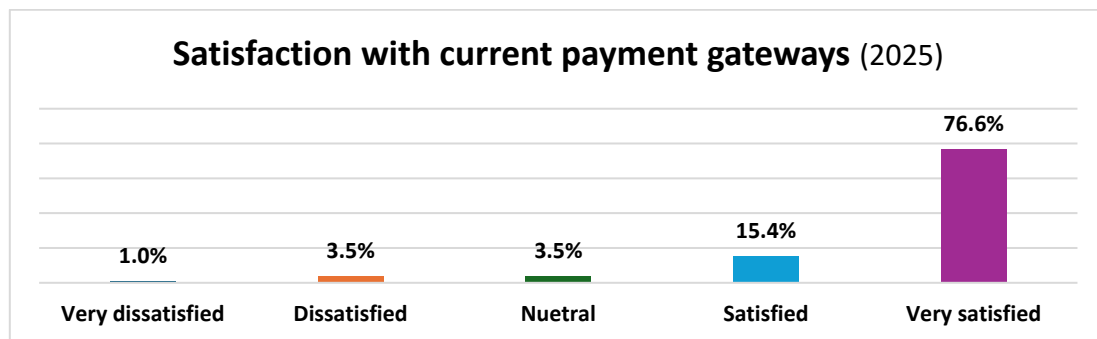


This shift matters for the year-on-year read. The 2025 dataset captures a stronger mid-market and large-enterprise perspective (21–200 rising from 38.3% to 59.7%; 201+ rising from 13.0% to 22.9%), while the micro/small share drops sharply (1–20 falling from 48.8% to

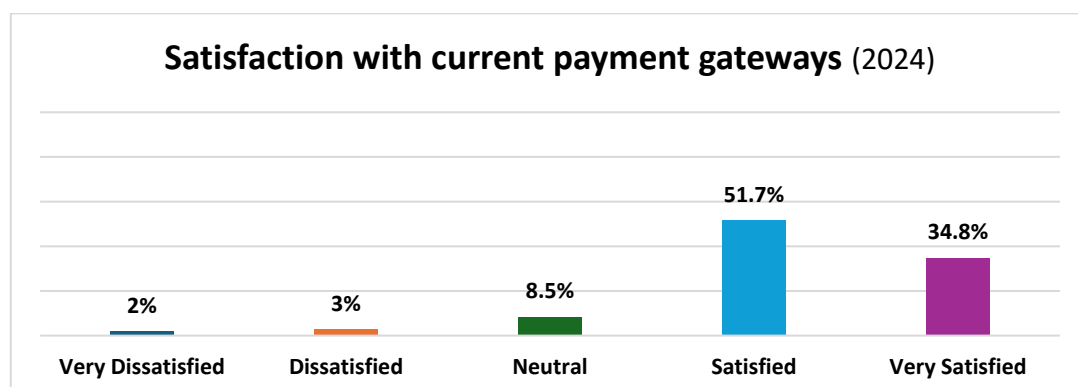
17.4%). Mid-market and larger firms typically run more mature integrations, broader payment stacks and, in our data, higher satisfaction levels. As a result, movements observed elsewhere in the report may reflect both real change and this compositional difference. Where applicable, the comparisons that follow will reference this size shift so that apparent gains or declines are not over- or under-stated due to who was included in each year's sample.

## Satisfaction with current payment gateways

Satisfaction is exceptionally high in 2025. Very satisfied reaches 76.6%, with a further 15.4% satisfied, giving a combined 92.0% positive rating. Neutral responses are scarce at 3.5%. Dissatisfied stands at 3.5% and very dissatisfied at 1.0%.



Compared with 2024, the balance shifts decisively from “satisfied” to “very satisfied.” In 2024, 34.8% were very satisfied and 51.7% satisfied (Top-2 86.6%), with 8.5% neutral, 3.0% dissatisfied and 2.0% very dissatisfied. The 2025 pattern shows a larger share at the top of the scale and fewer neutral ratings, while dissatisfaction is broadly stable: a small uptick in “dissatisfied” alongside a decline in “very dissatisfied.”

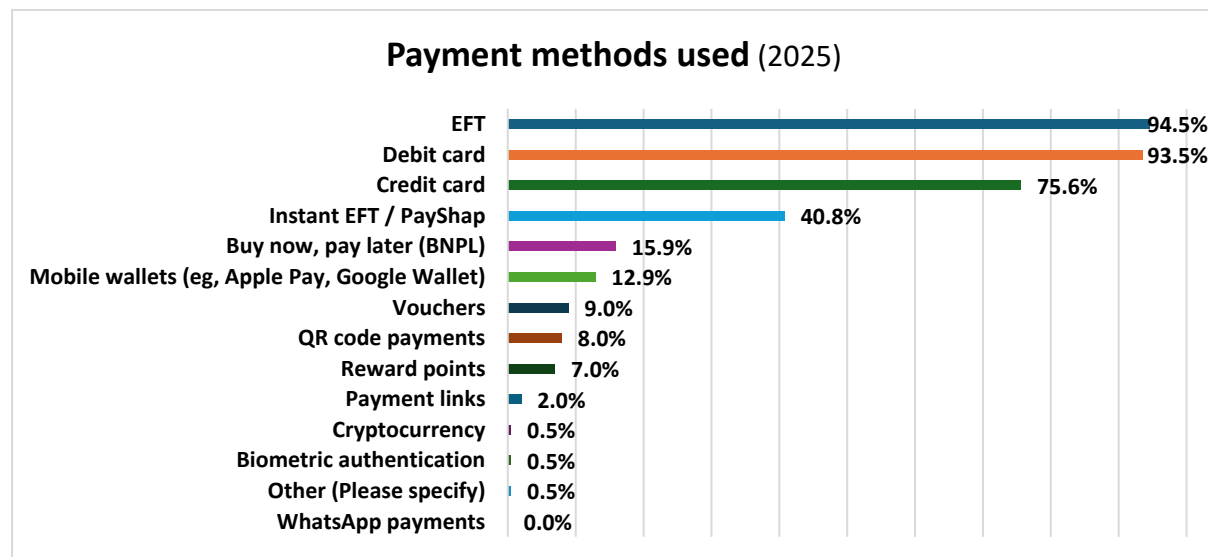


This change should be read in the context of the different company-size mix between the two years. The 2025 sample is far more mid-market and large, segments that in this dataset report higher satisfaction levels than micro and very small firms. The reduced presence of the smallest cohorts in 2025 can therefore elevate the overall satisfaction average.

Even with that caveat, the concentration in “very satisfied” is striking and consistent with other results in 2025: high importance placed on integration, security and user experience, and a payments stack that respondents regard as stable and effective.

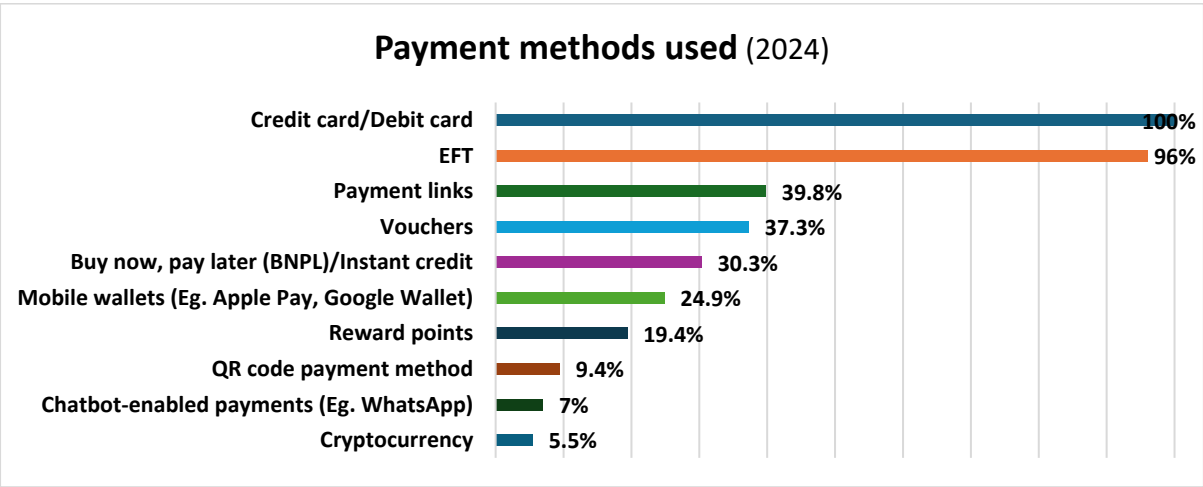
## Payment methods used

In 2025, respondents rely primarily on established rails. EFT (94.5%) and debit cards (93.5%) are near-universal, with credit cards (75.6%) also widespread. Among newer options, Instant EFT/PayShap (40.8%) shows meaningful traction, while BNPL (15.9%) and mobile wallets (12.9%) are present but still secondary. Less common methods include vouchers (9.0%), QR codes (8.0%), and reward points (7.0%). Very few respondents report payment links (2.0%), cryptocurrency (0.5%), or biometric authentication (0.5%); WhatsApp payments record no usage.



When compared with 2024, two caveats are essential. First, the 2024 figures reflect methods “used or intended to be used,” whereas 2025 records actual usage. Second, the 2025 sample is much more mid-market and larger by employee count. Those differences

shape the apparent shifts. For example, credit and debit at 100% and EFT at 96% in 2024 reflect a combined “use or intent” baseline that naturally exceeds 2025’s actual-use rates.



Likewise, methods that attracted sizeable intent in 2024 – such as payment links (39.8%), vouchers (37.3%), BNPL (30.3%), and mobile wallets (24.9%) – show much lower actual adoption in 2025 (payment links 2.0%, vouchers 9.0%, BNPL 15.9%, wallets 12.9%). This gap most likely indicates a combination of unrealised 2024 plans and scale-up frictions (integration, reconciliation, consumer trust), rather than a true retreat from those methods. By contrast, Instant EFT/PayShap (40.8% in 2025) – not separately broken out in 2024 – emerges as a clear growth rail within traditional account-to-account payments.

Taken together, the year-on-year picture is best read as continuity on the core rails (EFT, debit, credit) with measured rather than wholesale follow-through on 2024 intentions for newer options. The heavier mid-market composition in 2025, coupled with the focus on actual usage, likely tempers the headline rates for emerging methods and clarifies where plans have converted into practice (notably Instant EFT/PayShap) and where they have not yet done so (payment links, vouchers, wallets, and BNPL).

## Payment methods wanted in 12 months

When asked about payment methods respondents would like to add in the next 12 months, just over half of respondents (53.2%) indicated they do not plan to introduce any new options. This aligns with the already high adoption rates of established methods such as EFT, debit cards, and credit cards, which are nearly universal.

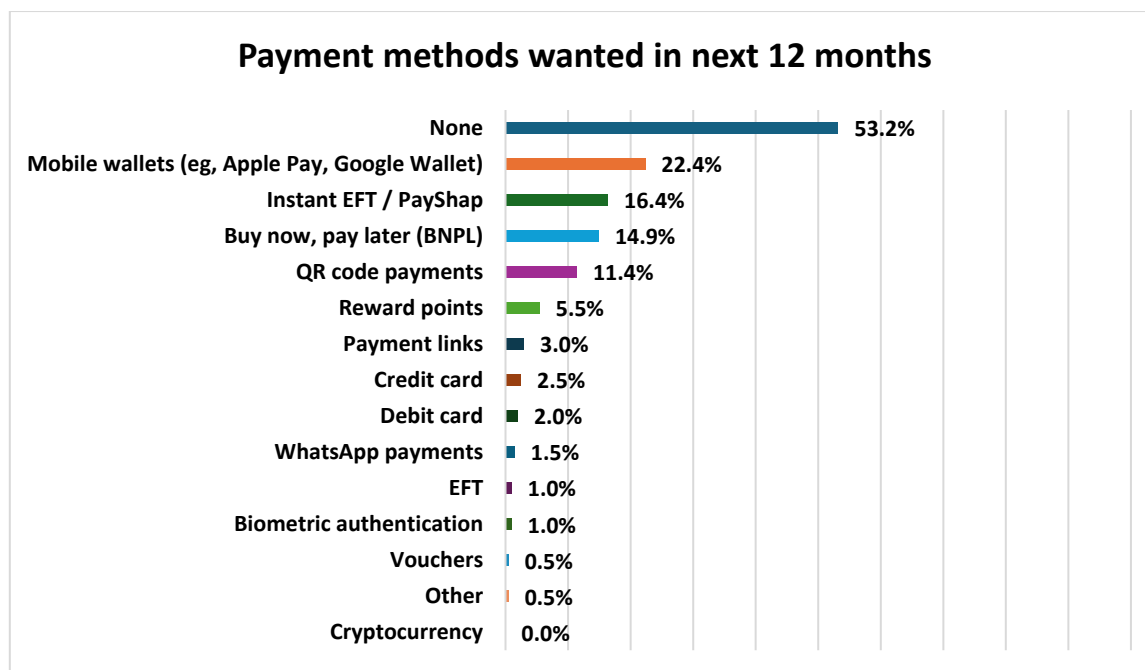
Among those looking to expand their payment offerings, mobile wallets (22.4%) stand out as the most desired addition, reflecting a growing interest in Apple Pay, Google Wallet, and similar solutions that cater to increasingly mobile-first consumers.

Instant EFT / PayShap (16.4%) was also identified as an area of interest. While this percentage may seem modest, it must be understood in the context of existing adoption – 40.8% of respondents already use it, meaning the additional planned uptake represents further consolidation of real-time payments.

Alternative options also featured in respondents' future plans. Buy Now, Pay Later (BNPL) services were highlighted by 14.9%, suggesting continued momentum for flexible payment solutions. QR code payments (11.4%) and reward points (5.5%) were also noted as additions, though at smaller levels.

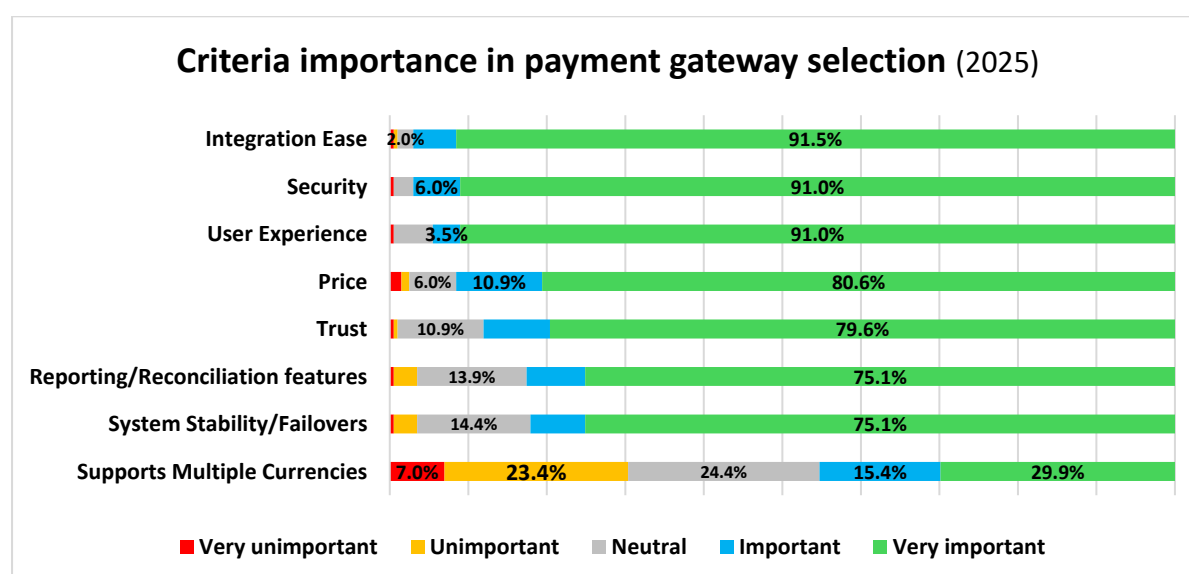
Other methods received limited attention, with payment links (3.0%), credit cards (2.5%), debit cards (2.0%), WhatsApp payments (1.5%), EFT (1.0%), biometric authentication (1.0%), and vouchers (0.5%) each mentioned by only a handful of respondents. Notably, cryptocurrency (0.0%) saw no interest as a planned addition.

The findings suggest that while most companies feel their current mix of payment options is sufficient, there is clear appetite for digital wallet adoption and incremental growth in newer payment technologies such as PayShap and BNPL.



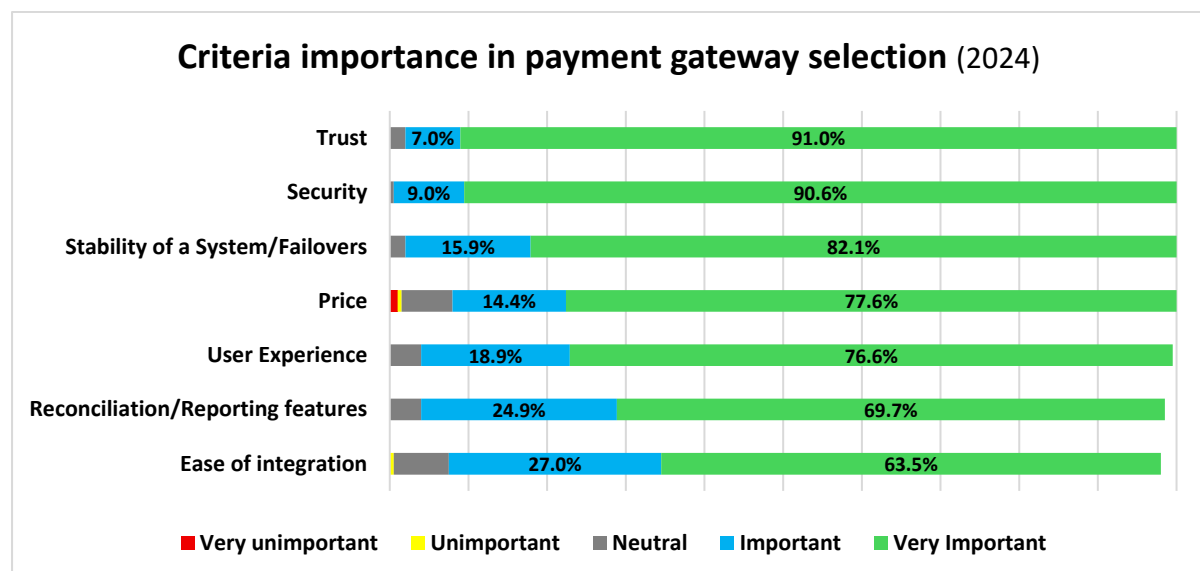
## Criteria importance in payment gateway selection

When choosing a payment gateway in 2025, respondents place the strongest weight on execution fundamentals: ease of integration (91.5% “very important”), security (91.0%), and user experience (91.0%) lead the pack. Price (80.6%) and trust (79.6%) follow, while operational enablers – reporting/reconciliation (75.1%) and system stability/failovers (75.1%) – remain highly valued. Support for multiple currencies is clearly secondary, with only 29.9% calling it “very important” and 30.4% rating it unimportant or very unimportant, underscoring a largely domestic orientation.



Compared with 2024, the hierarchy has been reordered. In 2024 the highest “very important” readings clustered around trust (91.0%), security (90.6%), and stability/failovers (82.1%), with user experience (76.7%) and particularly ease of integration (63.5%) sitting lower; reporting/reconciliation registered 69.7% “very important” and price 77.6% “very important”.

By 2025, integration ease and user experience rise to the top tier alongside security, while trust and stability, still valued, no longer define the leading edge of differentiation. The deprioritisation of multi-currency in 2025 further signals that cross-border functionality is not a primary determinant for most respondents, reflecting 2024 findings.

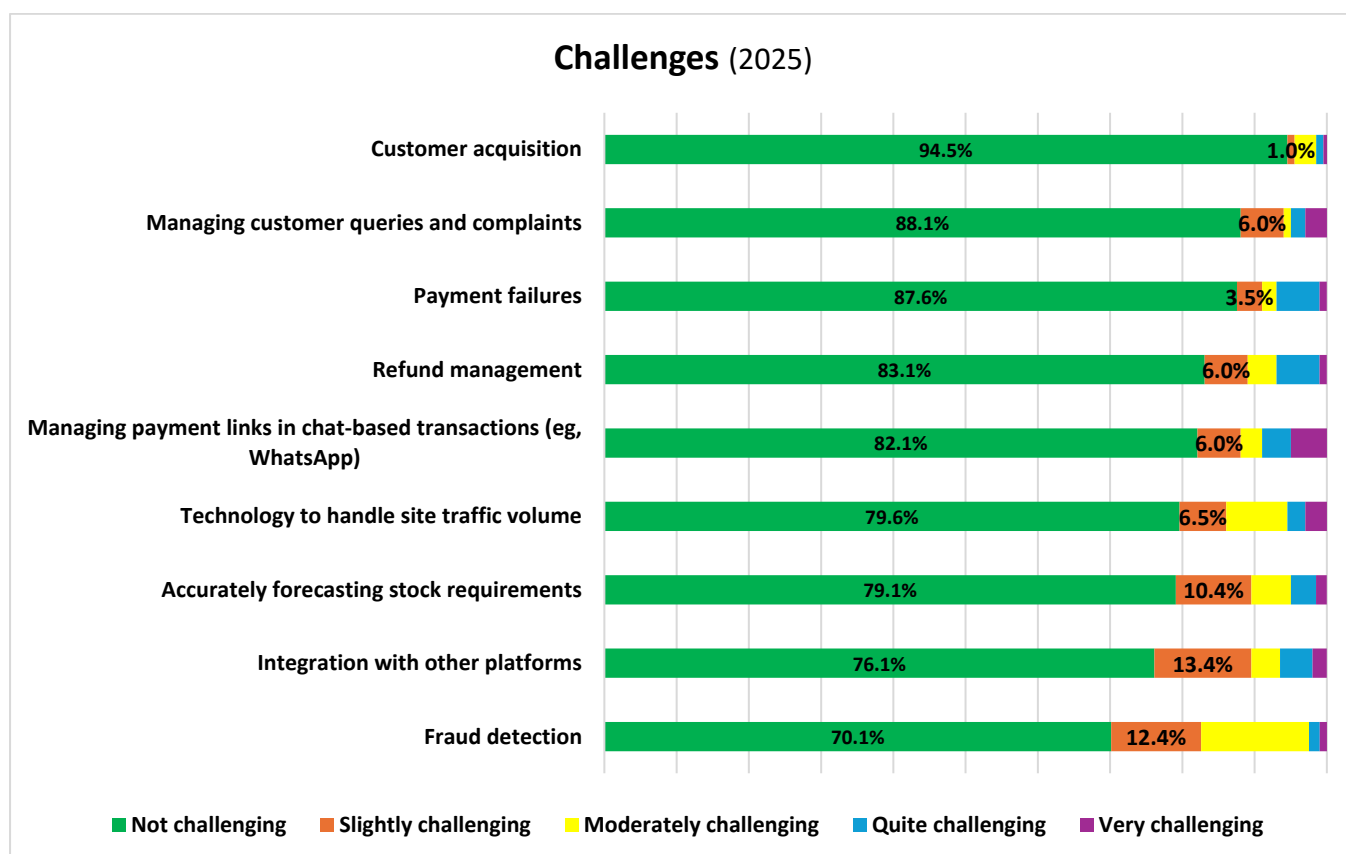


This shift should be read in the context of the changed company-size mix. The 2025 sample is more mid-market and large by employee count; these firms often treat trust and stability as table stakes and focus marginal attention on deployment speed, stack fit and customer experience. Even with that caveat, the size of the move – ease of integration rising from 63.50% “very important” in 2024 to 91.5% in 2025, and user experience from 76.62% to 91.0% – points to a genuine change in what distinguishes gateway choices.



## Challenges

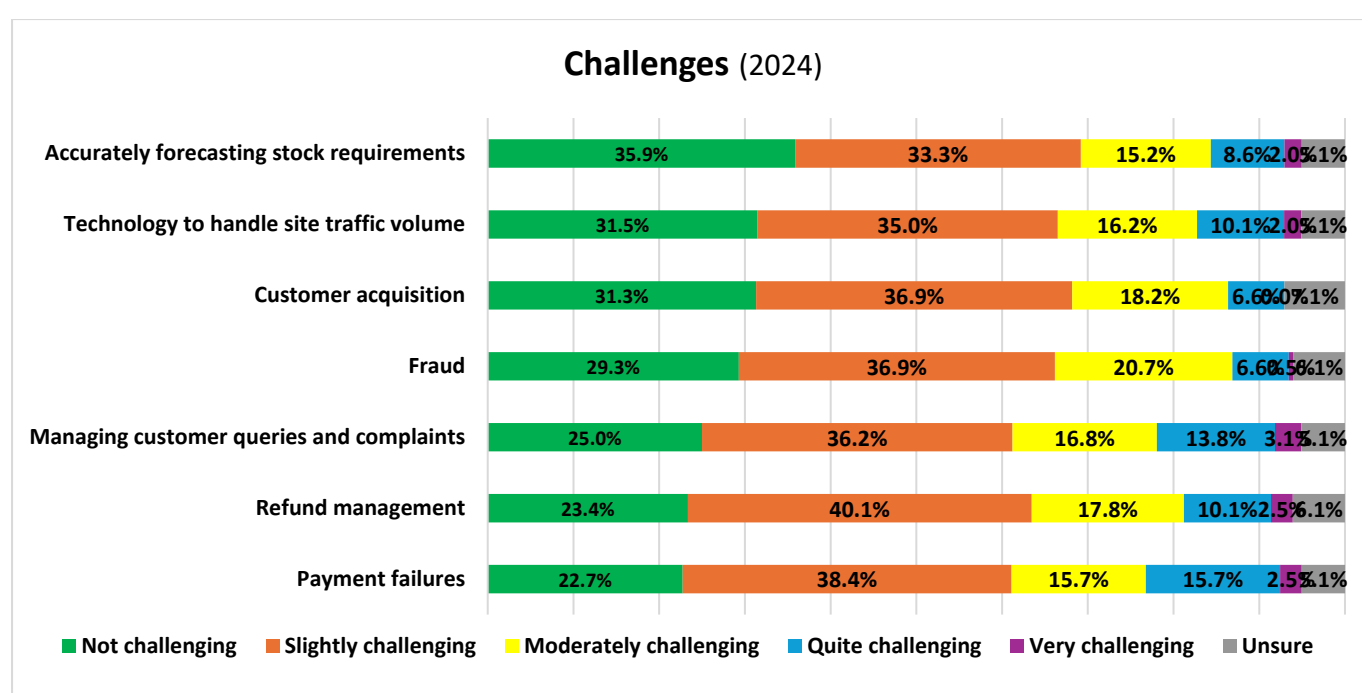
Respondents were asked how challenging key ecommerce and payments operations are. In 2025, most areas are reported as not challenging by a clear majority, signalling steady-state operations among many firms. For example, payment failures are “not challenging” for 87.6% (with 9.0% rating at least moderately challenging), refund management for 83.1% (11.0% at least moderate), and managing customer queries and complaints for 88.1% (6.0% at least moderate). Fraud detection remains the most persistent pain point, but even here 70.1% say “not challenging,” with 17.4% rating at least moderately challenging. Other areas with small but meaningful challenge profiles include technology to handle traffic (14.0% at least moderate), stock forecasting (10.5%), integration with other platforms (new in 2025: 10.5%), and managing payment links in chat-based transactions (e.g., WhatsApp) (new: 12.0%). Customer acquisition shows the lowest strain in 2025, with only 4.5% rating at least moderately challenging.



The 2024 baseline looks very different. “At least moderately challenging” shares were materially higher across the same core areas: payment failures 33.9%, refund management 30.4%, customer queries 33.7%, fraud 27.8%, traffic handling 28.3%, and stock forecasting

25.8%; “not challenging” responses sat in the 23–36% range for these items. 2024 also captured an “unsure” option (around 5–7% across items), which is absent in 2025.

Two factors help explain the step-change. First, the 2025 sample is far more mid-market and large by employee count, cohorts that typically have more resources, more mature processes, and better-integrated stacks – conditions that reduce the day-to-day pain reported on failures, refunds, and service workloads. Second, the questionnaire coverage expanded in 2025 to include integration with other platforms and payment links in chat, offering a fuller picture of edge-case frictions that were not separately measured in 2024.



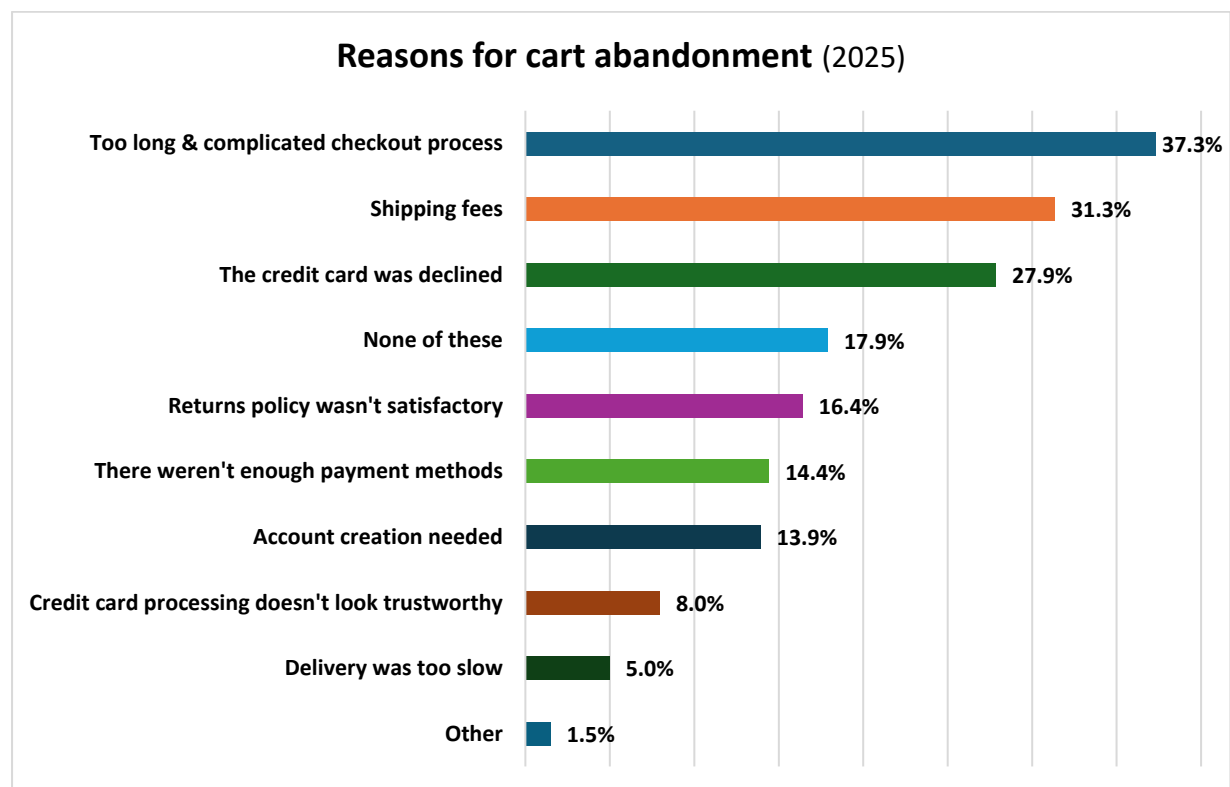
Taken together, the year-on-year story is one of lower operational strain on the core rails and residual challenges at the margins. Even allowing for the size-mix effect, the drop in “at least moderate” challenge levels suggests genuine operational maturation since 2024 – especially around failures, refunds and query handling.

Where challenges remain (notably fraud detection, chat-based payment flows, and systems integration), they are concentrated in relatively small segments, indicating targeted, not systemic, opportunities for improvement.

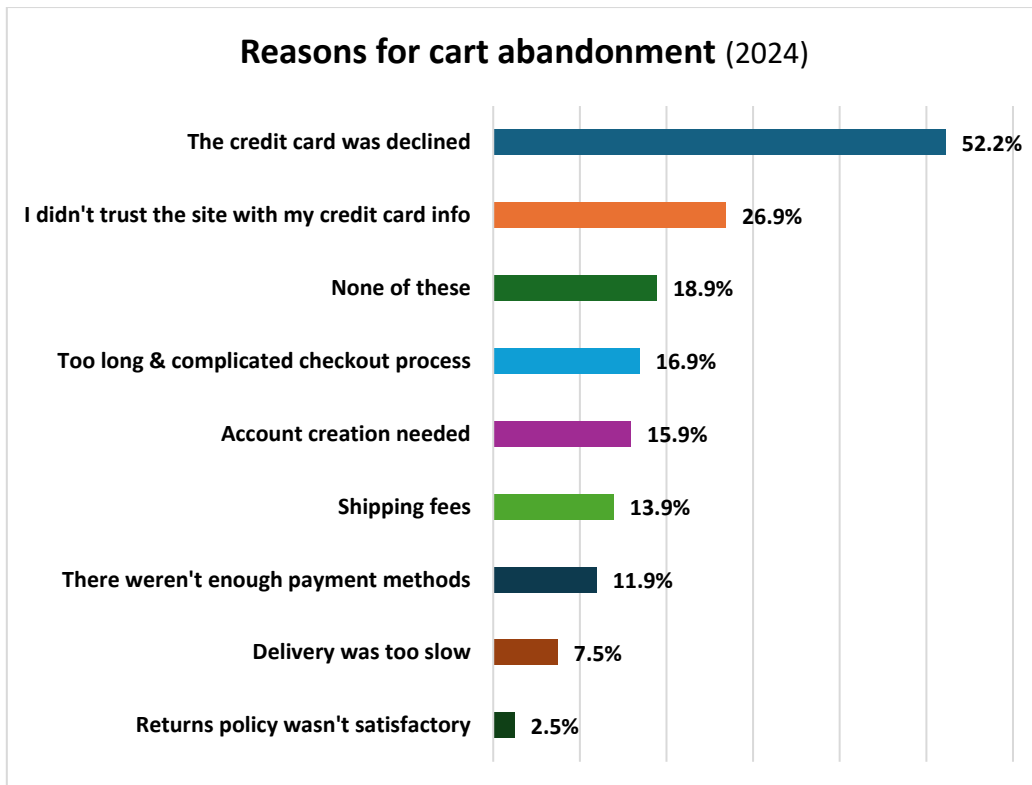


## Cart abandonment

Respondents identify checkout experience and additional costs as the leading causes of abandoned transactions. In 2025, the most common issue is a long or complicated checkout process (37.3%), followed by shipping fees (31.3%) and credit card declines (27.9%). A notable 17.9% report that none of the listed issues apply, suggesting some retailers do not see cart abandonment as a major problem. Secondary drivers include unsatisfactory returns policies (16.4%), not enough payment methods (14.4%), and mandatory account creation (13.9%). Fewer respondents highlight card-processing trust (8.0%) or delivery speed (5.0%) as key reasons.



Compared with 2024, the pattern shifts significantly. The leading reason in 2024 was credit card declines (52.2%), well ahead of all other causes, with site trust concerns also high (26.9%). Checkout complexity ranked much lower (16.9%) and shipping fees were cited by only 13.9%. This suggests that card-processing issues have become less prominent in 2025, potentially due to improvements in gateway reliability and 3-D Secure adoption, while attention has shifted toward user experience and cost transparency as key conversion bottlenecks.



The heavier mid-market composition of the 2025 sample may amplify this shift: larger retailers tend to have more robust payment infrastructure, which would reduce card declines as a pain point and surface checkout design and shipping cost management as the next layer of optimisation challenges.

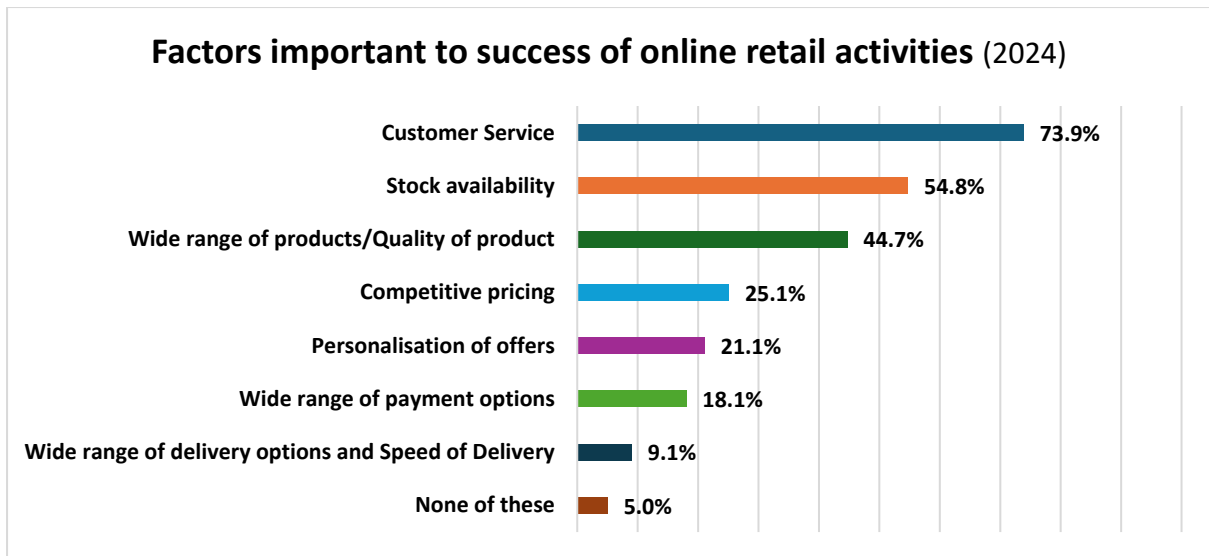
The implication is clear – while payment reliability has improved, retailers now need to focus on frictionless checkout flows and transparent shipping pricing to capture incremental sales.

## Factors importance to success of online retail activities

In 2025, respondents emphasise customer service and operational reliability as the core drivers of online retail success. Customer service (69.7%) is the most cited factor, followed closely by stock availability (66.7%) and product range and quality (58.7%). Competitive pricing (30.3%) plays a secondary role, while personalisation (18.9%), delivery options and speed (13.9%), and wide payment options (8.0%) are given lower priority. Only 1.5% of respondents selected “none of these,” indicating broad agreement on what matters most.



Compared with 2024, there is a notable shift toward availability and assortment as key levers of success. Stock availability rises from 54.8% to 66.7%, and product range/quality from 44.7% to 58.7%, showing that ensuring products are in stock and expanding the offering have become bigger priorities. Customer service remains the leading factor but declines slightly from 73.9%, while competitive pricing edges up from 25.1%. Interest in delivery options/speed increases from 9.1%, but wide payment options drop sharply from 18.1%, reflecting reduced concern in this area.



The shift likely reflects the composition of the 2025 sample, which skews toward mid-sized and larger companies. These businesses already have mature payment and delivery systems, making product availability and breadth of choice their focus for competitive advantage. Combined with the high levels of satisfaction with payment gateways reported elsewhere, the findings suggest that respondents view operational dependability, not adding more payment methods, as the next frontier for improving performance.



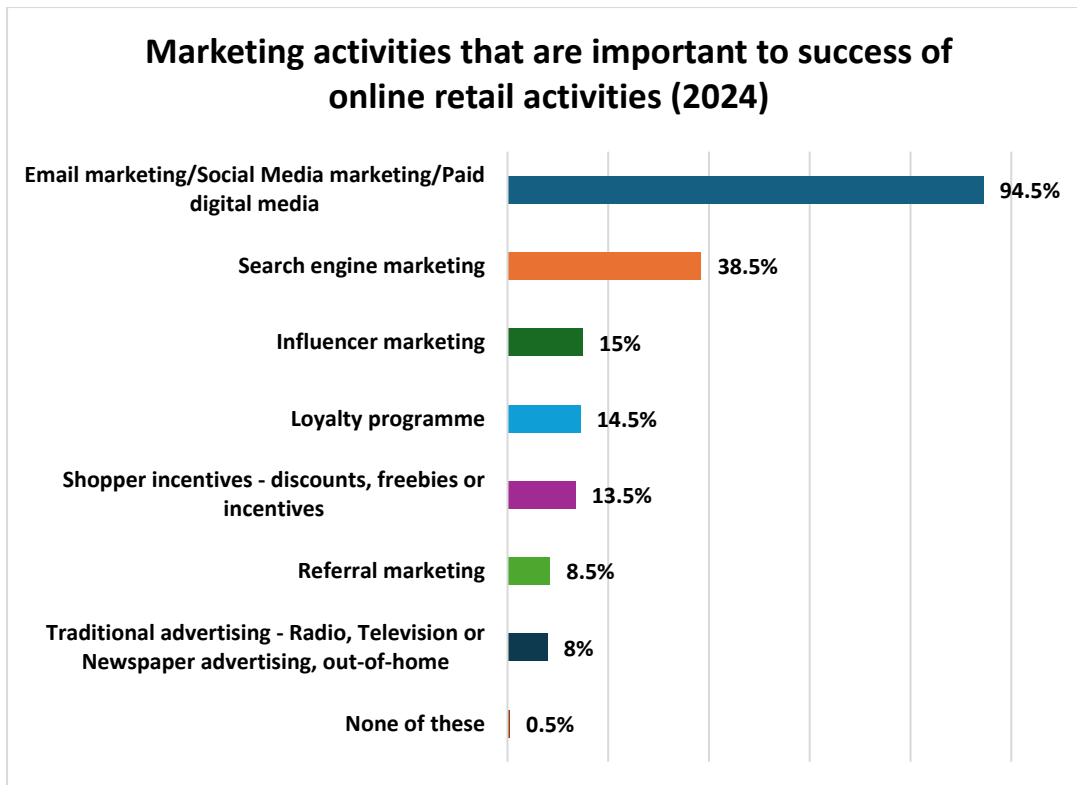
## Marketing activities that are important to success of online retail activities

In 2025, respondents overwhelmingly prioritise digital-first marketing. Email, social media, and paid digital media (93.5%) dominate, confirming their status as the foundation of online retail marketing. Search engine marketing (72.1%) ranks second, signalling a strong shift toward discoverability and SEO/SEM investment as drivers of traffic. Price-based tactics follow, with shopper incentives such as discounts, freebies, or promotions (56.2%) seen as supportive but secondary. Traditional advertising (45.8%) also registers significantly higher than in the past, indicating that businesses still view offline media as valuable for reaching mass audiences and complementing digital campaigns.



Smaller but growing channels include WhatsApp marketing (33.3%), which shows increased interest in direct, conversational engagement. By contrast, influencer marketing (11.4%), referral marketing (10.0%), and loyalty programmes (10.0%) remain niche.

Compared with 2024, the most striking shift is the surge in search engine marketing from 38.5% to 72.1%, suggesting that businesses have recognised the importance of being discoverable as competition intensifies. Shopper incentives more than quadruple from 13.5% to 56.2%, reflecting a pivot toward using discounts and promotions as deliberate conversion tools.



Traditional advertising also rises sharply from 8.0% to 45.8%, showing renewed interest in broadcast and print channels – possibly as mid-sized and larger firms, which make up a greater share of the 2025 sample, are better able to fund integrated campaigns.

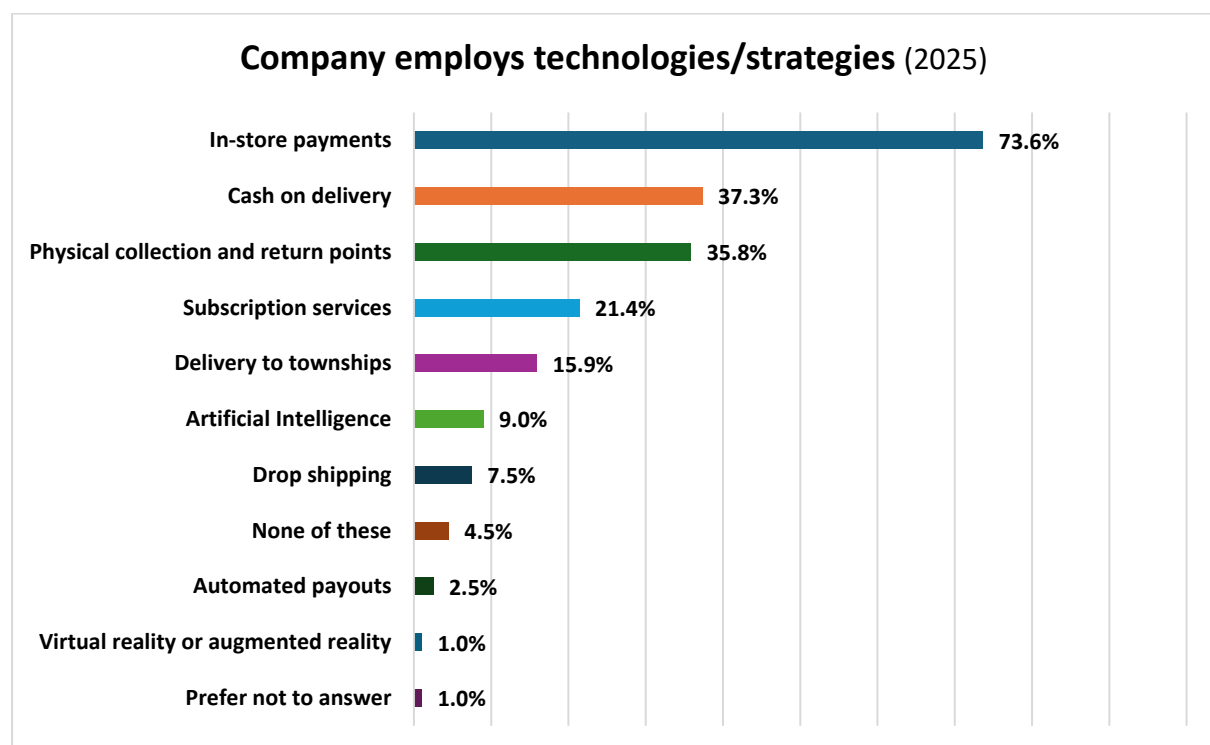
The hierarchy of importance is much clearer in 2025, pointing to a maturing marketing approach. Respondents are combining digital visibility, price-based tactics, and multichannel presence to build robust demand engines, with experimental approaches like influencer and referral marketing still playing a minor role.

## Technologies and strategies

In 2025, respondents continue to rely on traditional and trust-building strategies to support ecommerce operations. In-store payments (73.6%) remain the most widely used approach, reflecting the blended nature of commerce in South Africa, where physical payment points complement online sales. Cash on delivery (37.3%) and collection/return points (35.8%) also feature strongly, showing that convenience and customer reassurance are key components of fulfilment strategies.

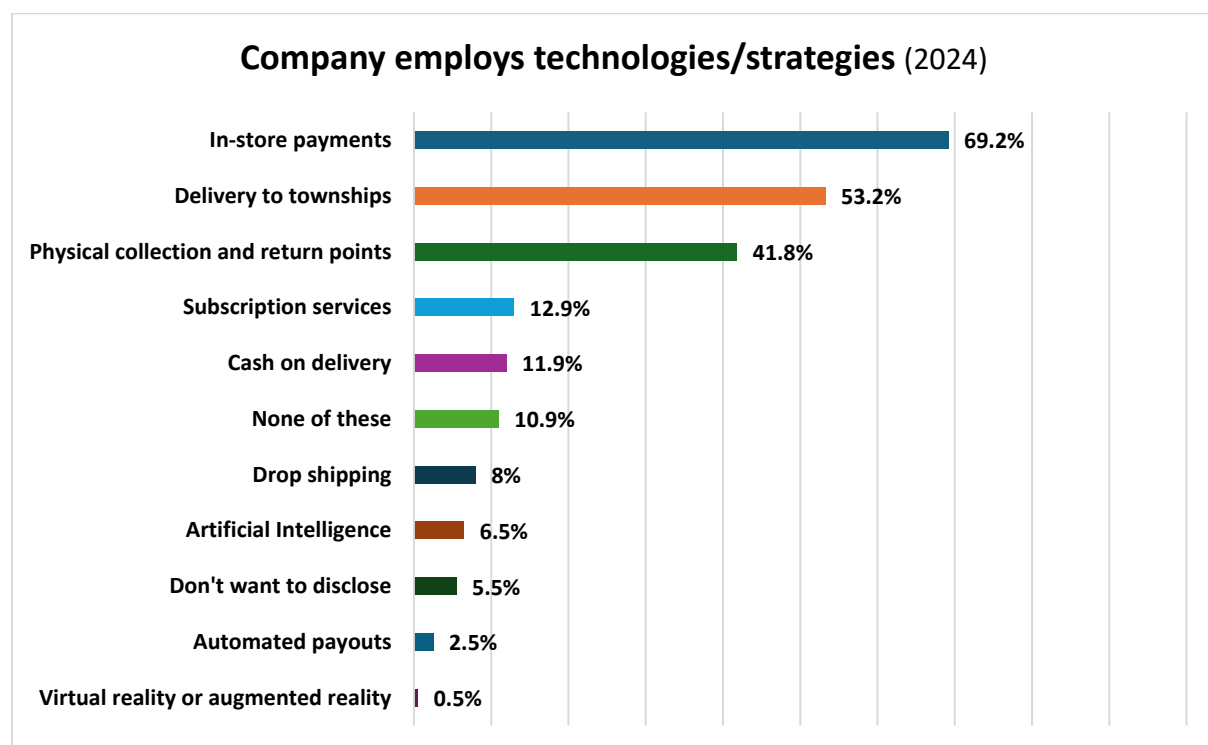
More specialised approaches see moderate adoption. Subscription services (21.4%) are gaining traction as recurring revenue models mature, and delivery to townships (15.9%) highlights ongoing efforts to reach underserved areas, even if infrastructure challenges continue to limit wider rollout.

Emerging and advanced technologies are still in the early stages of adoption. Artificial intelligence (9.0%) and drop shipping (7.5%) are used by a minority, while automated payouts (2.5%) and virtual/augmented reality (1.0%) remain niche. Just 4.5% report using none of these strategies, a drop from last year, indicating that adoption of at least one technology is now nearly universal.



Compared with 2024, the most notable shifts are the increase in cash on delivery (from 11.9% to 37.3%) and subscription services (12.9% to 21.4%), suggesting a move toward offering more flexible payment and purchasing options.

In-store payments and AI adoption also grow modestly. However, delivery to townships drops sharply from 53.2% to 15.9%, a change likely influenced by the shift toward a mid-market and larger company sample in 2025, which may rely more on national courier networks rather than township-specific delivery solutions. Collection and return points also show a slight decline from 41.8% to 35.8%.



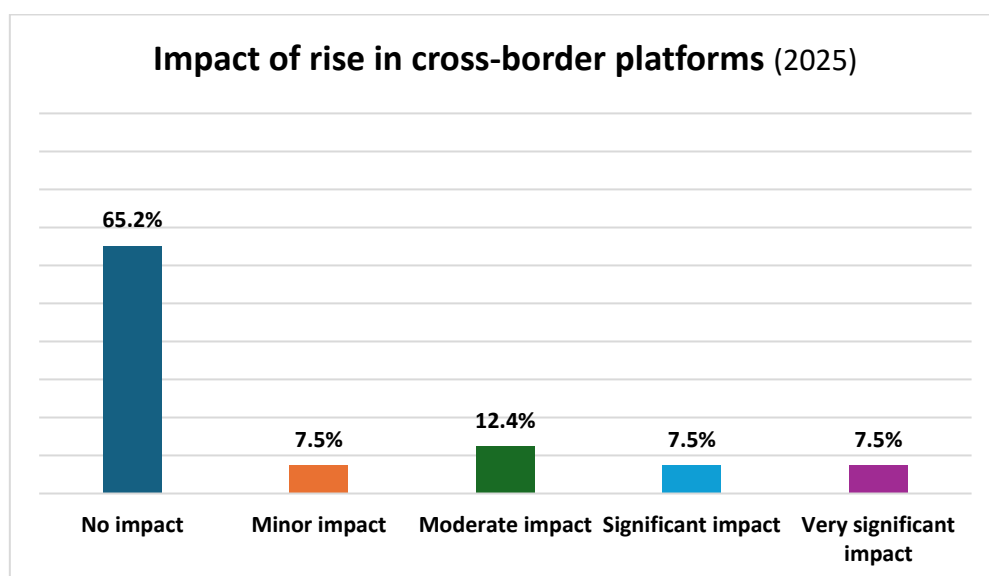
The 2025 data points to a sector that is strengthening hybrid retail strategies while cautiously exploring innovation. Traditional methods that build trust and reduce friction dominate, with AI and immersive technologies still treated as experimental. This pattern reflects a market focused on reliability and reach before investing heavily in cutting-edge solutions.

## Impact of rise in cross-border platforms

The rise of cross-border platforms such as Temu and Shein has had no impact on 65.2% of respondents, indicating that most companies have not yet experienced direct disruption from these global entrants.

At the same time, 34.8% of respondents reported some degree of impact. Within this group, 12.4% described the effect as moderate, while 7.5% each reported it as minor, significant, or very significant. This shows that while the majority remain unaffected, more than a third are beginning to feel competitive pressure.

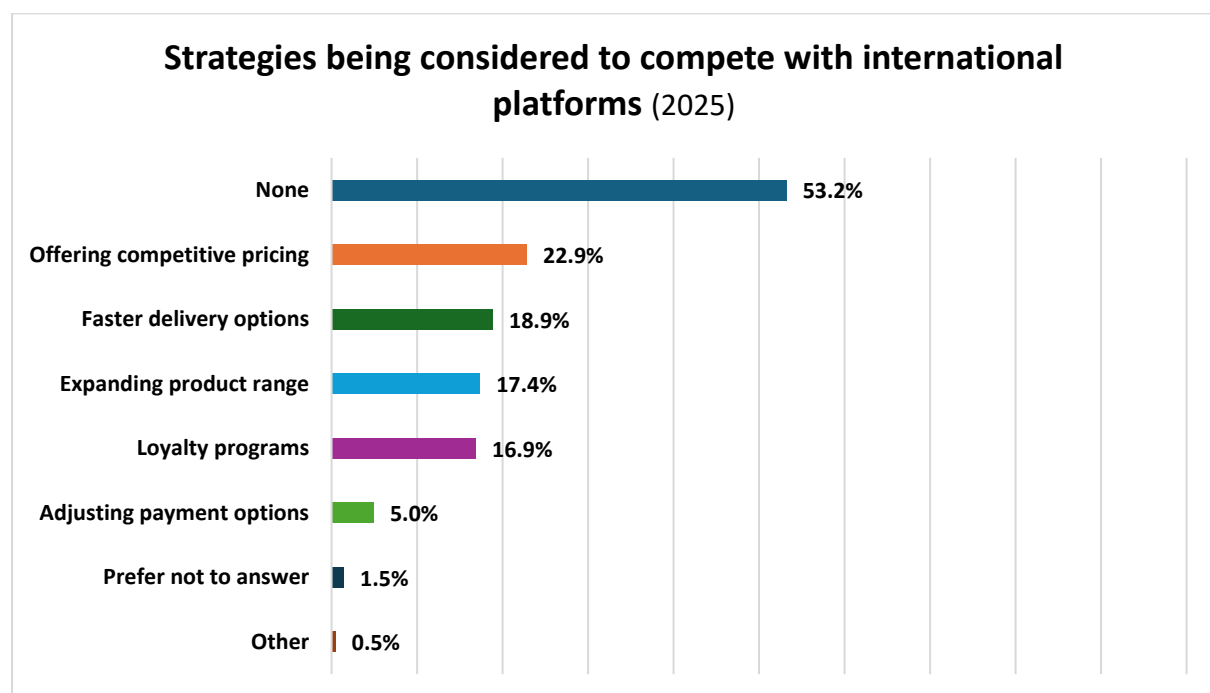
The results point to a mixed landscape: many businesses continue to operate largely unaffected by international platforms, but a notable minority are already facing challenges in sectors where cross-border retailers are expanding rapidly, such as fashion, household goods, and low-cost online retail.



## Strategies being considered to compete with international platforms

More than half of respondents (53.2%) reported that they are not considering any new strategies to compete with international platforms such as Temu and Shein. This reflects the earlier finding that most respondents have not yet been significantly affected by cross-border competition.

Among those planning adjustments, the most common strategy is offering competitive pricing, identified by 22.9% of respondents. Faster delivery options (18.9%) and expanding the product range (17.4%) also featured prominently, showing that respondents who are preparing to respond see speed, variety, and affordability as their strongest levers against international rivals.

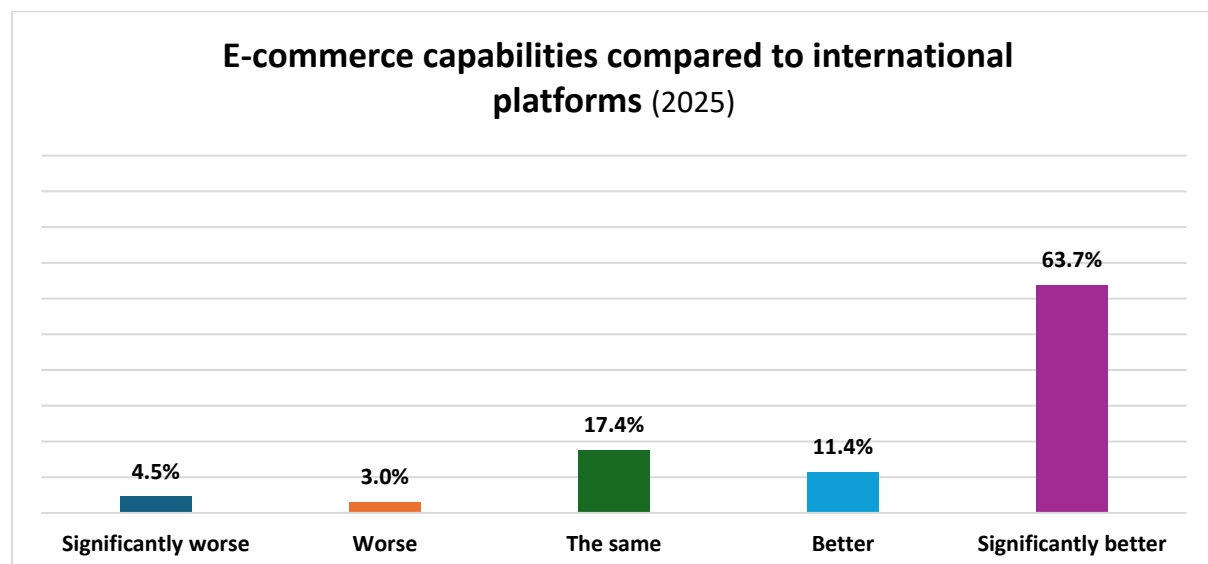


Other measures were less widely considered. Loyalty programmes were selected by 16.9%, suggesting some interest in strengthening customer retention, while only 5.0% identified adjusting payment options as a competitive strategy. A small proportion preferred not to answer (1.5%) or indicated other strategies (0.5%).

The results suggest that while a minority of respondents are beginning to plan responses, the majority remain cautious, either waiting to see how cross-border platforms develop in South Africa or relying on existing strengths to maintain competitiveness.

## Ecommerce capabilities compared to international platforms

Most respondents view their ecommerce capability as strong when compared to international platforms such as Temu and Shein. A clear majority, 63.7%, rated their capability as significantly better, while a further 11.4% considered it better. This means that three-quarters of respondents believe their businesses are performing at a higher standard than global competitors.



A smaller share saw themselves on equal footing, with 17.4% rating their capability as the same. Only 7.5% felt they were behind, split between 4.5% who said significantly worse and 3.0% who said worse.

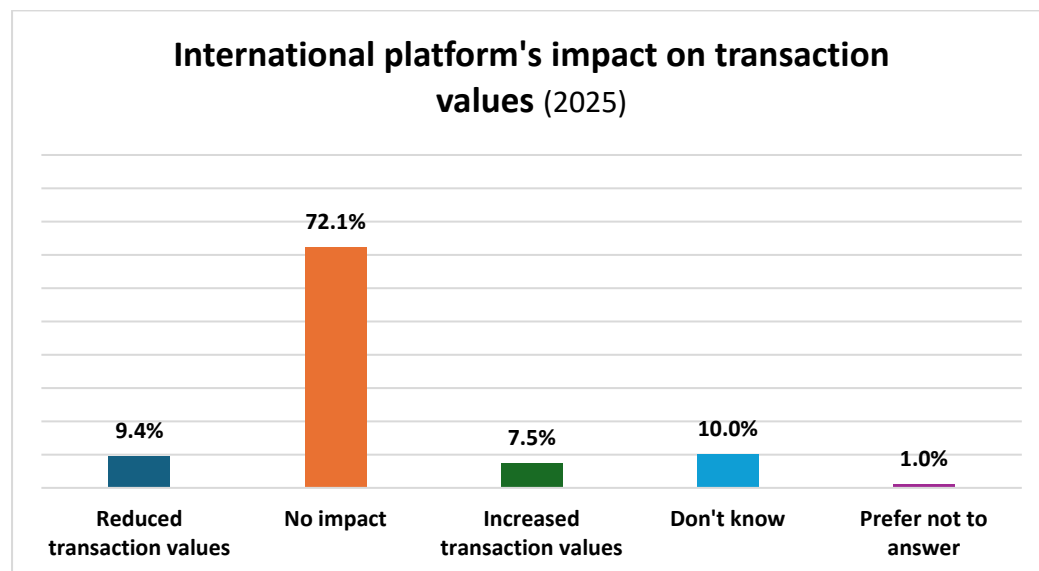
The findings highlight a strong sense of confidence among respondents in their ability to deliver ecommerce experiences that can match or surpass those offered by cross-border entrants. This confidence likely reflects perceived strengths in local market knowledge, customer service, and operational dependability – factors consistently identified as important to success in earlier responses.

At the same time, this confidence sits alongside the earlier finding that over a third of respondents reported some level of impact from Temu and Shein. The contrast suggests that while respondents generally believe their capabilities are superior, international platforms are beginning to influence the market in ways that cannot be overlooked.



## International platform's impact on transaction values

Most respondents, 72.1%, reported that cross-border platforms such as Temu and Shein have had no impact on their transaction values. This reflects the broader trend observed earlier, where most respondents indicated limited disruption from international entrants.



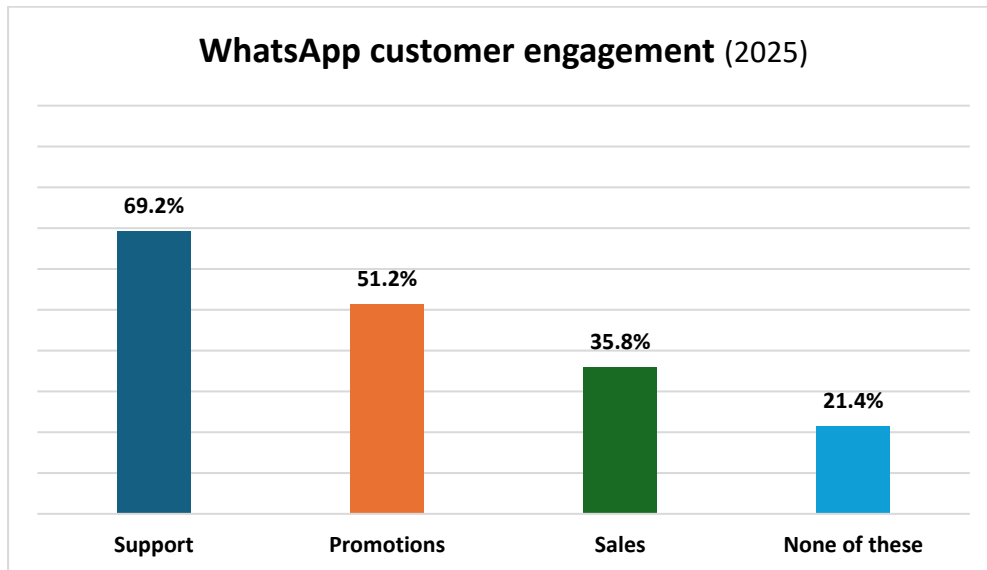
A smaller share, 9.4%, said their transaction values had been reduced, signalling that some businesses are beginning to feel revenue pressure from customers diverting spending to cross-border alternatives. Conversely, 7.5% reported an increase in transaction values, suggesting that for a minority, the rise of these platforms may have expanded market awareness of ecommerce overall, indirectly benefiting local businesses.

Uncertainty was also present, with 10.0% of respondents selecting don't know, and 1.0% preferring not to answer, showing that some businesses lack clear visibility into whether cross-border activity is affecting their sales volumes.

The findings reinforce the mixed picture seen in earlier results: most respondents remain confident and unaffected, but the experiences of those reporting reduced transaction values highlight a potential risk. As platforms like Temu and Shein expand their reach in South Africa, a larger share of businesses may begin to experience downward pressure on revenue, making this an early indicator of possible future disruption.

## WhatsApp customer engagement

WhatsApp has become an important customer engagement tool for many businesses. Support was the most common use case, with 69.2% of respondents employing the platform to handle customer queries and assistance. Promotions were the second most frequent activity, used by 51.2%, while sales were less common, cited by 35.8% of respondents.



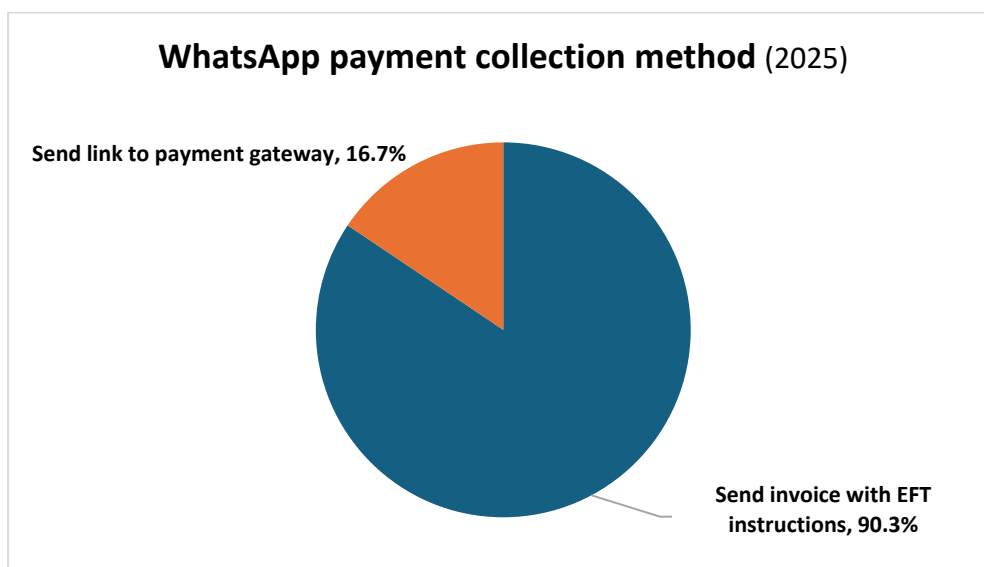
At the same time, a significant portion, 21.4%, reported not using WhatsApp for any of these activities, showing that while adoption is widespread, it is not yet universal.

The results highlight WhatsApp's role as a versatile but primarily support-focused channel, with more than two-thirds of respondents relying on it to strengthen direct interactions with customers. Use for promotional campaigns and direct sales is growing but remains secondary, suggesting that businesses are still exploring the full commercial potential of the platform.

## WhatsApp payment collection method

Among respondents using WhatsApp for sales, payment collection is overwhelmingly handled through invoices with EFT instructions, cited by 90.3%. This reliance on bank transfers highlights the entrenched role of EFT as a trusted and familiar payment method in South Africa, even in newer digital sales channels.

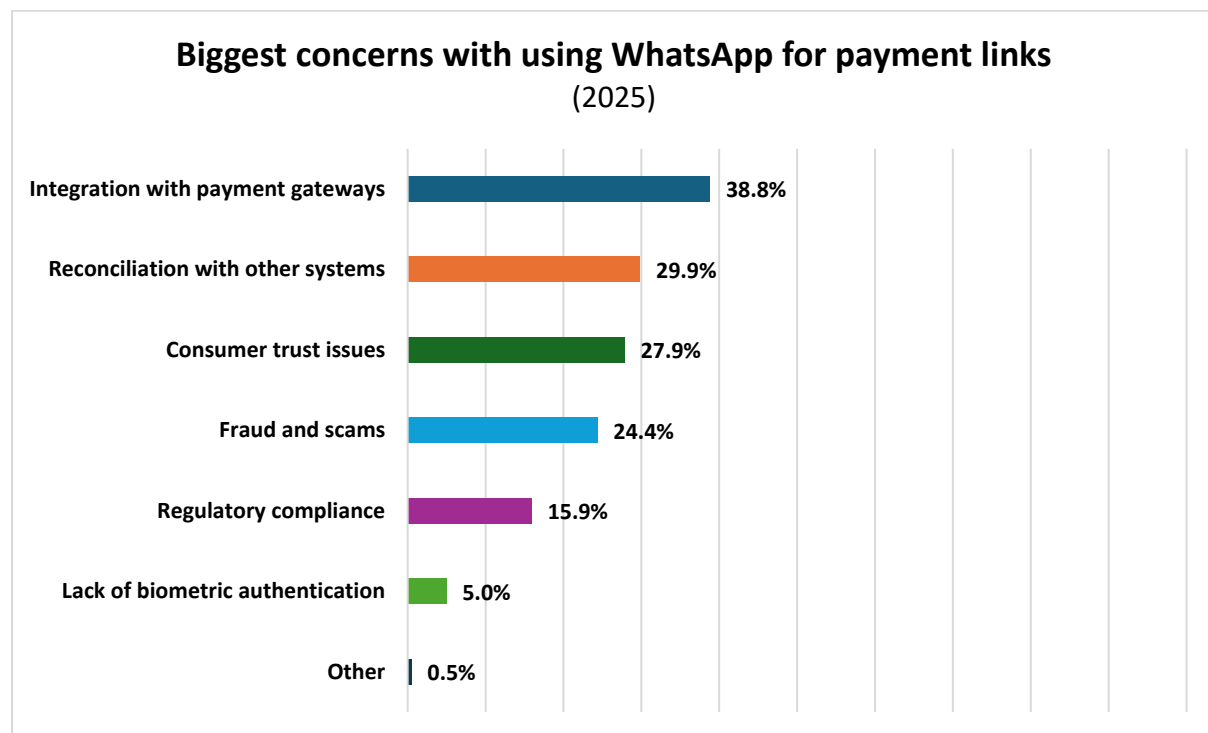
A smaller share, 16.7%, reported using payment links to gateways, showing that while some businesses are experimenting with integrated digital payments within WhatsApp, adoption remains limited compared to the established practice of invoicing.



The findings suggest that while WhatsApp is emerging as a sales channel, its payment processes are still anchored in traditional methods. The low uptake of payment links reflects either caution or practical challenges, but it also indicates a potential area for growth as businesses look for more seamless, in-chat payment experiences.

## Biggest concerns with using WhatsApp for payment links

Concerns about using WhatsApp for payment links centre on integration and trust. The most common issue, cited by 38.8% of respondents, was integration with payment gateways, showing that technical alignment remains the primary barrier to adoption. Reconciliation with other systems (29.9%) and consumer trust issues (27.9%) were also significant concerns, reflecting both back-end and customer-facing challenges.



Fraud and scams were highlighted by 24.4%, underscoring that security fears remain a notable obstacle to wider adoption of WhatsApp-based payments. Regulatory compliance (15.9%) was a secondary concern, while lack of biometric authentication (5.0%) and other issues (0.5%) were rarely mentioned.

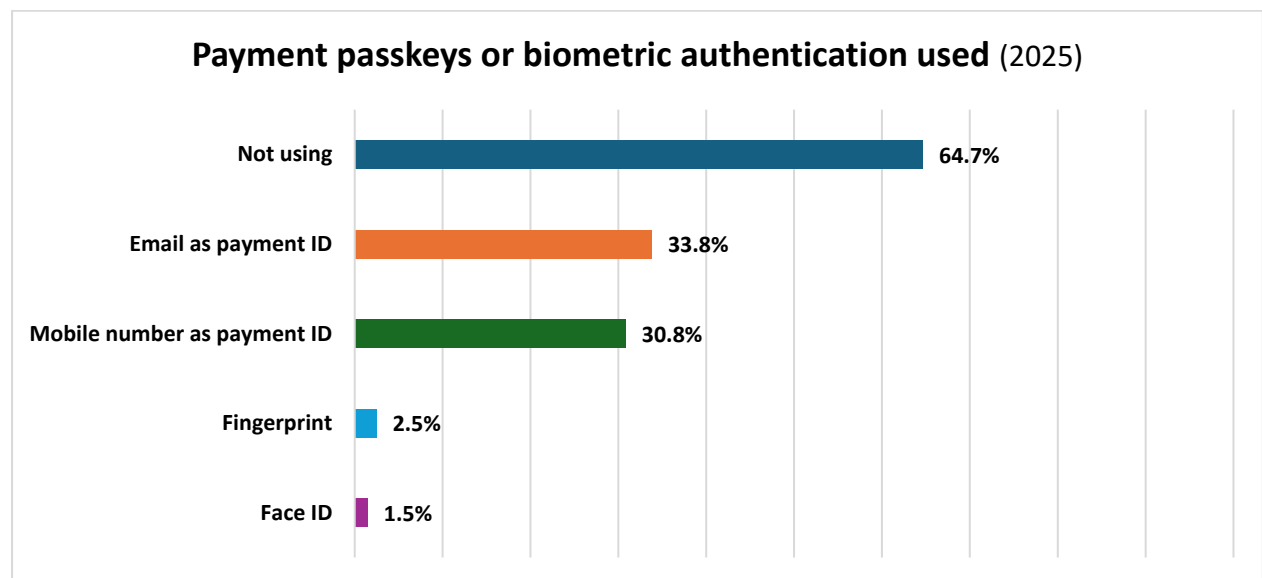
The results point to a dual challenge: respondents see technical limitations and integration hurdles as the biggest barriers, but customer confidence and fraud risks also weigh heavily. Together, these concerns explain the low adoption of payment links on WhatsApp noted earlier, and highlight the need for more seamless, secure solutions if businesses are to expand payments through the platform.

Looking ahead, the findings suggest that overcoming these barriers will be central to unlocking WhatsApp's potential as a trusted payment channel. If integration and security issues can be addressed, WhatsApp could evolve from a support and promotional tool into a more widely adopted platform for direct sales and transactions.

## Payment passkeys or biometric authentication used

Most respondents (64.7%) reported not using any form of payment passkeys or biometric authentication, showing that adoption of these newer security methods remains limited in South Africa.

Among those making use of passkeys, the most common identifiers were email addresses (33.8%) and mobile numbers (30.8%), indicating that respondents largely rely on familiar, non-biometric forms of authentication. By contrast, biometric methods such as fingerprint recognition (2.5%) and Face ID (1.5%) were used by only a small minority. No respondents reported using other forms of authentication.



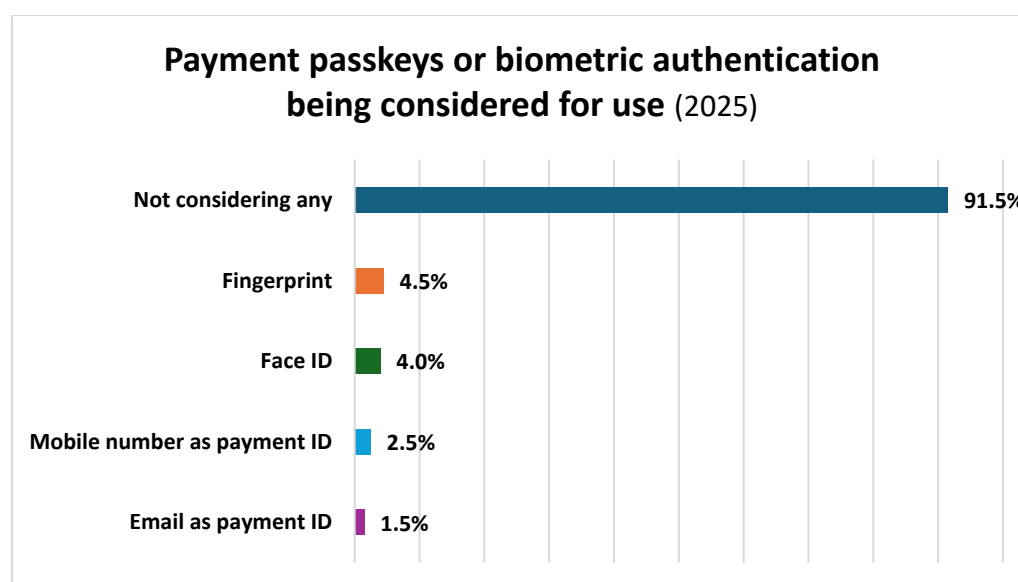
The findings highlight that while some adoption of passkeys linked to email and mobile identifiers has taken place, the transition toward more advanced biometric methods is still at an early stage. This aligns with earlier concerns raised around trust and fraud risks in WhatsApp-based payments, suggesting that the market has not yet widely embraced stronger, user-friendly authentication mechanisms.

The low adoption of biometric authentication presents both a challenge and an opportunity: respondents are aware of security risks in digital payments, but have yet to fully adopt tools that could address them. As global platforms and local providers increase their focus on passkeys and biometric integration, wider uptake may follow.

## Payment passkeys or biometric authentication being considered for use

The vast majority of respondents (91.5%) reported not considering any new payment passkeys or biometric authentication methods. This indicates that, despite recognising the importance of security in earlier findings, most respondents are not actively planning to expand their use of advanced authentication technologies.

Among the small minority exploring new options, fingerprint recognition (4.5%) and Face ID (4.0%) were the most common. Very few respondents were considering identifiers such as mobile numbers (2.5%) or email addresses (1.5%) as payment IDs, suggesting that even the simpler forms of passkeys are not a major focus for future adoption.



The results point to a clear gap between the priority placed on security – rated as one of the most important factors when choosing a payment gateway – and the limited willingness to adopt emerging authentication tools. Respondents appear to rely on existing, familiar methods rather than seeking out new approaches, which may leave room for future innovation in this area.

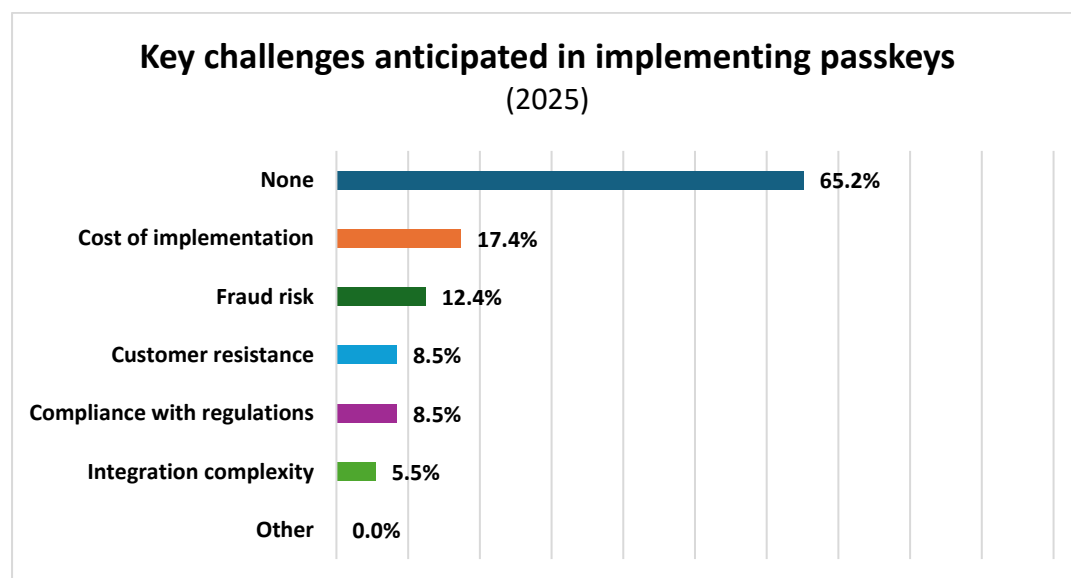
The lack of consideration for passkeys or biometrics underscores the need for stronger education, awareness, and integration from payment providers. As fraud risks evolve and

platforms push biometric adoption globally, respondents may be compelled to reconsider their stance.

## Key challenges anticipated in implementing passkeys

Most respondents (65.2%) indicated that they anticipate no challenges in implementing passkeys, reflecting either a lack of engagement with the technology or a perception that such tools are not yet relevant to their businesses.

Among those who did expect obstacles, the cost of implementation (17.4%) was the most frequently cited concern, showing that financial barriers are the primary consideration for the minority exploring this option. Other challenges included fraud risk (12.4%), customer resistance (8.5%), and compliance with regulations (8.5%), each reflecting apprehensions about trust, adoption, and oversight. Integration complexity (5.5%) was noted by a smaller group, suggesting that technical barriers are less of a focus compared to cost and security.



The findings align with earlier responses showing limited adoption and consideration of passkeys: respondents are generally not prioritising these tools, and among those who are, concerns about affordability and customer acceptance overshadow enthusiasm for stronger security measures.

This lack of anticipated challenges may reflect complacency rather than readiness. As international standards shift toward broader use of passkeys, respondents may face

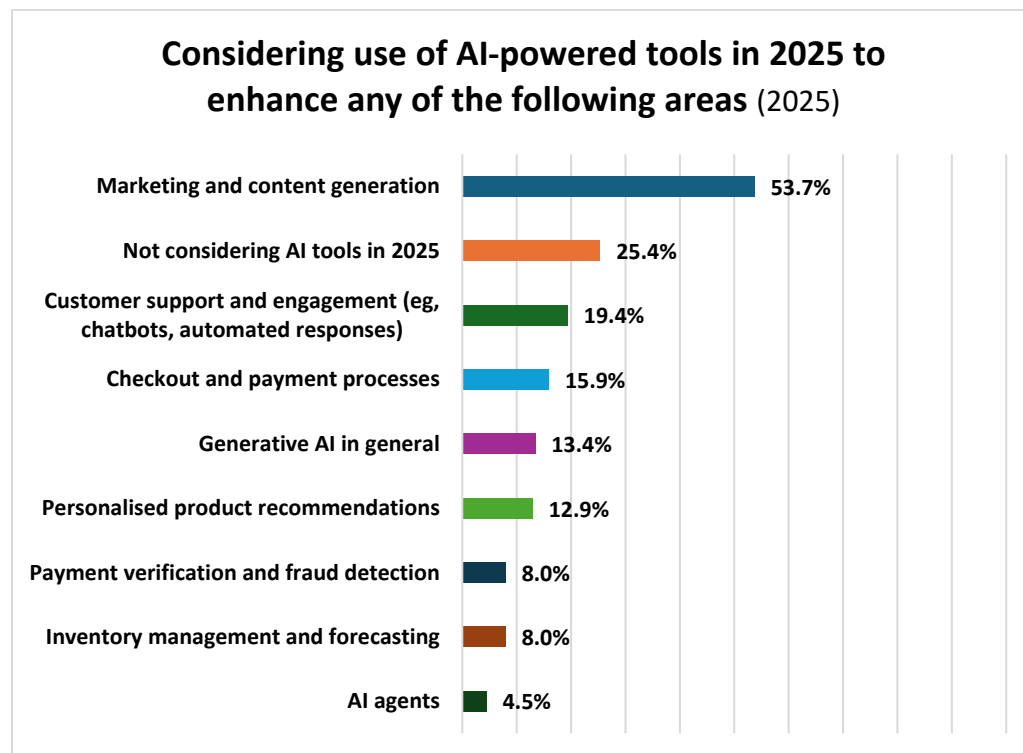
unexpected hurdles in cost, compliance, and customer adaptation if adoption becomes unavoidable in the future.



## Considering use of AI-powered tools in 2025 to enhance any of the following areas

More than half of respondents (53.7%) are considering using AI-powered tools for marketing and content generation in 2025, making this the most common planned use case. This reflects the growing importance of AI in driving visibility, engagement, and efficiency in digital marketing.

A significant portion, however, 25.4%, reported that they are not considering any AI tools in 2025, showing that while interest in AI is growing, a sizeable group remains cautious or unconvinced about its immediate value.



Other potential applications were less widely prioritised. Customer support and engagement (19.4%), checkout and payment processes (15.9%), and generative AI in general (13.4%) were the next most considered areas, suggesting that adoption may extend beyond marketing but at a slower pace. Personalised product recommendations (12.9%), payment verification and fraud detection (8.0%), and inventory management and forecasting (8.0%) were each identified by smaller groups of respondents, while AI agents (4.5%) were the least commonly considered.

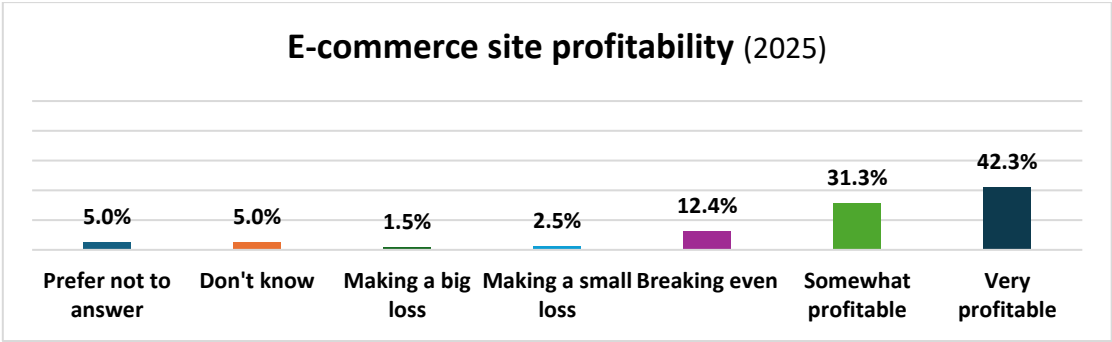
The results show that respondents view AI primarily as a tool for enhancing customer communication and brand visibility, with more technical and operational applications attracting less attention. At the same time, the large share not considering AI at all reflects a cautious approach, suggesting that 2025 may see selective rather than widespread adoption.

This emphasis on marketing and content generation could mean that respondents initially approach AI as a front-end enabler rather than as a deeper operational tool. As capabilities mature and trust in AI grows, areas such as fraud detection, forecasting, and personalised recommendations may see greater uptake.

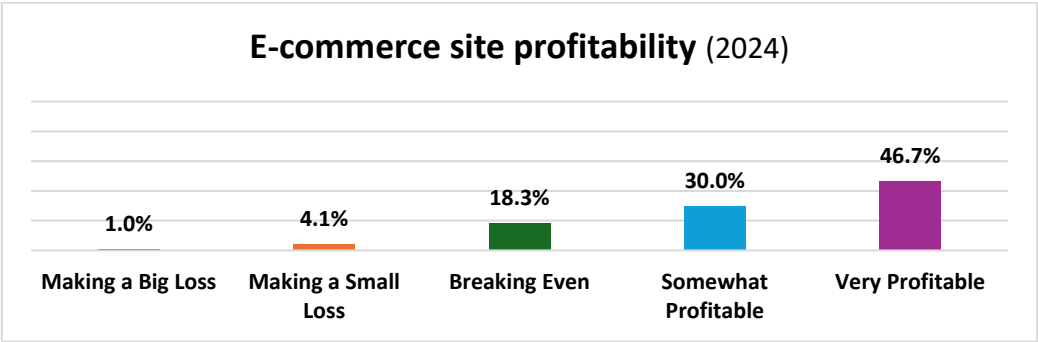
## Ecommerce site profitability

Profitability remains strong in 2025, with nearly three-quarters of respondents (73.6%) reporting that their ecommerce operations are generating positive returns. The largest share describe their sites as very profitable (42.3%), while a further 31.3% report being somewhat profitable.

A smaller portion of respondents are neutral or under pressure: 12.4% report breaking even, while 2.5% are making a small loss and 1.5% a big loss. Levels of uncertainty remain present, with 5.0% saying they don't know and another 5.0% preferring not to answer, suggesting some businesses are either still assessing performance or reluctant to disclose it.



Compared with 2024, profitability levels have softened slightly, with very profitable responses declining from 46.7% to 42.3% and small losses dropping from 4.1% to 2.5%. At the same time, the share of respondents breaking even has fallen from 18.3% to 12.4%, suggesting that some businesses have shifted either into profitability or into clearer loss-making territory.

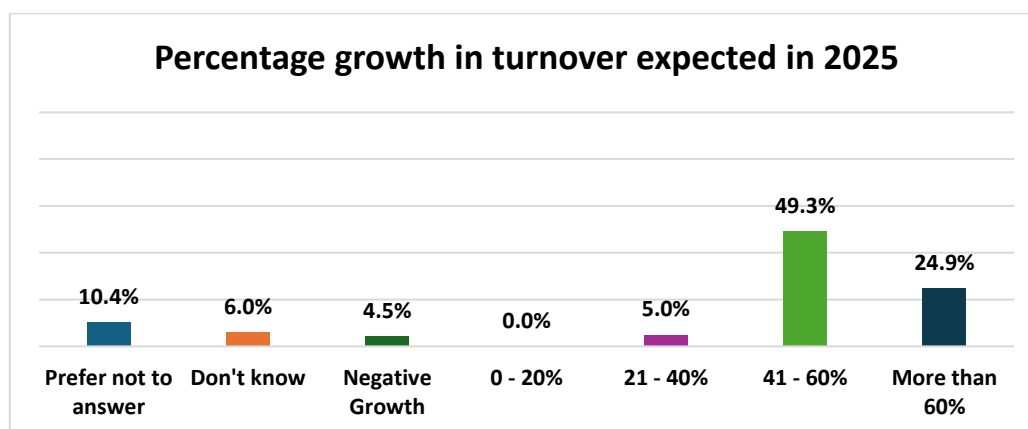


The 2025 sample's heavier weighting toward mid-sized and larger firms likely influences this outcome, as these businesses typically have more established online operations, translating into more consistent profitability. However, the slight dip in the "very profitable" category may point to rising cost pressures or intensified competition, even as ecommerce remains a solid revenue driver for the majority.

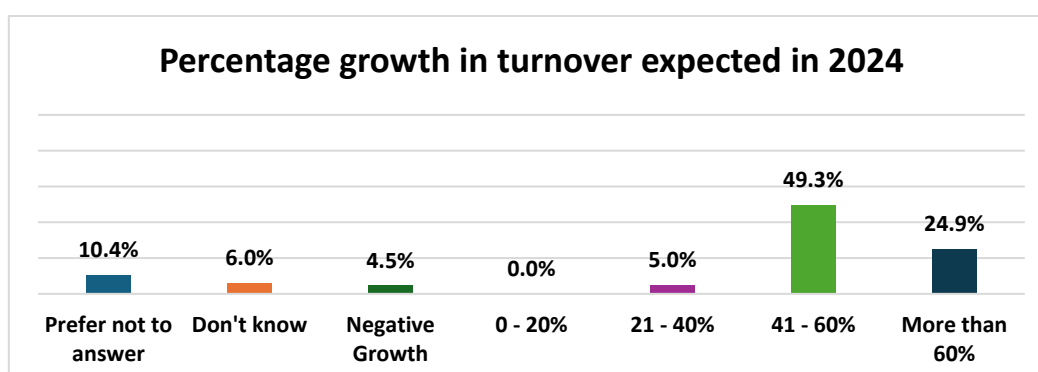
## Percentage growth in turnover expected in 2025

Growth expectations for 2025 are strikingly bullish, with most respondents forecasting substantial increases in turnover. Nearly half (49.3%) expect growth of 41–60%, and a further 24.9% anticipate growth of more than 60%, meaning almost three-quarters of respondents expect growth above 40%. A smaller group (5.0%) expect more moderate growth of 21–40%, and none projected growth below 20%.

However, 4.5% expect negative growth, indicating that not all businesses anticipate benefiting equally from market expansion. In addition, 6.0% report not knowing their growth outlook and 10.4% prefer not to answer, showing that a significant minority remain cautious or unwilling to disclose future projections.



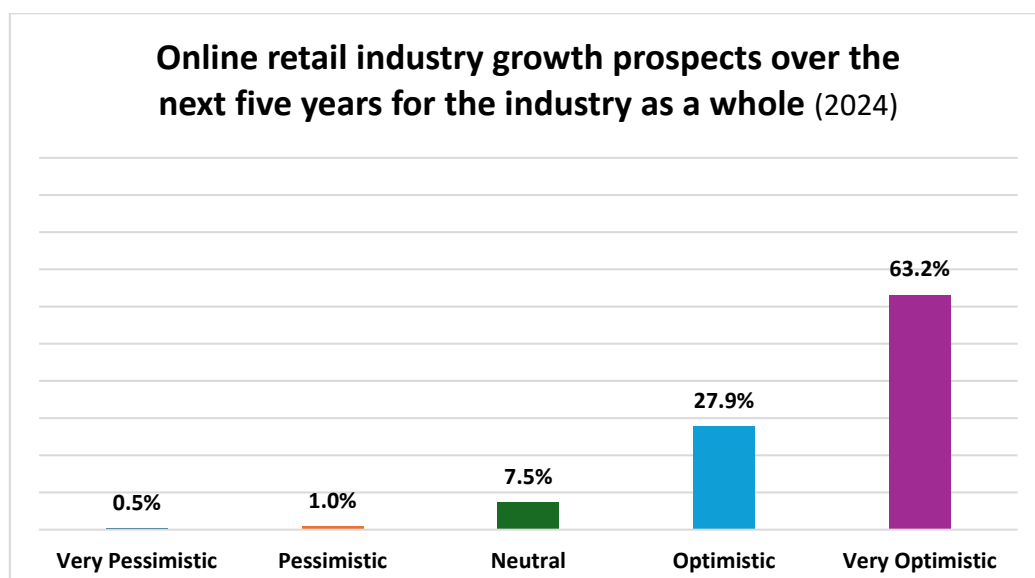
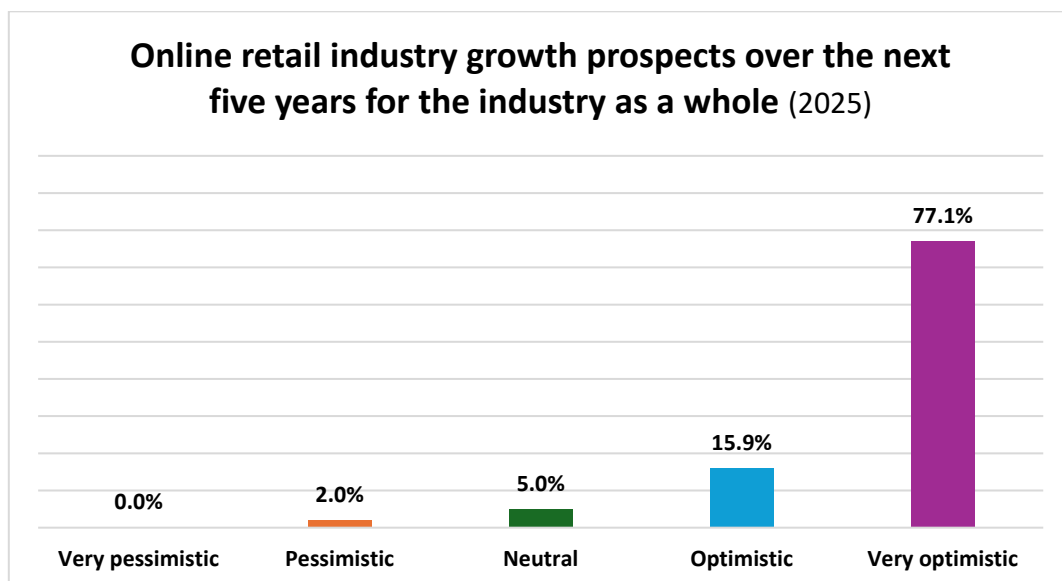
When compared with 2024, there is a clear shift toward more moderate growth expectations. In 2024, 35.5% projected growth of more than 100% and a further 47.8% expected growth between 61% and 100%, creating an exceptionally bullish picture. The 2025 distribution reflects a more measured but still highly optimistic outlook, with most growth expectations consolidating around the 41–60% range.



This shift likely reflects the different sample composition in 2025, which skews toward mid-sized businesses (51–200 employees, 37.3% of respondents). These firms may be past the early-stage hypergrowth phase and now projecting more sustainable, steady expansion. The data suggests a maturing ecommerce market – still growing rapidly but with expectations now aligned more closely to operational realities and competitive pressures.

## Online retail industry growth prospects over the next five years for the industry as a whole

Confidence in the future of online retail is even stronger in 2025 than it was a year earlier. Very optimistic responses rose to 77.1% (from 63.2% in 2024), and optimistic responses reached 15.9% (down from 27.9%, but offset by the increase in the “very optimistic” category). Combined, this means 93.0% of respondents now hold a positive view of the industry’s trajectory, compared with 91.1% in 2024.



Neutral views declined to 5.0% (from 7.5% in 2024), and pessimistic sentiment remains extremely low at just 2.0% combined, with no respondents reporting being very pessimistic. This consolidation of optimism reflects not just confidence in the overall market's growth but also the stability and maturity of many respondents' businesses, which are now well-positioned to benefit from rising digital adoption.

However, the near-universal positivity may also be a double-edged sword. It could signal a degree of complacency, especially in the face of challenges flagged elsewhere in the survey – such as cross-border competition, checkout friction, and slow adoption of new authentication standards. Nonetheless, the trend from 2024 to 2025 is clear: sentiment is becoming more concentrated at the most optimistic end of the scale, painting a picture of a sector entering a growth-focused, opportunity-driven phase.



## Conclusion

The 2025 Online Retail in South Africa study's sample skews mid-market and larger relative to 2024, so year-on-year movements should be read with that context in mind. Mid-sized and large firms typically report more mature integrations and steadier operations, which can elevate satisfaction and mute some pain points.

The overall picture is of a confident, profitable, domestically oriented sector. Satisfaction with payment stacks is exceptionally high in 2025 (92.0% satisfied/very satisfied, up from 86.6% in 2024), and selection priorities now emphasise execution: integration ease, security and user experience lead, while price and cross-border features are secondary. Reliance on EFT and cards, combined with trust-building fulfilment (in-store payments, COD, collection/return points), underpins strong operating confidence and an overwhelmingly positive five-year outlook (93.0% optimistic or very optimistic).

Conversion pressure has shifted. In 2024, card declines and card-trust concerns dominated cart abandonment; in 2025 the bottlenecks are checkout complexity and shipping fees, with declines still material but less dominant. The fastest route to incremental revenue is to simplify and shorten checkout, make shipping costs predictable and transparent, and continue to suppress decline rates – moves that align with the elevated weight placed on integration and UX in 2025.

Go-to-market execution is digital-first and broadening. Email/social/paid remain foundational, with sharp gains in search engine marketing and a notable rise in traditional advertising – patterns consistent with a mid-market tilt and bigger campaign budgets. WhatsApp is entrenched for service and promotions, but sales still default to EFT invoices; low adoption of payment links reflects integration, reconciliation and trust concerns. Closing this “last-metre” gap would convert more conversations into completed payments without changing channel mix.

Security remains a stated priority, yet adoption of passkeys/biometrics is sparse and rarely planned. The posture is workable today – anchored in bank-rail controls and 3-D Secure – but risks lagging as platforms normalise passkeys. Low-friction pilots in high-risk flows, paired with clear customer messaging, would future-proof authentication while preserving UX.

Competitive pressure from cross-border entrants is visible for a minority and invisible for the majority. Most respondents report no impact and rate their capability above Temu/Shein, yet a meaningful slice reports some effect on transaction values. Price, speed and range – the levers identified as potential responses – should be actively tested before cross-border share deepens in price-sensitive categories.

Financially, footing is strong and growth expectations are bullish, though more measured than 2024's hyper-optimism. Most respondents forecast turnover growth above 40% in 2025, and profitability is widespread. The risk in such confidence is complacency; the opportunity is to translate today's operational discipline into durable advantage.

In practical terms: keep reducing checkout friction; execute targeted payments modernisation where customer convenience is highest (mobile wallets, Instant EFT/PayShap, BNPL, QR) without compromising integration simplicity; pilot passkeys/biometrics where risk is concentrated; convert WhatsApp from conversation to conversion with better plug-ins and auditable reconciliation; and extend AI from marketing into support, risk and personalisation. With the size-mix caveat acknowledged, these steps will carry the current momentum – and the confidence behind it – into sustained competitiveness over the next five years.

# Survey of South African Consumers, 2025

## Executive Summary

The 2025 Survey of South African Consumers study surveyed 1400 South Africans. South Africa's online shoppers in this sample skew young and urban, with nearly three in four aged 18–44 and six in ten living in Gauteng, KwaZulu-Natal, or the Western Cape. Incomes cluster in the mid-market: almost 60% earn R10,001–R50,000 a month. The respondent base is predominantly Black African (63%), with broad representation across other racial groups.

Local platforms dominate behaviour and trust. Nearly half of shoppers say they most frequently use South African platforms, far ahead of retailer sites and international marketplaces. Seventy-seven percent buy from local platforms at least monthly, and trust leans local: 46% trust domestic sites more, 36% trust both equally, and just 10% trust international players more. Takealot is the primary destination by a wide margin, while a strong grocery tier (Checkers Sixty60, Pick n Pay, Woolworths) anchors high-frequency, everyday spend.

International platforms remain peripheral for most. A majority never shop on them, and regular users are a small minority. Where international spend does occur, price leads: better deals are the top reason, followed by access to unique or available products. The biggest barriers are logistical and cost-related – slow delivery, customs fees, and shipping charges – underscoring why cross-border purchases tend to be occasional.

Frequency on local platforms is healthiest in the middle-income bands. Shoppers earning R30,001–R50,000 combine the highest regular cadence with the lowest infrequency, and the R20,001–R30,000 group is close behind – together, they drive a large share of repeat transactions. Higher earners show polarised patterns, with the greatest weekly-plus share but also more infrequent buyers.

Subscriptions resonate when they deliver ongoing value. Loyalty programmes rank first and free-delivery memberships second, across ages and incomes, with older shoppers placing rising value on monthly groceries. Asked why they would subscribe, respondents prioritise cost savings and convenience (including free delivery) over status perks or exclusivity. Nearly half are open to signing up in the next six months, with a large neutral segment that could still be won over.

Payments remain anchored in familiar rails. Cards are the default for both general e-commerce and subscription billing, with EFT a strong secondary option. Newer methods – mobile wallets, Capitec Pay, and BNPL – form a visible but still minority layer. Openness to

trying new payment options in the next year is moderate, again with a sizeable neutral middle that could be converted by clearer benefits and acceptance.

Social commerce via WhatsApp is present but not mainstream. One-third have purchased from a link, yet comfort paying by WhatsApp link tilts negative, with those uneasy outnumbering those at ease. The clearest levers to build trust are security and verification: shoppers want verified merchants, secure gateways, fraud alerts, and biometric authentication more than any other features.

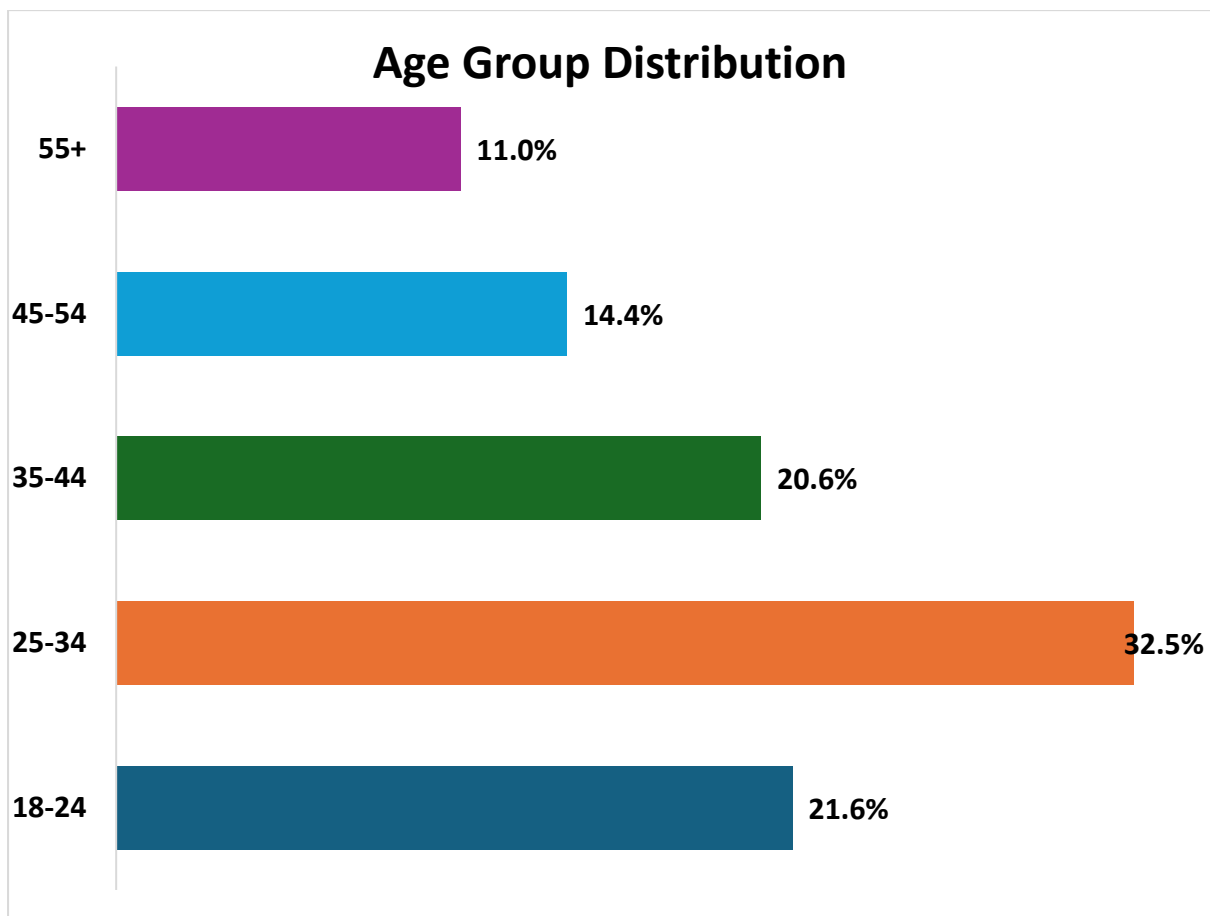
AI is widely recognised but not yet broadly self-used. Six in ten are aware of AI in online shopping, and two in five report exposure to AI bots, but only about a quarter say they have personally used AI tools to help shop. A sizeable “not sure” cohort suggests AI is operating in the background more than consumers realise.

Growth prospects are positive. A majority expect to increase their online shopping over the next 12 months, and the strongest triggers are straightforward: lower prices and faster delivery. The same two levers would most encourage shoppers to favour local platforms. In practice, that points to a clear playbook: sharpen pricing, compress delivery times, and pair loyalty value with free-delivery benefits – especially for the mid-income, high-frequency core – while reinforcing trust signals in social channels and keeping payments simple with strong card and EFT support.

## Demographics

### Age

Respondents are predominantly younger: 54.1% are 18–34, with 25–34 the largest single group at 32.5% and 18–24 at 21.6%. A further 20.6% are 35–44, bringing the 18–44 share to 74.7%. Older cohorts are smaller, with 14.4% aged 45–54 and 11.0% aged 55+.

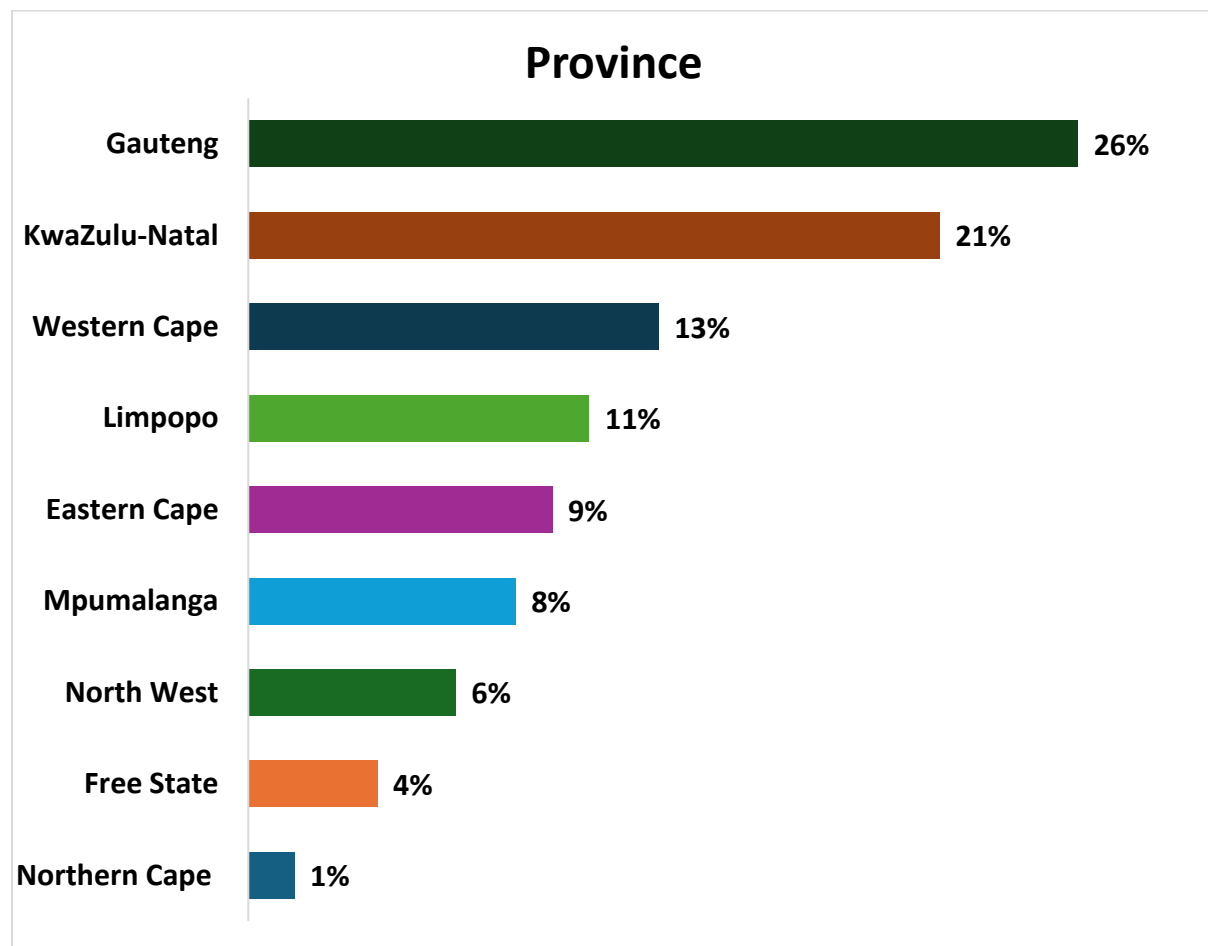


## Province

Respondents are concentrated in the country's three most populous provinces. Gauteng leads with 26%, followed by KwaZulu-Natal at 21% and the Western Cape at 13%. Together, these provinces account for 60% of the sample.

Limpopo contributes 11%, while the Eastern Cape and Mpumalanga represent 9% and 8%, respectively. Smaller shares come from North West (6%) and Free State (4%), with Northern Cape the least represented at just 1%.

This distribution broadly reflects South Africa's population spread, with the strongest representation in major economic hubs and more limited participation from sparsely populated regions.

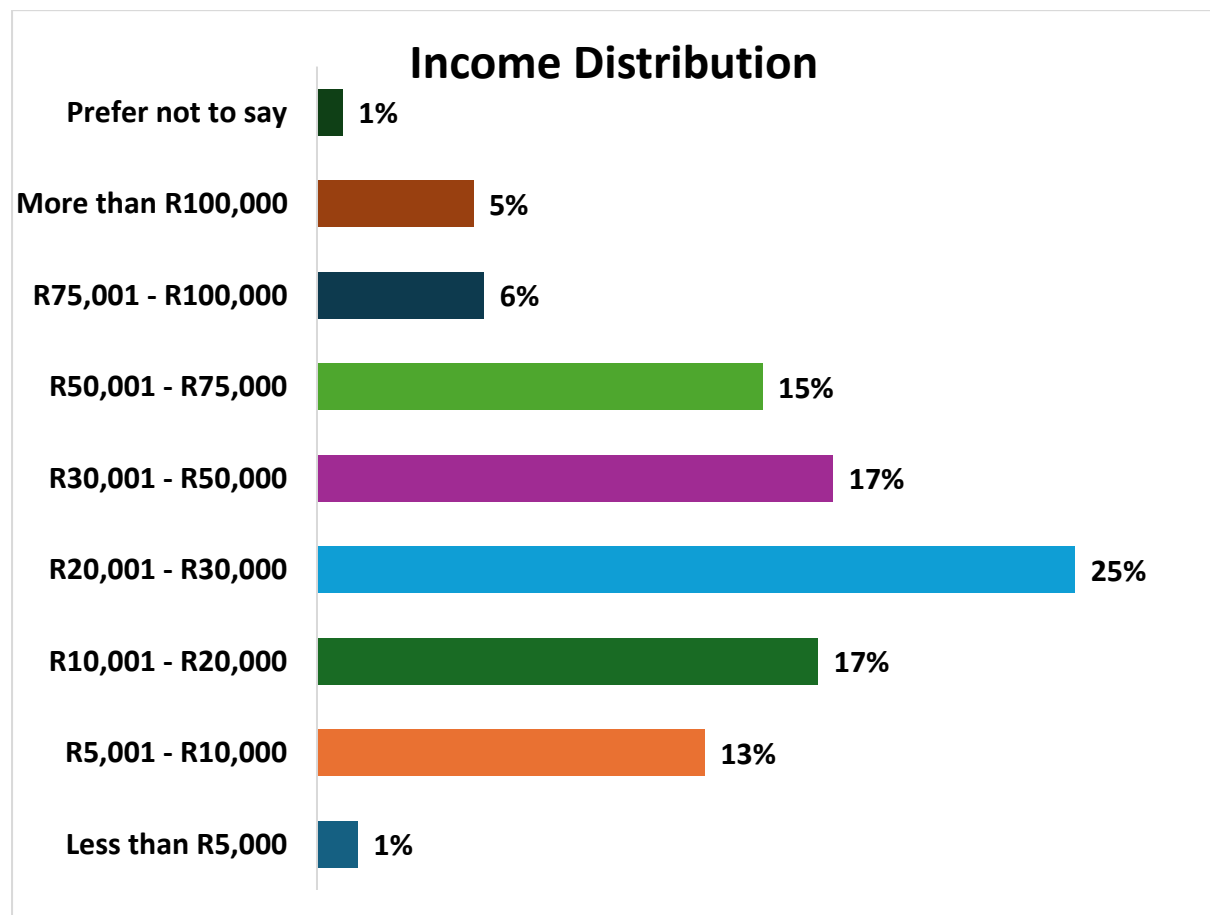


## Income

Respondents are concentrated in the mid-income brackets, with 25% earning between R20,001 and R30,000 per month. A further 17% fall into each of the R10,001–R20,000 and R30,001–R50,000 ranges, meaning nearly 60% of respondents earn between R10,001 and R50,000.

Higher income groups are smaller: 15% earn R50,001–R75,000, 6% fall in the R75,001–R100,000 range, and 5% earn more than R100,000. Lower income groups make up a smaller share, with 13% earning R5,001–R10,000 and just 1% earning under R5,000.

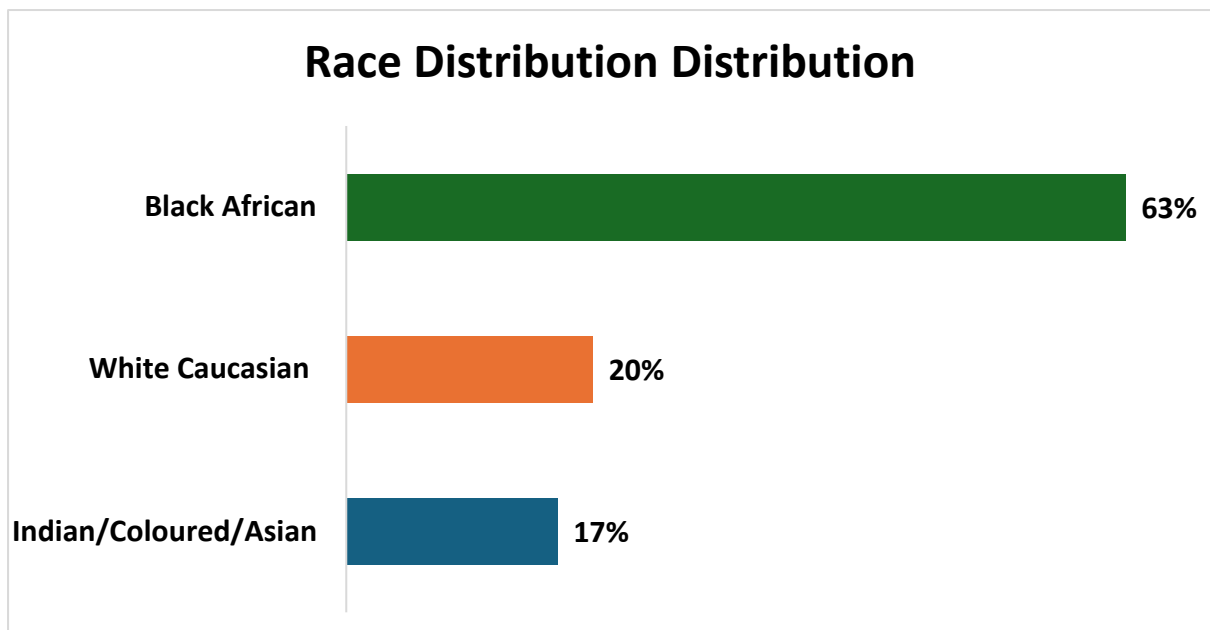
Only 1% of respondents preferred not to disclose their income, indicating a high level of transparency in the data.



## Race

Most respondents identify as Black African, making up 63% of the sample. White Caucasian respondents represent 20%, while those identifying as Indian, Coloured, or Asian collectively account for 17%.

This distribution highlights a predominantly Black African respondent base, with meaningful representation from other racial groups, providing a broad and inclusive demographic profile.





## Primary online shopping channel

Nearly half of respondents (48%) shop most frequently on South African online platforms, making them the dominant choice for e-commerce activity. Retailer websites are the next most common channel at 13%, while international platforms account for 9%.

Emerging and social commerce channels show meaningful engagement: 7% shop via social media and 6% each through WhatsApp and in-store apps. Flash sales attract 5% of respondents, while smaller shares shop via influencer-linked links (2%), peer-to-peer platforms (2%), auction sites (1%), or other channels (1%).

This distribution highlights the strong preference for local platforms, with notable but smaller uptake of direct retailer websites and newer shopping channels like social media and messaging apps.

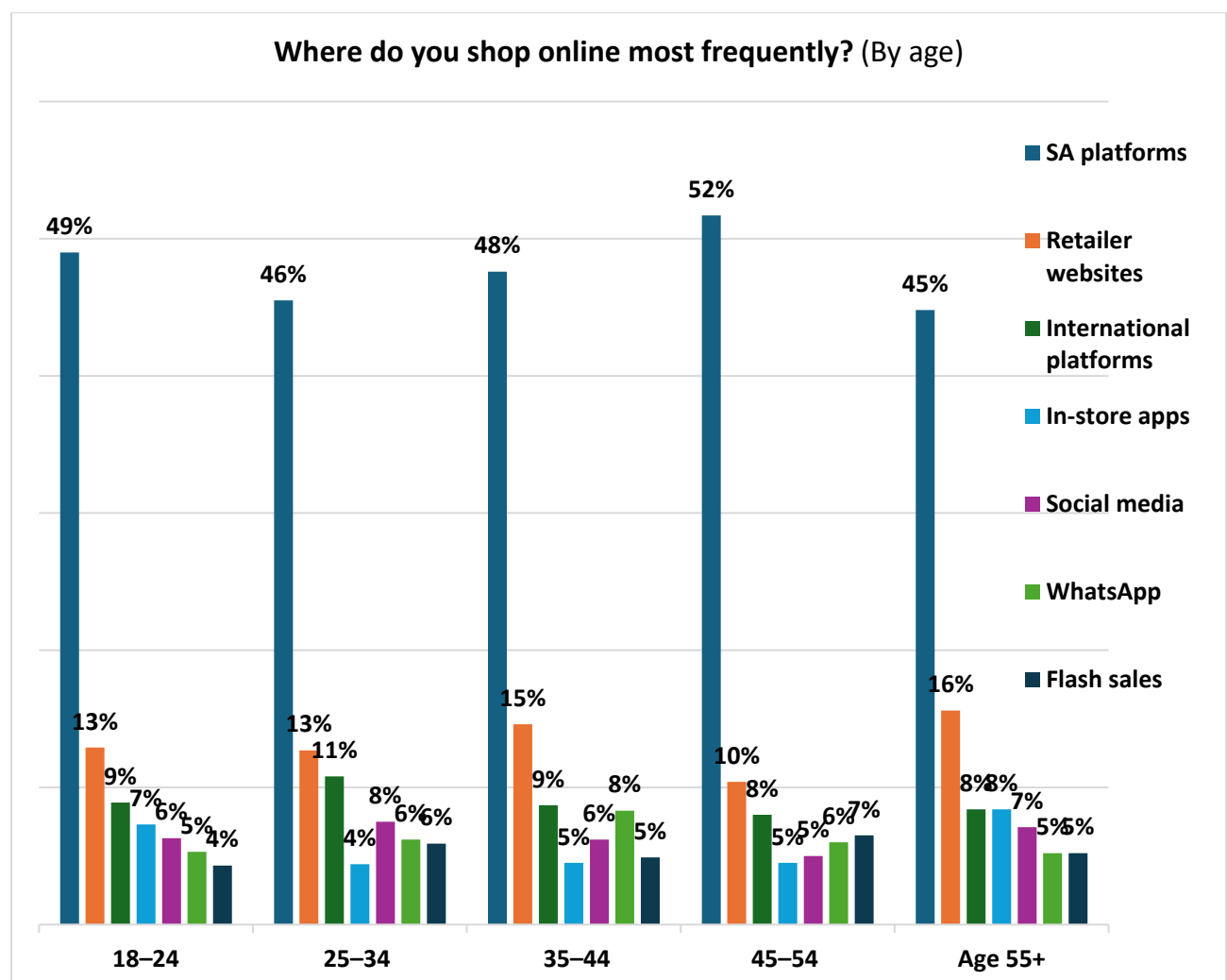


South African platforms dominate across all age groups, ranging from 45% among respondents aged 55+ to a peak of 52% among 45-54-year-olds. This consistency highlights their role as the primary shopping destination for every age segment.

Retailer websites show a mixed pattern: they hold steady at 13% for 18-34-year-olds, rise to 15% for 35-44, dip to 10% for 45-54, and then increase to 16% in the 55+ group – the highest share for any age band. International platforms are most popular among 25-34-year-olds at 11% and slightly lower for all other groups (8-9%).

Social media shopping peaks at 8% among 25-34-year-olds, with usage lower across other ages (5-7%). WhatsApp use is highest among 35-44-year-olds (8%) but stays at 5-6% elsewhere. In-store app usage rises steadily with age, reaching its highest level at 8% for the 55+ group. Flash sales are used by 4-7% of respondents, peaking among 45-54-year-olds.

Local platforms remain the clear leader across all ages, while older shoppers favour retailer websites and in-store apps, and younger groups are slightly more likely to use international platforms and social media.

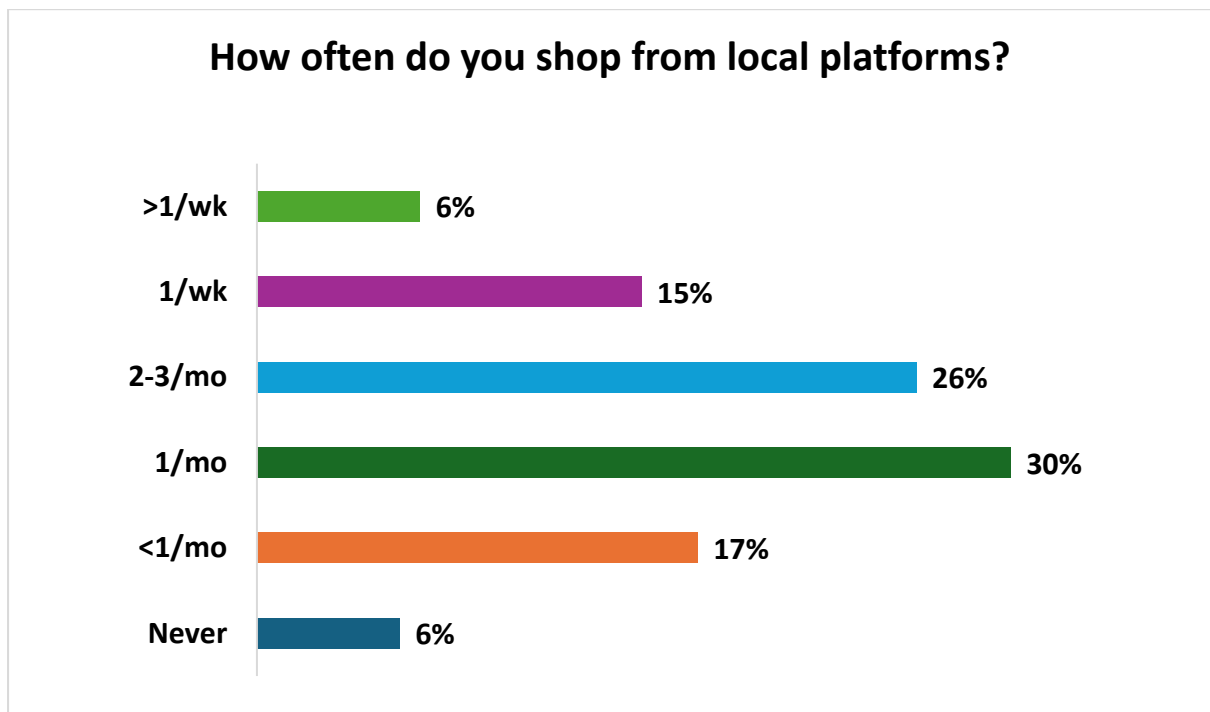


## Frequency of shopping on local platforms

Most respondents buy from local platforms at least monthly: 77% report shopping 1/mo or more (30% once a month, 26% two–three times a month, 15% once a week, 6% more than once a week).

Weekly-or-more shoppers account for 21% in total. Infrequent buyers make up 23% (17% less than monthly; 6% never).

The most common cadence is monthly, with a sizeable second cluster at two–three times per month.

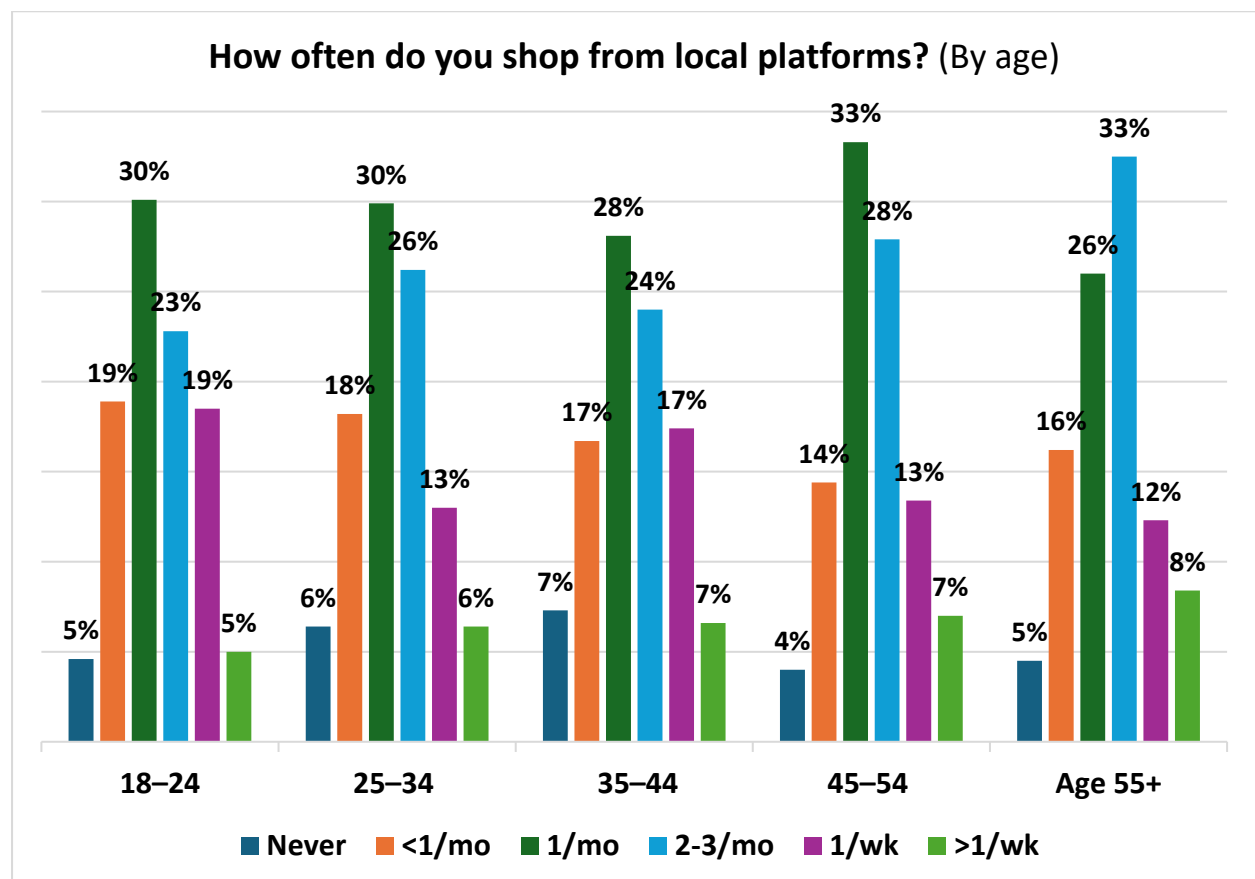


Shoppers aged 18–24 and 35–44 have the highest share buying weekly or more, with 24% shopping at least once a week (19% 1/wk and 5% >1/wk for 18–24; 17% 1/wk and 7% >1/wk for 35–44). However, their two to three times a month shares are slightly lower at 23% and 24% respectively, and nearly a quarter shop less than once a month or never, suggesting a mix of very frequent and more occasional buyers.

The 45–54 group is the most consistent overall. They have 20% shopping weekly or more, 28% buying two to three times a month, and the largest share buying once a month (33%). They also have the lowest proportion of infrequent shoppers at just 18%, showing strong and steady engagement with local platforms.

The 25–34 cohort is somewhat less frequent, with 19% shopping weekly or more, 26% buying two to three times a month, and a comparatively high 24% shopping less than once a month or never.

While the 55+ group also shows a high two to three times monthly share (33%), their weekly share is slightly lower at 20%, and their buying pattern is broadly similar to the 45–54 group. However, they are the only group to shop online two to three times a month (33%) more than once a month (26%).

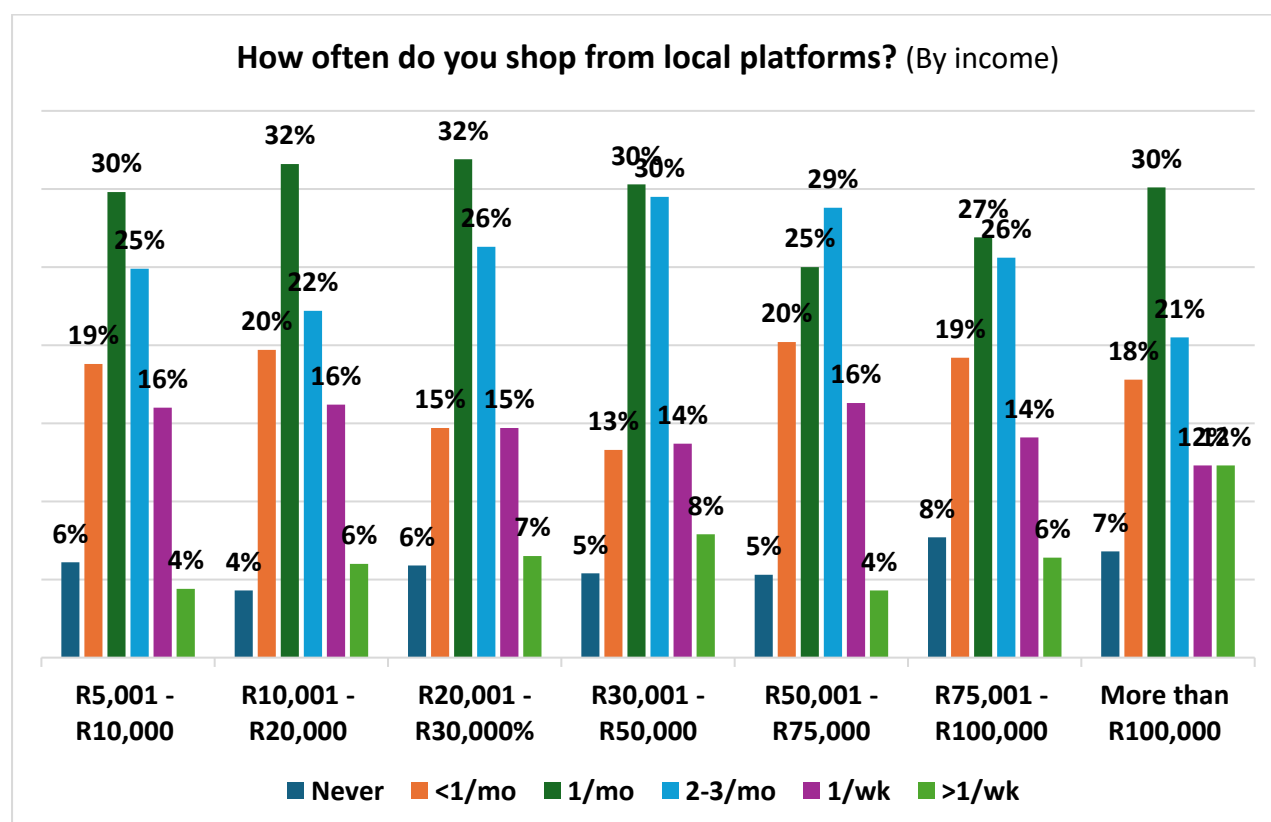


Shoppers earning more than R100,000 have the highest share buying weekly or more, with 24% shopping at least once a week (12% 1/wk, 12% >1/wk). However, their 2–3 times a month share is just 21% and a quarter of this group shop less than once a month or never, showing a more polarised pattern between heavy and light users.

The R30,001–R50,000 group is the most consistently frequent segment overall. They have 22% shopping weekly or more, the joint-highest share buying two to three times a month (30%), and another 30% buying once a month. Only 18% are infrequent shoppers, making this group the most reliable and regular buyers on local platforms.

Those earning R20,001–R30,000 follow closely, with 22% shopping weekly or more, 26% buying two to three times a month, and 32% buying once a month. Together, these three income brackets represent the most engaged consumers, driving a large share of repeat transactions.

Lower-income groups (R5,001–R20,000) shop least often, with fewer weekly-or-more buyers (8–10%), high reliance on monthly buying (30–32%), and a large share of infrequent shoppers (19–20%). Mid-to-upper earners (R50,001–R75,000 and R75,001–R100,000) sit in the middle, with around 20% shopping weekly or more but higher infrequent shares (25–27%) than the most engaged groups.

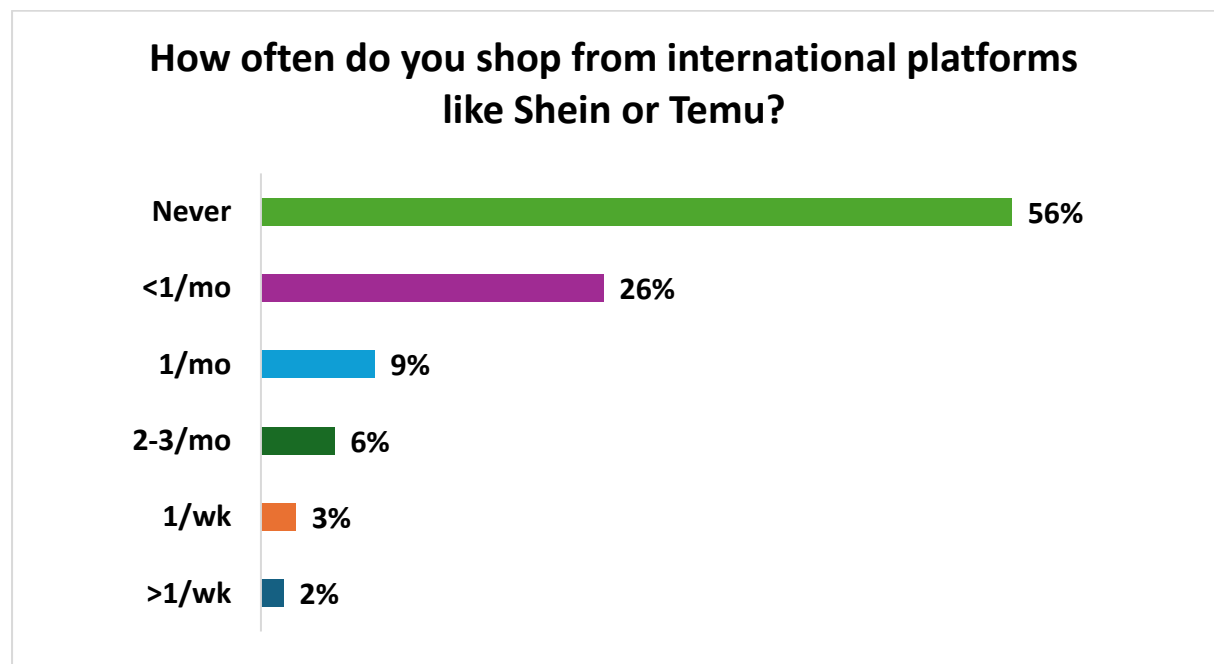


## Frequency of shopping on international platforms

More than half of respondents (56%) report that they never shop on international platforms like Shein or Temu, highlighting that cross-border e-commerce is still a minority activity. Another 26% shop less than once a month, making irregular shoppers the second-largest group.

Regular shoppers are a smaller segment, with 9% buying once a month, 6% two to three times a month, and just 5% shopping weekly or more (3% 1/wk, 2% >1/wk).

The data shows that international platforms are used by a relatively small but consistent minority, with most shoppers engaging only occasionally rather than as part of their regular online shopping routine.

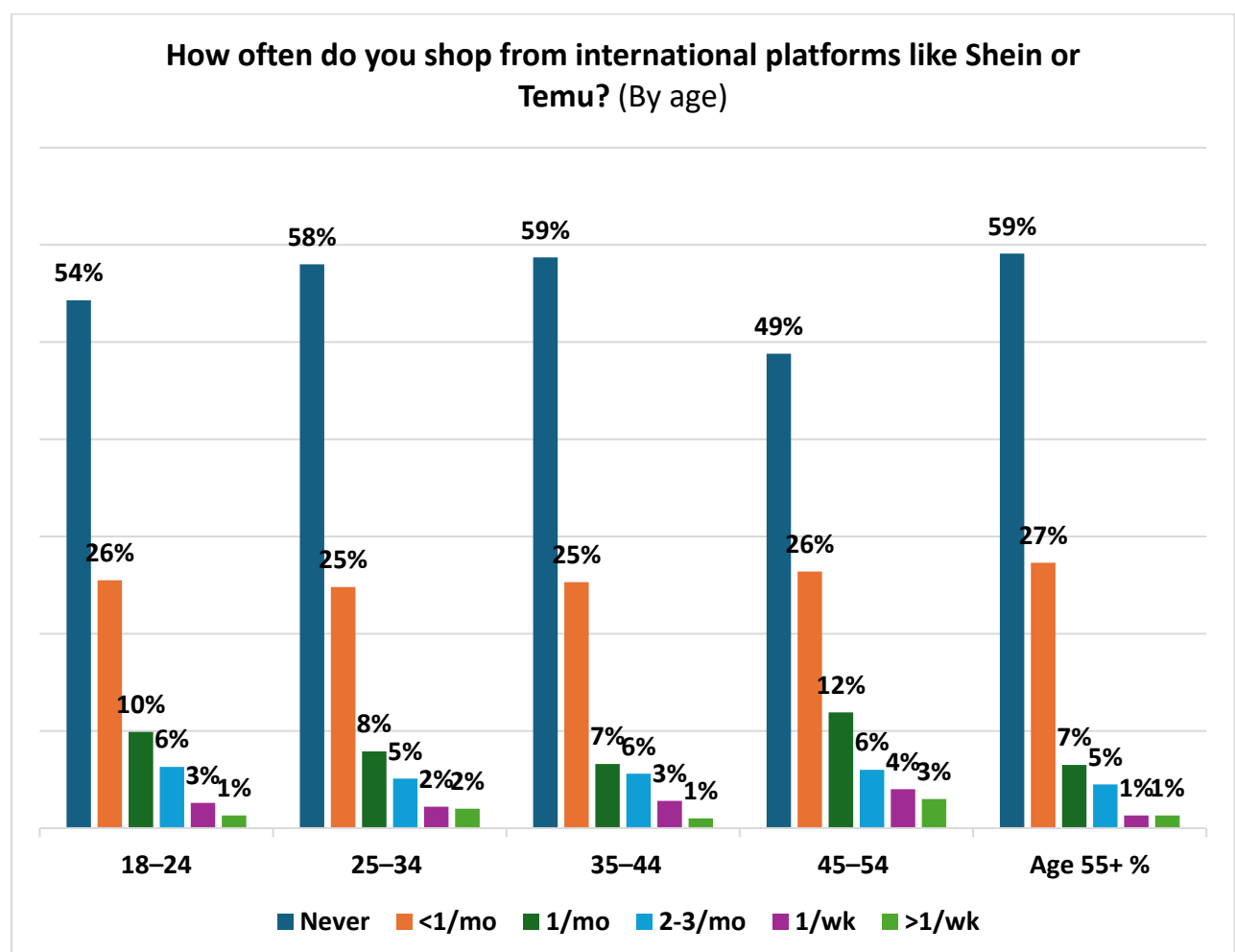


Shoppers aged 45–54 are the most engaged with international platforms, with 25% shopping at least monthly (12% once a month, 6% two to three times a month, and 7% weekly or more). They also have the lowest share who never shop at all, at 49%, making them the most consistent users of Shein, Temu, and similar platforms.

The 18–24 group follows, with 20% shopping monthly or more (10% once a month, 6% two to three times a month, 4% weekly or more). However, 54% never shop and 26% shop less than monthly, showing a more polarised split between frequent users and non-users.

The 25–34 and 35–44 cohorts are similar, with 17% shopping monthly or more and nearly 60% never shopping. Most of their participation is concentrated in once-a-month purchases, with smaller shares in the higher-frequency categories.

The 55+ group is the least engaged, with just 14% shopping monthly or more (7% once a month, 5% two to three times a month, 2% weekly or more) and 59% never shopping on these platforms.



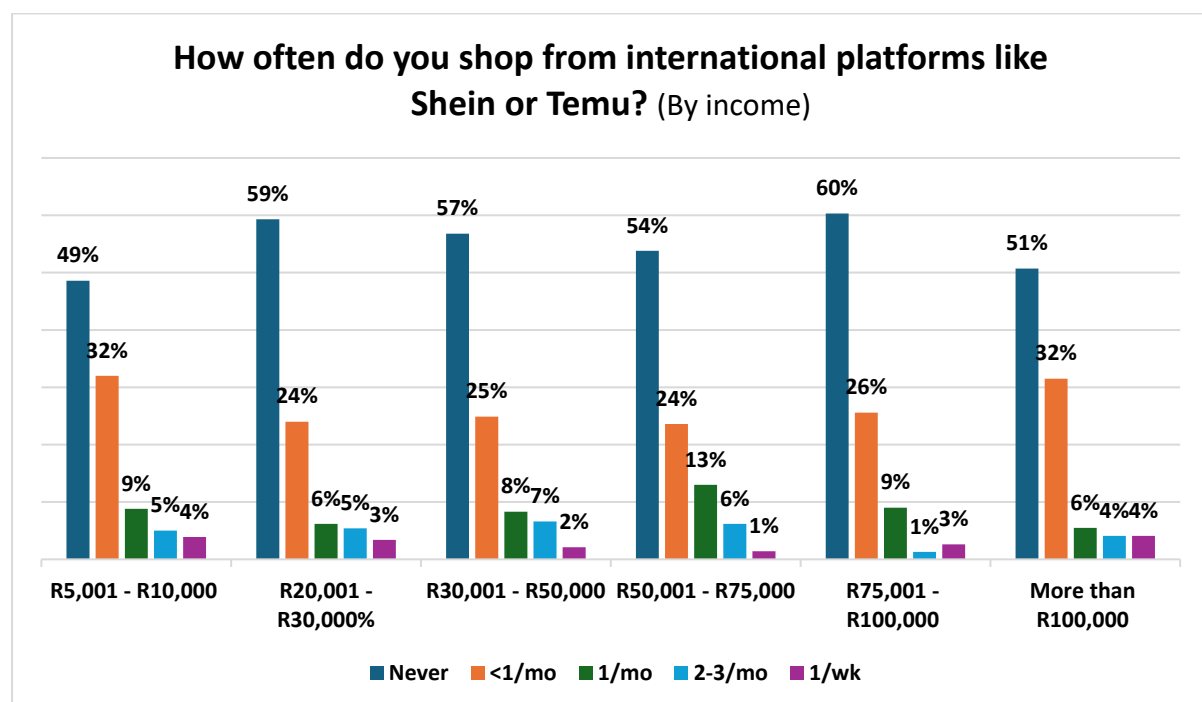
Shoppers earning R50,001–R75,000 are the most engaged with international platforms, with 20% shopping at least monthly (13% once a month, 6% two to three times a month, 1% weekly). A further 24% shop less than monthly and 54% never shop, giving this group the strongest base of consistent users.

Those earning more than R100,000 follow closely, with 14% shopping monthly or more (6% once a month, 4% two to three times a month, 4% weekly). However, this group also has one of the highest shares shopping less than monthly at 32%, and just over half (51%) never shop, pointing to a more polarised pattern between occasional and regular users.

The R5,001–R10,000 group is similarly engaged, with 18% shopping monthly or more (9% once a month, 5% two to three times a month, 4% weekly), but also showing the same high proportion of <1/mo shoppers (32%) as the highest-income group. However, this group can include youth supported by parents or guardians, which can explain the shopping frequency at a lower income.

The R30,001–R50,000 segment is slightly lower at 17% monthly or more, with most of its regular shoppers concentrated in the two to three times monthly category (7%). R20,001–R30,000 earners sit at 14% monthly or more, the same level as the highest earners but with the highest share never shopping (59%).

The least engaged group is R75,001–R100,000, where only 13% shop monthly or more and 60% never shop – the highest “never” rate across all income brackets.



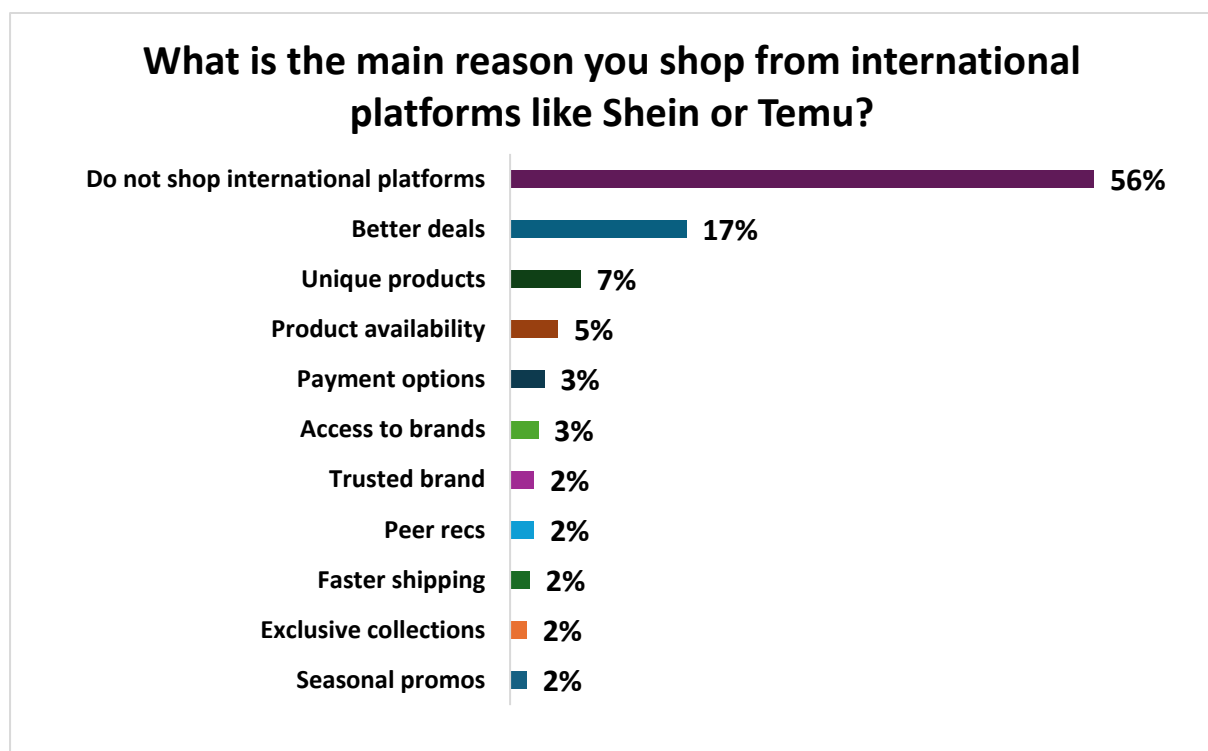


## Primary reason for shopping on international platforms

More than half of respondents (56%) say they do not shop on international platforms at all, underscoring their relatively limited role in the overall online shopping landscape.

Among those who do shop internationally, the main driver is better deals (17%), suggesting price remains the most powerful motivator. Unique products (7%) and product availability (5%) are the next most common reasons, highlighting that shoppers often turn to these platforms when local options are lacking.

Other motivations, such as payment options (3%), access to brands (3%), and factors like trusted brands, peer recommendations, faster shipping, exclusive collections, and seasonal promotions (each 2%), play a much smaller role, indicating that the appeal of these platforms is still driven primarily by affordability and access to hard-to-find items.

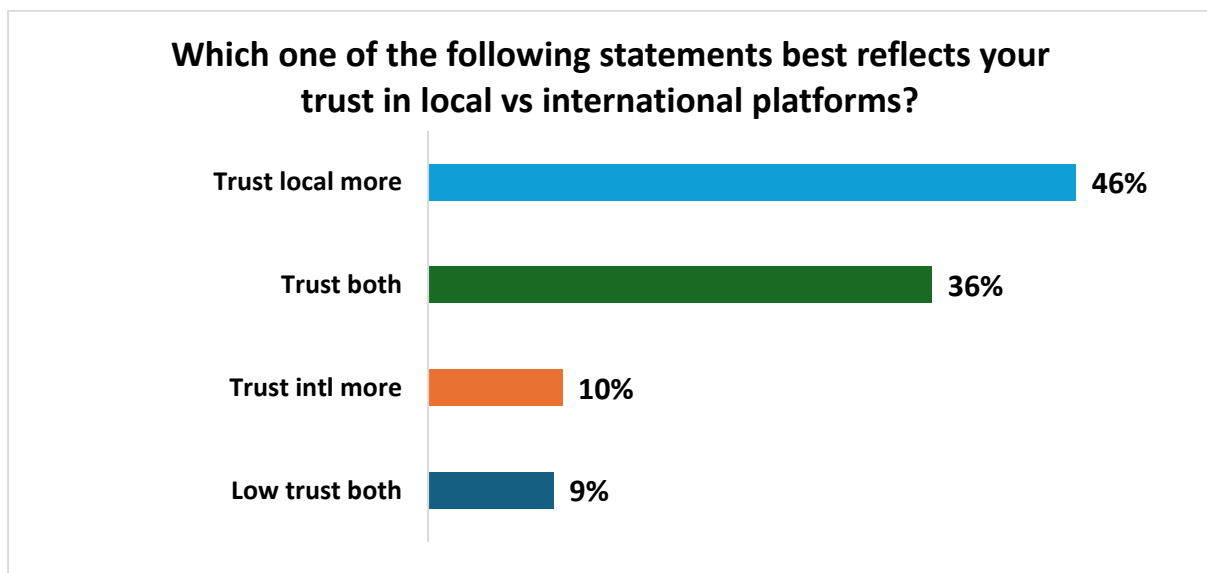


## Trust in local vs international platforms

Nearly half of respondents (46%) say they trust local platforms more than international ones, showing a clear preference for home-grown retailers. A further 36% trust both equally, indicating that for many consumers, trust is not a barrier to using international platforms.

Only 10% say they trust international platforms more, suggesting that global players still face a credibility gap compared with local options. Meanwhile, 9% report low trust in both, highlighting a small but significant group of generally cautious online shoppers.

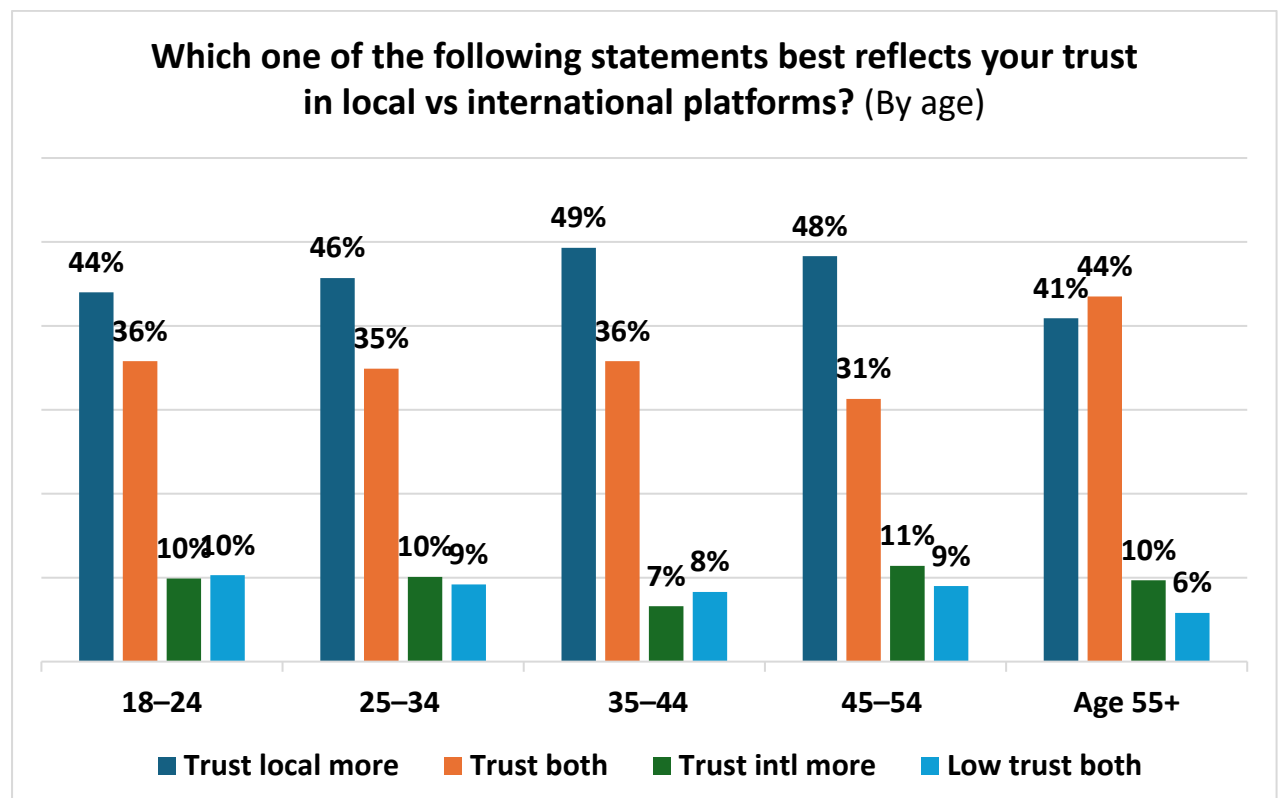
The data shows that while trust in international platforms exists, local players retain a strong advantage in perceived reliability and security.



Trust in local platforms is highest among 35–44-year-olds (49%) and 45–54-year-olds (48%), showing that mid-life shoppers are the most confident in domestic options. These groups also report the low trust in international platforms (7–11%) and relatively low levels of distrust overall (8–9% low trust both).

Younger respondents show a more balanced view. Among 18–24-year-olds, 44% trust local more, but 36% trust both equally, and 10% trust international platforms more – the joint-highest of any group, suggesting they are more open to global options. The 25–34 group is similar, with 46% trusting local more and 35% trusting both, indicating moderate confidence in international players.

The 55+ group is the only segment where trust is nearly evenly split between local platforms (41%) and trusting both equally (44%), highlighting a more pragmatic stance. They are also slightly less likely than younger groups to report low trust in both (6%).



## Biggest challenges when shopping on international platforms

The biggest challenge respondents face when shopping on international platforms is delivery times, cited by 31%, making it by far the most significant barrier. Customs fees follow at 19%, reflecting ongoing concerns about unexpected costs when buying cross-border.

Shipping costs are also a notable issue for 14% of respondents, while return policies and security concerns are each mentioned by 8%, indicating that trust and convenience remain key considerations.

Other challenges such as product quality (7%), payment process (7%), and factors like communication, lack of support, and currency issues (1–2%) are less commonly cited but still present barriers for a small proportion of shoppers.

Logistics-related concerns (delivery times, customs, and shipping) are the dominant hurdles preventing more frequent use of international platforms.



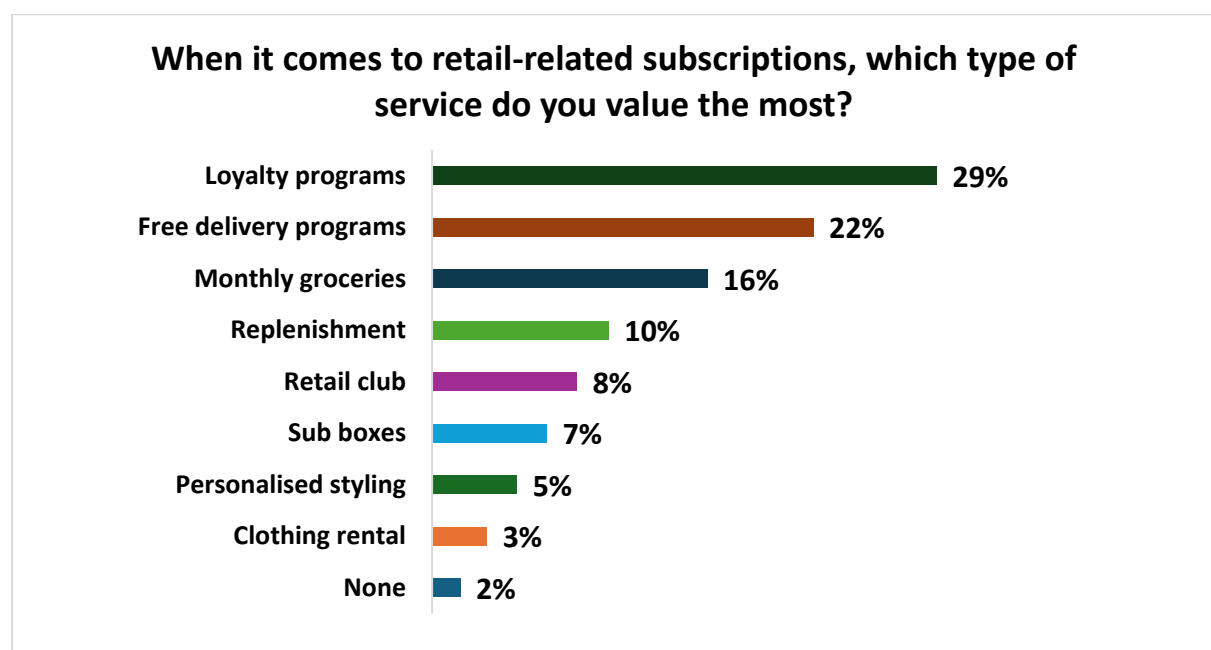
## Most valued retail-related subscription type

Loyalty programmes are the most valued retail-related subscription service, chosen by 29% of respondents. Free delivery programmes follow closely at 22%, showing that both rewards and cost savings on shipping are highly appealing to shoppers.

Other popular options include monthly groceries at 16% and replenishment services at 10%, reflecting a preference for convenience and predictability in essential purchases.

Niche services such as retail clubs (8%), subscription boxes (7%), and personalised styling (5%) attract smaller but meaningful interest, while clothing rental (3%) and having no preference (2%) remain the least popular choices.

Shoppers place the highest value on subscriptions that deliver tangible, ongoing benefits like savings and routine convenience, rather than one-off or niche experiences.

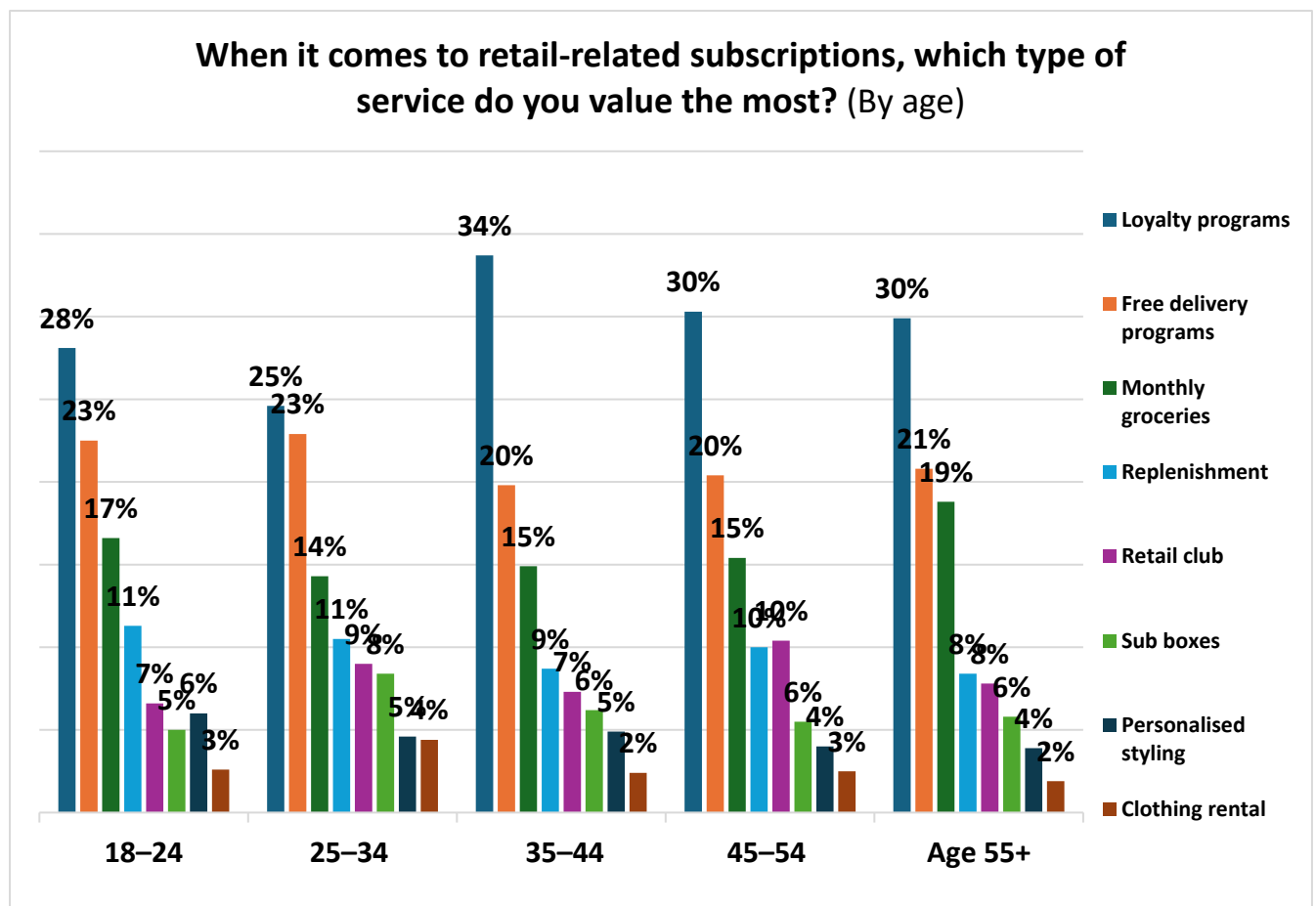


Loyalty programmes are the most valued subscription across all age groups, peaking with 35–44-year-olds at 34% and remaining high for both 45–54 and 55+ segments at 30% each. Among younger shoppers, loyalty programmes are slightly lower (28% for 18–24 and 25% for 25–34) but still the leading choice, showing their broad appeal across demographics.

Free delivery programmes are consistently the second-most valued option, strongest among 18–24 and 25–34-year-olds (both 23%) before gradually declining with age to 19% for 55+. Monthly groceries become more important with age, rising from 14–17% for the younger groups to 19% among 55+, making it the third-most valued option for older consumers.

Other services like replenishment programmes (10–11% for younger shoppers, dropping to 4% for older groups) and retail clubs (6–9%) attract moderate interest, while niche offerings such as subscription boxes, personalised styling, and clothing rental remain consistently small across all age groups.

Loyalty programmes and free delivery are the dominant preferences across generations, while older shoppers increasingly value convenience-driven services like monthly groceries, reflecting their stronger focus on routine and predictability.



Loyalty programmes are the top-valued subscription in every income band, and their appeal generally strengthens as income rises: 29% for R5,001–R10,000 and R10,001–R20,000, 31% for R20,001–R30,000, 27% for R30,001–R50,000 and R50,001–R75,000, dipping to 23% for R75,001–R100,000, then peaking at 37% for those earning more than R100,000.

Free delivery programmes are the clear second choice across most brackets, clustering at 21–24% (highest at 24% for R30,001–R50,000 and 22% for R50,001–R75,000 and R75,001–R100,000). Preference for free delivery drops among the highest earners (15%), where loyalty benefits dominate.

Monthly groceries sit in third overall, typically 14–17% in the lower and middle bands, rising to 21% for R75,001–R100,000, indicating stronger demand for convenience among upper-middle incomes. Replenishment is steady at roughly 9–11% across all groups.

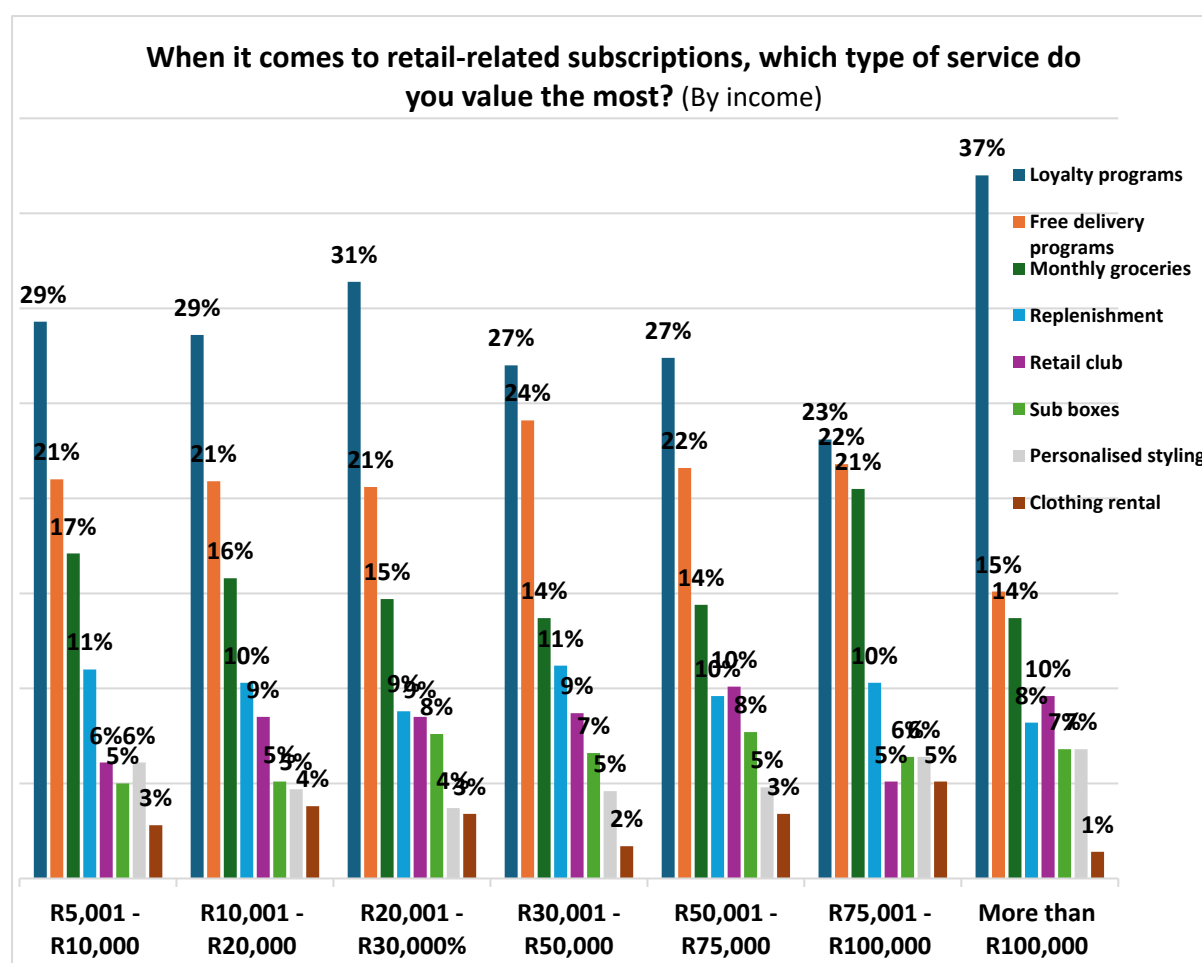
More niche options – retail clubs (about 6–10%), subscription boxes and personalised styling (mostly 4–7%), and clothing rental (1–5%, lowest at 1% among >R100k) – remain minority preferences regardless of income.

In short: loyalty and free delivery dominate at every income level; lower-income shoppers value free delivery slightly more after loyalty, while higher earners concentrate benefits in loyalty and show comparatively greater interest in convenience services like monthly groceries.

Loyalty programmes are the top-valued subscription at every income level. Shares sit in a narrow band of 27–31% across most brackets (29% for R5,001–R10,000 and R10,001–R20,000; 31% for R20,001–R30,000; 27% for R30,001–R50,000 and R50,001–R75,000), dip to 23% for R75,001–R100,000, then jump to a clear peak of 37% among those earning more than R100,000.

Free-delivery programmes are the second choice for most groups, clustering at 21–24% and peaking at 24% for R30,001–R50,000. Preference for free delivery is lower among the highest earners (15%). Monthly groceries are mid-teens in most brackets (14–17%) but stand out at 21% for R75,001–R100,000.

Replenishment remains steady at 9–11% across incomes. Retail clubs are modest (5–10%, highest at 10% for R50,001–R75,000). Subscription boxes are small but edge up with income (4–7%, highest for >R100,000). Personalised styling is niche overall yet more common at the top end (2–7%, highest for >R100,000). Clothing rental stays very low (1–5%), peaking at 5% for R75,001–R100,000 and dropping to 1% among >R100,000.



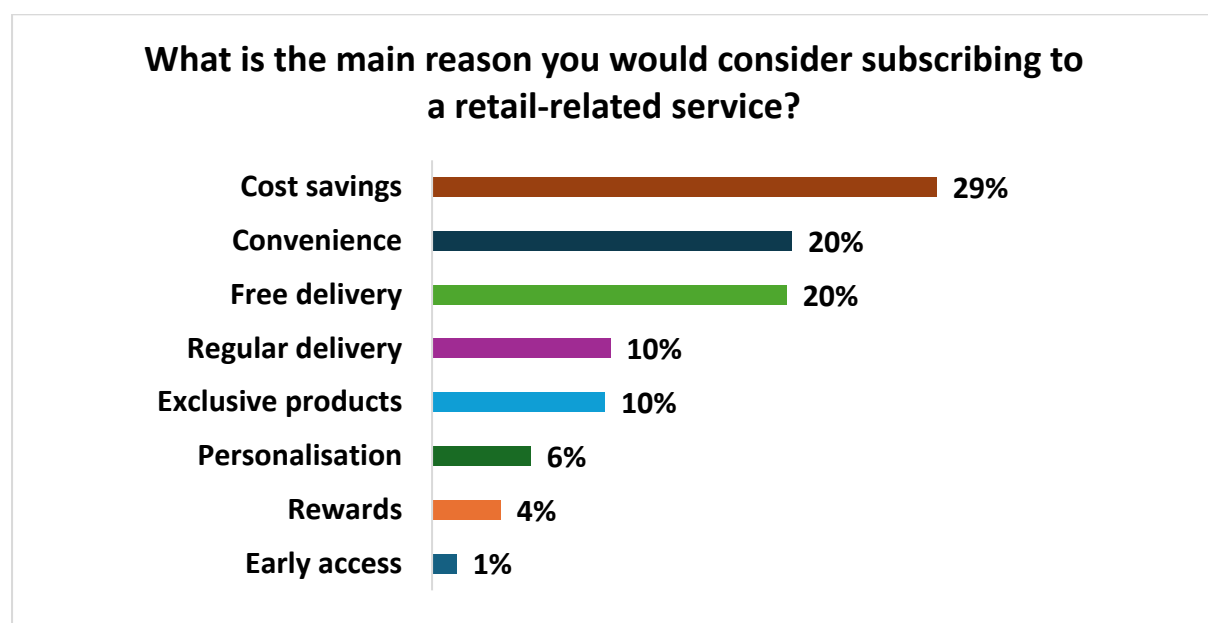


## Primary reason for subscribing to a retail-related service

Cost savings is the primary driver for retail subscriptions (29%), with immediate value clearly trumping perks. Practical benefits follow: convenience and free delivery are joint second at 20% each, meaning price-led value and shipping savings together account for nearly half of interest (49%).

Mid-tier motivations are regular delivery and exclusive products (both 10%), while softer benefits, personalisation (6%), rewards (4%), and early access (1%), trail well behind.

Shoppers are most motivated by tangible, ongoing savings and hassle reduction. Offers that combine discounted pricing with free delivery will resonate far more than status perks or early access.



## Likelihood of signing up for a retail subscription in the next 6 months

Interest in retail subscriptions is positive but not overwhelming. 45% say they are likely to sign up in the next six months (28% somewhat likely, 17% very likely), while 25% say they are unlikely (15% unlikely, 10% very unlikely). The largest group is neutral at 31%, showing that many shoppers could still be persuaded.

This indicates good potential for growth if retailers can target the neutral segment with appealing offers – particularly those focused on cost savings and free delivery, which were identified as the strongest motivators.

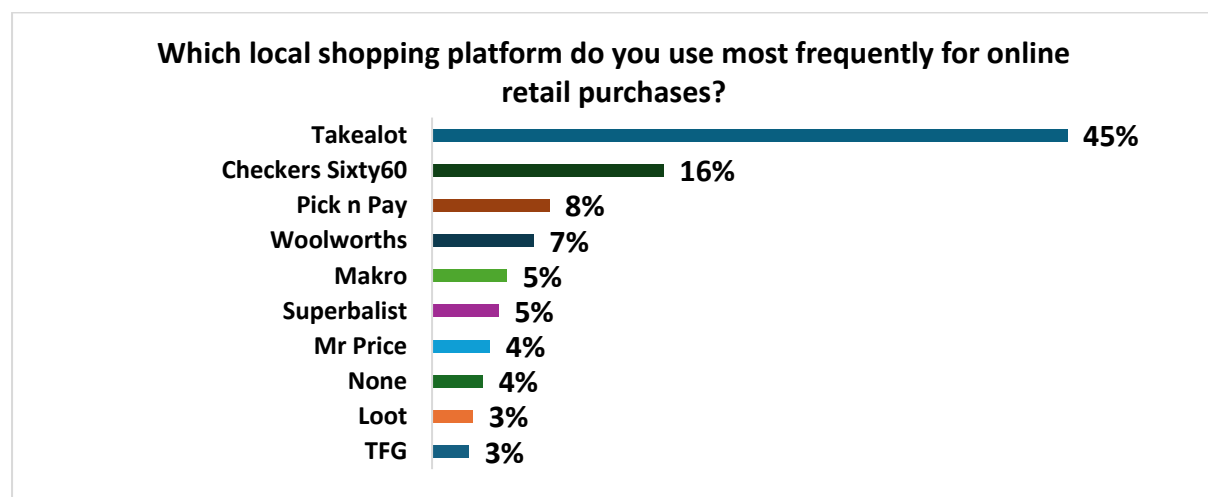


## Most frequently used local shopping platform

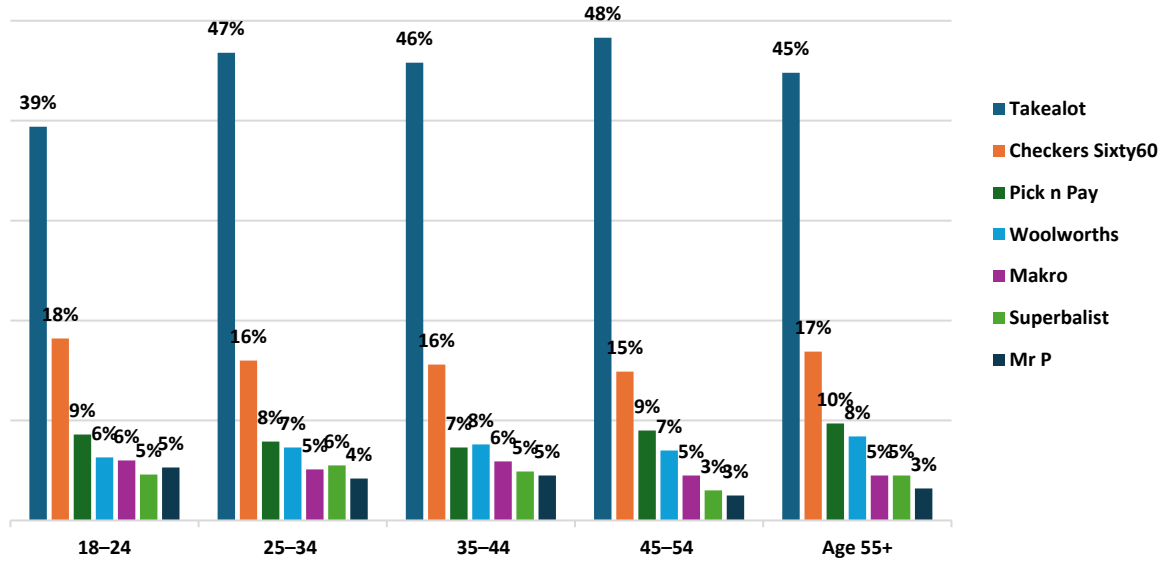
Takealot is the clear primary destination, cited by 45% of respondents, almost three times Checkers Sixty60 (16%) and far ahead of other players. Grocery-led platforms are collectively important for frequent purchases: Pick n Pay (8%) and Woolworths (7%) lift supermarkets to 31% combined, indicating strong repeat use for everyday items.

The rest of the market is fragmented across Makro (5%), Superbalist (5%), Mr Price (4%), Loot (3%), and TFG (3%), with 4% selecting “None”.

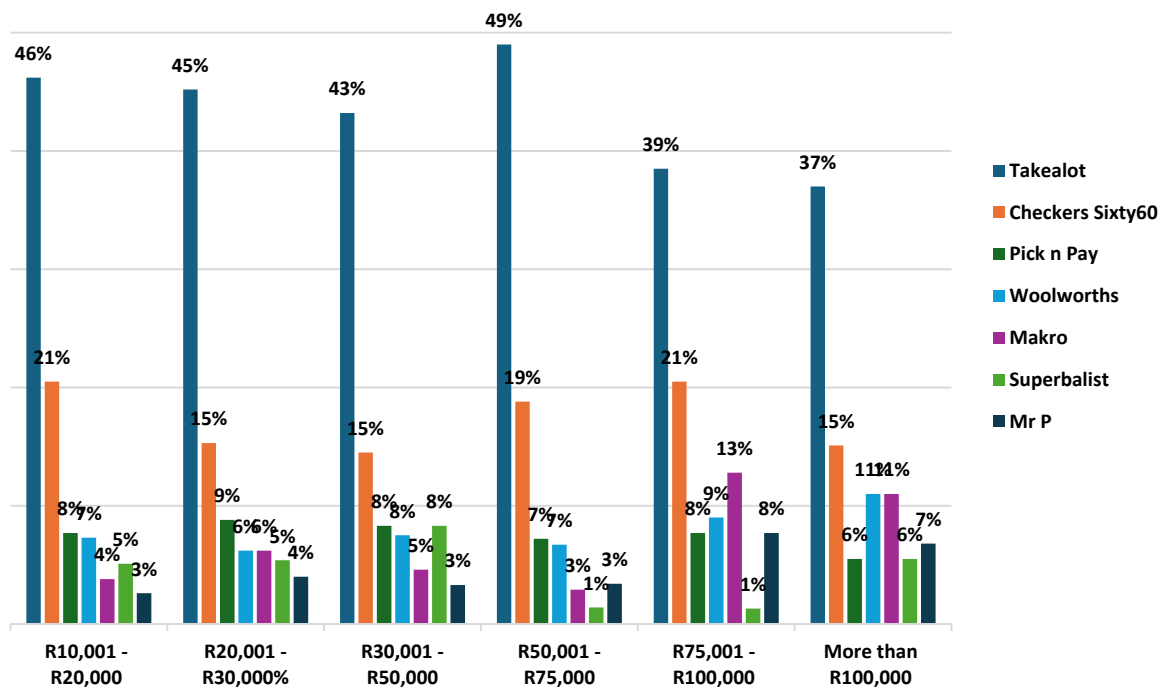
One dominant generalist (Takealot) sits above a sizeable grocery tier, while specialist retailers split a long tail of preference.



Which local shopping platform do you use most frequently for online retail purchases? (By age)



Which local shopping platform do you use most frequently for online retail purchases? (By income)

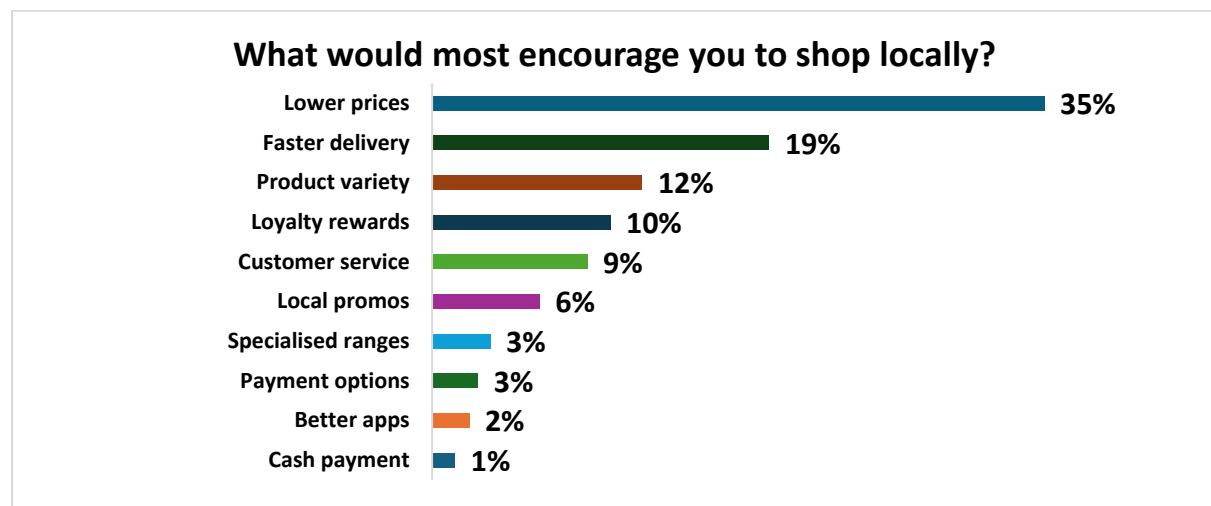


## Top incentives to shop locally

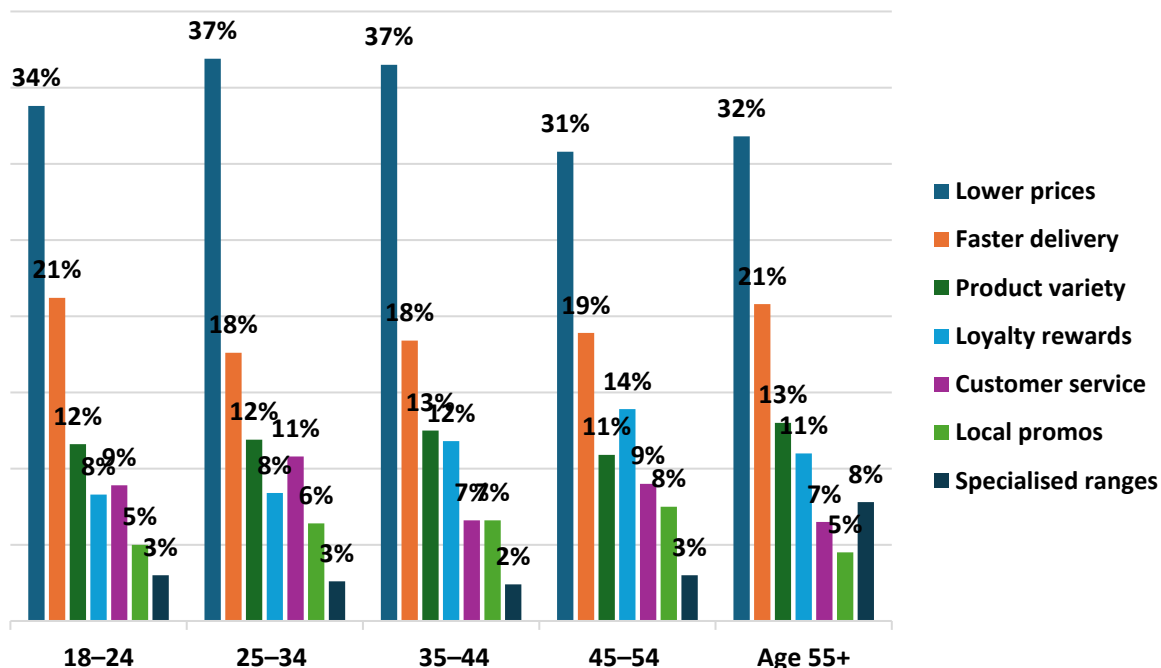
Lower prices are the strongest lever to drive local shopping, cited by 35% of respondents, almost twice the pull of the next factor, faster delivery (19%). Together, value-and-speed account for over half of responses (54%).

Secondary drivers are broader product variety (12%) and loyalty rewards (10%), followed by customer service (9%) and local promotions (6%). Platform features are less influential: specialised ranges and payment options score 3% each, better apps 2%, and cash payment just 1%.

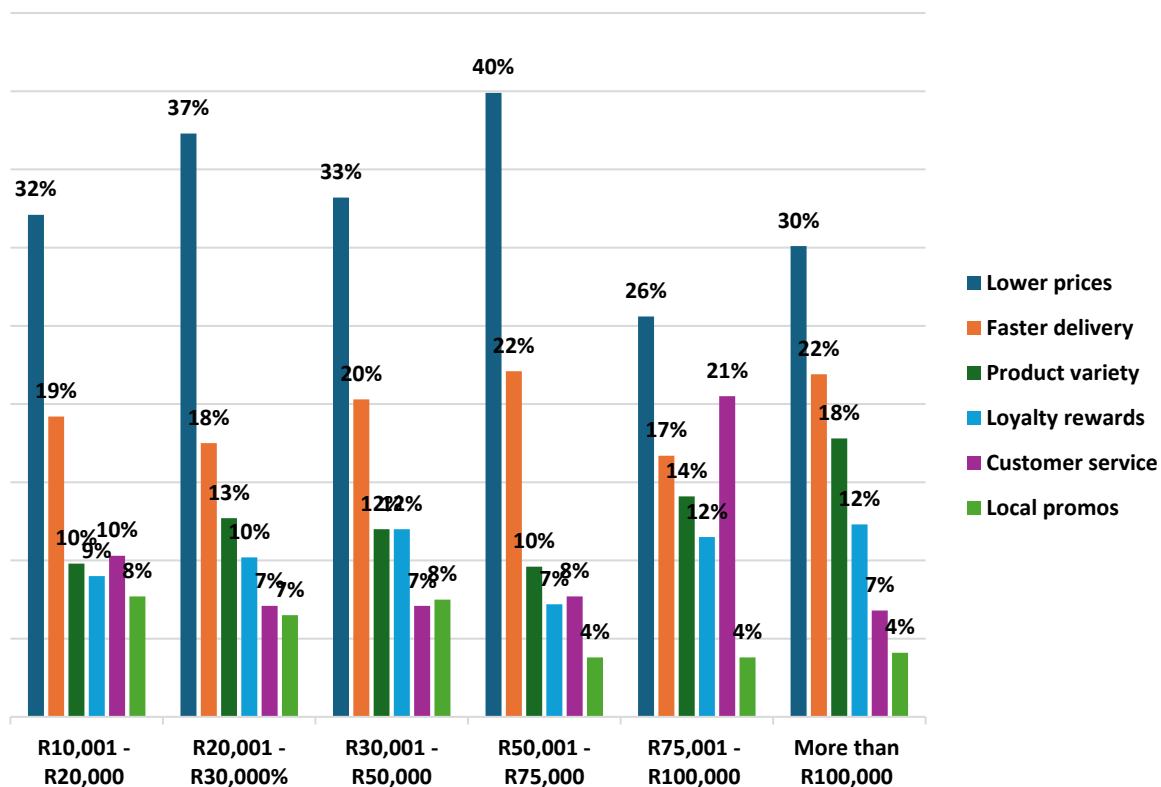
Sharper pricing and quicker fulfilment would move the needle most, with assortment and loyalty benefits the next tier of influence.



What would most encourage you to shop locally? (By age)



What would most encourage you to shop locally? (By income)

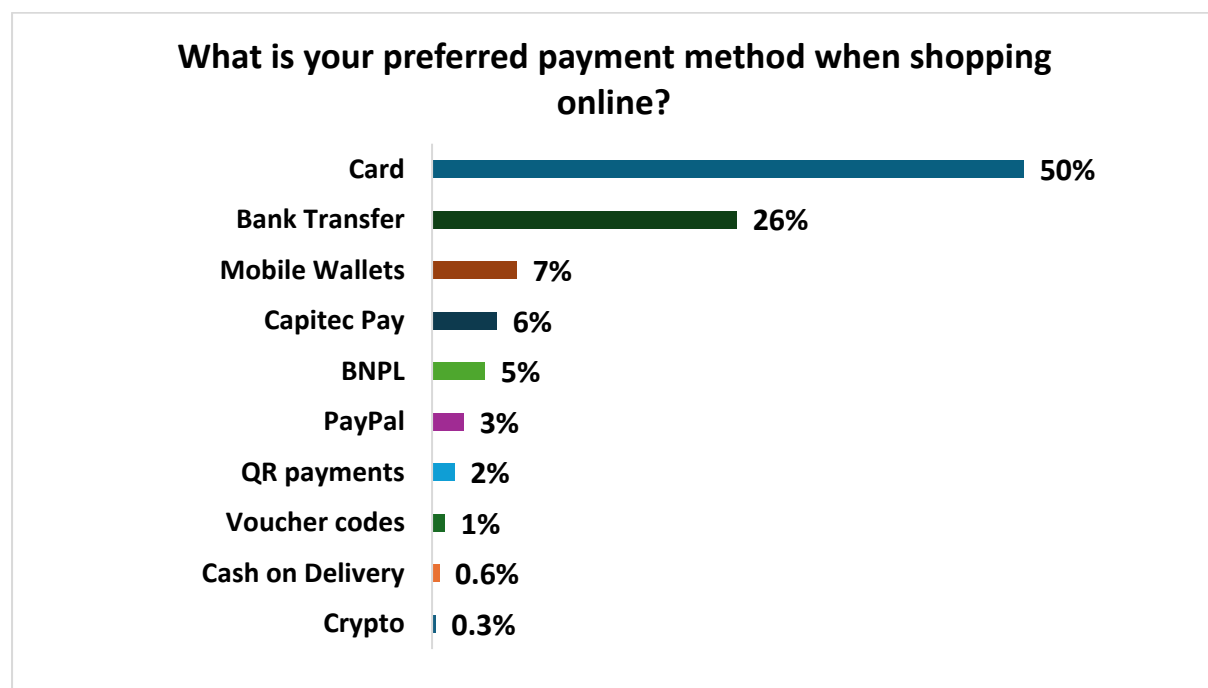


## Preferred online payment method

Cards remain the default way to pay online, chosen by 50% of respondents. Bank transfer/EFT is a strong second at 26%, meaning the top two rails account for 76% of preferences.

Newer digital options form a small but visible layer: mobile wallets (7%), Capitec Pay (6%), and BNPL (5%) together reach 18%. International and scan-to-pay tools are niche – PayPal 3% and QR payments 2% – while voucher codes (1%), cash on delivery (0.6%), and crypto (0.3%) are marginal.

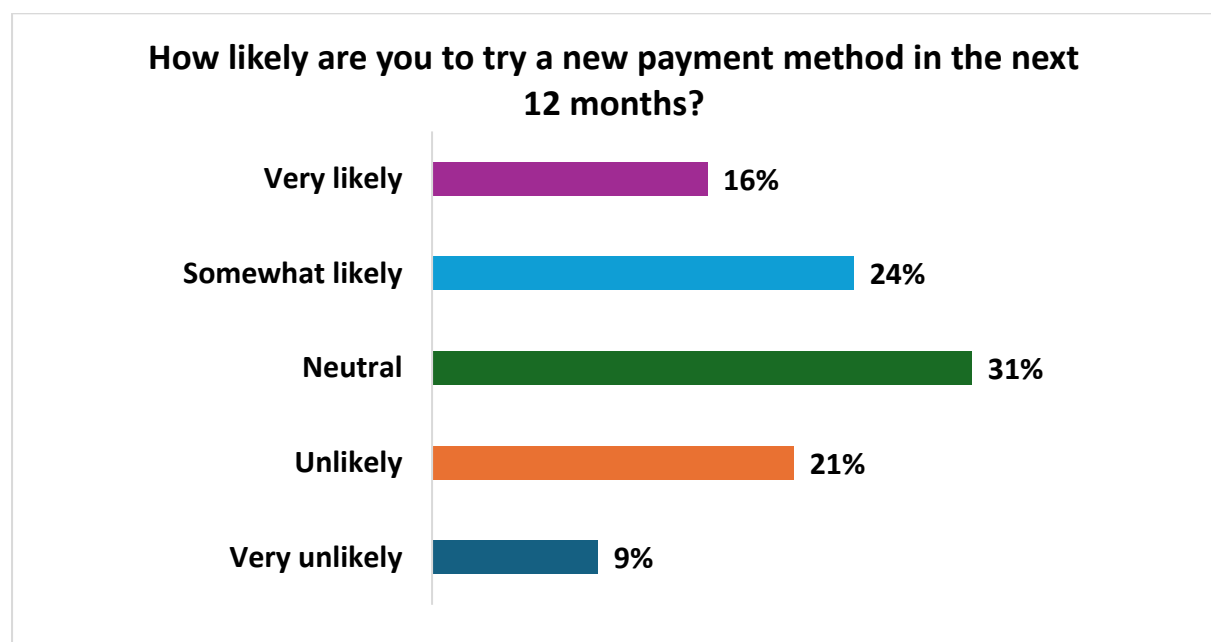
Online spend is anchored in established card and bank-transfer rails, with emerging methods used by relatively small segments.



## Likelihood of trying a new payment method in the next 12 months

Openness to new payment methods is moderate. 40% say they are likely to try one in the next 12 months (24% somewhat likely, 16% very likely), while 30% are unlikely (21% unlikely, 9% very unlikely).

The largest single group is neutral at 31%, indicating a sizeable cohort that could be swayed by clearer benefits and assurances around ease, acceptance and security.

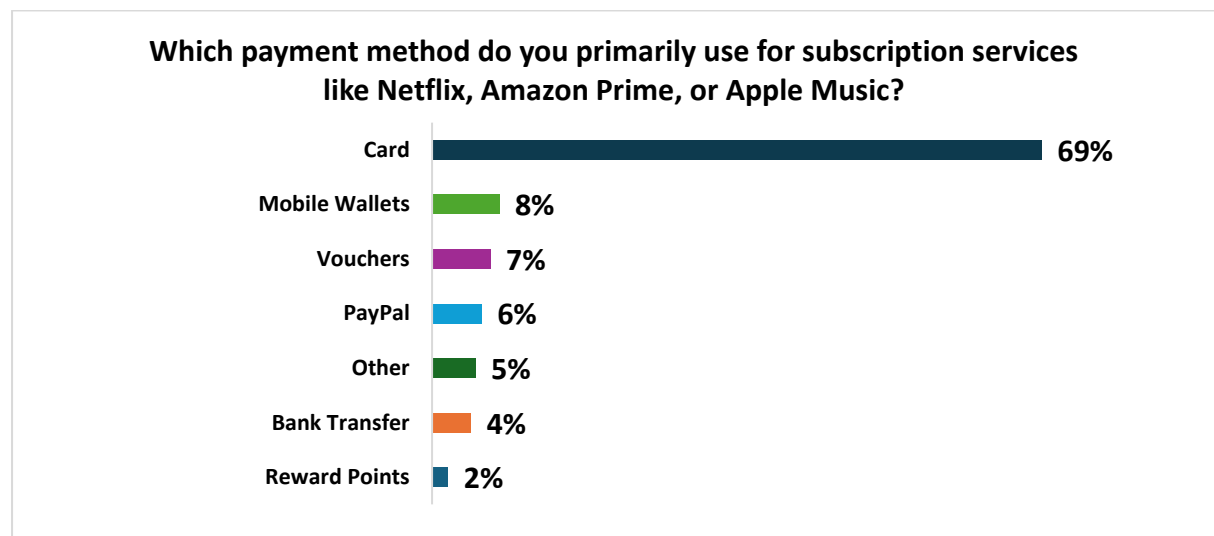




## Primary payment method for subscription services

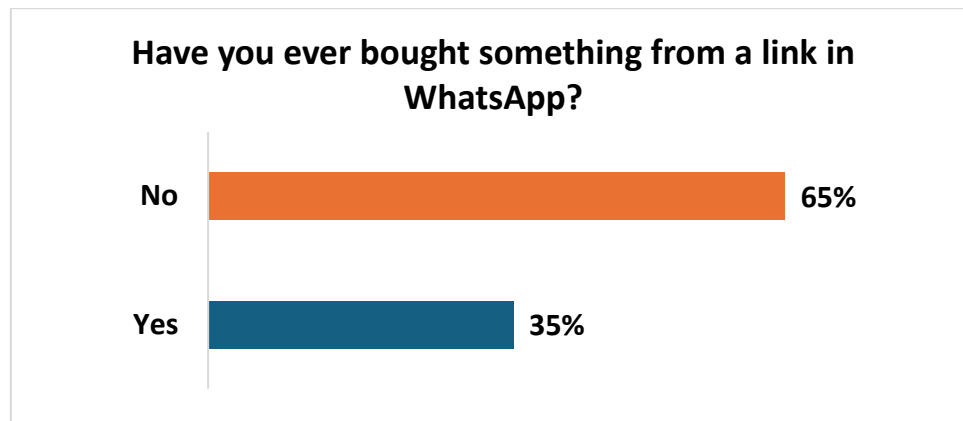
Cards overwhelmingly power subscription payments: 69% of respondents pay for services like Netflix, Amazon Prime, or Apple Music by card. All other methods are niche by comparison: mobile wallets (8%); vouchers (7%); PayPal (6%); other (5%); and bank transfer/EFT (4%). Reward points barely feature at 2%.

This pattern reflects the need for reliable, auto-renewable billing and broad merchant acceptance – areas where cards remain the default. Alternative rails play a secondary role, used by small segments for convenience or specific promotions.

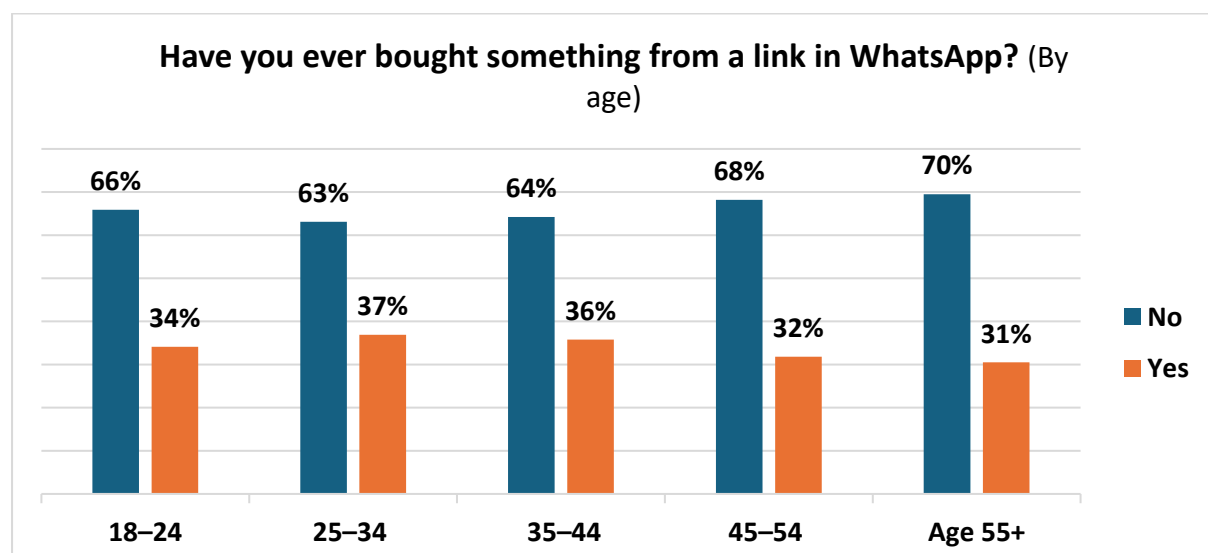


## Purchase experience via WhatsApp links

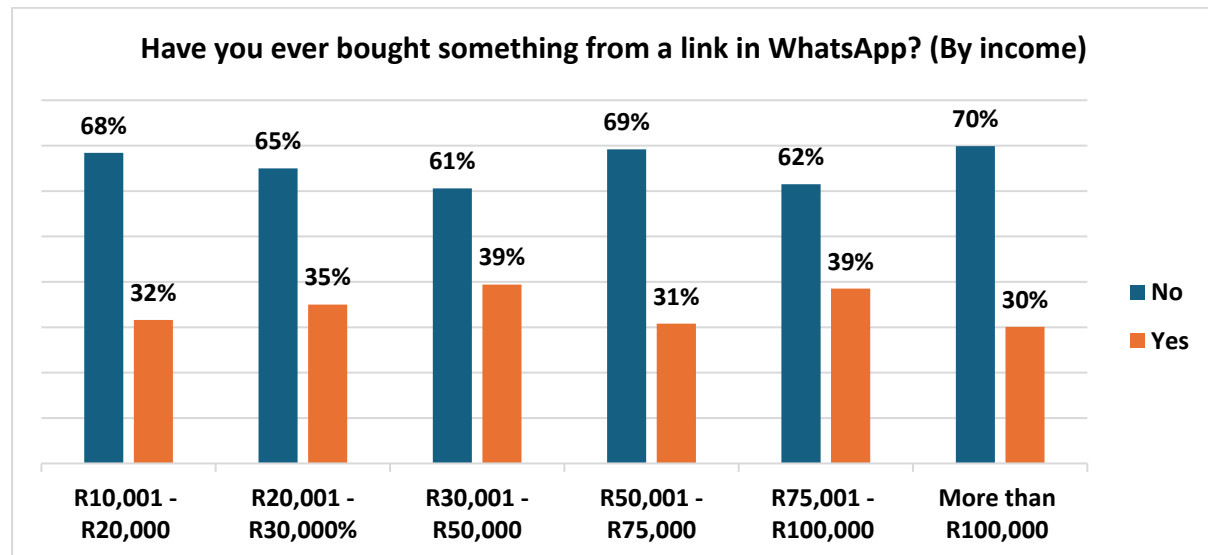
Two in three respondents (65%) have not bought from a link in WhatsApp, while 35% say they have. WhatsApp commerce is present but not yet mainstream.



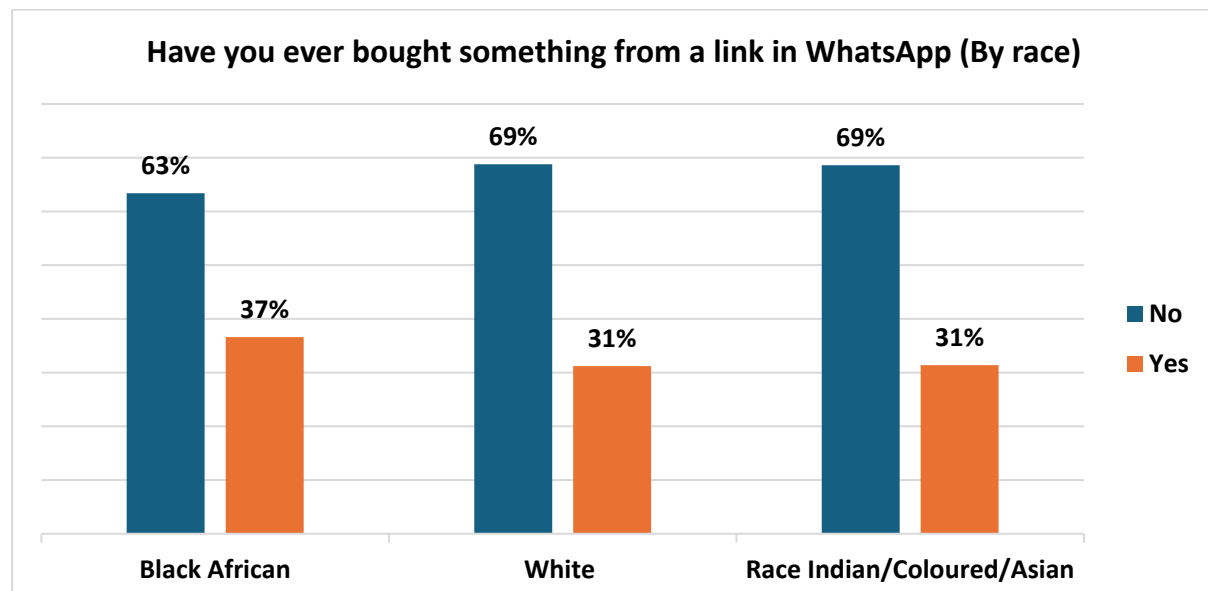
By age, purchase experience peaks in the 25–34 (37%) and 35–44 (36%) groups, is similar for 18–24 (34%), and tapers slightly among 45–54 (32%) and 55+ (31%). This points to the strongest uptake among mid-younger and mid-life shoppers, with modestly lower adoption in older segments.



By income, “Yes” rates are fairly flat, ranging 30–39% across bands. The highest shares are R30,001–R50,000 and R75,001–R100,000 (both 39%). Next are R20,001–R30,000 (35%), R10,001–R20,000 (32%), R50,001–R75,000 (31%), and more than R100,000 (30%).



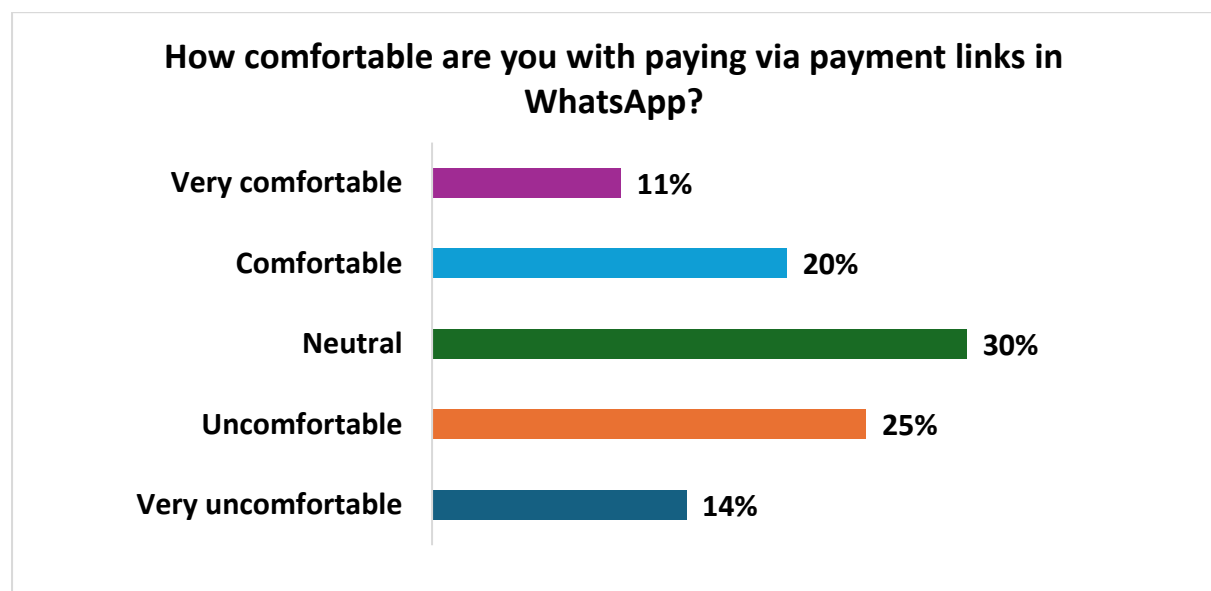
By race, Black African respondents are more likely to have purchased via a WhatsApp link (37%) than White and Indian/Coloured/Asian respondents (each 31%).



## Comfort with paying via WhatsApp payment links

Comfort with paying via WhatsApp links is mixed, leaning towards caution. 30% are neutral, 31% feel comfortable (20% comfortable, 11% very comfortable), and 39% are uncomfortable (25% uncomfortable, 14% very uncomfortable).

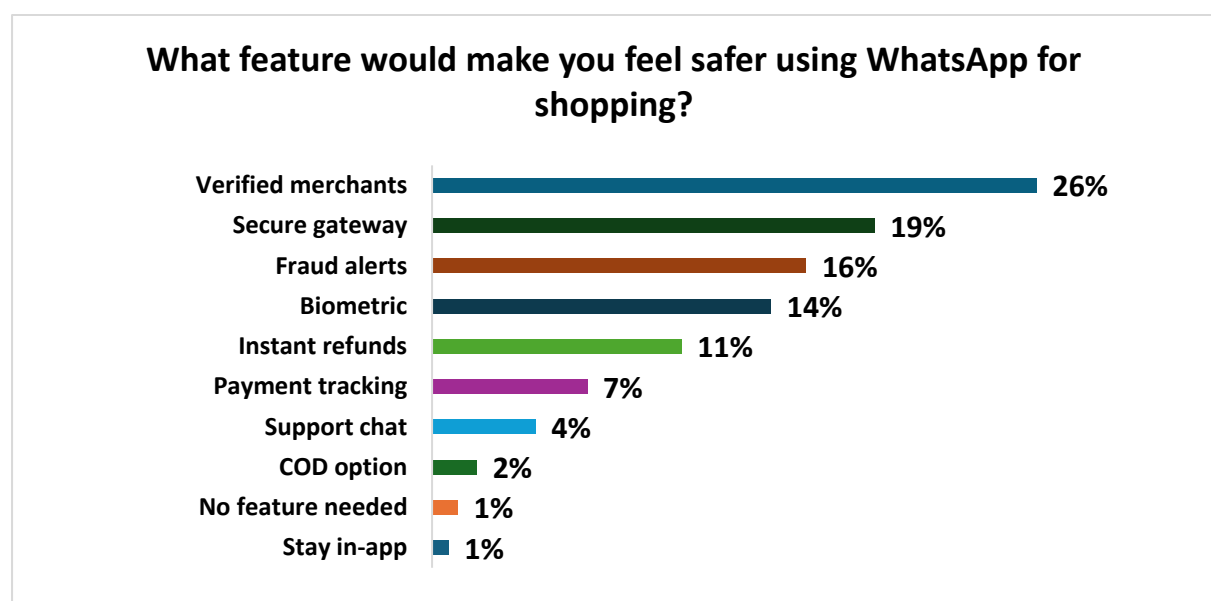
Those uneasy outnumber those at ease by 8 percentage points, signalling that clearer safeguards, fraud protection and easy dispute processes would be needed to shift sentiment.



## Features that increase safety when shopping via WhatsApp

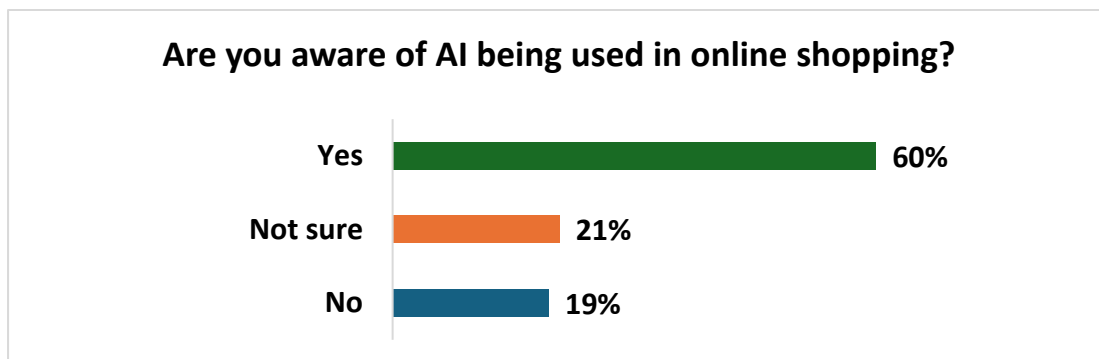
Safety features dominate what shoppers want for WhatsApp commerce. Verified merchants (26%) is the single most requested safeguard, followed by a secure payment gateway (19%), fraud alerts (16%), and biometric authentication (14%). Taken together, these core security and authentication measures account for three-quarters of responses (75%), signalling that trust signals and hardened checkout flows are the clearest levers to increase comfort.

Operational reassurances sit a tier lower: instant refunds (11%) and payment tracking (7%) matter to a minority, as do live support chat (4%) and a cash-on-delivery option (2%). Only 1% say no extra feature is needed and 1% prefer staying entirely in-app, underscoring that most shoppers still want stronger security cues before paying via WhatsApp.



## Awareness of AI in online shopping

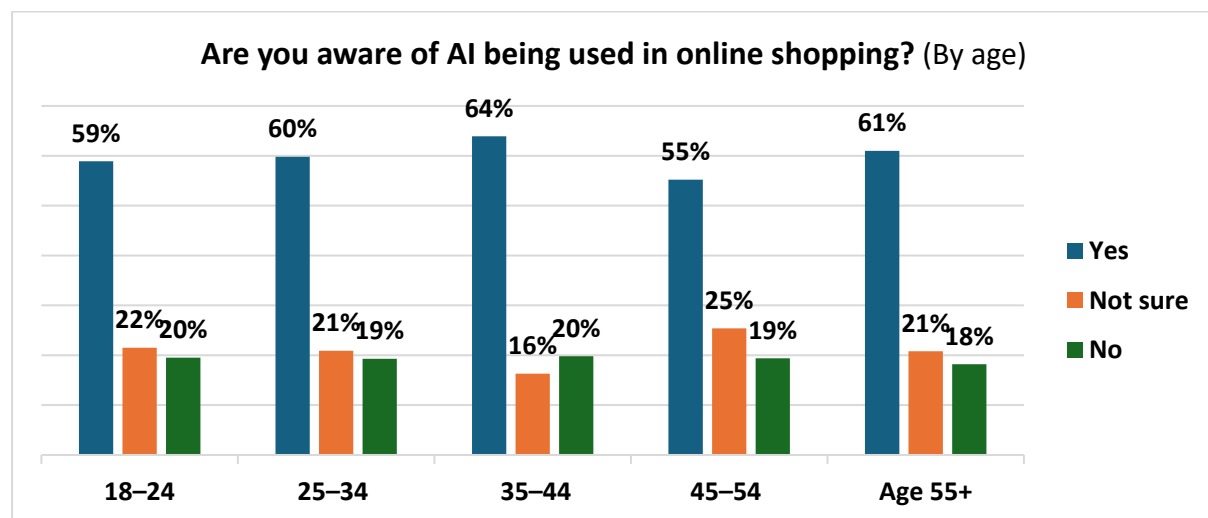
Awareness of AI in online shopping is relatively high: 60% say they are aware it's being used. A further 21% are not sure, indicating a sizeable group that may be encountering AI-powered features without recognising them. The remaining 19% say no, suggesting room for education and clearer communication about where AI appears in the shopping journey (e.g., recommendations, chat support, fraud checks).



Awareness of AI in online shopping is high and broadly consistent across ages. A majority in every group say “Yes”, ranging from 55% among 45–54-year-olds to 64% for 35–44-year-olds (18–24: 59%; 25–34: 60%; 55+: 61%).

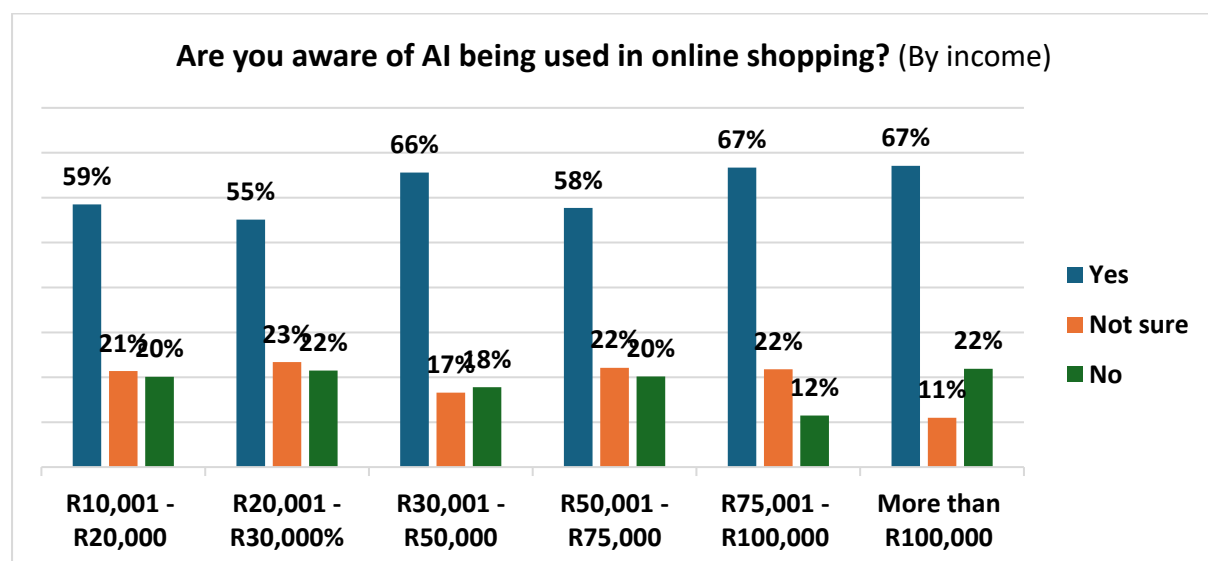
“Not sure” responses sit around one-fifth for most groups (16–22%), rising to 25% among 45–54-year-olds. “No” is comparatively steady at 18–20% across all ages.

Mid-career shoppers (35–44) are most aware, while the 45–54 group shows the most uncertainty, but differences by age are modest.

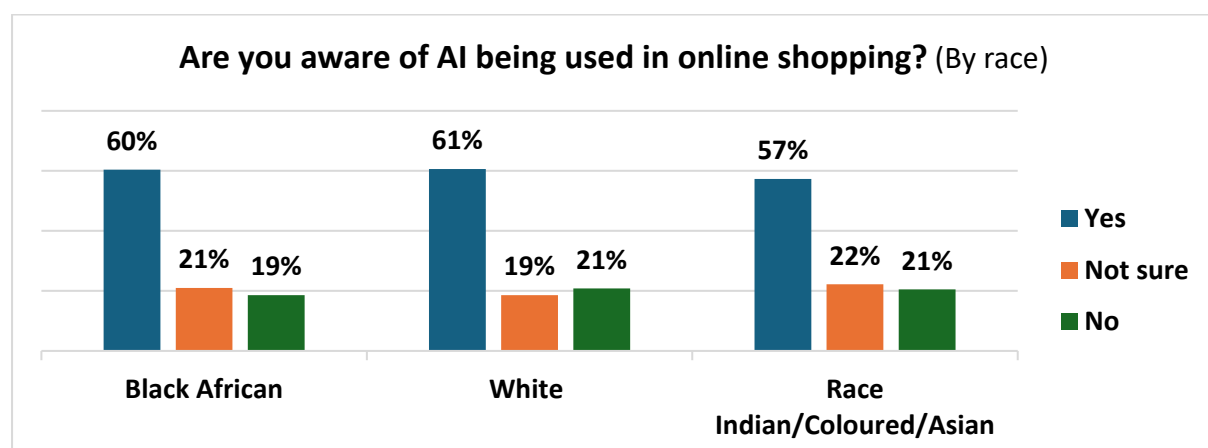


Awareness of AI in online shopping is a majority view across all income bands. It peaks at 67% among R75,001–R100,000 earners and those earning more than R100,000, and is also high for R30,001–R50,000 (66%). Awareness is lower, but still above half, in the R20,001–R30,000 (55%), R10,001–R20,000 (59%) and R50,001–R75,000 (58%) groups.

Uncertainty (“not sure”) ranges 11–23%, lowest among >R100,000 earners (11%) and highest in R20,001–R30,000 (23%). “No” responses vary 12–22% – fewest in R75,001–R100,000 (12%) and highest in R20,001–R30,000 and >R100,000 (both 22%). Awareness is broad, with modest variation by income.



Awareness of AI in online shopping is high and broadly consistent across racial groups. Yes responses range from 57%–61% (White 61%, Black African 60%, Indian/Coloured/Asian 57%). Not sure sits around 19–22% (Black African 21%, White 19%, Indian/Coloured/Asian 22%), while No is similarly steady at 19–21%. A clear majority in every group recognise AI’s role, with only minor variation between them.

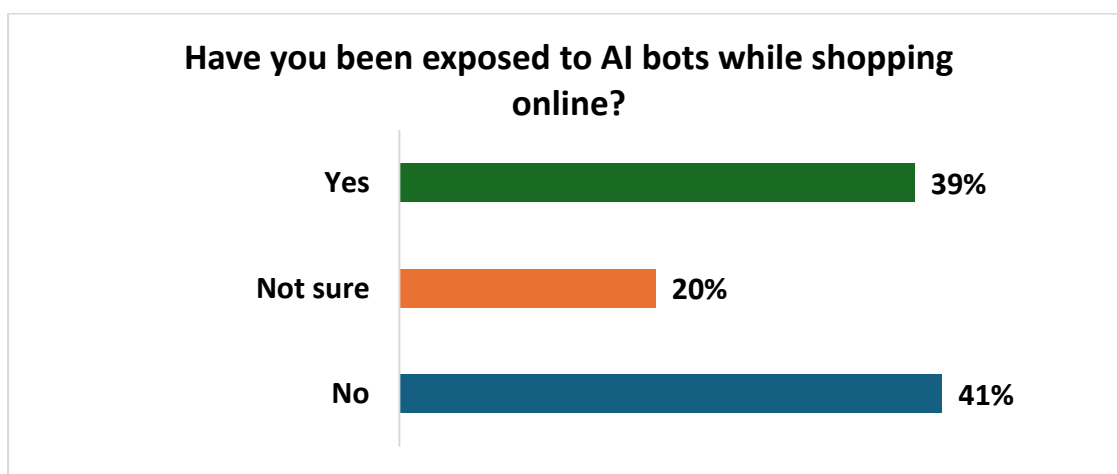




## Exposure to AI bots in online shopping

Exposure to AI bots while shopping is split almost down the middle: 39% say they have encountered one, 41% say they have not, and 20% are not sure. The sizeable unsure group suggests some interactions may go unrecognised (e.g., chat or support automations), so actual exposure could be understated.

AI bots are present for a substantial minority but not yet universal in shoppers' experiences, with uncertainty about whether an interaction was AI-driven still common.



## Self-reported use of AI for shopping (price comparisons, product selection)

Most respondents have not used AI directly in their shopping: 55% say no. A little over a quarter (26%) report using AI tools, such as for price comparisons or product selection, while 19% are not sure, indicating some shoppers may be engaging with AI features without realising it. Direct, self-acknowledged use is still niche, with a sizeable segment that could convert as awareness and clear use-cases improve.



## Likelihood of increasing online shopping in the next 12 months

Intent to spend more online is positive. 57% say they are likely to increase their online shopping in the next 12 months (37% somewhat likely, 20% very likely), while 20% are unlikely (12% unlikely, 8% very unlikely). A further 24% are neutral.

The balance tilts towards growth, with a sizeable persuadable middle. Clear value – better prices, quicker delivery, and smooth checkout – should help convert neutrals and strengthen the “very likely” segment.



## Top incentives to shop more online

Lower prices are the strongest lever to increase online shopping, chosen by 36% of respondents. Faster delivery is the next most powerful driver at 27%, so value and speed together account for 63% of responses. Secondary prompts are loyalty rewards (14%) and better customer service (13%), while changes to checkout matter far less: more payment options (6%) and BNPL (4%). In short, sharper pricing and quicker fulfilment would move behaviour far more than new payment methods.



## Conclusion

The picture that emerges is of a young, mid-income, urban shopper base that concentrates spend on local platforms and values reliability, speed and price over novelty. International marketplaces remain peripheral for most, used occasionally when the deal is compelling or a product is unavailable locally, but tempered by concerns about delivery times, customs and shipping costs. Trust tilts towards domestic retailers, and Takealot's dominance alongside a strong grocery tier underscores how everyday needs and dependable fulfilment shape behaviour.

The most durable drivers of repeat purchase are clear. Sharper pricing and faster delivery sit at the top of the list, with loyalty and free-delivery benefits reinforcing retention across age and income groups. The mid-market income bands are the steadiest repeat buyers and should anchor growth strategies, while higher earners show polarised patterns that call for segmented offers rather than blanket promotions. Cards and EFT remain the default rails and should be frictionless by design, with emerging methods offered as optional boosters rather than centrepieces.

Social and conversational commerce are not yet mainstream. Many have bought via WhatsApp, but comfort levels lag. Verified merchants, secure gateways, fraud alerts and biometric authentication are the clearest signals that would shift sentiment. Retailers pursuing WhatsApp-led journeys should lead with these safeguards and build in operational reassurances such as instant refunds and visible payment tracking.

AI is widely recognised but often invisible to the user. Exposure and self-reported usage trail awareness, suggesting an opportunity to surface AI-powered value in ways that are easy to understand, such as clearer recommendations, transparent fraud protection and faster issue resolution. Doing so can move the sizeable neutral cohorts on subscriptions and payment innovation from consideration to action.

Looking ahead, intent to increase online shopping is positive, and the levers to unlock it are straightforward. Compress delivery times, compete on price, and bundle loyalty with free delivery for predictable savings. Keep checkout simple on familiar rails, add new methods where they remove friction for specific segments, and elevate trust cues in social channels. If retailers execute against these fundamentals while communicating AI-assisted benefits plainly, they will convert neutrals, deepen frequency among core mid-income shoppers and lift local share against international alternatives.

# SA online shoppers: demographics

Data from Target Group Index, survey by Ask Afika.

## Executive Summary

South Africa's online economy in 2024 is broad but uneven. Internet access is high at 77.5%, giving retailers a large addressable base, yet participation in online shopping concentrates in specific groups. The gender gap has largely closed (men 37.8%, women 35.5%) as men edged down from 2022 and women held steady. The age profile has rebalanced from a youth skew to mid-age momentum: 25–34s still lead at 43.7%, but 35–44s rose strongly to 39.7% and 45–64s improved to 34.2%, while 15–24s slipped and 65+ receded after an anomalous 2023 peak.

Socio-economic status and income remain the strongest predictors of engagement. SEL 1 surged to 77.7% and SEL 2 to 56.4%, widening the distance from lower tiers, while LSM 9–10 sits at 56.0% versus 37.5% for LSM 7–8 and 28.7% for LSM 3–6. The income gradient is steep: R50,000+ climbed to 65.9%, R40,000–R49,999 to 60.9%, and a notable pocket of growth emerged in R14,000–R17,999 at 41.1%; most bands below R14,000 softened. The picture is one of consolidation at the top and selective gains in the lower-mid range rather than broad-based uplift.

Population differences persist but are shifting. White consumers remain the most likely to shop online at 55.2%. Black shoppers (34.0%) and Coloured shoppers (32.5%) now sit much closer together after a strong recovery among Coloured respondents, while Indian/Asian participation eased to 40.4%. These moves compress the middle even as White participation stays distinctly higher than other groups.

Geography shows renewed urban concentration with pockets of convergence. The largest communities (250,000+) lead at 39.6%, while non-metros trail at 24.8%, reopening the urban–rural gap. Gauteng remains first at 45.4%, but Western Cape's rebound to 36.7% reshaped the provincial middle as KwaZulu-Natal and North West declined and Mpumalanga and Eastern Cape climbed from low bases. Across metros, the spread narrowed sharply – Pretoria still leads at 45.0%, yet Durban and Cape Town closed the gap and the range between top and bottom halved year on year.

Shopping frequency increasingly concentrates in higher-value segments. Weekly shopping is strongest among 25–34s (32.3%) and climbs with affluence – LSM 9–10 at 32.9%, SEL 1 at 39.6%, and incomes from R30,000–R49,999 in the 33%–36% range. By race, weekly shopping is led by White consumers (30.2%), with Black at 25.4%, Indian/Asian at 23.9%, and Coloured at 18.5%. The net effect is a core of regular customers anchored in higher

socio-economic tiers and upper-middle incomes, with younger adults the most frequent but mid-age groups gaining ground.

Behaviour is decisively mobile-first and shifting to bigger baskets. Mobile is the primary device for 55.9% of shoppers, and every device category gained versus 2023, with laptops showing the fastest rise. Basket sizes have moved up: in the last six months, the R2,001+ bracket became the largest at 23.4%, while very small baskets shrank; the same pattern holds for last-month spend, with strong gains from R401–R600 through to R2,001+. Category mix remains led by apparel (30.2%) and groceries (18.4%), with solid mid-teens activity in tech, gifts, and digital content.

The retailer landscape is more top-heavy. Takealot extended its lead to 31.9%. Shein/Temu entered strongly at 15.3%, and Amazon advanced to 12.3%, while supermarket e-commerce – including Woolworths Online (9.8%) and Pick n Pay (8.3%) – continued to rise. Together, the top two now account for nearly half of all mentions, signalling increasing concentration at the top alongside broad-based gains further down the tail.

Attitudes reveal a maturing market that researches more and worries less, even as trust softens at the margins. The strongest agreement is that the internet helps product research and that shoppers check multiple sources before significant purchases. Barriers from skills and security anxiety are collapsing – fewer people say they don't know how to shop online, or fear stolen financial data or not receiving what they paid for – while enjoyment is rising. At the same time, fewer shoppers say they buy online primarily for lower prices or to avoid delivery costs, and confidence in retailer trust and safety ticked down, suggesting the value story is shifting from pure price to overall experience and assurance.

Implications are clear. Growth will come from (1) deepening frequency in the connected core – especially SEL 1–2, LSM 9–10, and incomes from R30,000 upwards – through faster fulfilment, reliable availability, and seamless mobile experiences; (2) converting mid-age and rising lower-mid income cohorts with targeted convenience and trust cues; and (3) correcting geographic imbalances by leaning into Western Cape's rebound and large-community strength while addressing rural gaps with coverage, cost, and service reliability. With baskets getting larger and the market concentrating around a few leading platforms, the winning formula couples speed and selection with explicit trust signals – and communicates benefits beyond price alone.

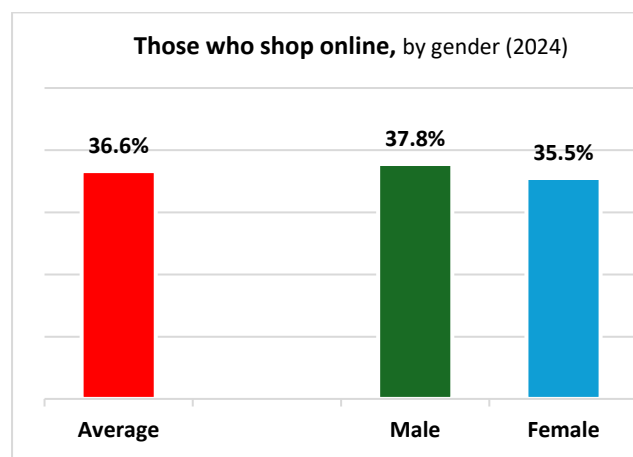
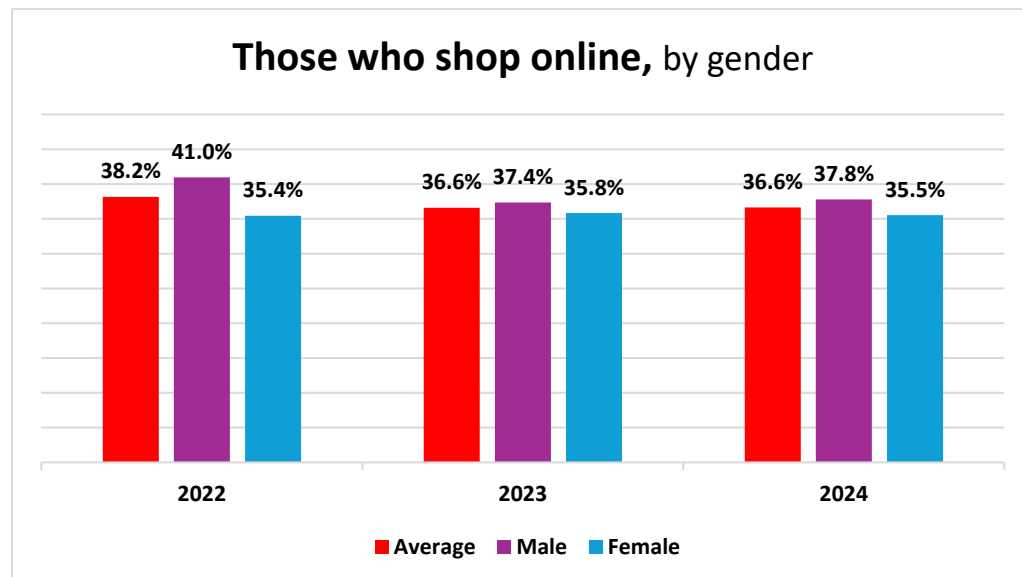
## Gender

In 2024, the share of respondents who shop online is 37.8% for men and 35.5% for women.

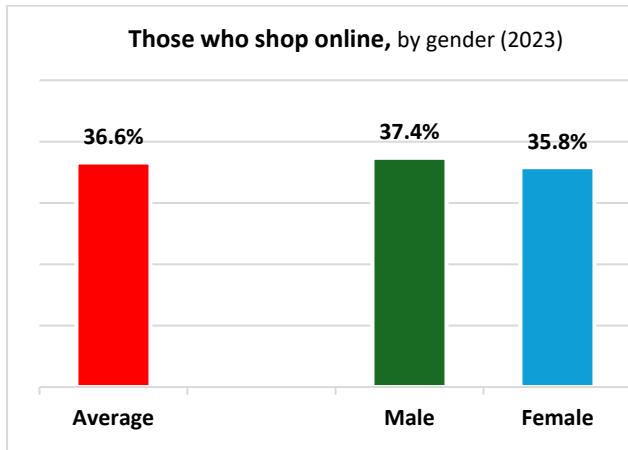
Year on year, men's online-shopping participation fell from 41.0% in 2022 to 37.4% in 2023, then inched up to 37.8% in 2024. That leaves men 3.2 percentage points below their 2022 level despite the small rebound.

Women's participation nudged up from 35.4% in 2022 to 35.8% in 2023, then eased to 35.5% in 2024, putting women virtually flat versus 2022.

The gender gap narrowed sharply from 5.6 points in 2022 to 1.6 points in 2023, and widened slightly to 2.3 points in 2024. Men dipped and only partially recovered, women remained broadly steady, and the gap is far smaller than in 2022.





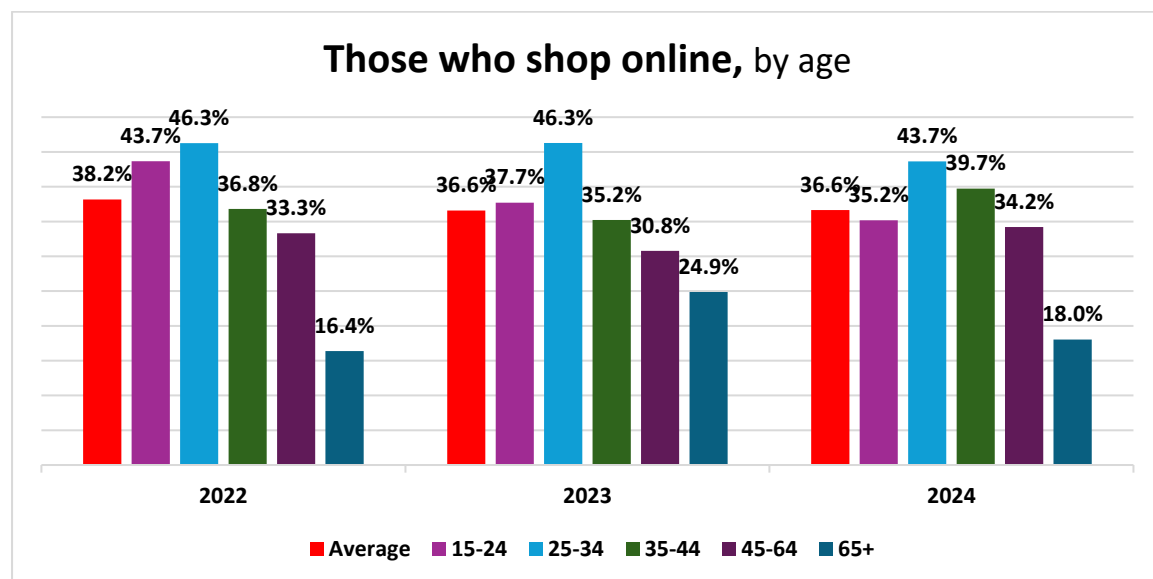


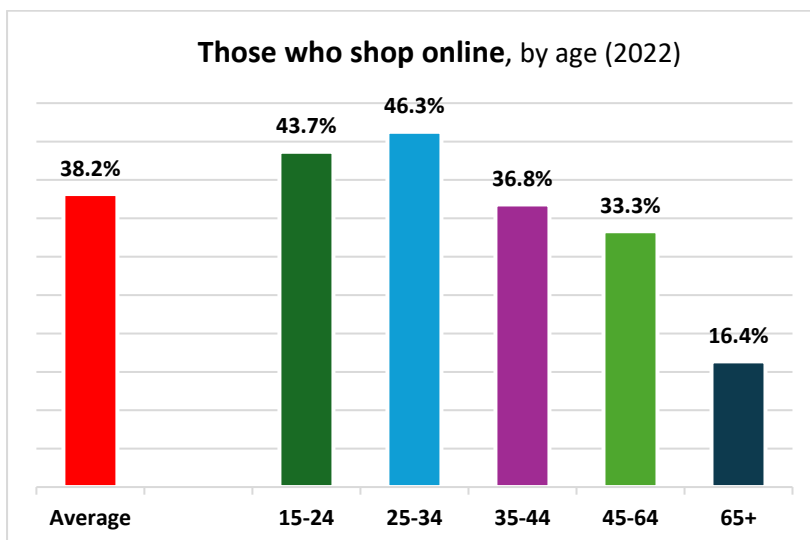
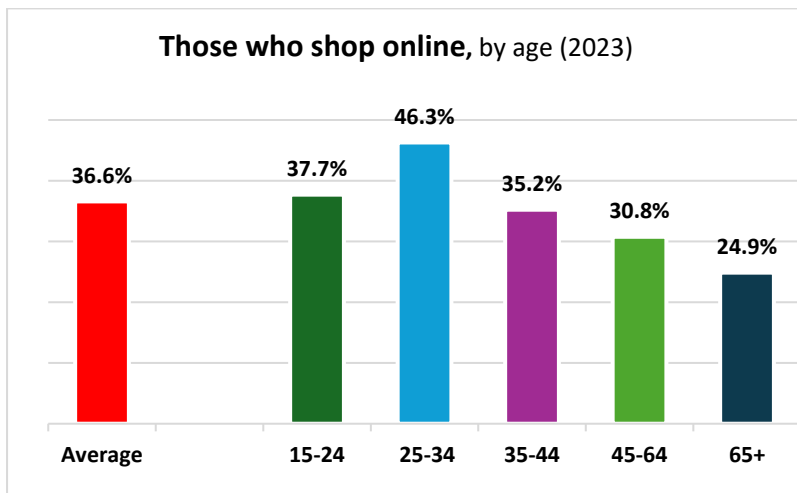
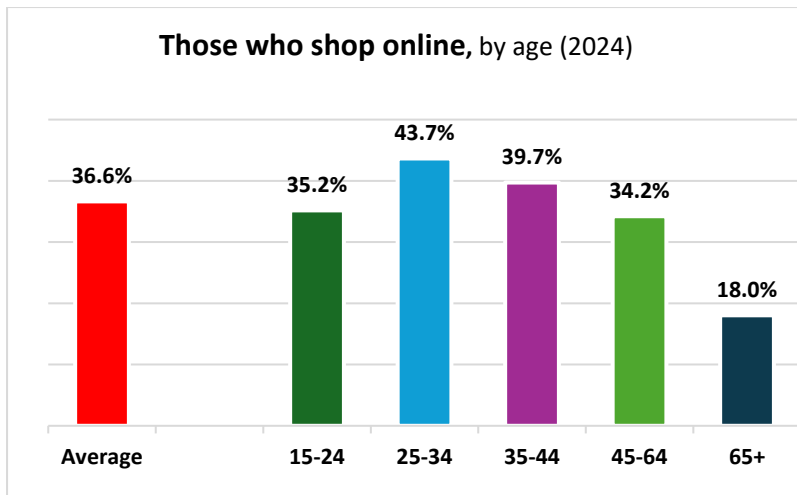
## Age

In 2024, the 25–34 cohort remains the most likely to shop online at 43.7%, but its lead has narrowed. The 35–44 group climbed to 39.7%, the strongest year-on-year gain (+4.5 percentage points), moving into clear second place and closing the gap with 25–34s from 11.1 points in 2023 to just 4.0 points in 2024. Participation among 15–24s slipped to 35.2% (-2.5 pp YoY), while 45–64s rose to 34.2% (+3.4 pp YoY), bringing these two working-age groups to near parity. Seniors (65+) dropped back to 18.0% (-6.9 pp YoY) after an unusual 2023 peak, though they remain slightly above their 2022 level.

Looking over two years, the sharpest decline is among 15–24s (-8.5 pp vs 2022), suggesting a sustained pullback in the youngest segment. The 25–34 group has eased (-2.6 pp vs 2022), while 35–44s are up (+2.9 pp) and 45–64s have modestly recovered (+0.9 pp). The rank order has shifted accordingly: 35–44s overtook 15–24s to become the second-most engaged group, and 45–64s moved ahead of 65+.

2024 marks a re-balancing towards middle-aged shoppers: engagement strengthened in the 35–44 and 45–64 brackets, while both younger adults and seniors pulled back. The market profile is less youth-skewed than in 2022, with momentum sitting in the mid-age cohorts.

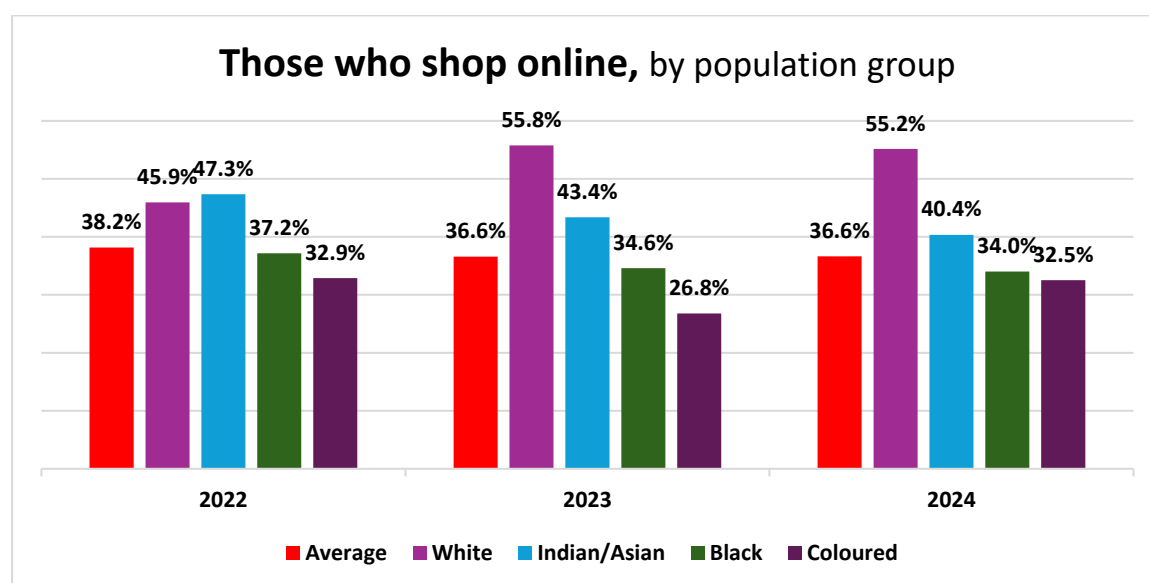


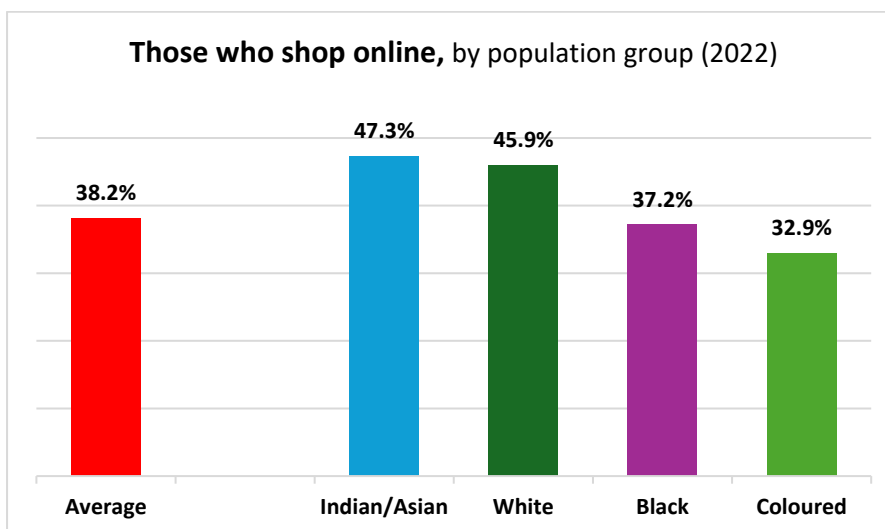
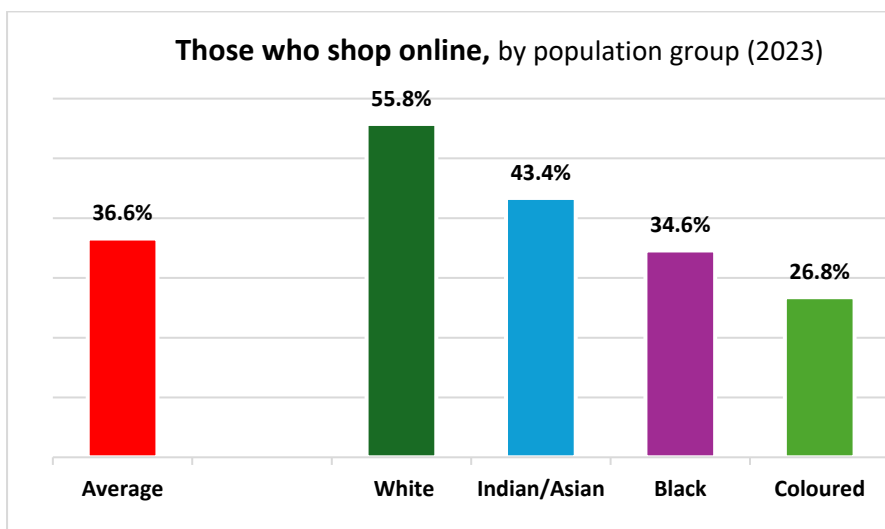
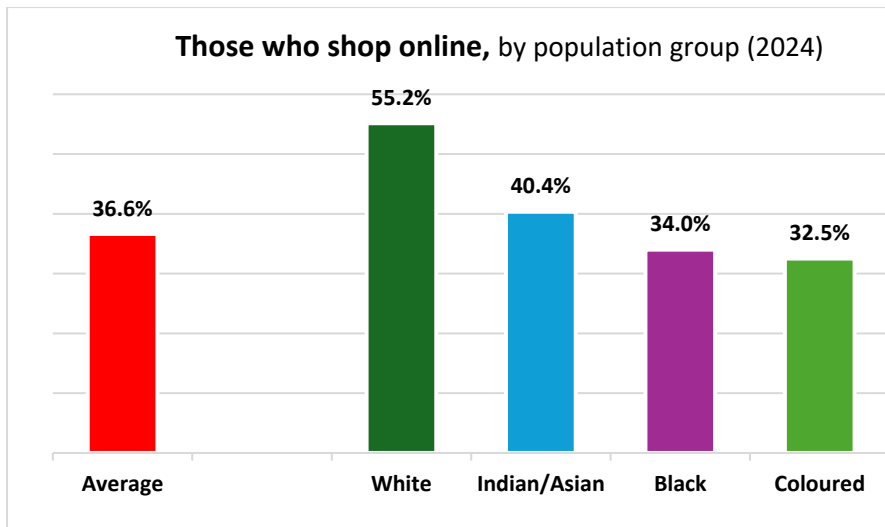


## Population group

In 2024, White consumers remain the most likely to shop online at 55.2%, far ahead of the other groups. Indian/Asian shoppers are second at 40.4%, followed by Black shoppers at 34.0% and Coloured shoppers at 32.5%. The gap between White and Indian/Asian shoppers has widened further to 14.8 percentage points, while the distance between Black and Coloured shoppers has narrowed to just 1.5 points.

Shifts since 2023 show a partial rebalancing. White participation is essentially flat (-0.6 pp), Indian/Asian declines again (-3.0 pp), Black edges down slightly (-0.6 pp), and Coloured rebounds strongly (+5.7 pp), almost returning to its 2022 level. Over two years, White is up markedly (+9.3 pp), Indian/Asian has trended down (-6.9 pp), Black is lower (-3.2 pp), and Coloured is nearly back where it started (-0.4 pp). The standout movement in 2024 is the recovery among Coloured shoppers and the continued softening among Indian/Asian shoppers, which together compress the middle of the distribution while leaving White participation distinctly higher than all others.



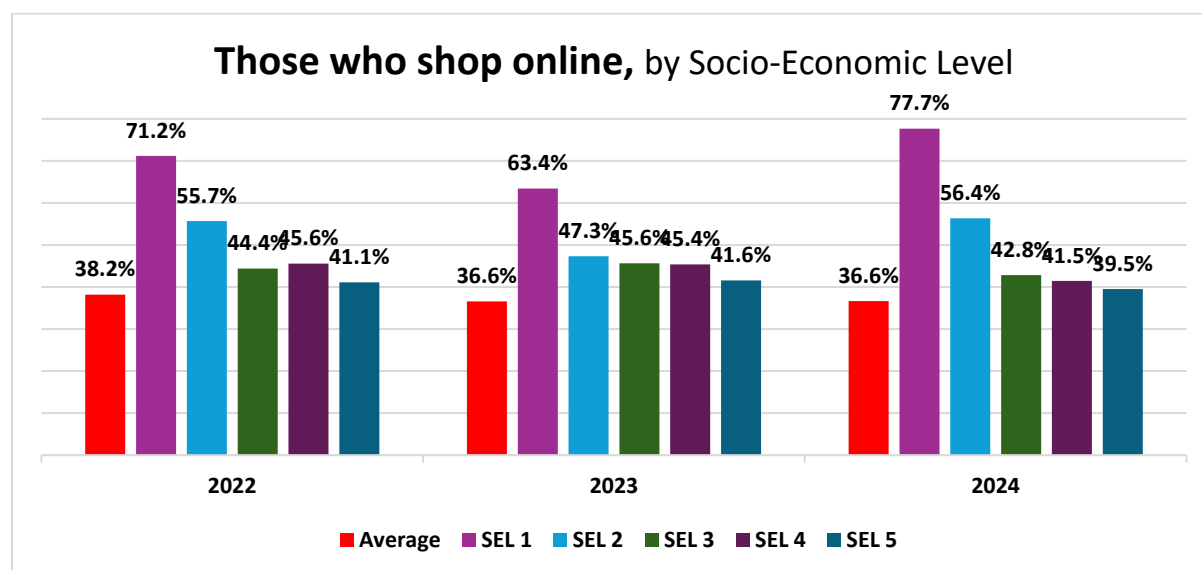


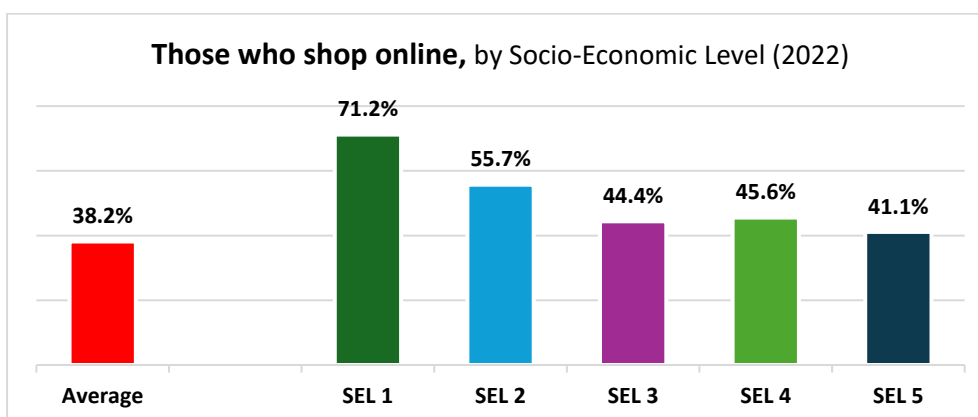
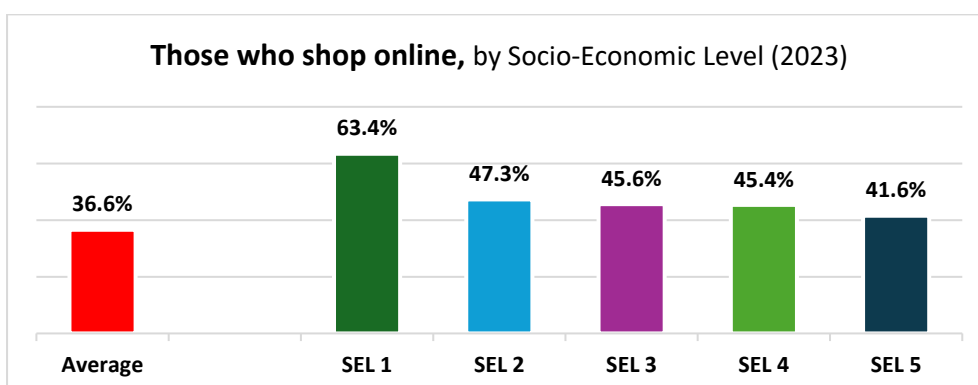
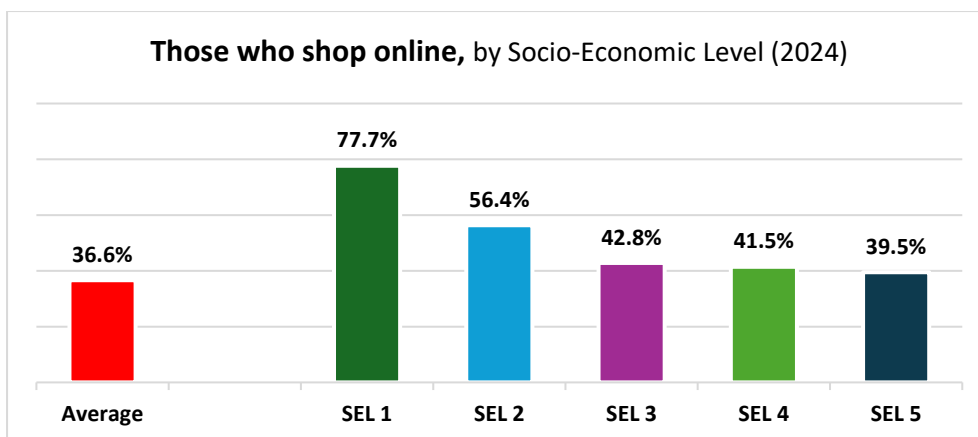
## Socio-Economic Level

In 2024, online shopping is most prevalent in the top two socio-economic levels. SEL 1 jumps to 77.7% and SEL 2 rises to 56.4%, putting a clear 21.3-point gap between them and cementing a strong lead over the remaining groups. Among the lower three levels, SEL 3 sits at 42.8%, SEL 4 at 41.5% and SEL 5 at 39.5%, bringing these segments into a tight band within 3.3 points of one another.

The shifts from 2023 are starkly polarised. SEL 1 surges by 14.3 percentage points and SEL 2 rebounds by 9.1 points. In contrast, SEL 3 falls 2.8 points, SEL 4 drops 3.9 points and SEL 5 declines 2.1 points. This mix produces the widest top-to-bottom gap in the series: 38.2 points between SEL 1 and SEL 5 in 2024, up from 21.8 points in 2023. There is also a rank change at the middle: SEL 3 now sits above SEL 4, reversing their 2022 ordering.

Looking over two years, SEL 1 is up 6.5 points versus 2022 and SEL 2 is marginally higher (+0.7), while SEL 3 (-1.6), SEL 4 (-4.1) and SEL 5 (-1.6) are below their 2022 levels. The overall profile has shifted away from the lower-income tiers, with growth concentrated at the top and a compression of participation across SEL 3–5.



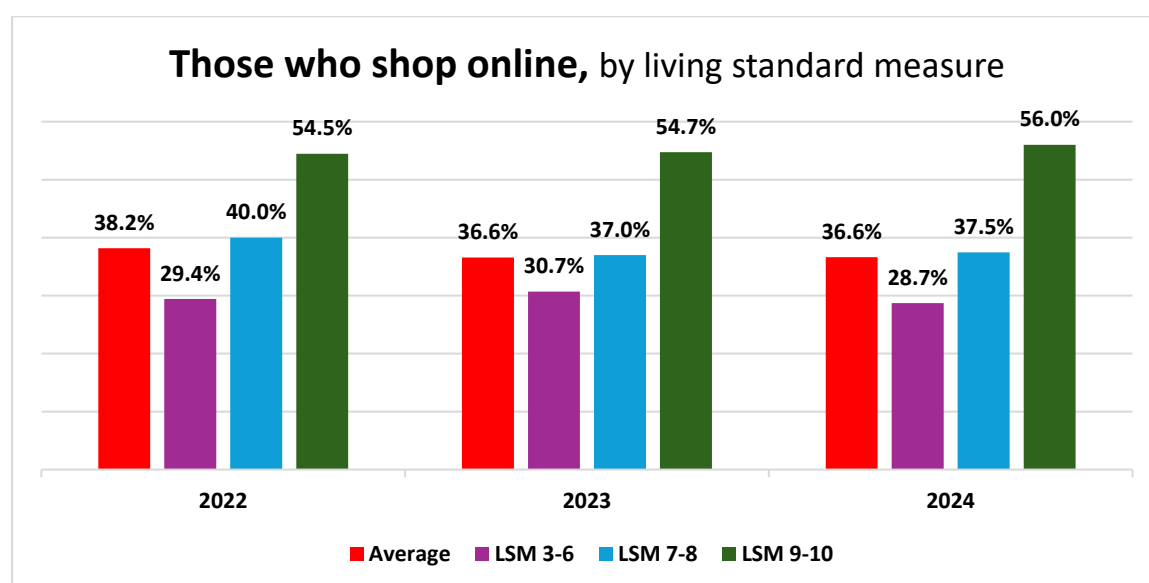


## Living Standard Measure

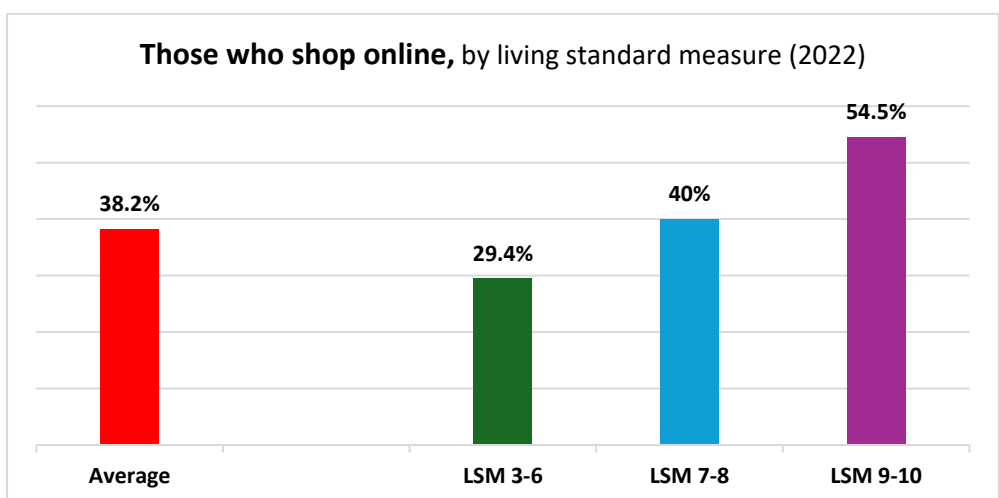
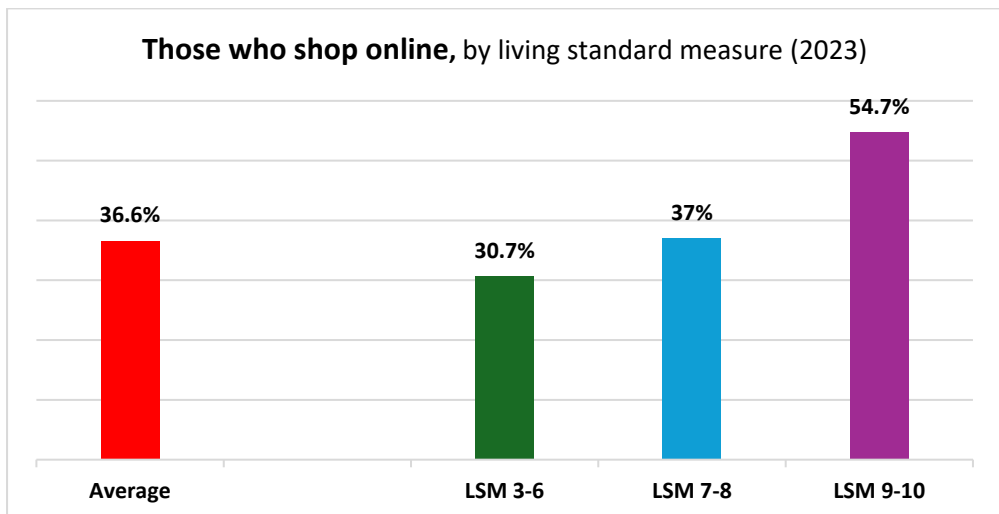
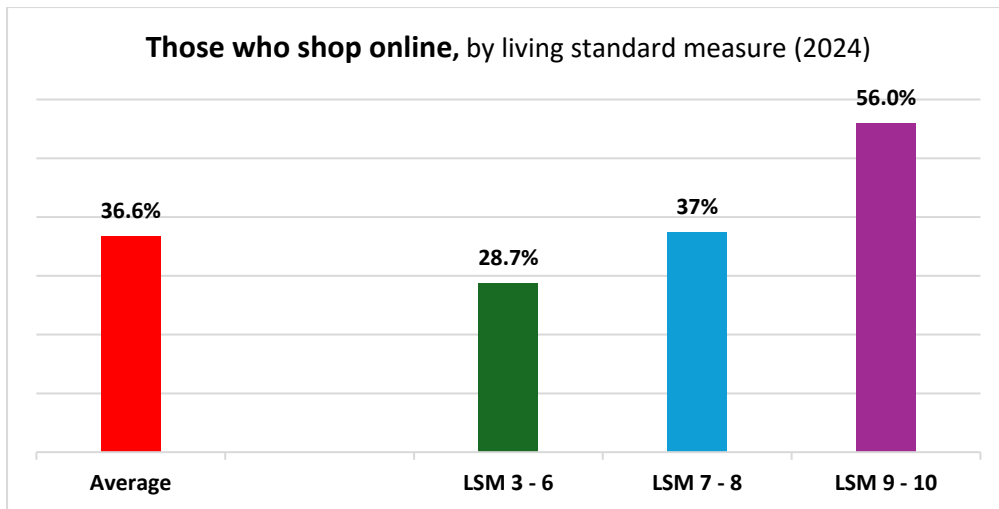
In 2024, online shopping is most prevalent among LSM 9–10 at 56.0%, well ahead of LSM 7–8 (37.5%) and LSM 3–6 (28.7%). The gap between the top and middle tiers sits at 18.5 percentage points, and the spread between the top and lower tiers reaches 27.3 points, both wider than a year before.

Year on year, LSM 9–10 nudged up (+1.3 pp), LSM 7–8 was broadly flat (+0.5 pp), and LSM 3–6 fell back (-2.0 pp). This combination widens the distance between LSM 7–8 and LSM 3–6 from 6.3 to 8.8 points, signalling a clearer split between the middle and lower groups.

Across two years, LSM 9–10 has strengthened (+1.5 pp vs 2022), LSM 7–8 has eased (-2.5 pp), and LSM 3–6 is fractionally lower (-0.7 pp). The 2024 profile is therefore more top-heavy and more polarised, with momentum concentrated at the highest living-standard tier and softness at the base.







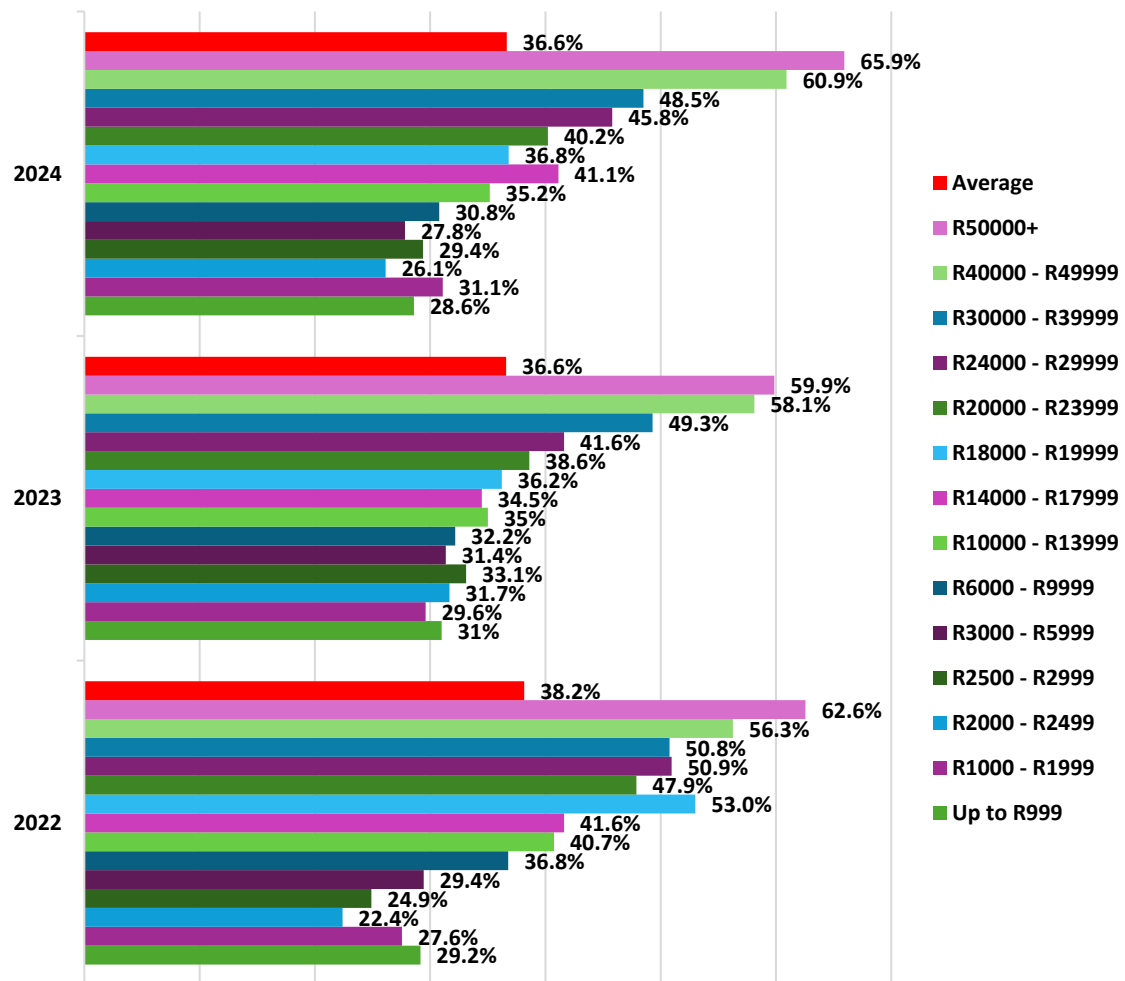
## Income

In 2024 the income gradient is steep. The top earners remain far ahead: R50,000+ reaches 65.9% (up +6.0 pp year on year) and R40,000–R49,999 rises to 60.9% (+2.8 pp). The upper-middle bands are mixed: R30,000–R39,999 eases to 48.5% (–0.8 pp), while R24,000–R29,999 rebounds to 45.8% (+4.2 pp) and R20,000–R23,999 edges up to 40.2% (+1.6 pp).

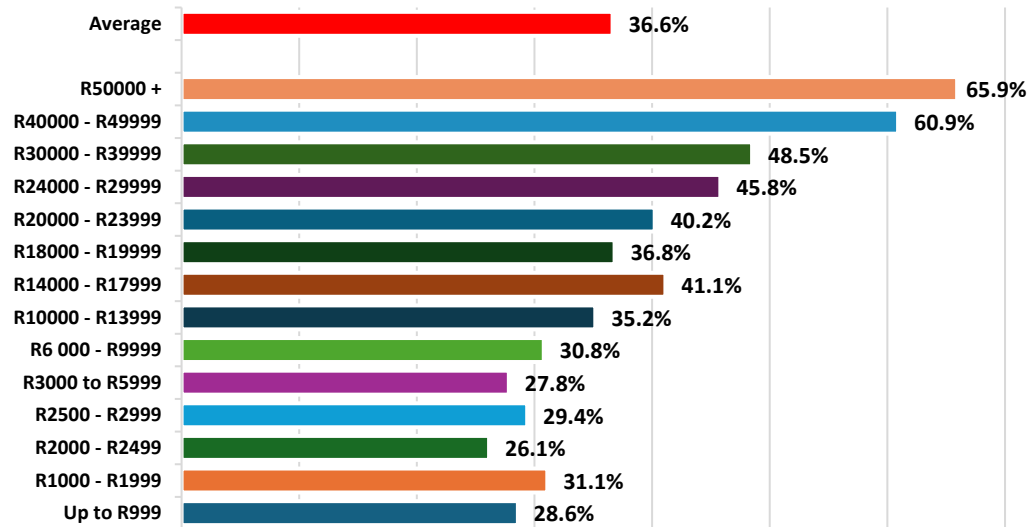
A notable reshuffle occurs in the mid-lower range. R14,000–R17,999 jumps to 41.1% (+6.6 pp), overtaking R18,000–R19,999 at 36.8% (+0.6 pp) and almost catching R20,000–R23,999. Below R14k, most brackets retreat: R10,000–R13,999 holds roughly flat at 35.2% (+0.2 pp), R6,000–R9,999 slips to 30.8% (–1.4 pp), R3,000–R5,999 to 27.8% (–3.6 pp), R2,500–R2,999 to 29.4% (–3.7 pp), R2,000–R2,499 to 26.1% (–5.6 pp), while R1,000–R1,999 is the lone gainer at the base, up to 31.1% (+1.5 pp). Up to R999 declines to 28.6% (–2.4 pp).

The consequence is a wider spread between the extremes: from 65.9% at R50k+ to 28.6% at the lowest band – a 37.3-point gap, up from roughly 29 points in 2023. Momentum in 2024 sits at the very top of the distribution and, interestingly, in the R14k–R17.9k tier, while participation softens across most lower-income brackets.

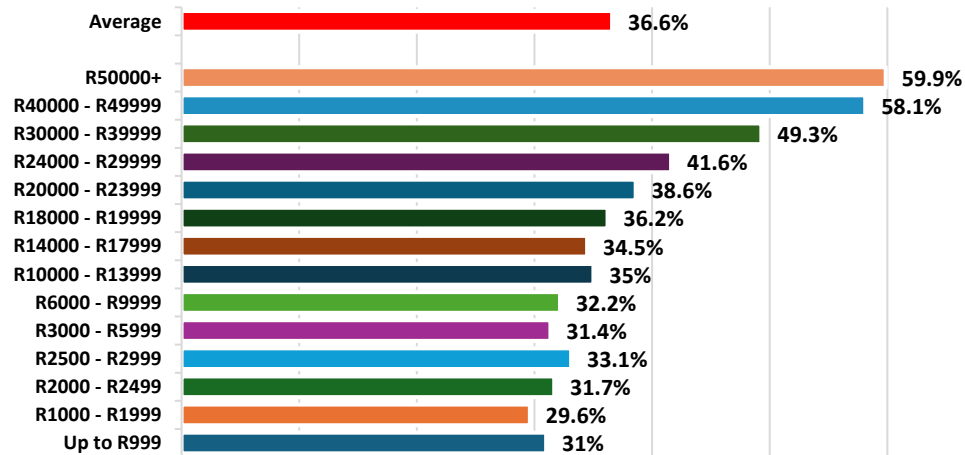
## Those who shop online, by income



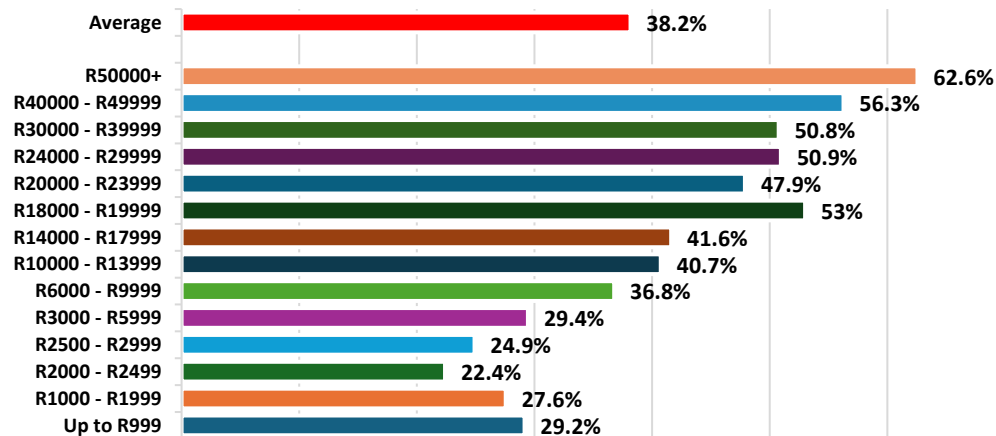
**Those who shop online, by income (2024)**



**Those who shop online, by income (2023)**



**Those who shop online, by income (2022)**

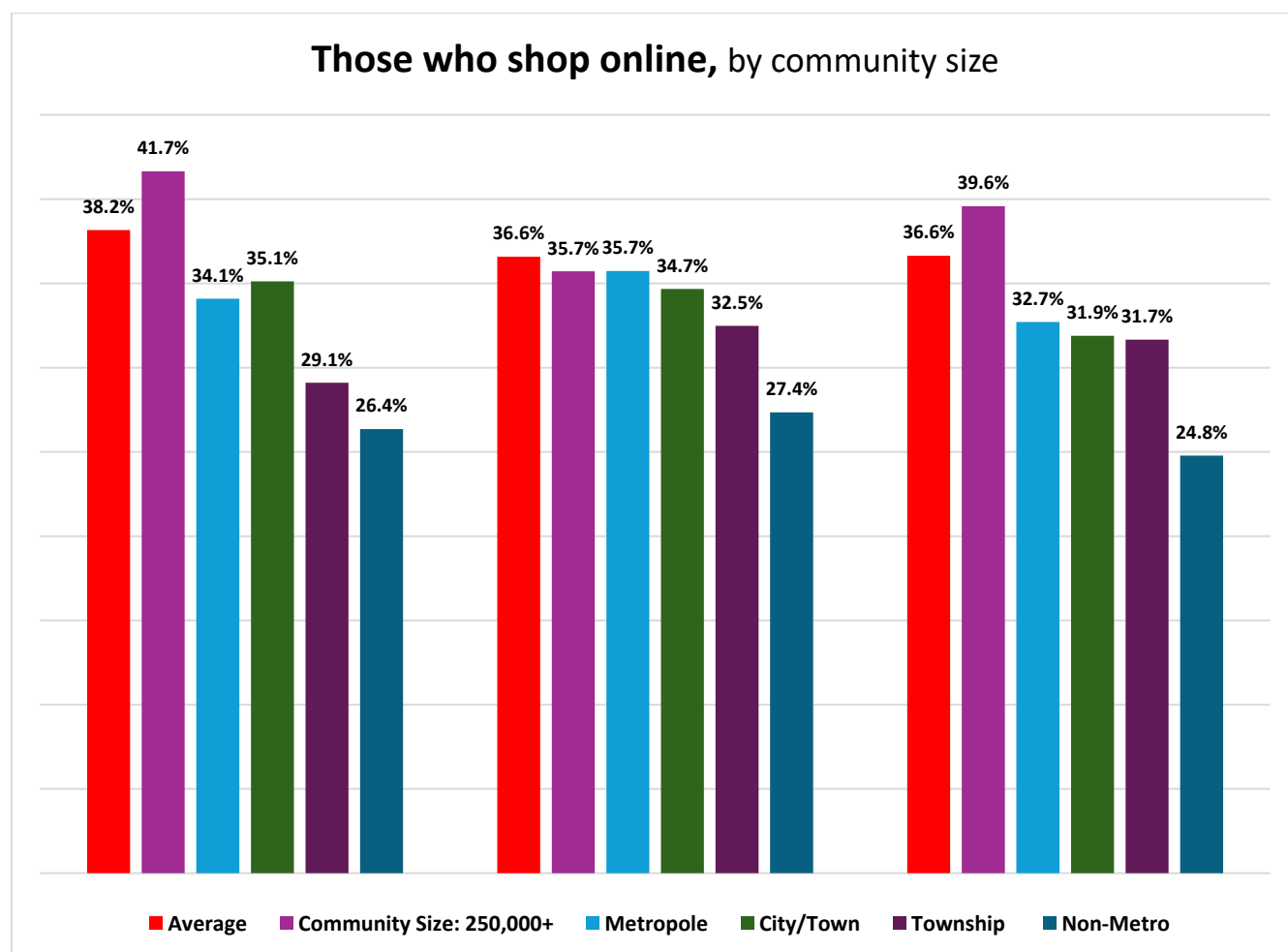


## Community size

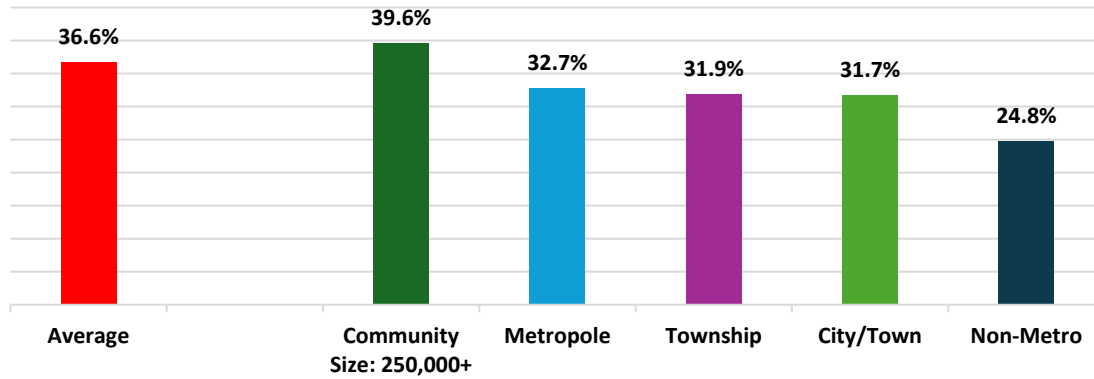
In 2024, online shopping is most common in the largest communities and weakest in non-metro areas. Communities of 250,000+ lead at 39.6%, followed by Metropolises (32.7%), City/Town (31.9%), Township (31.7%), and Non-Metro (24.8%).

Year on year, the biggest move is a rebound in 250,000+ areas (+3.9 pp), while all other community sizes slip: Metropolises (−3.0 pp), City/Town (−2.8 pp), Township (−0.8 pp), and Non-Metro (−2.6 pp). This restores a clear hierarchy with large communities back in front and produces a wider urban–rural divide: the gap between 250,000+ and Non-Metro expands to 14.8 pp (from 8.3 pp in 2023), close to the 2022 spread.

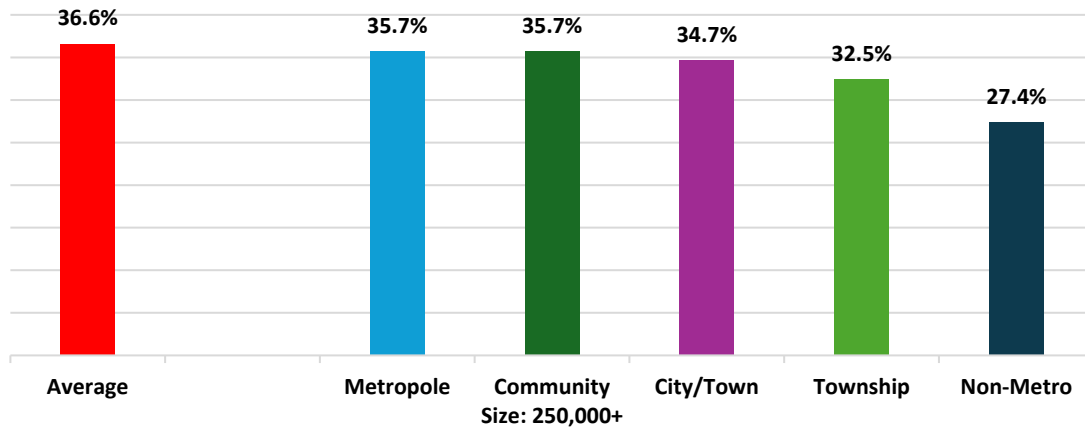
Over two years, only Townships are higher than in 2022 (+2.6 pp), while City/Town shows the largest erosion (−3.2 pp). 250,000+ (−2.1 pp), Metropolises (−1.4 pp) and Non-Metro (−1.6 pp) are below their 2022 levels. Notably, Townships have almost caught up with City/Town – a gap of 6.0 pp in 2022 has narrowed to 0.2 pp – pointing to convergence among mid-sized urban communities even as very large centres pull ahead again.



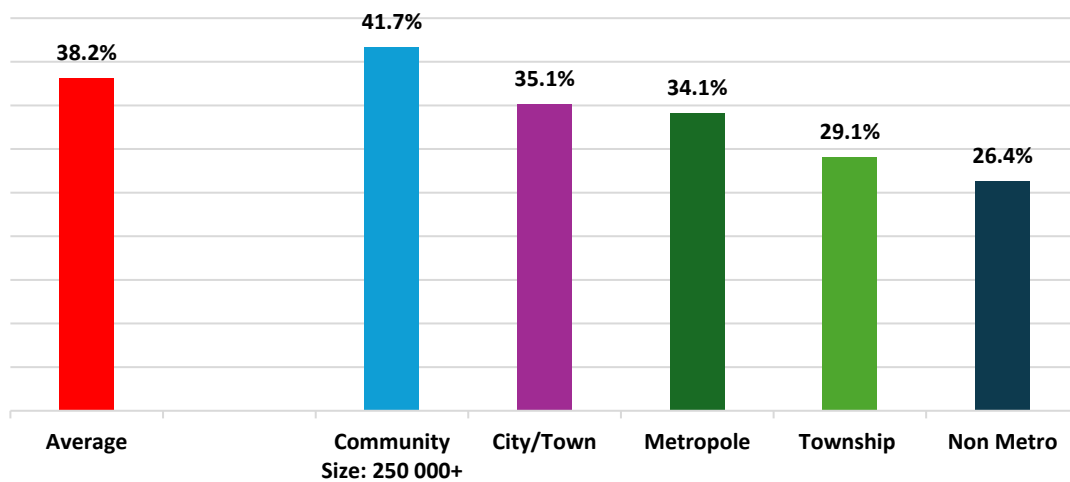
**Those who shop online, by community size (2024)**



**Those who shop online, by community size (2023)**



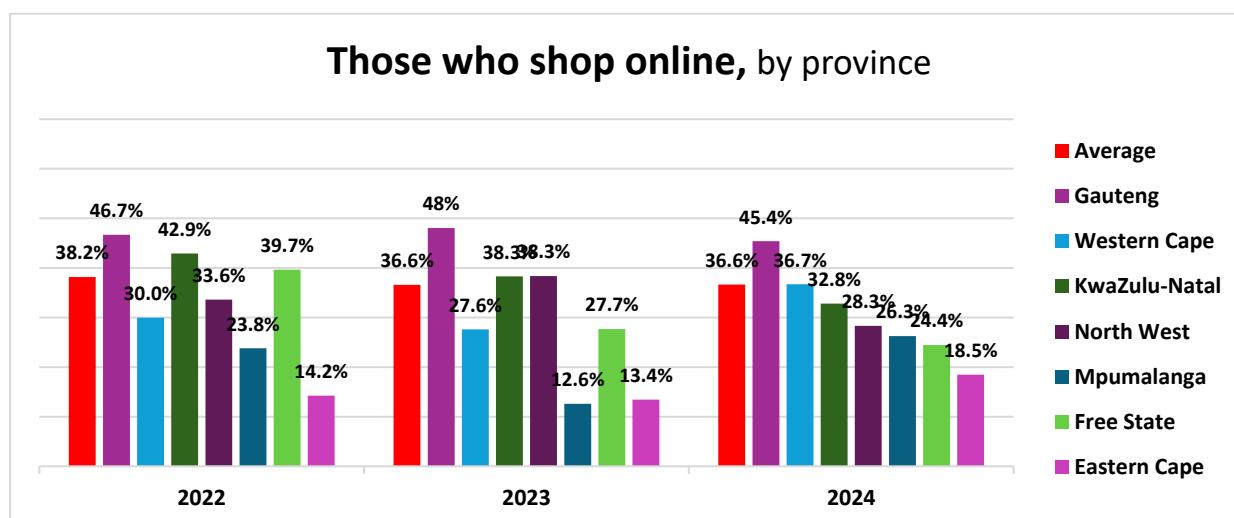
**Those who shop online, by community size (2022)**

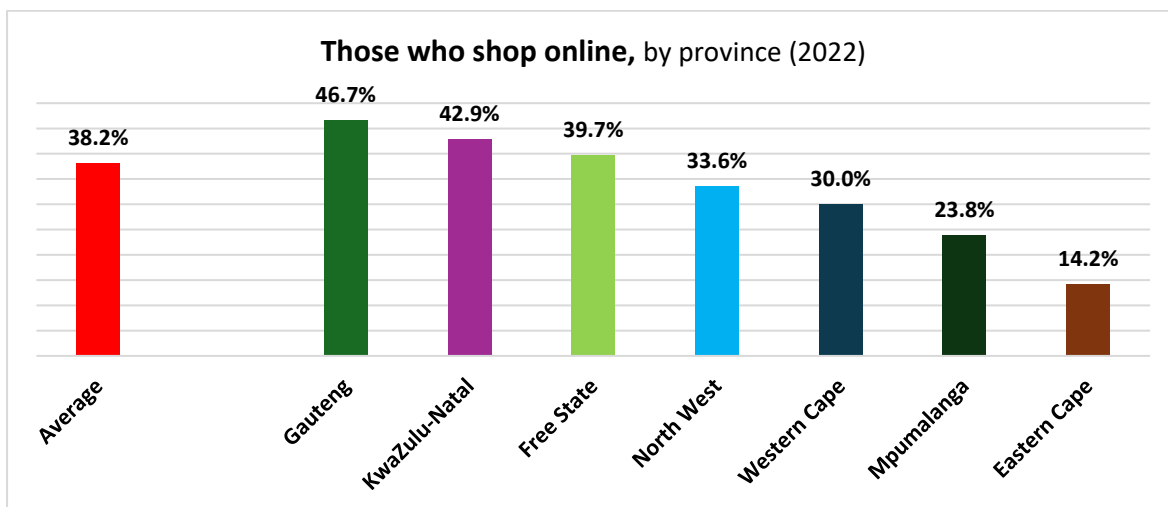
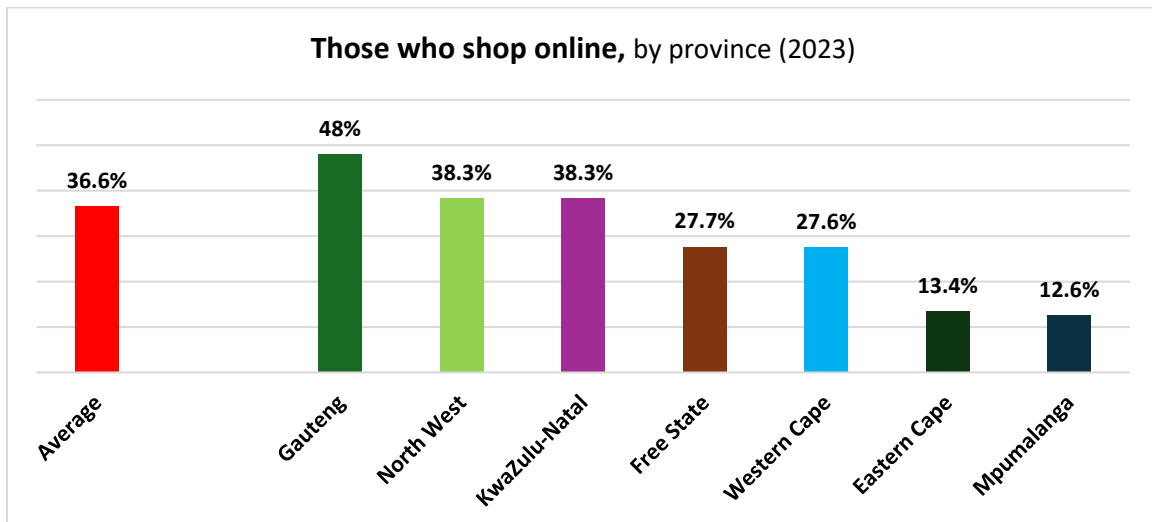
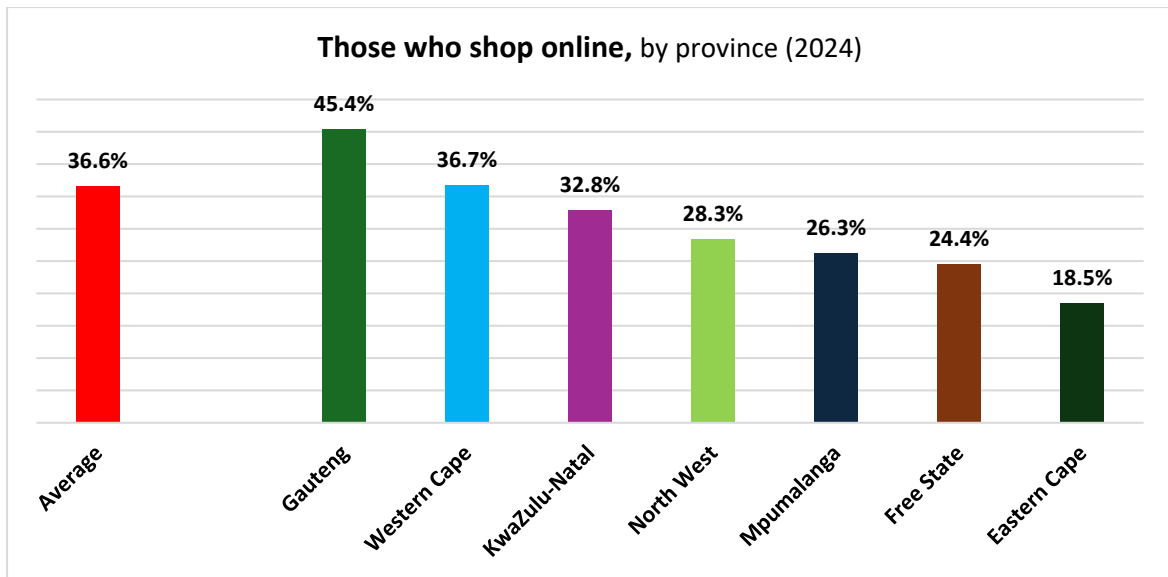


## Province

Gauteng remains the clear leader in 2024 at 45.4%, but the story of the year is the Western Cape's rebound to 36.7%, a jump of 9.1 percentage points from 2023 that vaults it from the lower half to second place. KwaZulu-Natal slips to 32.8% (-5.5 pp) and North West falls more sharply to 28.3% (-10.0 pp), pushing both down the ranking. Mpumalanga more than doubles its 2023 level to 26.2% (+13.6 pp), moving off the bottom rung and into fifth. Free State declines to 24.4% (-3.3 pp), while Eastern Cape rises to 18.5% (+5.1 pp) but still sits last.

Compared with 2022, Western Cape is materially higher (+6.7 pp), Mpumalanga and Eastern Cape are modestly higher (+2.4 pp and +4.3 pp), Gauteng is roughly flat (-1.3 pp), and the losses are concentrated in Free State (-15.3 pp), KwaZulu-Natal (-10.1 pp) and North West (-5.3 pp). The gap between the top and bottom narrows to 26.9 points (from 34.6 in 2023), driven by Gauteng's small dip and sizeable gains in Eastern Cape and Mpumalanga. The net effect in 2024 is a reshuffled middle, Western Cape surging into contention and North West and Free State giving ground, while Gauteng retains its lead.





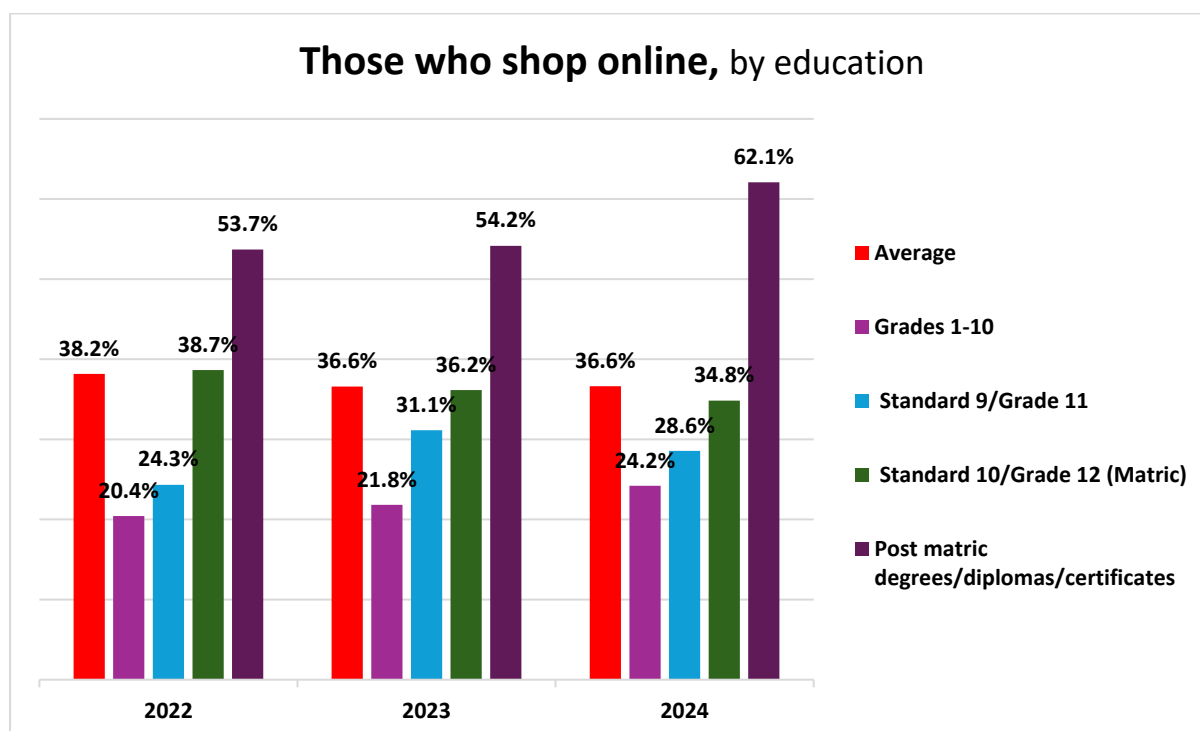


## Education

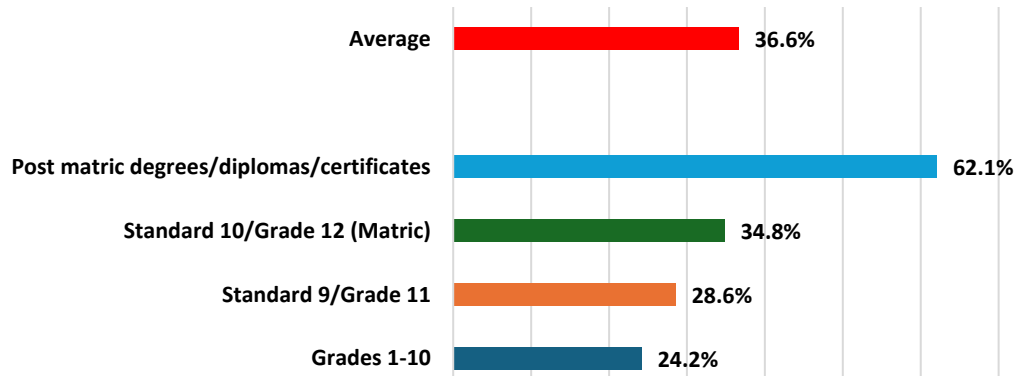
In 2024, online shopping is most prevalent among those with post-matric qualifications at 62.1%, far ahead of Matric (34.8%), Grade 11 (28.6%), and Grades 1–10 (24.2%). The gap between post-matric and Matric widens sharply to 27.3 pp (from 18.0 pp in 2023), and the top-to-bottom spread expands to 37.9 pp (from 32.4 pp).

Year on year, the standout shift is the surge among post-matric respondents (+7.9 pp). Grades 1–10 tick up (+2.4 pp) but remain the least engaged. The middle tiers soften: Grade 11 drops (–2.5 pp) and Matric slips (–1.4 pp). That mix narrows the distance between Grade 11 and Grades 1–10 to 4.4 pp (from 9.3 pp), while pulling post-matric further away from everyone else.

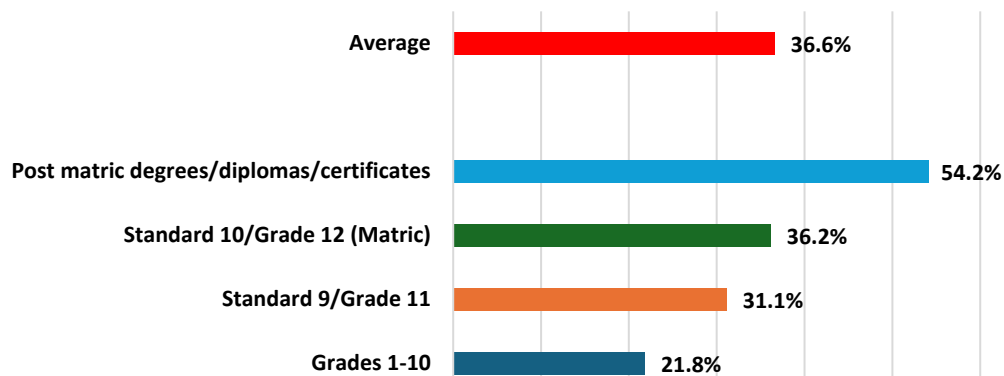
Across two years, post-matric shows the strongest cumulative rise (+8.4 pp vs 2022), Grade 11 is also higher (+4.3 pp), Grades 1–10 improve (+3.8 pp), and Matric is the only group below its 2022 level (–3.9 pp). 2024 is more polarised by education – online shopping concentrates among tertiary-educated consumers, while participation in the middle-qualification segments eases.



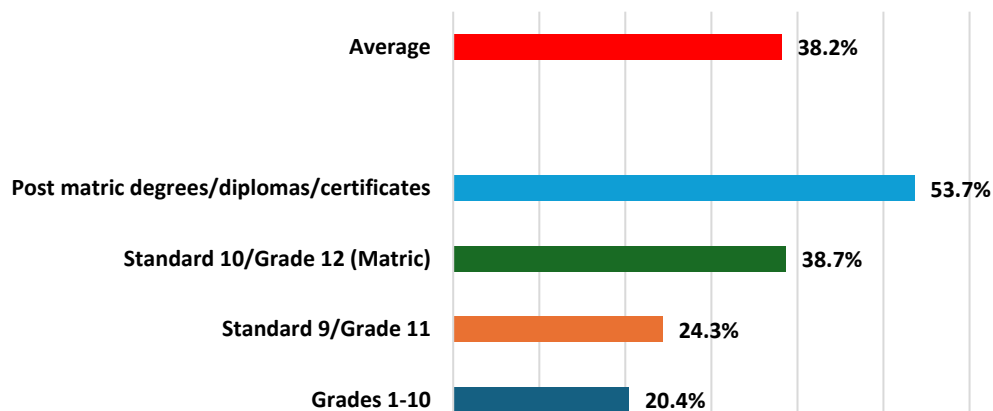
### Those who shop online, by education (2024)



### Those who shop online, by education (2023)



### Those who shop online, by education (2022)



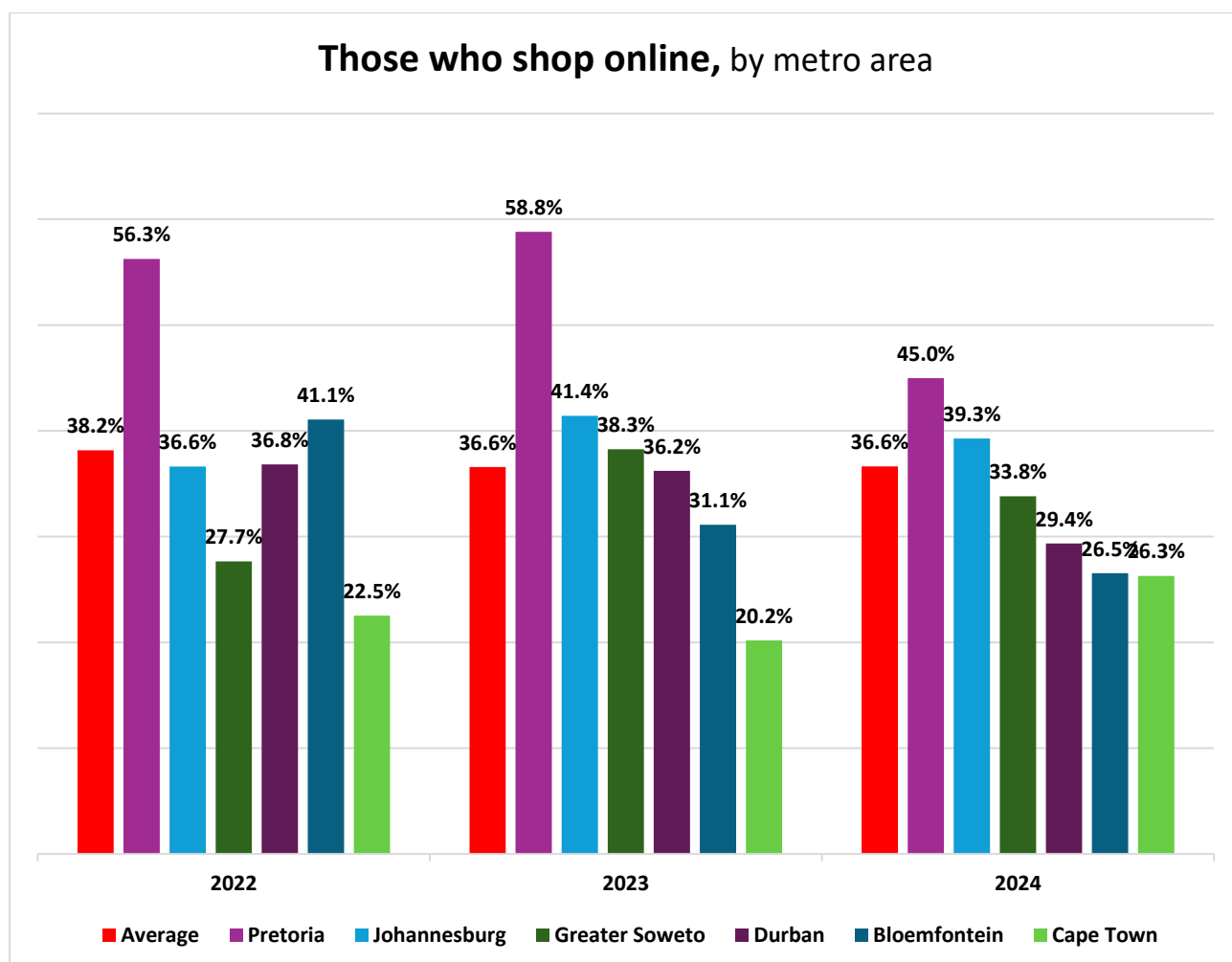
## Metro Area

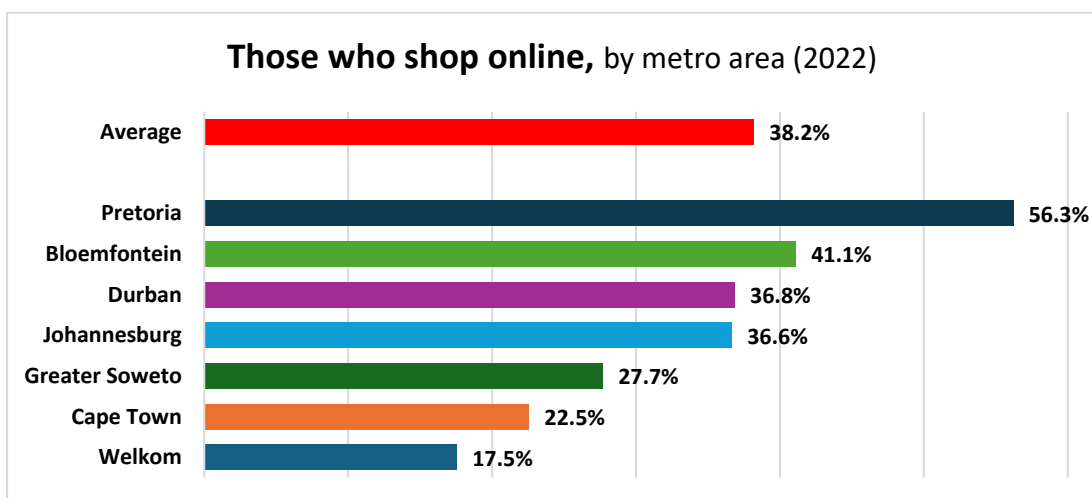
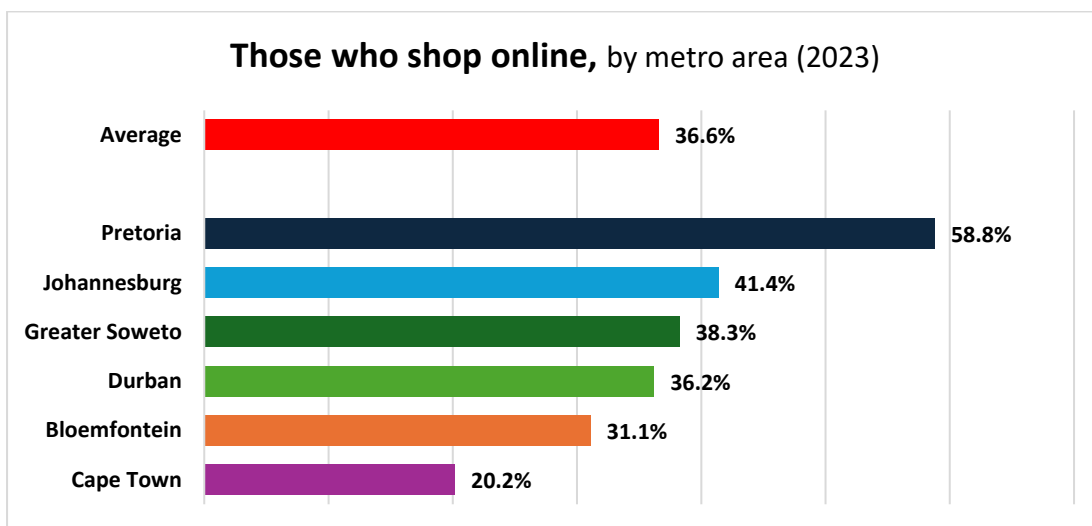
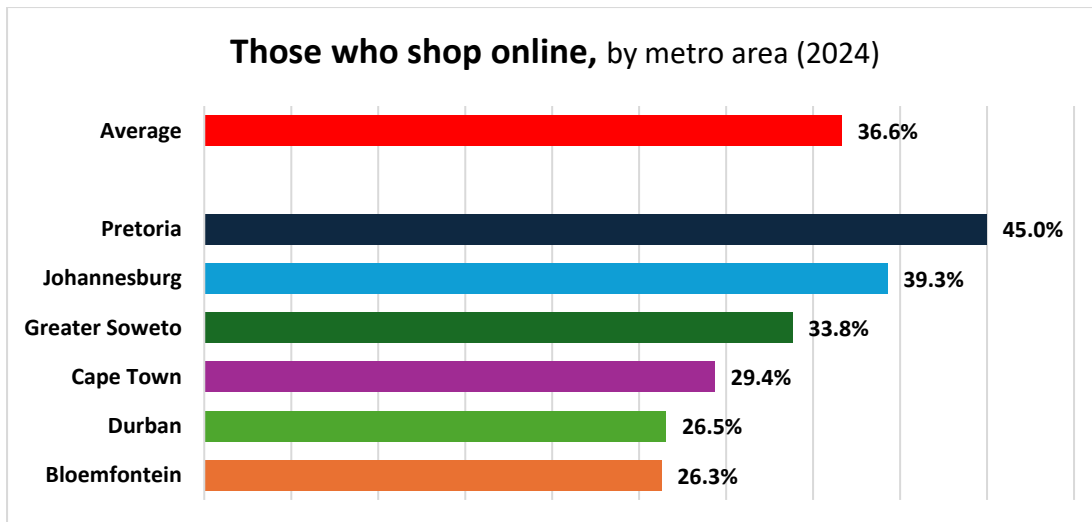
In 2024, Pretoria still leads online shopping at 45.0%, but its advantage is far smaller than in previous years. Johannesburg follows at 39.3%, then Greater Soweto (33.8%), Durban (29.4%), Bloemfontein (26.5%) and Cape Town (26.3%), with the metros now sitting much closer together.

Most metros saw a decline compared with 2023. Pretoria dropped by 13.8%, Durban by 6.8%, Greater Soweto by 4.5%, Bloemfontein by 4.6%, and Johannesburg by 2.1%. Cape Town was the only metro to grow, climbing 6.1% and almost catching Bloemfontein.

The gap between the highest and lowest metros has narrowed sharply, from 38.6% in 2023 (Pretoria at 58.8% vs Cape Town at 20.2%) to 18.7% in 2024 (45.0% vs 26.3%). This signals a more balanced online shopping profile across metros.

Looking over two years, Bloemfontein is down 14.6% and Pretoria down 11.3%, while Greater Soweto is up 6.1%, Cape Town up 3.8%, and Johannesburg up 2.7%. Durban remains lower than in 2022, down 7.4%. The overall picture is one of convergence, with Pretoria losing some of its dominance and Cape Town recovering from a very low base.





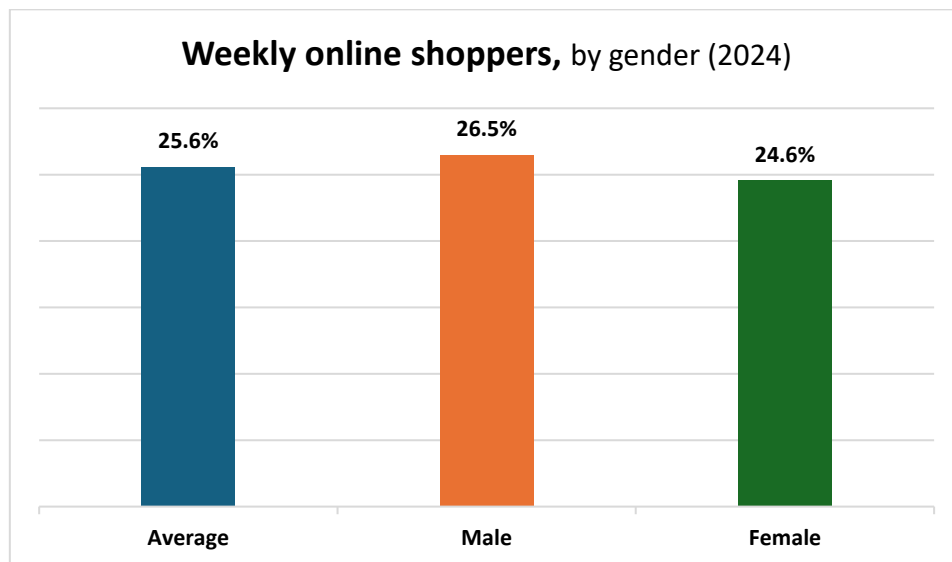
## Shopping once a week or more breakdown

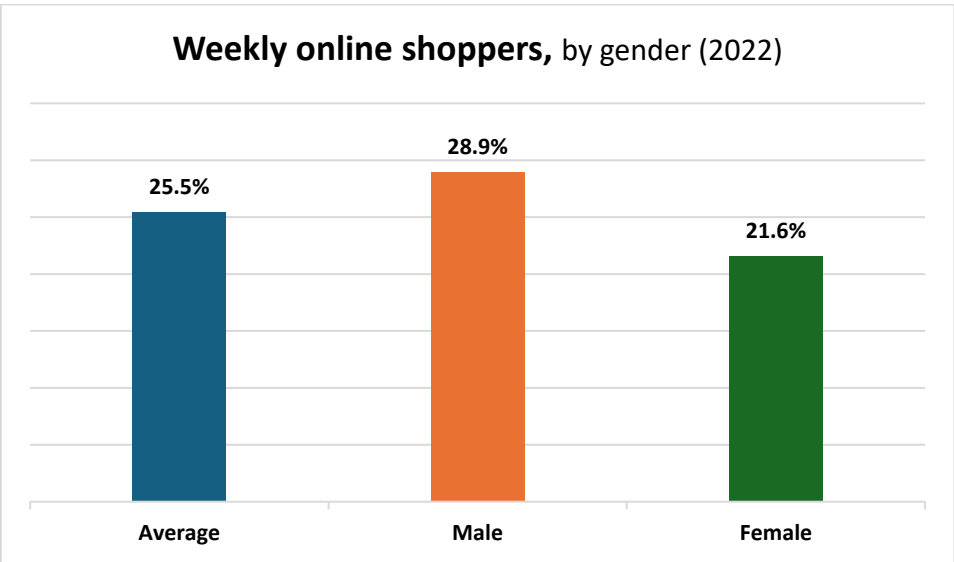
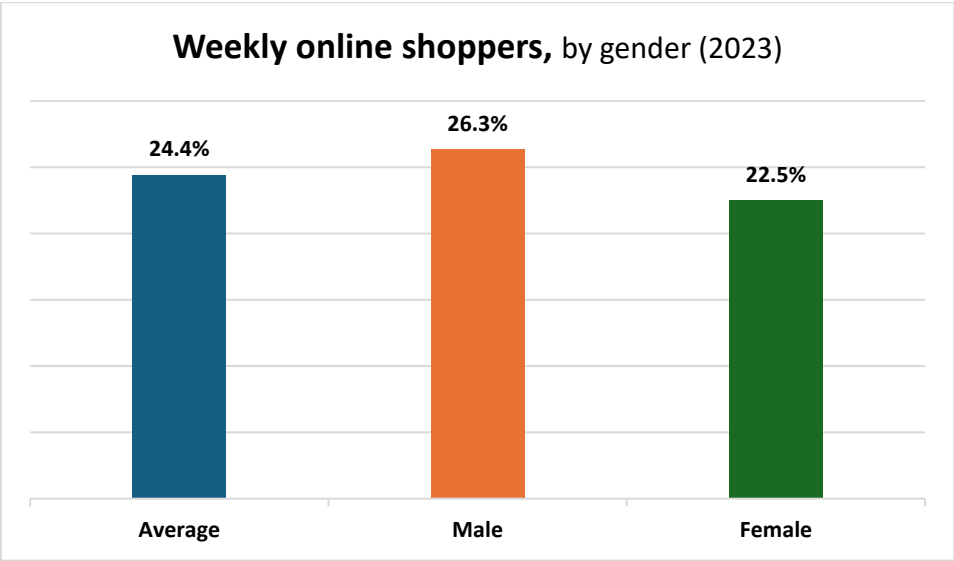
### By Gender

Weekly online shopping in 2024 is almost even by gender: 26.5% of men and 24.6% of women shop online every week, leaving a gap of just 1.9%.

Men are broadly steady year on year, up 0.2% from 2023, but still down 2.4% compared with 2022. Women continue to climb, up 2.1% from 2023 and up 3.0% over two years.

The result is clear convergence. The gender gap has narrowed from 7.3% in 2022 to 3.8% in 2023 and now 1.9% in 2024, pointing to weekly online shopping becoming increasingly balanced between men and women.



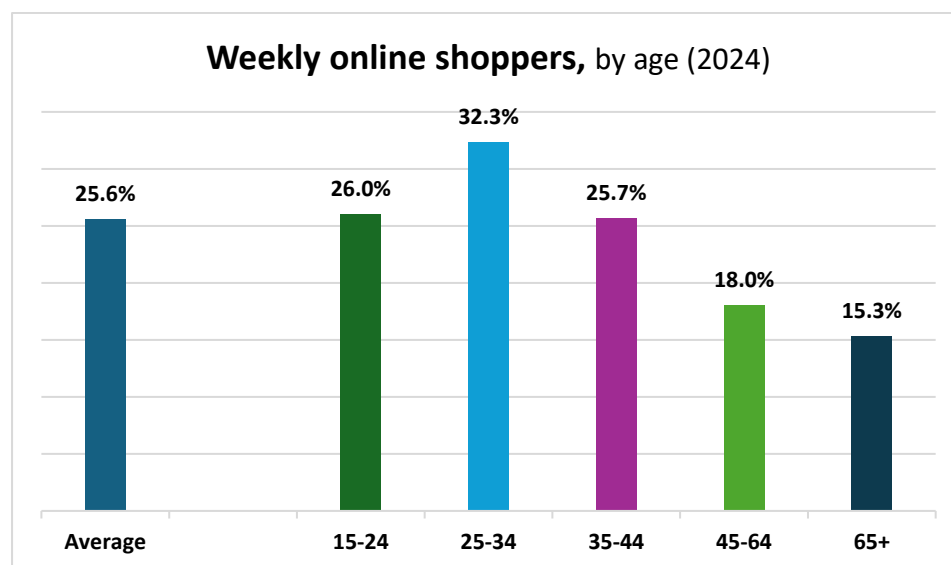


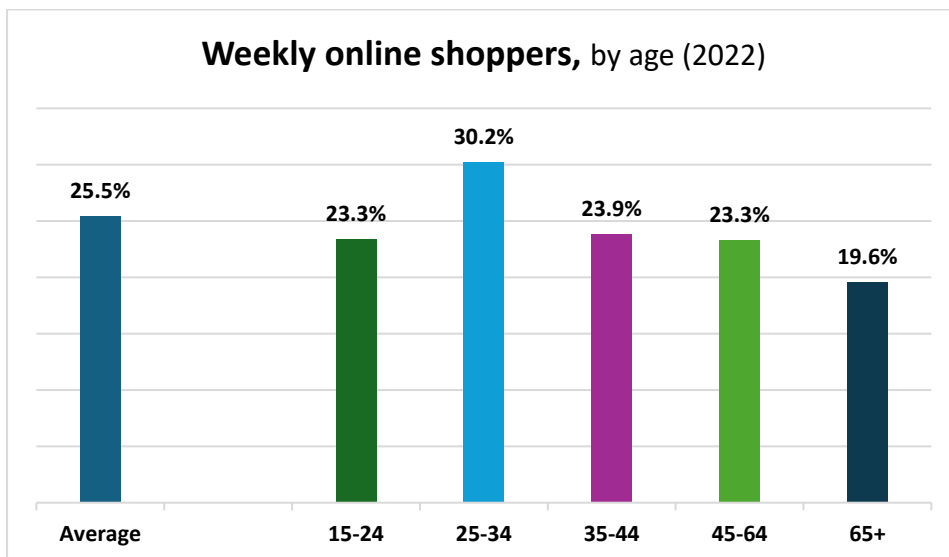
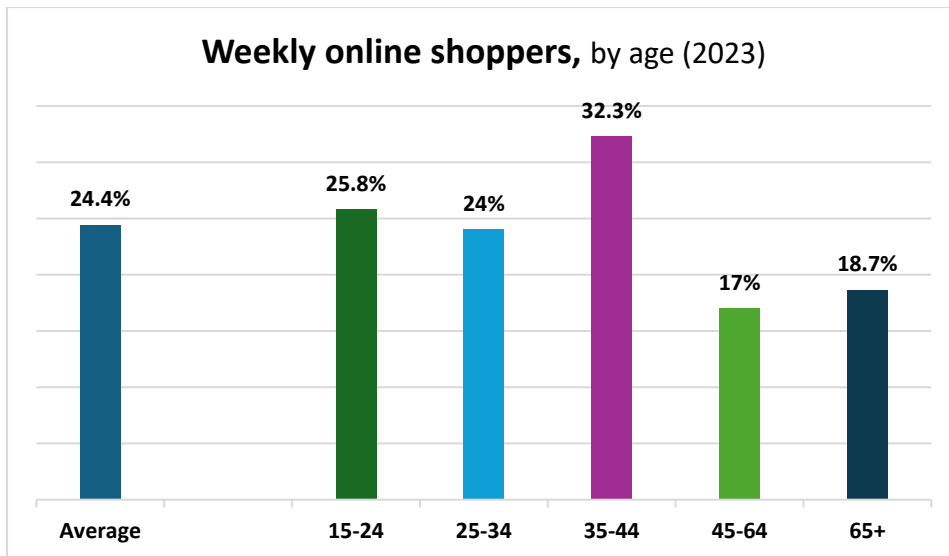
## By Age

In 2024, weekly online shopping is led by the 25–34 group at 32.3%, with a clear lead of 6.3% over the next-highest group. The 15–24s are at 26.0%, closely followed by 35–44s at 25.7%. Participation drops off among older adults, with 45–64s at 18.0% and 65+ at 15.3%. The pattern skews younger, with under-35s clearly the most frequent weekly shoppers.

Compared with 2023, the leadership switches: 25–34s surge up 8.3%, while 35–44s ease down 6.6%. The 15–24s are essentially steady up 0.2%, 45–64s edge up 1.0%, and 65+ move down 3.4%. The net effect is renewed dominance for the 25–34 cohort and a tighter cluster among the three youngest groups.

Over two years, the younger segments have strengthened or held firm: 15–24s up 2.7%, 25–34s up 2.1%, and 35–44s up 1.8% versus 2022. By contrast, weekly shopping among older adults has softened: 45–64s down 5.3% and 65+ down 4.3%. Weekly online shopping is therefore consolidating among under-35s, while participation among 45+ has receded.





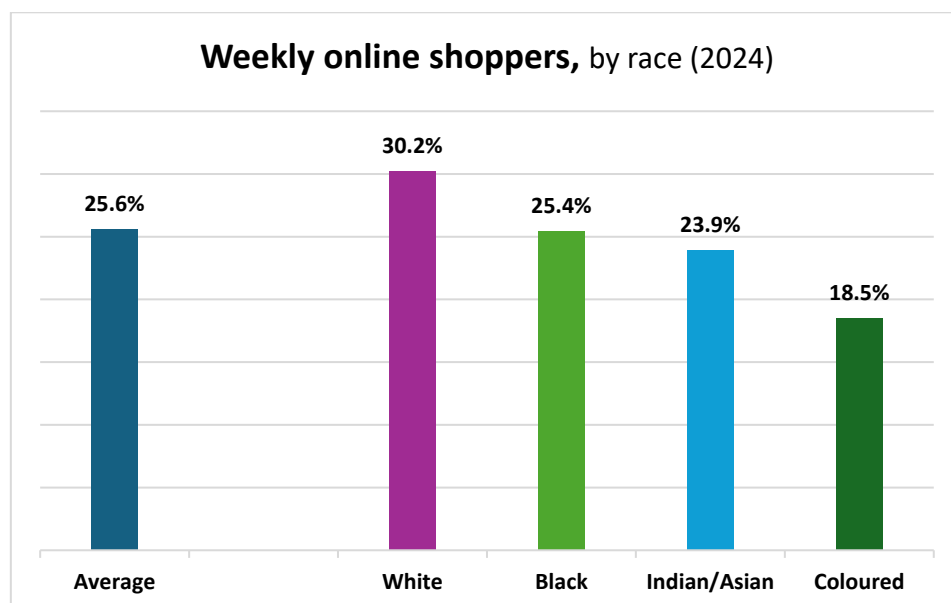


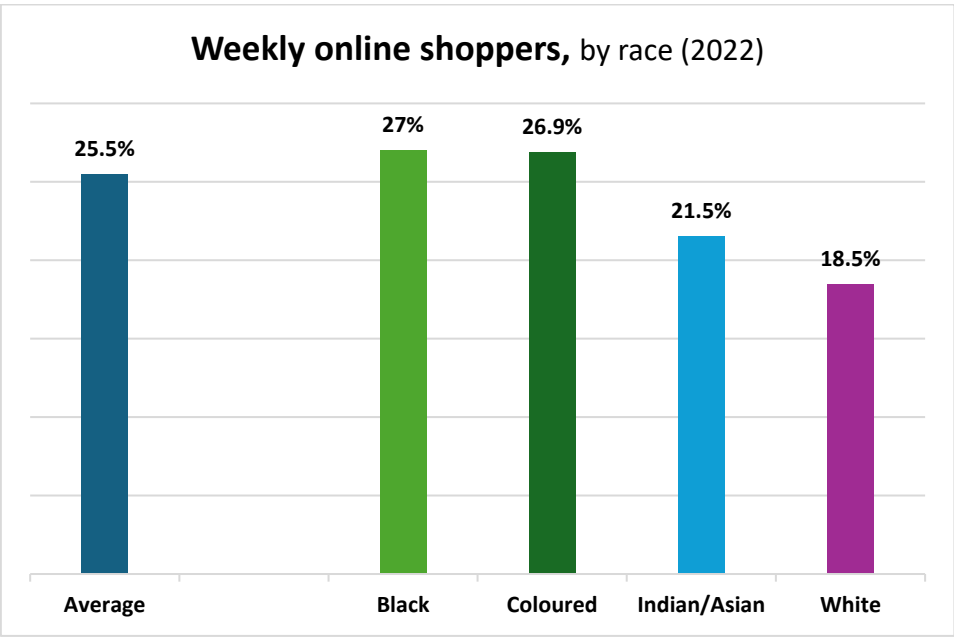
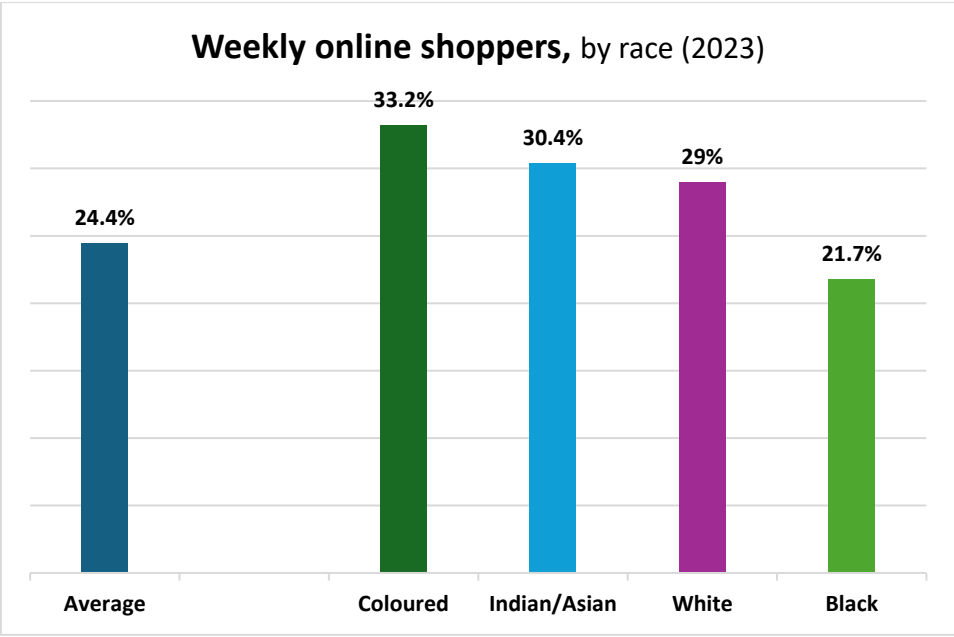
## By race

Weekly online shopping in 2024 is led by White consumers at 30.2%. Black consumers follow at 25.4%, Indian/Asian at 23.9%, and Coloured at 18.5%. The spread between the highest and lowest groups sits at 11.7%, with Coloured consumers now the least frequent weekly shoppers.

Compared with 2023, the picture rotates sharply. White is up 1.2% and Black is up 3.7%, while Indian/Asian is down 6.5% and Coloured is down 14.7%. Last year's leader, Coloured, drops to last place, and White moves to the top.

Looking over two years, White is up 11.7% and Indian/Asian up 2.4%. Black is down 1.6% and Coloured down 8.4%. The net effect is a reversal of the earlier ranking, with gains concentrated among White and Indian/Asian shoppers and a sustained decline among Coloured shoppers.



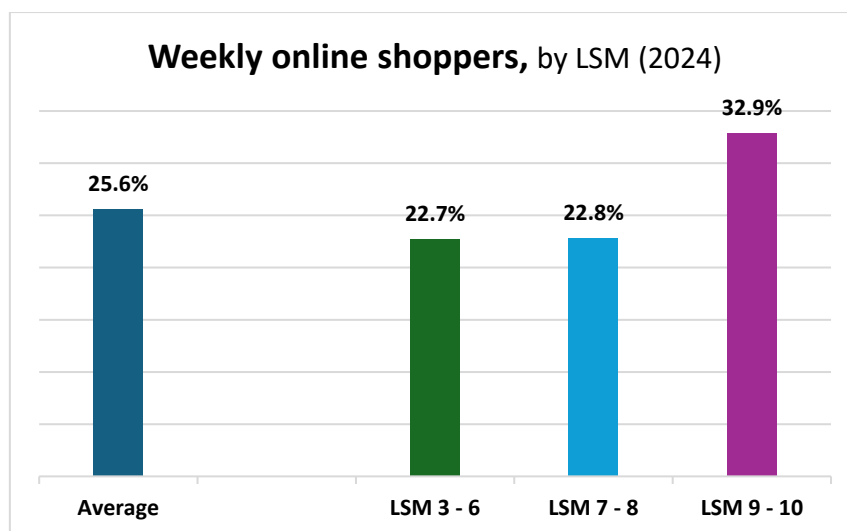


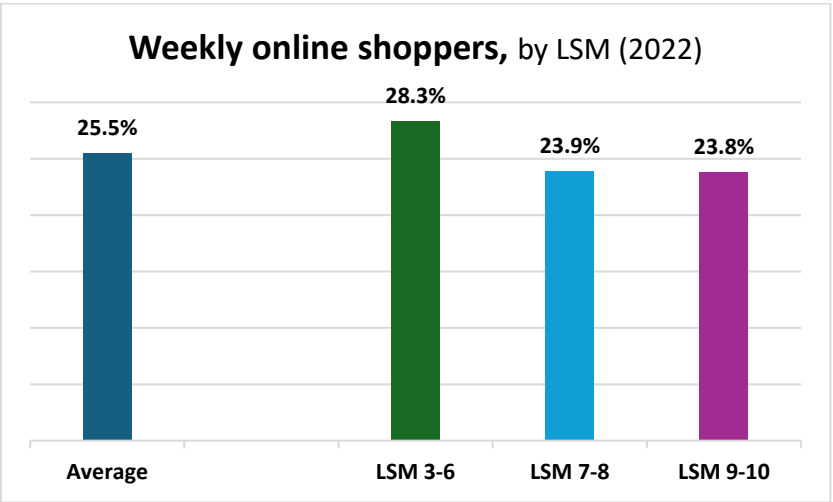
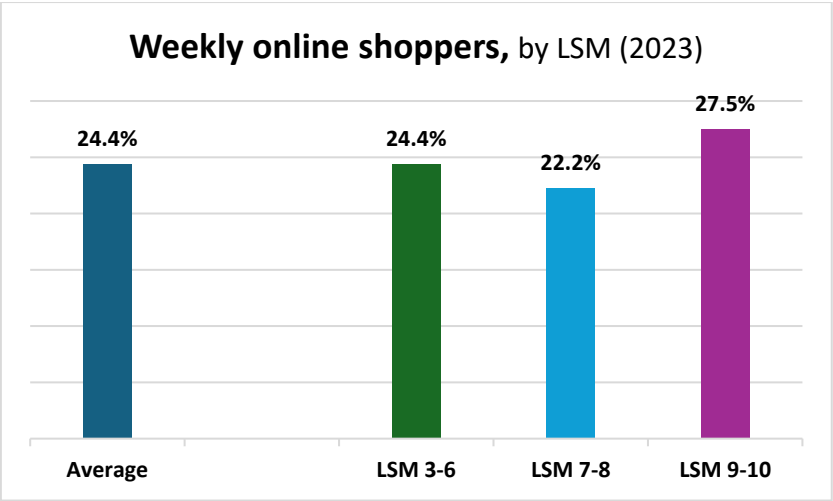
## By living standard measure (LSM)

In 2024, weekly online shopping is clearly concentrated at the top of the LSM scale. LSM 9–10 leads at 32.9%, while LSM 7–8 sits at 22.8% and LSM 3–6 at 22.7%. The two lower groups are essentially level, and the gap between LSM 9–10 and the rest is about 10%.

Compared with 2023, LSM 9–10 is up 5.4%, the strongest rise of any group. LSM 7–8 is up 0.6%, holding steady, while LSM 3–6 is down 1.7%. That mix widens the lead for the top tier from a few percentage points last year to roughly ten points in 2024.

Over two years, the shift is even clearer. LSM 9–10 is up 9.1% since 2022, LSM 7–8 is down 1.1%, and LSM 3–6 is down 5.6%. The group that led in 2022 (LSM 3–6) has moved into a tie for the middle, while weekly shopping has consolidated among the highest living-standard segment.



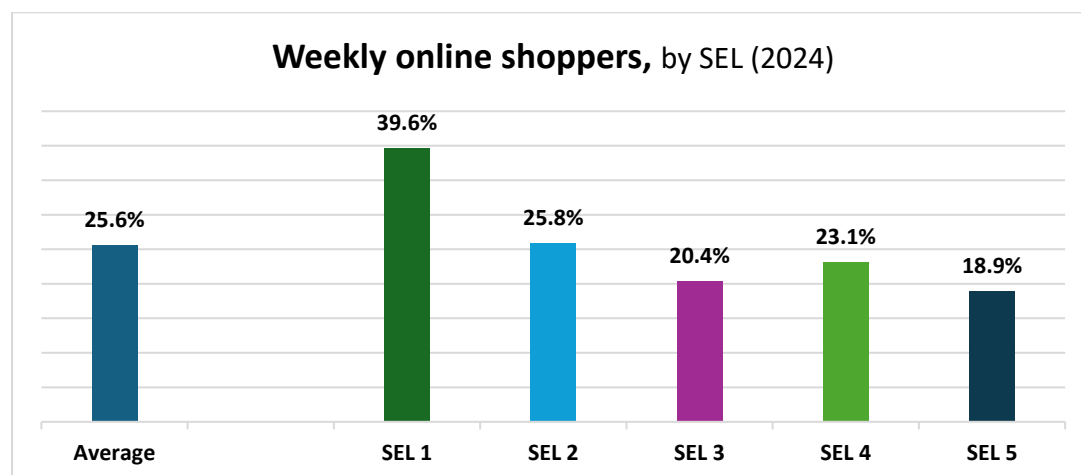


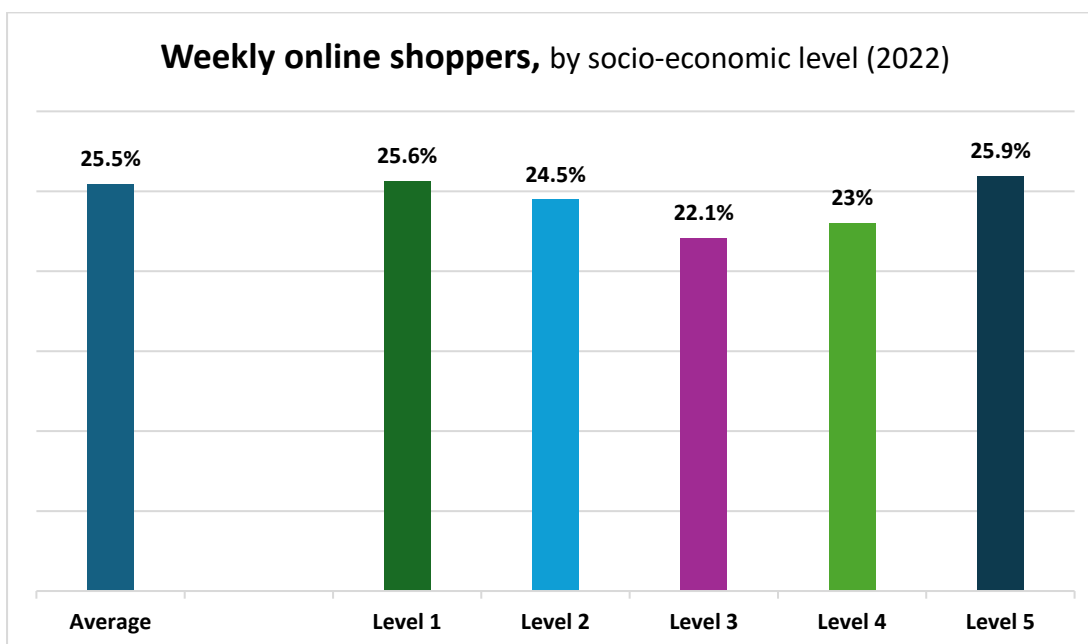
## By socio-economic level (SEL)

In 2024, weekly online shopping is heavily concentrated at the top of the socio-economic scale. SEL 1 leads at 39.6%, well ahead of SEL 2 at 25.8%, followed by SEL 4 at 23.1%, SEL 3 at 20.4%, and SEL 5 at 18.9%. The gap between the highest and lowest groups is 20.7%, indicating strong polarisation toward the top tier.

Compared with 2023, SEL 1 jumps up 8.8%, SEL 2 moves up 2.7%, and SEL 4 is up 1.0%. SEL 3 shifts down 7.3% and SEL 5 is down 1.5%. This reshuffle pushes SEL 2 into second place and widens the distance between the top and bottom from 10.4% to 20.7%.

Over two years, SEL 1 is up 14.0%, SEL 2 is up 1.3%, SEL 4 is essentially flat up 0.1%, SEL 3 is down 1.7%, and SEL 5 is down 7.0%. The segment that once sat near the top in 2022 (SEL 5) is now last, while weekly shopping has consolidated among the highest socio-economic group.



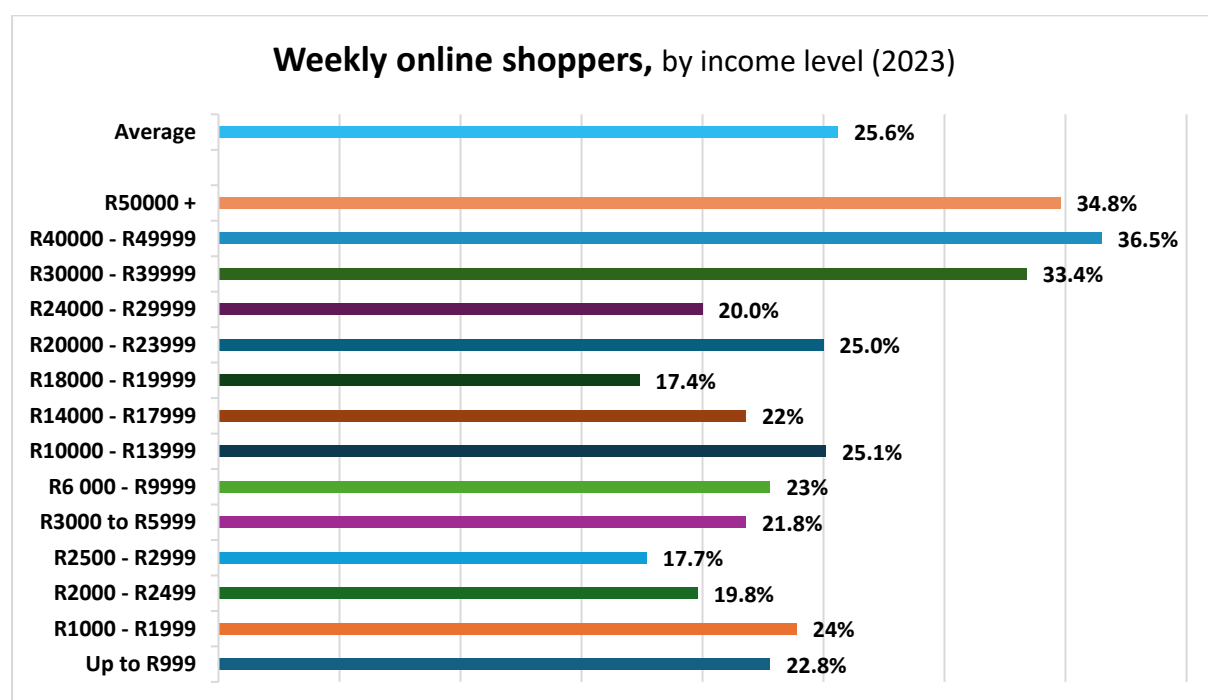


## By Income Level

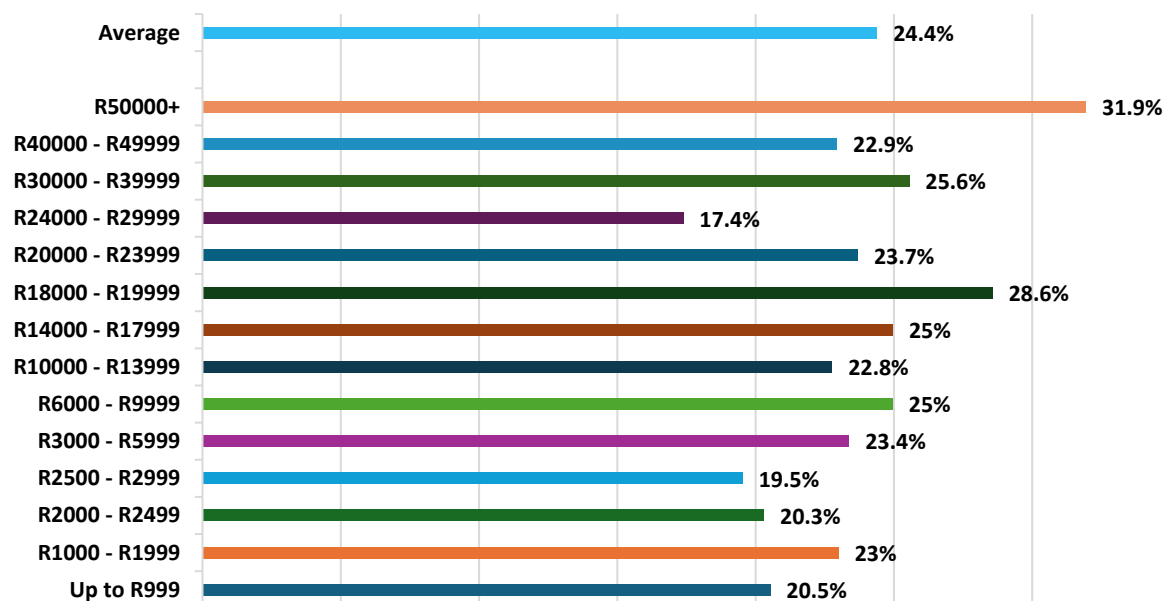
In 2024, weekly online shopping climbs with income and peaks between R40,000–R49,999 (36.5%), R50,000+ (34.8%), and R30,000–R39,999 (33.4%). Most bands from R10,000–R23,999 cluster in the 20%–25% range, while activity is weakest around R18,000–R19,999 (17.4%). The gap between the top performer and the lowest band is about 19%, signalling a clear tilt toward higher earners.

Compared with 2023, momentum is strongest in the upper-middle tiers. R40,000–R49,999 is up 13.6%, R30,000–R39,999 is up 7.8%, and R50,000+ is up 2.9%. Mid–lower groups are mixed: R24,000–R29,999 and R20,000–R23,999 edge up, R10,000–R13,999 rises modestly, and several lower bands ease back. The standout decline is R18,000–R19,999, down 11.2% year on year.

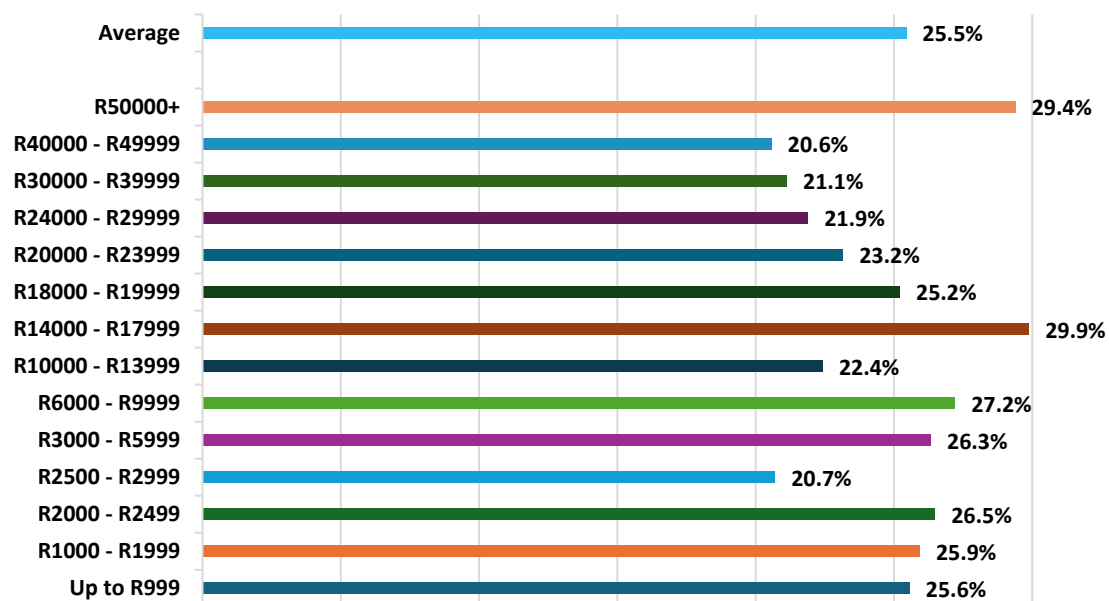
Looking back to 2022, the shift is even clearer. Weekly shopping has surged in the R30,000–R49,999 range (up 12%–16%), grown for R50,000+ (up 5.4%), and softened across many lower-income brackets – most notably R14,000–R17,999 (down 7.9%) and R18,000–R19,999 (down 7.8%). In short, the regular online shopper in 2024 is increasingly a higher-income consumer, with the strongest growth anchored in the R30k–R49k bands.



**Weekly online shoppers, by income level (2023)**



**Weekly online shoppers, by income level (2022)**



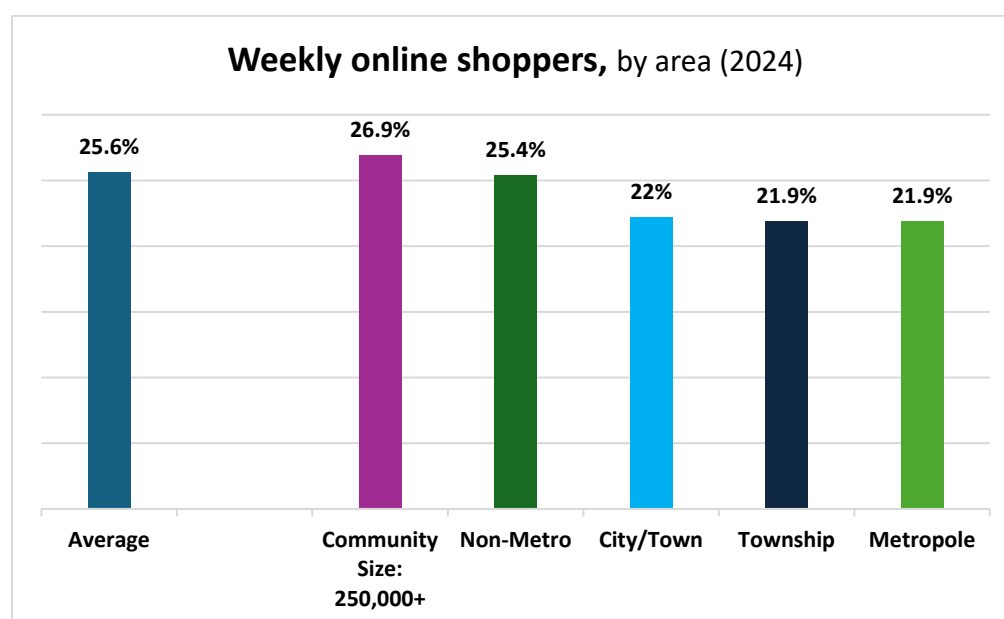


## By Area

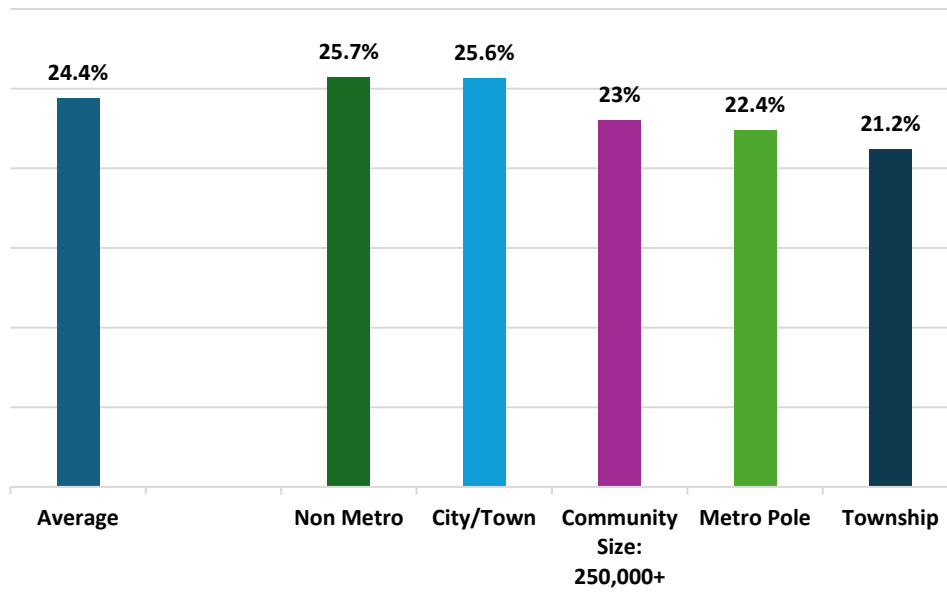
In 2024, the largest communities (250,000+) have the highest share of weekly online shoppers at 26.9%, just ahead of non-metro areas at 25.4%. City/town, township and metropole are tightly grouped at 22.0%, 21.9% and 21.9% respectively, showing a fairly even pattern across these urban categories.

Against 2023, large communities are up 3.9%, non-metros are essentially flat down 0.3%, city/town is down 3.6%, townships are up 0.7%, and metropolises are down 0.5%. The lead has shifted back to the biggest population centres, while the rest of the urban groupings sit within a narrow band around 22%.

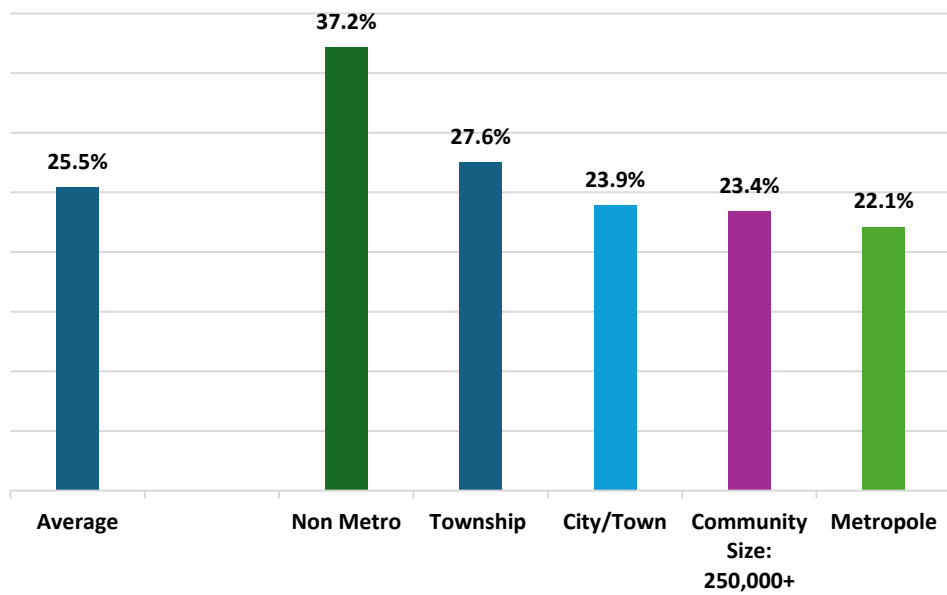
Over two years, the profile has flipped. Non-metro areas are down 11.8% from a very high 2022 base, while large communities are up 3.5%. City/town is down 1.9%, townships are down 5.7%, and metropolises are little changed down 0.2%. The result is much less divergence than in 2022: the spread between the highest and lowest groups in 2024 is about 5%, with large communities leading but no clear outliers among the rest.



**Weekly online shoppers, by area (2023)**



**Weekly online shoppers, by area (2022)**

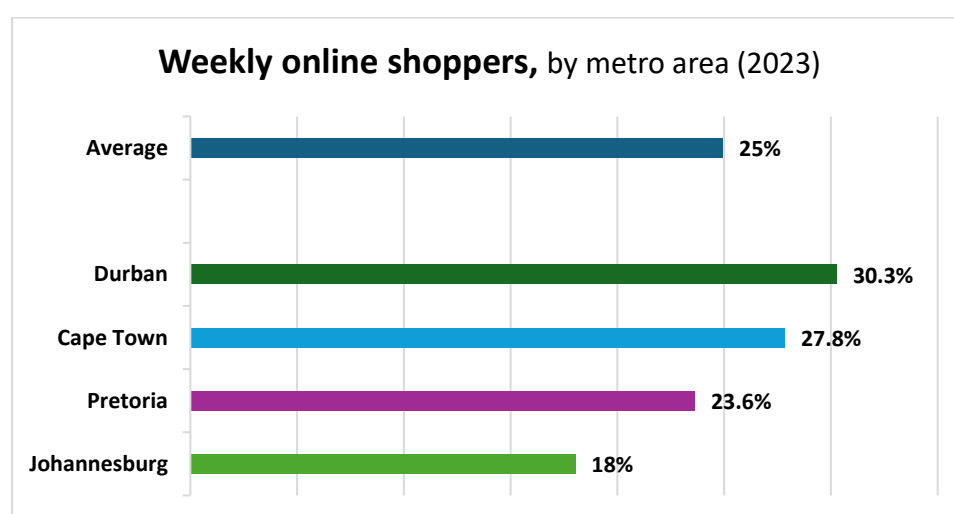
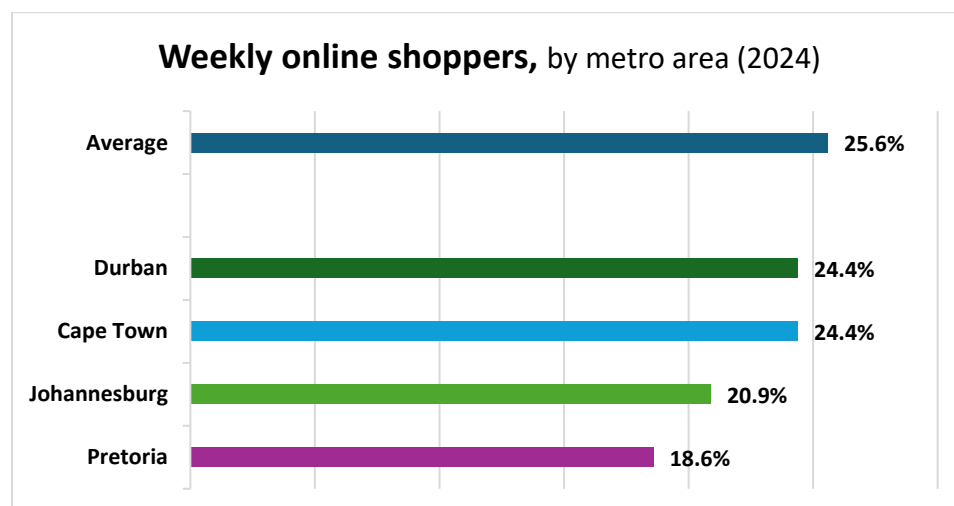


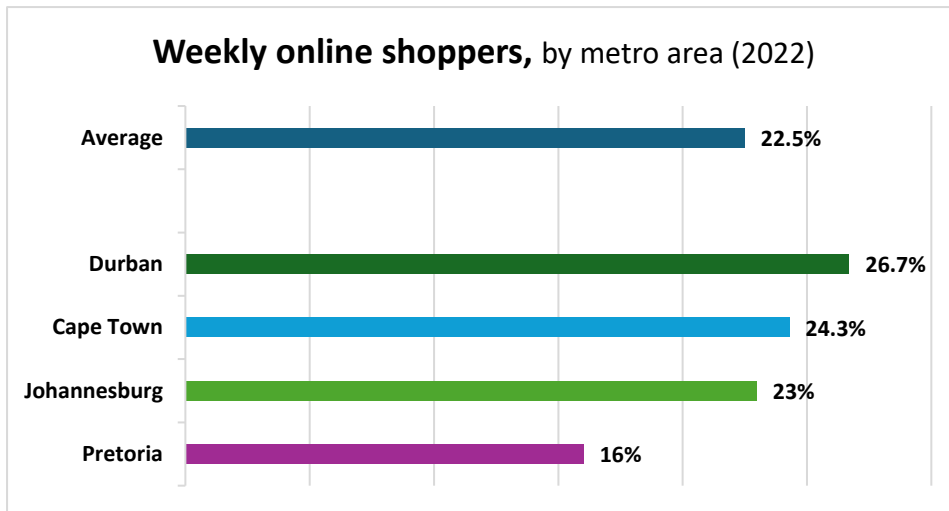
## By Metro Area

Weekly online shopping levels across the metros are tightly bunched in 2024. Durban and Cape Town are tied for the lead at 24.4%, Johannesburg follows at 20.9%, and Pretoria sits at 18.6%. The spread from top to bottom is just 5.8%, so none of the metros is far ahead.

Compared with 2023, Durban is down 5.9% and Cape Town down 3.4%, which pulls both off last year's highs. Johannesburg edges up 2.9%, while Pretoria drops 5.0% and moves to the bottom of the table. The result is a much narrower gap between metros.

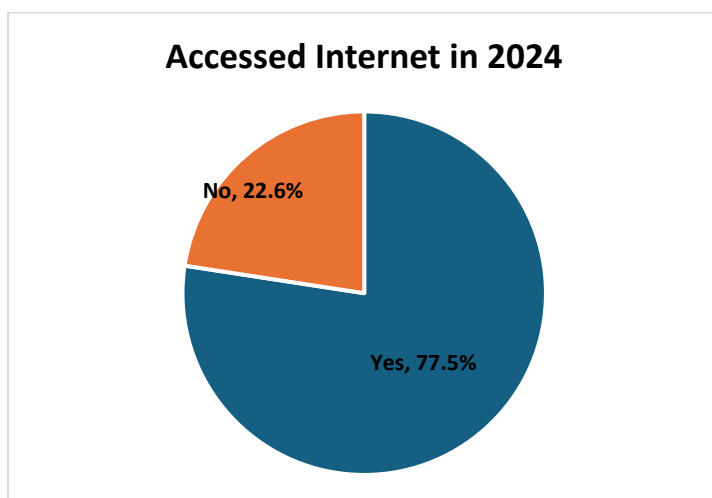
Over two years the pattern has converged further: Durban is down 2.3% from 2022, Cape Town is essentially flat up 0.1%, Johannesburg is down 2.1%, and Pretoria is up 2.6%. Leadership has rotated rather than entrenched, with metros now clustered in a tight range.





## Internet Access

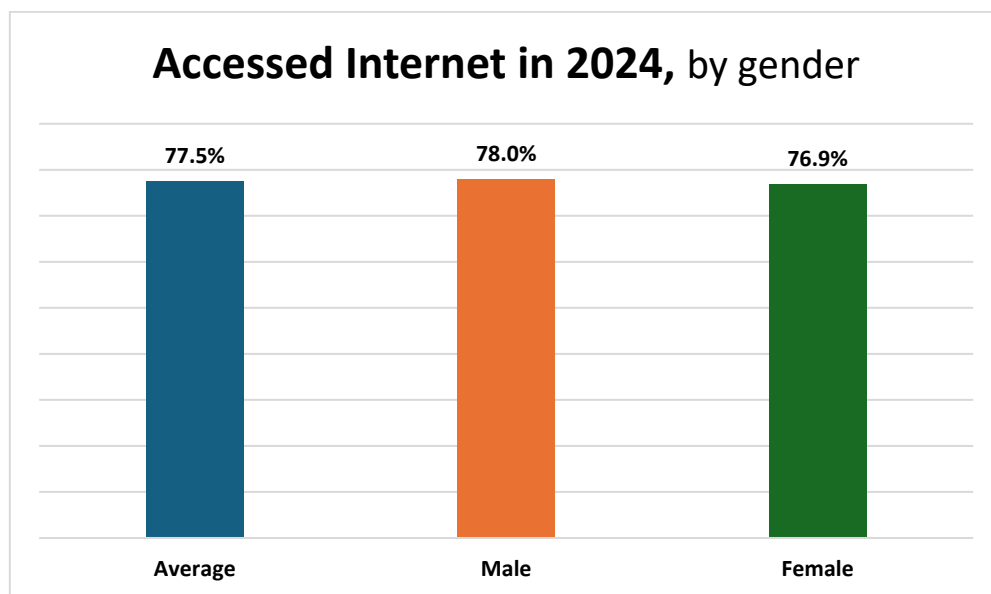
Just over three-quarters of South Africans accessed the internet in 2024 (77.5%), leaving roughly one in five offline (22.6%). That means online behaviour – shopping, payments, streaming – draws from a large but not universal base. Growth now hinges on two fronts: deepening usage among the connected (e.g., shifting more of them to weekly shopping) and converting the remaining offline segment by reducing barriers like data cost, device access, and coverage. The offline share is still sizable enough to justify omnichannel approaches for communication, service and sales.



## By Gender

Internet access is almost gender-neutral in 2024: 78.0% of men and 76.9% of women went online, a gap of just 1.1%. That near-parity means differences you see in behaviours like weekly shopping are unlikely to be driven by access itself.

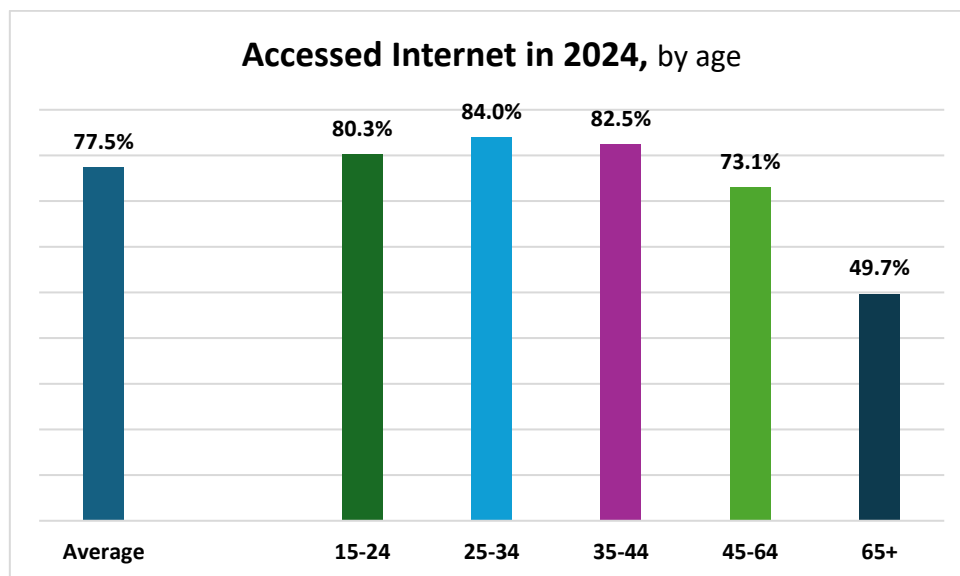
For planning, you can assume similar digital reach across genders and focus on usage patterns, offers and messaging rather than access constraints.



## By Age

Internet access in 2024 is strongest among younger and mid-career adults. Around 84.0% of 25–34s and 82.5% of 35–44s went online, with 15–24s close behind at 80.3%. Access then steps down for 45–64s at 73.1%, and drops sharply for 65+ to 49.7%, where roughly half remain offline.

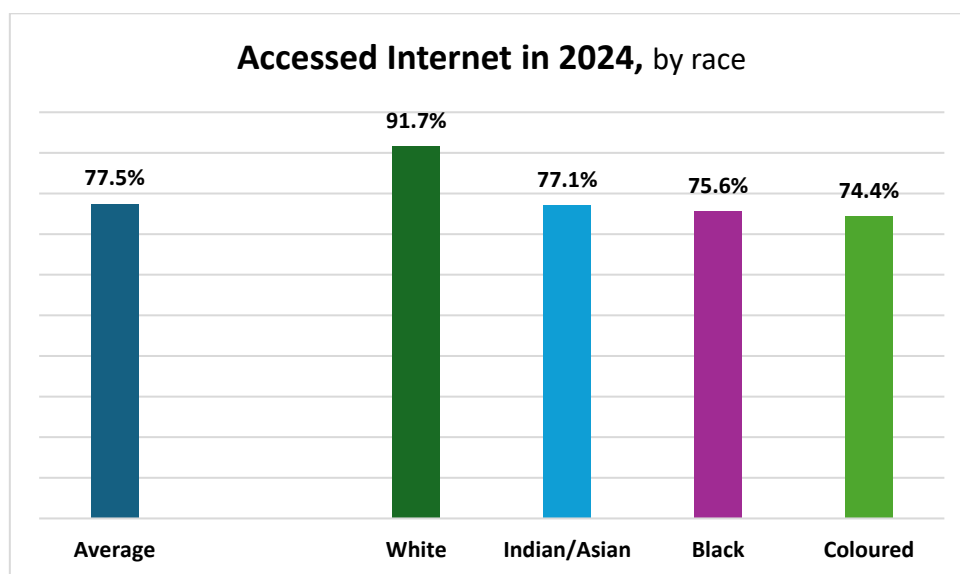
This pattern points to a clear age divide. Under-45s are broadly saturated, so growth there depends on deepening activity – more frequent shopping, payments and services. The priority for 45–64s is convenience and trust features that convert occasional users into regular ones. The 65+ group needs access enablers first: affordable data, simple onboarding, larger-text interfaces, and assisted support.



## By Race

In 2024, internet access was near-universal among White South Africans at 91.7%. The other groups clustered much closer together: Indian/Asian at 77.1%, Black at 75.6%, and Coloured at 74.4%.

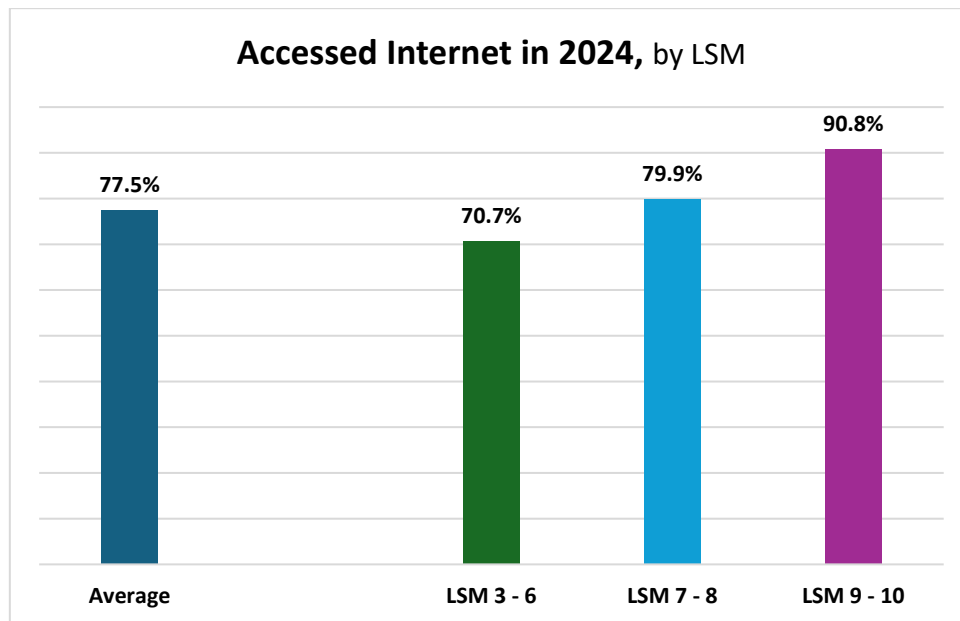
That puts just 2.7% between the three latter groups, but a sizeable 17.3% gap between the highest (White) and lowest (Coloured). The picture is one of broad connectivity with a pronounced lead for White South Africans and relatively tight grouping among the other population groups.





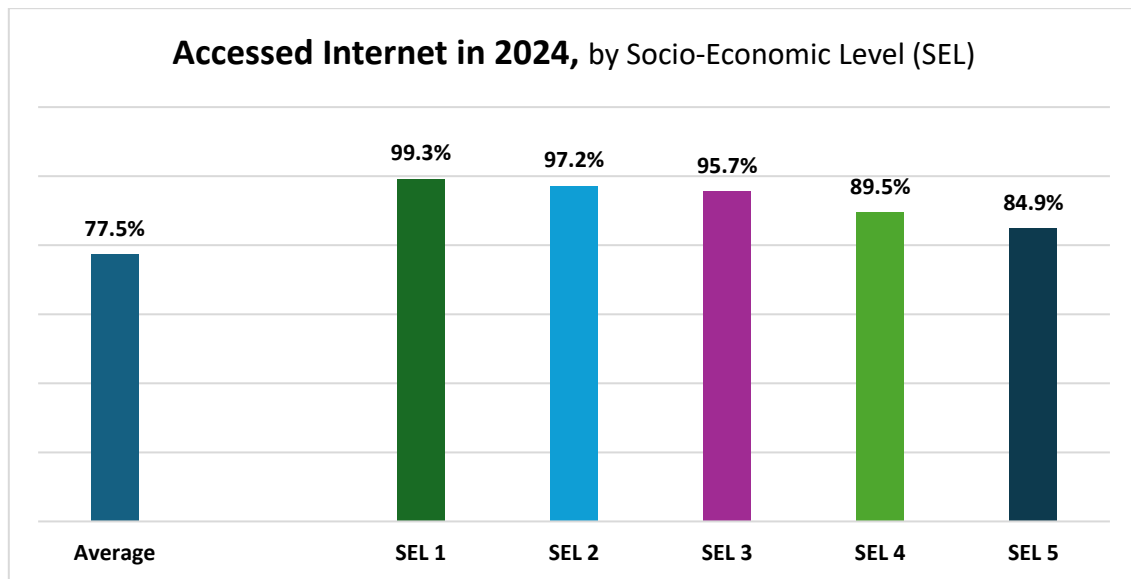
## By Living Standard Measure (LSM)

Internet access in 2024 rises sharply with living standard. LSM 9–10 is near-universal at 90.8%, LSM 7–8 is high at 79.9%, and LSM 3–6 trails at 70.7%. The gaps are sizable: 10.9% between the top and middle tiers and 20.1% between the top and lowest group, while the middle and lower tiers are separated by 9.2%.



## By Socio-Economic Level

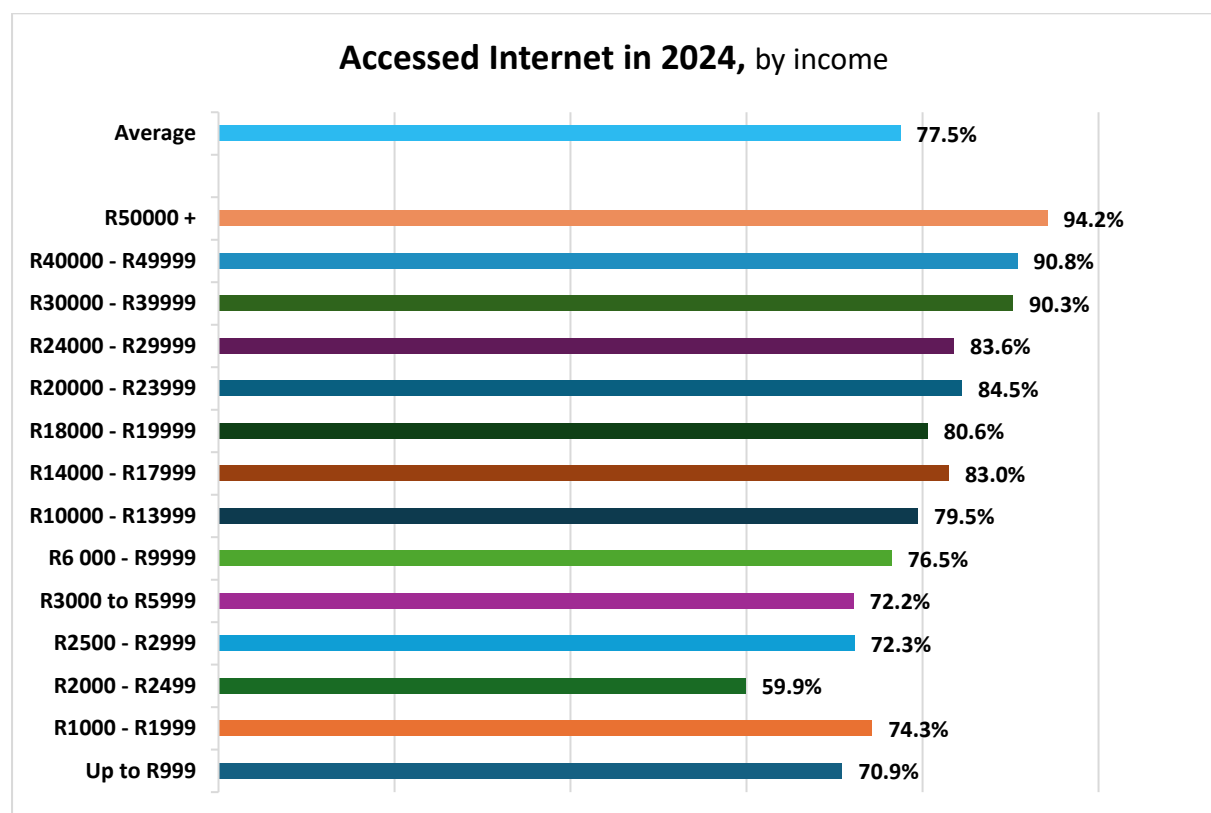
Internet access in 2024 is near-universal at the top of the socio-economic ladder: SEL 1 at 99.3%, SEL 2 at 97.2%, and SEL 3 at 95.7%. Access remains high but steps down in SEL 4 (89.5%) and SEL 5 (84.9%). The gap from top to bottom is 14.4%, so differences are meaningful but not prohibitive.



## By Income

Internet access rises steadily with income in 2024: 94.2% at R50,000+, 90.8% at R40,000–R49,999, 90.3% at R30,000–R39,999, easing to 83%–85% for R14,000–R29,999, and mostly 70%–77% below R10,000. The lowest band is R2,000–R2,499 at 59.9%. The gap between the highest and lowest groups is 34.3%, showing a pronounced income gradient.

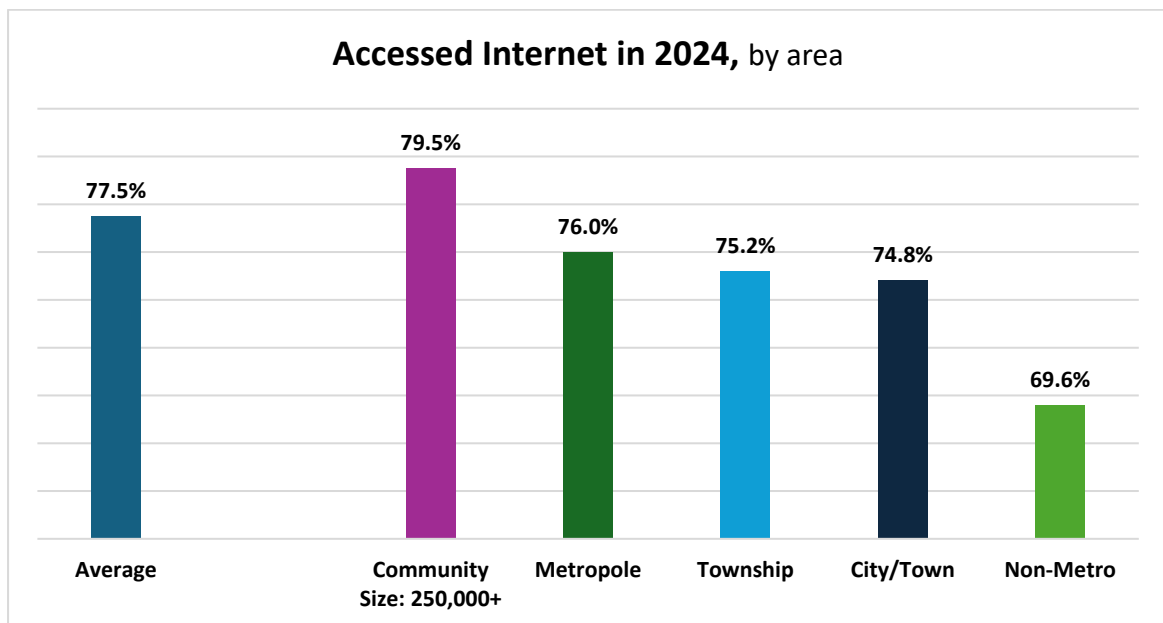
The rise in the bottom two income groups can be attributed to youth being supported by parents or other. These individuals have lower income, but can still access resources like the internet.



## By Area

Internet access in 2024 is highest in the largest communities (250,000+) at 79.5%. The main urban categories are tightly grouped just below that: Metropole 76.0%, Township 75.2%, and City/Town 74.8%.

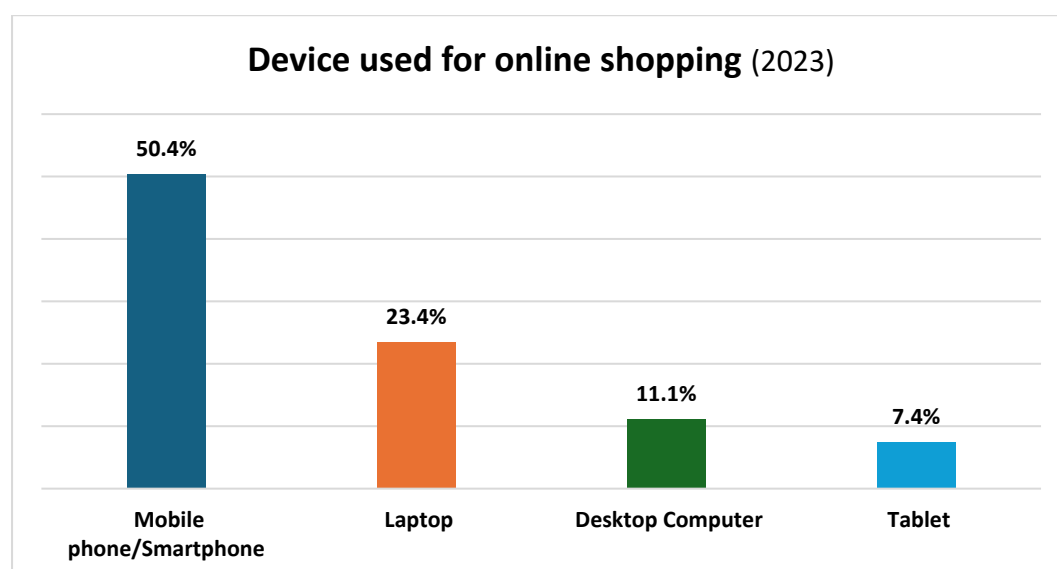
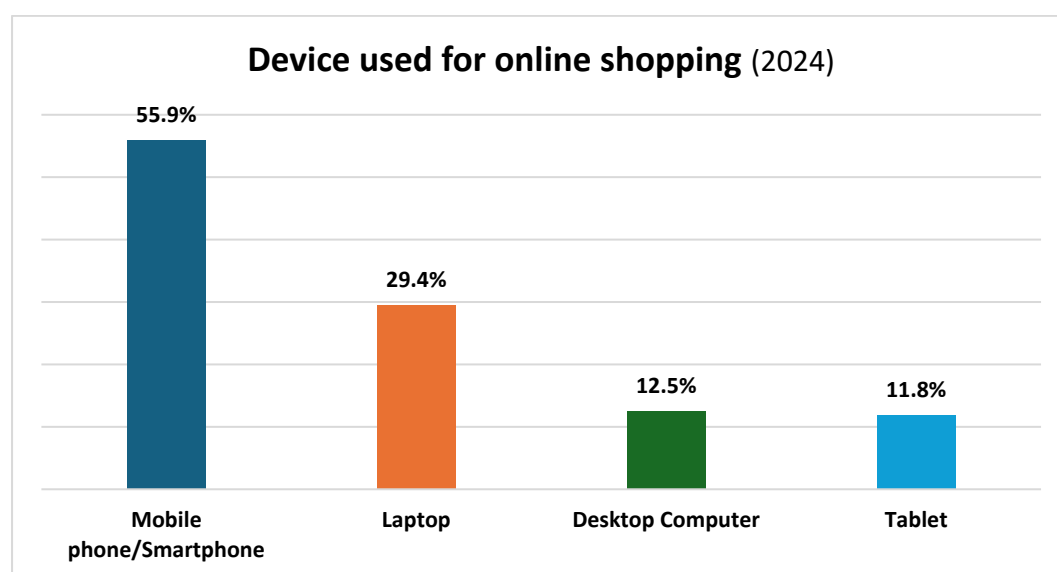
Non-metro areas trail at 69.6%. The spread from highest to lowest is 9.9%, pointing to broad urban parity with a clear rural gap.



## Devices used for online shopping

Mobile remains the primary shopping device in 2024, used by 55.9% of online shoppers. Laptops are a clear second at 29.4%, with desktops at 12.5% and tablets at 11.8%. The picture is firmly mobile-first, with computers and tablets supporting rather than leading.

Every device gained ground compared with 2023. Laptops show the largest increase, up 6.0%, followed by mobiles up 5.5%, tablets up 4.4%, and desktops up 1.4%. Mobiles keep a wide lead over laptops, with the gap broadly unchanged from last year. Tablets show noticeable momentum but still account for the smallest share



## What online shoppers buy

Clothing dominates online purchasing in 2024 at 30.2%, far ahead of every other category. Groceries sit in a clear second place at 18.4%. A high-teens cluster follows: computer hardware and accessories (16.6%) and gifts (16.4%), then a tight band around the mid-teens – lotto (15.3%), computer software/games (15.2%), and footwear (15.1%). Holiday and travel bookings are also sizable at 14.9%.

The mid-table runs from 12%–14% and mixes discretionary and practical buys: shoes (14.2%), electronic goods (13.7%), children’s toys and games (13.5%), mobile phones and accessories (12.3%), and music (12.0%). Medicine registers at 11.9%.

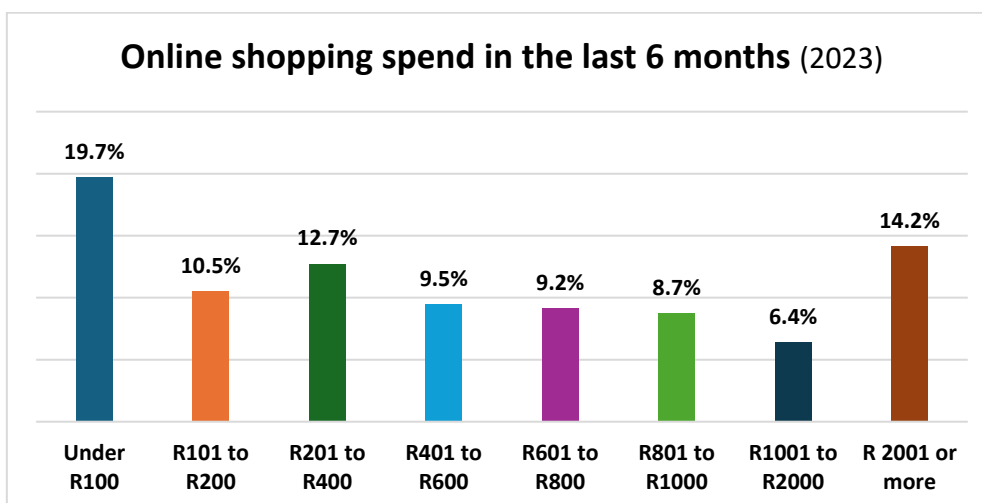
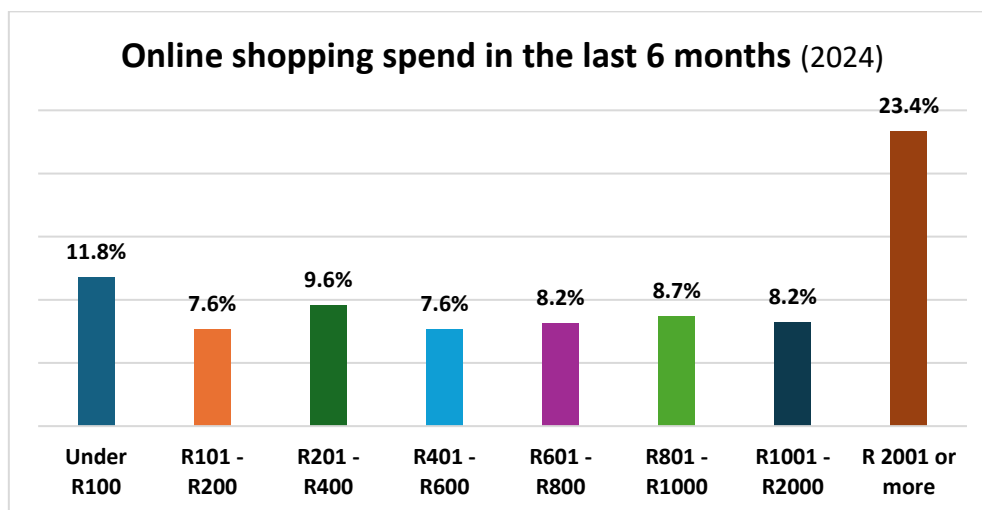
The long tail sits below 12%: TV, audio and media and tickets for events (both 11.8%), e-books (11.3%), music downloads (11.1%), insurance and other financial products and business purchases (both 9.7%), furniture and homeware (9.6%), cryptocurrency (9.5%), toiletries and cosmetics (9.2%), and flowers (8.8%). The spread from top to bottom is 21.4%, with spending most concentrated in apparel and everyday essentials, strong but secondary interest in tech, and a long list of niche or occasional categories.



## Online shopping spend in last 6 months

Online spending in the last 6 months for 2024 tilts toward bigger baskets. The R2,001+ bracket is now the largest at 23.4%, while the share spending under R100 has fallen to 11.8%. Mid-high ranges are solid, with R801–R1,000 steady at 8.7% and R1,001–R2,000 up to 8.2%.

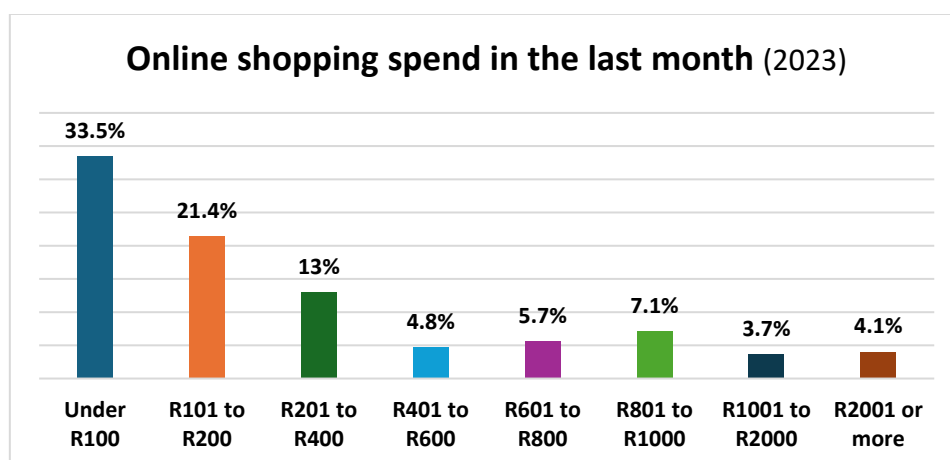
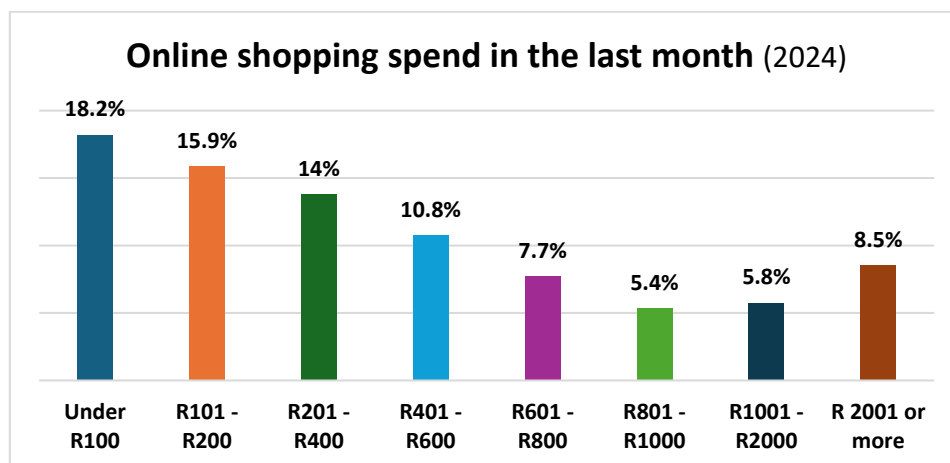
Compared with 2023, high-value spend has surged: R2,001+ is up 9.2% and R1,001–R2,000 is up 1.8%. Smaller baskets have thinned out – under R100 down 7.9%, R101–R200 down 2.9%, R201–R400 down 3.1%, R401–R600 down 1.9%, and R601–R800 down 1.0% – while R801–R1,000 is essentially unchanged.



## Online shopping spend in last month

Shoppers shifted meaningfully toward larger baskets in 2024 for online shopping spend in the last month. Big-ticket orders of R2,001+ nearly doubled to 8.5%, and R1,001–R2,000 rose to 5.8%. Mid-range spending grew strongly: R401–R600 more than doubled to 10.8%, R601–R800 climbed to 7.7%, and R201–R400 edged up to 14.0%. Taken together, R101–R600 accounts for 40.7% of last-month spend, signalling a shift toward considered purchases rather than one-off micro-transactions.

Very small baskets lost ground. The share spending under R100 fell to 18.2% and R101–R200 dropped to 15.9%. Only R801–R1,000 moved the other way, easing to 5.4%. 2024 shows fewer tiny checkouts and more activity in the mid to high ranges, with high-value orders gaining the most momentum.





## Online retailers used by South Africans

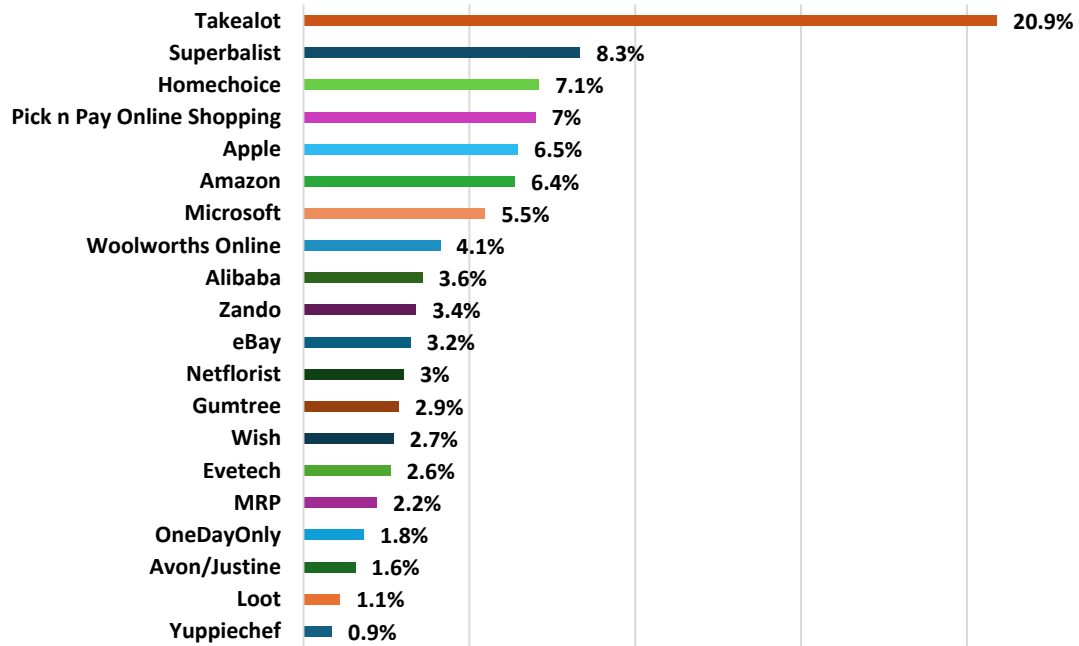
Takealot extends its lead decisively in 2024, used by 31.9% of online shoppers (up from 20.9% in 2023). Shein/Temu, a major new force, is positioned in second place at 15.3%. Amazon climbs strongly to 12.3%, edging Superbalist at 12.1%. The grocers move up the table, with Woolworths Online at 9.8% and Pick n Pay Online Shopping at 8.3%; Homechoice holds a solid 8.5%.

Growth is broad across marketplaces and specialty retailers. Alibaba rises to 6.5%, eBay to 4.5%, Zando to 5.5%, NetFlorist to 4.1%, MRP to 3.8%, Yuppiechef to 2.8%, and OneDayOnly to 2.7%. A few brands soften: Microsoft eases to 4.1%, Wish to 2.1%, and Evetech to 2.1%.

The market is more top-heavy than a year ago. The top two names now account for 47.2% of mentions (Takealot plus Shein/Temu), up from 29.2% for the top two in 2023 (Takealot plus Superbalist). The big shifts are Takealot's jump, the arrival of Shein/Temu in the number-two spot, and strong gains for Amazon and Woolworths Online.

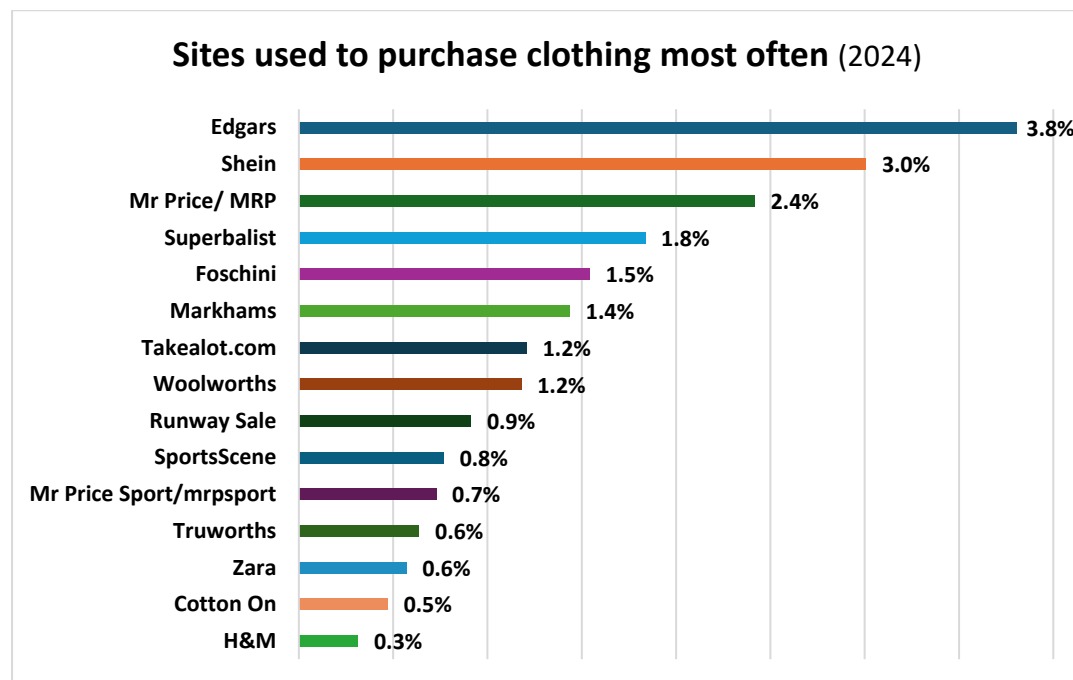


## Online retailers used by South Africans (2023)



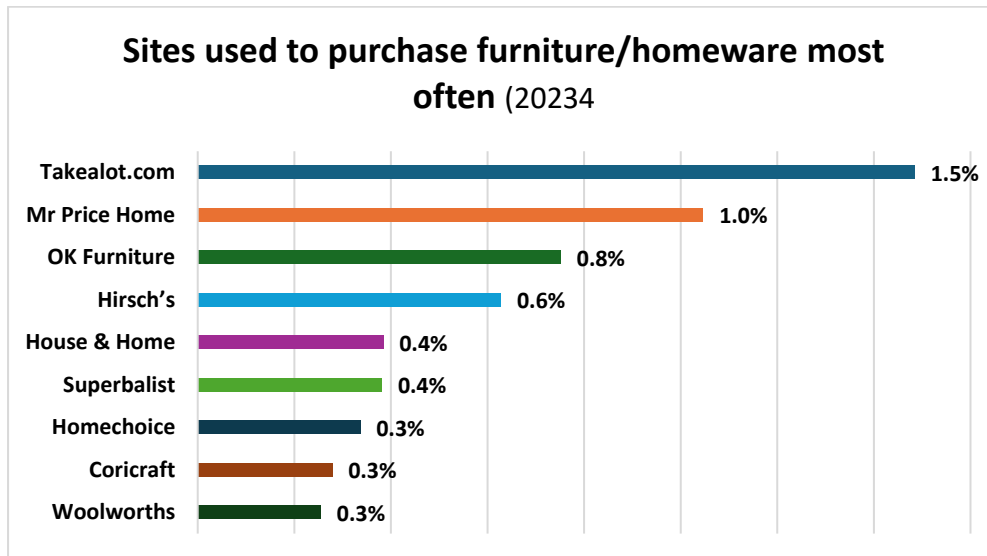
## Sites used to purchase clothing most often

Edgars leads as the most frequently used site for clothing purchases at 3.8%, followed by Shein at 3.0% and Mr Price/MRP at 2.4%. Superbalist comes next at 1.8%, with Foschini (1.5%) and Markhams (1.4%) also featuring strongly. Takealot and Woolworths are each used by 1.2% of shoppers, while Runway Sale (0.9%), SportsScene (0.8%) and Mr Price Sport (0.7%) hold smaller shares. Truworths and Zara follow at 0.6%, with Cotton On (0.5%) and H&M (0.3%) closing out the list.



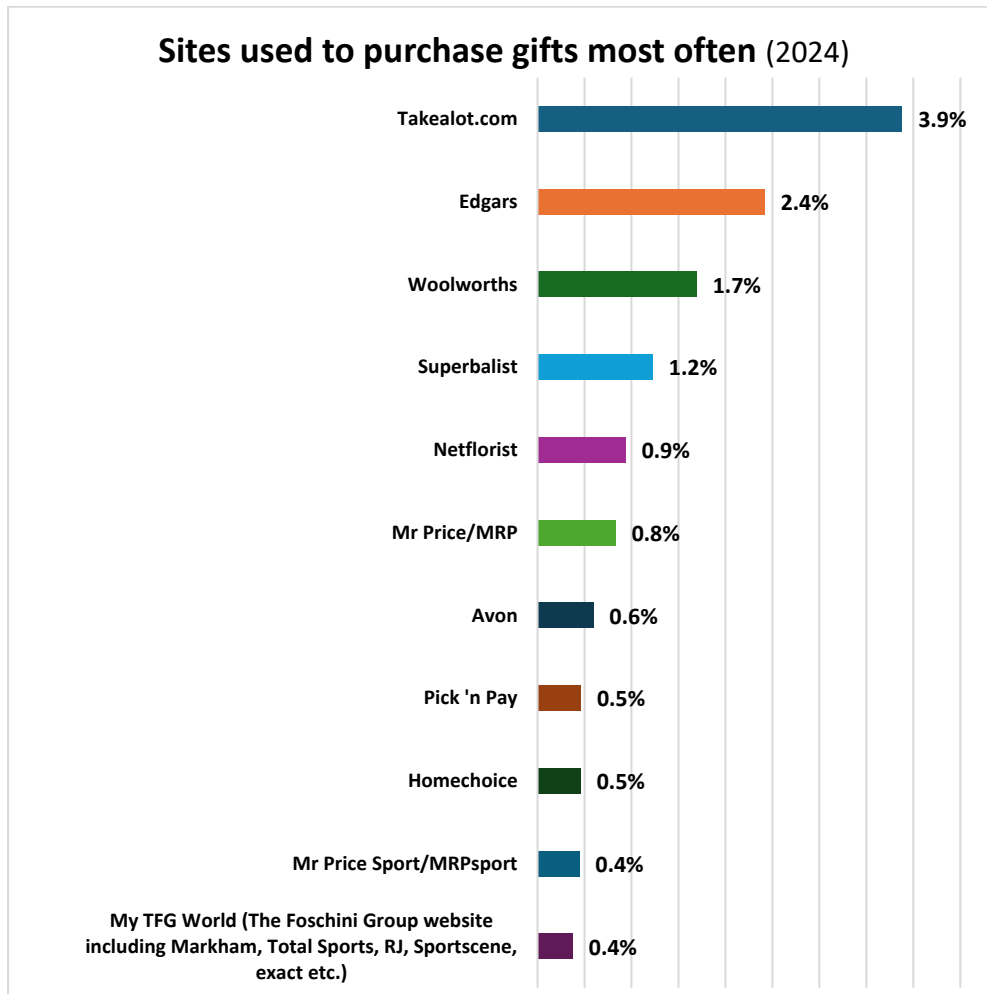
## Sites used to purchase furniture/homeware most often

Takealot is the most used platform for buying furniture and homeware, with 1.5%. Mr Price Home follows at 1.0%, and OK Furniture ranks third with 0.8%. Hirsch's (0.6%), House & Home (0.4%), and Superbalist (0.4%) are next, with Homechoice, Coricraft, and Woolworths each at 0.3%.



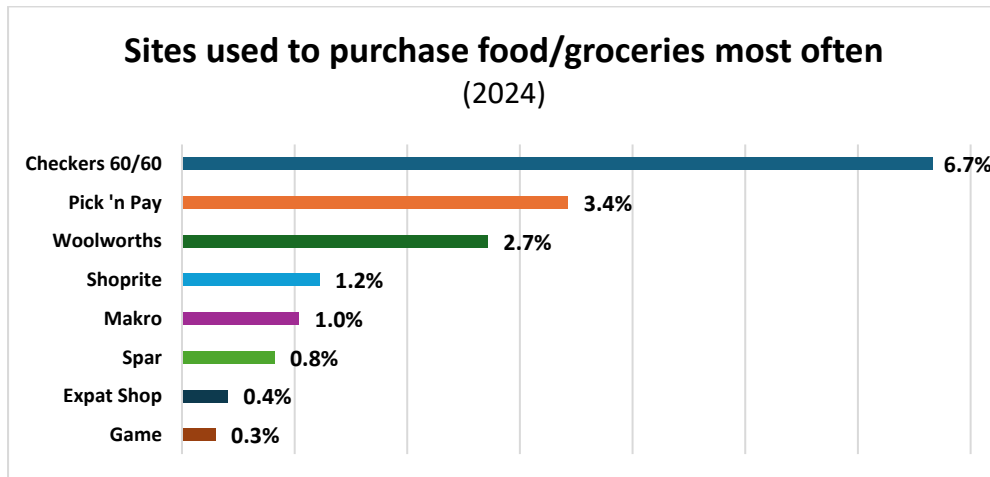
## Sites used to purchase gifts most often

For gifts, Takealot is used most often at 3.9%, followed by Edgars (2.4%) and Woolworths (1.7%). Next are Superbalist (1.2%), Netflorist (0.9%), and Mr Price/MRP (0.8%). Rounding out the set are Avon (0.6%), Pick n Pay (0.5%), Homechoice (0.5%), Mr Price Sport/MRPsport (0.4%), and My TFG World (0.4%).



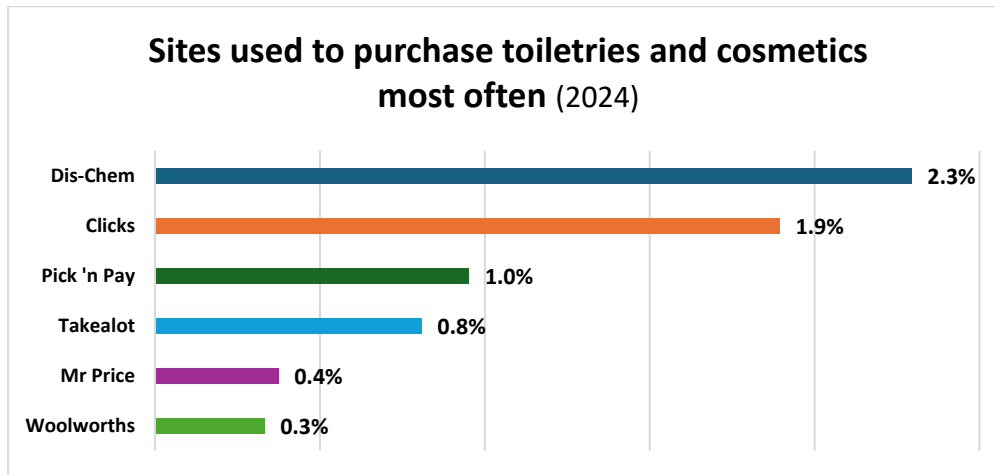
## Sites used to purchase food/groceries most often

Checkers 60/60 leads at 6.7%, followed by Pick n Pay (3.4%) and Woolworths (2.7%). The next group is Shoprite (1.2%), Makro (1.0%), and Spar (0.8%), with Expat Shop (0.4%) and Game (0.3%) completing the list.



## Sites used to purchase toiletries and cosmetics most often

Dis-Chem is used most often at 2.3%, with Clicks close behind at 1.9%. Pick n Pay follows at 1.0%, then Takealot (0.8%), Mr Price (0.4%), and Woolworths (0.3%).



## Online shopping attitudes

### General attitudes

The following references respondents who “definitely agree” with each attitude.

Shoppers are using the internet primarily as a decision tool. The strongest statements are that the internet helps them research products (28.2%) and that they check multiple sources before a significant purchase (23.1%). A sizeable group still prefers the in-store experience (21.9%), but that view is weakening, down 6.6% from 2023, one of the largest shifts on the chart.

Two big movements reshape the value and cost story. The share who shop online for lower prices fell down 6.8% year on year to 12.1%, and those who prefer to avoid high delivery costs dropped down 5.7% to 17.5%. Trust and safety confidence also softened: trust in the retailer is down 4.5% to 18.7%, and saying it is safe and secure to make purchases online is down 4.0% to 14.6%. By contrast, enjoyment is improving – online shopping is more pleasant than conventional shopping is up 3.0% to 17.5%.

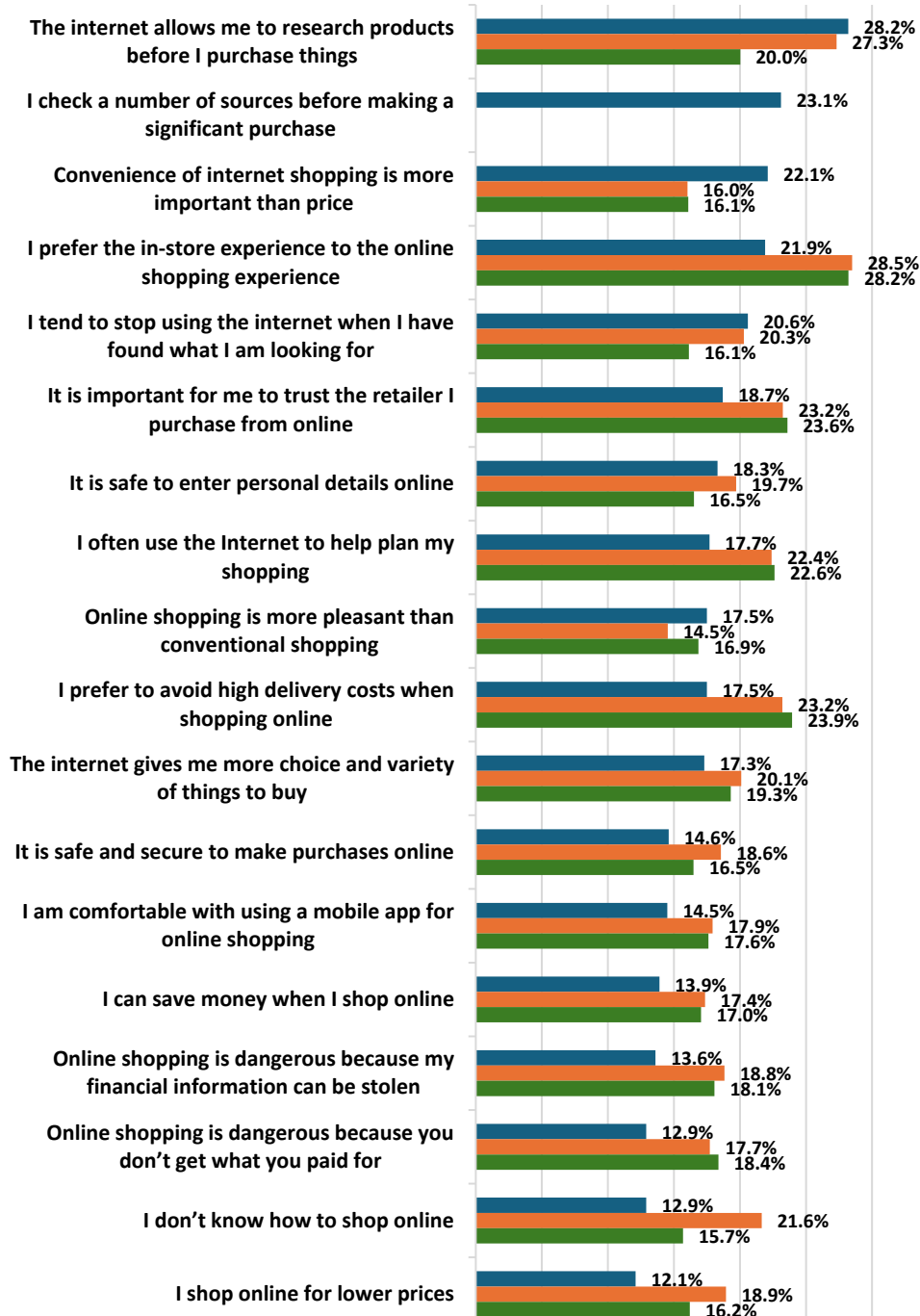
The clearest positives are the collapsing barriers. Fewer people say they don’t know how to shop online (down from 21.6% to 12.9%), and concern that financial information can be stolen is down from 18.8% to 13.6%, with fear of not getting what you paid for down from 17.7% to 12.9%.

2024 is characterised by high research behaviour, declining friction from skills and security worries, a reduced insistence on rock-bottom prices or delivery cost avoidance, and a noticeable easing of the in-store preference.

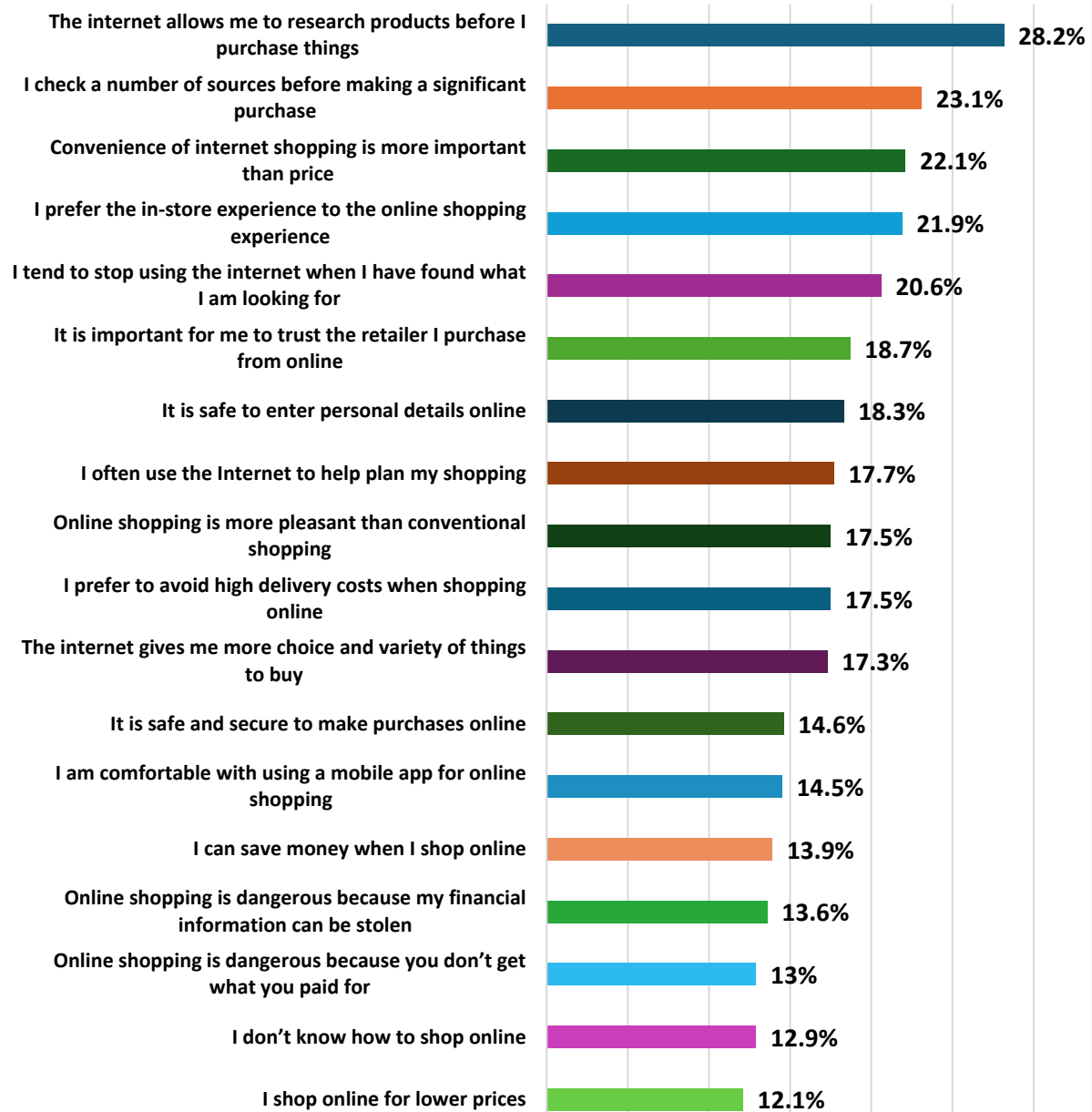


## Online shopping attitudes (definitely agree)

■ 2024 ■ 2023 ■ 2022

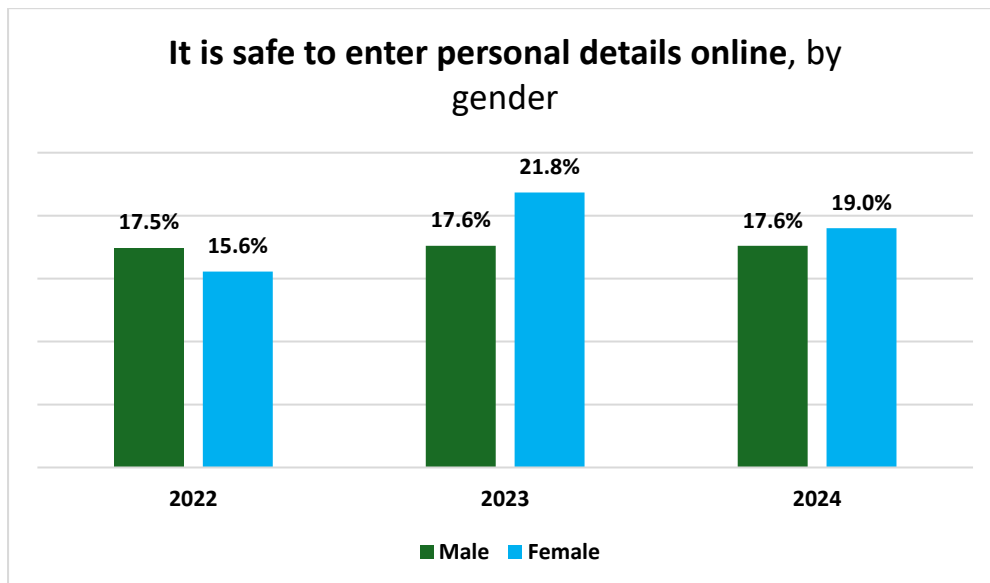


## Online shopping attitudes 2024 (definitely agree)

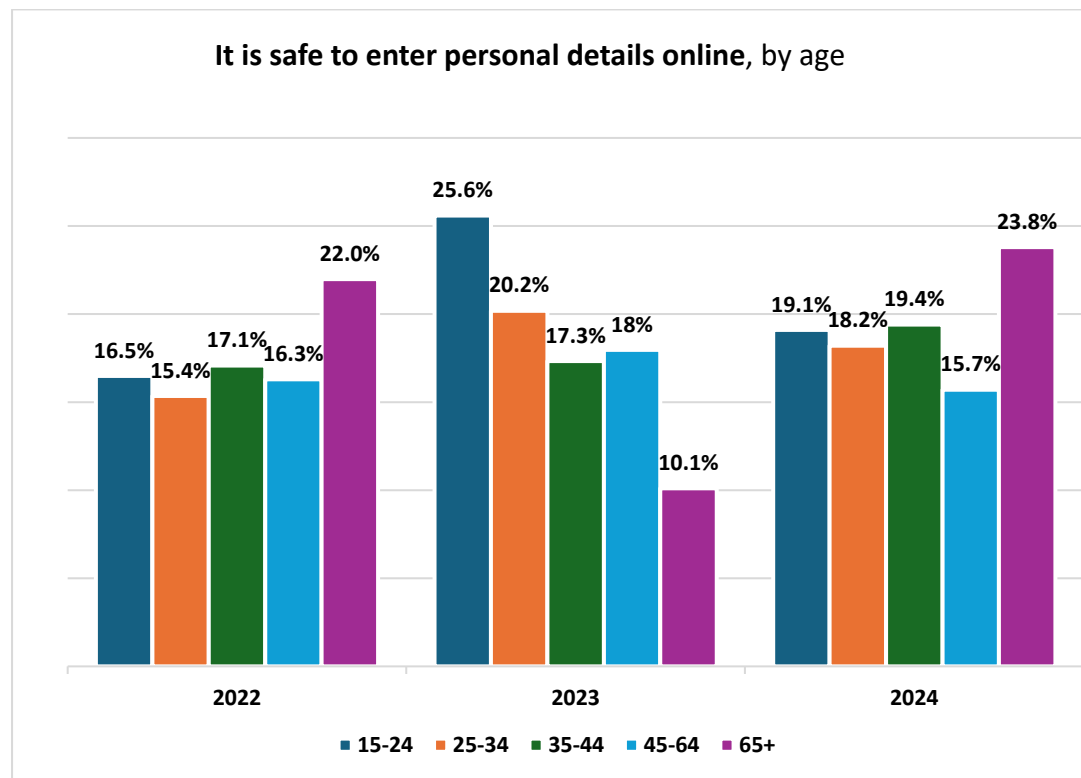


## Attitude demographics: safe to enter personal details online

In 2024, women are slightly more confident than men that it's safe to enter personal details online – 19.0% of women agree versus 17.6% of men. That's a reversal of 2022, when men were ahead (17.5% vs 15.6%). Since 2023, women are down 2.8% (from 21.8%) while men are unchanged, leaving only a 1.4% gap.

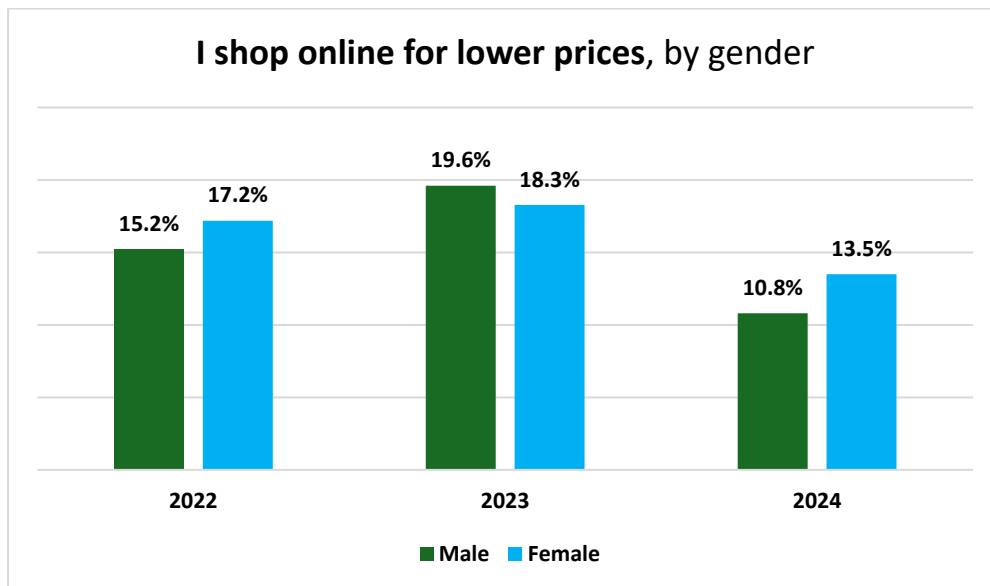


By age, confidence now peaks among 65+ at 23.8% after a sharp rebound – up 13.7% from 2023's trough (10.1%) and above 2022 (22.0%). The next cluster sits close together: 35–44 at 19.4%, 15–24 at 19.1%, and 25–34 at 18.2%. 45–64 is lowest at 15.7%.

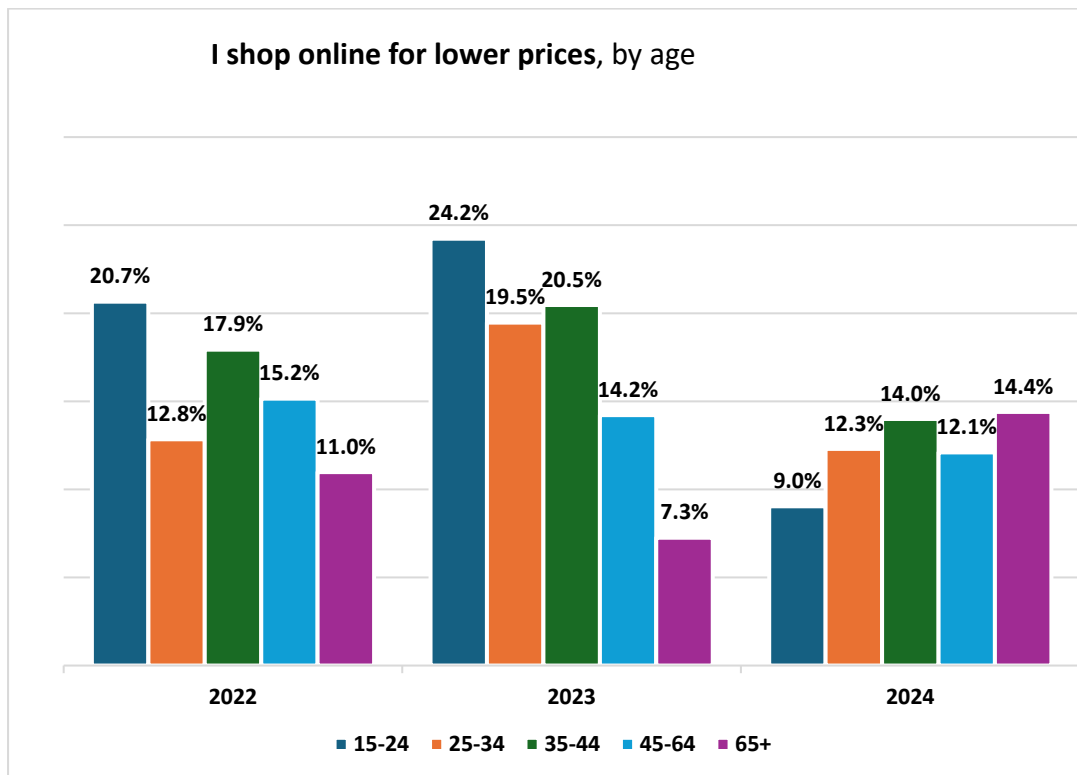


## Attitude demographics: shop online for lower prices

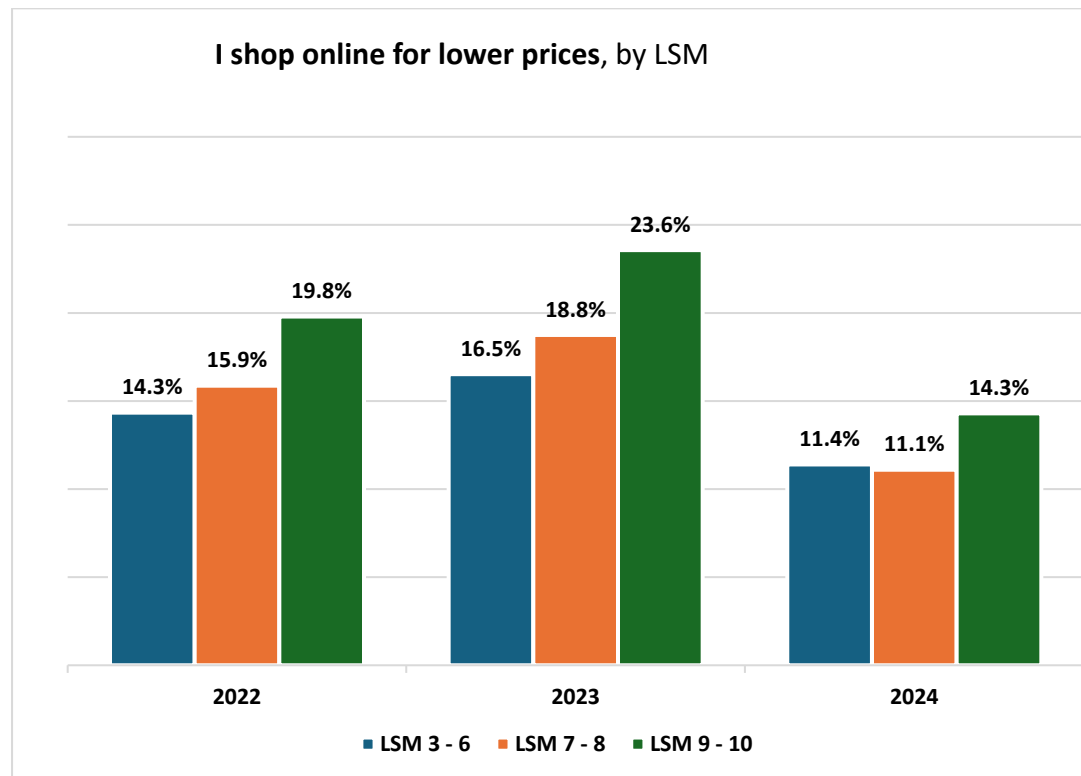
Price-seeking has cooled sharply by gender in 2024. Men who say they shop online for lower prices fell to 10.8% from 19.6% last year, while women dipped to 13.5% from 18.3%. That flips the 2023 pattern: women are now the more price-motivated group by 2.7%. Versus 2022, both genders are lower (men down 4.4%, women down 3.7%).



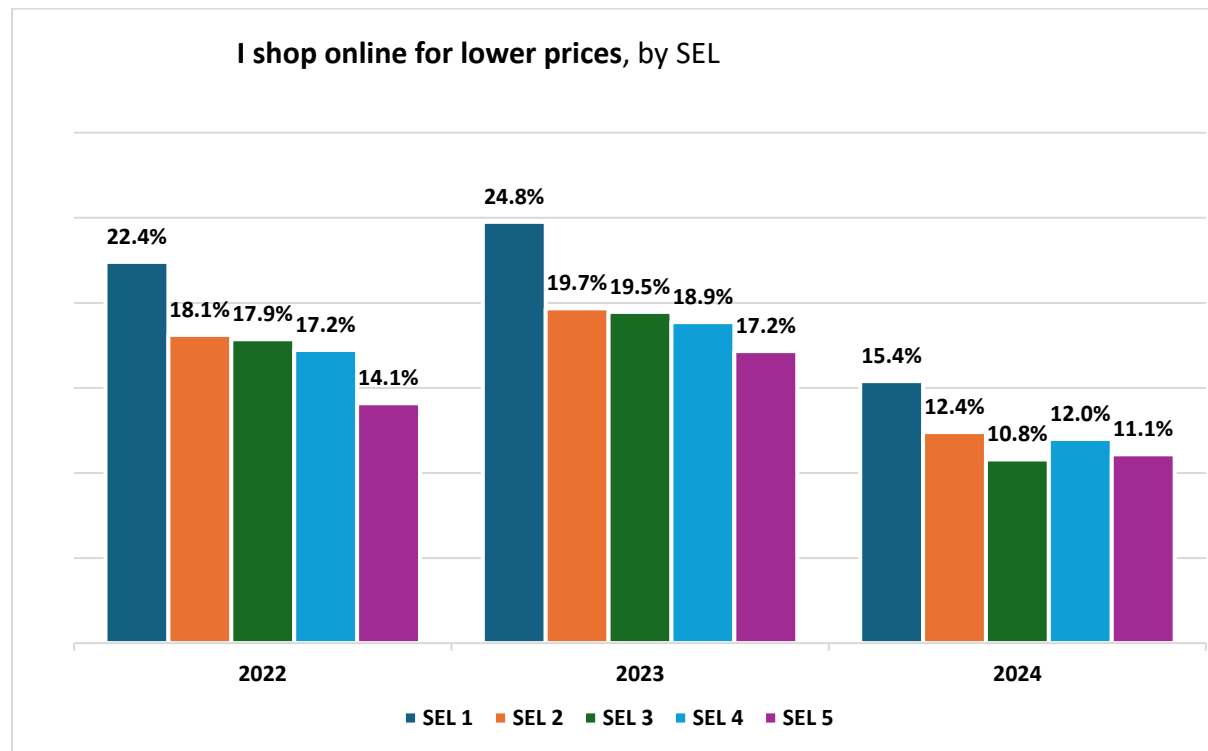
By age, the rotation is even starker. The 15–24 group drops to 9.0% from 24.2% in 2023, the largest change on the chart. 25–34 eases to 12.3% (from 19.5%), 35–44 to 14.0% (from 20.5%), and 45–64 to 12.1% (from 14.2%). Only 65+ moves the other way, rising to 14.4% from 7.3% and overtaking the younger cohorts. Compared with 2022, most groups are slightly lower except 65+, which is higher (up 3.4%). Price is less of a driver across the board in 2024, with the centre of gravity shifting from the youngest shoppers to the oldest.



Price-seeking by LSM has fallen across the board in 2024. LSM 9–10 is 14.3% (down 9.3% from 2023), LSM 7–8 is 11.1% (down 7.7%), and LSM 3–6 is 11.4% (down 5.1%). The gap between tiers has compressed, from a 7.1% spread in 2023 to 3.2% in 2024, and all three groups are below their 2022 levels (3–6 down 2.9%, 7–8 down 4.8%, 9–10 down 5.5%). The result is less emphasis on “lower prices” and far less differentiation by living standard.



By socio-economic level, the same cooling shows up. In 2024, SEL 1 is 15.4%, SEL 2 12.4%, SEL 3 10.8%, SEL 4 12.0%, and SEL 5 11.1%. Every level is down sharply from 2023 – SEL 1 down 9.4%, SEL 2 down 7.3%, SEL 3 down 8.7%, SEL 4 down 6.9%, SEL 5 down 6.1% – and all sit below 2022 (declines of 7.0%, 5.7%, 7.1%, 5.2%, and 3.0% respectively). The ranking also flattens: SEL 4 now edges SEL 3, and the top-to-bottom spread narrows from 7.6% in 2023 to 4.6% in 2024.





## Conclusion

South Africa's online market in 2025 is large, mobile-first and increasingly shaped by socio-economic advantage. Access is high and stable, but participation in shopping concentrates among higher incomes, higher SEL and LSM tiers, and in the biggest population centres. The age profile has rebalanced from a youth skew toward mid-age momentum, while gender differences have largely converged. Geography has tightened as well: metros are now clustered more closely together, Gauteng retains leadership, and the Western Cape has rebounded strongly, with townships narrowing the gap to mid-sized cities even as very large communities pull ahead again.

Behaviour is consolidating around regular, higher-value activity. Weekly shopping is most common among higher-affluence groups and 25–34s, and basket sizes have shifted decisively upward in both the last month and the last six months. Category demand remains anchored by apparel and groceries, with steady secondary interest in tech and gifts. The retailer landscape has become more top-heavy: a single domestic generalist leads by a wide margin, while a fast-growing cross-border duo and a resurgent global player have intensified competition near the top, and supermarket e-commerce continues to strengthen.

Attitudes point to a maturing, research-driven shopper. People are more confident in the mechanics of buying online and less fixated on rock-bottom prices or delivery-cost avoidance, yet trust signals have softened at the margins. The centre of gravity is shifting from price to assurance and experience: clear information, reliable fulfilment, transparent returns and visible safeguards now do more of the work that raw discounting once did.

The growth path is therefore clear. Deepen frequency and value among the connected core – especially higher SEL and upper-middle incomes – by compressing delivery times, keeping availability tight, and optimising mobile journeys. Re-engage younger cohorts and lower-mid incomes with compelling entry-price ranges, discovery-led merchandising and simple, risk-reducing policies. Address geographic imbalances by leaning into large-community scale and Western Cape momentum, while closing rural gaps through coverage, costs and dependable service. Finally, match the new mindset: foreground trustworthy content, reviews and guarantees; set accurate delivery expectations; and build programmes that reward sustained spend rather than one-off deals. Retailers that execute on speed, assurance and clarity – while meeting shoppers where they already are on mobile – will convert neutrals into regulars and capture a greater share of the market's larger baskets.

## Contact

The Online Retail in South Africa 2025 was led by Arthur Goldstuck, managing director of World Wide Worx. He is author of 21 books, including The Hitchhiker's Guide to AI, and Tech-Savvy Parenting. As principal analyst, he leads World Wide Worx's groundbreaking research. He was assisted by Jason Bannier in data analysis for Online Retail in South Africa 2025.

User demographic data was sourced from the Target Group Index (TGI) survey conducted by Ask Afrika, the largest market research organisation in Africa. World Wide Worx collaborates with Ask Afrika in the structuring of e-commerce, digital and electronics components of TGI, which comprises 16 000 interviews across a vast range of consumer topics and behaviours.

### About World Wide Worx

World Wide Worx conducts independent, sponsored and commissioned research projects, in areas ranging from cloud computing and digital transformation to ecommerce and digital consumer trends. We provide talks, commentary and thought leadership on business and digital trends for media and at corporate events.

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# Online Retail in South Africa 2025

A study conducted by World Wide Worx, in partnership with Mastercard, Peach Payments, and Ask Afrika.

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# Executive Summary

South Africa's online retail sector has moved firmly into its next phase of growth and maturity. A decade ago, e-commerce accounted for less than one percent of national retail. By 2023, it had risen to 6% of turnover, with total sales of R71 billion. In 2024, online retail expanded by 35% to an estimated R96 billion, representing 8% of total retail sales. Current trajectories indicate that by the end of 2025, online sales will surpass R130 billion and approach 10% of the national market. Against the backdrop of sluggish offline growth, this shift represents a structural rebalancing in South African commerce.

The retail sector's largest players continue to anchor this transformation. Shoprite's Checkers Sixty60 reported growth of 47% in the first half of 2025, generating nearly R19 billion in sales. Pick n Pay's online turnover rose by over 60% in its 2024 financial year, consolidating its position in on-demand and scheduled delivery services. Woolworths reported growth of 37% in fashion, beauty and home online sales, alongside nearly 50% expansion in Woolies Dash grocery deliveries. The Foschini Group's Bash platform now contributes 12% of group sales after year-on-year growth exceeding 40%, while Truworths' online contribution has reached 6% of South African sales. Although still at lower levels, Mr Price and Clicks are also scaling steadily, with online sales up 10% and 23% respectively in their most recent reporting periods. Collectively, these figures demonstrate that online channels are no longer peripheral to South African retailers; they are core engines of growth.

At the same time, the entry of global competitors has introduced new dynamics. Amazon launched its South African site in 2024 with a modest initial catalogue but has since expanded into groceries, pet food and health supplements. The opening of a Cape Town seller centre in 2025 signals a commitment to building local capacity and a long-term competitive presence. In the fashion space, Shein and Temu made rapid inroads in 2023–2024, reaching an estimated R7.3 billion in turnover and almost 40% of online clothing sales. However, the closure of tax loopholes, stricter customs enforcement, and the resilience of local retailers have moderated their impact. Their growth is now expected to slow, suggesting coexistence with rather than displacement of established players.

A survey of South African retailers confirms the strength of this momentum. Online operations are becoming operationally mature, with 92% of businesses expressing satisfaction with their payment providers and integration processes. Fraud and security remain areas of vigilance, but only a minority report them as significant obstacles. Cart abandonment is now more likely to be caused by long checkout processes and shipping fees than by failed transactions, reflecting the progress made in payment infrastructure. Retailers also report strong profitability: 74% are currently profitable online, and a similar proportion expect turnover growth above 40% in 2025. Marketing activity is



increasingly digital-first, dominated by email, social media, and paid online advertising, while search engine marketing and shopper incentives have grown in importance. Larger retailers have also reinvested in traditional media, signalling a broader, multi-channel marketing environment.

The consumer perspective underscores this picture of steady normalisation. Nearly half of South Africans report that they shop primarily on local platforms, while only 9% prefer international ones. A majority – 56% – have never shopped on Shein or Temu, and only 5% report weekly purchases from these sites. The barriers to offshore adoption remain delivery times, customs charges, and trust. Almost half of consumers say they trust local platforms more than international sites, compared to just one in ten who feel the opposite. Subscription and loyalty services play an important role, with free delivery and rewards programmes the most valued features. Awareness of artificial intelligence in online shopping is high, at 60%, but active use remains limited to just over a quarter of consumers.

Demographic analysis provides further insight into who is driving growth. Younger consumers, particularly those aged 18–34, remain the most active online shoppers, but uptake among middle-aged and older groups has increased significantly since the pandemic. Online shopping is no longer confined to metropolitan elites; adoption is growing in secondary cities and peri-urban areas, aided by improved logistics networks and mobile payment penetration. Gender divides are narrowing, with women showing strong representation across grocery and fashion categories, while men are increasingly engaging in electronics and general retail purchases. Income segmentation shows that while higher-income households still dominate in terms of absolute spend, middle-income consumers are now the fastest-growing cohort of online buyers.

Taken together, these findings present a clear picture of a sector in consolidation. Online retail in South Africa is expanding at more than ten times the rate of physical retail and is expected to account for at least 12% of the national market by 2027. Global entrants will add pressure, but regulatory changes and local resilience will limit their dominance. Retailers are increasingly profitable, consumers are steadily more confident, and the demographic base for growth is widening. The shift of retail online is no longer an open question; it is a structural reality that will shape South African commerce for the rest of the decade.

# Foreword

By Rahul Jain, CEO and co-founder, Peach Payments.

## **Marvelling at the Next Chapter of South Africa's Online Retail Story**

When I read last year's WWW Online Retail Report, it predicted that online sales would reach 10% of total retail by 2026. Yet here we are, just a year later, already at 8%. Even before Black Friday and the festive season have begun, that milestone is expected to be crossed before the year is out. That kind of momentum doesn't happen by chance. It's a clear sign that digital retail has become part of everyday life.

## **Growth Drivers**

When you look at what's driving this growth, on-demand grocery delivery has changed the way people shop, making it normal to have essentials dropped at your door within the hour. Fashion and lifestyle are also booming, with retailers mixing the ease of digital with loyalty programmes and curated experiences that keep customers coming back.

From groceries on Sixty60 to tech on Takealot, South Africans are proving that when payments are fast, reliable, and secure, adoption follows.

## **Trust, Speed, and Choice**

Consumer behaviour has shifted. Convenience is now the benchmark. Trust is the currency. And payments are the bridge. Real-time methods like PayShap are gaining traction as consumers demand speed and certainty, while Buy Now, Pay Later gives shoppers flexibility and lets retailers extend choice without carrying the risk of credit themselves.

## **Thinking Bigger with Whatsapp**

For retailers thinking bigger, one of the most exciting opportunities is the rise of WhatsApp as a commerce channel. What started as a support tool has grown into a place where businesses take bookings, handle queries, and even close sales because it's where customers already spend their time. It's a reminder that the platforms we use every day are becoming the very places we shop and pay.

And while online retail surges, in-store remains vital. Nearly three-quarters of retailers still rely on physical payments, with players like Woolworths reinventing the in-store experience to complement digital. The future is blended, not binary.

### **Tackling Cart Abandonment**

Cart abandonment remains a challenge, often caused by lengthy checkouts, shipping fees, or card declines. At Peach Payments, we help retailers recover sales with simple, smart checkout flows and payments orchestration that keeps transactions moving.

### **From Today to Tomorrow**

Ecommerce in South Africa is maturing fast. At Peach Payments, we're proud to power this growth with a holistic platform that brings together alternative payment methods, security and trust, WhatsApp commerce and true omnichannel integration - all in one solution.

Here's to the next chapter of growth, innovation, and thinking bigger in retail.

***Peach Payments is a fast-growing African payment solution provider (PSP) that makes online commerce and in-store payment acceptance easier and more accessible across Mauritius, Kenya and South Africa. For more information, visit [peachpayments.com](https://peachpayments.com)***

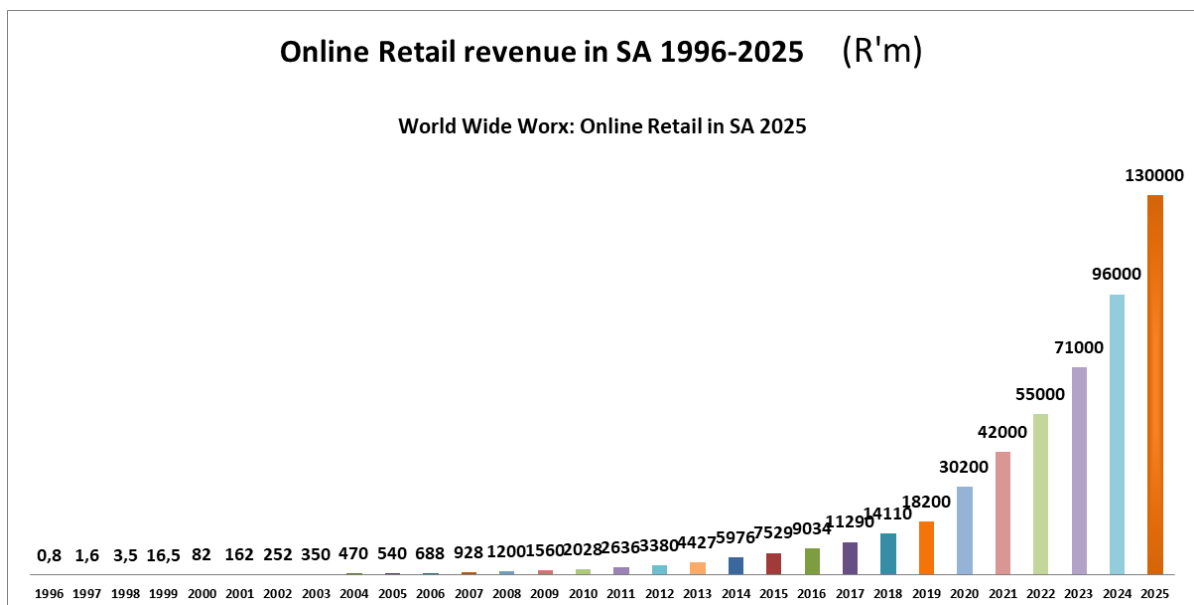
# The Online Retail landscape in 2025

By Arthur Goldstuck, CEO, World Wide Worx.

## A decisive phase of transformation

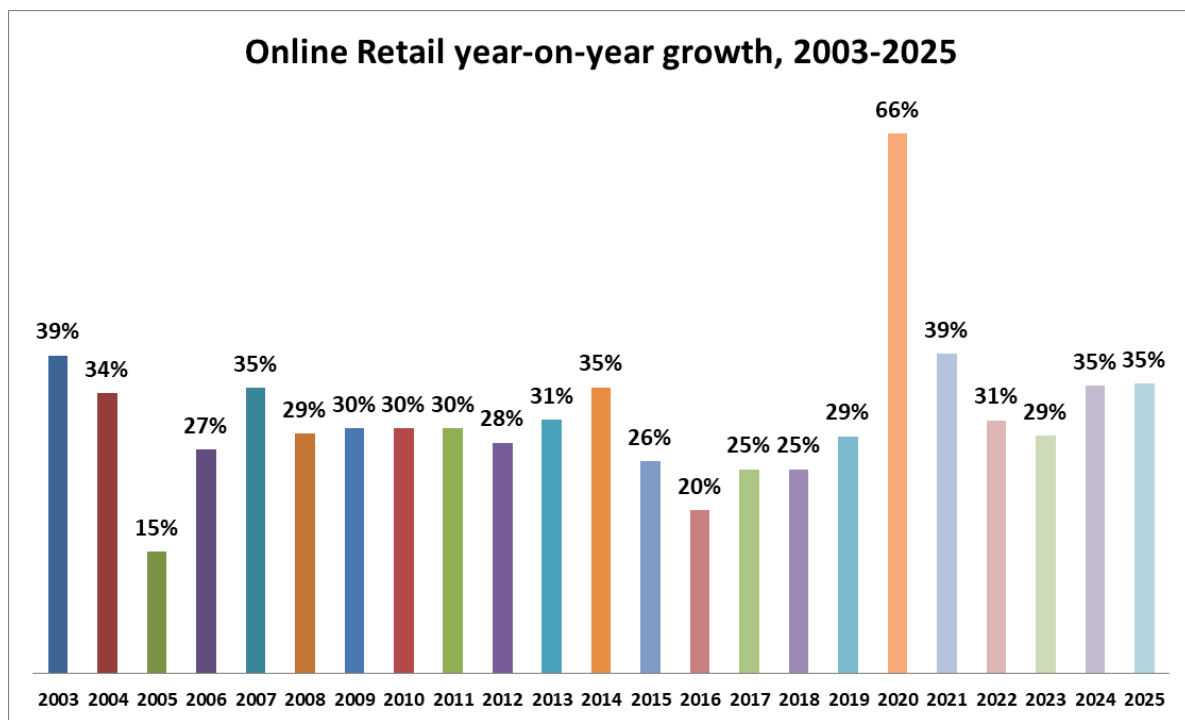
South Africa's online retail sector has entered a decisive phase of transformation. What began as a marginal activity a decade ago, accounting for less than 1% of total retail sales, has now become central to the story of the country's consumer economy. By 2023, online retail had grown to 6% of the market, reaching R71-billion on the back of a 29% year-on-year increase.<sup>1</sup> This was a critical threshold, signalling the online retail's permanence as part of the mainstream. The following year confirmed that momentum was not only sustained but accelerating. Online retail grew by around 35% in 2024 (Aggregated retailer disclosures, 2024), pushing total sales to an estimated R96-billion and accounting for roughly 8% of all retail trade in South Africa.<sup>2</sup> In contrast, Stats SA (Stats SA, 2025) reported that overall retail trade grew by just 2.5% during 2024, illustrating the widening disparity between physical and digital channels.<sup>3</sup>

The trajectory in 2025 suggests that this gap is not narrowing. Based on disclosures from leading retailers, online sales are on track to grow by approximately 35% in 2025. If achieved, this would elevate e-commerce turnover to around R130-billion, or 9–10% of national retail sales. Meanwhile, offline retail remains sluggish, with Stats SA (Stats SA, 2025) recording growth of only 1.6% in June 2025.<sup>3</sup> For the first time in South Africa's history, nearly one in every ten rand spent on retail will be spent online by the end of this year.



## A Decade in perspective

To understand how dramatic this change is, it is worth recalling the online retail landscape just a few years earlier. In 2018, e-commerce accounted for less than 2% of total retail sales, with an estimated turnover of R14-billion. Growth was steady but unremarkable, and most retailers still viewed online as a secondary sales channel. The Covid-19 pandemic in 2020 altered this trajectory. Lockdowns forced consumers to adopt digital shopping habits, and retailers were compelled to scale up infrastructure quickly. Between 2019 and 2021, online retail doubled, growing from about R20-billion to over R40-billion. By 2022, the sector had begun to stabilise, but the consumer habits forged during the pandemic proved sticky. In 2024 and 2025 we are witnessing the consolidation of that behaviour into the retail mainstream. The story of South African retail is no longer about how fast online will grow, but about which retailers will capture the gains.



## Grocery and FMCG

The fastest and most visible growth remains in grocery retail, where the shift to digital has been accelerated by the adoption of on-demand shopping apps. Shoprite (Shoprite Holdings, 2025)'s interim FY2025 results highlighted the extraordinary pace of this transformation: "Digital sales through Checkers Sixty60 increased by 47.1% for the half year, cementing our leadership in on-demand grocery."<sup>4</sup> This statement is notable not only for its growth rate but also for the confidence with which Shoprite (Shoprite Holdings, 2025) positions digital commerce as central to its strategy. The figure translates to R18.9-billion in sales through Sixty60, a number that was unimaginable for on-demand grocery only a few years ago.

Pick n Pay (Pick n Pay, 2024) has also underscored the scale of the change. In its FY2024 results, the company reported: “Online sales grew by 60.6%, reflecting strong momentum in our on-demand and scheduled delivery platforms.”<sup>5</sup> This figure demonstrates the competitive intensity within the grocery segment, where both major chains are racing to capture consumer loyalty through digital convenience. The results show that on-demand delivery is no longer an experimental service but a driver of sustained revenue growth.

This represents a stark contrast to earlier years. In its 2019 integrated report, Pick n Pay (Pick n Pay, 2024) described online as “an exciting growth opportunity but still a small part of our business”. At that time, online contributed well under 2% of sales. The comparison with 2024 shows how quickly digital channels have scaled from marginal to material.

## **Fashion, Beauty and Home**

The apparel and home sector has also experienced transformative growth in its digital channels. Woolworths (Woolworths Holdings, 2025), in its interim FY2025 results, declared: “Online sales in Fashion, Beauty and Home grew by 37.2%, while food delivery through Woolies Dash grew by 49.2%.”<sup>6</sup> The report illustrates how Woolworths (Woolworths Holdings, 2025)’ dual emphasis on premium grocery and lifestyle retail has given it a broad base for online adoption. The almost 50% growth in Dash demonstrates that consumer confidence in digital grocery channels is extending to higher-value, higher-frequency categories.

The Foschini Group (TFG (The Foschini Group, 2025)) has been particularly emphatic about the success of its e-commerce strategy. In its Q1 FY2026 trading update, the company announced: “TFG (The Foschini Group, 2025) Africa online sales increased by 40.2% year-on-year, with Bash now contributing materially to group revenue at 12%.”<sup>7</sup> This disclosure is striking because it demonstrates how a relatively new digital platform has been able to scale to double-digit contribution levels in a very short time. The implication is that online commerce is no longer peripheral to TFG (The Foschini Group, 2025) but has become one of its primary growth engines.

Truworths (Truworths International, 2024) has similarly highlighted the progress it is making in e-commerce adoption. In a November 2024 trading statement, it reported: “Online sales increased by 38% and now account for approximately 6% of Truworths (Truworths International, 2024) Africa’s retail sales.”<sup>8</sup> This clear acknowledgement shows that online sales are now material enough to be featured prominently in financial disclosures, reflecting a broader trend across the sector.

Looking back, the scale of this growth is even more striking. In 2020, Truworths (Truworths International, 2024) said that online sales were “a small but growing part of our portfolio”. At that time, penetration was below 2%. To move from this base to nearly

6% in four years is evidence of a structural shift in consumer behaviour and company strategy.

Even in the value segment, where digital penetration has historically lagged, change is evident. Mr Price (Mr Price Group, 2025) reported in its Q3 FY2025 update: “Online sales grew by 10.5% in the quarter, contributing 1.8% of retail sales, reflecting steady but still modest channel penetration.”<sup>9</sup> The numbers remain small, but the acknowledgment of online sales in official updates indicates that even discount-focused retailers are compelled to participate in the digital transition.

## **Health and Beauty**

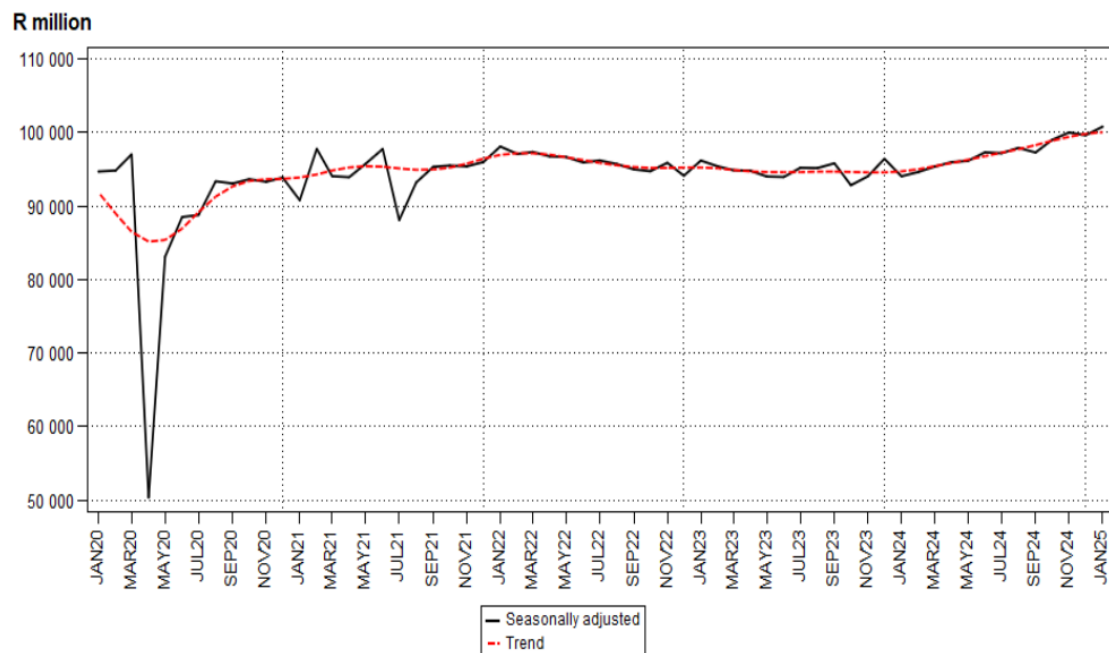
The health and beauty sector is also beginning to see stronger contributions from e-commerce. Clicks (Clicks Group, 2025), in its H1 FY2025 results, reported: “Online retail sales increased by 23.0% and contributed 4.4% to retail turnover, up from 3.6% in the prior year.”<sup>10</sup> The steady increase reflects growing consumer comfort with purchasing pharmaceuticals, personal care products, and health items online – categories that were once considered firmly tied to physical retail. Although Dis-Chem has not published comparable figures, industry commentary suggests similar trends.

In historical perspective, this growth is significant. As recently as 2019, Clicks (Clicks Group, 2025)’ annual report stated that online sales were “immaterial to overall turnover”. The shift to nearly 5% by 2025 demonstrates both the rapid adoption of e-commerce in the sector and the importance of digital channels to long-term strategy.

## **Aggregate growth and market dynamics**

When the disclosures of these retailers are combined, they reveal a consistent pattern. In 2024, South African online retail expanded by about 35%, while offline retail grew by just 2.5%. By mid-2025, the median growth rate across major retailers points to 38% for the full year. This would lift the sector to approximately R130-billion and raise its share of the market to close to 10%. The comparison with Stats SA (Stats SA, 2025)’s reported offline growth of 1–2% underscores the structural divergence.<sup>3</sup> Online retail is not simply growing faster; it is fundamentally reshaping the composition of South Africa’s retail economy.

**Figure 1 – Retail trade sales at constant 2019 prices**



**StatsSA January 2025**

## Structural drivers

The demand-side drivers of this growth are clear. Convenience remains paramount. Grocery apps like Sixty60 and Woolies Dash have set a new standard for immediacy, with delivery within an hour now seen as routine. Apparel retailers are investing in digital platforms with better user experiences, improved size and fit guidance, and loyalty integrations that encourage repeat purchases. Meanwhile, consumers have become more confident in buying categories like health and beauty online, a trend reinforced by Clicks (Clicks Group, 2025)’ double-digit growth.

On the supply side, retailers are investing heavily in the infrastructure needed to scale e-commerce profitably. Shoprite (Shoprite Holdings, 2025) has expanded its Sixty60 logistics fleet and built “dark stores” – intended purely for fulfilment – to handle on-demand volumes more efficiently. TFG (The Foschini Group, 2025) has integrated Bash across its portfolio of brands, making it a central pillar of its operations. Woolworths (Woolworths Holdings, 2025) has tied its digital strategy into its loyalty programme, allowing seamless interaction between online and offline. Across the board, the use of fintech tools, ranging from mobile payments to buy-now-pay-later services, has lowered friction and expanded access.

Yet, challenges persist. High fulfilment costs erode margins, especially in low-basket-value categories. Load-shedding remains a disruptive force, requiring constant



investment in backup systems and infrastructure resilience. Security risks in logistics and distribution also continue to place strain on operations, adding costs that are unique to the South African context. Nevertheless, retailers have demonstrated their willingness to absorb these costs in the short term to secure long-term market share.

Global Entrants: Amazon (Reuters, 2025a), Shein and Temu in South Africa

The arrival of global e-commerce giants has added a new dimension to South Africa's online retail story. By mid-2024, Amazon (Reuters, 2025a).co.za officially launched, signalling the entry of the world's most dominant digital retailer into one of Africa's most promising e-commerce markets. Its soft launch introduced around 150,000 products across 15 categories, a modest start compared to other markets but one deliberately structured to scale. By early 2025, Amazon (Reuters, 2025a) had expanded its catalogue to include groceries, pet food, and health supplements, listing both global brands such as Nestlé and Red Bull, and local favourites like Beacon, Simba, and Koo. Reuters reported that customer uptake of these additions was "extremely positive," with bulk and multipack offers performing particularly well.

Amazon (Reuters, 2025a) also embedded itself in the local ecosystem by opening a walk-in seller centre (Reuters, 2025b) in Cape Town in January 2025. The centre supports SMEs with registration, product imaging, and fulfilment services. This aligns with Amazon (Reuters, 2025a)'s global model, where over 60% of sales come from independent sellers. The move demonstrates its intention to cultivate a base of local merchants rather than rely solely on imported stock. Analysts have described the strategy as a deliberate, strategic foothold, measured in its early growth, but designed for long-term competitive pressure. For incumbents like Takealot, Shoprite (Shoprite Holdings, 2025), Pick n Pay (Pick n Pay, 2024), and Woolworths (Woolworths Holdings, 2025), Amazon (Reuters, 2025a)'s arrival is a clear signal that digital competition will intensify in categories beyond fashion, with groceries emerging as a likely battleground if Amazon (Reuters, 2025a) introduces Prime-style membership in 2026.

## **Shein, Temu and the shape of South Africa's online retail**

When Shein and Temu entered South Africa, they were more than merely new players in a crowded fashion market. They introduced a different kind of retail altogether: direct-to-consumer imports, bypassing local wholesalers and store networks. By 2024, the Localisation Support Fund (Localisation Support Fund & BMA, 2024) (LSF), working with consulting firm BMA, estimated that the two platforms had reached a combined R7.3 billion in sales: about 3.6% of the national CTFL (clothing, textiles, footwear and leather) market, and almost 40% of online sales in the category. On the surface, those numbers suggest a sudden and dramatic disruption.

But to understand the impact, it's worth triangulating their claims with official trade and retail data, and examining how LSF's localisation mandate might colour its conclusions.

## **Imports tell part of the story**

South African Revenue Service (SARS (SARS, 2025)) data provides the most reliable picture of goods entering the country. In 2024, imports under the three CTFL-related HS sections totalled about R92-billion, up 11.4% from 2023. Of that, R65.5-billion came from textiles and clothing, R21-billion from footwear, and R5.5-billion from leather goods and handbags.

Against that backdrop, the LSF's figure of R7.3-billion in Shein and Temu sales represent less than a tenth of the value of imported CTFL goods. But SARS (SARS, 2025) statistics represent customs value (at cost, insurance, and freight), while LSF's figure represents retail turnover, which includes shipping fees and margins. The categories also aren't perfectly aligned: SARS (SARS, 2025) imports include both finished products and raw materials. Even so, the comparison suggests that Shein and Temu's penetration, while real, is not overwhelming when placed within the broader trade flows.

## **Domestic retail shows resilience**

Stats SA (Stats SA, 2025)'s retail trade survey adds another perspective. At the start of 2025, the clothing, textiles, footwear and leather subsector was one of the strongest contributors to overall retail growth, adding over 10% year-on-year in January. That growth reflects local retailers' continuing strength and undercuts the idea that foreign e-commerce has hollowed out the domestic market.

The timing is important: by September and November 2024, government had closed the tax loophole (Reuters, 2025c)s that had allowed Shein and Temu to undercut local players. VAT was applied to all low-value parcels, and the flat 20% duty was replaced with the full World Customs Organisation-aligned tariff rates. SARS (SARS, 2025) tightened declaration rules again in April 2025, demanding full invoice details. Those changes mean Shein and Temu no longer slip as easily beneath the regulatory radar, and their pricing advantage is likely to narrow further in 2025 and beyond.

It should also be borne in mind that the Localisation Support Fund (Localisation Support Fund & BMA, 2024) was set up with the express mandate of promoting South African manufacturing and jobs. Its reporting often highlights risks to local industry: in this case, BMA projected that up to 34,000 jobs could be at risk by 2030 if offshore e-commerce is left unchecked.

That doesn't mean the numbers are fabricated: the R7.3-billion sales estimate is consistent with the scale of imports captured by SARS (SARS, 2025) and the broader size of the retail market. But the framing of Shein and Temu as existential threats reflects the Fund's mandate to lobby for localisation. The assumptions behind its forecasts (market share growth trajectories, consumer price sensitivity, enforcement

levels) could by the nature of their provenance be conservative for local industry and aggressive for offshore platforms.

## The likely impact of Shein and Temu

- **Shein and Temu are significant but not dominant.** They captured an impressive slice of online fashion in a short time, but their retail sales are still a fraction of total CTFL imports and an even smaller fraction of South Africa's overall retail trade.
- **Their growth will face headwinds.** With tax and customs changes closing loopholes, compliance costs rising, and delivery times under scrutiny, the easy gains of 2022–2024 are unlikely to be repeated.
- **Local players are adapting.** Domestic retailers have posted strong sales growth despite offshore competition, aided by their ability to offer faster delivery, easier returns, and familiar payment methods.
- **Policy matters.** The state has already intervened to protect local industry, and the LSF's lobbying makes further measures more likely. Any projections of runaway growth by Shein and Temu must be tempered by regulatory realities.

Shein and Temu's arrival has reshaped consumer expectations for low-cost, fashion-forward online shopping, but the story is not one of outright dominance. Their market share figures sit within an import landscape already worth nearly R100-billion a year. As government tightens enforcement and local retailers sharpen their digital offerings, the more likely scenario is coexistence: Shein and Temu remain influential, but they do not eclipse South Africa's domestic CTFL sector.

## Global context

South Africa's trajectory is part of a wider global trend, but it has its own characteristics. In markets like the United States (eMarketer / Insider Intelligence, 2024), online penetration has reached around 15% of total retail, while in China (McKinsey & Company, 2024) the figure is closer to 30%. South Africa's 9–10% by 2025 may seem modest by comparison, but it reflects the unique structural challenges of the local economy. These include infrastructure constraints, logistics costs, and a more limited base of affluent consumers. At the same time, the pace of growth – consistently above 30% per year – is faster than many developed markets, suggesting that South Africa is catching up rapidly. For global investors, this signals both opportunity and risk: opportunity in the form of strong growth potential, risk in the form of execution challenges.

## Outlook

The outlook for online retail in South Africa is decisively positive. By the end of 2025, e-commerce will account for close to 10% of all retail sales, a milestone that seemed distant just a few years ago. The structural gap between online and offline growth rates is unlikely to narrow; if anything, it may widen further as consumer behaviour continues to shift and as retailers deepen their investments in digital infrastructure. By the end of 2026, the market is expected to surpass R150-billion, capturing as much as 12% of national retail turnover.<sup>1</sup>

This transformation has profound implications. Retailers can no longer afford to view digital as a side business. It must be at the centre of strategy, operations, and investment. Competitive advantage will be determined by logistics efficiency, the quality of digital experiences, and the ability to integrate online and offline seamlessly. For those who succeed, the rewards are considerable: access to a rapidly expanding market at a time when offline growth remains tied to the sluggish pace of the wider economy.

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# Survey of South African Retailers, 2025

## Executive Summary

The 2025 Online Retail in South Africa study surveyed 201 technology decision-makers at South African retailers. Roles represented include Owners/MDs/CEOs (38.3%) and Ecommerce Decision Makers (29.9%). Company sizes skew toward mid-market: 51–200 employees (37.3%) and 21–50 (22.4%), with smaller shares from 1–5 (8.0%) and 6–20 (9.4%), and larger organisations at 201–1,000 (14.9%), 1,001–5,000 (6.5%) and 5,001+ (1.5%). Compared with 2024, the 2025 sample contains fewer micro/small firms and more mid-market and larger firms; that shift should be kept in mind when interpreting year-on-year movements.

Payment methods are near-universal for EFT (94.5%) and debit cards (93.5%), with credit cards mainstream (75.6%). Instant EFT/PayShap shows traction (40.8%), while BNPL (15.9%) and mobile wallets (12.9%) are present but secondary. Satisfaction with gateways is exceptional: 76.6% very satisfied and 15.4% satisfied (92.0% combined), with few neutral (3.5%) or negative ratings (3.5% dissatisfied; 1.0% very dissatisfied).

Roadmaps are measured. Most respondents plan no new payment methods over the next 12 months (53.2%). Where additions are contemplated, the emphasis is on convenience enhancers that fit existing flows: mobile wallets (22.4%), Instant EFT/PayShap (16.4%), BNPL (14.9%) and QR (11.4%), with limited interest in payment links (3.0%) or biometrics (1.0%).

Selection criteria highlight execution fundamentals. “Very important” concentrates in ease of integration (91.5%), security (91.0%) and user experience (91.0%), followed by price (80.6%) and trust (79.6%). Reporting/reconciliation and stability/failovers are each “very important” to 75.1%. Multiple currencies is clearly lower priority (29.9% “very important”; 30.4% unimportant/very unimportant), reinforcing a domestic orientation.

Conversion friction sits where operations meet UX and cost. The top cart-abandonment drivers are a long/complicated checkout (37.3%), shipping fees (31.3%) and card declines (27.9%). This mirrors the selection priorities – integration, security and UX – and points to immediate uplift from shorter flows, clearer shipping economics and continued reduction in decline rates.

Operational strain is generally low. Large majorities describe payment failures (87.6%), refund management (83.1%) and customer queries (88.1%) as “not challenging”. Fraud detection shows the most persistent pressure yet remains manageable (70.1% “not challenging”; 17.4% at least moderately challenging). Technology to handle traffic (14.0% at least moderate), stock forecasting (10.5%) and platform integration (10.5%) are secondary concerns.

Go-to-market is digital-first and service-led. Email/social/paid digital (93.5%) and search (72.1%) dominate marketing importance, supported by shopper incentives (56.2%) and a renewed role for traditional advertising (45.8%). Strategy usage confirms a blended model: in-store payments (73.6%), cash on delivery (37.3%) and collection/return points (35.8%) bridge online–offline expectations. WhatsApp is embedded for support (69.2%) and promotions (51.2%); sales (35.8%) are typically settled via EFT invoices (90.3% among WhatsApp-for-sales users), with in-chat payment-link usage still niche (16.7%). The key blockers – gateway integration (38.8%), reconciliation (29.9%), consumer trust (27.9%) and fraud/scams (24.4%) – explain the lag.

Security shows a gap between stated priority and adoption. Although 91.0% rate security “very important,” 64.7% are not using passkeys/biometrics and 91.5% are not considering them. Where used, passkeys mostly rely on email (33.8%) or mobile number (30.8%) rather than biometrics (fingerprint 2.5%; Face ID 1.5%). Most anticipate no implementation challenges (65.2%); among those who do, cost (17.4%), fraud risk (12.4%), customer resistance (8.5%) and compliance (8.5%) predominate.

Cross-border platforms present confidence with caveats. Most respondents report no impact from Temu/Shein (65.2%), over half plan no counter-strategy (53.2%), and self-ratings of capability are confident (significantly better 63.7%; better 11.4%; same 17.4%). Even so, 34.8% report some impact, and a minority see reduced transaction values (9.4% vs 7.5% increased; 72.1% no impact). Where responses are planned, the levers are competitive pricing (22.9%), faster delivery (18.9%) and range expansion (17.4%).

AI adoption intent is selective and front-of-house. Marketing/content leads at 53.7%. Smaller shares target customer support/engagement (19.4%), checkout/payment processes (15.9%), personalised recommendations (12.9%), fraud detection (8.0%) and inventory/forecasting (8.0%); 25.4% are not considering AI.

Financial footing and outlook are strong. Profitability is widespread (very profitable 42.3%; somewhat profitable 31.3% – 73.6% combined), with 12.4% breaking even and 4.0% in loss (5.0% don’t know; 5.0% prefer not to answer). Growth expectations are bullish: 49.3% foresee 41–60% turnover growth and 24.9% expect more than 60% (74.2% above 40%); 4.5% expect contraction (6.0% don’t know; 10.4% prefer not to answer). Five-year sentiment is overwhelmingly positive (very optimistic 77.1%; optimistic 15.9% – 93.0% combined).

Implications for 2025 are practical and focused: simplify and accelerate checkout; make shipping costs predictable and visible; continue lowering card declines; add methods that raise completion without complicating integration (mobile wallets 22.4%; Instant EFT/PayShap 16.4%; BNPL 14.9%; QR 11.4%); convert WhatsApp conversations

to conversions by closing integration and reconciliation gaps and strengthening assurances; pilot low-friction passkeys/biometrics in high-risk flows; and extend AI beyond marketing into support triage, fraud signals and personalisation. With the sample's mid-market tilt noted, these steps keep momentum high while guarding against the early warning signs visible at the edges.



## Methodology

This report is based on interviews conducted by World Wide Worx with technology decision-makers from over 200 businesses across South Africa. The primary objective of these interviews was to gain insights into the landscape of online retail in the region and to understand the factors that influence online retailers when selecting a payment gateway.

**Sampling Procedure:** The sample for this study consisted of businesses operating in various sectors of the South African economy, ranging from small enterprises to larger corporations. The businesses were selected based on their involvement in online retail activities and their status as technology decision-makers within their respective organisations.

**Data Collection:** The interviews were conducted using online surveys conducted via phone calls. This method allowed for efficient data collection while ensuring flexibility for respondents to participate at their convenience. The structured survey format facilitated the collection of standardised data across all interviews, enhancing the comparability of responses.

**Respondents:** All respondents included in this study are merchants of payment processing gateways. These individuals were identified based on their roles and responsibilities within their organisations, specifically focusing on their involvement in decision-making processes related to online retail and payment gateway selection. Throughout this report, they are referred to simply as “respondents”.

**Ethical Considerations:** All participants were assured of confidentiality and anonymity, and their responses were used solely for research purposes. Informed consent was obtained from all respondents prior to their participation in the study, and they were provided with the option to withdraw from the survey at any point.

Overall, this methodology aimed to gather comprehensive insights into the factors influencing online retailers’ selection of payment gateways in South Africa, providing valuable information for businesses, policymakers, and other stakeholders in the ecommerce ecosystem.

## Position in company

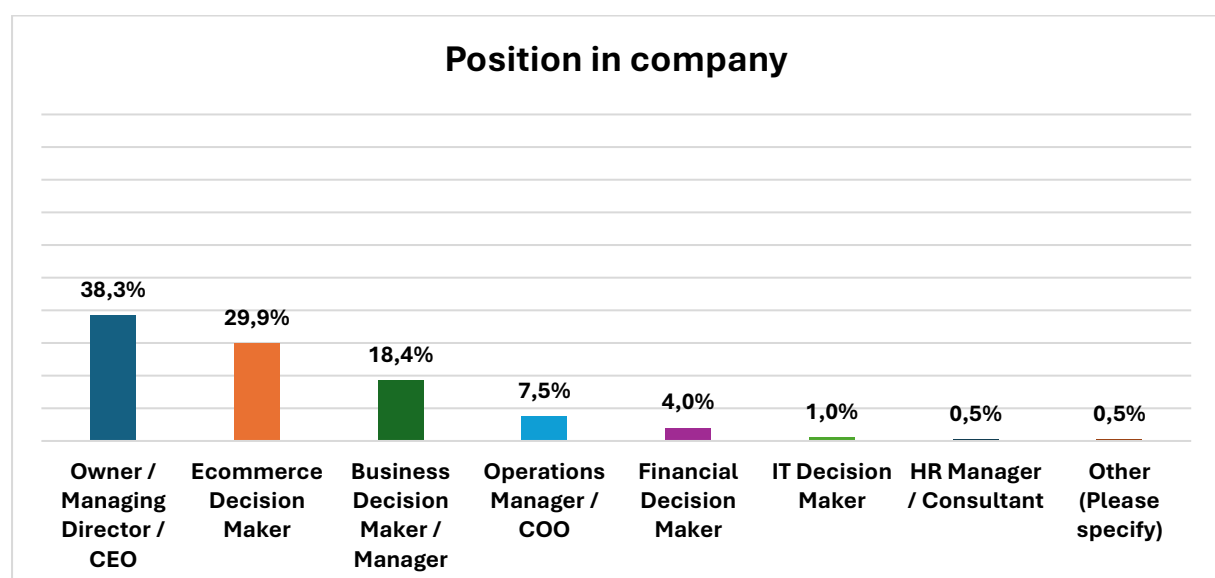
The survey sample (201 respondents) represents a wide spectrum of business leadership and decision-making roles within South African organisations, with a strong emphasis on ownership and top-level management.

The largest share of respondents were Owners, Managing Directors, or CEOs, making up 38.3% of the sample. This indicates that the research reached a significant number of individuals with direct authority over business strategy and operations.

The next largest group were Ecommerce Decision Makers (29.9%), highlighting the prominence of online commerce expertise in the dataset. This strong representation suggests that digital commerce continues to play a central role in the South African business landscape.

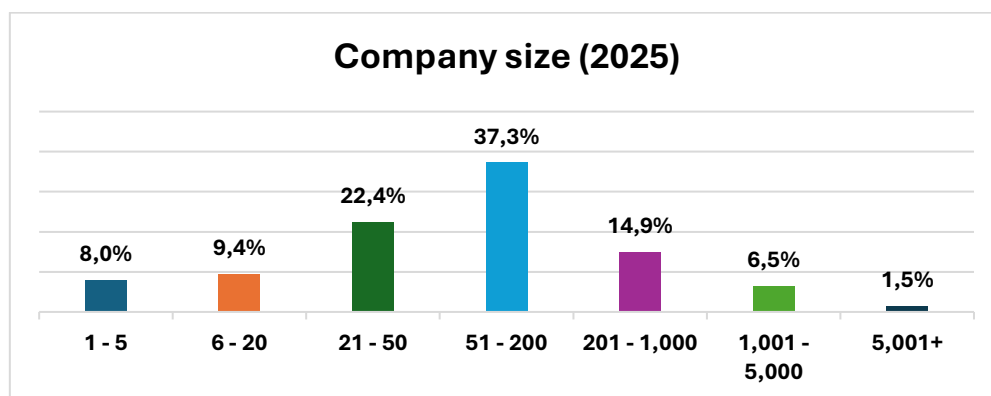
Business Decision Makers / Managers accounted for 18.4%, providing a substantial middle-management perspective, while Operations Managers / COOs contributed 7.5%, reflecting operational oversight within organisations.

Other decision-making categories were represented to a lesser extent: Financial Decision Makers (4.0%), IT Decision Makers (1.0%), and HR Managers / Consultants (0.5%). Additionally, 0.5% of respondents fell into the “Other” category, where their roles were specified outside the predefined options.

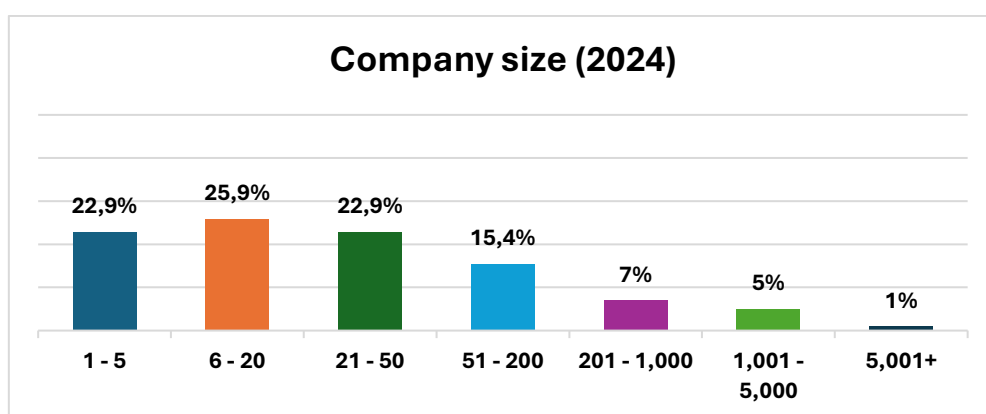


## Employee count

The 2025 sample skews mid-market. The largest share comes from companies with 51–200 employees (37.3%), followed by 21–50 (22.4%). Together, these segments make up 59.7% of responses, reflecting businesses that have moved beyond the small-enterprise stage but are not yet large corporates. Larger organisations are present: 201–1,000 (14.9%), 1,001–5,000 (6.5%), and 5,001+ (1.5%). Smaller firms feature less prominently: 6–20 (9.4%) and 1–5 (8.0%).



By contrast, the 2024 sample was weighted towards smaller companies. Firms with 1–5 employees (22.9%) and 6–20 (25.9%) together accounted for 48.8% of responses, while the mid-market segments were slimmer, 21–50 (22.9%) and 51–200 (15.4%), and large organisations lighter still: 201–1,000 (7.0%), 1,001–5,000 (5.0%), 5,001+ (1.0%).

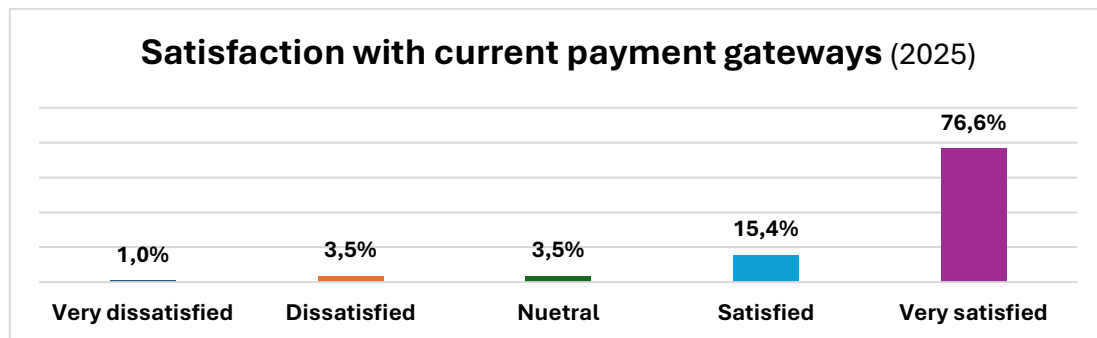


This shift matters for the year-on-year read. The 2025 dataset captures a stronger mid-market and large-enterprise perspective (21–200 rising from 38.3% to 59.7%; 201+ rising from 13.0% to 22.9%), while the micro/small share drops sharply (1–20 falling

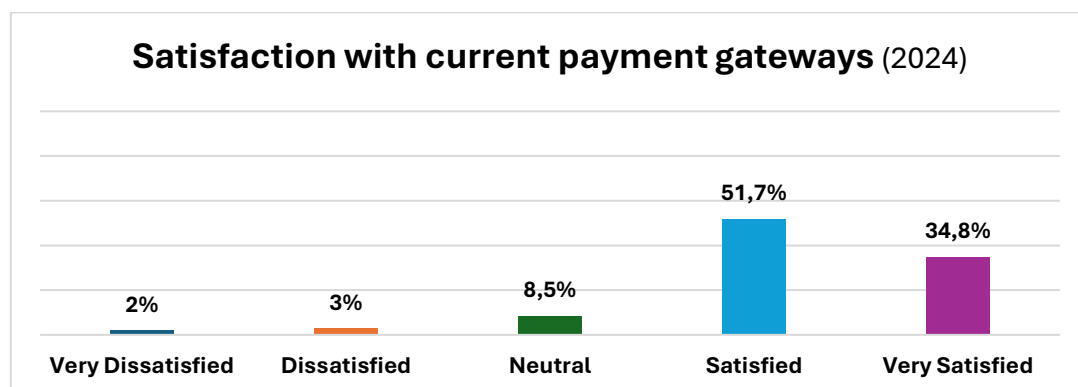
from 48.8% to 17.4%). Mid-market and larger firms typically run more mature integrations, broader payment stacks and, in our data, higher satisfaction levels. As a result, movements observed elsewhere in the report may reflect both real change and this compositional difference. Where applicable, the comparisons that follow will reference this size shift so that apparent gains or declines are not over- or under-stated due to who was included in each year's sample.

## Satisfaction with current payment gateways

Satisfaction is exceptionally high in 2025. Very satisfied reaches 76.6%, with a further 15.4% satisfied, giving a combined 92.0% positive rating. Neutral responses are scarce at 3.5%. Dissatisfied stands at 3.5% and very dissatisfied at 1.0%.



Compared with 2024, the balance shifts decisively from “satisfied” to “very satisfied.” In 2024, 34.8% were very satisfied and 51.7% satisfied (Top-2 86.6%), with 8.5% neutral, 3.0% dissatisfied and 2.0% very dissatisfied. The 2025 pattern shows a larger share at the top of the scale and fewer neutral ratings, while dissatisfaction is broadly stable: a small uptick in “dissatisfied” alongside a decline in “very dissatisfied.”

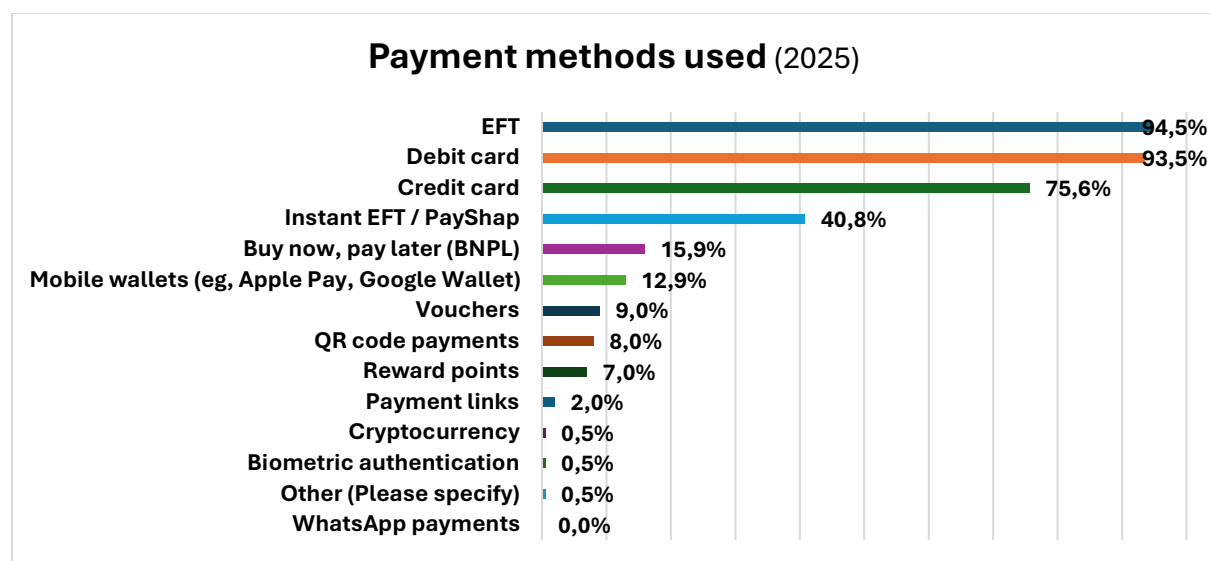


This change should be read in the context of the different company-size mix between the two years. The 2025 sample is far more mid-market and large, segments that in this dataset report higher satisfaction levels than micro and very small firms. The reduced presence of the smallest cohorts in 2025 can therefore elevate the overall satisfaction average.

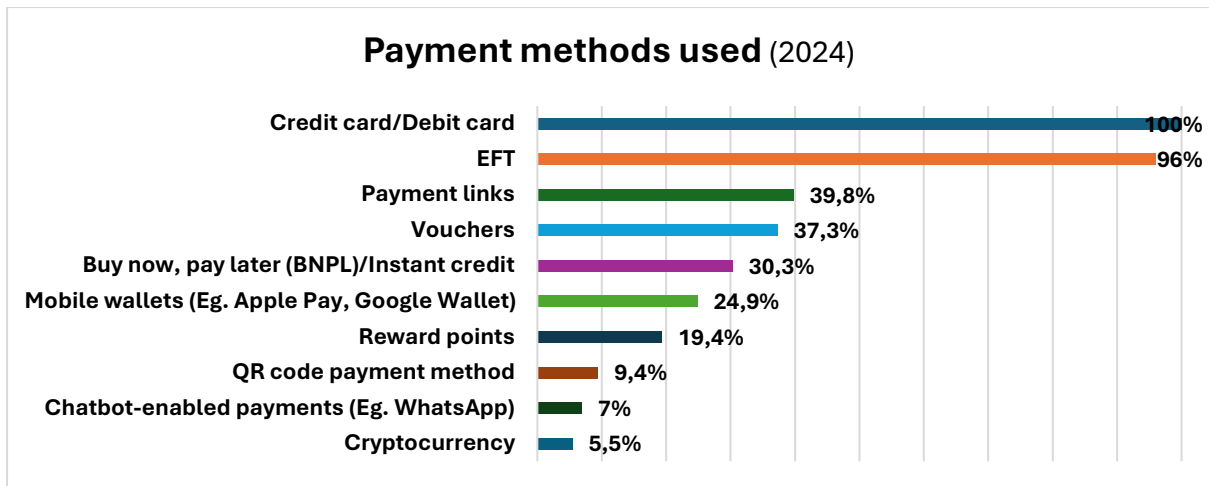
Even with that caveat, the concentration in “very satisfied” is striking and consistent with other results in 2025: high importance placed on integration, security and user experience, and a payments stack that respondents regard as stable and effective.

## Payment methods used

In 2025, respondents rely primarily on established rails. EFT (94.5%) and debit cards (93.5%) are near-universal, with credit cards (75.6%) also widespread. Among newer options, Instant EFT/PayShap (40.8%) shows meaningful traction, while BNPL (15.9%) and mobile wallets (12.9%) are present but still secondary. Less common methods include vouchers (9.0%), QR codes (8.0%), and reward points (7.0%). Very few respondents report payment links (2.0%), cryptocurrency (0.5%), or biometric authentication (0.5%); WhatsApp payments record no usage.



When compared with 2024, two caveats are essential. First, the 2024 figures reflect methods “used or intended to be used,” whereas 2025 records actual usage. Second, the 2025 sample is much more mid-market and larger by employee count. Those differences shape the apparent shifts. For example, credit and debit at 100% and EFT at 96% in 2024 reflect a combined “use or intent” baseline that naturally exceeds 2025’s actual-use rates.



Likewise, methods that attracted sizeable intent in 2024 – such as payment links (39.8%), vouchers (37.3%), BNPL (30.3%), and mobile wallets (24.9%) – show much lower actual adoption in 2025 (payment links 2.0%, vouchers 9.0%, BNPL 15.9%, wallets 12.9%). This gap most likely indicates a combination of unrealised 2024 plans and scale-up frictions (integration, reconciliation, consumer trust), rather than a true retreat from those methods. By contrast, Instant EFT/PayShap (40.8% in 2025) – not separately broken out in 2024 – emerges as a clear growth rail within traditional account-to-account payments.

Taken together, the year-on-year picture is best read as continuity on the core rails (EFT, debit, credit) with measured rather than wholesale follow-through on 2024 intentions for newer options. The heavier mid-market composition in 2025, coupled with the focus on actual usage, likely tempers the headline rates for emerging methods and clarifies where plans have converted into practice (notably Instant EFT/PayShap) and where they have not yet done so (payment links, vouchers, wallets, and BNPL).

## Payment methods wanted in 12 months

When asked about payment methods respondents would like to add in the next 12 months, just over half of respondents (53.2%) indicated they do not plan to introduce any new options. This aligns with the already high adoption rates of established methods such as EFT, debit cards, and credit cards, which are nearly universal.

Among those looking to expand their payment offerings, mobile wallets (22.4%) stand out as the most desired addition, reflecting a growing interest in Apple Pay, Google Wallet, and similar solutions that cater to increasingly mobile-first consumers.

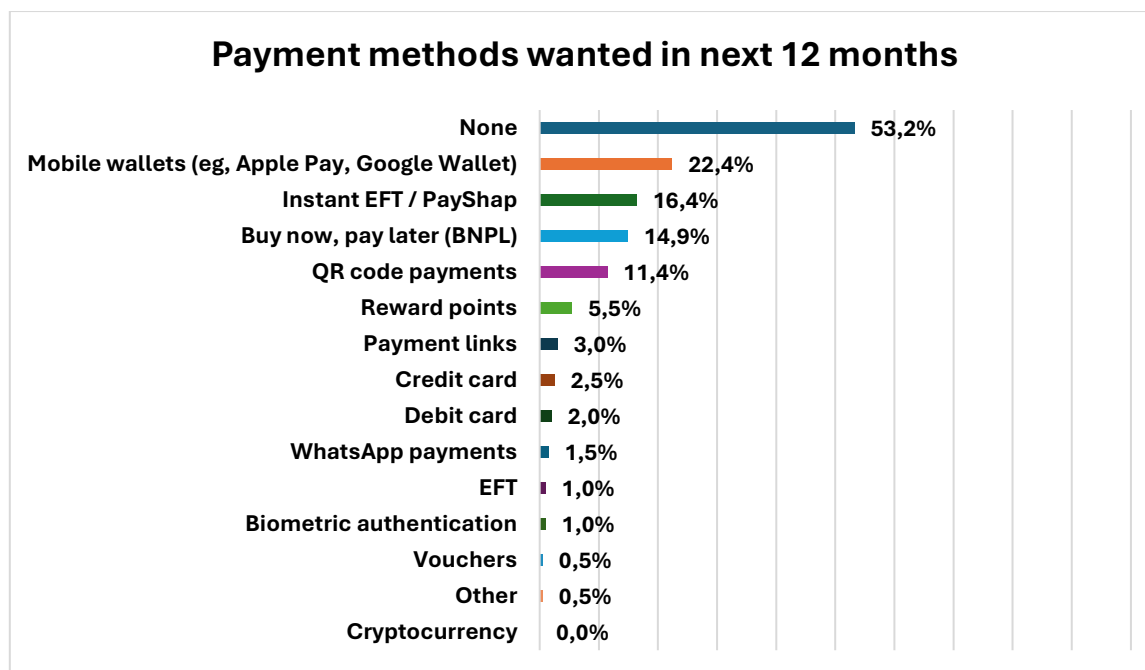
Instant EFT / PayShap (16.4%) was also identified as an area of interest. While this percentage may seem modest, it must be understood in the context of existing adoption – 40.8% of respondents already use it, meaning the additional planned uptake represents further consolidation of real-time payments.

Alternative options also featured in respondents' future plans. Buy Now, Pay Later (BNPL) services were highlighted by 14.9%, suggesting continued momentum for flexible payment solutions. QR code payments (11.4%) and reward points (5.5%) were also noted as additions, though at smaller levels.

Other methods received limited attention, with payment links (3.0%), credit cards (2.5%), debit cards (2.0%), WhatsApp payments (1.5%), EFT (1.0%), biometric authentication (1.0%), and vouchers (0.5%) each mentioned by only a handful of respondents. Notably, cryptocurrency (0.0%) saw no interest as a planned addition.

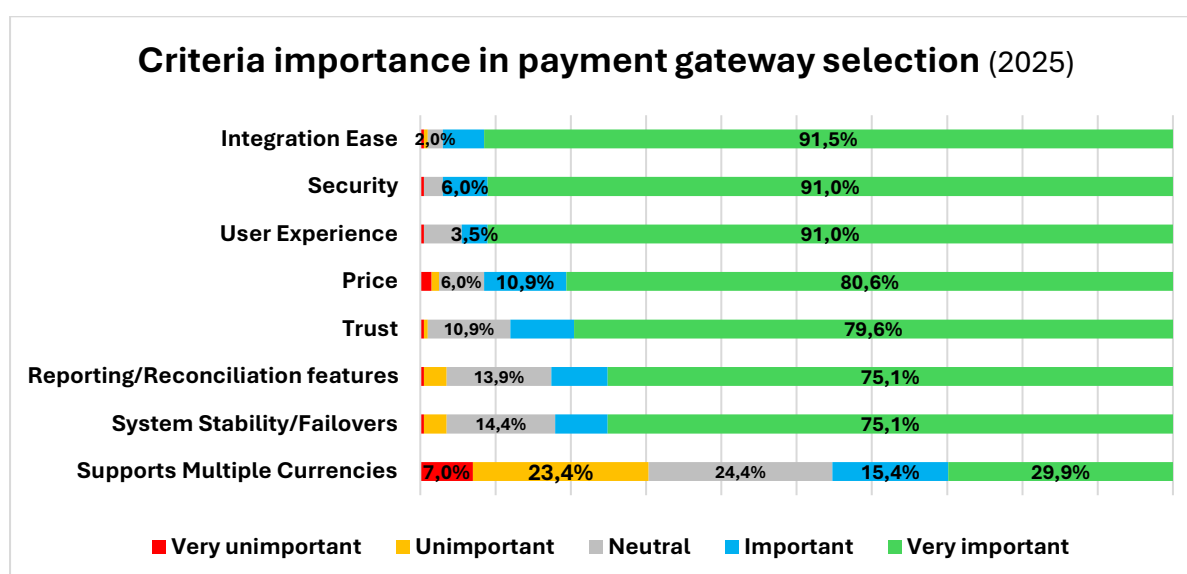
The findings suggest that while most companies feel their current mix of payment options is sufficient, there is clear appetite for digital wallet adoption and incremental growth in newer payment technologies such as PayShap and BNPL.





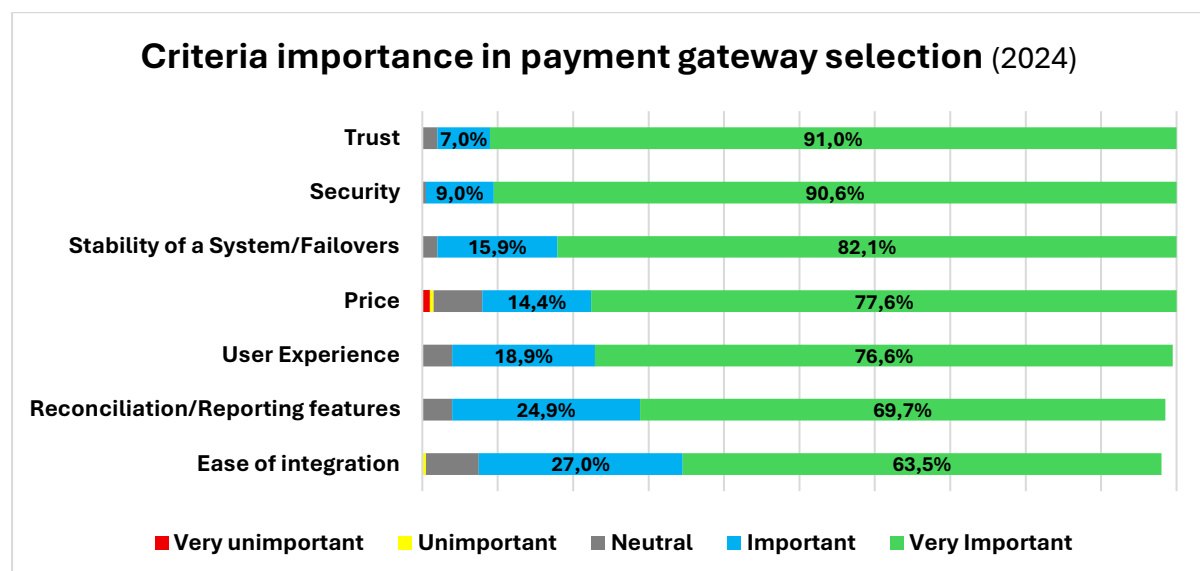
## Criteria importance in payment gateway selection

When choosing a payment gateway in 2025, respondents place the strongest weight on execution fundamentals: ease of integration (91.5% “very important”), security (91.0%), and user experience (91.0%) lead the pack. Price (80.6%) and trust (79.6%) follow, while operational enablers – reporting/reconciliation (75.1%) and system stability/failovers (75.1%) – remain highly valued. Support for multiple currencies is clearly secondary, with only 29.9% calling it “very important” and 30.4% rating it unimportant or very unimportant, underscoring a largely domestic orientation.



Compared with 2024, the hierarchy has been reordered. In 2024 the highest “very important” readings clustered around trust (91.0%), security (90.6%), and stability/failovers (82.1%), with user experience (76.7%) and particularly ease of integration (63.5%) sitting lower; reporting/reconciliation registered 69.7% “very important” and price 77.6% “very important”.

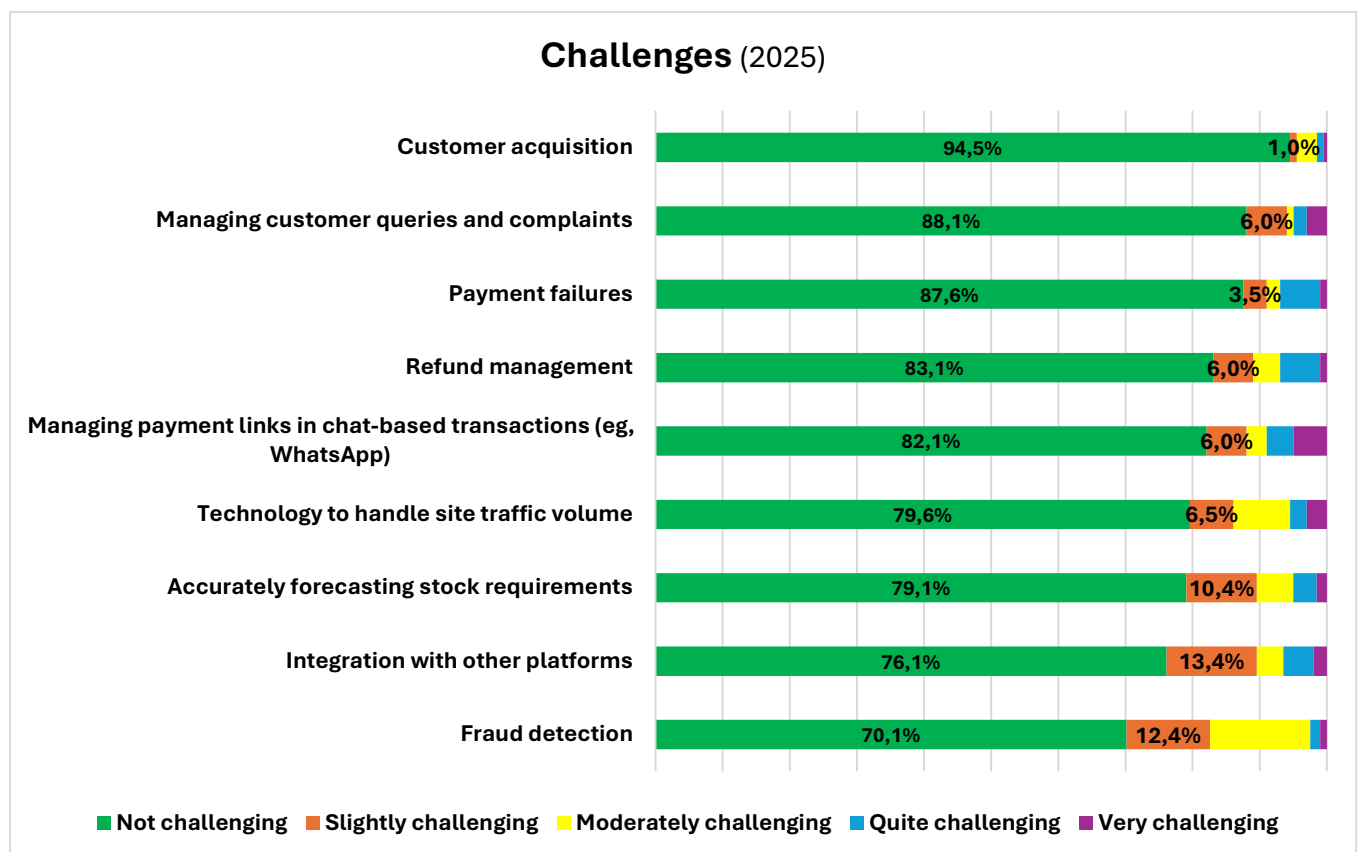
By 2025, integration ease and user experience rise to the top tier alongside security, while trust and stability, still valued, no longer define the leading edge of differentiation. The deprioritisation of multi-currency in 2025 further signals that cross-border functionality is not a primary determinant for most respondents, reflecting 2024 findings.



This shift should be read in the context of the changed company-size mix. The 2025 sample is more mid-market and large by employee count; these firms often treat trust and stability as table stakes and focus marginal attention on deployment speed, stack fit and customer experience. Even with that caveat, the size of the move – ease of integration rising from 63.50% “very important” in 2024 to 91.5% in 2025, and user experience from 76.62% to 91.0% – points to a genuine change in what distinguishes gateway choices.

## Challenges

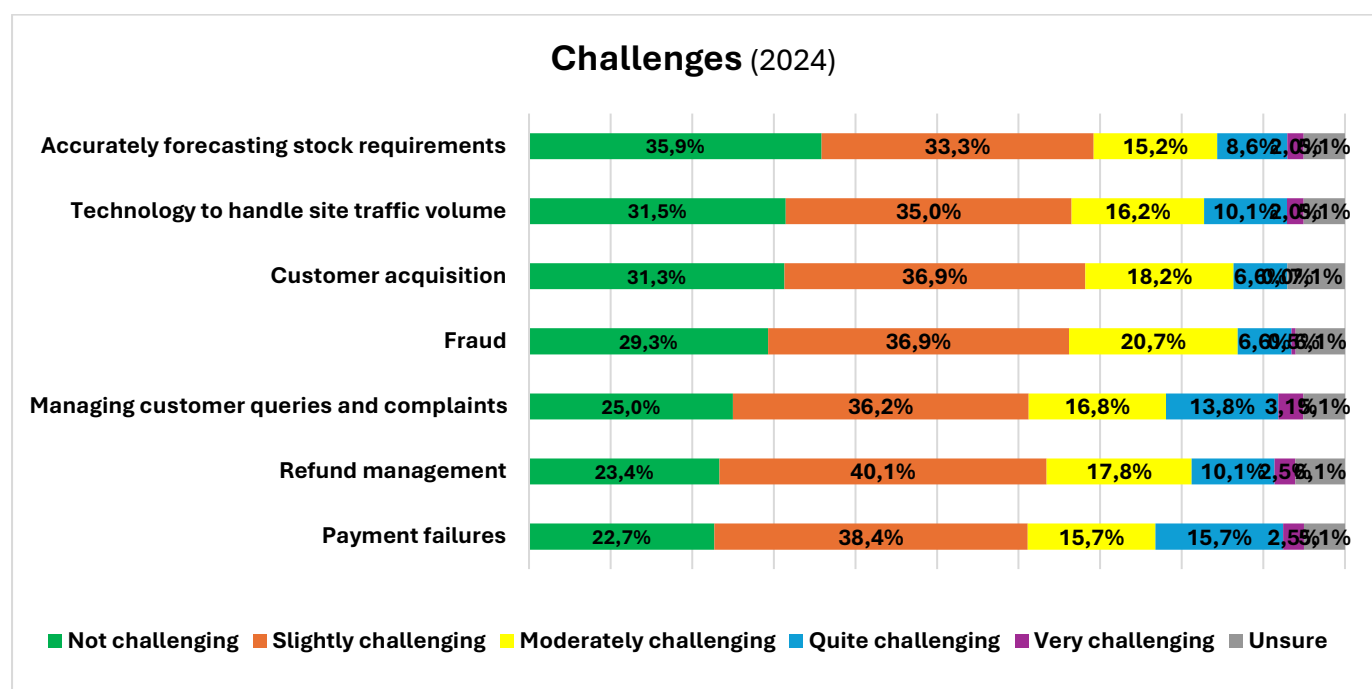
Respondents were asked how challenging key ecommerce and payments operations are. In 2025, most areas are reported as not challenging by a clear majority, signalling steady-state operations among many firms. For example, payment failures are “not challenging” for 87.6% (with 9.0% rating at least moderately challenging), refund management for 83.1% (11.0% at least moderate), and managing customer queries and complaints for 88.1% (6.0% at least moderate). Fraud detection remains the most persistent pain point, but even here 70.1% say “not challenging,” with 17.4% rating at least moderately challenging. Other areas with small but meaningful challenge profiles include technology to handle traffic (14.0% at least moderate), stock forecasting (10.5%), integration with other platforms (new in 2025: 10.5%), and managing payment links in chat-based transactions (e.g., WhatsApp) (new: 12.0%). Customer acquisition shows the lowest strain in 2025, with only 4.5% rating at least moderately challenging.



The 2024 baseline looks very different. “At least moderately challenging” shares were materially higher across the same core areas: payment failures 33.9%, refund management 30.4%, customer queries 33.7%, fraud 27.8%, traffic handling 28.3%, and

stock forecasting 25.8%; “not challenging” responses sat in the 23–36% range for these items. 2024 also captured an “unsure” option (around 5–7% across items), which is absent in 2025.

Two factors help explain the step-change. First, the 2025 sample is far more mid-market and large by employee count, cohorts that typically have more resources, more mature processes, and better-integrated stacks – conditions that reduce the day-to-day pain reported on failures, refunds, and service workloads. Second, the questionnaire coverage expanded in 2025 to include integration with other platforms and payment links in chat, offering a fuller picture of edge-case frictions that were not separately measured in 2024.



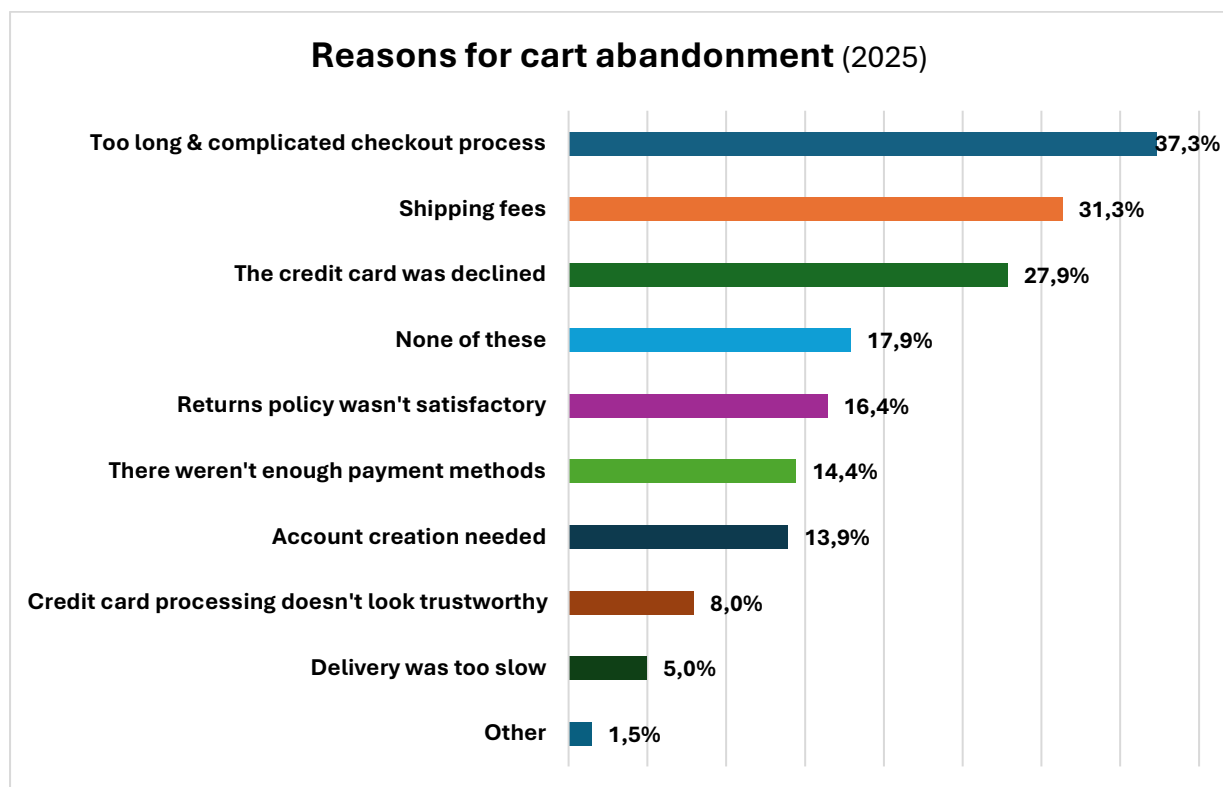
Taken together, the year-on-year story is one of lower operational strain on the core rails and residual challenges at the margins. Even allowing for the size-mix effect, the drop in “at least moderate” challenge levels suggests genuine operational maturation since 2024 – especially around failures, refunds and query handling.

Where challenges remain (notably fraud detection, chat-based payment flows, and systems integration), they are concentrated in relatively small segments, indicating targeted, not systemic, opportunities for improvement.

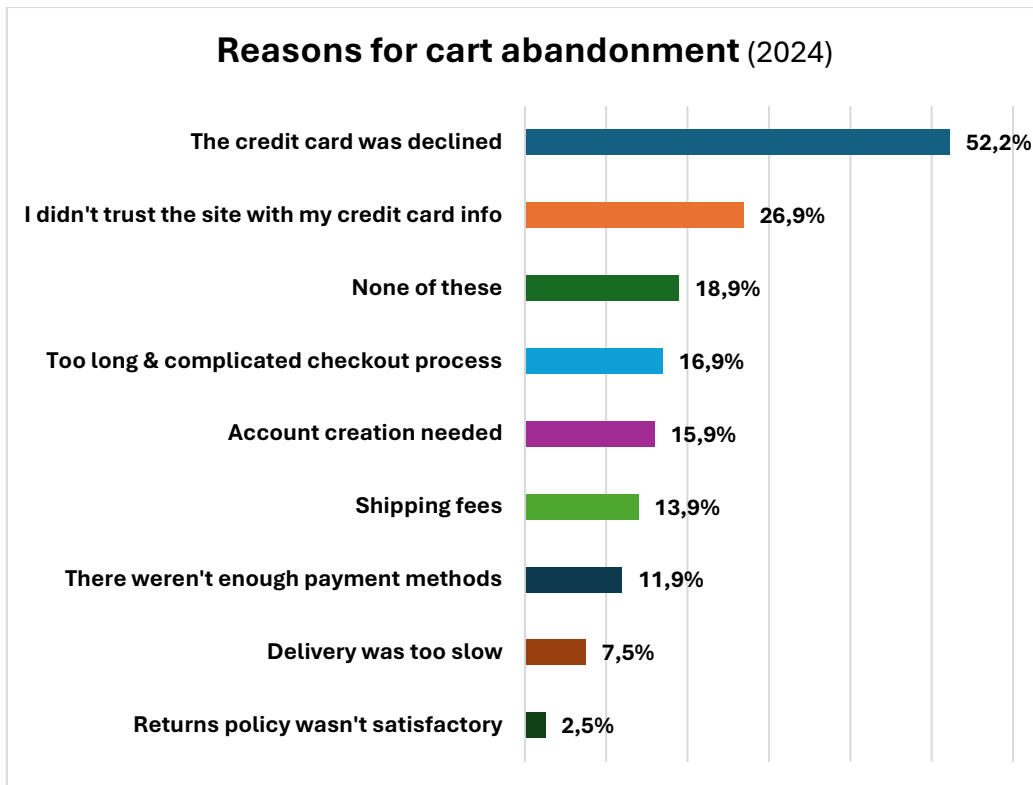


## Cart abandonment

Respondents identify checkout experience and additional costs as the leading causes of abandoned transactions. In 2025, the most common issue is a long or complicated checkout process (37.3%), followed by shipping fees (31.3%) and credit card declines (27.9%). A notable 17.9% report that none of the listed issues apply, suggesting some retailers do not see cart abandonment as a major problem. Secondary drivers include unsatisfactory returns policies (16.4%), not enough payment methods (14.4%), and mandatory account creation (13.9%). Fewer respondents highlight card-processing trust (8.0%) or delivery speed (5.0%) as key reasons.



Compared with 2024, the pattern shifts significantly. The leading reason in 2024 was credit card declines (52.2%), well ahead of all other causes, with site trust concerns also high (26.9%). Checkout complexity ranked much lower (16.9%) and shipping fees were cited by only 13.9%. This suggests that card-processing issues have become less prominent in 2025, potentially due to improvements in gateway reliability and 3-D Secure adoption, while attention has shifted toward user experience and cost transparency as key conversion bottlenecks.

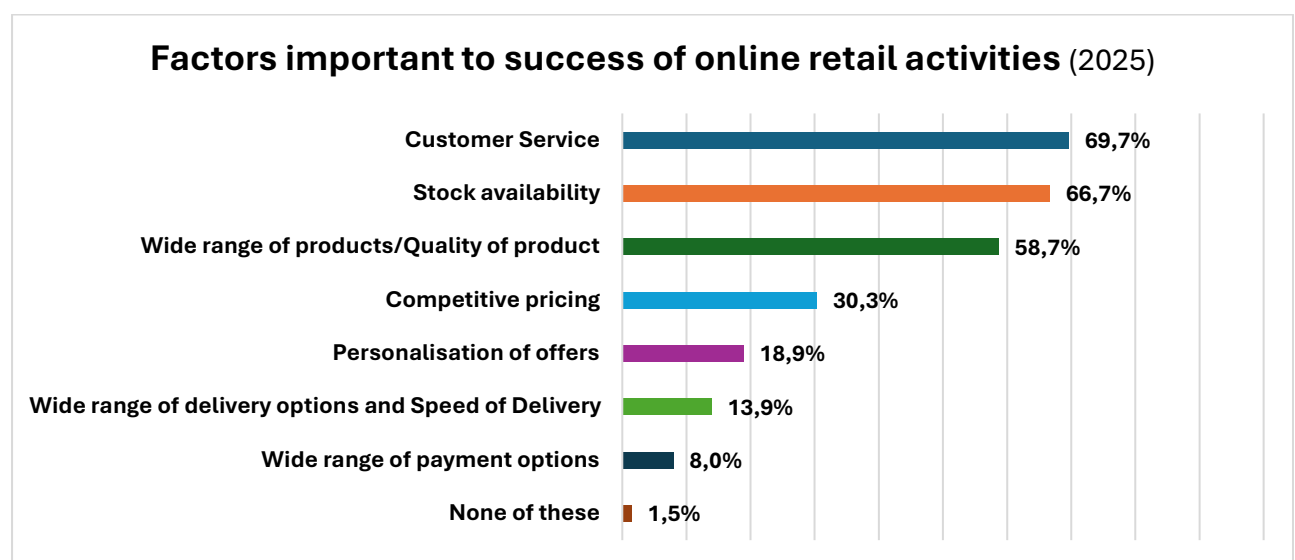


The heavier mid-market composition of the 2025 sample may amplify this shift: larger retailers tend to have more robust payment infrastructure, which would reduce card declines as a pain point and surface checkout design and shipping cost management as the next layer of optimisation challenges.

The implication is clear – while payment reliability has improved, retailers now need to focus on frictionless checkout flows and transparent shipping pricing to capture incremental sales.

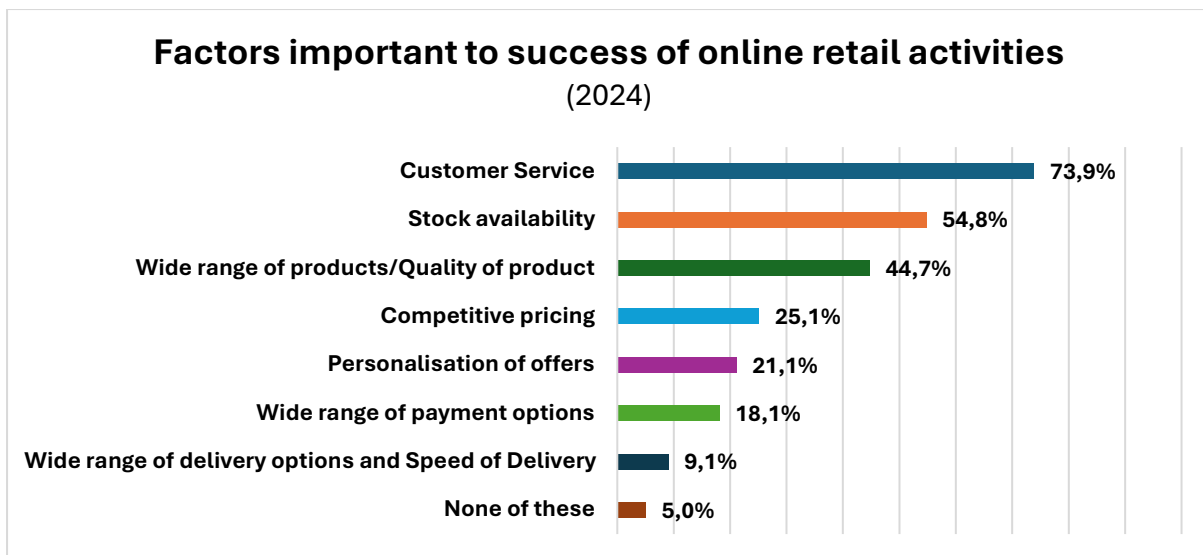
## Factors importance to success of online retail activities

In 2025, respondents emphasise customer service and operational reliability as the core drivers of online retail success. Customer service (69.7%) is the most cited factor, followed closely by stock availability (66.7%) and product range and quality (58.7%). Competitive pricing (30.3%) plays a secondary role, while personalisation (18.9%), delivery options and speed (13.9%), and wide payment options (8.0%) are given lower priority. Only 1.5% of respondents selected “none of these,” indicating broad agreement on what matters most.



Compared with 2024, there is a notable shift toward availability and assortment as key levers of success. Stock availability rises from 54.8% to 66.7%, and product range/quality from 44.7% to 58.7%, showing that ensuring products are in stock and expanding the offering have become bigger priorities. Customer service remains the leading factor but declines slightly from 73.9%, while competitive pricing edges up from 25.1%. Interest in delivery options/speed increases from 9.1%, but wide payment options drop sharply from 18.1%, reflecting reduced concern in this area.

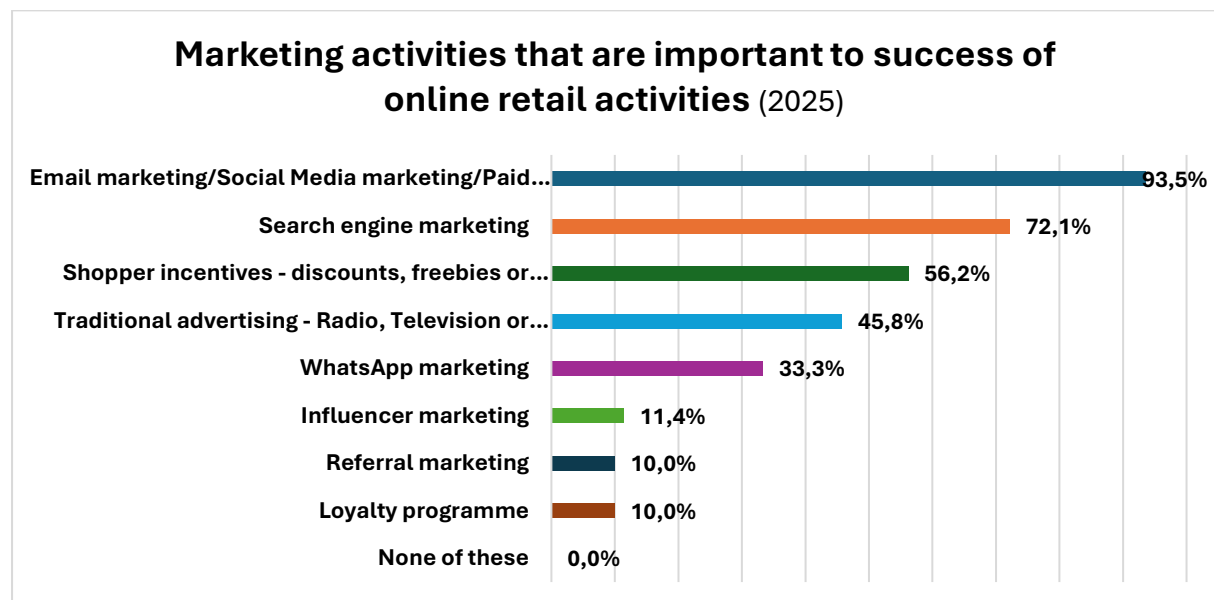




The shift likely reflects the composition of the 2025 sample, which skews toward mid-sized and larger companies. These businesses already have mature payment and delivery systems, making product availability and breadth of choice their focus for competitive advantage. Combined with the high levels of satisfaction with payment gateways reported elsewhere, the findings suggest that respondents view operational dependability, not adding more payment methods, as the next frontier for improving performance.

## Marketing activities that are important to success of online retail activities

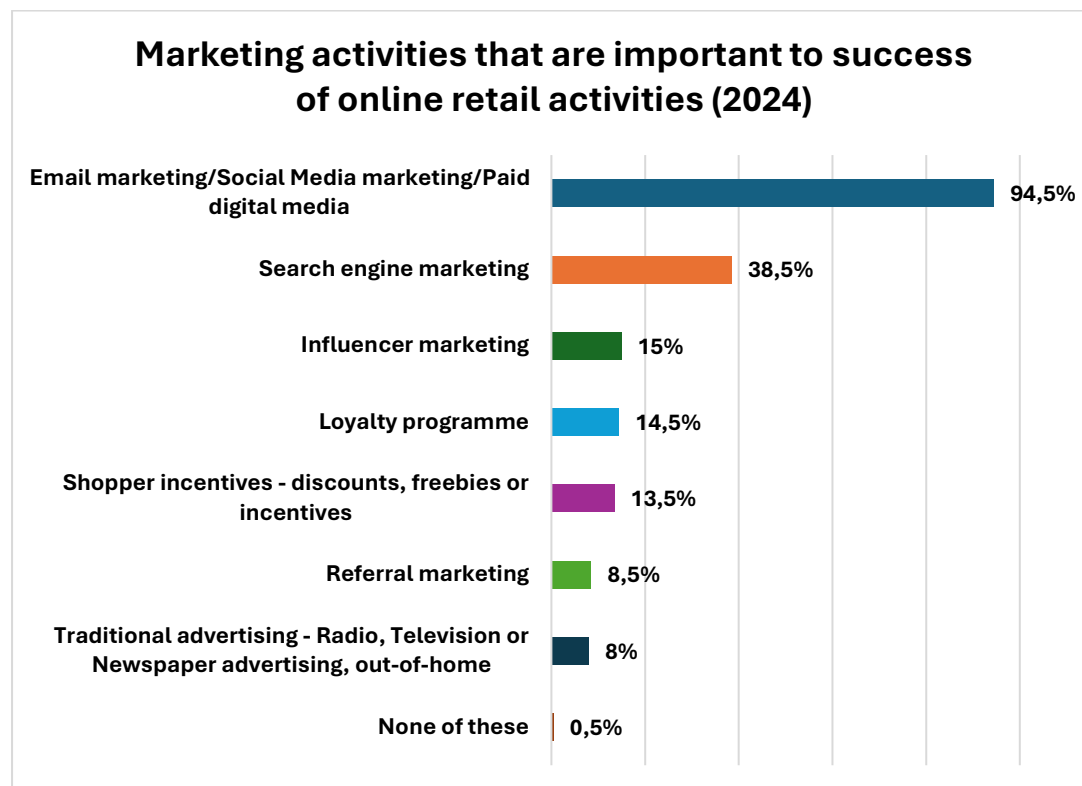
In 2025, respondents overwhelmingly prioritise digital-first marketing. Email, social media, and paid digital media (93.5%) dominate, confirming their status as the foundation of online retail marketing. Search engine marketing (72.1%) ranks second, signalling a strong shift toward discoverability and SEO/SEM investment as drivers of traffic. Price-based tactics follow, with shopper incentives such as discounts, freebies, or promotions (56.2%) seen as supportive but secondary. Traditional advertising (45.8%) also registers significantly higher than in the past, indicating that businesses still view offline media as valuable for reaching mass audiences and complementing digital campaigns.



Smaller but growing channels include WhatsApp marketing (33.3%), which shows increased interest in direct, conversational engagement. By contrast, influencer marketing (11.4%), referral marketing (10.0%), and loyalty programmes (10.0%) remain niche.

Compared with 2024, the most striking shift is the surge in search engine marketing from 38.5% to 72.1%, suggesting that businesses have recognised the importance of being discoverable as competition intensifies. Shopper incentives more than quadruple

from 13.5% to 56.2%, reflecting a pivot toward using discounts and promotions as deliberate conversion tools.



Traditional advertising also rises sharply from 8.0% to 45.8%, showing renewed interest in broadcast and print channels – possibly as mid-sized and larger firms, which make up a greater share of the 2025 sample, are better able to fund integrated campaigns.

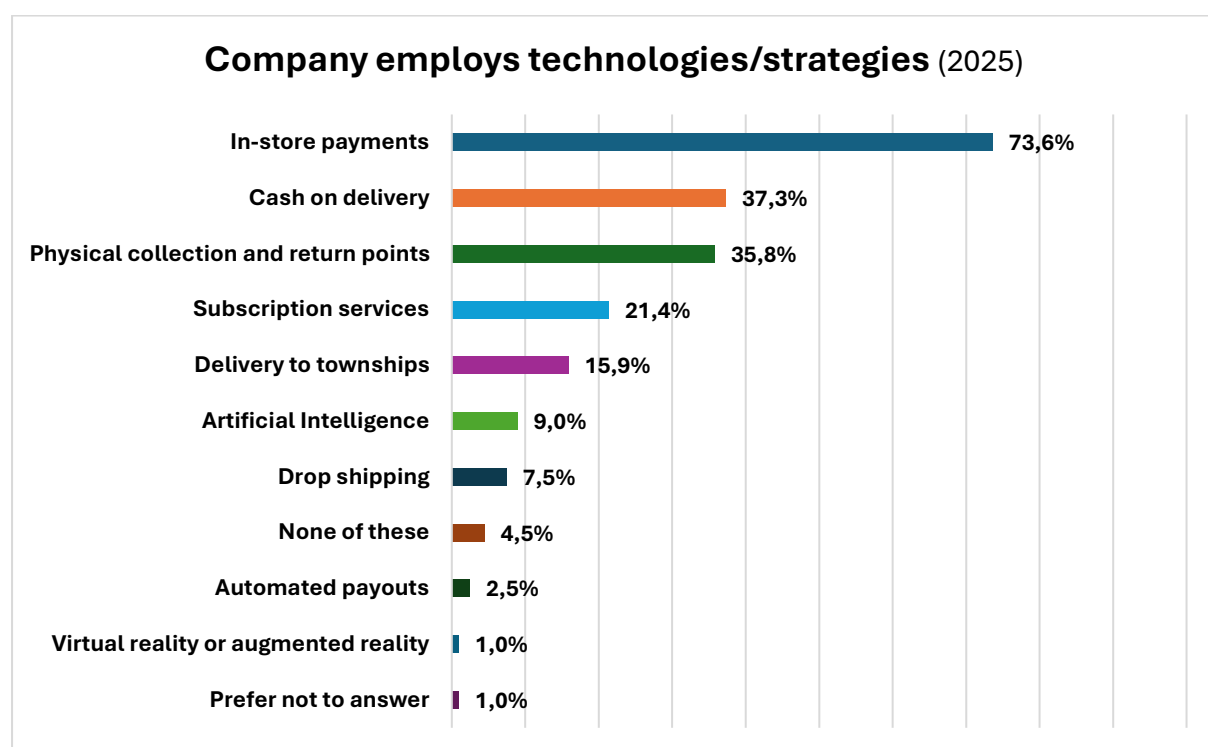
The hierarchy of importance is much clearer in 2025, pointing to a maturing marketing approach. Respondents are combining digital visibility, price-based tactics, and multichannel presence to build robust demand engines, with experimental approaches like influencer and referral marketing still playing a minor role.

## Technologies and strategies

In 2025, respondents continue to rely on traditional and trust-building strategies to support ecommerce operations. In-store payments (73.6%) remain the most widely used approach, reflecting the blended nature of commerce in South Africa, where physical payment points complement online sales. Cash on delivery (37.3%) and collection/return points (35.8%) also feature strongly, showing that convenience and customer reassurance are key components of fulfilment strategies.

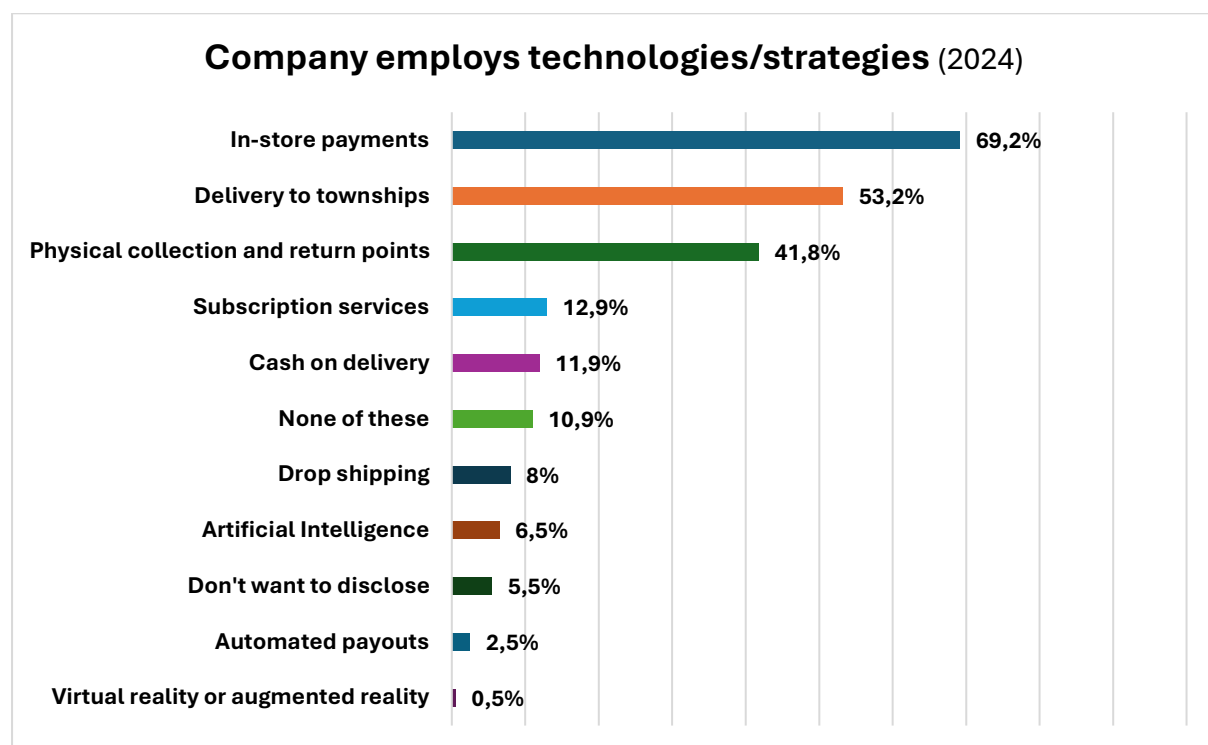
More specialised approaches see moderate adoption. Subscription services (21.4%) are gaining traction as recurring revenue models mature, and delivery to townships (15.9%) highlights ongoing efforts to reach underserved areas, even if infrastructure challenges continue to limit wider rollout.

Emerging and advanced technologies are still in the early stages of adoption. Artificial intelligence (9.0%) and drop shipping (7.5%) are used by a minority, while automated payouts (2.5%) and virtual/augmented reality (1.0%) remain niche. Just 4.5% report using none of these strategies, a drop from last year, indicating that adoption of at least one technology is now nearly universal.



Compared with 2024, the most notable shifts are the increase in cash on delivery (from 11.9% to 37.3%) and subscription services (12.9% to 21.4%), suggesting a move toward offering more flexible payment and purchasing options.

In-store payments and AI adoption also grow modestly. However, delivery to townships drops sharply from 53.2% to 15.9%, a change likely influenced by the shift toward a mid-market and larger company sample in 2025, which may rely more on national courier networks rather than township-specific delivery solutions. Collection and return points also show a slight decline from 41.8% to 35.8%.



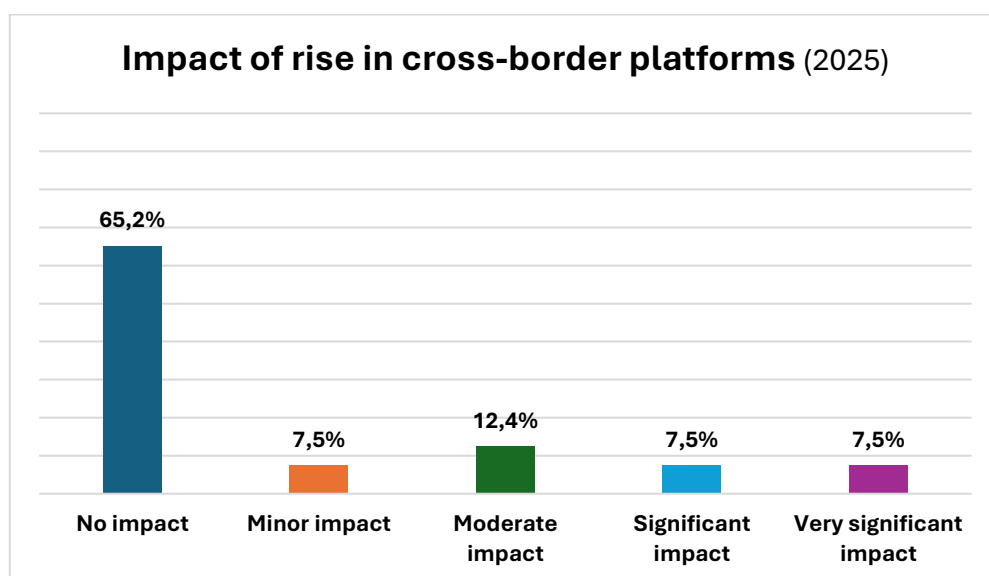
The 2025 data points to a sector that is strengthening hybrid retail strategies while cautiously exploring innovation. Traditional methods that build trust and reduce friction dominate, with AI and immersive technologies still treated as experimental. This pattern reflects a market focused on reliability and reach before investing heavily in cutting-edge solutions.

## Impact of rise in cross-border platforms

The rise of cross-border platforms such as Temu and Shein has had no impact on 65.2% of respondents, indicating that most companies have not yet experienced direct disruption from these global entrants.

At the same time, 34.8% of respondents reported some degree of impact. Within this group, 12.4% described the effect as moderate, while 7.5% each reported it as minor, significant, or very significant. This shows that while the majority remain unaffected, more than a third are beginning to feel competitive pressure.

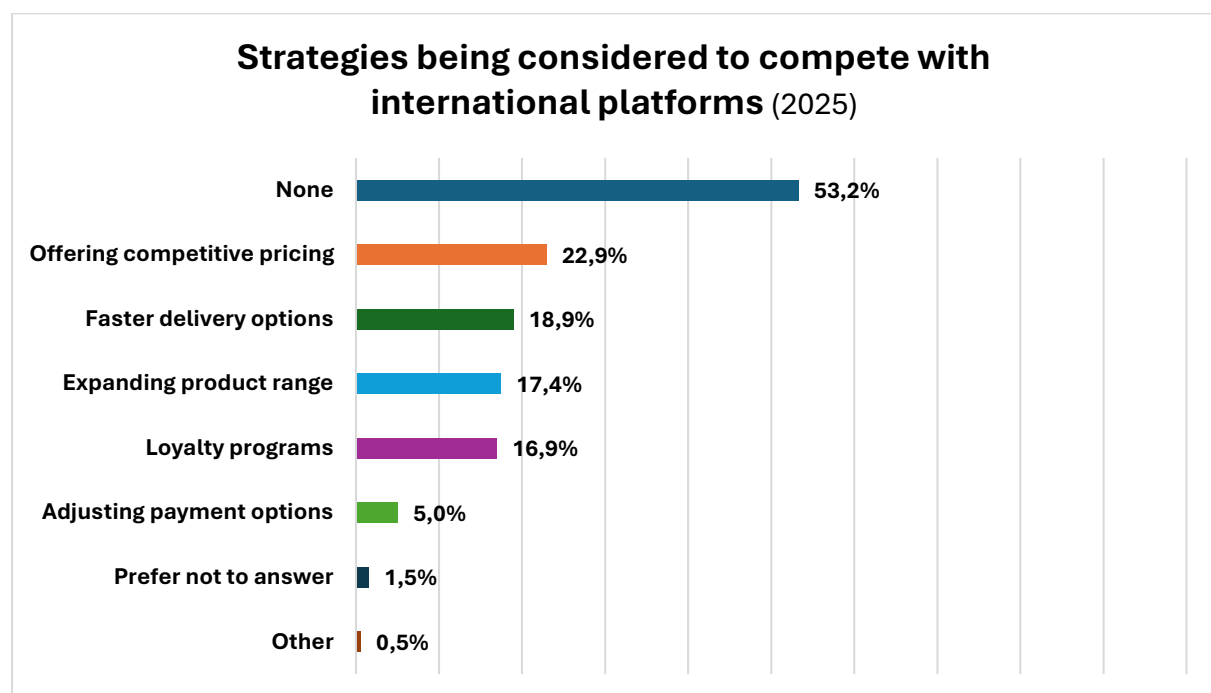
The results point to a mixed landscape: many businesses continue to operate largely unaffected by international platforms, but a notable minority are already facing challenges in sectors where cross-border retailers are expanding rapidly, such as fashion, household goods, and low-cost online retail.



## Strategies being considered to compete with international platforms

More than half of respondents (53.2%) reported that they are not considering any new strategies to compete with international platforms such as Temu and Shein. This reflects the earlier finding that most respondents have not yet been significantly affected by cross-border competition.

Among those planning adjustments, the most common strategy is offering competitive pricing, identified by 22.9% of respondents. Faster delivery options (18.9%) and expanding the product range (17.4%) also featured prominently, showing that respondents who are preparing to respond see speed, variety, and affordability as their strongest levers against international rivals.

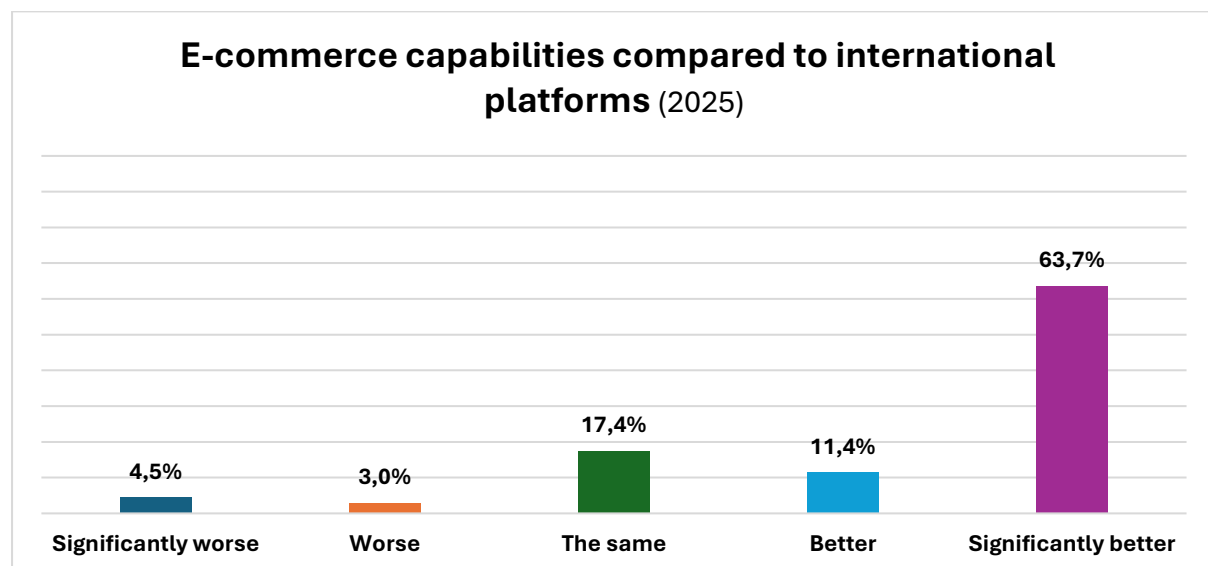


Other measures were less widely considered. Loyalty programmes were selected by 16.9%, suggesting some interest in strengthening customer retention, while only 5.0% identified adjusting payment options as a competitive strategy. A small proportion preferred not to answer (1.5%) or indicated other strategies (0.5%).

The results suggest that while a minority of respondents are beginning to plan responses, the majority remain cautious, either waiting to see how cross-border platforms develop in South Africa or relying on existing strengths to maintain competitiveness.

## Ecommerce capabilities compared to international platforms

Most respondents view their ecommerce capability as strong when compared to international platforms such as Temu and Shein. A clear majority, 63.7%, rated their capability as significantly better, while a further 11.4% considered it better. This means that three-quarters of respondents believe their businesses are performing at a higher standard than global competitors.



A smaller share saw themselves on equal footing, with 17.4% rating their capability as the same. Only 7.5% felt they were behind, split between 4.5% who said significantly worse and 3.0% who said worse.

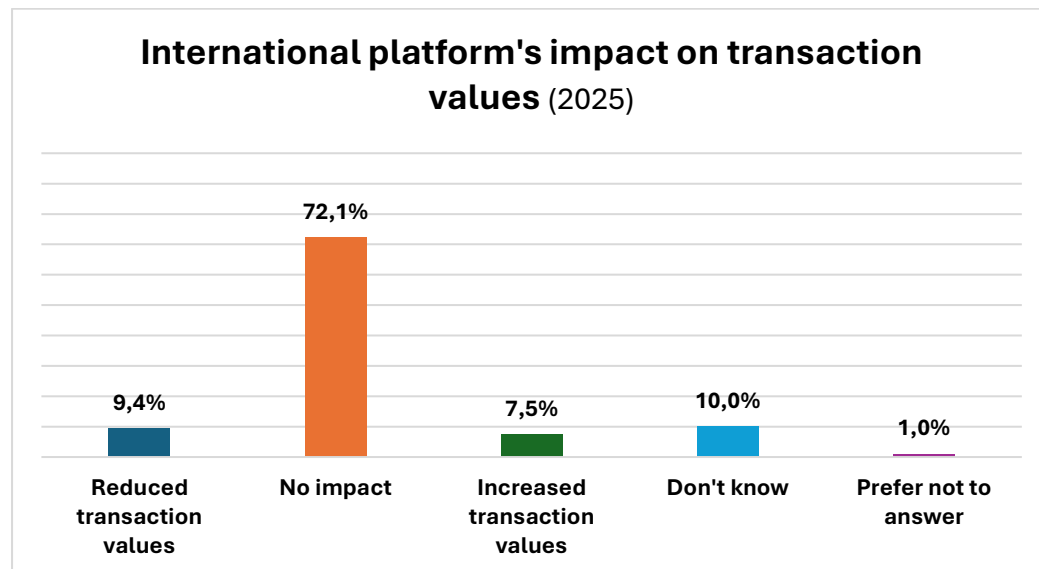
The findings highlight a strong sense of confidence among respondents in their ability to deliver ecommerce experiences that can match or surpass those offered by cross-border entrants. This confidence likely reflects perceived strengths in local market knowledge, customer service, and operational dependability – factors consistently identified as important to success in earlier responses.



At the same time, this confidence sits alongside the earlier finding that over a third of respondents reported some level of impact from Temu and Shein. The contrast suggests that while respondents generally believe their capabilities are superior, international platforms are beginning to influence the market in ways that cannot be overlooked.

## International platform's impact on transaction values

Most respondents, 72.1%, reported that cross-border platforms such as Temu and Shein have had no impact on their transaction values. This reflects the broader trend observed earlier, where most respondents indicated limited disruption from international entrants.



A smaller share, 9.4%, said their transaction values had been reduced, signalling that some businesses are beginning to feel revenue pressure from customers diverting spending to cross-border alternatives. Conversely, 7.5% reported an increase in transaction values, suggesting that for a minority, the rise of these platforms may have expanded market awareness of ecommerce overall, indirectly benefiting local businesses.

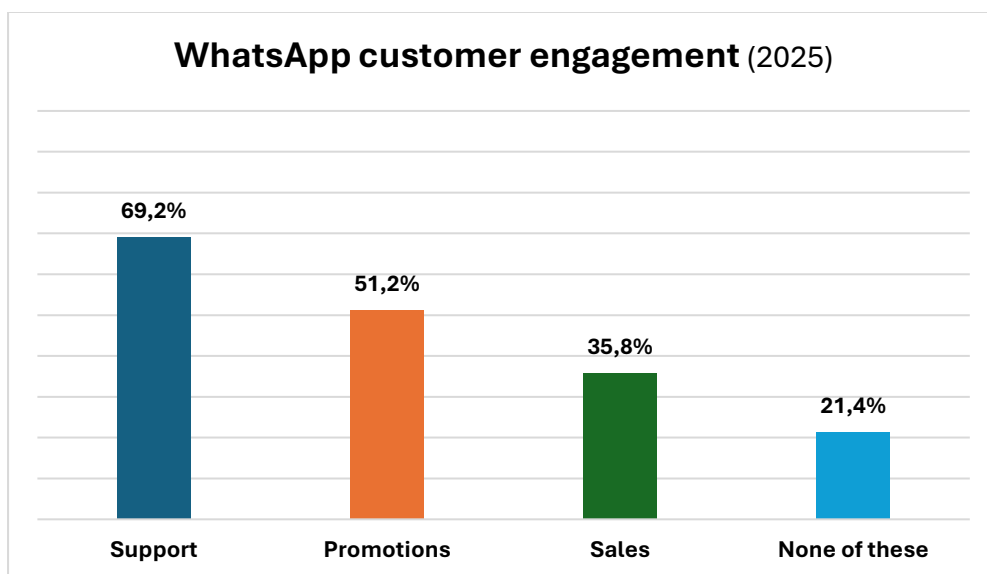
Uncertainty was also present, with 10.0% of respondents selecting don't know, and 1.0% preferring not to answer, showing that some businesses lack clear visibility into whether cross-border activity is affecting their sales volumes.

The findings reinforce the mixed picture seen in earlier results: most respondents remain confident and unaffected, but the experiences of those reporting reduced transaction values highlight a potential risk. As platforms like Temu and Shein expand their reach in South Africa, a larger share of businesses may begin to experience

downward pressure on revenue, making this an early indicator of possible future disruption.

## WhatsApp customer engagement

WhatsApp has become an important customer engagement tool for many businesses. Support was the most common use case, with 69.2% of respondents employing the platform to handle customer queries and assistance. Promotions were the second most frequent activity, used by 51.2%, while sales were less common, cited by 35.8% of respondents.



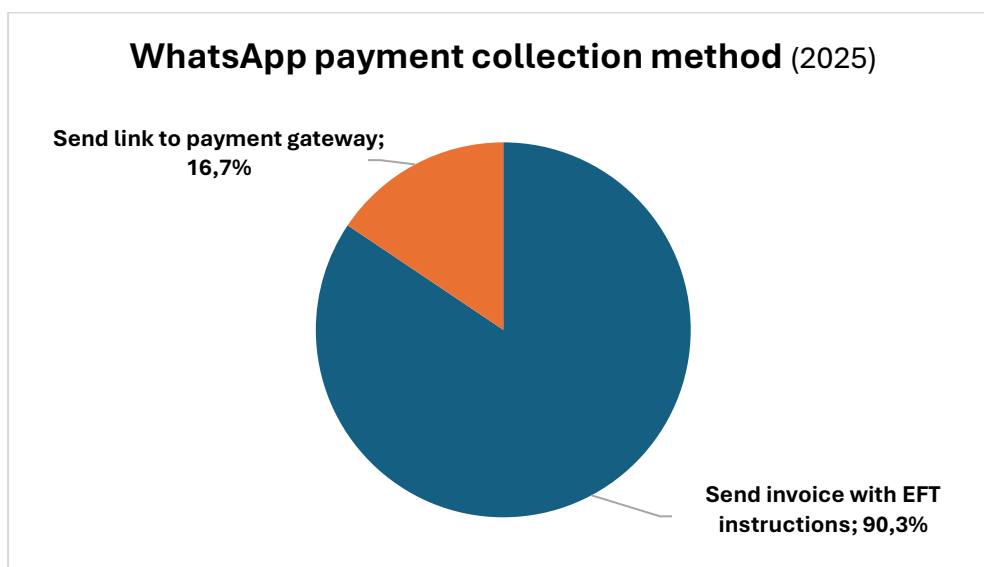
At the same time, a significant portion, 21.4%, reported not using WhatsApp for any of these activities, showing that while adoption is widespread, it is not yet universal.

The results highlight WhatsApp's role as a versatile but primarily support-focused channel, with more than two-thirds of respondents relying on it to strengthen direct interactions with customers. Use for promotional campaigns and direct sales is growing but remains secondary, suggesting that businesses are still exploring the full commercial potential of the platform.

## WhatsApp payment collection method

Among respondents using WhatsApp for sales, payment collection is overwhelmingly handled through invoices with EFT instructions, cited by 90.3%. This reliance on bank transfers highlights the entrenched role of EFT as a trusted and familiar payment method in South Africa, even in newer digital sales channels.

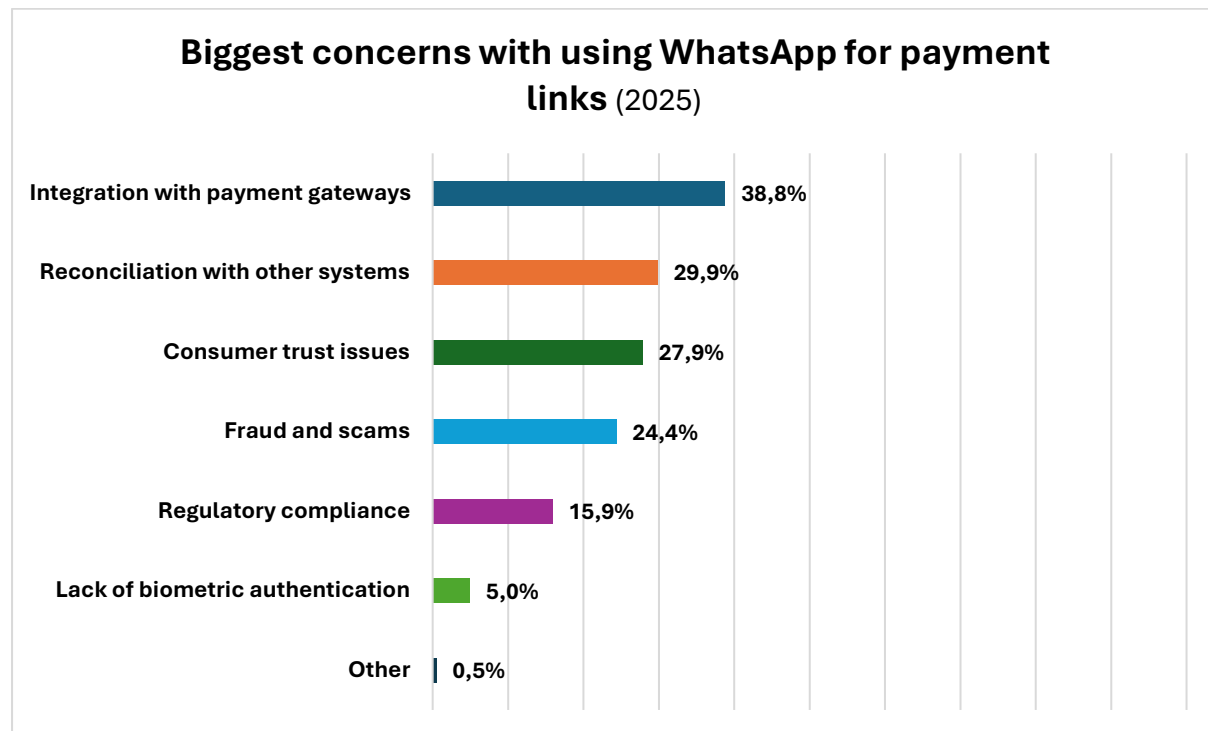
A smaller share, 16.7%, reported using payment links to gateways, showing that while some businesses are experimenting with integrated digital payments within WhatsApp, adoption remains limited compared to the established practice of invoicing.



The findings suggest that while WhatsApp is emerging as a sales channel, its payment processes are still anchored in traditional methods. The low uptake of payment links reflects either caution or practical challenges, but it also indicates a potential area for growth as businesses look for more seamless, in-chat payment experiences.

## Biggest concerns with using WhatsApp for payment links

Concerns about using WhatsApp for payment links centre on integration and trust. The most common issue, cited by 38.8% of respondents, was integration with payment gateways, showing that technical alignment remains the primary barrier to adoption. Reconciliation with other systems (29.9%) and consumer trust issues (27.9%) were also significant concerns, reflecting both back-end and customer-facing challenges.



Fraud and scams were highlighted by 24.4%, underscoring that security fears remain a notable obstacle to wider adoption of WhatsApp-based payments. Regulatory compliance (15.9%) was a secondary concern, while lack of biometric authentication (5.0%) and other issues (0.5%) were rarely mentioned.

The results point to a dual challenge: respondents see technical limitations and integration hurdles as the biggest barriers, but customer confidence and fraud risks also weigh heavily. Together, these concerns explain the low adoption of payment links on WhatsApp noted earlier, and highlight the need for more seamless, secure solutions if businesses are to expand payments through the platform.

Looking ahead, the findings suggest that overcoming these barriers will be central to unlocking WhatsApp's potential as a trusted payment channel. If integration and security issues can be addressed, WhatsApp could evolve from a support and promotional tool into a more widely adopted platform for direct sales and transactions.

## Omnichannel momentum, with WhatsApp at the front door

The WhatsApp results point to chat as the front door for customer service, with marketing and sales still emerging. This pattern is consistent with early-stage omnichannel adoption, where service channels embed first and transactional workflows follow later.

Payment behaviour underscores the gap between chat and checkout. Most WhatsApp sales are finalised via invoices and EFT, indicating that conversations are often disconnected from live stock, pricing, basket creation, payment, and returns. Reported issues with gateway integration and reconciliation show that back-end alignment remains the main constraint on moving from support to seamless transacting.

Trust and security concerns also shape adoption. Retailers weigh customer confidence in links sent over chat against the benefits of faster conversion. Until fraud controls, verification, and clear brand signals are standardised within chat flows, many will continue to default to EFT and offline invoicing.

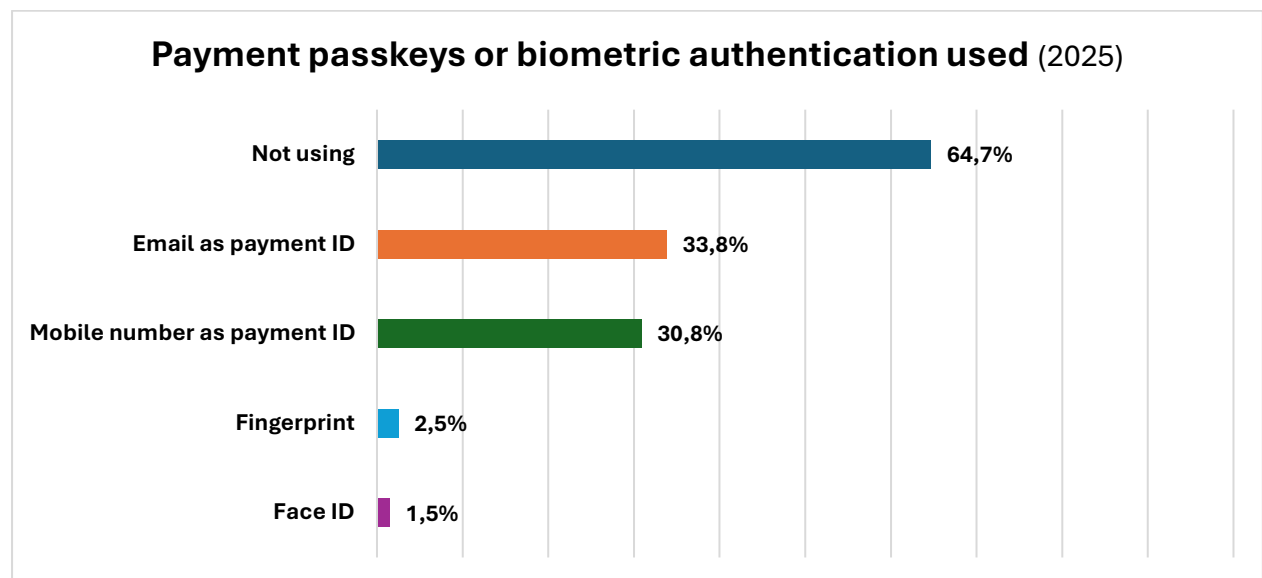
A practical path to omnichannel maturity is progressive integration. Retailers can link WhatsApp to order tracking, store or pickup options, catalogues, and service tickets, then connect to inventory, CRM, and payments so that a single customer journey can move between chat, web, app, and store without re-entering details. Tier-one chains are likely to advance faster given systems and scale, but templated chat flows and lighter integrations could broaden uptake among SMEs.

If integration and security improve, the channel mix is likely to shift. WhatsApp would remain support-led but capture a larger share of conversions, with payment links and in-chat checkout rising alongside EFT rather than replacing it. Tracking conversion, cost-to-serve, and repeat rates across channels will indicate where omnichannel execution is delivering the greatest return.

## Payment passkeys or biometric authentication used

Most respondents (64.7%) reported not using any form of payment passkeys or biometric authentication, showing that adoption of these newer security methods remains limited in South Africa.

Among those making use of passkeys, the most common identifiers were email addresses (33.8%) and mobile numbers (30.8%), indicating that respondents largely rely on familiar, non-biometric forms of authentication. By contrast, biometric methods such as fingerprint recognition (2.5%) and Face ID (1.5%) were used by only a small minority. No respondents reported using other forms of authentication.



The findings highlight that while some adoption of passkeys linked to email and mobile identifiers has taken place, the transition toward more advanced biometric methods is still at an early stage. This aligns with earlier concerns raised around trust and fraud risks in WhatsApp-based payments, suggesting that the market has not yet widely embraced stronger, user-friendly authentication mechanisms.

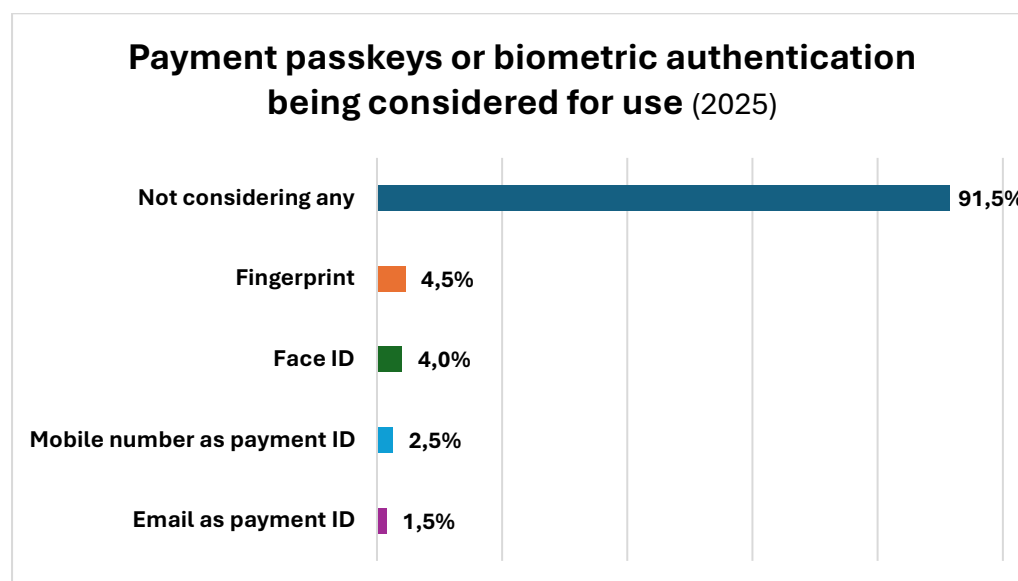
The low adoption of biometric authentication presents both a challenge and an opportunity: respondents are aware of security risks in digital payments, but have yet to fully adopt tools that could address them. As global platforms and local providers increase their focus on passkeys and biometric integration, wider uptake may follow.



## Payment passkeys or biometric authentication being considered for use

The vast majority of respondents (91.5%) reported not considering any new payment passkeys or biometric authentication methods. This indicates that, despite recognising the importance of security in earlier findings, most respondents are not actively planning to expand their use of advanced authentication technologies.

Among the small minority exploring new options, fingerprint recognition (4.5%) and Face ID (4.0%) were the most common. Very few respondents were considering identifiers such as mobile numbers (2.5%) or email addresses (1.5%) as payment IDs, suggesting that even the simpler forms of passkeys are not a major focus for future adoption.



The results point to a clear gap between the priority placed on security – rated as one of the most important factors when choosing a payment gateway – and the limited willingness to adopt emerging authentication tools. Respondents appear to rely on existing, familiar methods rather than seeking out new approaches, which may leave room for future innovation in this area.

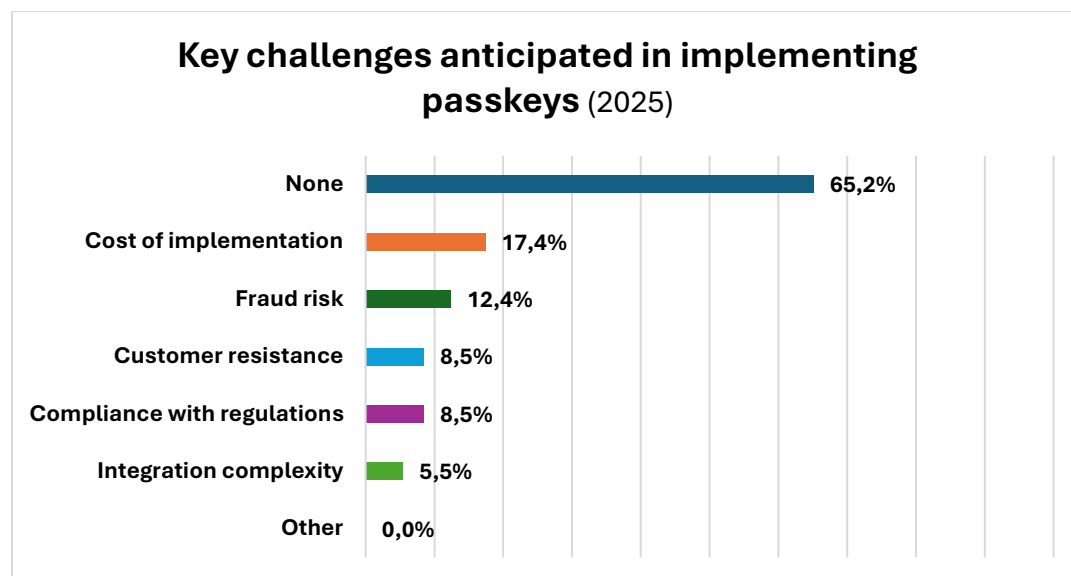
The lack of consideration for passkeys or biometrics underscores the need for stronger education, awareness, and integration from payment providers. As fraud risks evolve

and platforms push biometric adoption globally, respondents may be compelled to reconsider their stance.

## Key challenges anticipated in implementing passkeys

Most respondents (65.2%) indicated that they anticipate no challenges in implementing passkeys, reflecting either a lack of engagement with the technology or a perception that such tools are not yet relevant to their businesses.

Among those who did expect obstacles, the cost of implementation (17.4%) was the most frequently cited concern, showing that financial barriers are the primary consideration for the minority exploring this option. Other challenges included fraud risk (12.4%), customer resistance (8.5%), and compliance with regulations (8.5%), each reflecting apprehensions about trust, adoption, and oversight. Integration complexity (5.5%) was noted by a smaller group, suggesting that technical barriers are less of a focus compared to cost and security.



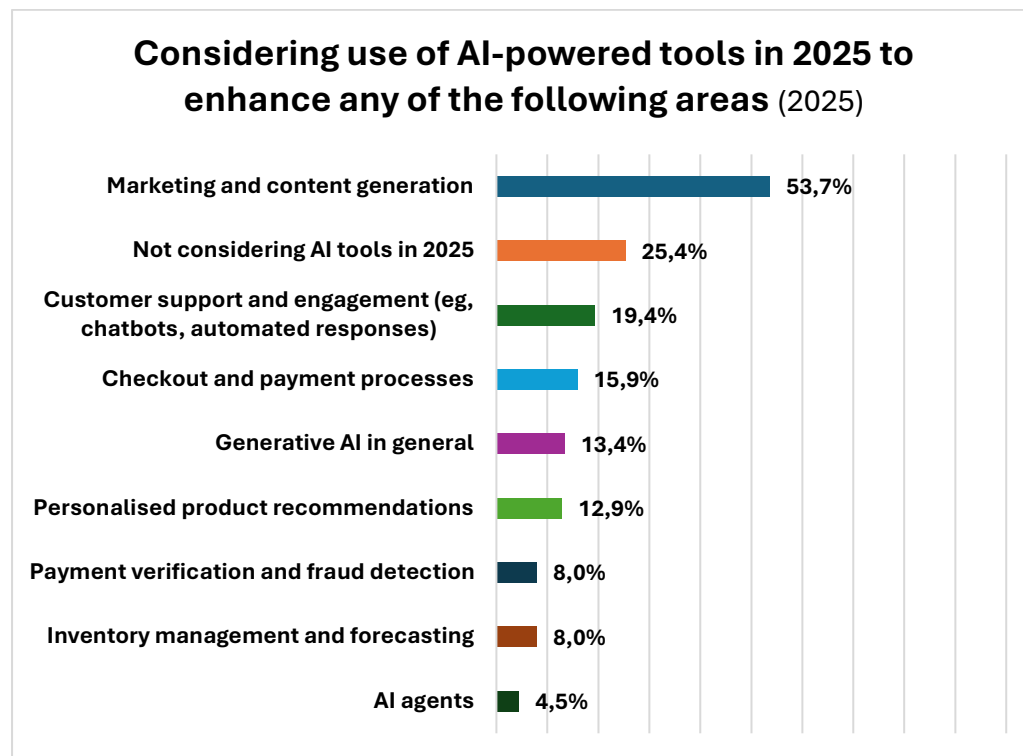
The findings align with earlier responses showing limited adoption and consideration of passkeys: respondents are generally not prioritising these tools, and among those who are, concerns about affordability and customer acceptance overshadow enthusiasm for stronger security measures.

This lack of anticipated challenges may reflect complacency rather than readiness. As international standards shift toward broader use of passkeys, respondents may face unexpected hurdles in cost, compliance, and customer adaptation if adoption becomes unavoidable in the future.

## Considering use of AI-powered tools in 2025 to enhance any of the following areas

More than half of respondents (53.7%) are considering using AI-powered tools for marketing and content generation in 2025, making this the most common planned use case. This reflects the growing importance of AI in driving visibility, engagement, and efficiency in digital marketing.

A significant portion, however, 25.4%, reported that they are not considering any AI tools in 2025, showing that while interest in AI is growing, a sizeable group remains cautious or unconvinced about its immediate value.



Other potential applications were less widely prioritised. Customer support and engagement (19.4%), checkout and payment processes (15.9%), and generative AI in general (13.4%) were the next most considered areas, suggesting that adoption may extend beyond marketing but at a slower pace. Personalised product recommendations (12.9%), payment verification and fraud detection (8.0%), and inventory management and forecasting (8.0%) were each identified by smaller groups of respondents, while AI agents (4.5%) were the least commonly considered.

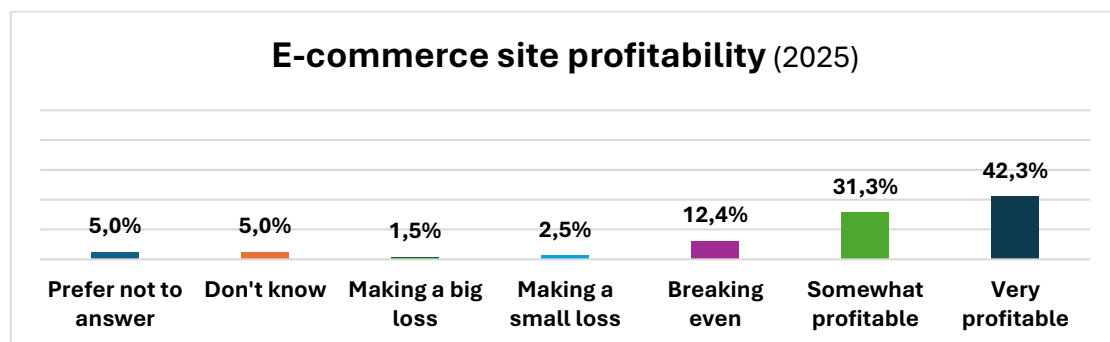
The results show that respondents view AI primarily as a tool for enhancing customer communication and brand visibility, with more technical and operational applications attracting less attention. At the same time, the large share not considering AI at all reflects a cautious approach, suggesting that 2025 may see selective rather than widespread adoption.

This emphasis on marketing and content generation could mean that respondents initially approach AI as a front-end enabler rather than as a deeper operational tool. As capabilities mature and trust in AI grows, areas such as fraud detection, forecasting, and personalised recommendations may see greater uptake.

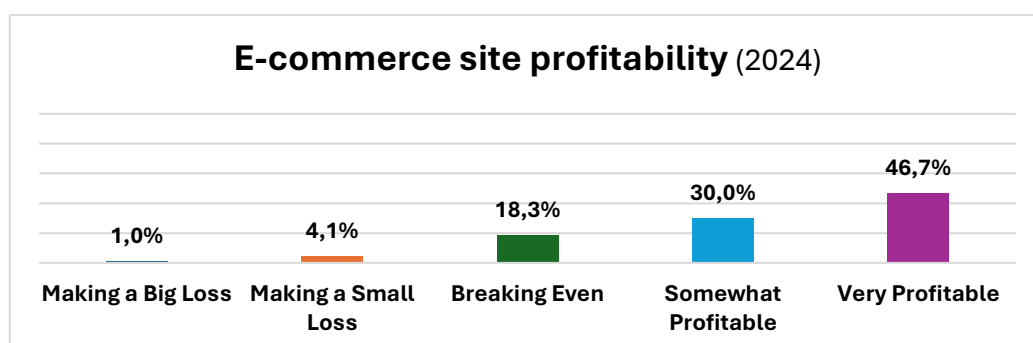
## Ecommerce site profitability

Profitability remains strong in 2025, with nearly three-quarters of respondents (73.6%) reporting that their ecommerce operations are generating positive returns. The largest share describe their sites as very profitable (42.3%), while a further 31.3% report being somewhat profitable.

A smaller portion of respondents are neutral or under pressure: 12.4% report breaking even, while 2.5% are making a small loss and 1.5% a big loss. Levels of uncertainty remain present, with 5.0% saying they don't know and another 5.0% preferring not to answer, suggesting some businesses are either still assessing performance or reluctant to disclose it.



Compared with 2024, profitability levels have softened slightly, with very profitable responses declining from 46.7% to 42.3% and small losses dropping from 4.1% to 2.5%. At the same time, the share of respondents breaking even has fallen from 18.3% to 12.4%, suggesting that some businesses have shifted either into profitability or into clearer loss-making territory.

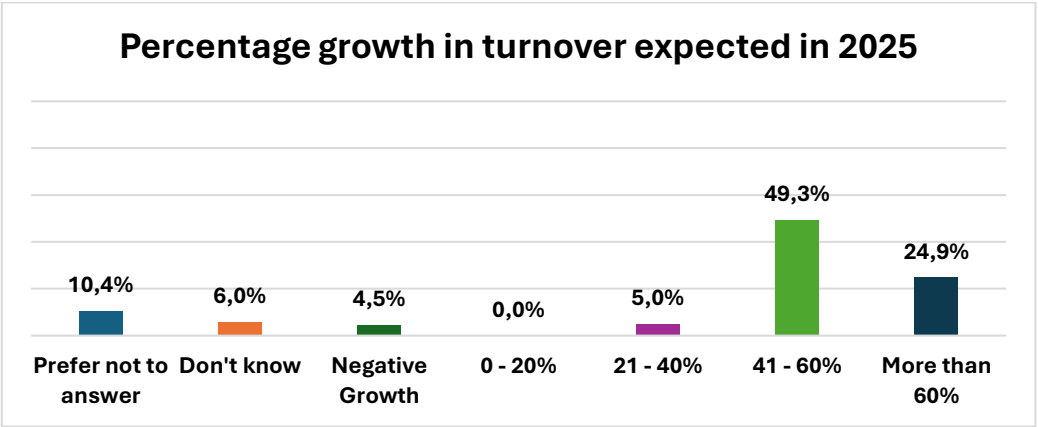


The 2025 sample's heavier weighting toward mid-sized and larger firms likely influences this outcome, as these businesses typically have more established online operations, translating into more consistent profitability. However, the slight dip in the "very profitable" category may point to rising cost pressures or intensified competition, even as ecommerce remains a solid revenue driver for the majority.

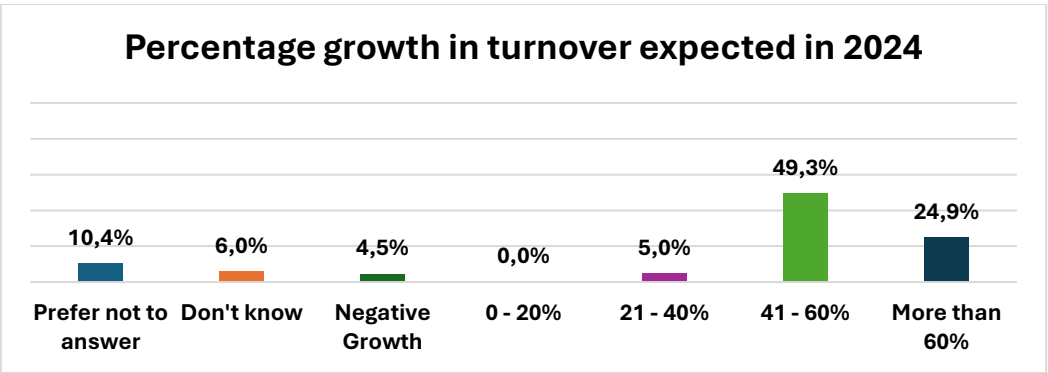
## Percentage growth in turnover expected in 2025

Growth expectations for 2025 are strikingly bullish, with most respondents forecasting substantial increases in turnover. Nearly half (49.3%) expect growth of 41–60%, and a further 24.9% anticipate growth of more than 60%, meaning almost three-quarters of respondents expect growth above 40%. A smaller group (5.0%) expect more moderate growth of 21–40%, and none projected growth below 20%.

However, 4.5% expect negative growth, indicating that not all businesses anticipate benefiting equally from market expansion. In addition, 6.0% report not knowing their growth outlook and 10.4% prefer not to answer, showing that a significant minority remain cautious or unwilling to disclose future projections.



When compared with 2024, there is a clear shift toward more moderate growth expectations. In 2024, 35.5% projected growth of more than 100% and a further 47.8% expected growth between 61% and 100%, creating an exceptionally bullish picture. The 2025 distribution reflects a more measured but still highly optimistic outlook, with most growth expectations consolidating around the 41–60% range.

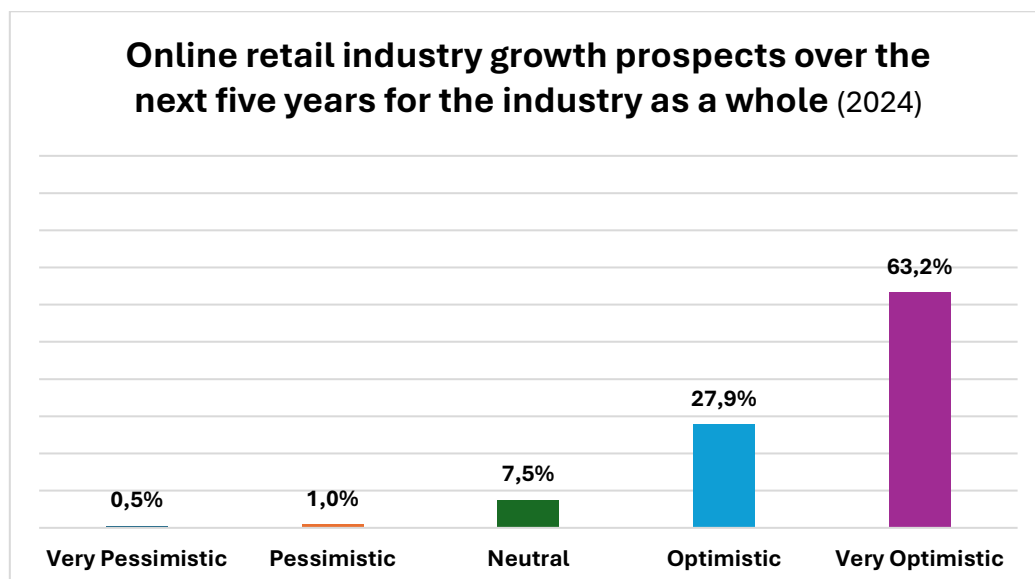
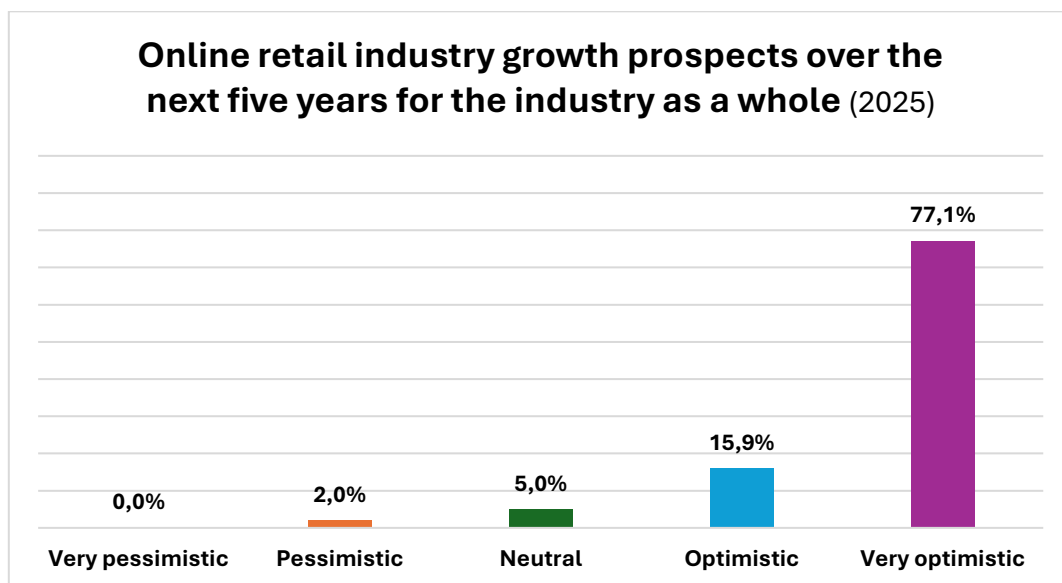




This shift likely reflects the different sample composition in 2025, which skews toward mid-sized businesses (51–200 employees, 37.3% of respondents). These firms may be past the early-stage hypergrowth phase and now projecting more sustainable, steady expansion. The data suggests a maturing ecommerce market – still growing rapidly but with expectations now aligned more closely to operational realities and competitive pressures.

## Online retail industry growth prospects over the next five years for the industry as a whole

Confidence in the future of online retail is even stronger in 2025 than it was a year earlier. Very optimistic responses rose to 77.1% (from 63.2% in 2024), and optimistic responses reached 15.9% (down from 27.9%, but offset by the increase in the “very optimistic” category). Combined, this means 93.0% of respondents now hold a positive view of the industry’s trajectory, compared with 91.1% in 2024.



Neutral views declined to 5.0% (from 7.5% in 2024), and pessimistic sentiment remains extremely low at just 2.0% combined, with no respondents reporting being very pessimistic. This consolidation of optimism reflects not just confidence in the overall market's growth but also the stability and maturity of many respondents' businesses, which are now well-positioned to benefit from rising digital adoption.

However, the near-universal positivity may also be a double-edged sword. It could signal a degree of complacency, especially in the face of challenges flagged elsewhere in the survey – such as cross-border competition, checkout friction, and slow adoption of new authentication standards. Nonetheless, the trend from 2024 to 2025 is clear: sentiment is becoming more concentrated at the most optimistic end of the scale, painting a picture of a sector entering a growth-focused, opportunity-driven phase.

## Conclusion

The 2025 Online Retail in South Africa study's sample skews mid-market and larger relative to 2024, so year-on-year movements should be read with that context in mind. Mid-sized and large firms typically report more mature integrations and steadier operations, which can elevate satisfaction and mute some pain points.

The overall picture is of a confident, profitable, domestically oriented sector. Satisfaction with payment stacks is exceptionally high in 2025 (92.0% satisfied/very satisfied, up from 86.6% in 2024), and selection priorities now emphasise execution: integration ease, security and user experience lead, while price and cross-border features are secondary. Reliance on EFT and cards, combined with trust-building fulfilment (in-store payments, COD, collection/return points), underpins strong operating confidence and an overwhelmingly positive five-year outlook (93.0% optimistic or very optimistic).

Conversion pressure has shifted. In 2024, card declines and card-trust concerns dominated cart abandonment; in 2025 the bottlenecks are checkout complexity and shipping fees, with declines still material but less dominant. The fastest route to incremental revenue is to simplify and shorten checkout, make shipping costs predictable and transparent, and continue to suppress decline rates – moves that align with the elevated weight placed on integration and UX in 2025.

Go-to-market execution is digital-first and broadening. Email/social/paid remain foundational, with sharp gains in search engine marketing and a notable rise in traditional advertising – patterns consistent with a mid-market tilt and bigger campaign budgets. WhatsApp is entrenched for service and promotions, but sales still default to EFT invoices; low adoption of payment links reflects integration, reconciliation and trust concerns. Closing this “last-metre” gap would convert more conversations into completed payments without changing channel mix.

Security remains a stated priority, yet adoption of passkeys/biometrics is sparse and rarely planned. The posture is workable today – anchored in bank-rail controls and 3-D Secure – but risks lagging as platforms normalise passkeys. Low-friction pilots in high-risk flows, paired with clear customer messaging, would future-proof authentication while preserving UX.

Competitive pressure from cross-border entrants is visible for a minority and invisible for the majority. Most respondents report no impact and rate their capability above Temu/Shein, yet a meaningful slice reports some effect on transaction values. Price, speed and range – the levers identified as potential responses – should be actively tested before cross-border share deepens in price-sensitive categories.

Financially, footing is strong and growth expectations are bullish, though more measured than 2024's hyper-optimism. Most respondents forecast turnover growth above 40% in 2025, and profitability is widespread. The risk in such confidence is complacency; the opportunity is to translate today's operational discipline into durable advantage.

In practical terms: keep reducing checkout friction; execute targeted payments modernisation where customer convenience is highest (mobile wallets, Instant EFT/PayShap, BNPL, QR) without compromising integration simplicity; pilot passkeys/biometrics where risk is concentrated; convert WhatsApp from conversation to conversion with better plug-ins and auditable reconciliation; and extend AI from marketing into support, risk and personalisation. With the size-mix caveat acknowledged, these steps will carry the current momentum – and the confidence behind it – into sustained competitiveness over the next five years.

# Survey of South African Consumers, 2025

## Executive Summary

The 2025 Survey of South African Consumers study surveyed 1400 South Africans. South Africa's online shoppers in this sample skew young and urban, with nearly three in four aged 18–44 and six in ten living in Gauteng, KwaZulu-Natal, or the Western Cape. Incomes cluster in the mid-market: almost 60% earn R10,001–R50,000 a month. The respondent base is predominantly Black African (63%), with broad representation across other racial groups.

Local platforms dominate behaviour and trust. Nearly half of shoppers say they most frequently use South African platforms, far ahead of retailer sites and international marketplaces. Seventy-seven percent buy from local platforms at least monthly, and trust leans local: 46% trust domestic sites more, 36% trust both equally, and just 10% trust international players more. Takealot is the primary destination by a wide margin, while a strong grocery tier (Checkers Sixty60, Pick n Pay, Woolworths) anchors high-frequency, everyday spend.

International platforms remain peripheral for most. A majority never shop on them, and regular users are a small minority. Where international spend does occur, price leads: better deals are the top reason, followed by access to unique or available products. The biggest barriers are logistical and cost-related – slow delivery, customs fees, and shipping charges – underscoring why cross-border purchases tend to be occasional.

Frequency on local platforms is healthiest in the middle-income bands. Shoppers earning R30,001–R50,000 combine the highest regular cadence with the lowest infrequency, and the R20,001–R30,000 group is close behind – together, they drive a large share of repeat transactions. Higher earners show polarised patterns, with the greatest weekly-plus share but also more infrequent buyers.

Subscriptions resonate when they deliver ongoing value. Loyalty programmes rank first and free-delivery memberships second, across ages and incomes, with older shoppers placing rising value on monthly groceries. Asked why they would subscribe, respondents prioritise cost savings and convenience (including free delivery) over status perks or exclusivity. Nearly half are open to signing up in the next six months, with a large neutral segment that could still be won over.

Payments remain anchored in familiar rails. Cards are the default for both general e-commerce and subscription billing, with EFT a strong secondary option. Newer methods – mobile wallets, Capitec Pay, and BNPL – form a visible but still minority

layer. Openness to trying new payment options in the next year is moderate, again with a sizeable neutral middle that could be converted by clearer benefits and acceptance.

Social commerce via WhatsApp is present but not mainstream. One-third have purchased from a link, yet comfort paying by WhatsApp link tilts negative, with those uneasy outnumbering those at ease. The clearest levers to build trust are security and verification: shoppers want verified merchants, secure gateways, fraud alerts, and biometric authentication more than any other features.

Omnichannel execution is taking shape. For most retailers, WhatsApp serves as a service-led entry point, with marketing growing while transactions still conclude outside chat via invoices and EFT. The main constraint is integration – linking chat to inventory, customer profiles, baskets, fulfilment and verified payments. As these connections mature and fraud controls strengthen, chat-to-checkout should lift conversion without displacing familiar rails such as cards and EFT. Larger chains are likely to move first, while lighter templates can bring SMEs along.

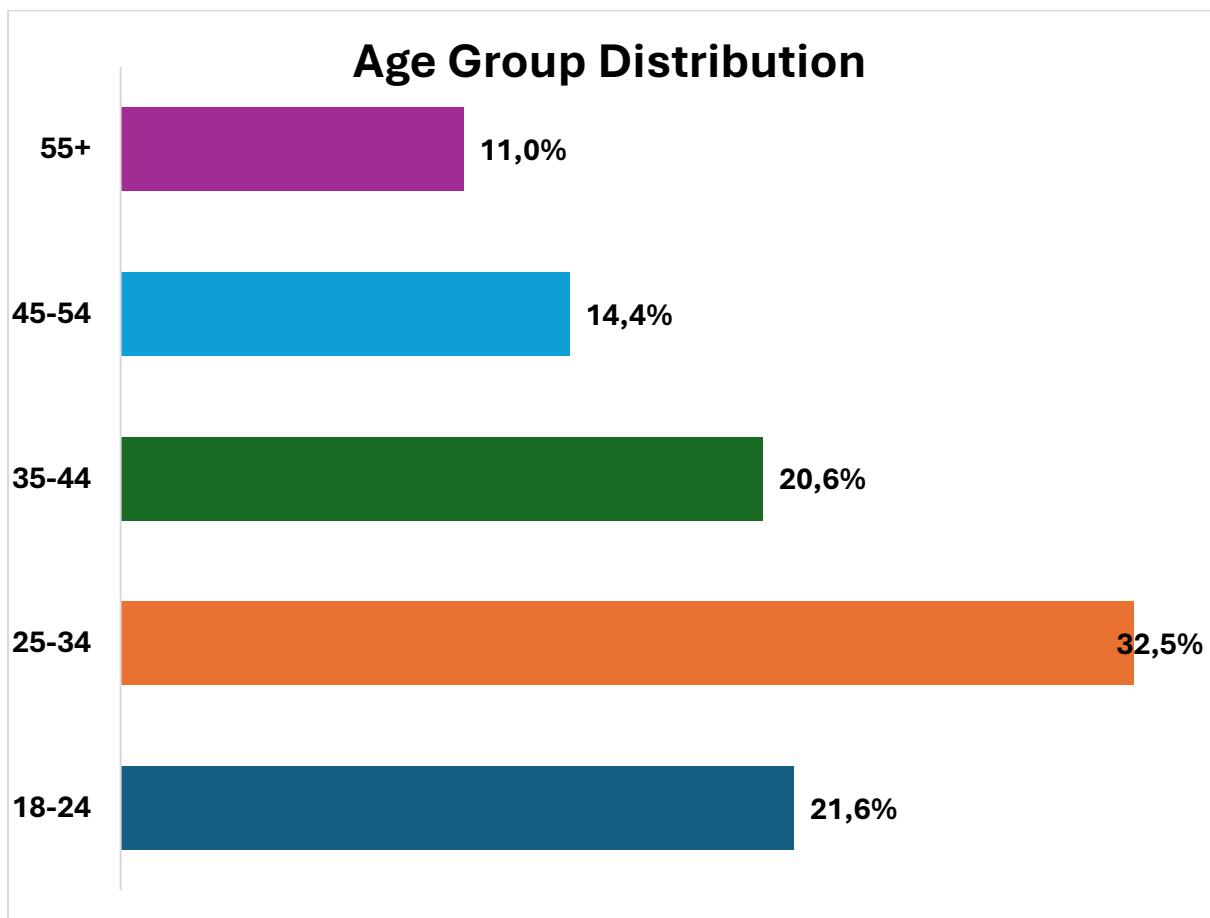
AI is widely recognised but not yet broadly self-used. Six in ten are aware of AI in online shopping, and two in five report exposure to AI bots, but only about a quarter say they have personally used AI tools to help shop. A sizeable “not sure” cohort suggests AI is operating in the background more than consumers realise.

Growth prospects are positive. A majority expect to increase their online shopping over the next 12 months, and the strongest triggers are straightforward: lower prices and faster delivery. The same two levers would most encourage shoppers to favour local platforms. In practice, that points to a clear playbook: sharpen pricing, compress delivery times, and pair loyalty value with free-delivery benefits – especially for the mid-income, high-frequency core – while reinforcing trust signals in social channels and keeping payments simple with strong card and EFT support.

## Demographics

### Age

Respondents are predominantly younger: 54.1% are 18–34, with 25–34 the largest single group at 32.5% and 18–24 at 21.6%. A further 20.6% are 35–44, bringing the 18–44 share to 74.7%. Older cohorts are smaller, with 14.4% aged 45–54 and 11.0% aged 55+.



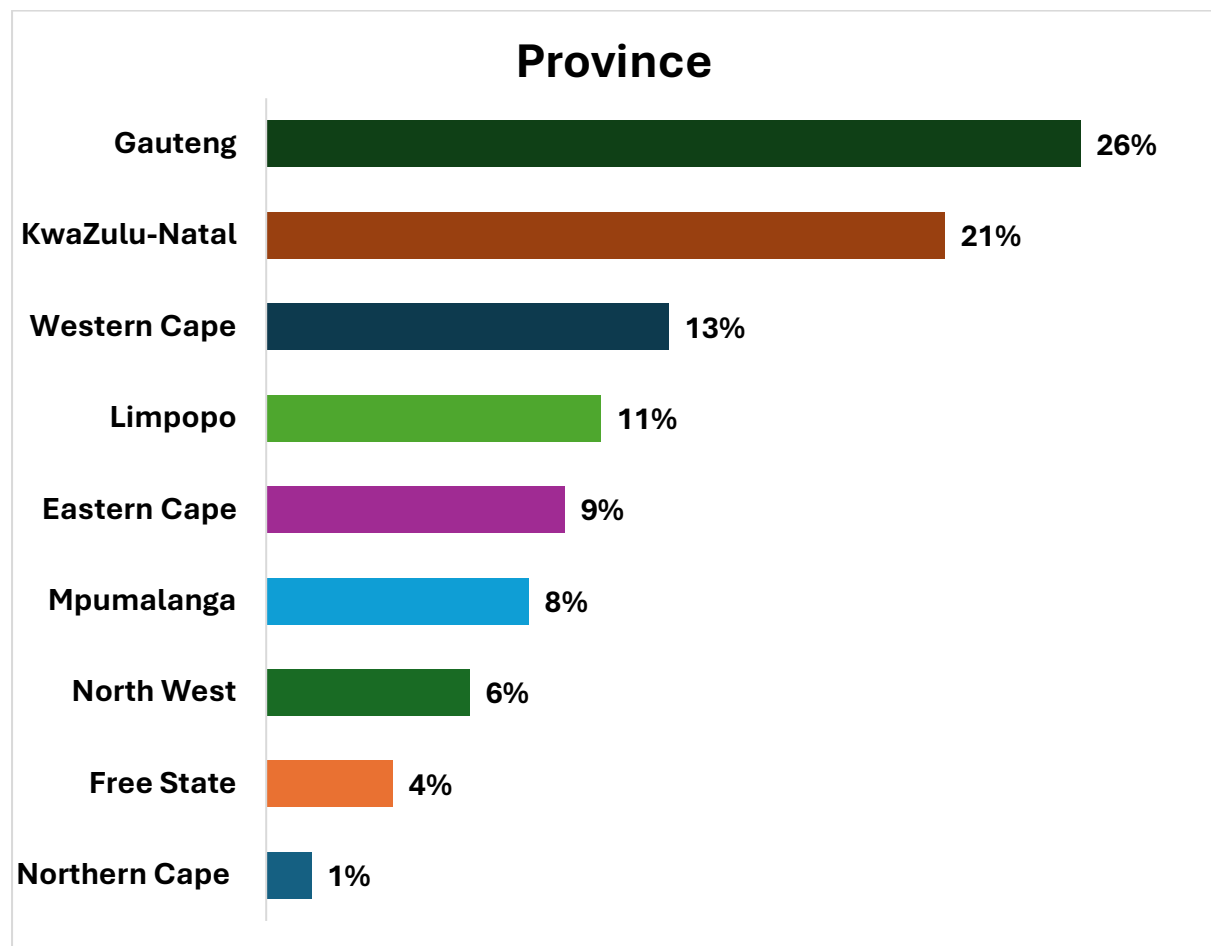


## Province

Respondents are concentrated in the country's three most populous provinces. Gauteng leads with 26%, followed by KwaZulu-Natal at 21% and the Western Cape at 13%. Together, these provinces account for 60% of the sample.

Limpopo contributes 11%, while the Eastern Cape and Mpumalanga represent 9% and 8%, respectively. Smaller shares come from North West (6%) and Free State (4%), with Northern Cape the least represented at just 1%.

This distribution broadly reflects South Africa's population spread, with the strongest representation in major economic hubs and more limited participation from sparsely populated regions.

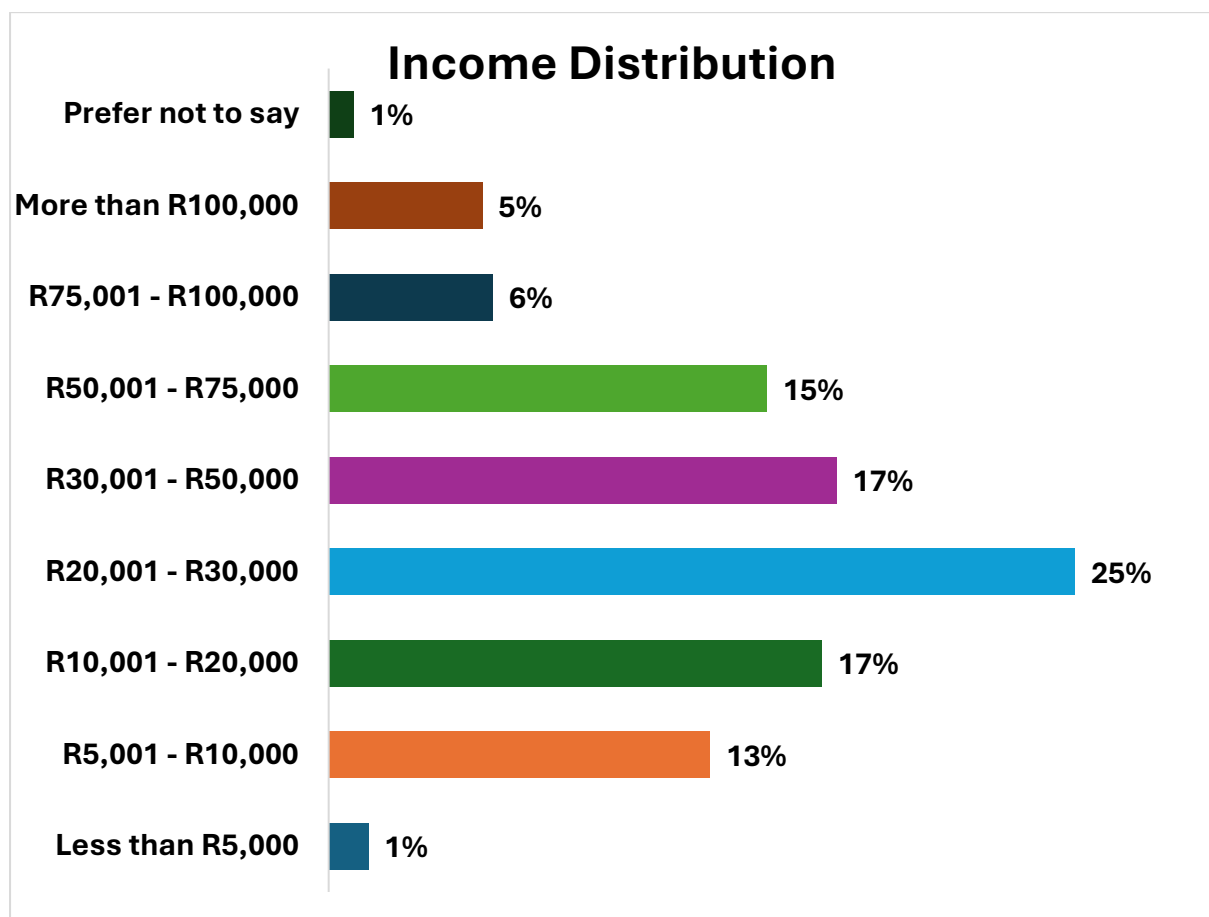


## Income

Respondents are concentrated in the mid-income brackets, with 25% earning between R20,001 and R30,000 per month. A further 17% fall into each of the R10,001–R20,000 and R30,001–R50,000 ranges, meaning nearly 60% of respondents earn between R10,001 and R50,000.

Higher income groups are smaller: 15% earn R50,001–R75,000, 6% fall in the R75,001–R100,000 range, and 5% earn more than R100,000. Lower income groups make up a smaller share, with 13% earning R5,001–R10,000 and just 1% earning under R5,000.

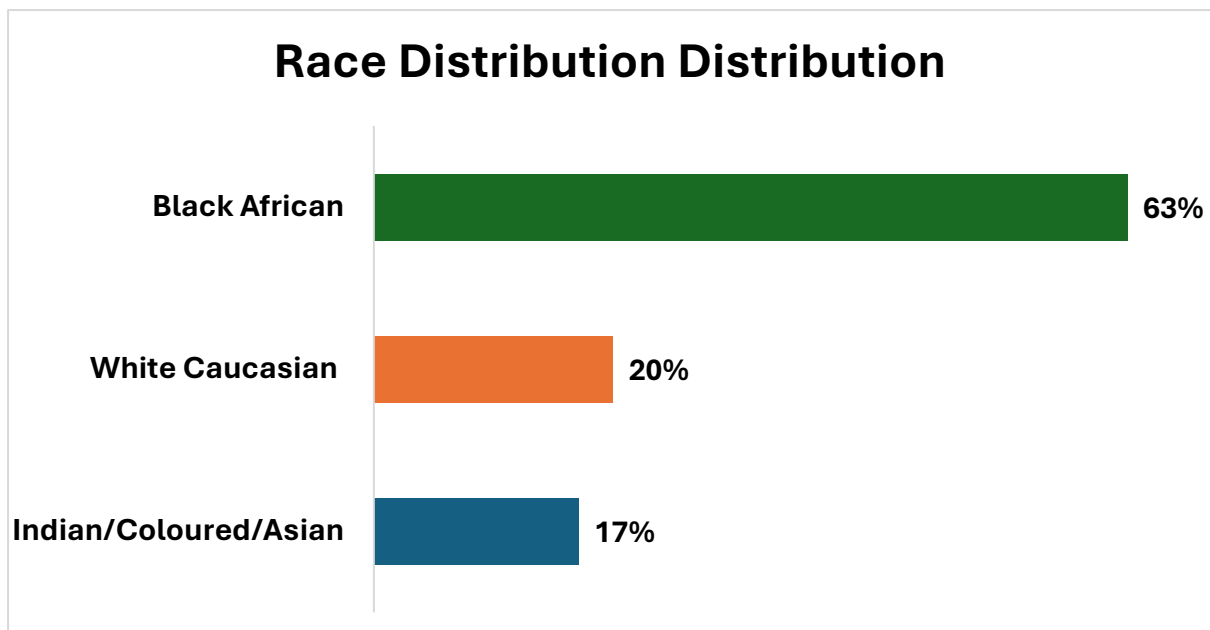
Only 1% of respondents preferred not to disclose their income, indicating a high level of transparency in the data.



## Race

Most respondents identify as Black African, making up 63% of the sample. White Caucasian respondents represent 20%, while those identifying as Indian, Coloured, or Asian collectively account for 17%.

This distribution highlights a predominantly Black African respondent base, with meaningful representation from other racial groups, providing a broad and inclusive demographic profile.



## Primary online shopping channel

Nearly half of respondents (48%) shop most frequently on South African online platforms, making them the dominant choice for e-commerce activity. Retailer websites are the next most common channel at 13%, while international platforms account for 9%.

Emerging and social commerce channels show meaningful engagement: 7% shop via social media and 6% each through WhatsApp and in-store apps. Flash sales attract 5% of respondents, while smaller shares shop via influencer-linked links (2%), peer-to-peer platforms (2%), auction sites (1%), or other channels (1%).

This distribution highlights the strong preference for local platforms, with notable but smaller uptake of direct retailer websites and newer shopping channels like social media and messaging apps.

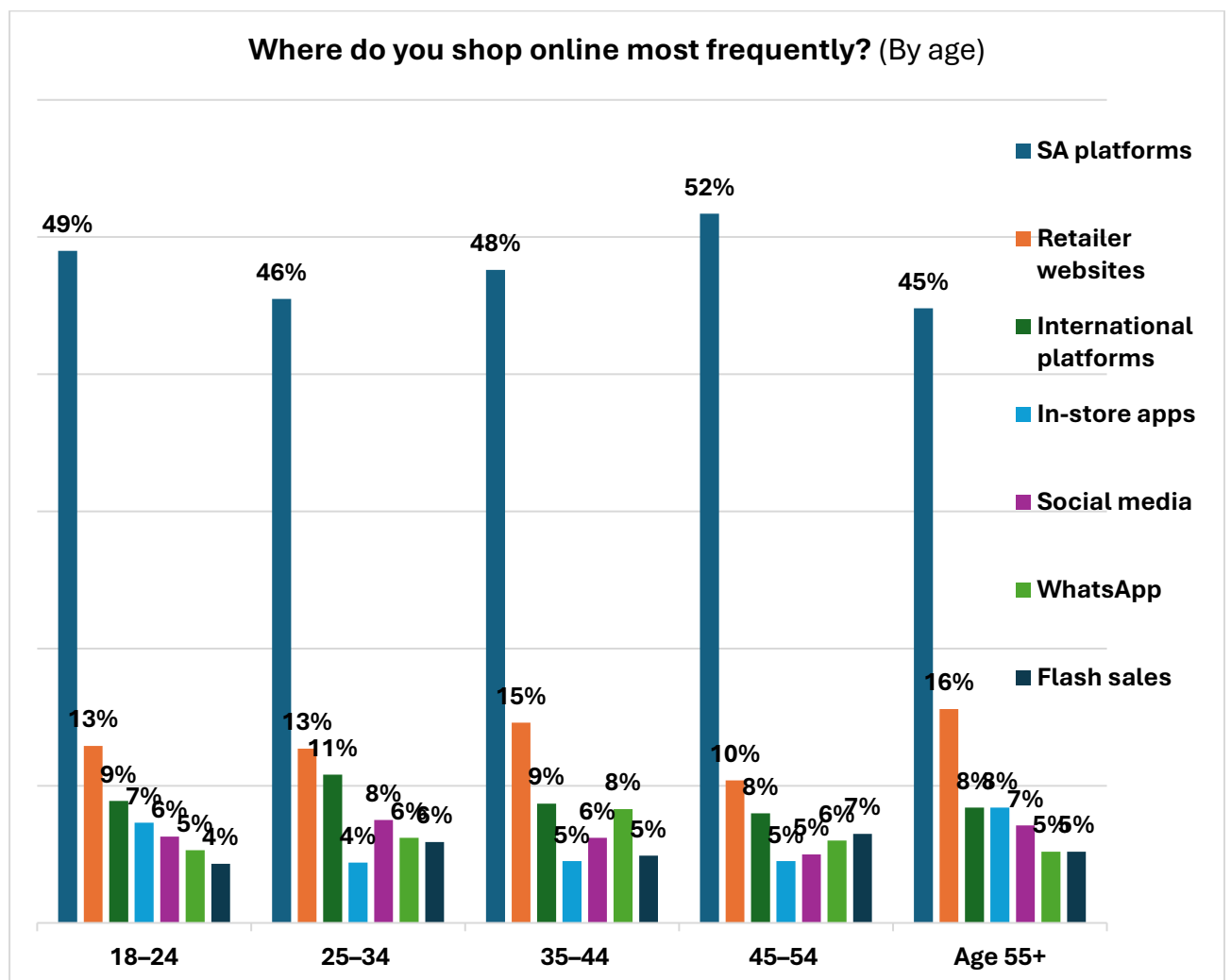


South African platforms dominate across all age groups, ranging from 45% among respondents aged 55+ to a peak of 52% among 45-54-year-olds. This consistency highlights their role as the primary shopping destination for every age segment.

Retailer websites show a mixed pattern: they hold steady at 13% for 18-34-year-olds, rise to 15% for 35-44, dip to 10% for 45-54, and then increase to 16% in the 55+ group – the highest share for any age band. International platforms are most popular among 25-34-year-olds at 11% and slightly lower for all other groups (8-9%).

Social media shopping peaks at 8% among 25-34-year-olds, with usage lower across other ages (5-7%). WhatsApp use is highest among 35-44-year-olds (8%) but stays at 5-6% elsewhere. In-store app usage rises steadily with age, reaching its highest level at 8% for the 55+ group. Flash sales are used by 4-7% of respondents, peaking among 45-54-year-olds.

Local platforms remain the clear leader across all ages, while older shoppers favour retailer websites and in-store apps, and younger groups are slightly more likely to use international platforms and social media.

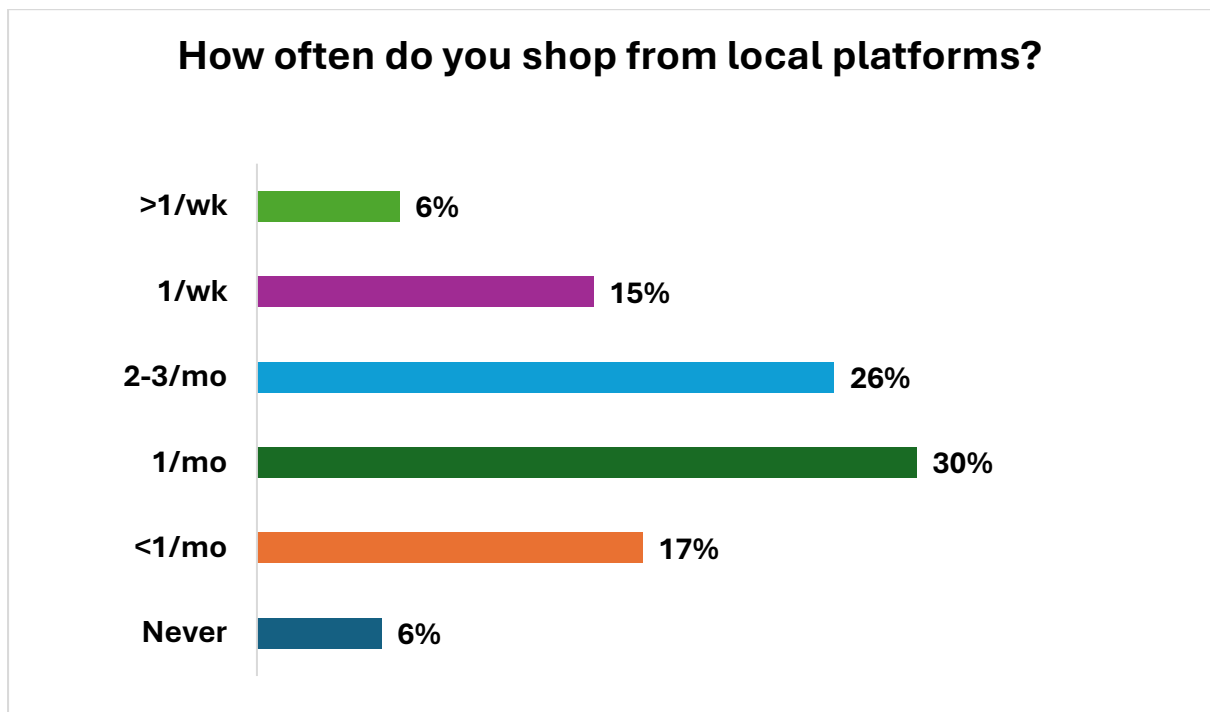


## Frequency of shopping on local platforms

Most respondents buy from local platforms at least monthly: 77% report shopping 1/mo or more (30% once a month, 26% two–three times a month, 15% once a week, 6% more than once a week).

Weekly-or-more shoppers account for 21% in total. Infrequent buyers make up 23% (17% less than monthly; 6% never).

The most common cadence is monthly, with a sizeable second cluster at two–three times per month.

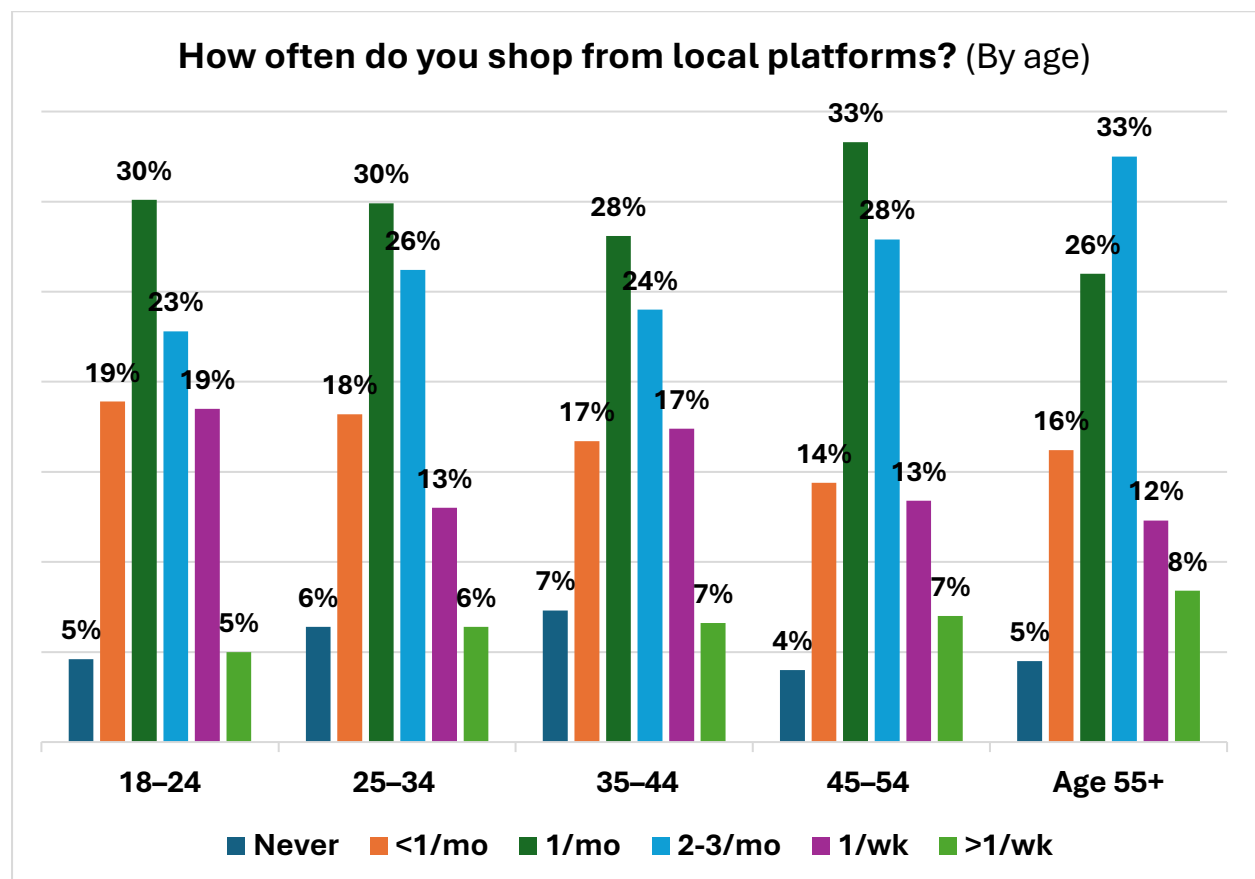


Shoppers aged 18–24 and 35–44 have the highest share buying weekly or more, with 24% shopping at least once a week (19% 1/wk and 5% >1/wk for 18–24; 17% 1/wk and 7% >1/wk for 35–44). However, their two to three times a month shares are slightly lower at 23% and 24% respectively, and nearly a quarter shop less than once a month or never, suggesting a mix of very frequent and more occasional buyers.

The 45–54 group is the most consistent overall. They have 20% shopping weekly or more, 28% buying two to three times a month, and the largest share buying once a month (33%). They also have the lowest proportion of infrequent shoppers at just 18%, showing strong and steady engagement with local platforms.

The 25–34 cohort is somewhat less frequent, with 19% shopping weekly or more, 26% buying two to three times a month, and a comparatively high 24% shopping less than once a month or never.

While the 55+ group also shows a high two to three times monthly share (33%), their weekly share is slightly lower at 20%, and their buying pattern is broadly similar to the 45–54 group. However, they are the only group to shop online two to three times a month (33%) more than once a month (26%).

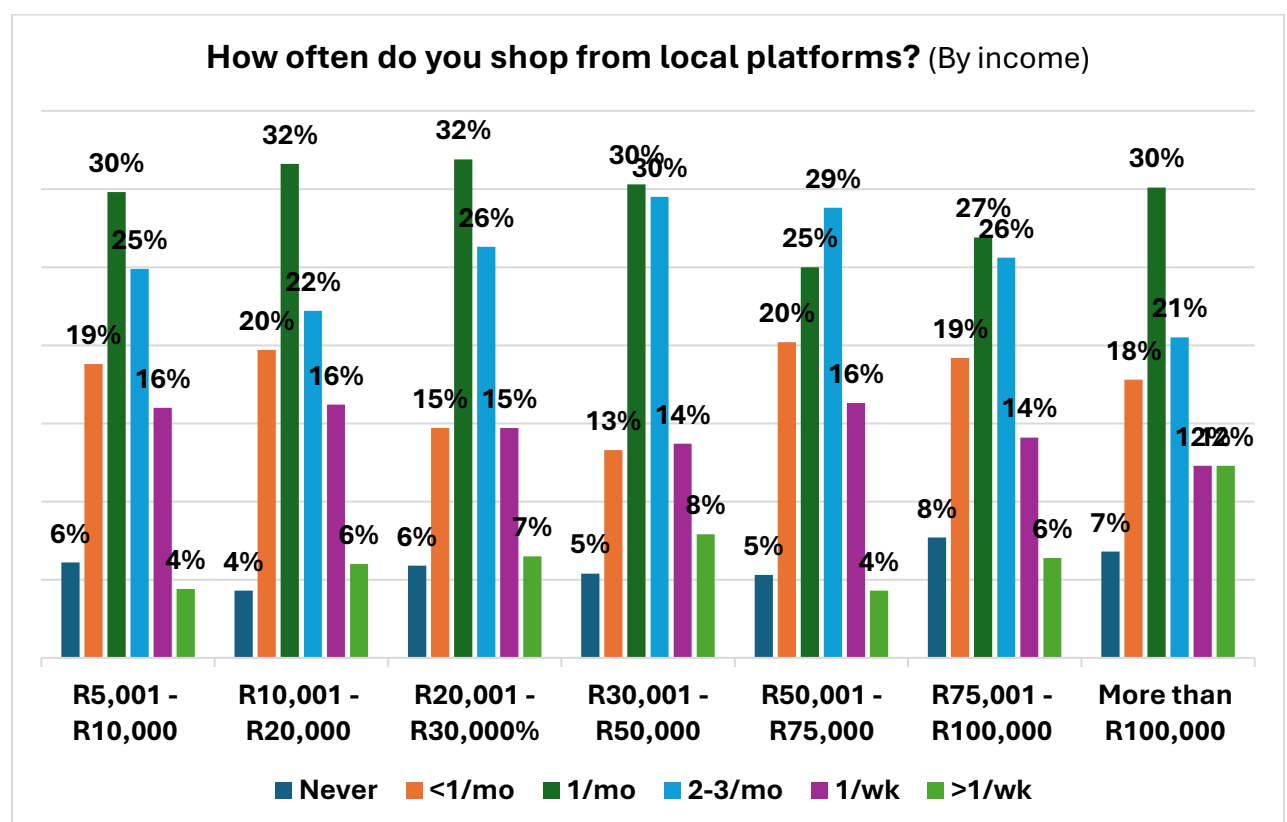


Shoppers earning more than R100,000 have the highest share buying weekly or more, with 24% shopping at least once a week (12% 1/wk, 12% >1/wk). However, their 2–3 times a month share is just 21% and a quarter of this group shop less than once a month or never, showing a more polarised pattern between heavy and light users.

The R30,001–R50,000 group is the most consistently frequent segment overall. They have 22% shopping weekly or more, the joint-highest share buying two to three times a month (30%), and another 30% buying once a month. Only 18% are infrequent shoppers, making this group the most reliable and regular buyers on local platforms.

Those earning R20,001–R30,000 follow closely, with 22% shopping weekly or more, 26% buying two to three times a month, and 32% buying once a month. Together, these three income brackets represent the most engaged consumers, driving a large share of repeat transactions.

Lower-income groups (R5,001–R20,000) shop least often, with fewer weekly-or-more buyers (8–10%), high reliance on monthly buying (30–32%), and a large share of infrequent shoppers (19–20%). Mid-to-upper earners (R50,001–R75,000 and R75,001–R100,000) sit in the middle, with around 20% shopping weekly or more but higher infrequent shares (25–27%) than the most engaged groups.



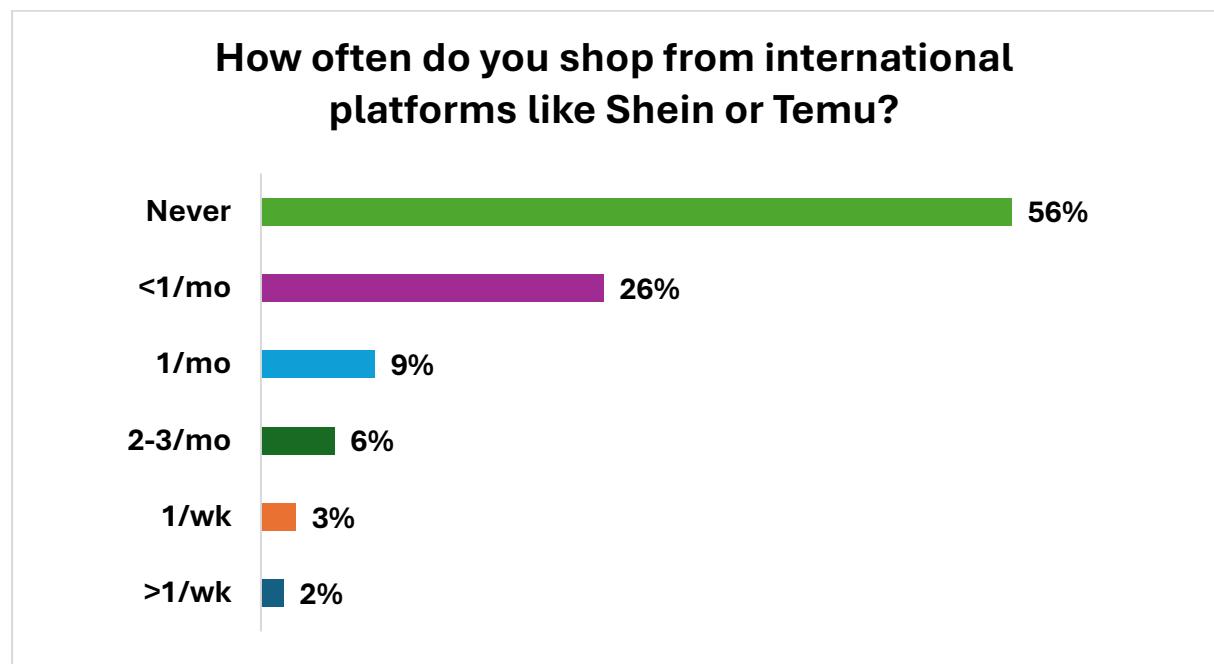


## Frequency of shopping on international platforms

More than half of respondents (56%) report that they never shop on international platforms like Shein or Temu, highlighting that cross-border e-commerce is still a minority activity. Another 26% shop less than once a month, making irregular shoppers the second-largest group.

Regular shoppers are a smaller segment, with 9% buying once a month, 6% two to three times a month, and just 5% shopping weekly or more (3% 1/wk, 2% >1/wk).

The data shows that international platforms are used by a relatively small but consistent minority, with most shoppers engaging only occasionally rather than as part of their regular online shopping routine.

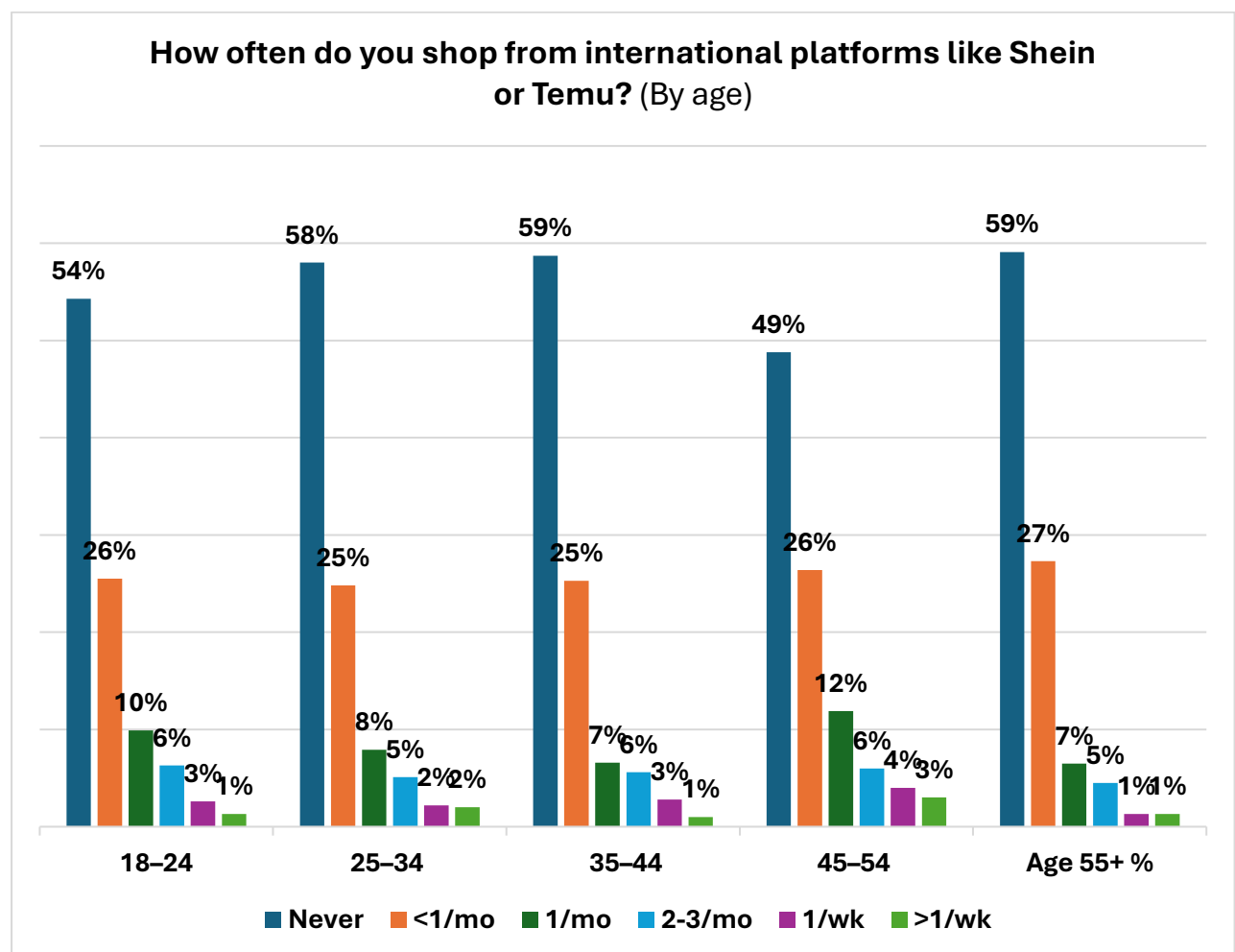


Shoppers aged 45–54 are the most engaged with international platforms, with 25% shopping at least monthly (12% once a month, 6% two to three times a month, and 7% weekly or more). They also have the lowest share who never shop at all, at 49%, making them the most consistent users of Shein, Temu, and similar platforms.

The 18–24 group follows, with 20% shopping monthly or more (10% once a month, 6% two to three times a month, 4% weekly or more). However, 54% never shop and 26% shop less than monthly, showing a more polarised split between frequent users and non-users.

The 25–34 and 35–44 cohorts are similar, with 17% shopping monthly or more and nearly 60% never shopping. Most of their participation is concentrated in once-a-month purchases, with smaller shares in the higher-frequency categories.

The 55+ group is the least engaged, with just 14% shopping monthly or more (7% once a month, 5% two to three times a month, 2% weekly or more) and 59% never shopping on these platforms.



Shoppers earning R50,001–R75,000 are the most engaged with international platforms, with 20% shopping at least monthly (13% once a month, 6% two to three times a month, 1% weekly). A further 24% shop less than monthly and 54% never shop, giving this group the strongest base of consistent users.

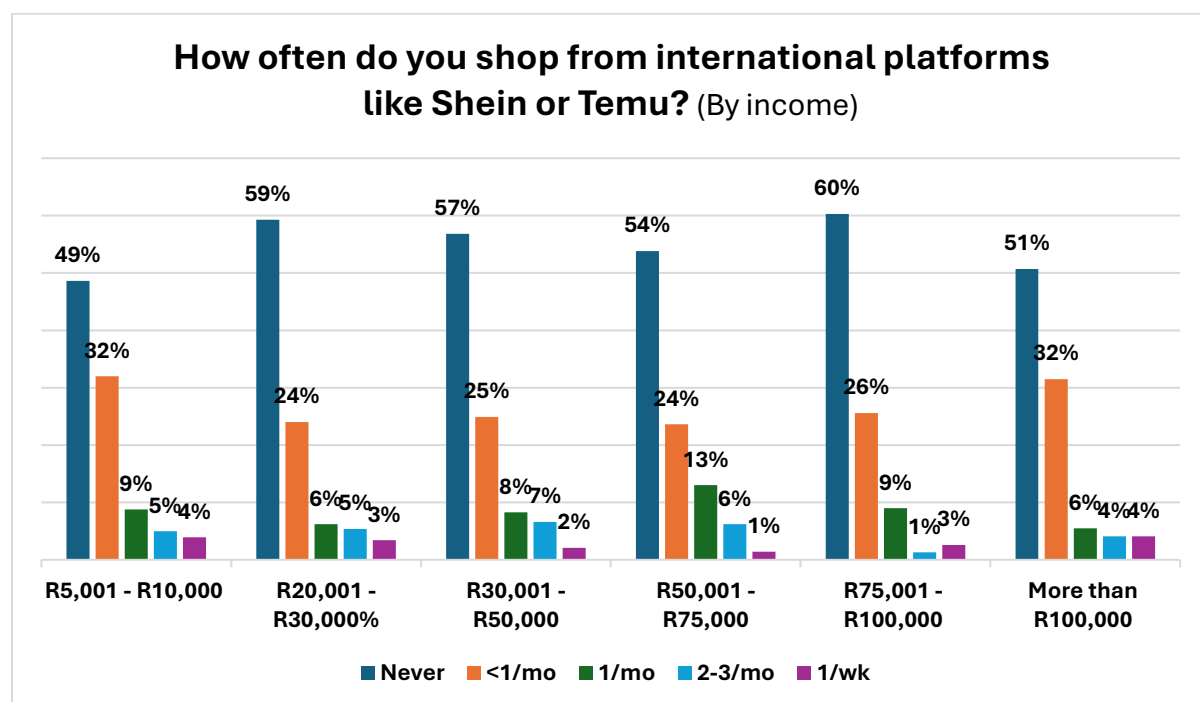
Those earning more than R100,000 follow closely, with 14% shopping monthly or more (6% once a month, 4% two to three times a month, 4% weekly). However, this group also has one of the highest shares shopping less than monthly at 32%, and just over half (51%) never shop, pointing to a more polarised pattern between occasional and regular users.

The R5,001–R10,000 group is similarly engaged, with 18% shopping monthly or more (9% once a month, 5% two to three times a month, 4% weekly), but also showing the same high proportion of <1/mo shoppers (32%) as the highest-income group. However, this group can include youth supported by parents or guardians, which can explain the shopping frequency at a lower income.

The R30,001–R50,000 segment is slightly lower at 17% monthly or more, with most of its regular shoppers concentrated in the two to three times monthly category (7%).

R20,001–R30,000 earners sit at 14% monthly or more, the same level as the highest earners but with the highest share never shopping (59%).

The least engaged group is R75,001–R100,000, where only 13% shop monthly or more and 60% never shop – the highest “never” rate across all income brackets.



## Primary reason for shopping on international platforms

More than half of respondents (56%) say they do not shop on international platforms at all, underscoring their relatively limited role in the overall online shopping landscape.

Among those who do shop internationally, the main driver is better deals (17%), suggesting price remains the most powerful motivator. Unique products (7%) and product availability (5%) are the next most common reasons, highlighting that shoppers often turn to these platforms when local options are lacking.

Other motivations, such as payment options (3%), access to brands (3%), and factors like trusted brands, peer recommendations, faster shipping, exclusive collections, and seasonal promotions (each 2%), play a much smaller role, indicating that the appeal of these platforms is still driven primarily by affordability and access to hard-to-find items.

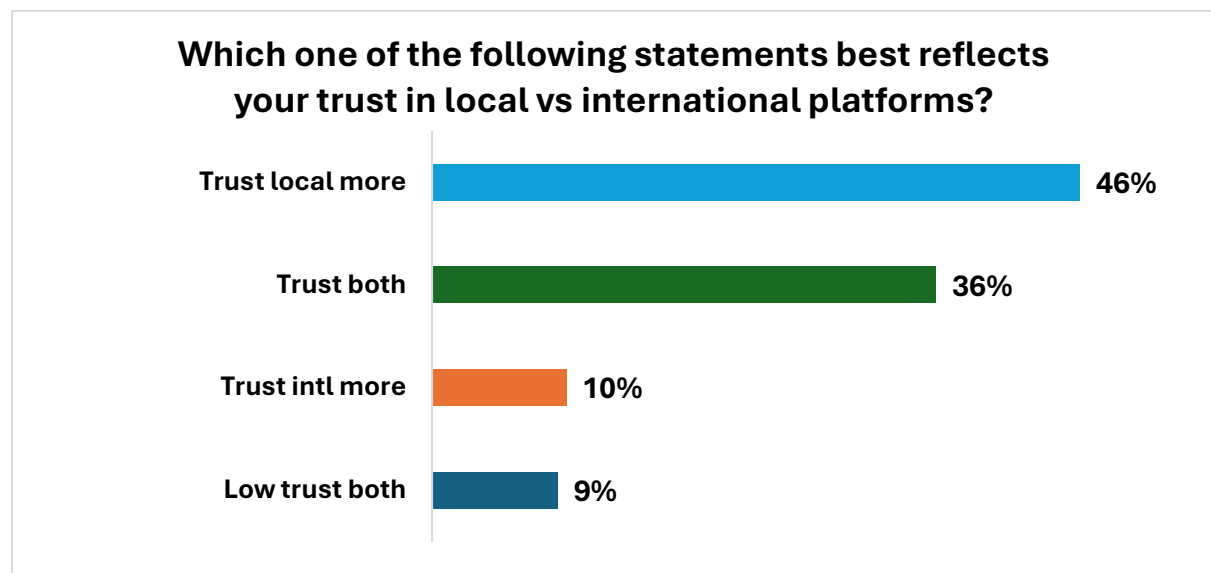


## Trust in local vs international platforms

Nearly half of respondents (46%) say they trust local platforms more than international ones, showing a clear preference for home-grown retailers. A further 36% trust both equally, indicating that for many consumers, trust is not a barrier to using international platforms.

Only 10% say they trust international platforms more, suggesting that global players still face a credibility gap compared with local options. Meanwhile, 9% report low trust in both, highlighting a small but significant group of generally cautious online shoppers.

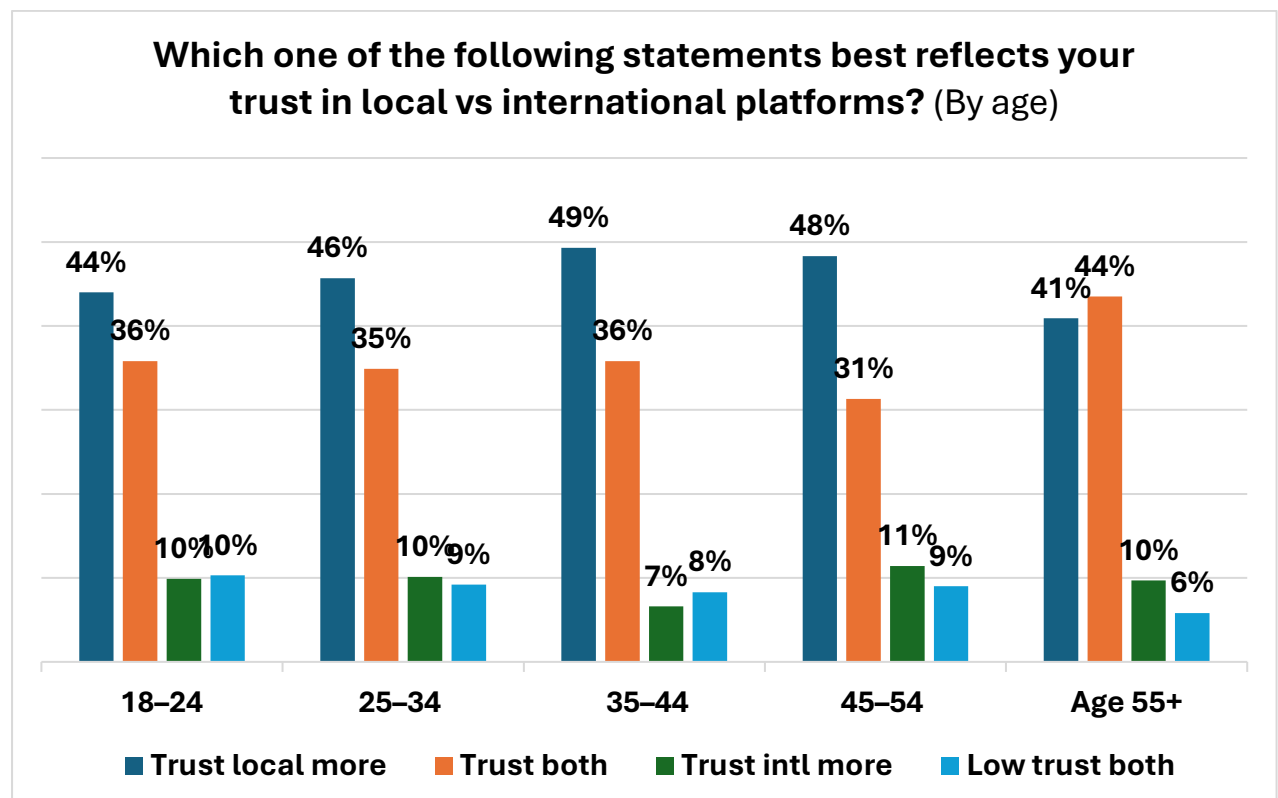
The data shows that while trust in international platforms exists, local players retain a strong advantage in perceived reliability and security.



Trust in local platforms is highest among 35–44-year-olds (49%) and 45–54-year-olds (48%), showing that mid-life shoppers are the most confident in domestic options. These groups also report the low trust in international platforms (7–11%) and relatively low levels of distrust overall (8–9% low trust both).

Younger respondents show a more balanced view. Among 18–24-year-olds, 44% trust local more, but 36% trust both equally, and 10% trust international platforms more – the joint-highest of any group, suggesting they are more open to global options. The 25–34 group is similar, with 46% trusting local more and 35% trusting both, indicating moderate confidence in international players.

The 55+ group is the only segment where trust is nearly evenly split between local platforms (41%) and trusting both equally (44%), highlighting a more pragmatic stance. They are also slightly less likely than younger groups to report low trust in both (6%).



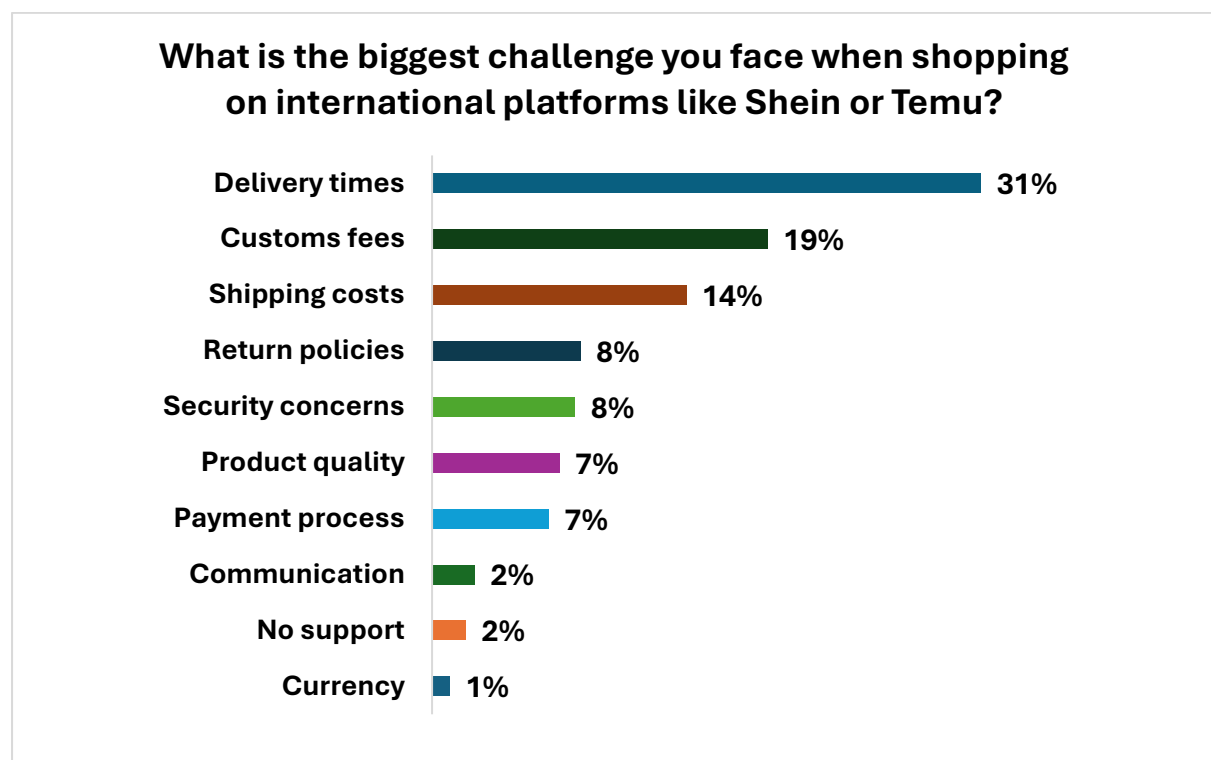
## Biggest challenges when shopping on international platforms

The biggest challenge respondents face when shopping on international platforms is delivery times, cited by 31%, making it by far the most significant barrier. Customs fees follow at 19%, reflecting ongoing concerns about unexpected costs when buying cross-border.

Shipping costs are also a notable issue for 14% of respondents, while return policies and security concerns are each mentioned by 8%, indicating that trust and convenience remain key considerations.

Other challenges such as product quality (7%), payment process (7%), and factors like communication, lack of support, and currency issues (1–2%) are less commonly cited but still present barriers for a small proportion of shoppers.

Logistics-related concerns (delivery times, customs, and shipping) are the dominant hurdles preventing more frequent use of international platforms.



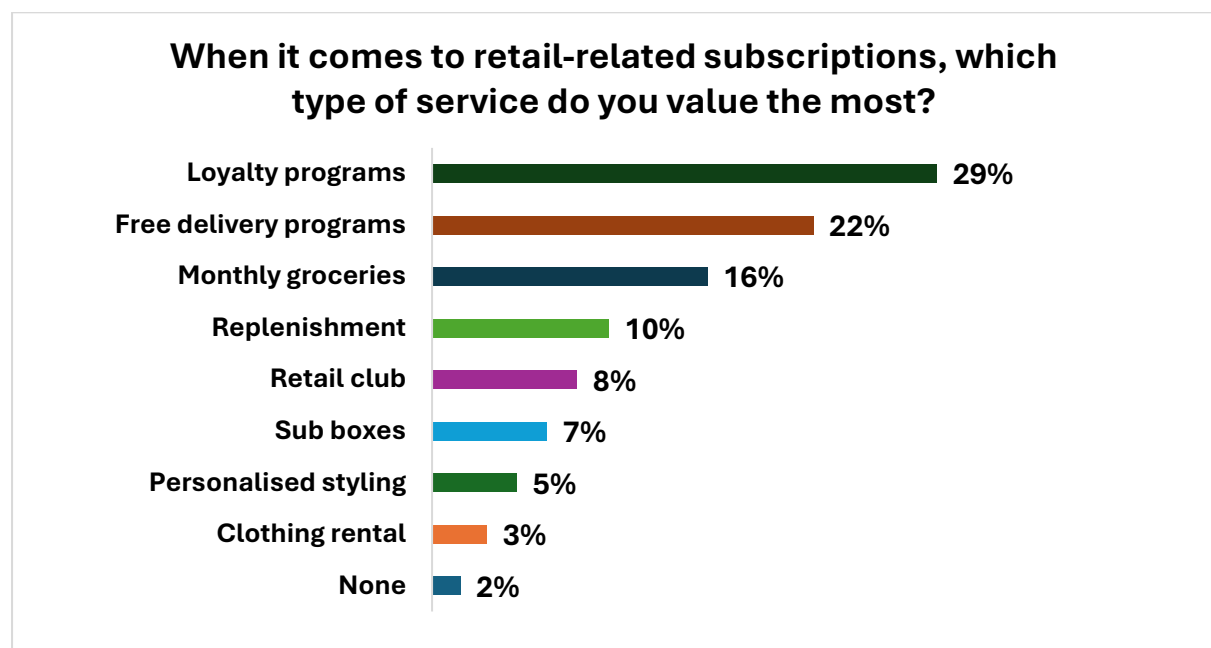
## Most valued retail-related subscription type

Loyalty programmes are the most valued retail-related subscription service, chosen by 29% of respondents. Free delivery programmes follow closely at 22%, showing that both rewards and cost savings on shipping are highly appealing to shoppers.

Other popular options include monthly groceries at 16% and replenishment services at 10%, reflecting a preference for convenience and predictability in essential purchases.

Niche services such as retail clubs (8%), subscription boxes (7%), and personalised styling (5%) attract smaller but meaningful interest, while clothing rental (3%) and having no preference (2%) remain the least popular choices.

Shoppers place the highest value on subscriptions that deliver tangible, ongoing benefits like savings and routine convenience, rather than one-off or niche experiences.



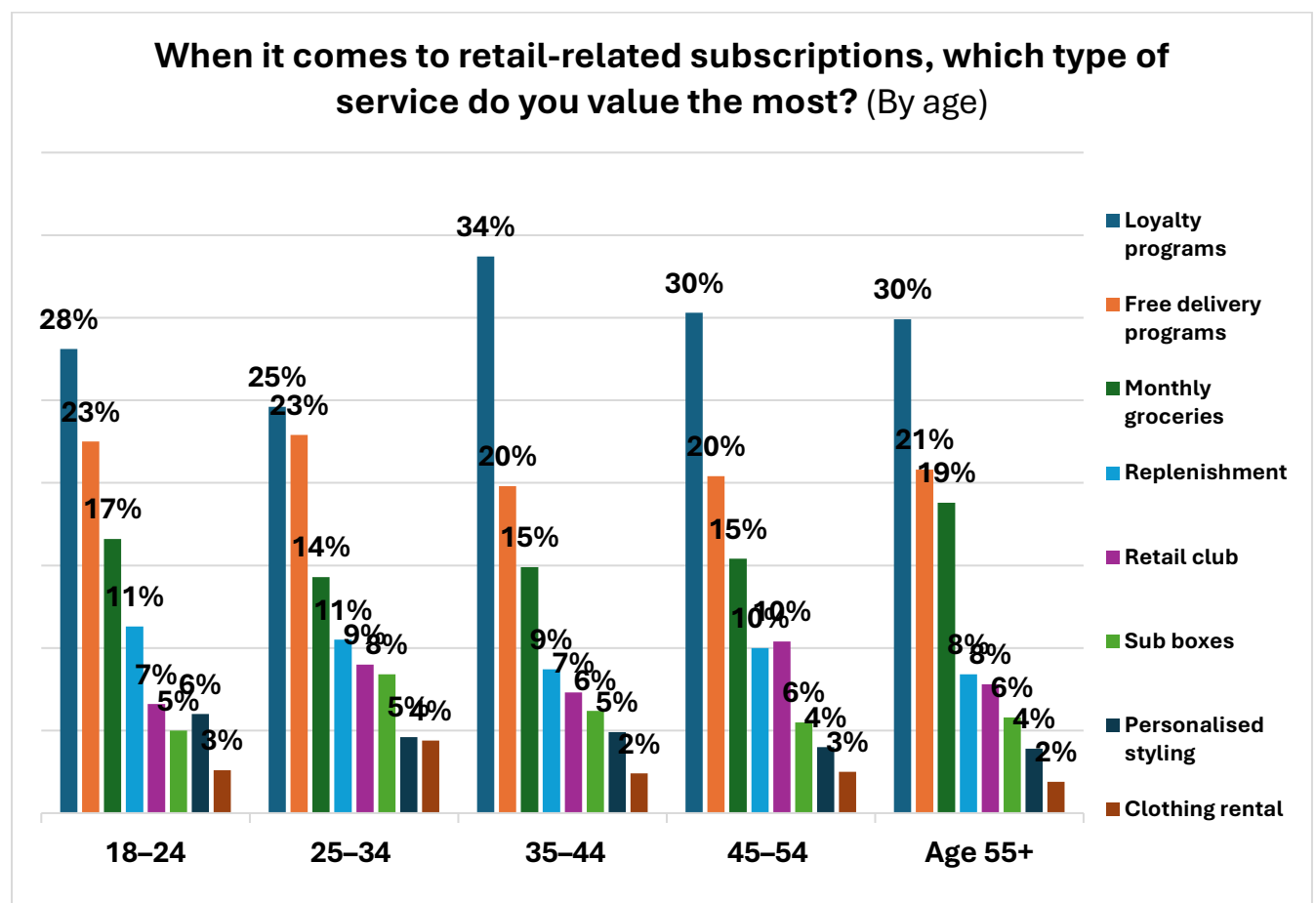


Loyalty programmes are the most valued subscription across all age groups, peaking with 35–44-year-olds at 34% and remaining high for both 45–54 and 55+ segments at 30% each. Among younger shoppers, loyalty programmes are slightly lower (28% for 18–24 and 25% for 25–34) but still the leading choice, showing their broad appeal across demographics.

Free delivery programmes are consistently the second-most valued option, strongest among 18–24 and 25–34-year-olds (both 23%) before gradually declining with age to 19% for 55+. Monthly groceries become more important with age, rising from 14–17% for the younger groups to 19% among 55+, making it the third-most valued option for older consumers.

Other services like replenishment programmes (10–11% for younger shoppers, dropping to 4% for older groups) and retail clubs (6–9%) attract moderate interest, while niche offerings such as subscription boxes, personalised styling, and clothing rental remain consistently small across all age groups.

Loyalty programmes and free delivery are the dominant preferences across generations, while older shoppers increasingly value convenience-driven services like monthly groceries, reflecting their stronger focus on routine and predictability.



Loyalty programmes are the top-valued subscription in every income band, and their appeal generally strengthens as income rises: 29% for R5,001–R10,000 and R10,001–R20,000, 31% for R20,001–R30,000, 27% for R30,001–R50,000 and R50,001–R75,000, dipping to 23% for R75,001–R100,000, then peaking at 37% for those earning more than R100,000.

Free delivery programmes are the clear second choice across most brackets, clustering at 21–24% (highest at 24% for R30,001–R50,000 and 22% for R50,001–R75,000 and R75,001–R100,000). Preference for free delivery drops among the highest earners (15%), where loyalty benefits dominate.

Monthly groceries sit in third overall, typically 14–17% in the lower and middle bands, rising to 21% for R75,001–R100,000, indicating stronger demand for convenience among upper-middle incomes. Replenishment is steady at roughly 9–11% across all groups.

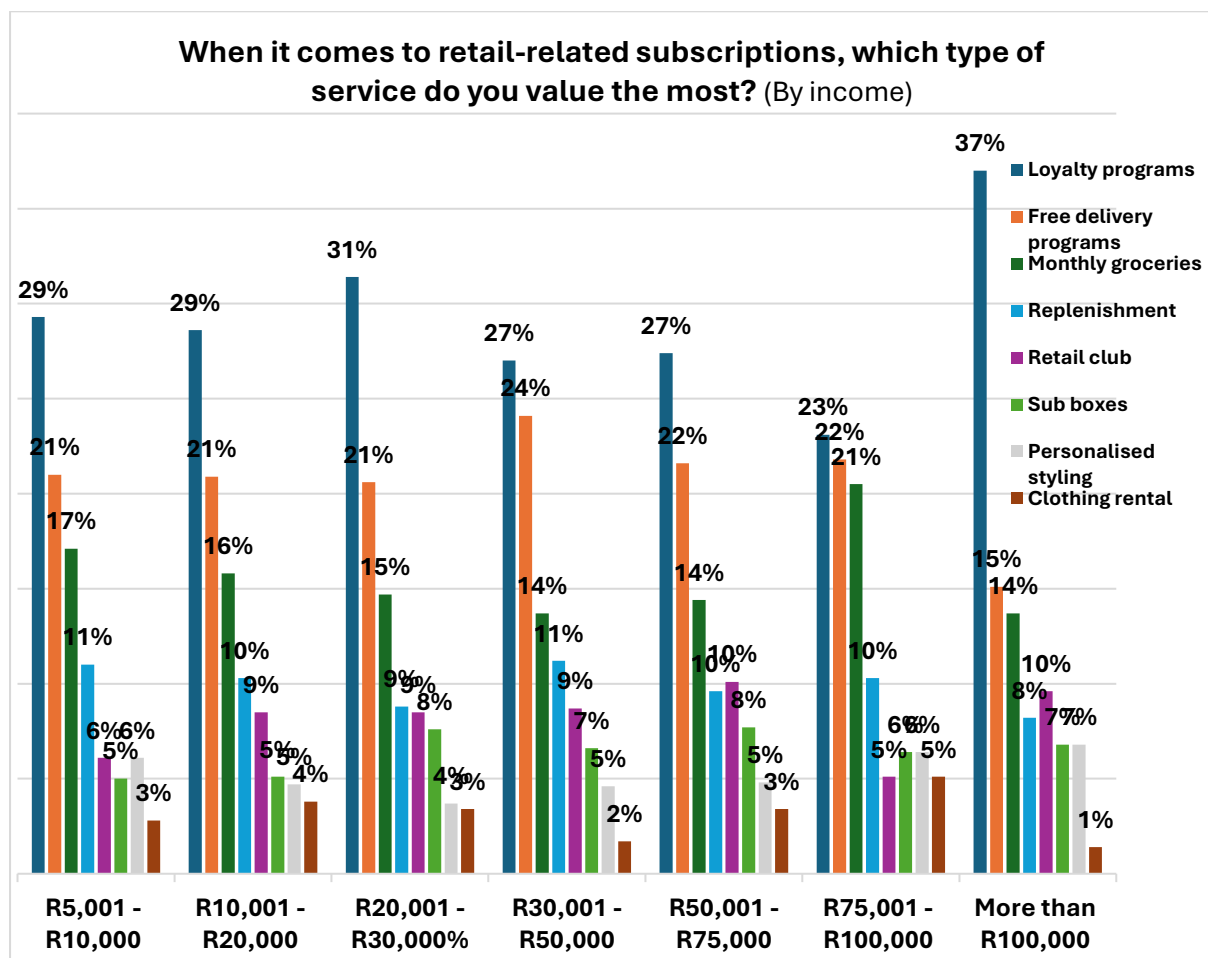
More niche options – retail clubs (about 6–10%), subscription boxes and personalised styling (mostly 4–7%), and clothing rental (1–5%, lowest at 1% among >R100k) – remain minority preferences regardless of income.

In short: loyalty and free delivery dominate at every income level; lower-income shoppers value free delivery slightly more after loyalty, while higher earners concentrate benefits in loyalty and show comparatively greater interest in convenience services like monthly groceries.

Loyalty programmes are the top-valued subscription at every income level. Shares sit in a narrow band of 27–31% across most brackets (29% for R5,001–R10,000 and R10,001–R20,000; 31% for R20,001–R30,000; 27% for R30,001–R50,000 and R50,001–R75,000), dip to 23% for R75,001–R100,000, then jump to a clear peak of 37% among those earning more than R100,000.

Free-delivery programmes are the second choice for most groups, clustering at 21–24% and peaking at 24% for R30,001–R50,000. Preference for free delivery is lower among the highest earners (15%). Monthly groceries are mid-teens in most brackets (14–17%) but stand out at 21% for R75,001–R100,000.

Replenishment remains steady at 9–11% across incomes. Retail clubs are modest (5–10%, highest at 10% for R50,001–R75,000). Subscription boxes are small but edge up with income (4–7%, highest for >R100,000). Personalised styling is niche overall yet more common at the top end (2–7%, highest for >R100,000). Clothing rental stays very low (1–5%), peaking at 5% for R75,001–R100,000 and dropping to 1% among >R100,000.

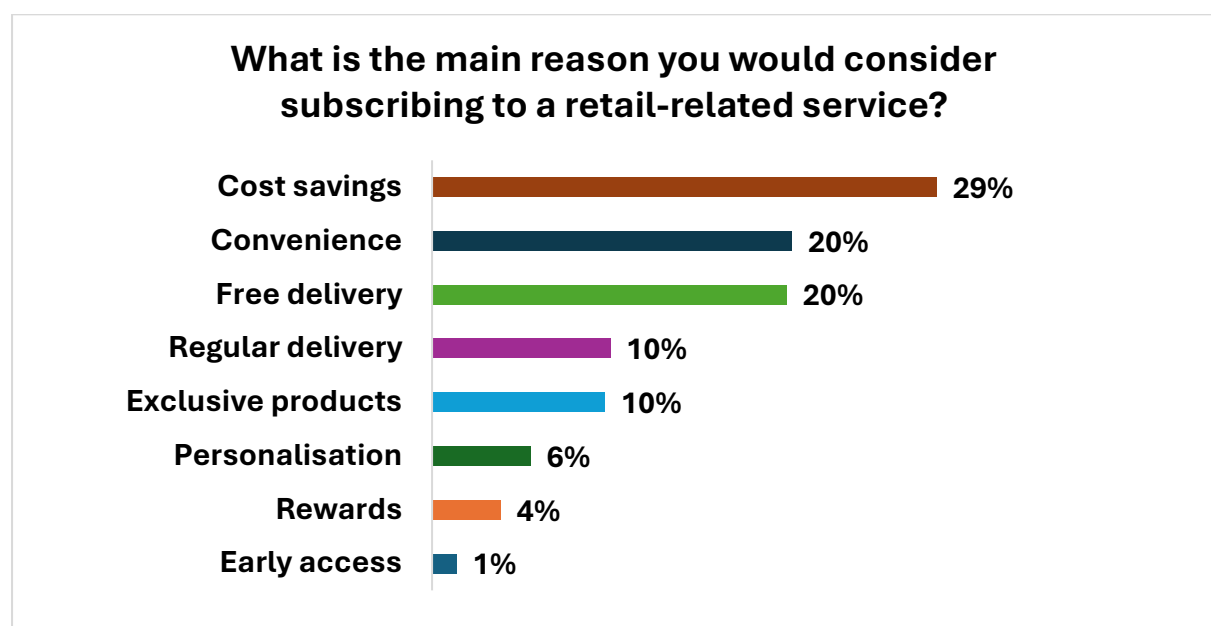


## Primary reason for subscribing to a retail-related service

Cost savings is the primary driver for retail subscriptions (29%), with immediate value clearly trumping perks. Practical benefits follow: convenience and free delivery are joint second at 20% each, meaning price-led value and shipping savings together account for nearly half of interest (49%).

Mid-tier motivations are regular delivery and exclusive products (both 10%), while softer benefits, personalisation (6%), rewards (4%), and early access (1%), trail well behind.

Shoppers are most motivated by tangible, ongoing savings and hassle reduction. Offers that combine discounted pricing with free delivery will resonate far more than status perks or early access.



## Likelihood of signing up for a retail subscription in the next 6 months

Interest in retail subscriptions is positive but not overwhelming. 45% say they are likely to sign up in the next six months (28% somewhat likely, 17% very likely), while 25% say they are unlikely (15% unlikely, 10% very unlikely). The largest group is neutral at 31%, showing that many shoppers could still be persuaded.

This indicates good potential for growth if retailers can target the neutral segment with appealing offers – particularly those focused on cost savings and free delivery, which were identified as the strongest motivators.



## Most frequently used local shopping platform

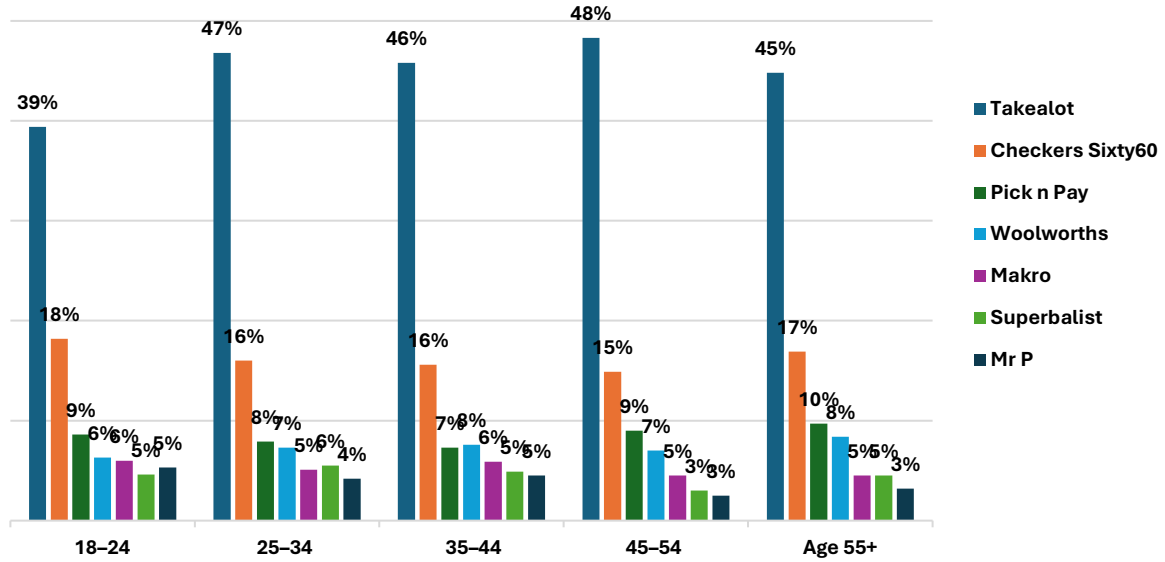
Takealot is the clear primary destination, cited by 45% of respondents, almost three times Checkers Sixty60 (16%) and far ahead of other players. Grocery-led platforms are collectively important for frequent purchases: Pick n Pay (8%) and Woolworths (7%) lift supermarkets to 31% combined, indicating strong repeat use for everyday items.

The rest of the market is fragmented across Makro (5%), Superbalist (5%), Mr Price (4%), Loot (3%), and TFG (3%), with 4% selecting “None”.

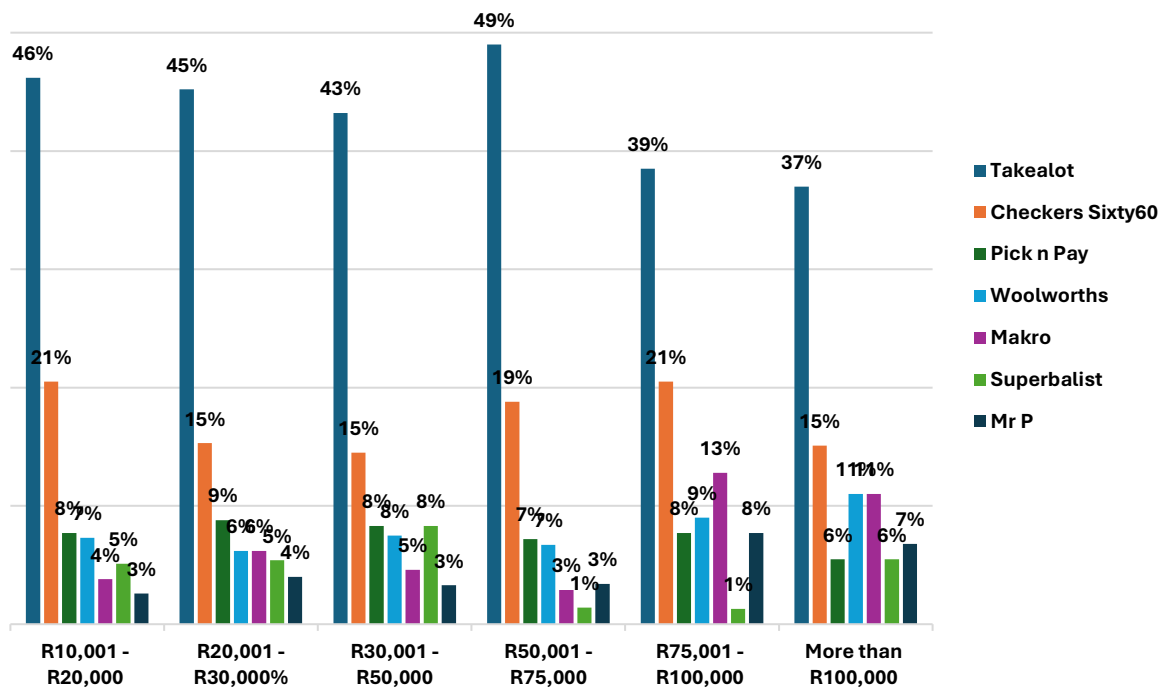
One dominant generalist (Takealot) sits above a sizeable grocery tier, while specialist retailers split a long tail of preference.



**Which local shopping platform do you use most frequently for online retail purchases? (By age)**



**Which local shopping platform do you use most frequently for online retail purchases? (By income)**

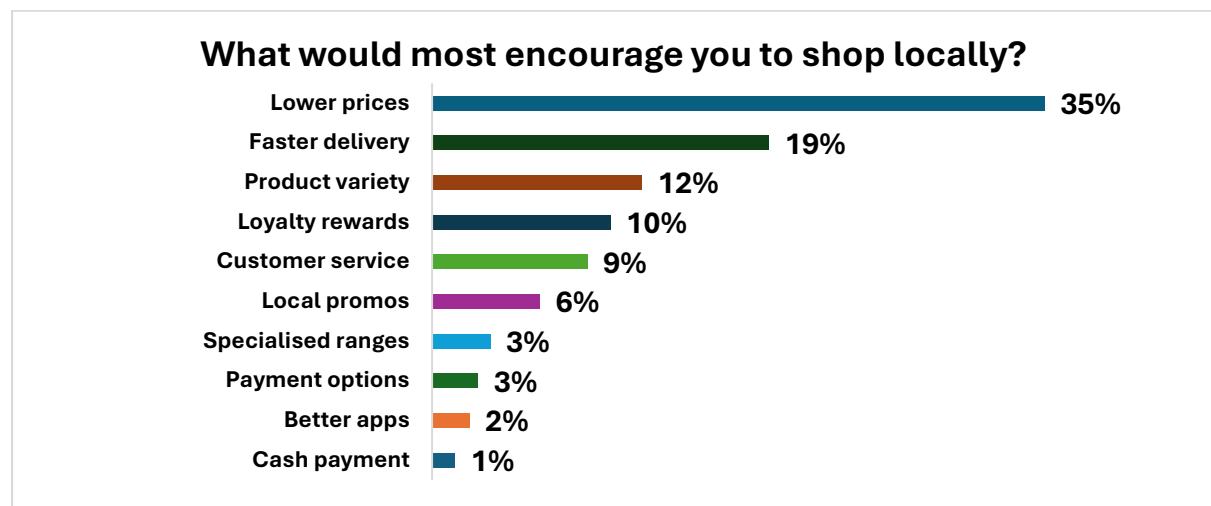


## Top incentives to shop locally

Lower prices are the strongest lever to drive local shopping, cited by 35% of respondents, almost twice the pull of the next factor, faster delivery (19%). Together, value-and-speed account for over half of responses (54%).

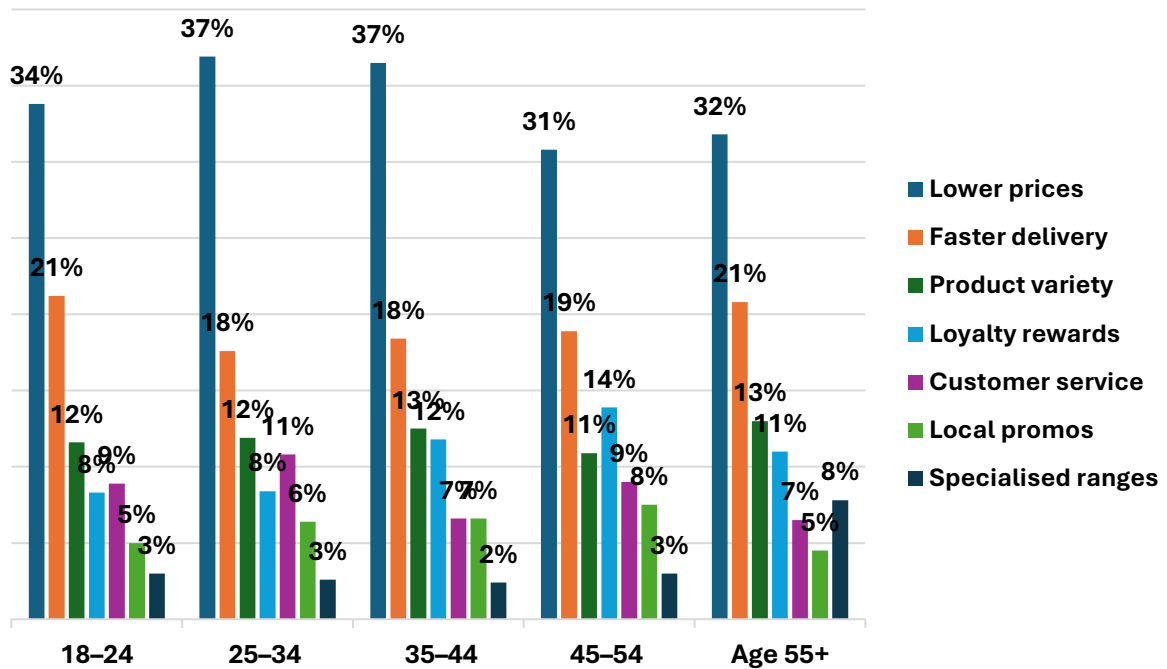
Secondary drivers are broader product variety (12%) and loyalty rewards (10%), followed by customer service (9%) and local promotions (6%). Platform features are less influential: specialised ranges and payment options score 3% each, better apps 2%, and cash payment just 1%.

Sharper pricing and quicker fulfilment would move the needle most, with assortment and loyalty benefits the next tier of influence.

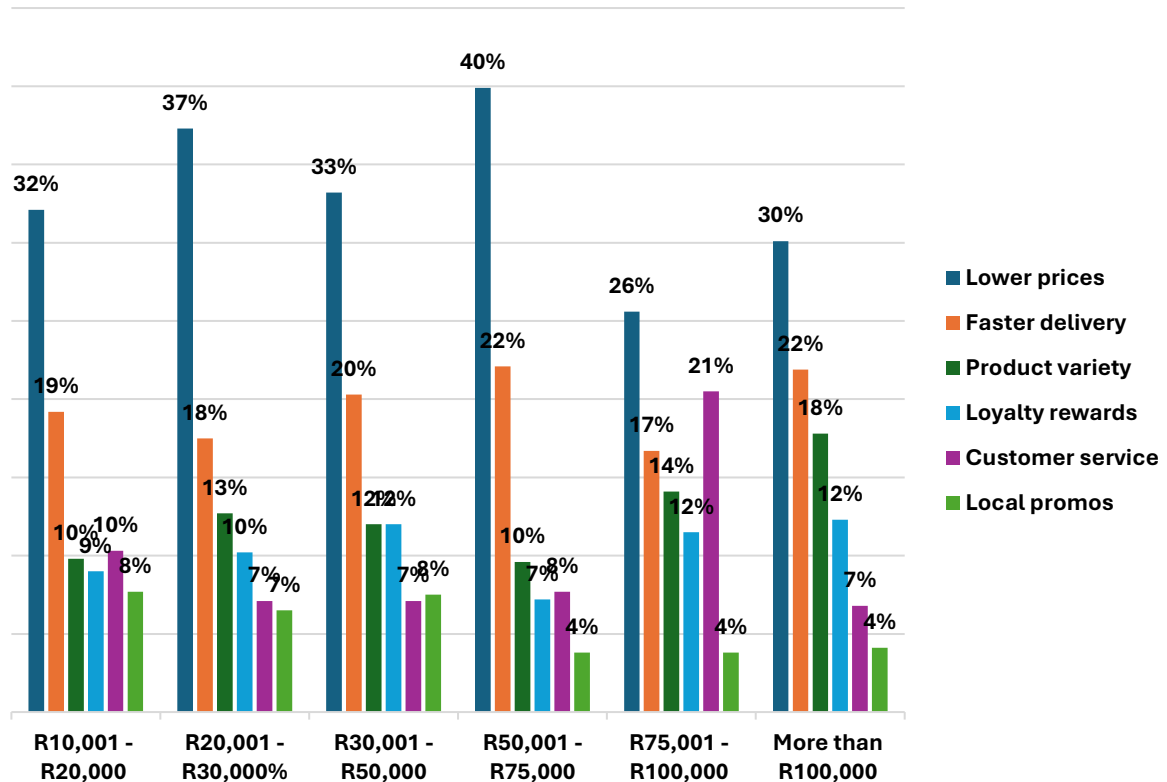




What would most encourage you to shop locally? (By age)



What would most encourage you to shop locally? (By income)

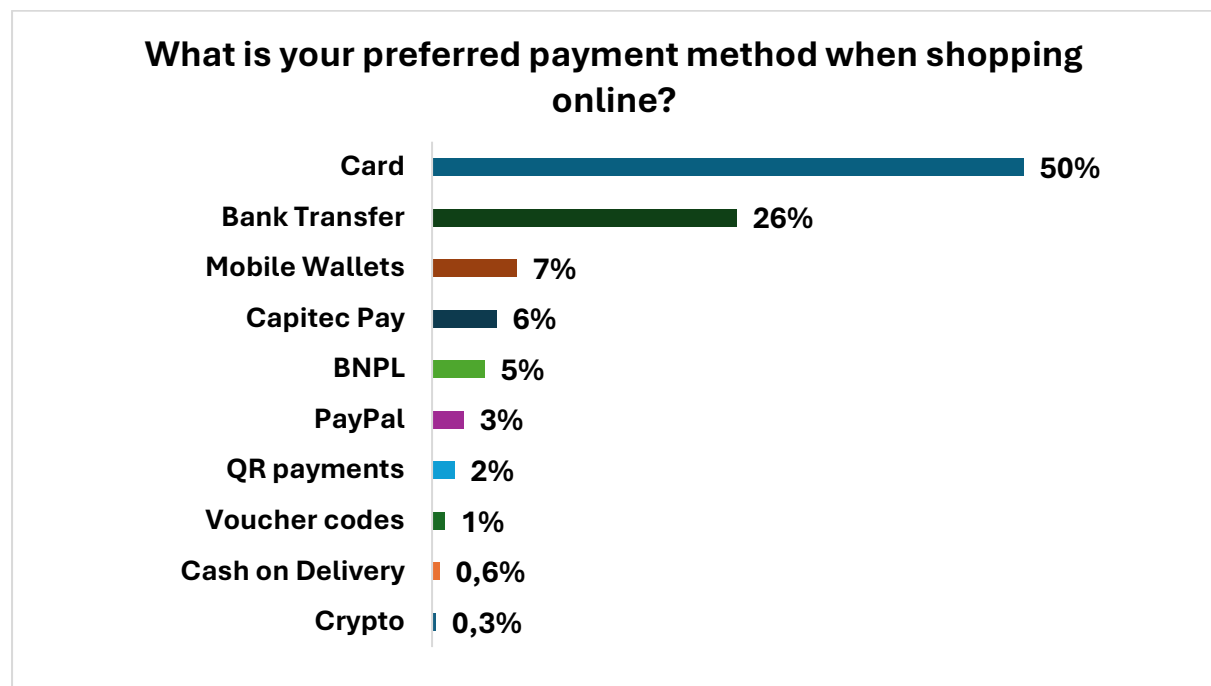


## Preferred online payment method

Cards remain the default way to pay online, chosen by 50% of respondents. Bank transfer/EFT is a strong second at 26%, meaning the top two rails account for 76% of preferences.

Newer digital options form a small but visible layer: mobile wallets (7%), Capitec Pay (6%), and BNPL (5%) together reach 18%. International and scan-to-pay tools are niche – PayPal 3% and QR payments 2% – while voucher codes (1%), cash on delivery (0.6%), and crypto (0.3%) are marginal.

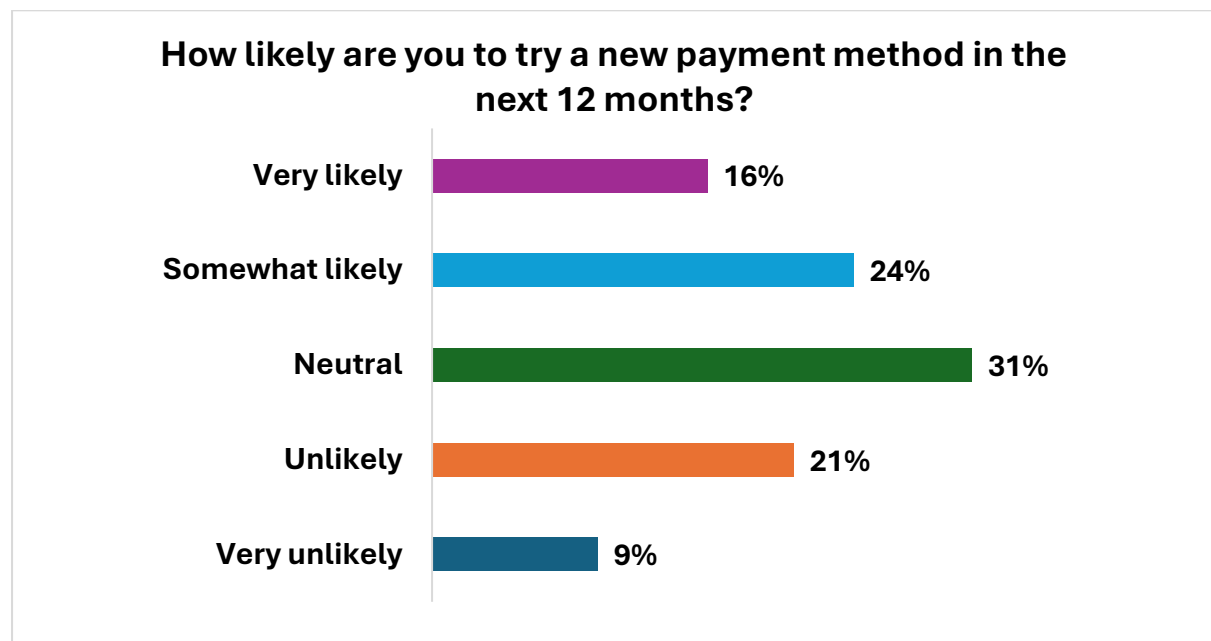
Online spend is anchored in established card and bank-transfer rails, with emerging methods used by relatively small segments.



## Likelihood of trying a new payment method in the next 12 months

Openness to new payment methods is moderate. 40% say they are likely to try one in the next 12 months (24% somewhat likely, 16% very likely), while 30% are unlikely (21% unlikely, 9% very unlikely).

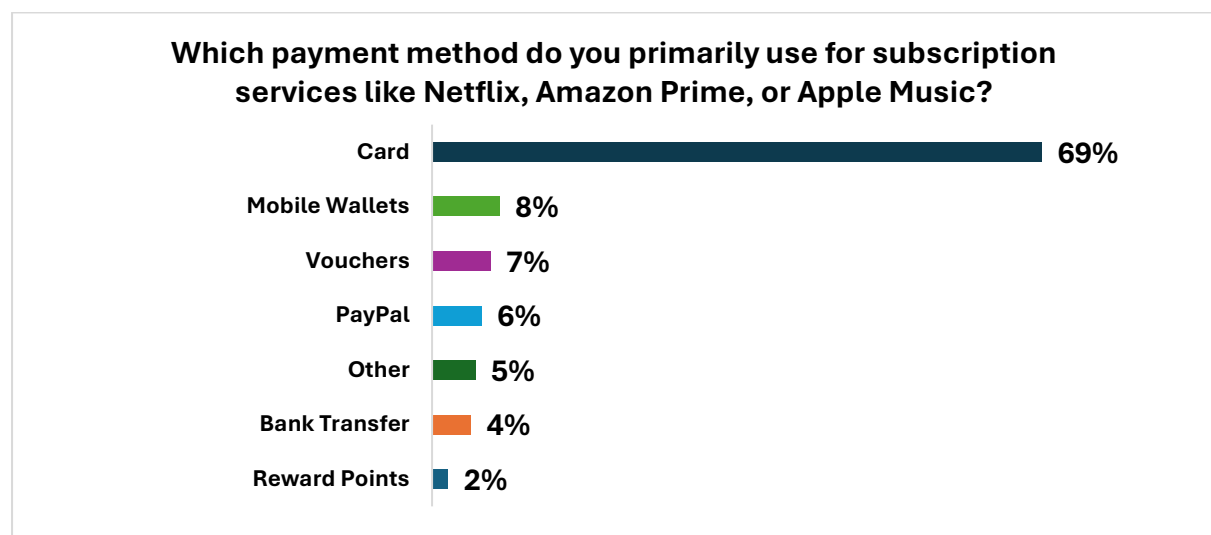
The largest single group is neutral at 31%, indicating a sizeable cohort that could be swayed by clearer benefits and assurances around ease, acceptance and security.



## Primary payment method for subscription services

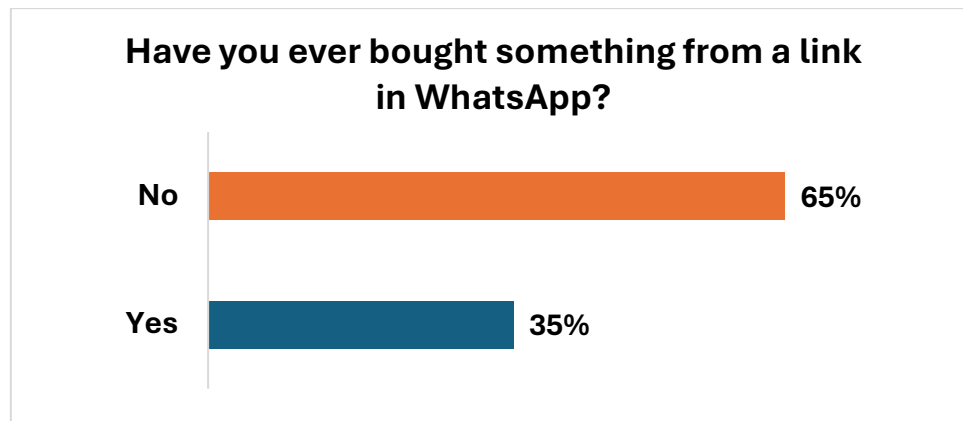
Cards overwhelmingly power subscription payments: 69% of respondents pay for services like Netflix, Amazon Prime, or Apple Music by card. All other methods are niche by comparison: mobile wallets (8%); vouchers (7%); PayPal (6%); other (5%); and bank transfer/EFT (4%). Reward points barely feature at 2%.

This pattern reflects the need for reliable, auto-renewable billing and broad merchant acceptance – areas where cards remain the default. Alternative rails play a secondary role, used by small segments for convenience or specific promotions.

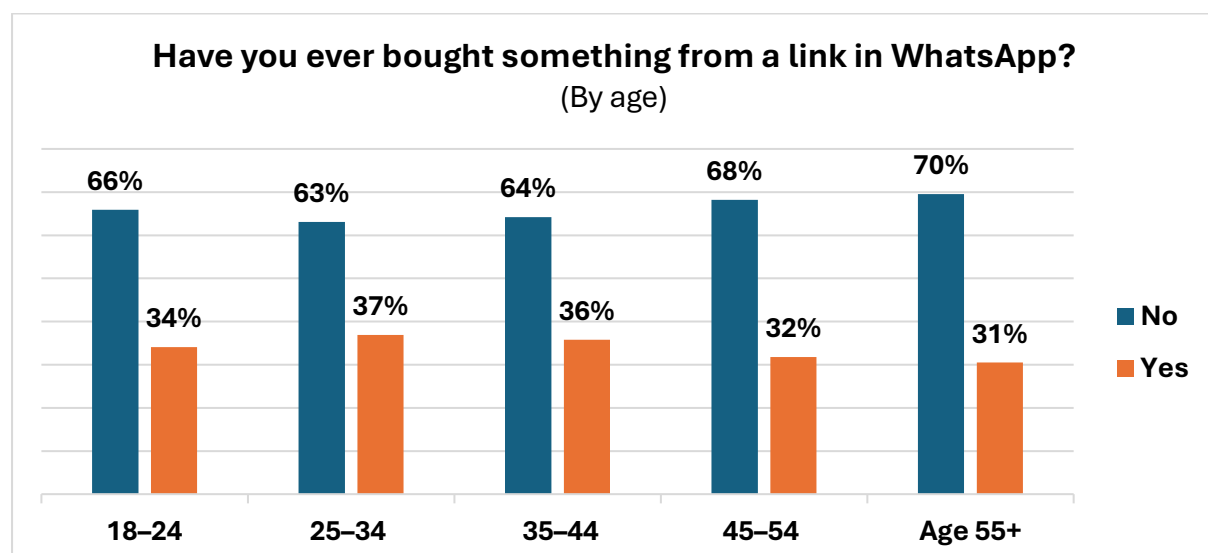


## Purchase experience via WhatsApp links

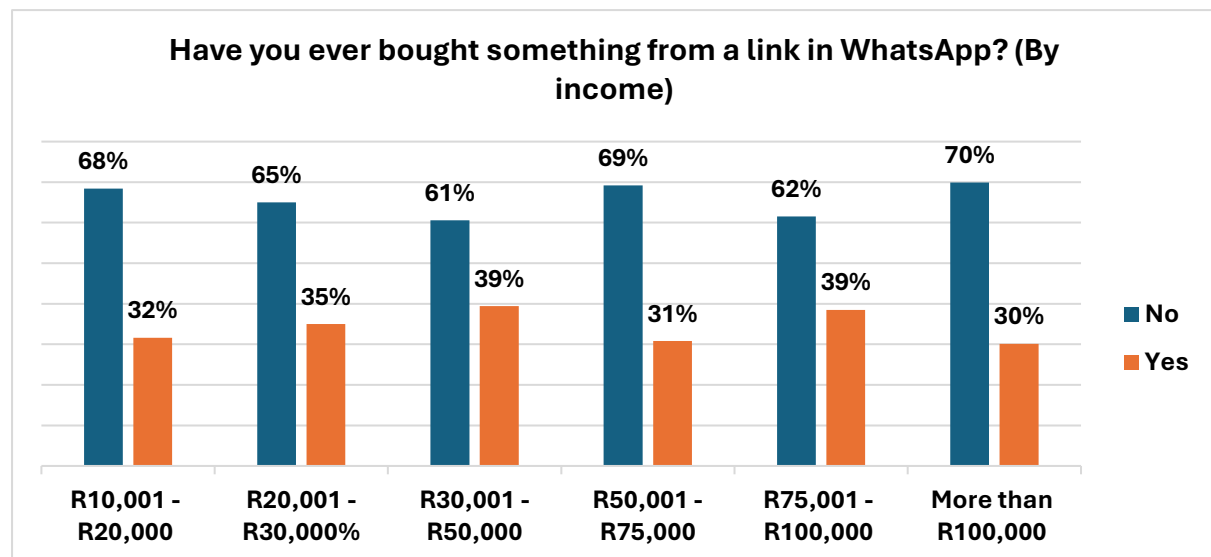
Two in three respondents (65%) have not bought from a link in WhatsApp, while 35% say they have. WhatsApp commerce is present but not yet mainstream.



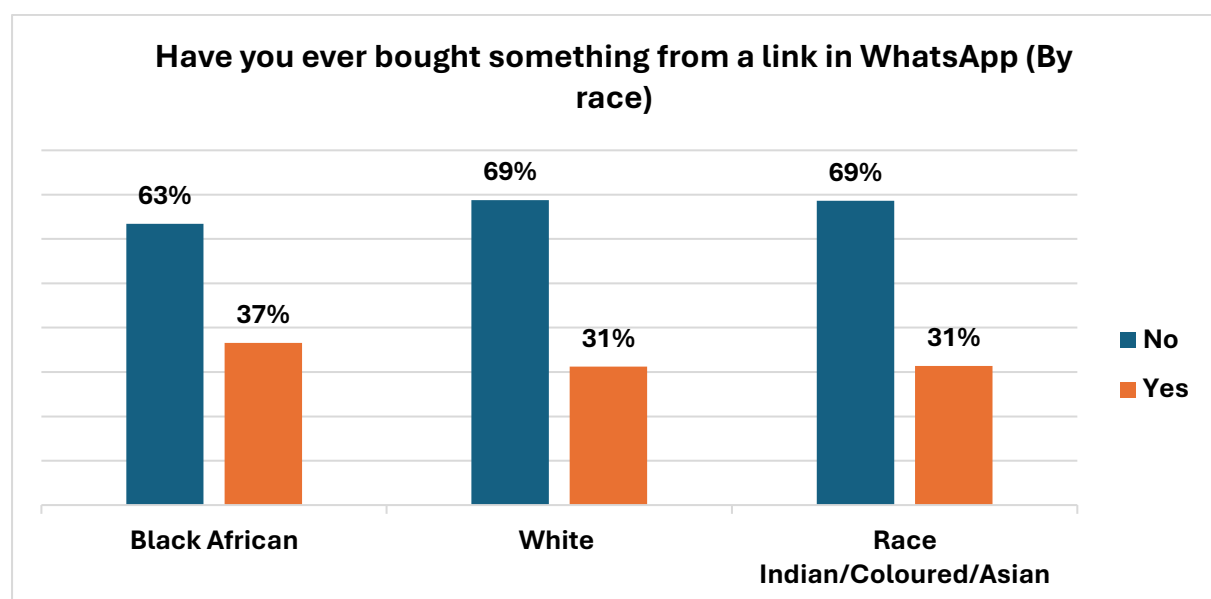
By age, purchase experience peaks in the 25–34 (37%) and 35–44 (36%) groups, is similar for 18–24 (34%), and tapers slightly among 45–54 (32%) and 55+ (31%). This points to the strongest uptake among mid-younger and mid-life shoppers, with modestly lower adoption in older segments.



By income, “Yes” rates are fairly flat, ranging 30–39% across bands. The highest shares are R30,001–R50,000 and R75,001–R100,000 (both 39%). Next are R20,001–R30,000 (35%), R10,001–R20,000 (32%), R50,001–R75,000 (31%), and more than R100,000 (30%).



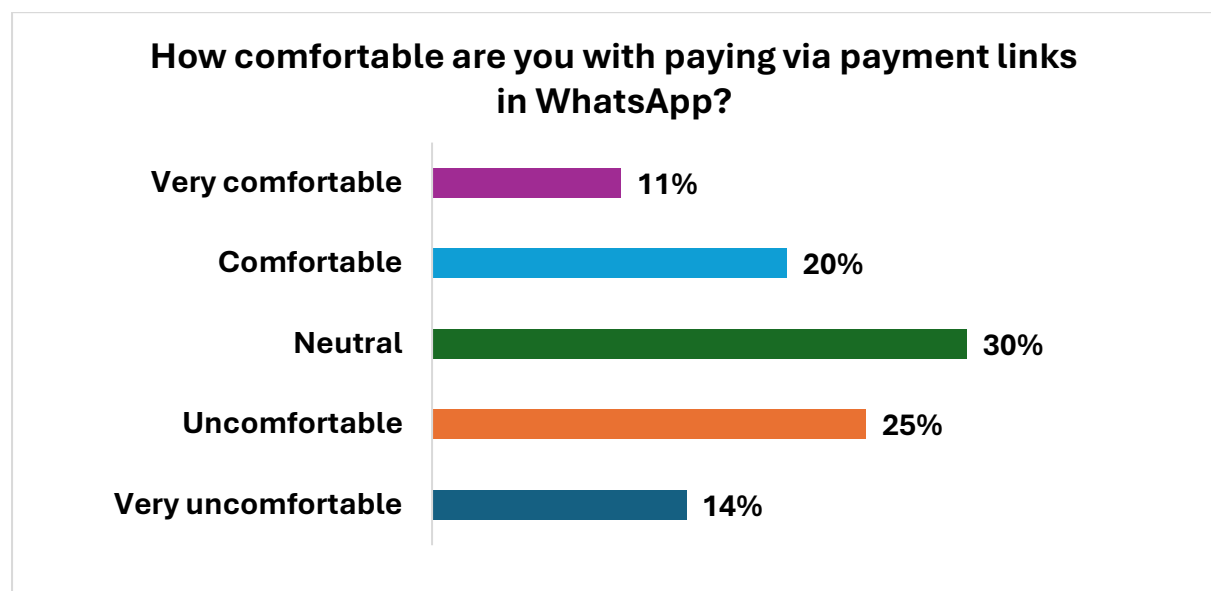
By race, Black African respondents are more likely to have purchased via a WhatsApp link (37%) than White and Indian/Coloured/Asian respondents (each 31%).



## Comfort with paying via WhatsApp payment links

Comfort with paying via WhatsApp links is mixed, leaning towards caution. 30% are neutral, 31% feel comfortable (20% comfortable, 11% very comfortable), and 39% are uncomfortable (25% uncomfortable, 14% very uncomfortable).

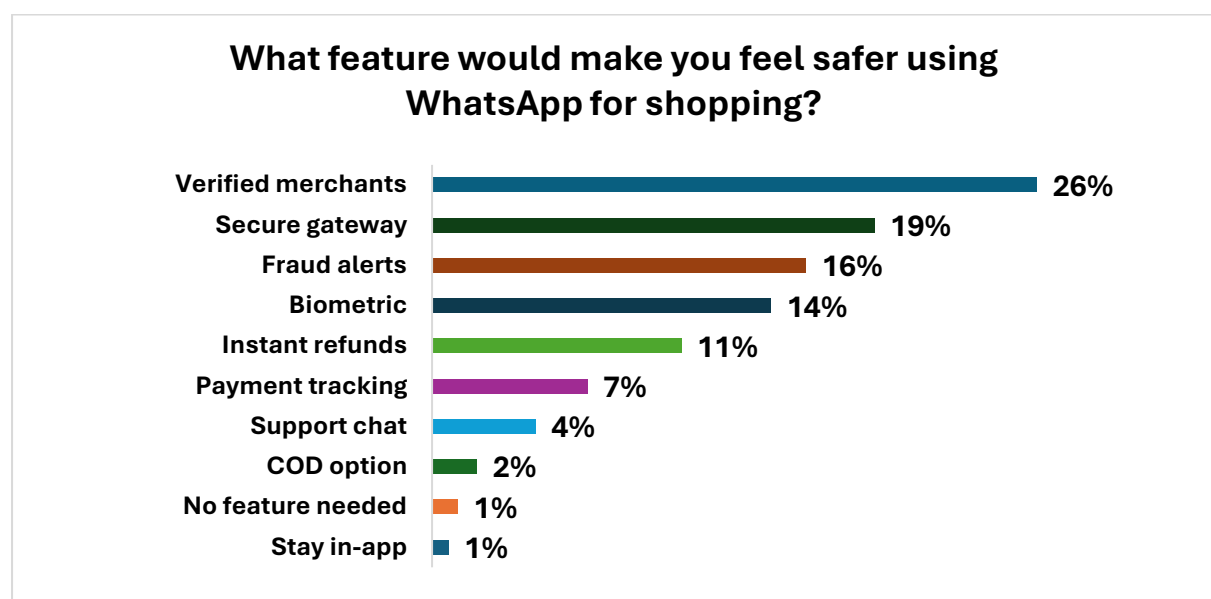
Those uneasy outnumber those at ease by 8 percentage points, signalling that clearer safeguards, fraud protection and easy dispute processes would be needed to shift sentiment.



## Features that increase safety when shopping via WhatsApp

Safety features dominate what shoppers want for WhatsApp commerce. Verified merchants (26%) is the single most requested safeguard, followed by a secure payment gateway (19%), fraud alerts (16%), and biometric authentication (14%). Taken together, these core security and authentication measures account for three-quarters of responses (75%), signalling that trust signals and hardened checkout flows are the clearest levers to increase comfort.

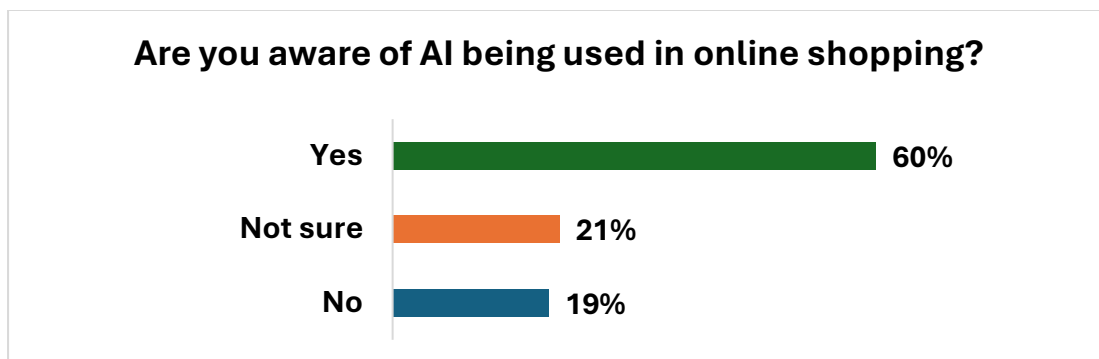
Operational reassurances sit a tier lower: instant refunds (11%) and payment tracking (7%) matter to a minority, as do live support chat (4%) and a cash-on-delivery option (2%). Only 1% say no extra feature is needed and 1% prefer staying entirely in-app, underscoring that most shoppers still want stronger security cues before paying via WhatsApp.





## Awareness of AI in online shopping

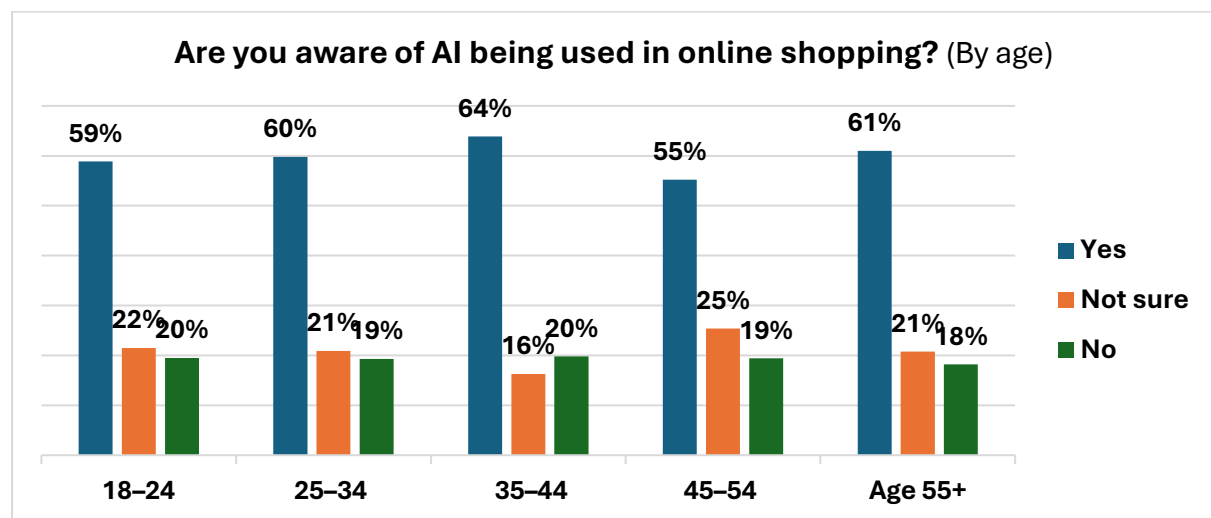
Awareness of AI in online shopping is relatively high: 60% say they are aware it's being used. A further 21% are not sure, indicating a sizeable group that may be encountering AI-powered features without recognising them. The remaining 19% say no, suggesting room for education and clearer communication about where AI appears in the shopping journey (e.g., recommendations, chat support, fraud checks).



Awareness of AI in online shopping is high and broadly consistent across ages. A majority in every group say “Yes”, ranging from 55% among 45–54-year-olds to 64% for 35–44-year-olds (18–24: 59%; 25–34: 60%; 55+: 61%).

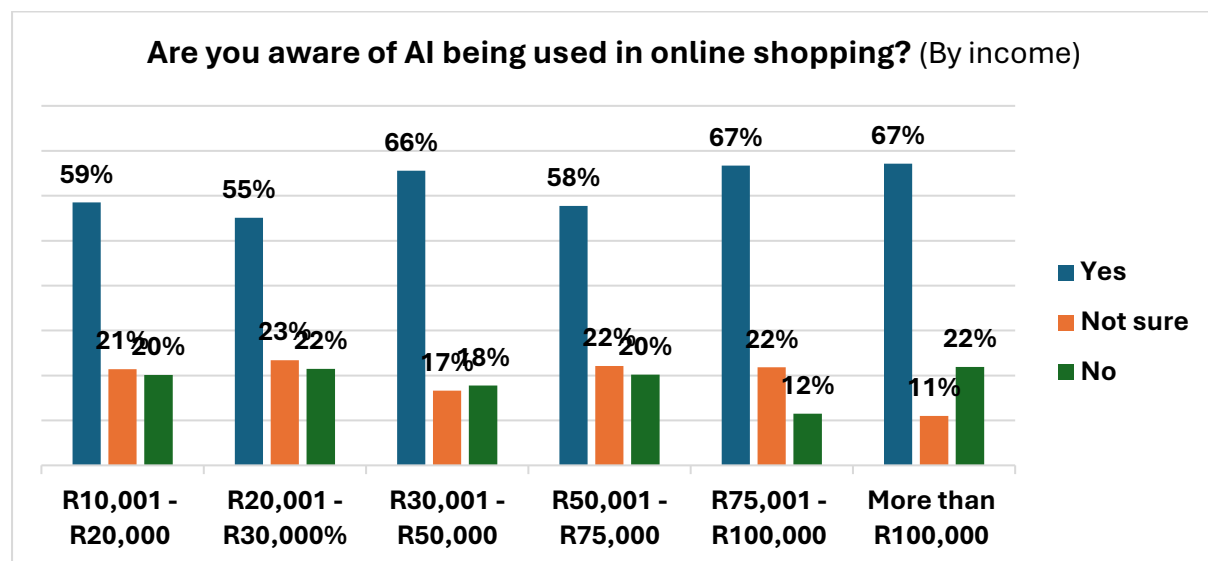
“Not sure” responses sit around one-fifth for most groups (16–22%), rising to 25% among 45–54-year-olds. “No” is comparatively steady at 18–20% across all ages.

Mid-career shoppers (35–44) are most aware, while the 45–54 group shows the most uncertainty, but differences by age are modest.

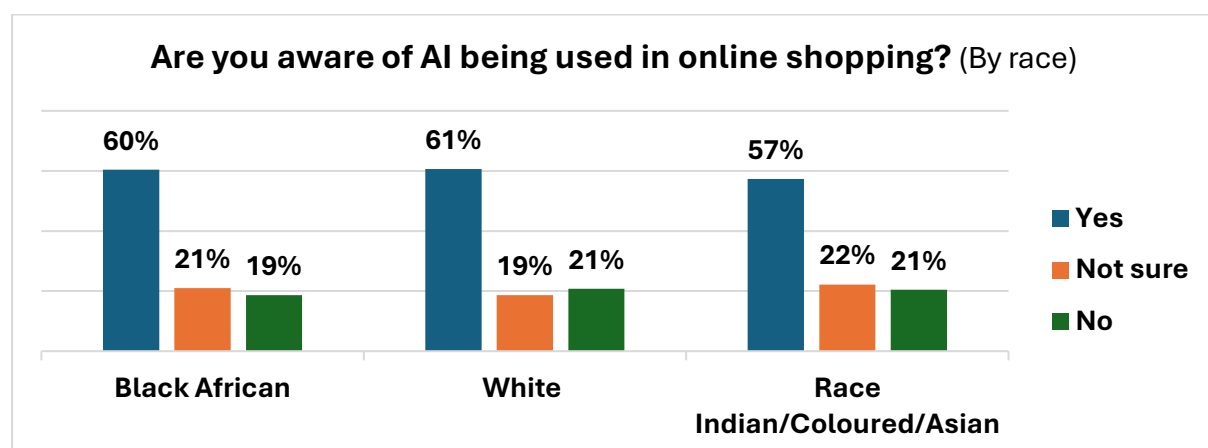


Awareness of AI in online shopping is a majority view across all income bands. It peaks at 67% among R75,001–R100,000 earners and those earning more than R100,000, and is also high for R30,001–R50,000 (66%). Awareness is lower, but still above half, in the R20,001–R30,000 (55%), R10,001–R20,000 (59%) and R50,001–R75,000 (58%) groups.

Uncertainty (“not sure”) ranges 11–23%, lowest among >R100,000 earners (11%) and highest in R20,001–R30,000 (23%). “No” responses vary 12–22% – fewest in R75,001–R100,000 (12%) and highest in R20,001–R30,000 and >R100,000 (both 22%). Awareness is broad, with modest variation by income.



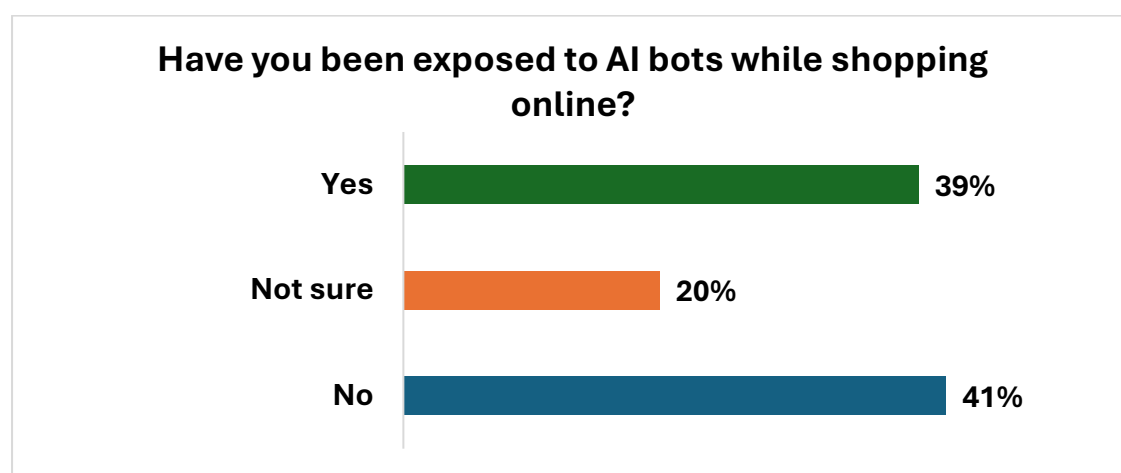
Awareness of AI in online shopping is high and broadly consistent across racial groups. Yes responses range from 57%–61% (White 61%, Black African 60%, Indian/Coloured/Asian 57%). Not sure sits around 19–22% (Black African 21%, White 19%, Indian/Coloured/Asian 22%), while No is similarly steady at 19–21%. A clear majority in every group recognise AI’s role, with only minor variation between them.



## Exposure to AI bots in online shopping

Exposure to AI bots while shopping is split almost down the middle: 39% say they have encountered one, 41% say they have not, and 20% are not sure. The sizeable unsure group suggests some interactions may go unrecognised (e.g., chat or support automations), so actual exposure could be understated.

AI bots are present for a substantial minority but not yet universal in shoppers' experiences, with uncertainty about whether an interaction was AI-driven still common.



## Self-reported use of AI for shopping (price comparisons, product selection)

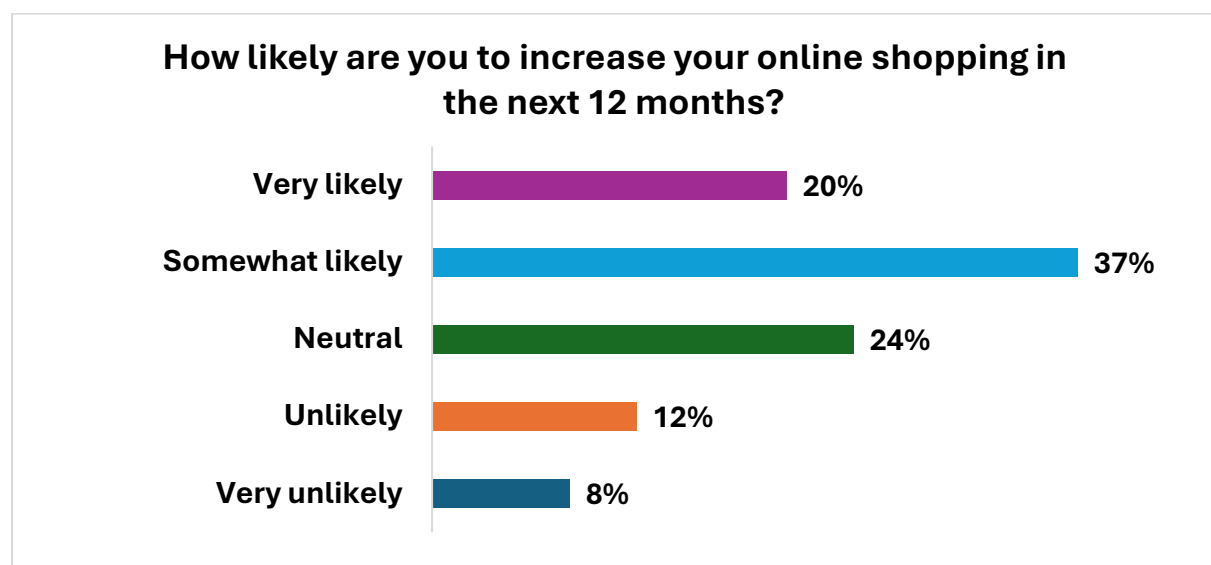
Most respondents have not used AI directly in their shopping: 55% say no. A little over a quarter (26%) report using AI tools, such as for price comparisons or product selection, while 19% are not sure, indicating some shoppers may be engaging with AI features without realising it. Direct, self-acknowledged use is still niche, with a sizeable segment that could convert as awareness and clear use-cases improve.



## Likelihood of increasing online shopping in the next 12 months

Intent to spend more online is positive. 57% say they are likely to increase their online shopping in the next 12 months (37% somewhat likely, 20% very likely), while 20% are unlikely (12% unlikely, 8% very unlikely). A further 24% are neutral.

The balance tilts towards growth, with a sizeable persuadable middle. Clear value – better prices, quicker delivery, and smooth checkout – should help convert neutrals and strengthen the “very likely” segment.



## Top incentives to shop more online

Lower prices are the strongest lever to increase online shopping, chosen by 36% of respondents. Faster delivery is the next most powerful driver at 27%, so value and speed together account for 63% of responses. Secondary prompts are loyalty rewards (14%) and better customer service (13%), while changes to checkout matter far less: more payment options (6%) and BNPL (4%). In short, sharper pricing and quicker fulfilment would move behaviour far more than new payment methods.



## Conclusion

The picture that emerges is of a young, mid-income, urban shopper base that concentrates spend on local platforms and values reliability, speed and price over novelty. International marketplaces remain peripheral for most, used occasionally when the deal is compelling or a product is unavailable locally, but tempered by concerns about delivery times, customs and shipping costs. Trust tilts towards domestic retailers, and Takealot's dominance alongside a strong grocery tier underscores how everyday needs and dependable fulfilment shape behaviour.

The most durable drivers of repeat purchase are clear. Sharper pricing and faster delivery sit at the top of the list, with loyalty and free-delivery benefits reinforcing retention across age and income groups. The mid-market income bands are the steadiest repeat buyers and should anchor growth strategies, while higher earners show polarised patterns that call for segmented offers rather than blanket promotions. Cards and EFT remain the default rails and should be frictionless by design, with emerging methods offered as optional boosters rather than centrepieces.

Social and conversational commerce are not yet mainstream. Many have bought via WhatsApp, but comfort levels lag. Verified merchants, secure gateways, fraud alerts and biometric authentication are the clearest signals that would shift sentiment. Retailers pursuing WhatsApp-led journeys should lead with these safeguards and build in operational reassurances such as instant refunds and visible payment tracking.

AI is widely recognised but often invisible to the user. Exposure and self-reported usage trail awareness, suggesting an opportunity to surface AI-powered value in ways that are easy to understand, such as clearer recommendations, transparent fraud protection and faster issue resolution. Doing so can move the sizeable neutral cohorts on subscriptions and payment innovation from consideration to action.

Looking ahead, intent to increase online shopping is positive, and the levers to unlock it are straightforward. Compress delivery times, compete on price, and bundle loyalty with free delivery for predictable savings. Keep checkout simple on familiar rails, add new methods where they remove friction for specific segments, and elevate trust cues in social channels. If retailers execute against these fundamentals while communicating AI-assisted benefits plainly, they will convert neutrals, deepen frequency among core mid-income shoppers and lift local share against international alternatives.



# SA online shoppers: demographics

Data from Target Group Index, survey by Ask Afika.

## Executive Summary

South Africa's online economy in 2024 is broad but uneven. Internet access is high at 77.5%, giving retailers a large addressable base, yet participation in online shopping concentrates in specific groups. The gender gap has largely closed (men 37.8%, women 35.5%) as men edged down from 2022 and women held steady. The age profile has rebalanced from a youth skew to mid-age momentum: 25–34s still lead at 43.7%, but 35–44s rose strongly to 39.7% and 45–64s improved to 34.2%, while 15–24s slipped and 65+ receded after an anomalous 2023 peak.

Socio-economic status and income remain the strongest predictors of engagement. SEL 1 surged to 77.7% and SEL 2 to 56.4%, widening the distance from lower tiers, while LSM 9–10 sits at 56.0% versus 37.5% for LSM 7–8 and 28.7% for LSM 3–6. The income gradient is steep: R50,000+ climbed to 65.9%, R40,000–R49,999 to 60.9%, and a notable pocket of growth emerged in R14,000–R17,999 at 41.1%; most bands below R14,000 softened. The picture is one of consolidation at the top and selective gains in the lower-mid range rather than broad-based uplift.

Population differences persist but are shifting. White consumers remain the most likely to shop online at 55.2%. Black shoppers (34.0%) and Coloured shoppers (32.5%) now sit much closer together after a strong recovery among Coloured respondents, while Indian/Asian participation eased to 40.4%. These moves compress the middle even as White participation stays distinctly higher than other groups.

Geography shows renewed urban concentration with pockets of convergence. The largest communities (250,000+) lead at 39.6%, while non-metros trail at 24.8%, reopening the urban–rural gap. Gauteng remains first at 45.4%, but Western Cape's rebound to 36.7% reshaped the provincial middle as KwaZulu-Natal and North West declined and Mpumalanga and Eastern Cape climbed from low bases. Across metros, the spread narrowed sharply – Pretoria still leads at 45.0%, yet Durban and Cape Town closed the gap and the range between top and bottom halved year on year.

Shopping frequency increasingly concentrates in higher-value segments. Weekly shopping is strongest among 25–34s (32.3%) and climbs with affluence – LSM 9–10 at 32.9%, SEL 1 at 39.6%, and incomes from R30,000–R49,999 in the 33%–36% range. By race, weekly shopping is led by White consumers (30.2%), with Black at 25.4%, Indian/Asian at 23.9%, and Coloured at 18.5%. The net effect is a core of regular

customers anchored in higher socio-economic tiers and upper-middle incomes, with younger adults the most frequent but mid-age groups gaining ground.

Behaviour is decisively mobile-first and shifting to bigger baskets. Mobile is the primary device for 55.9% of shoppers, and every device category gained versus 2023, with laptops showing the fastest rise. Basket sizes have moved up: in the last six months, the R2,001+ bracket became the largest at 23.4%, while very small baskets shrank; the same pattern holds for last-month spend, with strong gains from R401–R600 through to R2,001+. Category mix remains led by apparel (30.2%) and groceries (18.4%), with solid mid-teens activity in tech, gifts, and digital content.

The retailer landscape is more top-heavy. Takealot extended its lead to 31.9%. Shein/Temu entered strongly at 15.3%, and Amazon advanced to 12.3%, while supermarket e-commerce – including Woolworths Online (9.8%) and Pick n Pay (8.3%) – continued to rise. Together, the top two now account for nearly half of all mentions, signalling increasing concentration at the top alongside broad-based gains further down the tail.

Attitudes reveal a maturing market that researches more and worries less, even as trust softens at the margins. The strongest agreement is that the internet helps product research and that shoppers check multiple sources before significant purchases. Barriers from skills and security anxiety are collapsing – fewer people say they don't know how to shop online, or fear stolen financial data or not receiving what they paid for – while enjoyment is rising. At the same time, fewer shoppers say they buy online primarily for lower prices or to avoid delivery costs, and confidence in retailer trust and safety ticked down, suggesting the value story is shifting from pure price to overall experience and assurance.

Implications are clear. Growth will come from (1) deepening frequency in the connected core – especially SEL 1–2, LSM 9–10, and incomes from R30,000 upwards – through faster fulfilment, reliable availability, and seamless mobile experiences; (2) converting mid-age and rising lower-mid income cohorts with targeted convenience and trust cues; and (3) correcting geographic imbalances by leaning into Western Cape's rebound and large-community strength while addressing rural gaps with coverage, cost, and service reliability. With baskets getting larger and the market concentrating around a few leading platforms, the winning formula couples speed and selection with explicit trust signals – and communicates benefits beyond price alone.

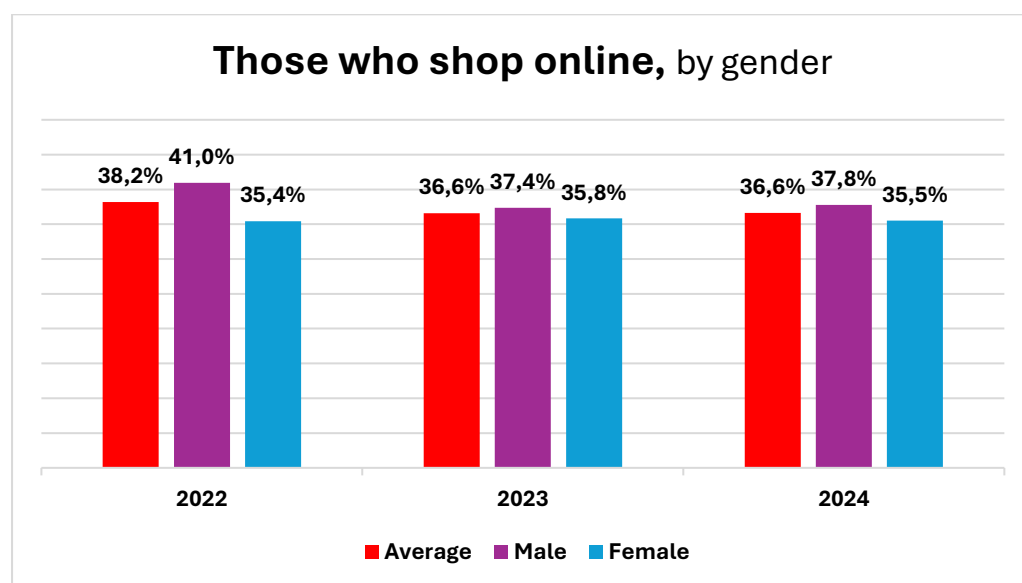
## Gender

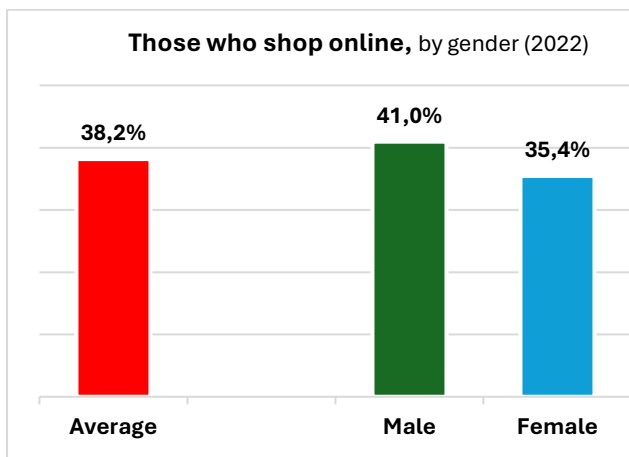
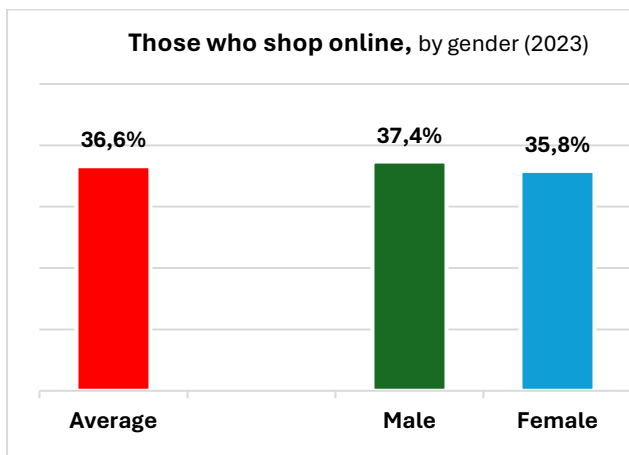
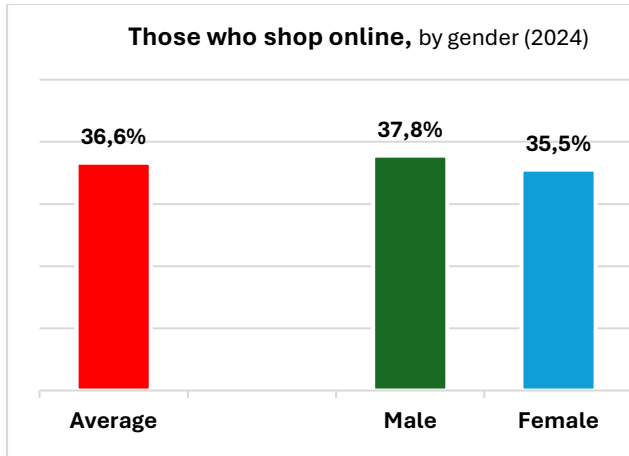
In 2024, the share of respondents who shop online is 37.8% for men and 35.5% for women.

Year on year, men's online-shopping participation fell from 41.0% in 2022 to 37.4% in 2023, then inched up to 37.8% in 2024. That leaves men 3.2 percentage points below their 2022 level despite the small rebound.

Women's participation nudged up from 35.4% in 2022 to 35.8% in 2023, then eased to 35.5% in 2024, putting women virtually flat versus 2022.

The gender gap narrowed sharply from 5.6 points in 2022 to 1.6 points in 2023, and widened slightly to 2.3 points in 2024. Men dipped and only partially recovered, women remained broadly steady, and the gap is far smaller than in 2022.



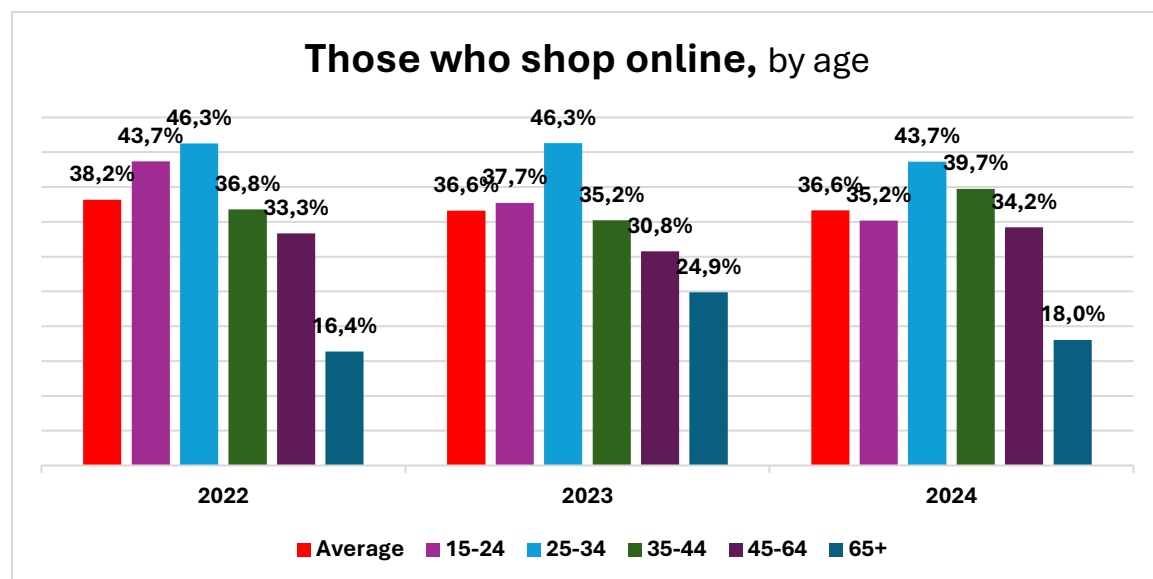


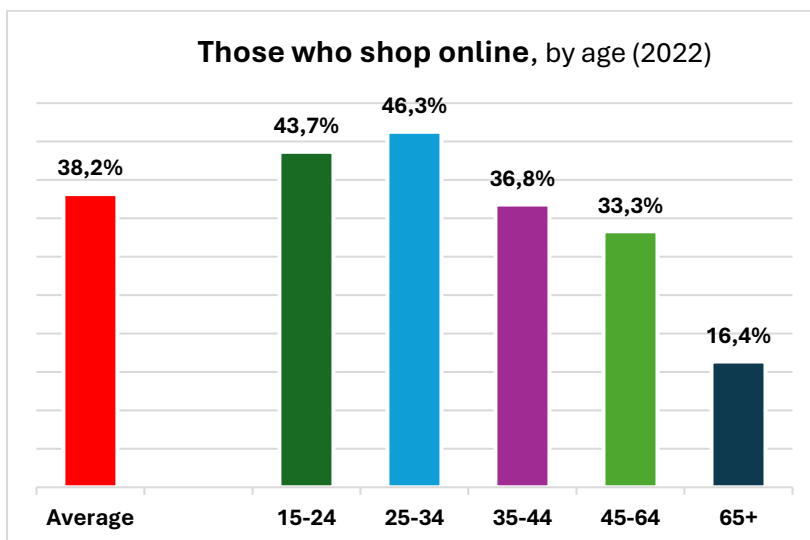
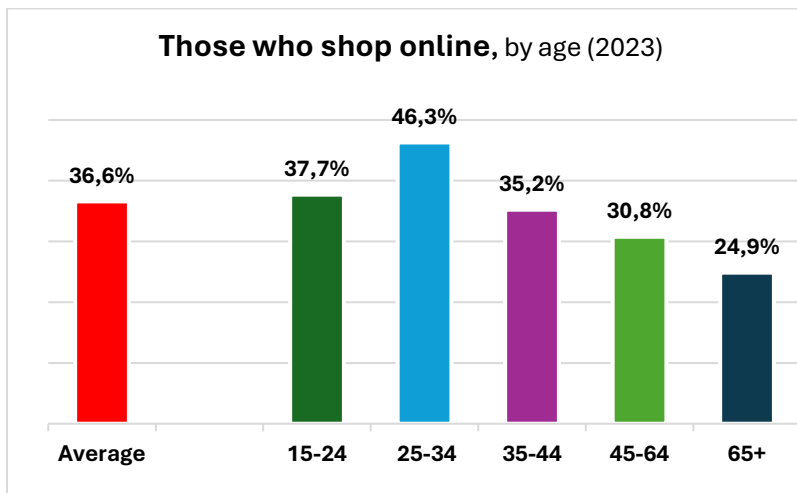
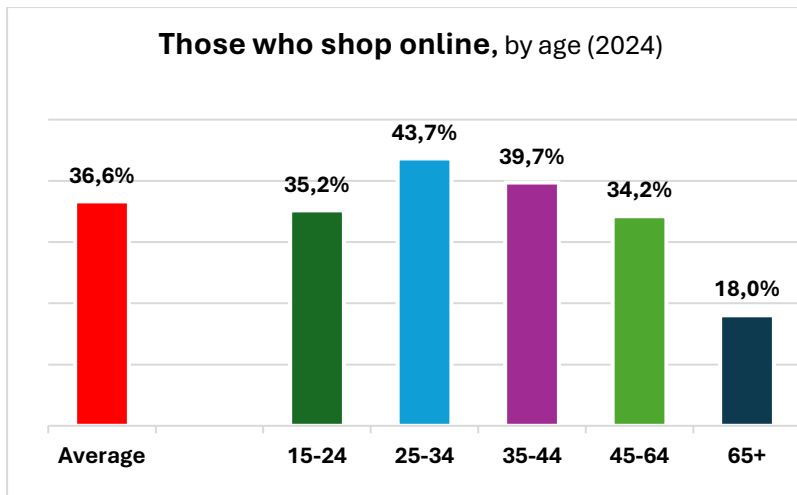
## Age

In 2024, the 25–34 cohort remains the most likely to shop online at 43.7%, but its lead has narrowed. The 35–44 group climbed to 39.7%, the strongest year-on-year gain (+4.5 percentage points), moving into clear second place and closing the gap with 25–34s from 11.1 points in 2023 to just 4.0 points in 2024. Participation among 15–24s slipped to 35.2% (-2.5 pp YoY), while 45–64s rose to 34.2% (+3.4 pp YoY), bringing these two working-age groups to near parity. Seniors (65+) dropped back to 18.0% (-6.9 pp YoY) after an unusual 2023 peak, though they remain slightly above their 2022 level.

Looking over two years, the sharpest decline is among 15–24s (-8.5 pp vs 2022), suggesting a sustained pullback in the youngest segment. The 25–34 group has eased (-2.6 pp vs 2022), while 35–44s are up (+2.9 pp) and 45–64s have modestly recovered (+0.9 pp). The rank order has shifted accordingly: 35–44s overtook 15–24s to become the second-most engaged group, and 45–64s moved ahead of 65+.

2024 marks a re-balancing towards middle-aged shoppers: engagement strengthened in the 35–44 and 45–64 brackets, while both younger adults and seniors pulled back. The market profile is less youth-skewed than in 2022, with momentum sitting in the mid-age cohorts.

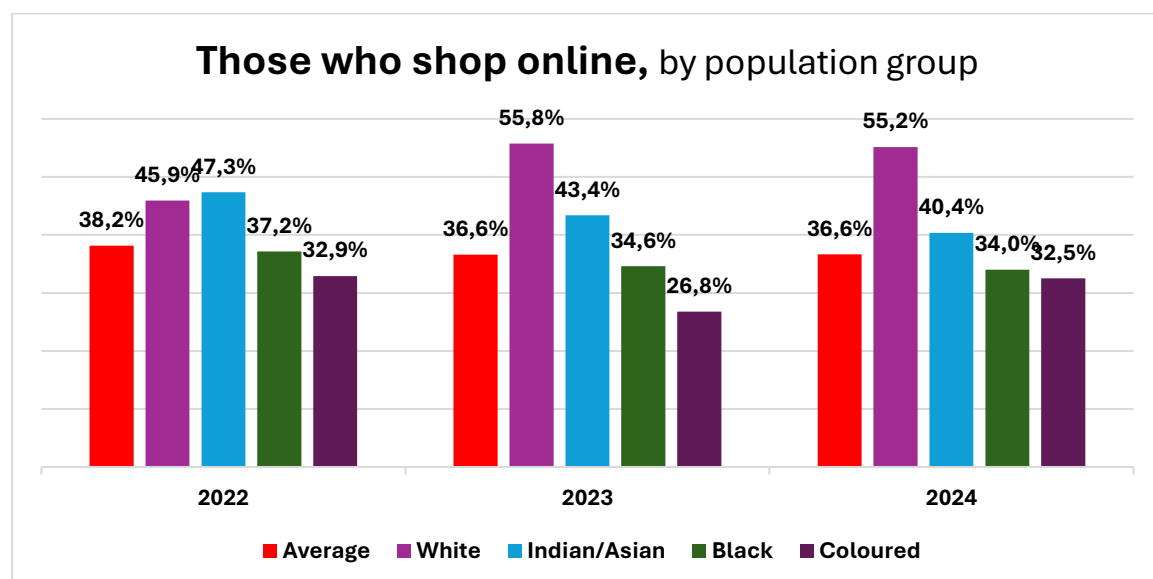


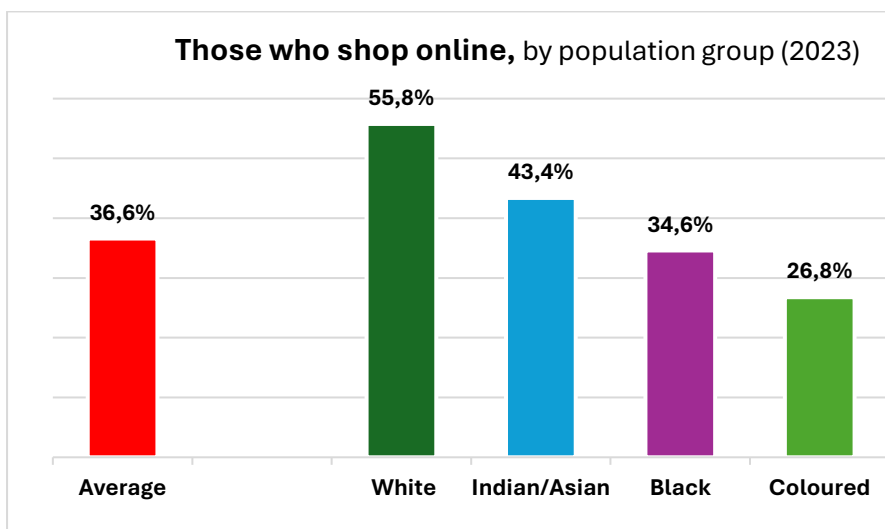
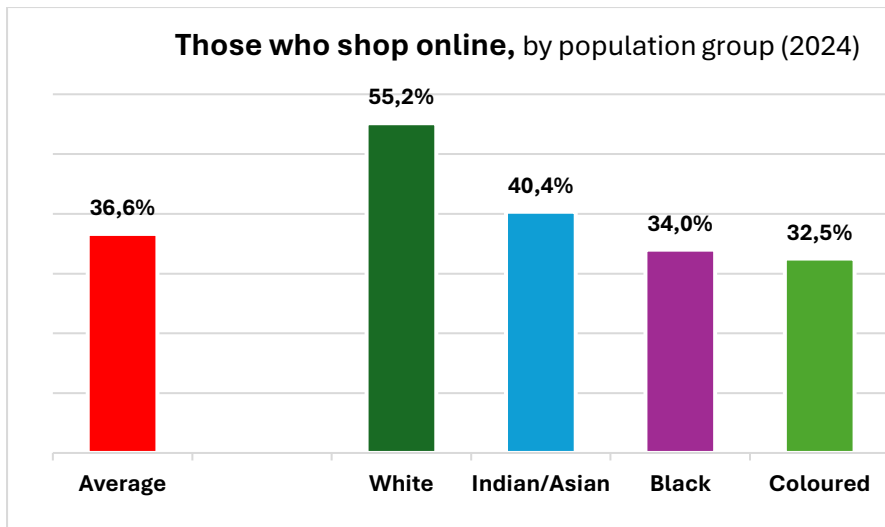


## Population group

In 2024, White consumers remain the most likely to shop online at 55.2%, far ahead of the other groups. Indian/Asian shoppers are second at 40.4%, followed by Black shoppers at 34.0% and Coloured shoppers at 32.5%. The gap between White and Indian/Asian shoppers has widened further to 14.8 percentage points, while the distance between Black and Coloured shoppers has narrowed to just 1.5 points.

Shifts since 2023 show a partial rebalancing. White participation is essentially flat (-0.6 pp), Indian/Asian declines again (-3.0 pp), Black edges down slightly (-0.6 pp), and Coloured rebounds strongly (+5.7 pp), almost returning to its 2022 level. Over two years, White is up markedly (+9.3 pp), Indian/Asian has trended down (-6.9 pp), Black is lower (-3.2 pp), and Coloured is nearly back where it started (-0.4 pp). The standout movement in 2024 is the recovery among Coloured shoppers and the continued softening among Indian/Asian shoppers, which together compress the middle of the distribution while leaving White participation distinctly higher than all others.





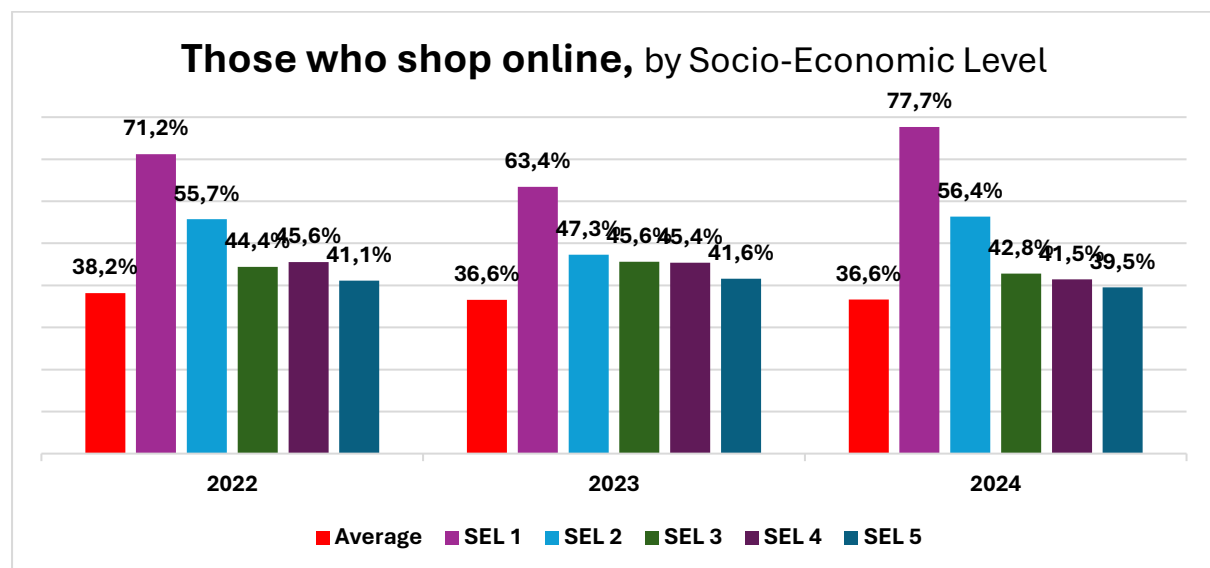


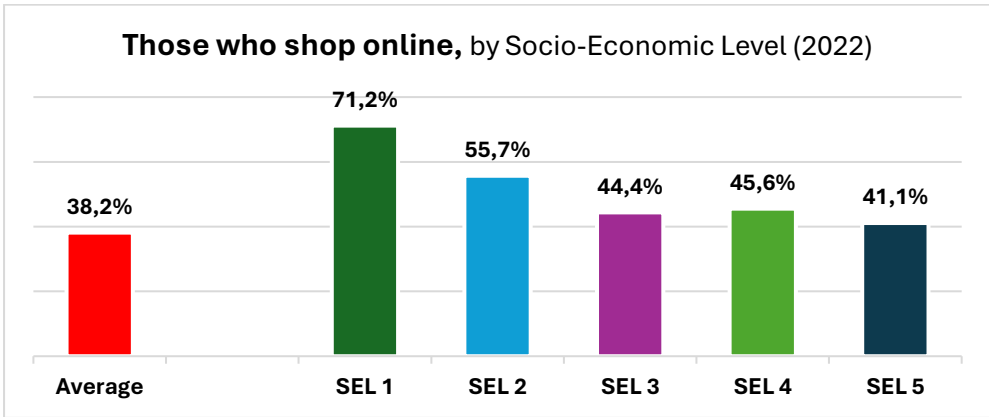
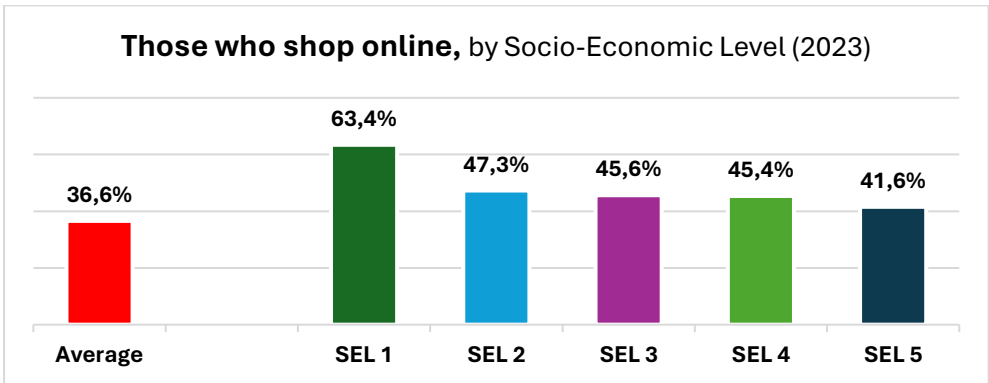
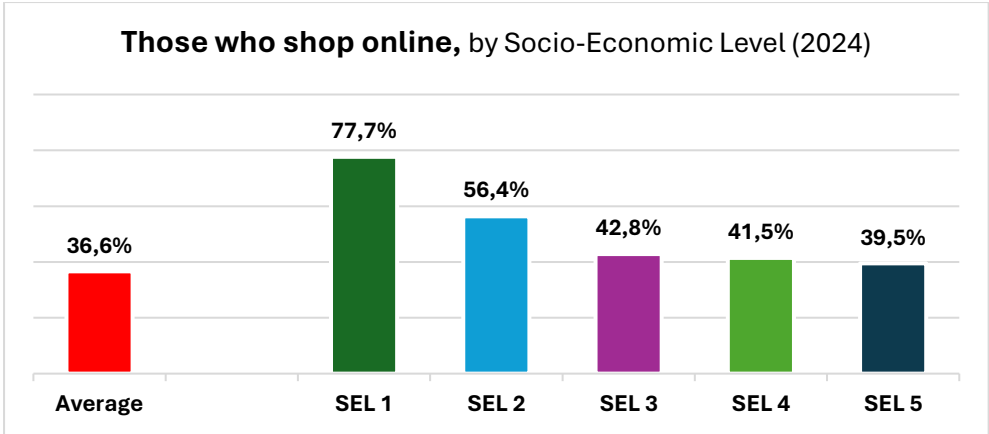
## Socio-Economic Level

In 2024, online shopping is most prevalent in the top two socio-economic levels. SEL 1 jumps to 77.7% and SEL 2 rises to 56.4%, putting a clear 21.3-point gap between them and cementing a strong lead over the remaining groups. Among the lower three levels, SEL 3 sits at 42.8%, SEL 4 at 41.5% and SEL 5 at 39.5%, bringing these segments into a tight band within 3.3 points of one another.

The shifts from 2023 are starkly polarised. SEL 1 surges by 14.3 percentage points and SEL 2 rebounds by 9.1 points. In contrast, SEL 3 falls 2.8 points, SEL 4 drops 3.9 points and SEL 5 declines 2.1 points. This mix produces the widest top-to-bottom gap in the series: 38.2 points between SEL 1 and SEL 5 in 2024, up from 21.8 points in 2023. There is also a rank change at the middle: SEL 3 now sits above SEL 4, reversing their 2022 ordering.

Looking over two years, SEL 1 is up 6.5 points versus 2022 and SEL 2 is marginally higher (+0.7), while SEL 3 (-1.6), SEL 4 (-4.1) and SEL 5 (-1.6) are below their 2022 levels. The overall profile has shifted away from the lower-income tiers, with growth concentrated at the top and a compression of participation across SEL 3–5.



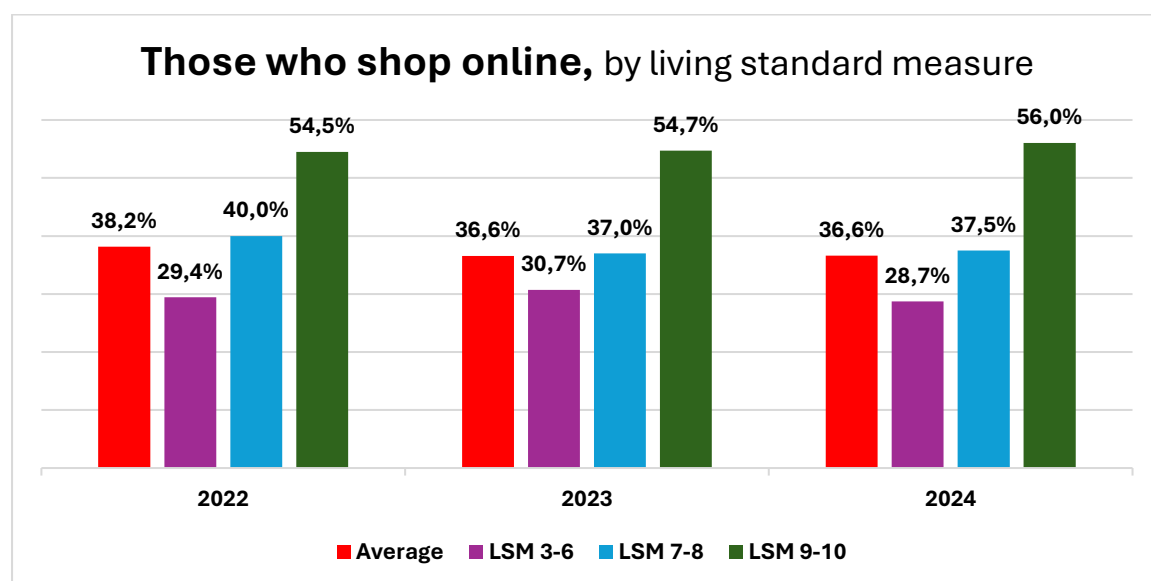


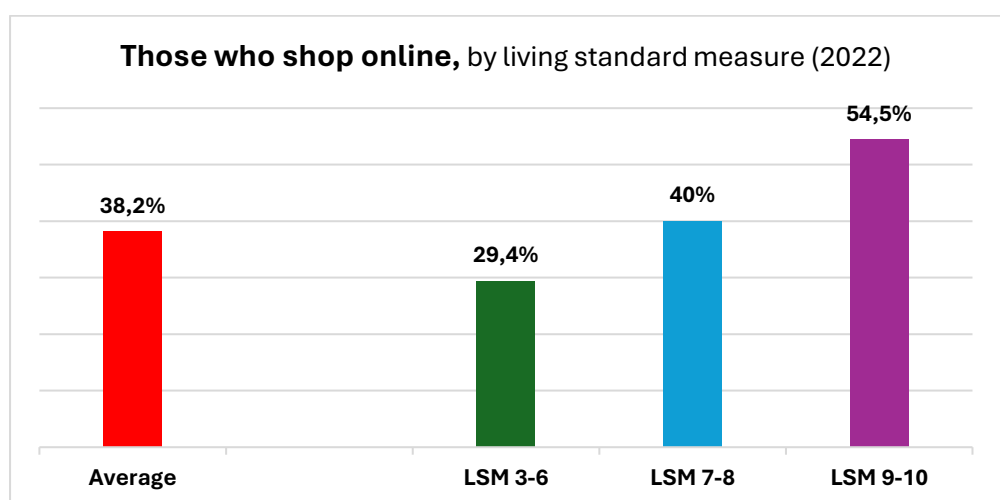
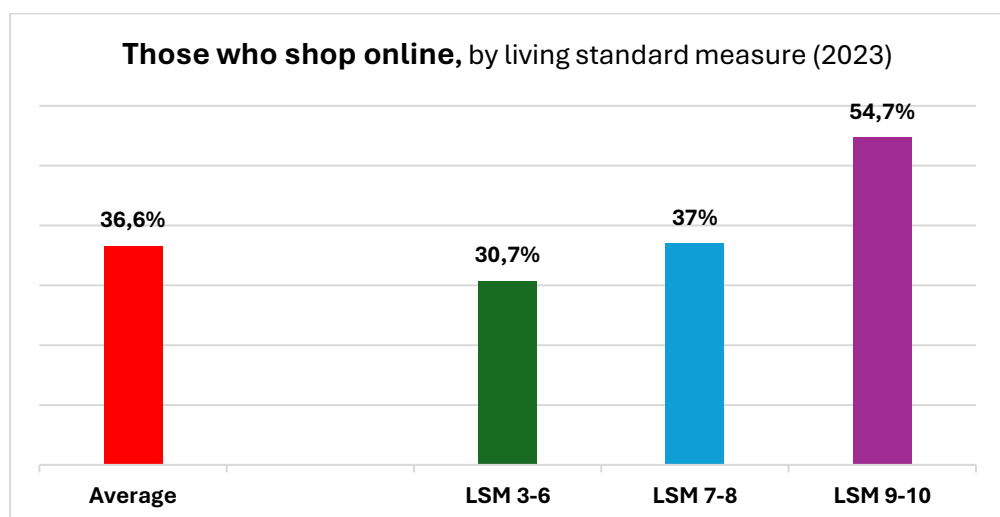
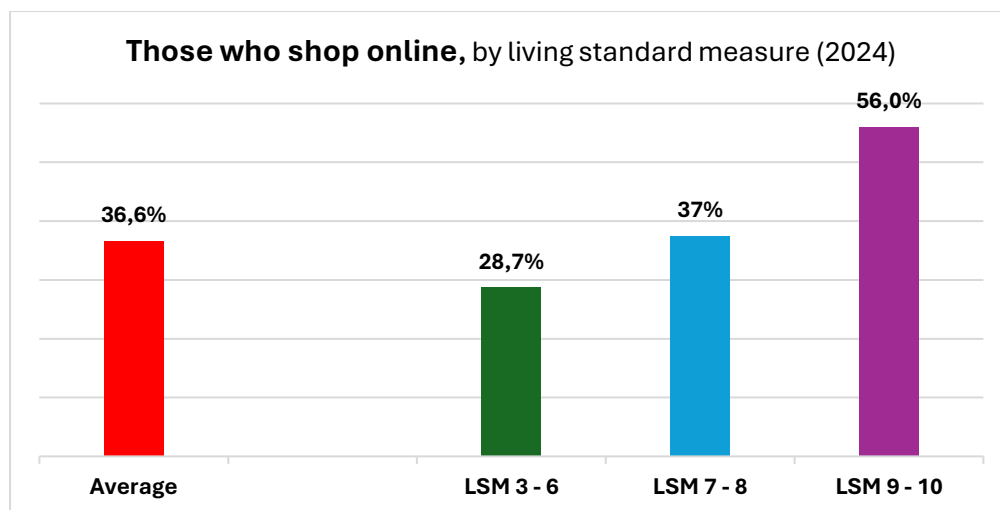
## Living Standard Measure

In 2024, online shopping is most prevalent among LSM 9–10 at 56.0%, well ahead of LSM 7–8 (37.5%) and LSM 3–6 (28.7%). The gap between the top and middle tiers sits at 18.5 percentage points, and the spread between the top and lower tiers reaches 27.3 points, both wider than a year before.

Year on year, LSM 9–10 nudged up (+1.3 pp), LSM 7–8 was broadly flat (+0.5 pp), and LSM 3–6 fell back (-2.0 pp). This combination widens the distance between LSM 7–8 and LSM 3–6 from 6.3 to 8.8 points, signalling a clearer split between the middle and lower groups.

Across two years, LSM 9–10 has strengthened (+1.5 pp vs 2022), LSM 7–8 has eased (-2.5 pp), and LSM 3–6 is fractionally lower (-0.7 pp). The 2024 profile is therefore more top-heavy and more polarised, with momentum concentrated at the highest living-standard tier and softness at the base.





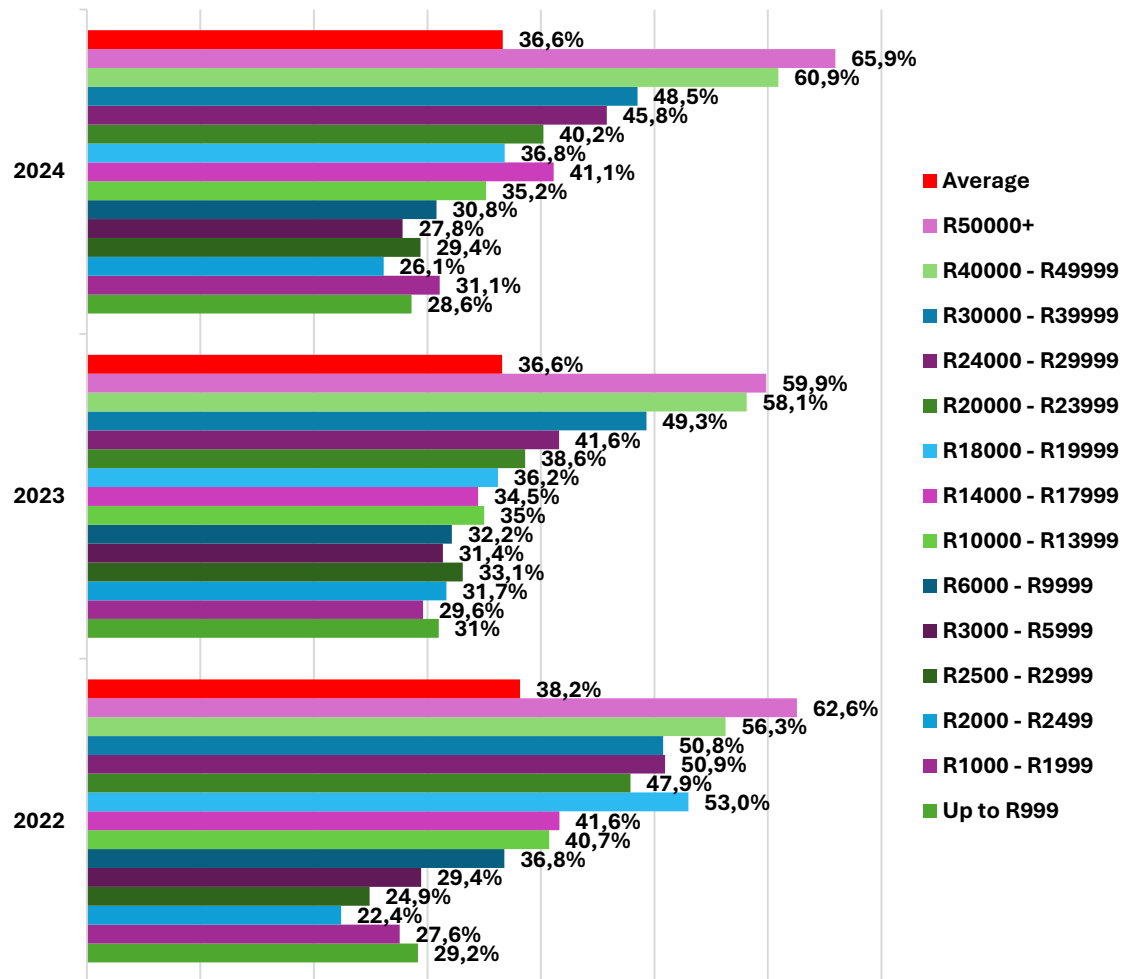
## Income

In 2024 the income gradient is steep. The top earners remain far ahead: R50,000+ reaches 65.9% (up +6.0 pp year on year) and R40,000–R49,999 rises to 60.9% (+2.8 pp). The upper-middle bands are mixed: R30,000–R39,999 eases to 48.5% (–0.8 pp), while R24,000–R29,999 rebounds to 45.8% (+4.2 pp) and R20,000–R23,999 edges up to 40.2% (+1.6 pp).

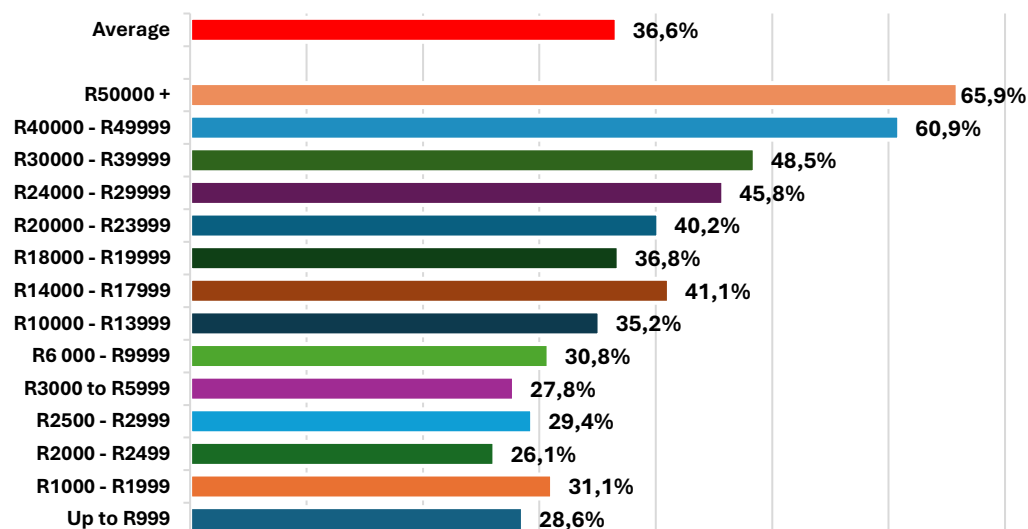
A notable reshuffle occurs in the mid-lower range. R14,000–R17,999 jumps to 41.1% (+6.6 pp), overtaking R18,000–R19,999 at 36.8% (+0.6 pp) and almost catching R20,000–R23,999. Below R14k, most brackets retreat: R10,000–R13,999 holds roughly flat at 35.2% (+0.2 pp), R6,000–R9,999 slips to 30.8% (–1.4 pp), R3,000–R5,999 to 27.8% (–3.6 pp), R2,500–R2,999 to 29.4% (–3.7 pp), R2,000–R2,499 to 26.1% (–5.6 pp), while R1,000–R1,999 is the lone gainer at the base, up to 31.1% (+1.5 pp). Up to R999 declines to 28.6% (–2.4 pp).

The consequence is a wider spread between the extremes: from 65.9% at R50k+ to 28.6% at the lowest band – a 37.3-point gap, up from roughly 29 points in 2023. Momentum in 2024 sits at the very top of the distribution and, interestingly, in the R14k–R17.9k tier, while participation softens across most lower-income brackets.

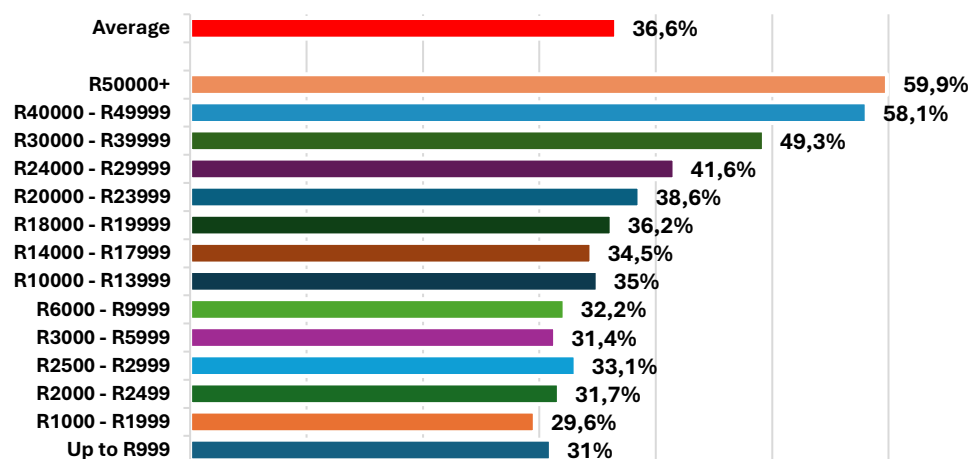
## Those who shop online, by income



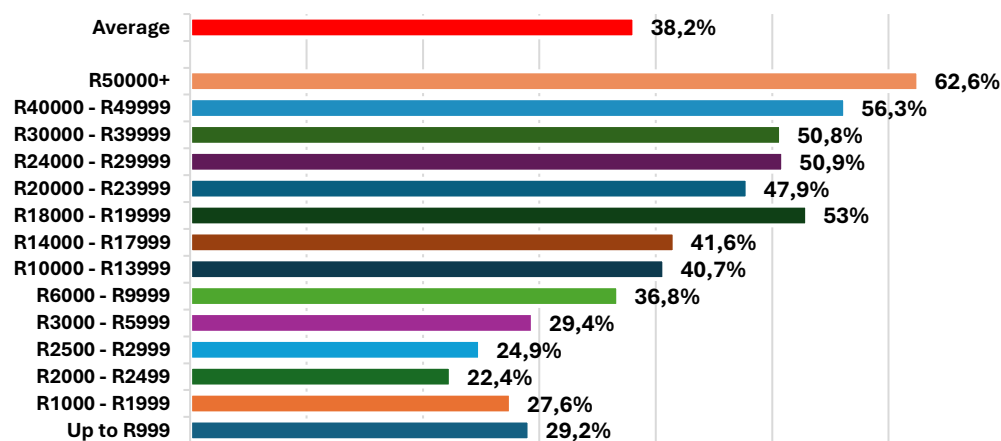
**Those who shop online, by income (2024)**



**Those who shop online, by income (2023)**



**Those who shop online, by income (2022)**

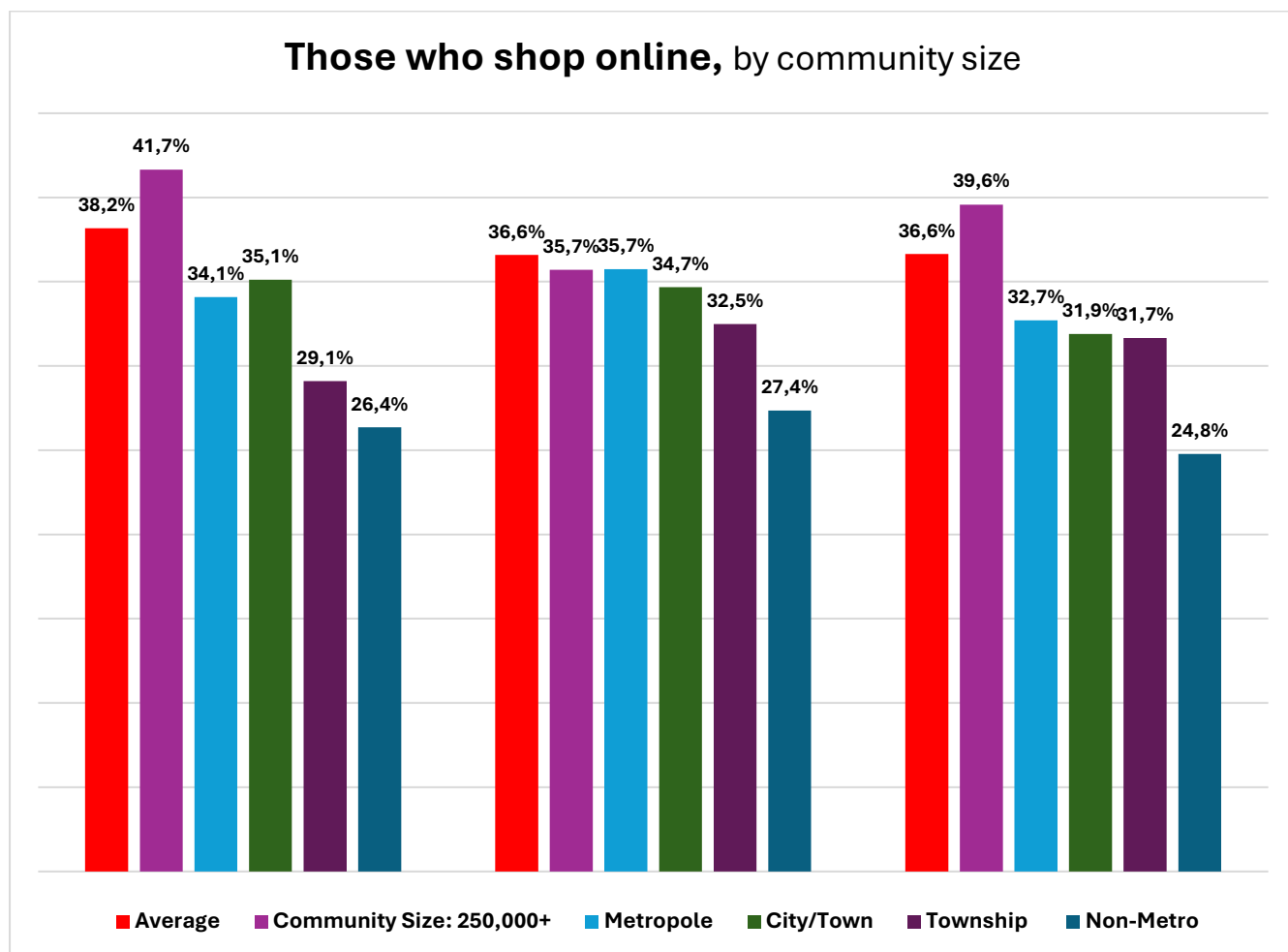


## Community size

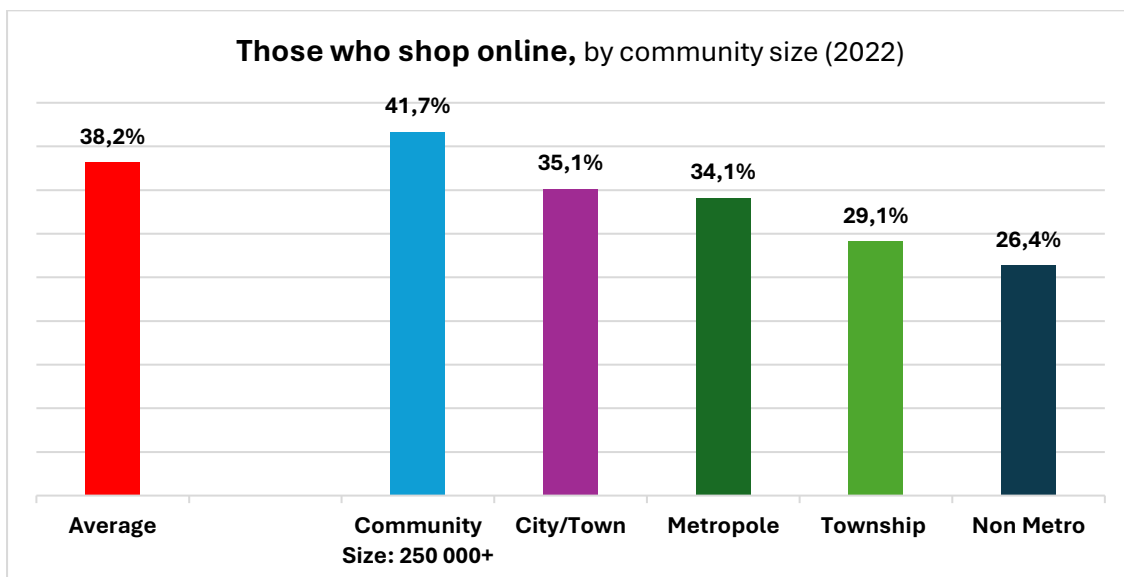
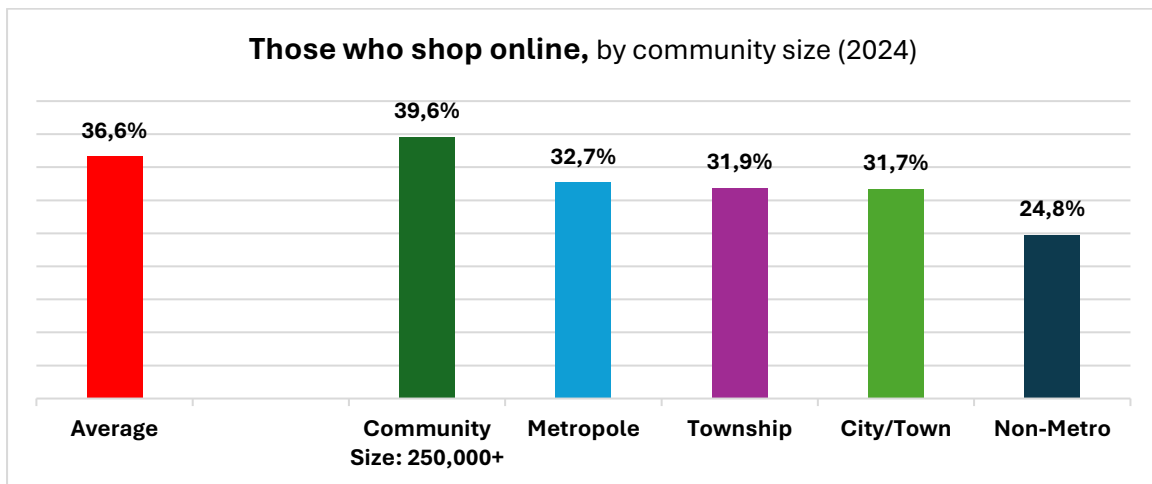
In 2024, online shopping is most common in the largest communities and weakest in non-metro areas. Communities of 250,000+ lead at 39.6%, followed by Metropolises (32.7%), City/Town (31.9%), Township (31.7%), and Non-Metro (24.8%).

Year on year, the biggest move is a rebound in 250,000+ areas (+3.9 pp), while all other community sizes slip: Metropolises (–3.0 pp), City/Town (–2.8 pp), Township (–0.8 pp), and Non-Metro (–2.6 pp). This restores a clear hierarchy with large communities back in front and produces a wider urban–rural divide: the gap between 250,000+ and Non-Metro expands to 14.8 pp (from 8.3 pp in 2023), close to the 2022 spread.

Over two years, only Townships are higher than in 2022 (+2.6 pp), while City/Town shows the largest erosion (–3.2 pp). 250,000+ (–2.1 pp), Metropolises (–1.4 pp) and Non-Metro (–1.6 pp) are below their 2022 levels. Notably, Townships have almost caught up with City/Town – a gap of 6.0 pp in 2022 has narrowed to 0.2 pp – pointing to convergence among mid-sized urban communities even as very large centres pull ahead again.



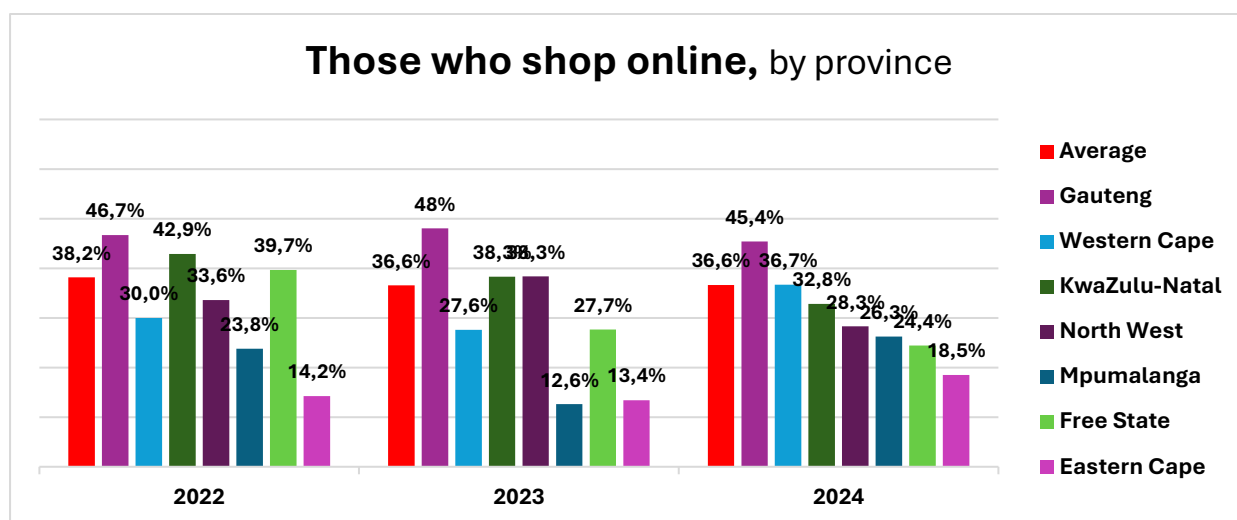


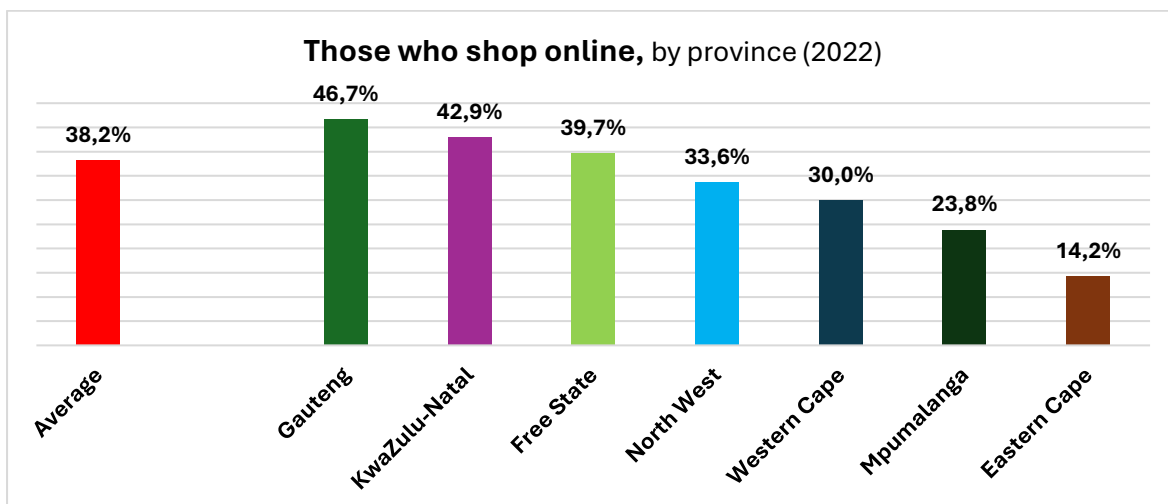
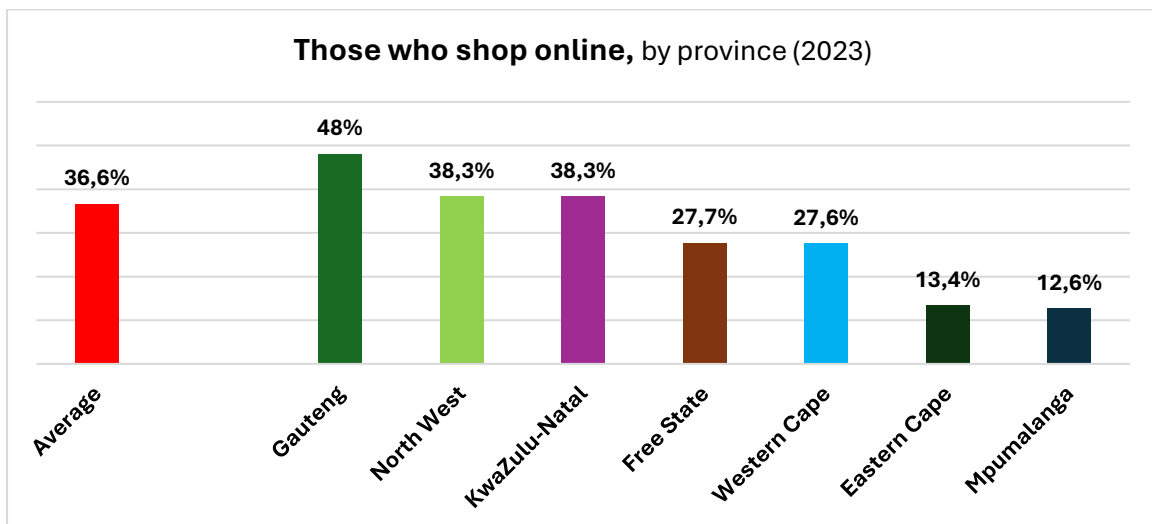
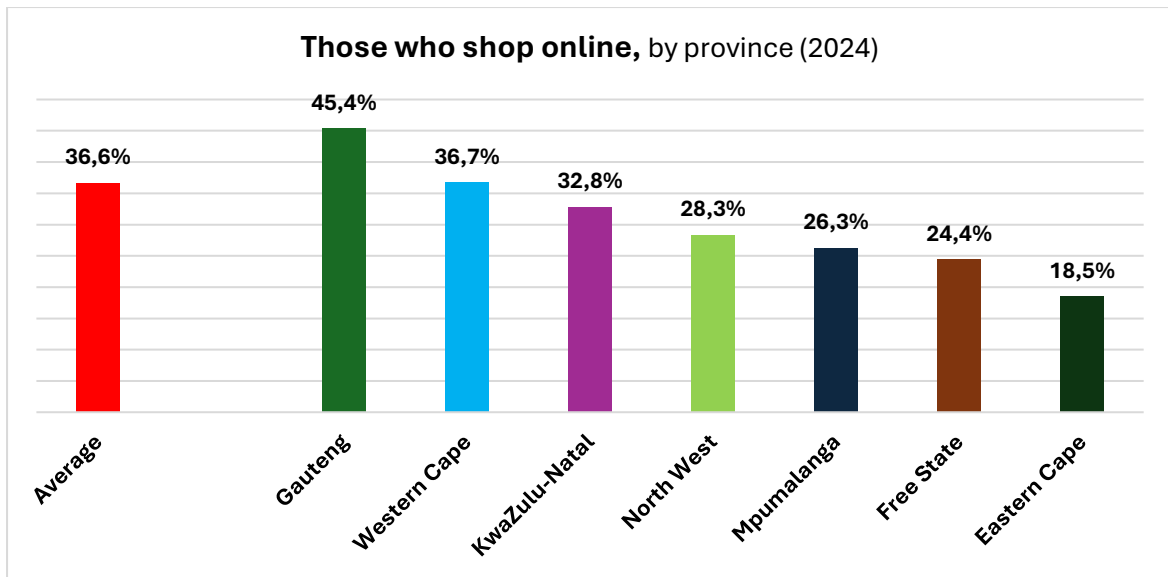


## Province

Gauteng remains the clear leader in 2024 at 45.4%, but the story of the year is the Western Cape's rebound to 36.7%, a jump of 9.1 percentage points from 2023 that vaults it from the lower half to second place. KwaZulu-Natal slips to 32.8% (-5.5 pp) and North West falls more sharply to 28.3% (-10.0 pp), pushing both down the ranking. Mpumalanga more than doubles its 2023 level to 26.2% (+13.6 pp), moving off the bottom rung and into fifth. Free State declines to 24.4% (-3.3 pp), while Eastern Cape rises to 18.5% (+5.1 pp) but still sits last.

Compared with 2022, Western Cape is materially higher (+6.7 pp), Mpumalanga and Eastern Cape are modestly higher (+2.4 pp and +4.3 pp), Gauteng is roughly flat (-1.3 pp), and the losses are concentrated in Free State (-15.3 pp), KwaZulu-Natal (-10.1 pp) and North West (-5.3 pp). The gap between the top and bottom narrows to 26.9 points (from 34.6 in 2023), driven by Gauteng's small dip and sizeable gains in Eastern Cape and Mpumalanga. The net effect in 2024 is a reshuffled middle, Western Cape surging into contention and North West and Free State giving ground, while Gauteng retains its lead.



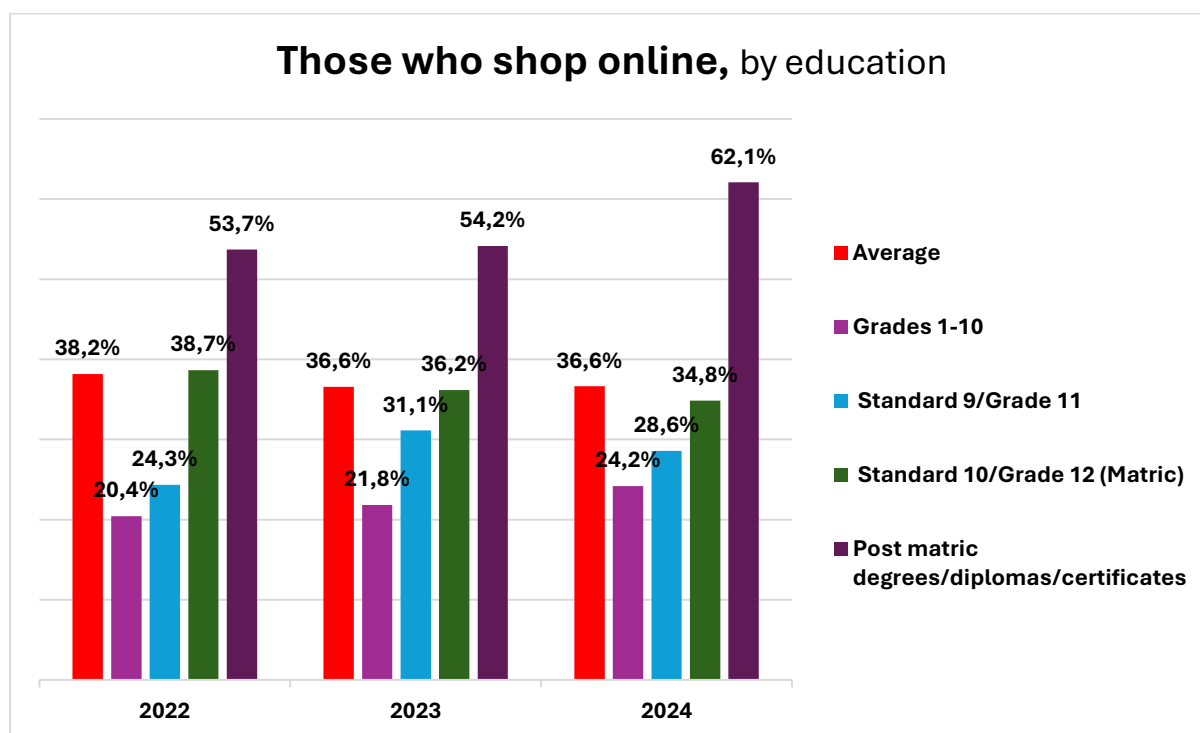


## Education

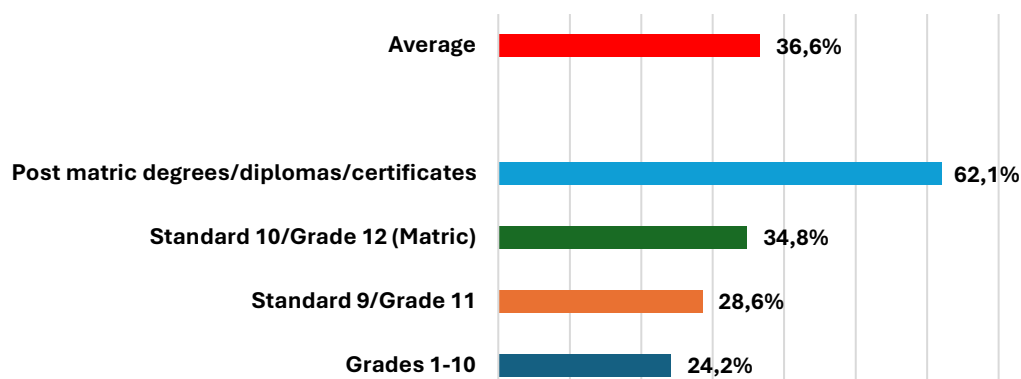
In 2024, online shopping is most prevalent among those with post-matric qualifications at 62.1%, far ahead of Matric (34.8%), Grade 11 (28.6%), and Grades 1–10 (24.2%). The gap between post-matric and Matric widens sharply to 27.3 pp (from 18.0 pp in 2023), and the top-to-bottom spread expands to 37.9 pp (from 32.4 pp).

Year on year, the standout shift is the surge among post-matric respondents (+7.9 pp). Grades 1–10 tick up (+2.4 pp) but remain the least engaged. The middle tiers soften: Grade 11 drops (–2.5 pp) and Matric slips (–1.4 pp). That mix narrows the distance between Grade 11 and Grades 1–10 to 4.4 pp (from 9.3 pp), while pulling post-matric further away from everyone else.

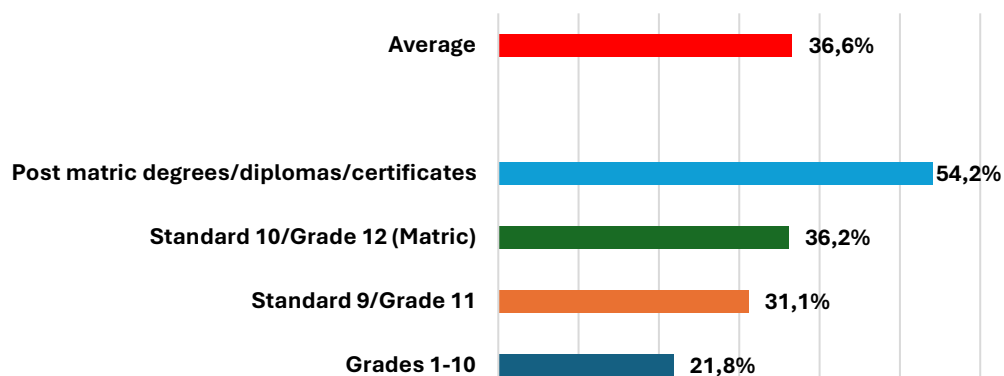
Across two years, post-matric shows the strongest cumulative rise (+8.4 pp vs 2022), Grade 11 is also higher (+4.3 pp), Grades 1–10 improve (+3.8 pp), and Matric is the only group below its 2022 level (–3.9 pp). 2024 is more polarised by education – online shopping concentrates among tertiary-educated consumers, while participation in the middle-qualification segments eases.



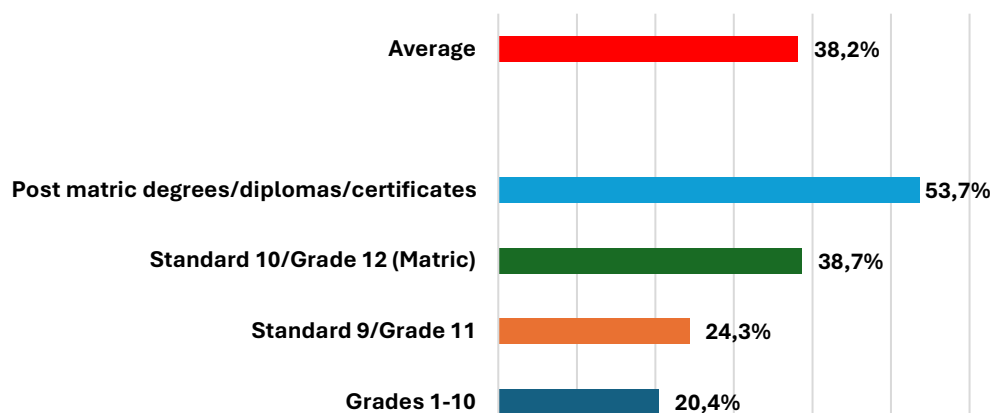
### Those who shop online, by education (2024)



### Those who shop online, by education (2023)



### Those who shop online, by education (2022)



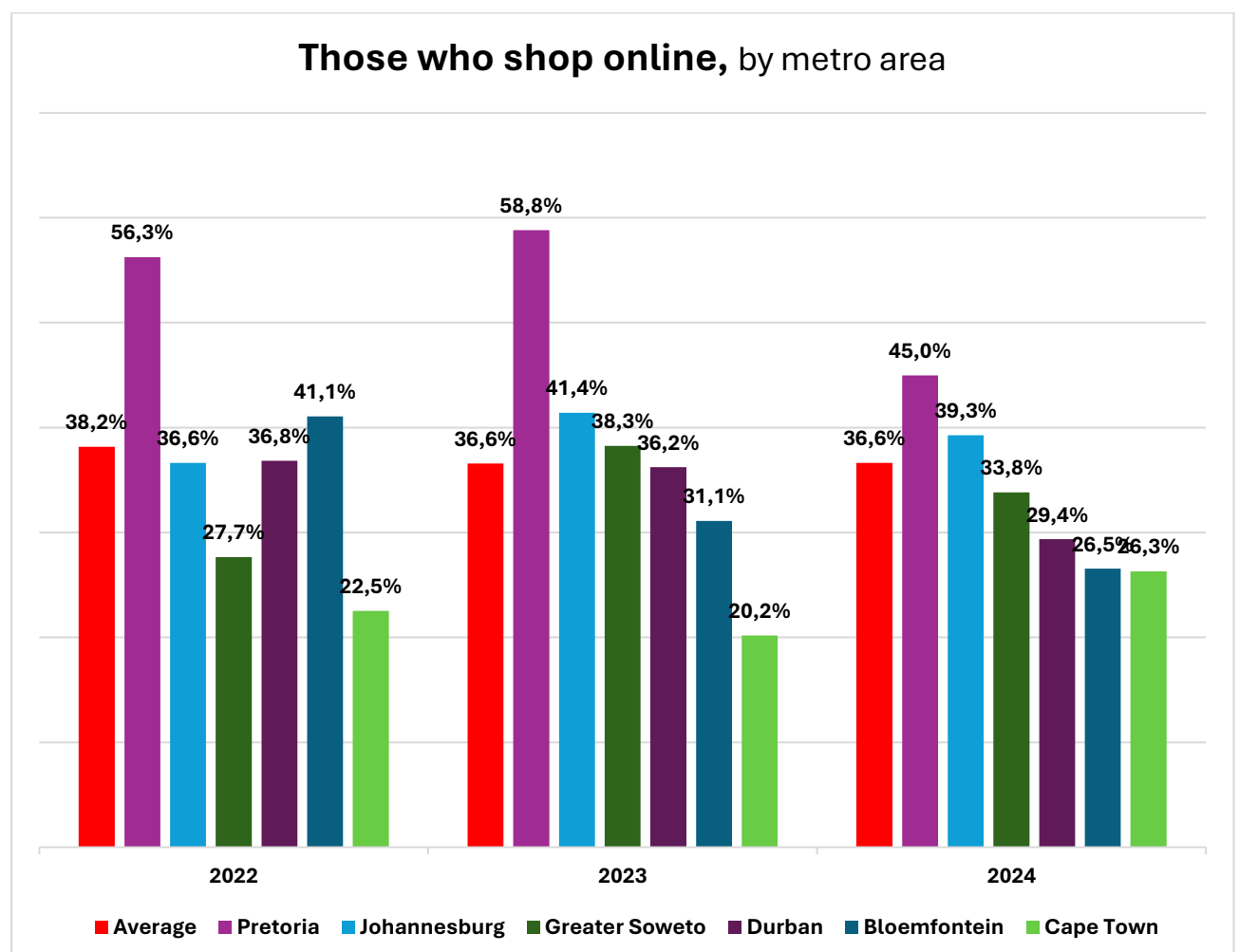
## Metro Area

In 2024, Pretoria still leads online shopping at 45.0%, but its advantage is far smaller than in previous years. Johannesburg follows at 39.3%, then Greater Soweto (33.8%), Durban (29.4%), Bloemfontein (26.5%) and Cape Town (26.3%), with the metros now sitting much closer together.

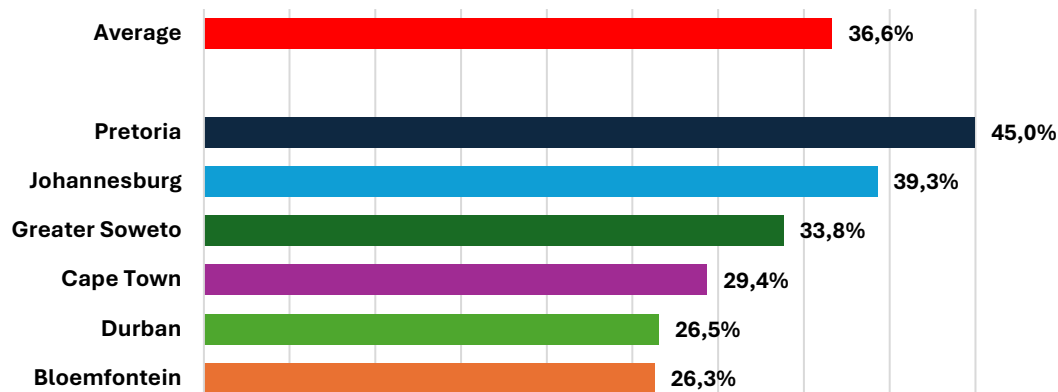
Most metros saw a decline compared with 2023. Pretoria dropped by 13.8%, Durban by 6.8%, Greater Soweto by 4.5%, Bloemfontein by 4.6%, and Johannesburg by 2.1%. Cape Town was the only metro to grow, climbing 6.1% and almost catching Bloemfontein.

The gap between the highest and lowest metros has narrowed sharply, from 38.6% in 2023 (Pretoria at 58.8% vs Cape Town at 20.2%) to 18.7% in 2024 (45.0% vs 26.3%). This signals a more balanced online shopping profile across metros.

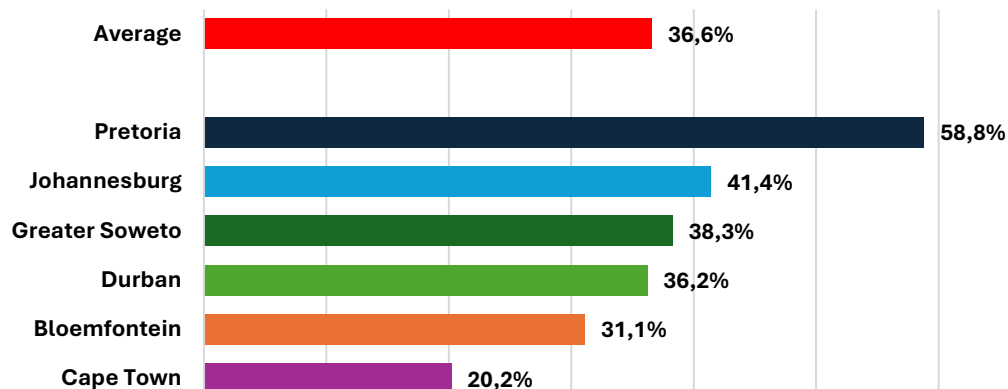
Looking over two years, Bloemfontein is down 14.6% and Pretoria down 11.3%, while Greater Soweto is up 6.1%, Cape Town up 3.8%, and Johannesburg up 2.7%. Durban remains lower than in 2022, down 7.4%. The overall picture is one of convergence, with Pretoria losing some of its dominance and Cape Town recovering from a very low base.



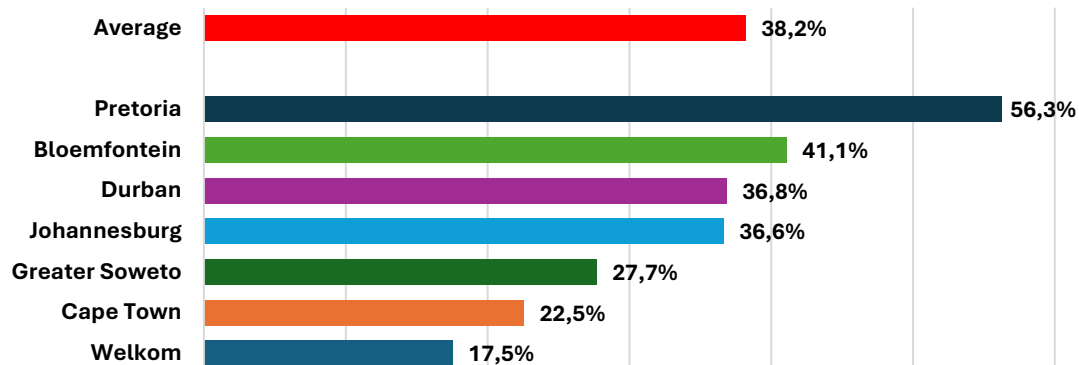
**Those who shop online, by metro area (2024)**



**Those who shop online, by metro area (2023)**



**Those who shop online, by metro area (2022)**



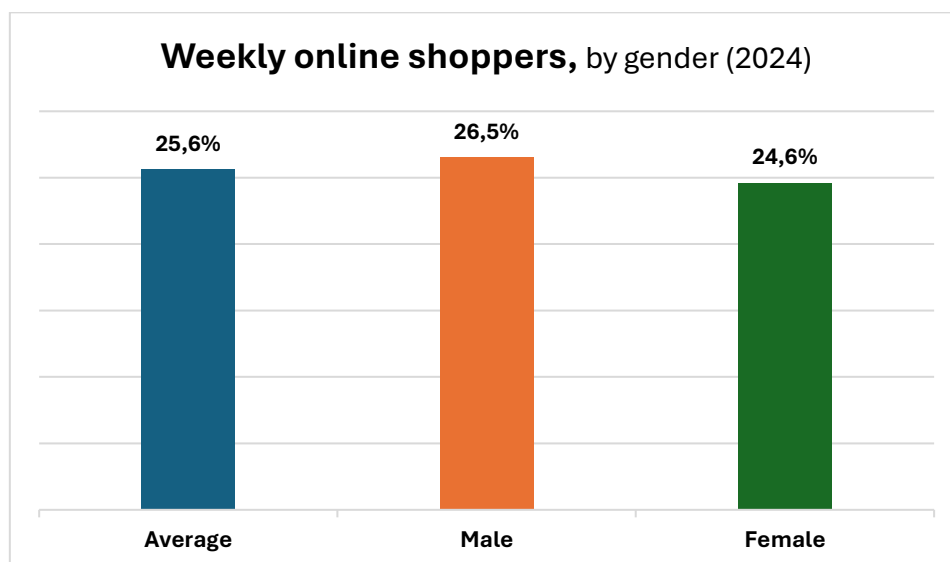
## Shopping once a week or more breakdown

### By Gender

Weekly online shopping in 2024 is almost even by gender: 26.5% of men and 24.6% of women shop online every week, leaving a gap of just 1.9%.

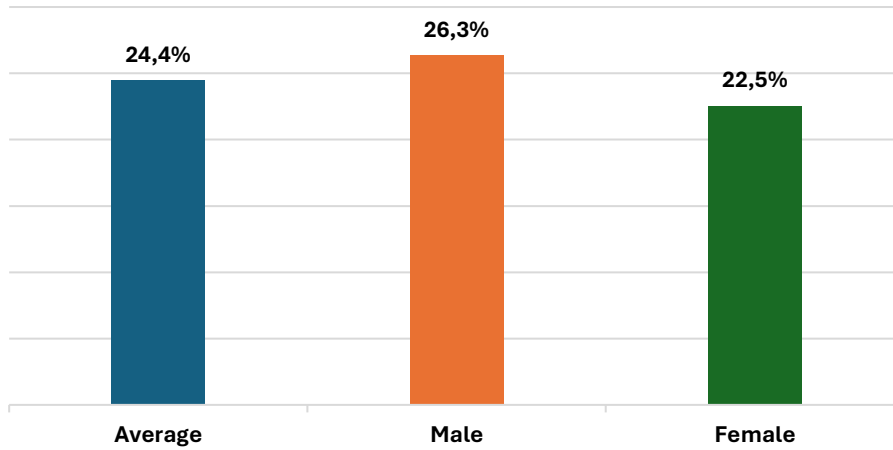
Men are broadly steady year on year, up 0.2% from 2023, but still down 2.4% compared with 2022. Women continue to climb, up 2.1% from 2023 and up 3.0% over two years.

The result is clear convergence. The gender gap has narrowed from 7.3% in 2022 to 3.8% in 2023 and now 1.9% in 2024, pointing to weekly online shopping becoming increasingly balanced between men and women.

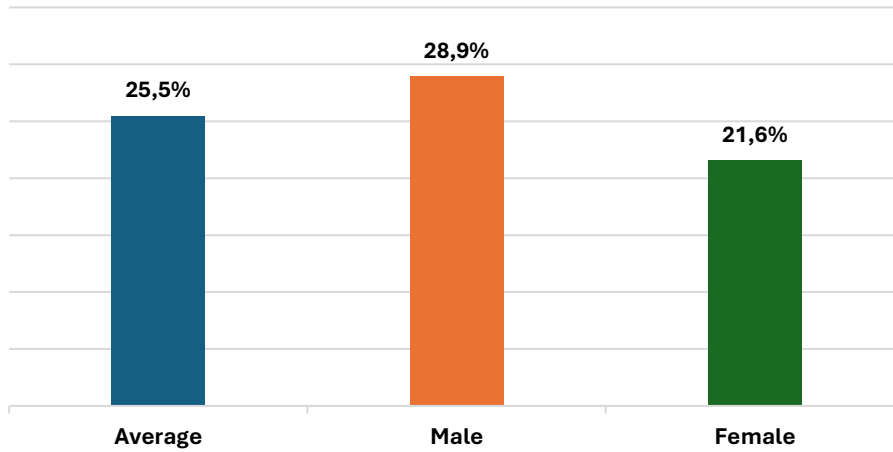




**Weekly online shoppers, by gender (2023)**



**Weekly online shoppers, by gender (2022)**

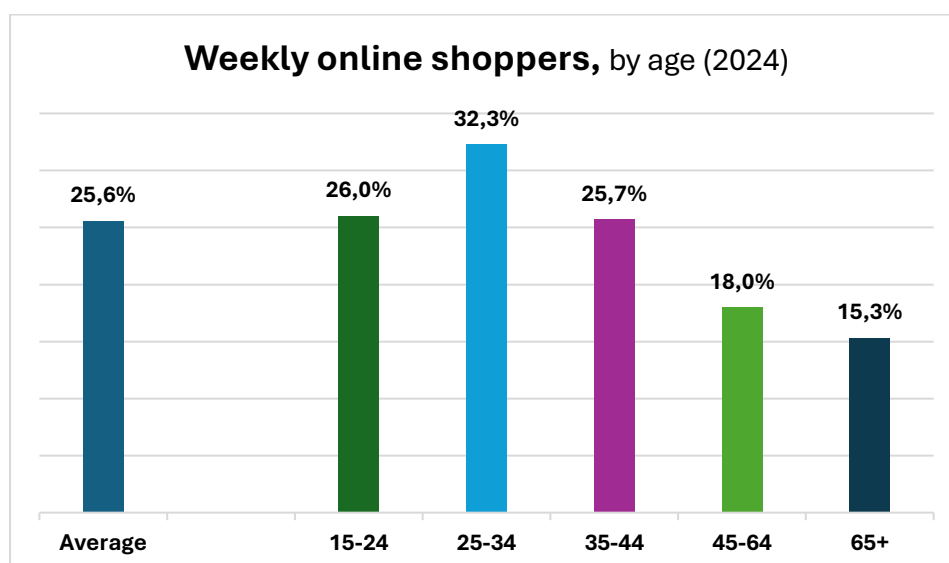


## By Age

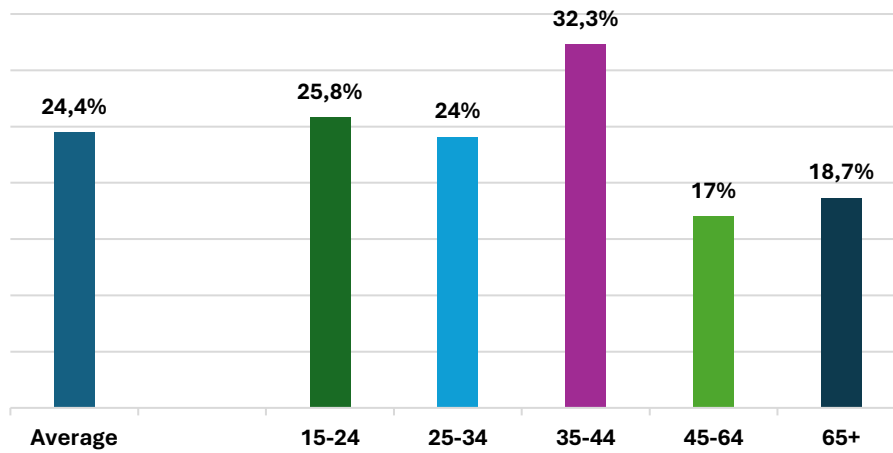
In 2024, weekly online shopping is led by the 25–34 group at 32.3%, with a clear lead of 6.3% over the next-highest group. The 15–24s are at 26.0%, closely followed by 35–44s at 25.7%. Participation drops off among older adults, with 45–64s at 18.0% and 65+ at 15.3%. The pattern skews younger, with under-35s clearly the most frequent weekly shoppers.

Compared with 2023, the leadership switches: 25–34s surge up 8.3%, while 35–44s ease down 6.6%. The 15–24s are essentially steady up 0.2%, 45–64s edge up 1.0%, and 65+ move down 3.4%. The net effect is renewed dominance for the 25–34 cohort and a tighter cluster among the three youngest groups.

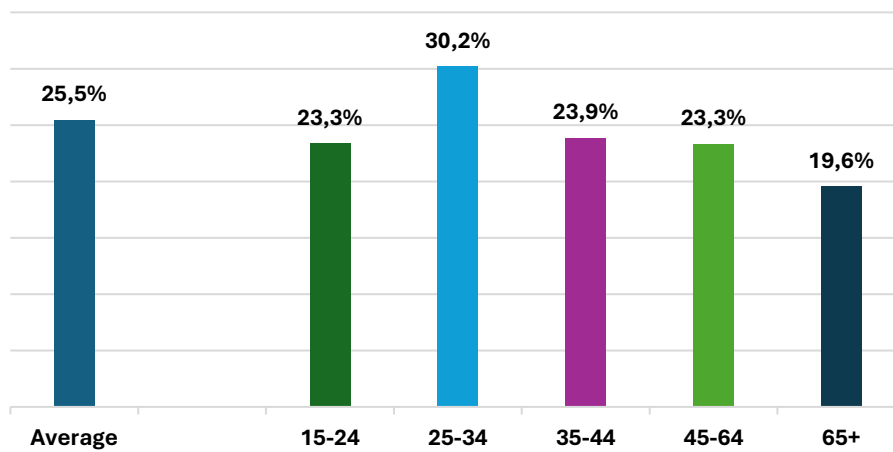
Over two years, the younger segments have strengthened or held firm: 15–24s up 2.7%, 25–34s up 2.1%, and 35–44s up 1.8% versus 2022. By contrast, weekly shopping among older adults has softened: 45–64s down 5.3% and 65+ down 4.3%. Weekly online shopping is therefore consolidating among under-35s, while participation among 45+ has receded.



**Weekly online shoppers, by age (2023)**



**Weekly online shoppers, by age (2022)**

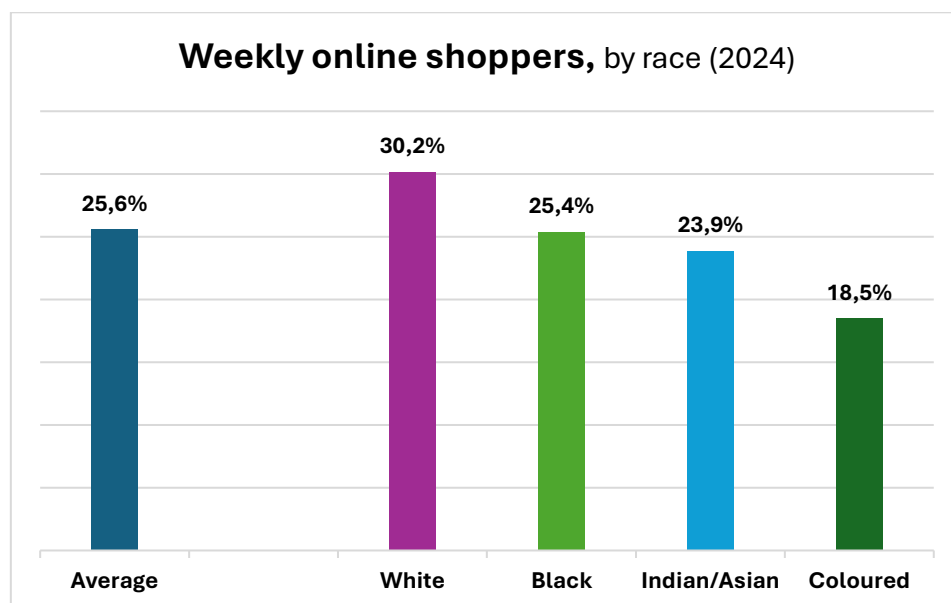


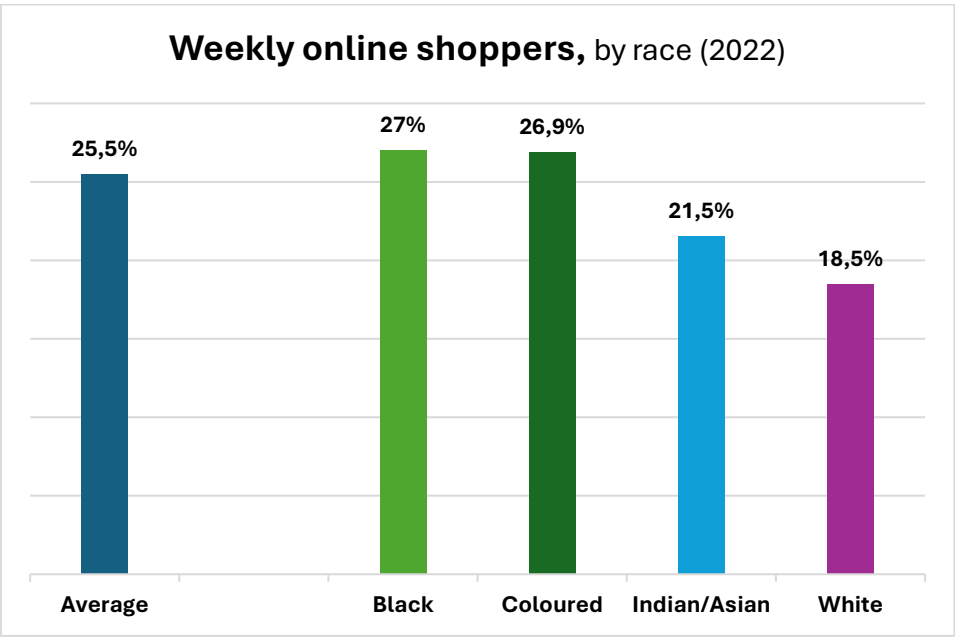
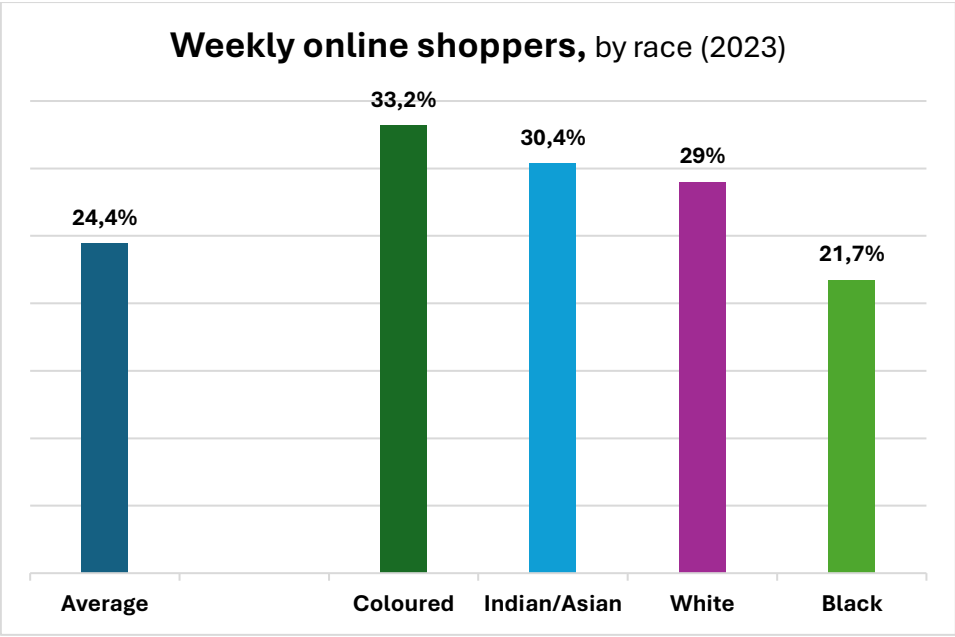
## By race

Weekly online shopping in 2024 is led by White consumers at 30.2%. Black consumers follow at 25.4%, Indian/Asian at 23.9%, and Coloured at 18.5%. The spread between the highest and lowest groups sits at 11.7%, with Coloured consumers now the least frequent weekly shoppers.

Compared with 2023, the picture rotates sharply. White is up 1.2% and Black is up 3.7%, while Indian/Asian is down 6.5% and Coloured is down 14.7%. Last year's leader, Coloured, drops to last place, and White moves to the top.

Looking over two years, White is up 11.7% and Indian/Asian up 2.4%. Black is down 1.6% and Coloured down 8.4%. The net effect is a reversal of the earlier ranking, with gains concentrated among White and Indian/Asian shoppers and a sustained decline among Coloured shoppers.



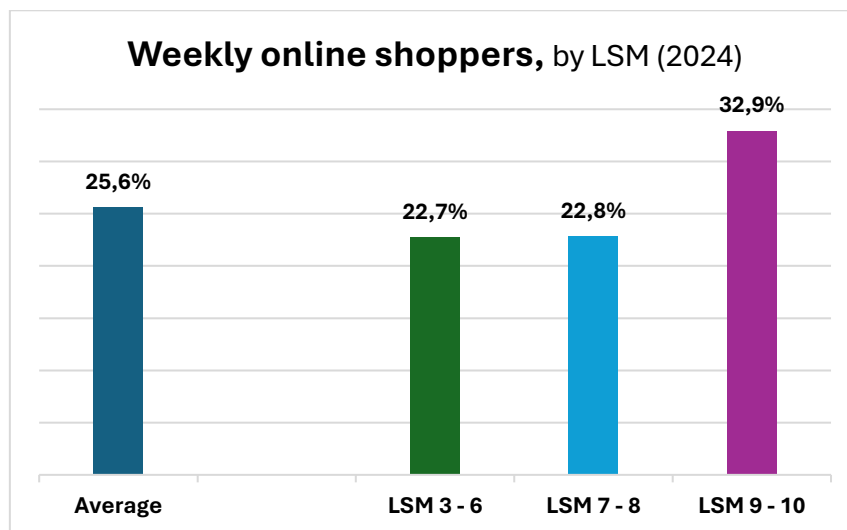


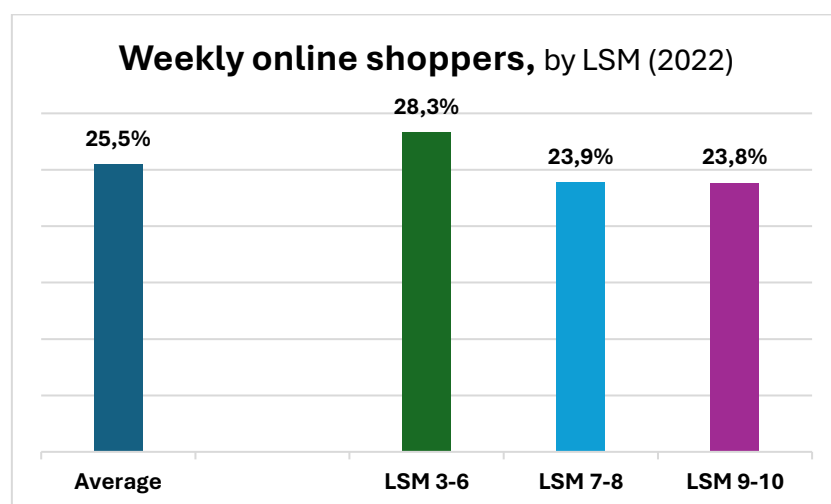
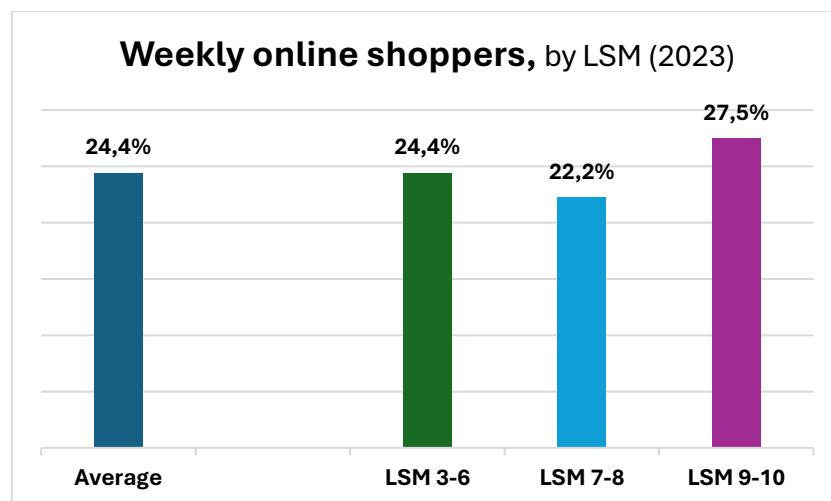
## By living standard measure (LSM)

In 2024, weekly online shopping is clearly concentrated at the top of the LSM scale. LSM 9–10 leads at 32.9%, while LSM 7–8 sits at 22.8% and LSM 3–6 at 22.7%. The two lower groups are essentially level, and the gap between LSM 9–10 and the rest is about 10%.

Compared with 2023, LSM 9–10 is up 5.4%, the strongest rise of any group. LSM 7–8 is up 0.6%, holding steady, while LSM 3–6 is down 1.7%. That mix widens the lead for the top tier from a few percentage points last year to roughly ten points in 2024.

Over two years, the shift is even clearer. LSM 9–10 is up 9.1% since 2022, LSM 7–8 is down 1.1%, and LSM 3–6 is down 5.6%. The group that led in 2022 (LSM 3–6) has moved into a tie for the middle, while weekly shopping has consolidated among the highest living-standard segment.



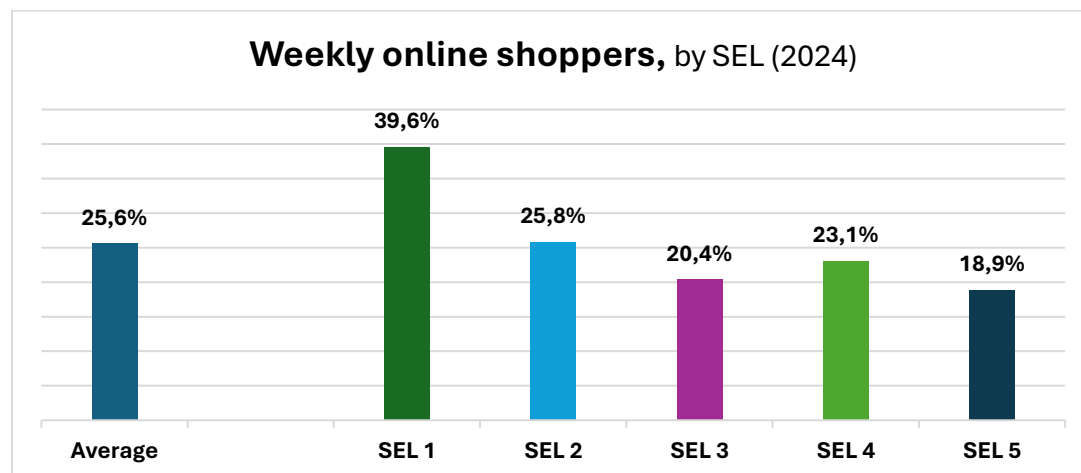


## By socio-economic level (SEL)

In 2024, weekly online shopping is heavily concentrated at the top of the socio-economic scale. SEL 1 leads at 39.6%, well ahead of SEL 2 at 25.8%, followed by SEL 4 at 23.1%, SEL 3 at 20.4%, and SEL 5 at 18.9%. The gap between the highest and lowest groups is 20.7%, indicating strong polarisation toward the top tier.

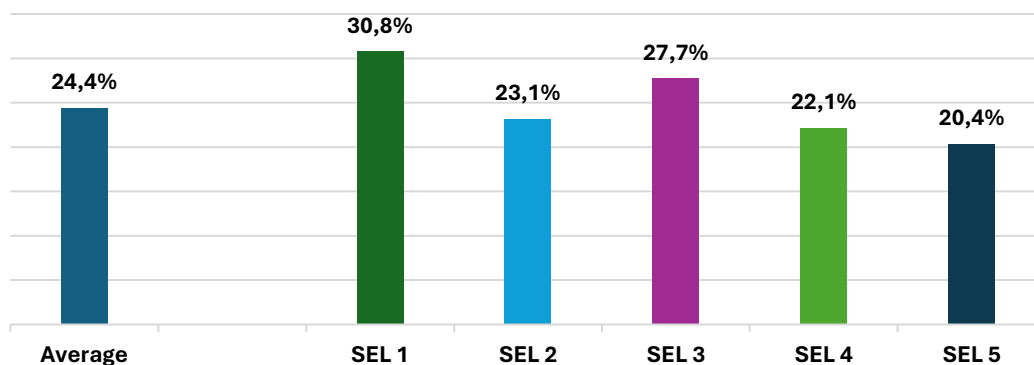
Compared with 2023, SEL 1 jumps up 8.8%, SEL 2 moves up 2.7%, and SEL 4 is up 1.0%. SEL 3 shifts down 7.3% and SEL 5 is down 1.5%. This reshuffle pushes SEL 2 into second place and widens the distance between the top and bottom from 10.4% to 20.7%.

Over two years, SEL 1 is up 14.0%, SEL 2 is up 1.3%, SEL 4 is essentially flat up 0.1%, SEL 3 is down 1.7%, and SEL 5 is down 7.0%. The segment that once sat near the top in 2022 (SEL 5) is now last, while weekly shopping has consolidated among the highest socio-economic group.

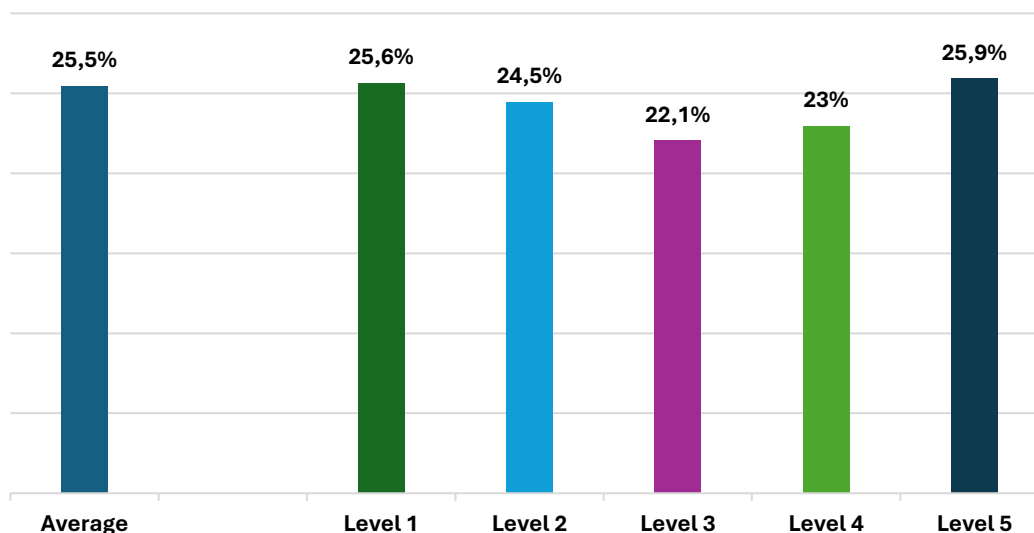




**Weekly online shoppers, by socio-economic level (2023)**



**Weekly online shoppers, by socio-economic level (2022)**

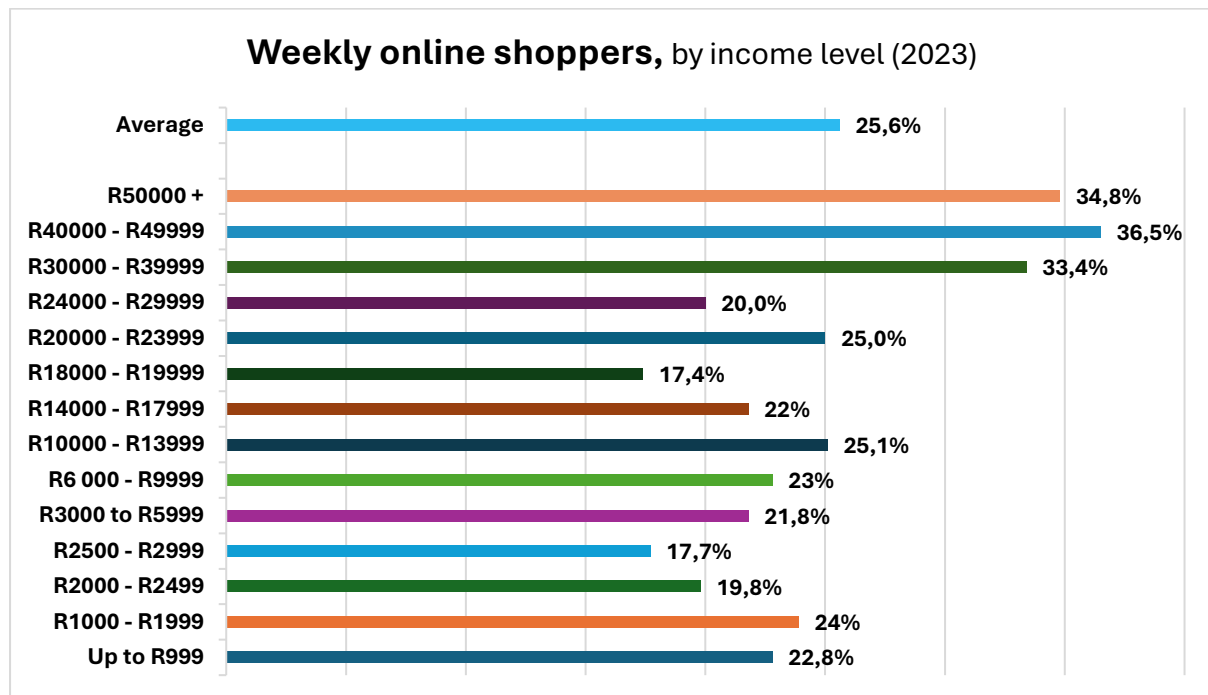


## By Income Level

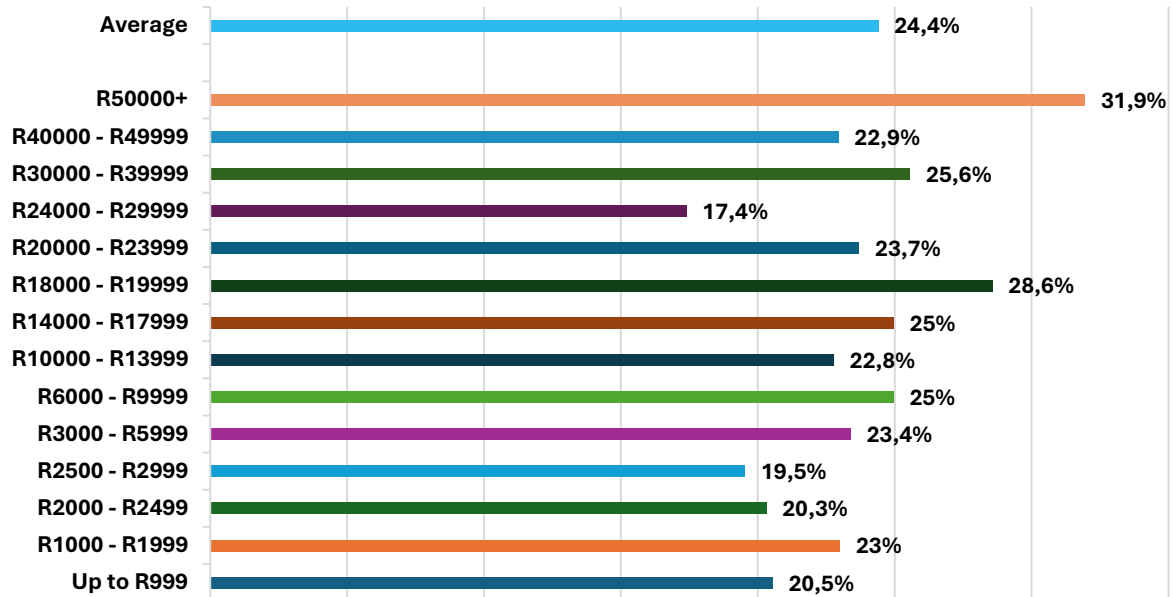
In 2024, weekly online shopping climbs with income and peaks between R40,000–R49,999 (36.5%), R50,000+ (34.8%), and R30,000–R39,999 (33.4%). Most bands from R10,000–R23,999 cluster in the 20%–25% range, while activity is weakest around R18,000–R19,999 (17.4%). The gap between the top performer and the lowest band is about 19%, signalling a clear tilt toward higher earners.

Compared with 2023, momentum is strongest in the upper-middle tiers. R40,000–R49,999 is up 13.6%, R30,000–R39,999 is up 7.8%, and R50,000+ is up 2.9%. Mid-lower groups are mixed: R24,000–R29,999 and R20,000–R23,999 edge up, R10,000–R13,999 rises modestly, and several lower bands ease back. The standout decline is R18,000–R19,999, down 11.2% year on year.

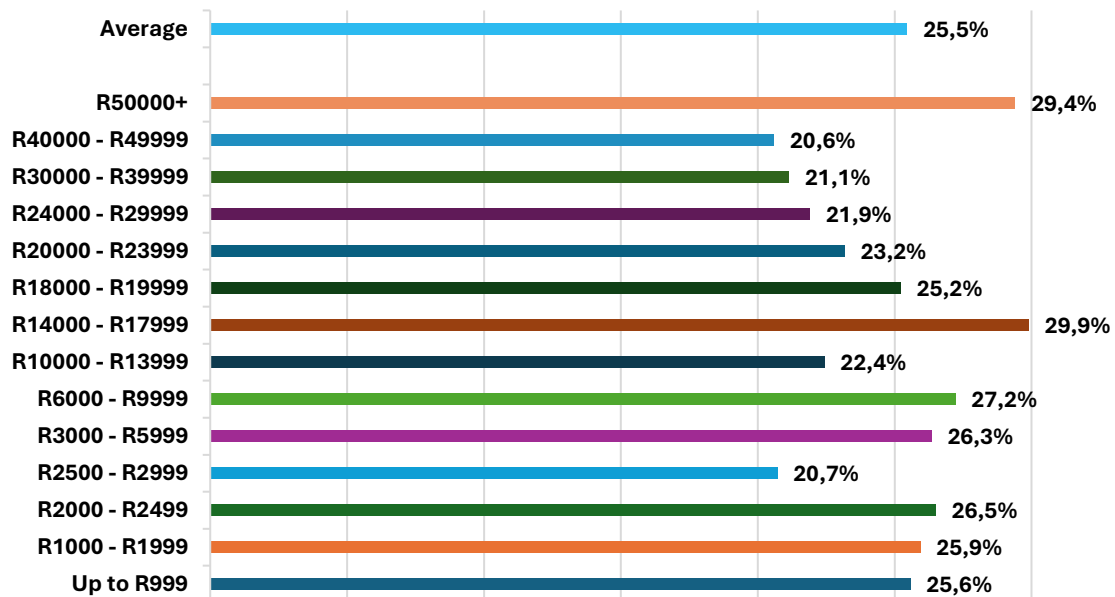
Looking back to 2022, the shift is even clearer. Weekly shopping has surged in the R30,000–R49,999 range (up 12%–16%), grown for R50,000+ (up 5.4%), and softened across many lower-income brackets – most notably R14,000–R17,999 (down 7.9%) and R18,000–R19,999 (down 7.8%). In short, the regular online shopper in 2024 is increasingly a higher-income consumer, with the strongest growth anchored in the R30k–R49k bands.



### Weekly online shoppers, by income level (2023)



### Weekly online shoppers, by income level (2022)

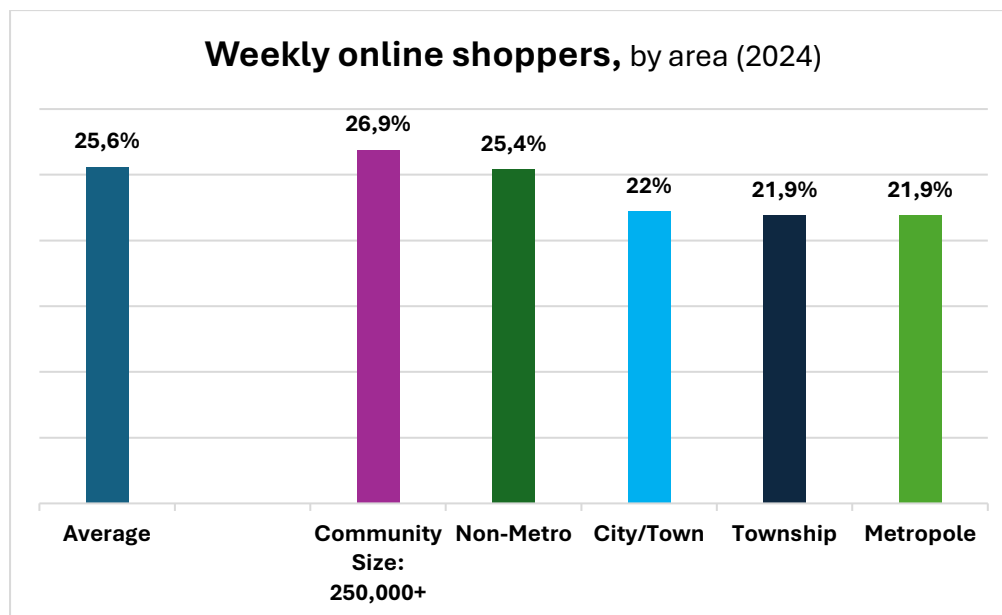


## By Area

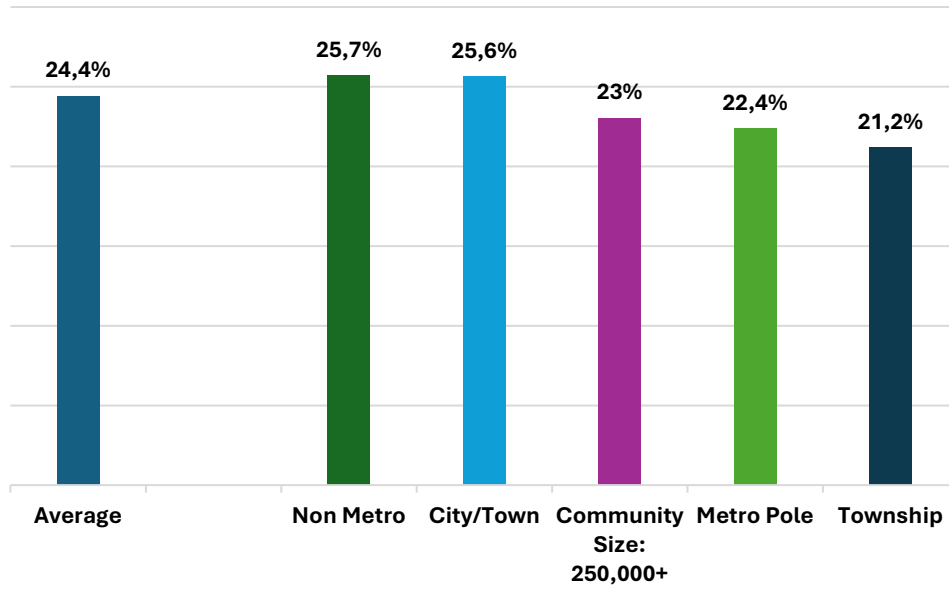
In 2024, the largest communities (250,000+) have the highest share of weekly online shoppers at 26.9%, just ahead of non-metro areas at 25.4%. City/town, township and metropole are tightly grouped at 22.0%, 21.9% and 21.9% respectively, showing a fairly even pattern across these urban categories.

Against 2023, large communities are up 3.9%, non-metros are essentially flat down 0.3%, city/town is down 3.6%, townships are up 0.7%, and metropolises are down 0.5%. The lead has shifted back to the biggest population centres, while the rest of the urban groupings sit within a narrow band around 22%.

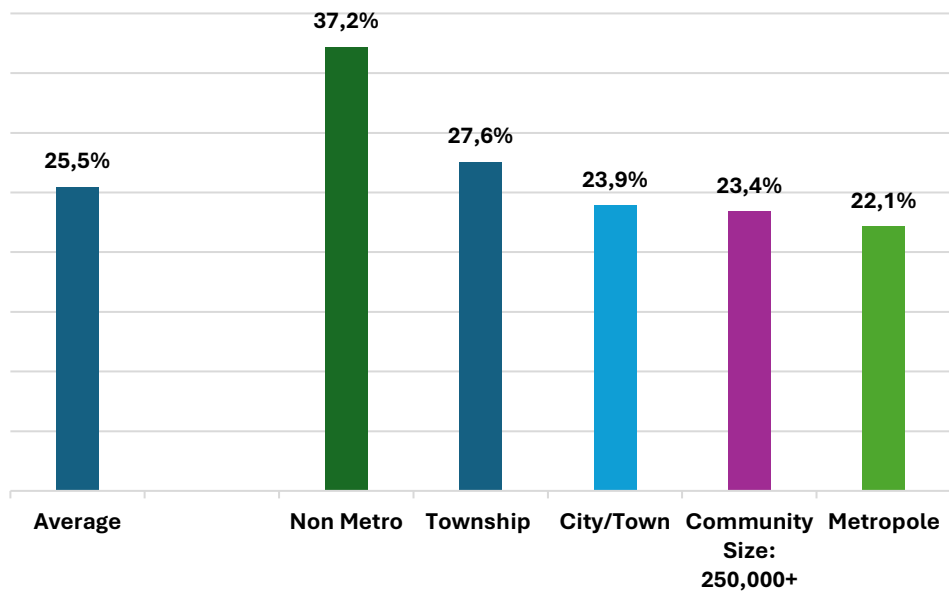
Over two years, the profile has flipped. Non-metro areas are down 11.8% from a very high 2022 base, while large communities are up 3.5%. City/town is down 1.9%, townships are down 5.7%, and metropolises are little changed down 0.2%. The result is much less divergence than in 2022: the spread between the highest and lowest groups in 2024 is about 5%, with large communities leading but no clear outliers among the rest.



**Weekly online shoppers, by area (2023)**



**Weekly online shoppers, by area (2022)**

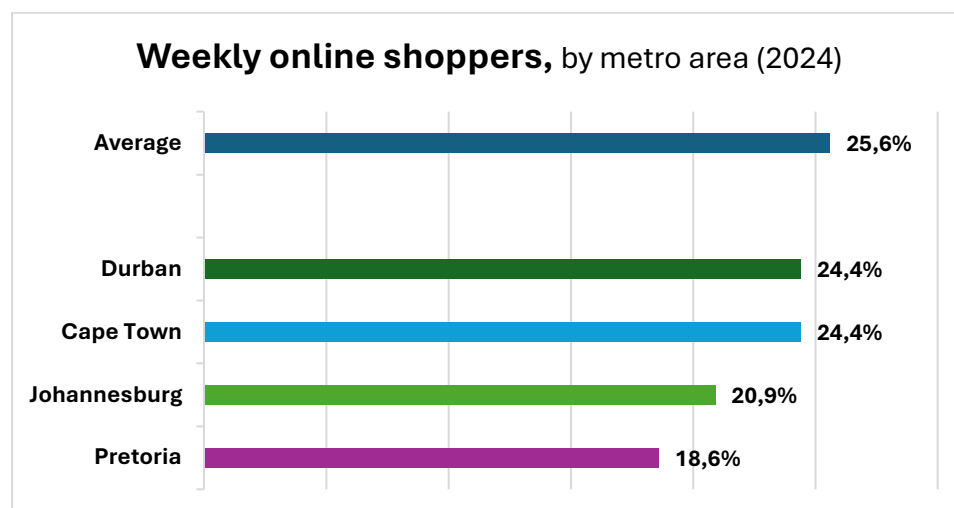


## By Metro Area

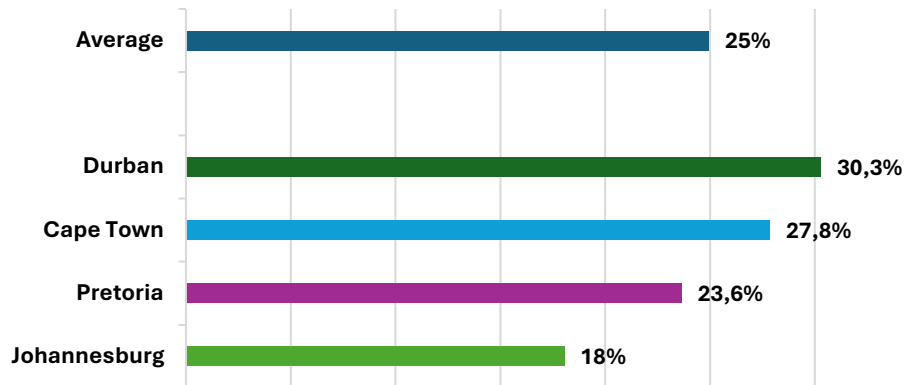
Weekly online shopping levels across the metros are tightly bunched in 2024. Durban and Cape Town are tied for the lead at 24.4%, Johannesburg follows at 20.9%, and Pretoria sits at 18.6%. The spread from top to bottom is just 5.8%, so none of the metros is far ahead.

Compared with 2023, Durban is down 5.9% and Cape Town down 3.4%, which pulls both off last year's highs. Johannesburg edges up 2.9%, while Pretoria drops 5.0% and moves to the bottom of the table. The result is a much narrower gap between metros.

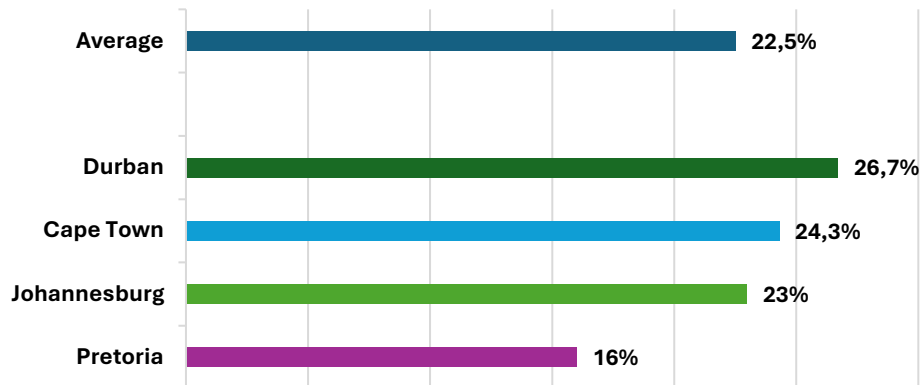
Over two years the pattern has converged further: Durban is down 2.3% from 2022, Cape Town is essentially flat up 0.1%, Johannesburg is down 2.1%, and Pretoria is up 2.6%. Leadership has rotated rather than entrenched, with metros now clustered in a tight range.



**Weekly online shoppers, by metro area (2023)**

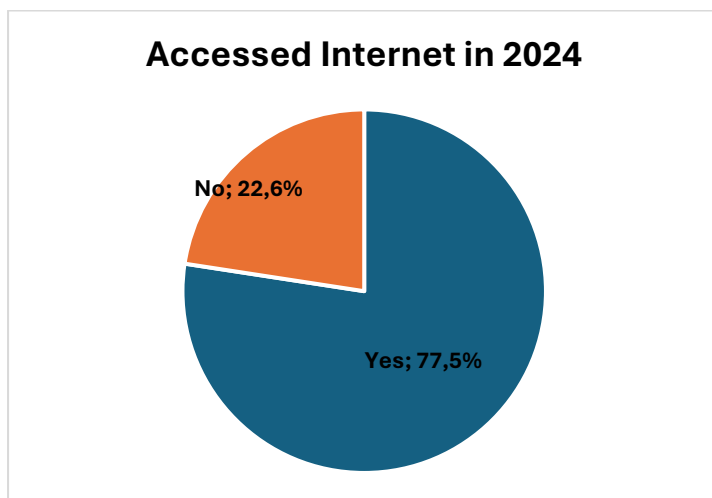


**Weekly online shoppers, by metro area (2022)**



## Internet Access

Just over three-quarters of South Africans accessed the internet in 2024 (77.5%), leaving roughly one in five offline (22.6%). That means online behaviour – shopping, payments, streaming – draws from a large but not universal base. Growth now hinges on two fronts: deepening usage among the connected (e.g., shifting more of them to weekly shopping) and converting the remaining offline segment by reducing barriers like data cost, device access, and coverage. The offline share is still sizable enough to justify omnichannel approaches for communication, service and sales.

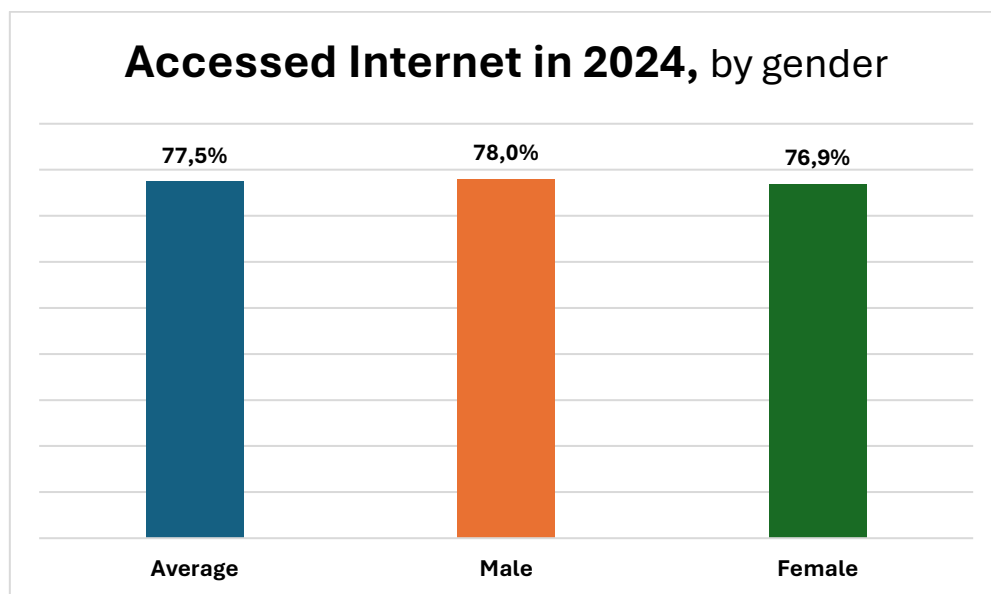




## By Gender

Internet access is almost gender-neutral in 2024: 78.0% of men and 76.9% of women went online, a gap of just 1.1%. That near-parity means differences you see in behaviours like weekly shopping are unlikely to be driven by access itself.

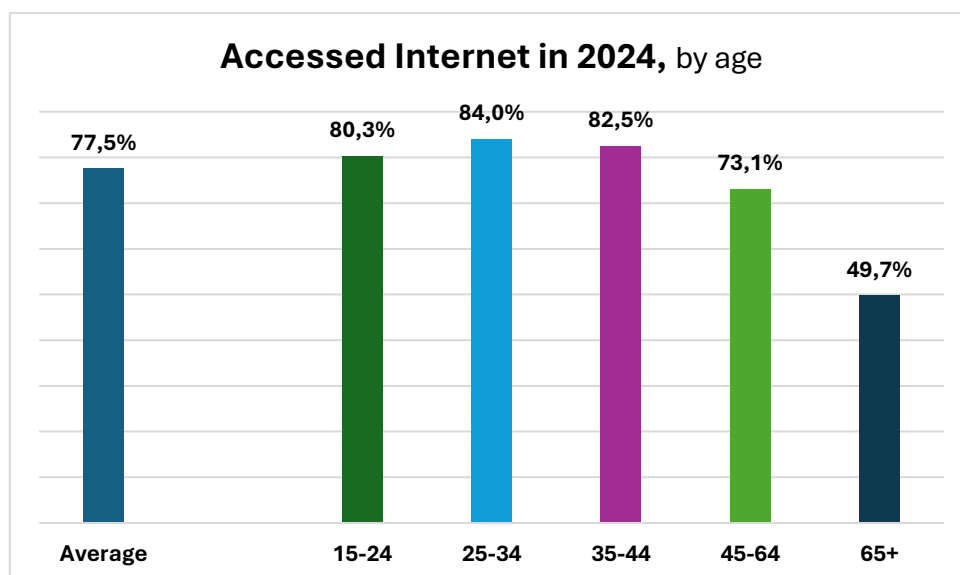
For planning, you can assume similar digital reach across genders and focus on usage patterns, offers and messaging rather than access constraints.



## By Age

Internet access in 2024 is strongest among younger and mid-career adults. Around 84.0% of 25–34s and 82.5% of 35–44s went online, with 15–24s close behind at 80.3%. Access then steps down for 45–64s at 73.1%, and drops sharply for 65+ to 49.7%, where roughly half remain offline.

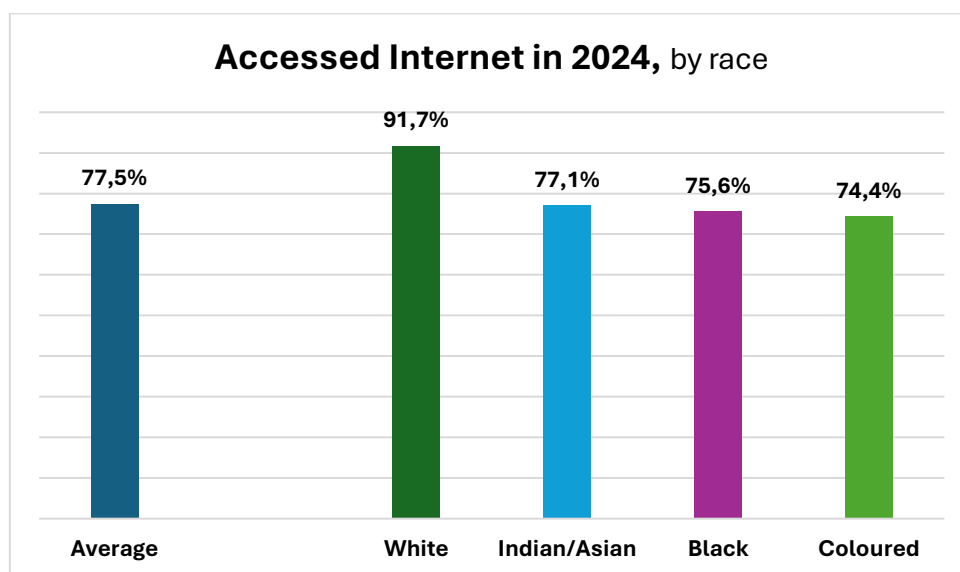
This pattern points to a clear age divide. Under-45s are broadly saturated, so growth there depends on deepening activity – more frequent shopping, payments and services. The priority for 45–64s is convenience and trust features that convert occasional users into regular ones. The 65+ group needs access enablers first: affordable data, simple onboarding, larger-text interfaces, and assisted support.



## By Race

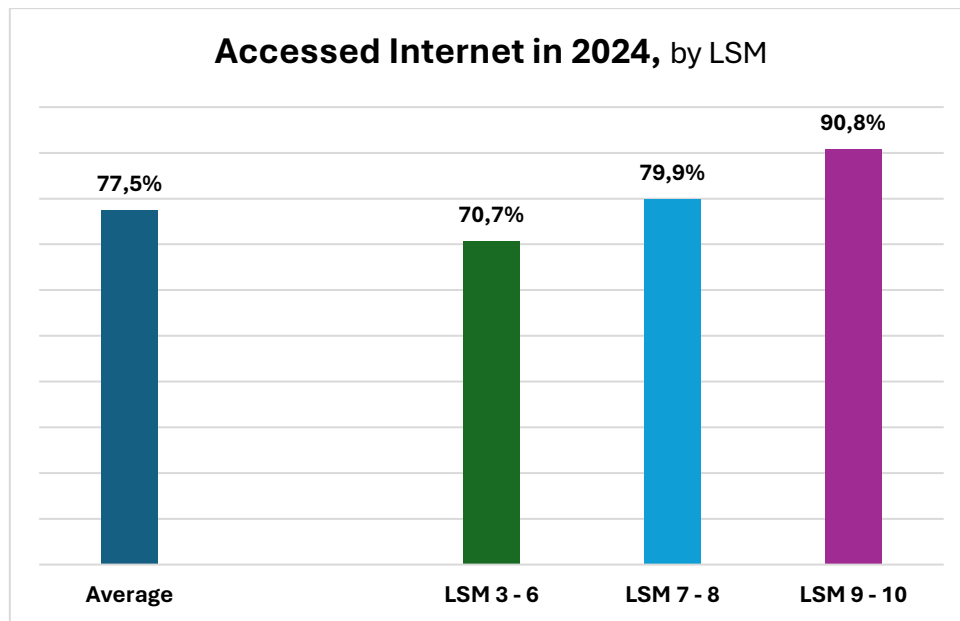
In 2024, internet access was near-universal among White South Africans at 91.7%. The other groups clustered much closer together: Indian/Asian at 77.1%, Black at 75.6%, and Coloured at 74.4%.

That puts just 2.7% between the three latter groups, but a sizeable 17.3% gap between the highest (White) and lowest (Coloured). The picture is one of broad connectivity with a pronounced lead for White South Africans and relatively tight grouping among the other population groups.



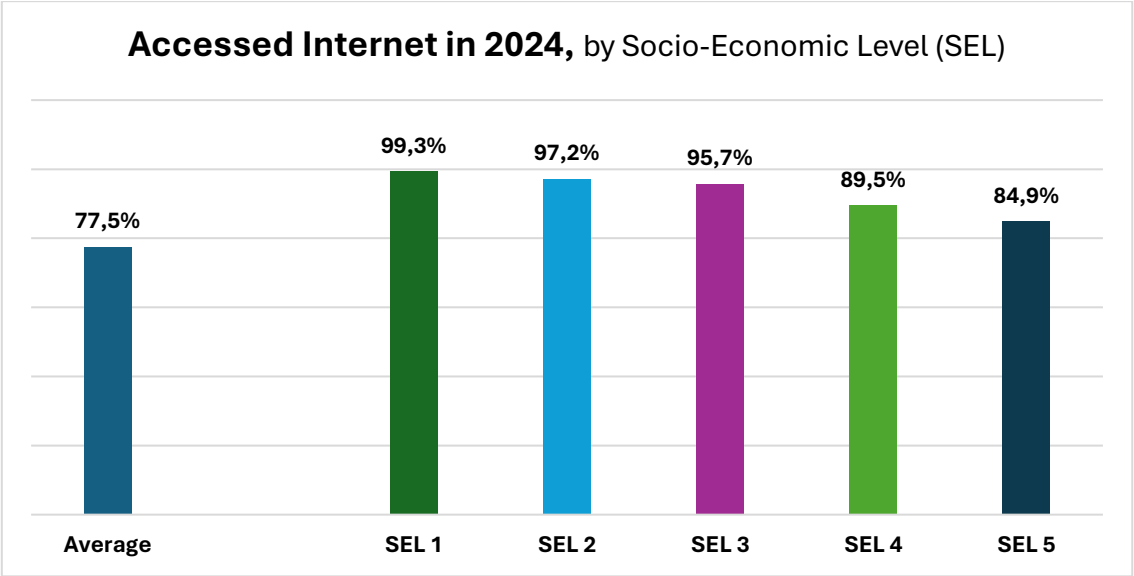
## By Living Standard Measure (LSM)

Internet access in 2024 rises sharply with living standard. LSM 9–10 is near-universal at 90.8%, LSM 7–8 is high at 79.9%, and LSM 3–6 trails at 70.7%. The gaps are sizable: 10.9% between the top and middle tiers and 20.1% between the top and lowest group, while the middle and lower tiers are separated by 9.2%.



## By Socio-Economic Level

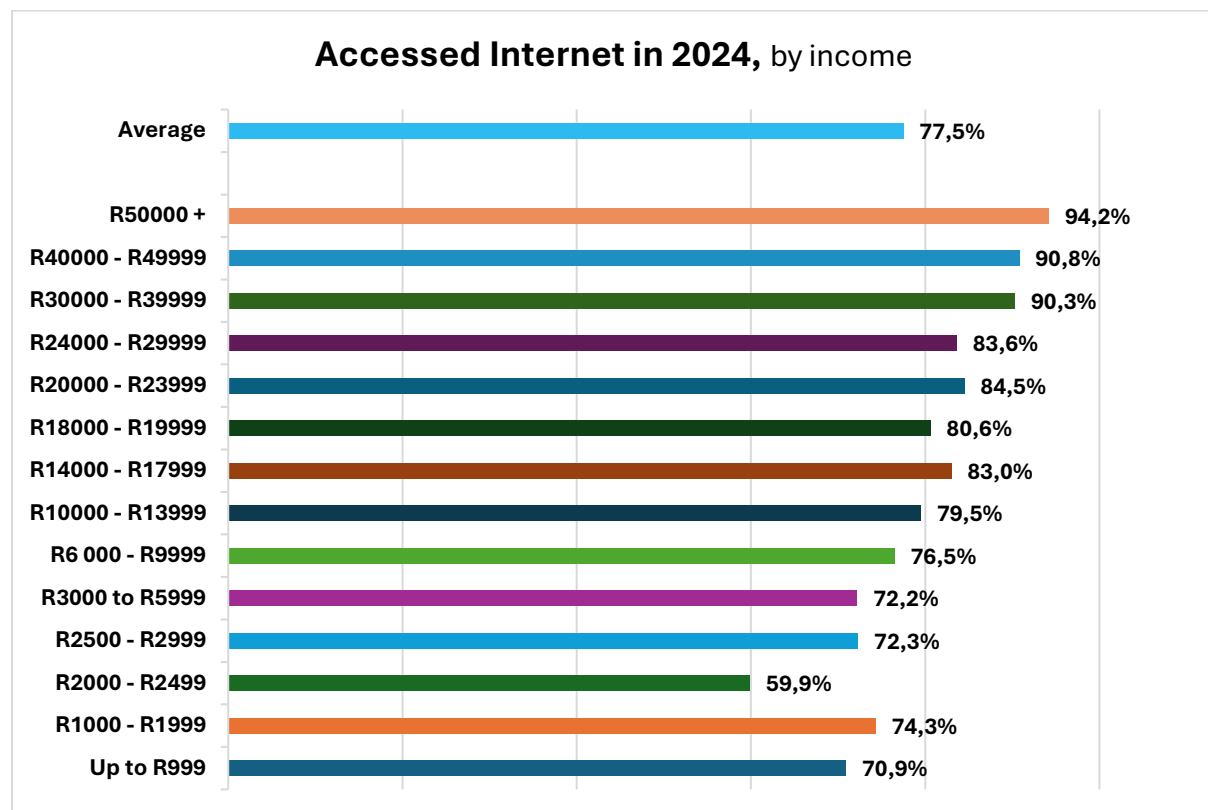
Internet access in 2024 is near-universal at the top of the socio-economic ladder: SEL 1 at 99.3%, SEL 2 at 97.2%, and SEL 3 at 95.7%. Access remains high but steps down in SEL 4 (89.5%) and SEL 5 (84.9%). The gap from top to bottom is 14.4%, so differences are meaningful but not prohibitive.



## By Income

Internet access rises steadily with income in 2024: 94.2% at R50,000+, 90.8% at R40,000–R49,999, 90.3% at R30,000–R39,999, easing to 83%–85% for R14,000–R29,999, and mostly 70%–77% below R10,000. The lowest band is R2,000–R2,499 at 59.9%. The gap between the highest and lowest groups is 34.3%, showing a pronounced income gradient.

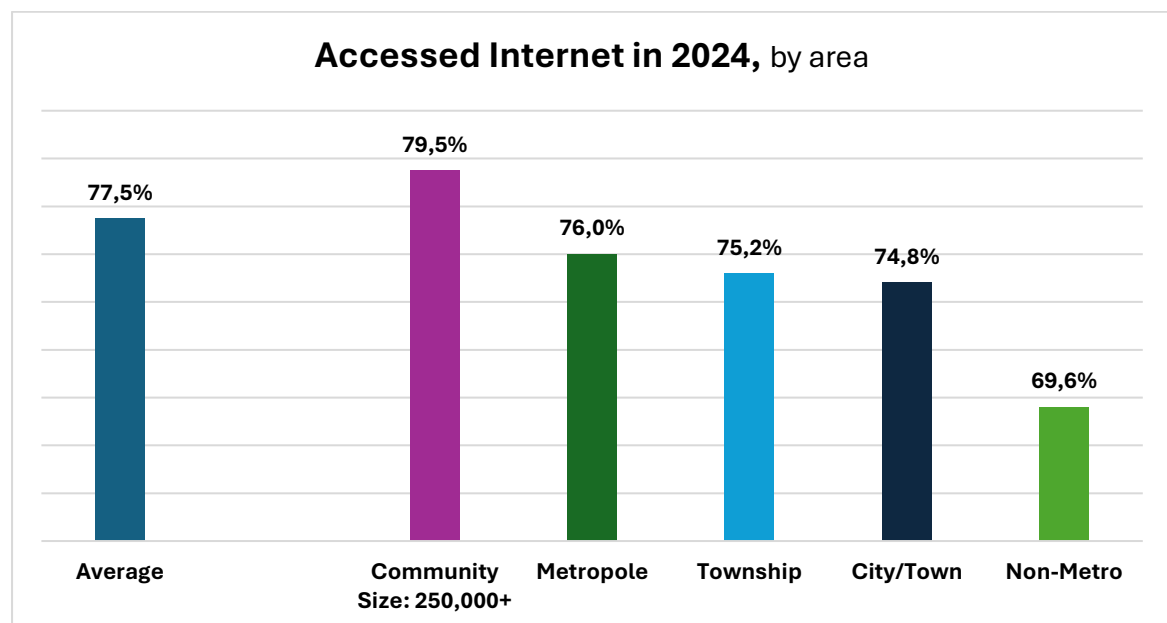
The rise in the bottom two income groups can be attributed to youth being supported by parents or other. These individuals have lower income, but can still access resources like the internet.



## By Area

Internet access in 2024 is highest in the largest communities (250,000+) at 79.5%. The main urban categories are tightly grouped just below that: Metropole 76.0%, Township 75.2%, and City/Town 74.8%.

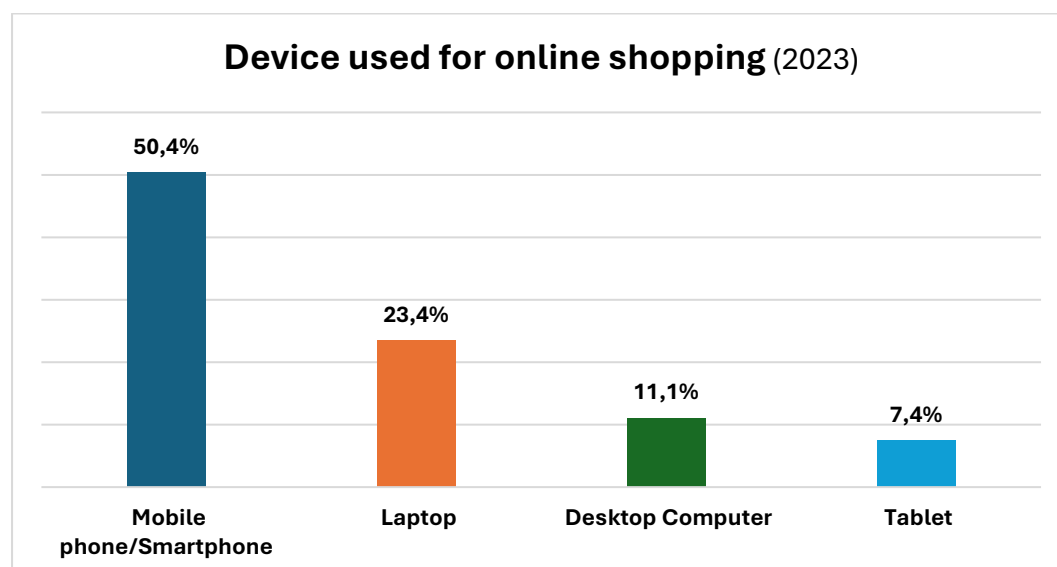
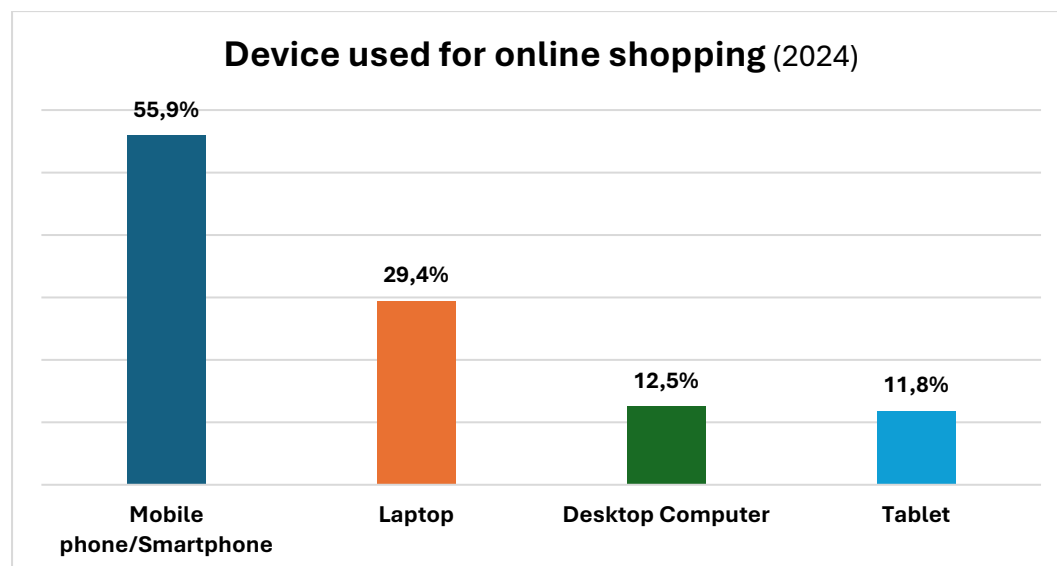
Non-metro areas trail at 69.6%. The spread from highest to lowest is 9.9%, pointing to broad urban parity with a clear rural gap.



## Devices used for online shopping

Mobile remains the primary shopping device in 2024, used by 55.9% of online shoppers. Laptops are a clear second at 29.4%, with desktops at 12.5% and tablets at 11.8%. The picture is firmly mobile-first, with computers and tablets supporting rather than leading.

Every device gained ground compared with 2023. Laptops show the largest increase, up 6.0%, followed by mobiles up 5.5%, tablets up 4.4%, and desktops up 1.4%. Mobiles keep a wide lead over laptops, with the gap broadly unchanged from last year. Tablets show noticeable momentum but still account for the smallest share





## What online shoppers buy

Clothing dominates online purchasing in 2024 at 30.2%, far ahead of every other category. Groceries sit in a clear second place at 18.4%. A high-teens cluster follows: computer hardware and accessories (16.6%) and gifts (16.4%), then a tight band around the mid-teens – lotto (15.3%), computer software/games (15.2%), and footwear (15.1%). Holiday and travel bookings are also sizable at 14.9%.

The mid-table runs from 12%–14% and mixes discretionary and practical buys: shoes (14.2%), electronic goods (13.7%), children's toys and games (13.5%), mobile phones and accessories (12.3%), and music (12.0%). Medicine registers at 11.9%.

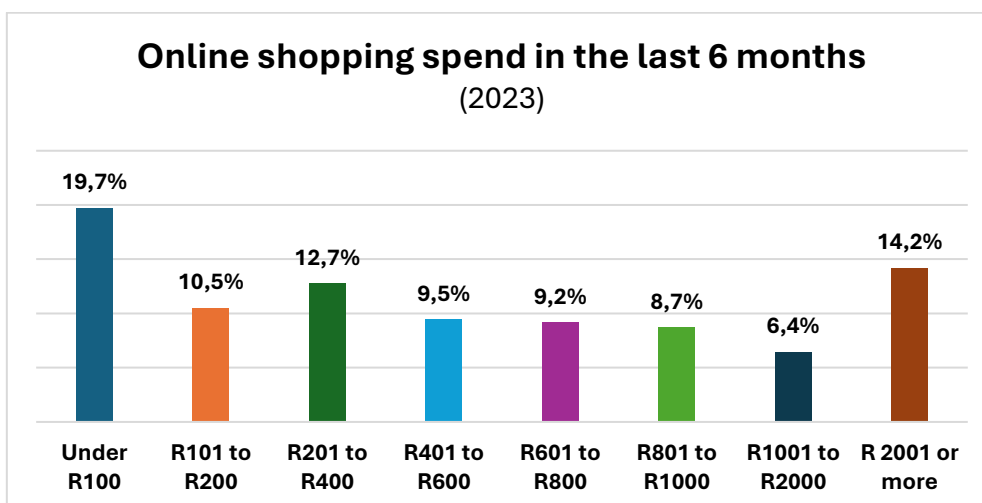
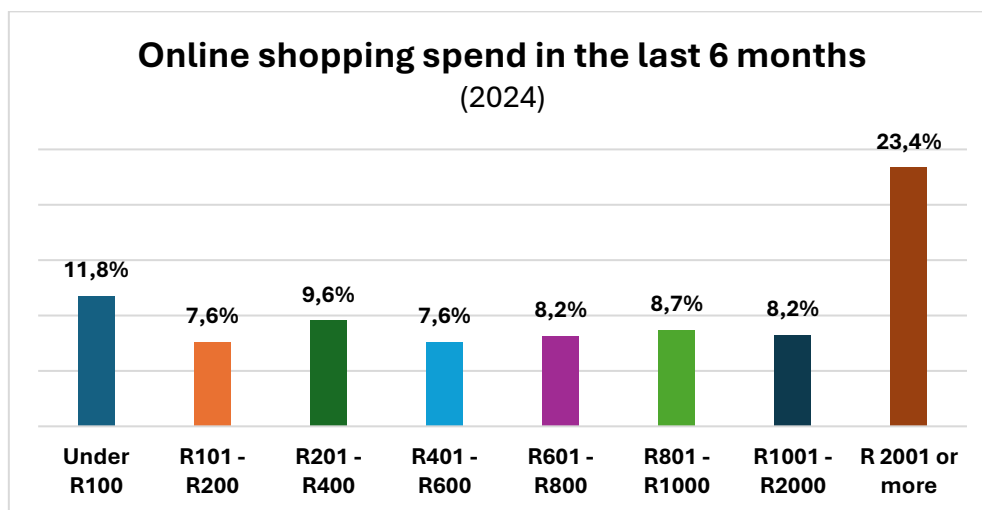
The long tail sits below 12%: TV, audio and media and tickets for events (both 11.8%), e-books (11.3%), music downloads (11.1%), insurance and other financial products and business purchases (both 9.7%), furniture and homeware (9.6%), cryptocurrency (9.5%), toiletries and cosmetics (9.2%), and flowers (8.8%). The spread from top to bottom is 21.4%, with spending most concentrated in apparel and everyday essentials, strong but secondary interest in tech, and a long list of niche or occasional categories.



## Online shopping spend in last 6 months

Online spending in the last 6 months for 2024 tilts toward bigger baskets. The R2,001+ bracket is now the largest at 23.4%, while the share spending under R100 has fallen to 11.8%. Mid-high ranges are solid, with R801–R1,000 steady at 8.7% and R1,001–R2,000 up to 8.2%.

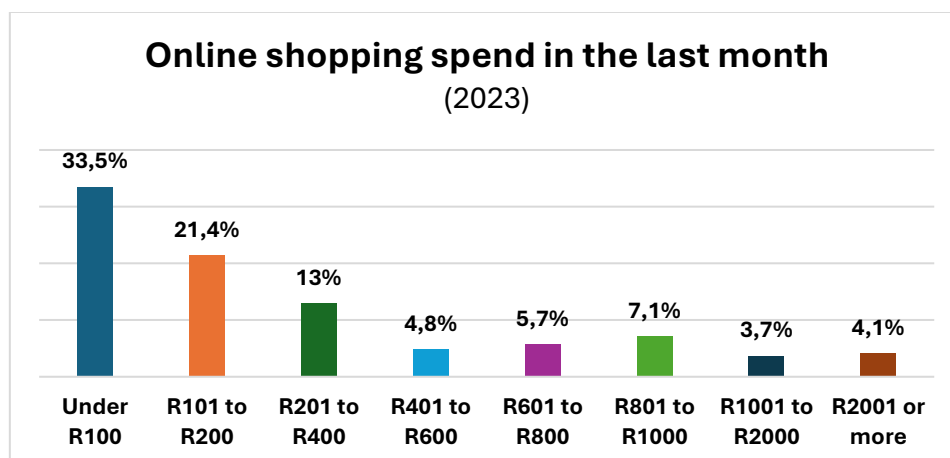
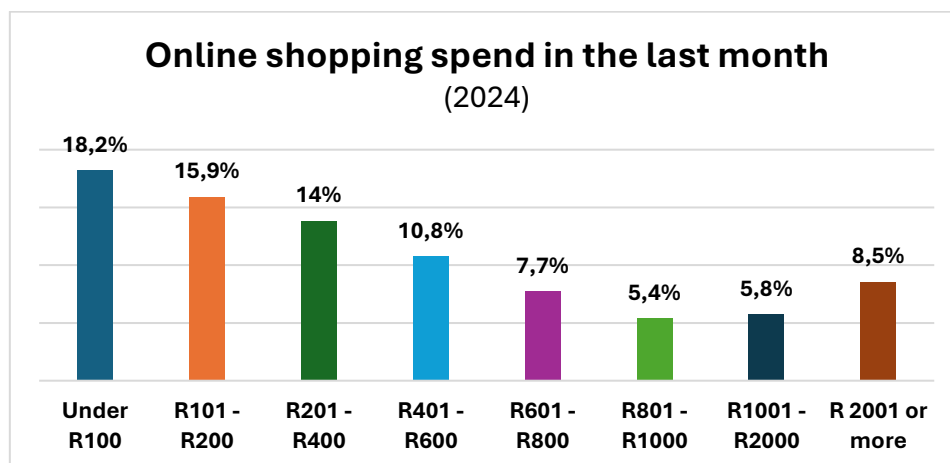
Compared with 2023, high-value spend has surged: R2,001+ is up 9.2% and R1,001–R2,000 is up 1.8%. Smaller baskets have thinned out – under R100 down 7.9%, R101–R200 down 2.9%, R201–R400 down 3.1%, R401–R600 down 1.9%, and R601–R800 down 1.0% – while R801–R1,000 is essentially unchanged. The pattern points to fewer very small purchases and more shoppers making higher-value online transactions.



## Online shopping spend in last month

Shoppers shifted meaningfully toward larger baskets in 2024 for online shopping spend in the last month. Big-ticket orders of R2,001+ nearly doubled to 8.5%, and R1,001–R2,000 rose to 5.8%. Mid-range spending grew strongly: R401–R600 more than doubled to 10.8%, R601–R800 climbed to 7.7%, and R201–R400 edged up to 14.0%. Taken together, R101–R600 accounts for 40.7% of last-month spend, signalling a shift toward considered purchases rather than one-off micro-transactions.

Very small baskets lost ground. The share spending under R100 fell to 18.2% and R101–R200 dropped to 15.9%. Only R801–R1,000 moved the other way, easing to 5.4%. 2024 shows fewer tiny checkouts and more activity in the mid to high ranges, with high-value orders gaining the most momentum.



## Online retailers used by South Africans

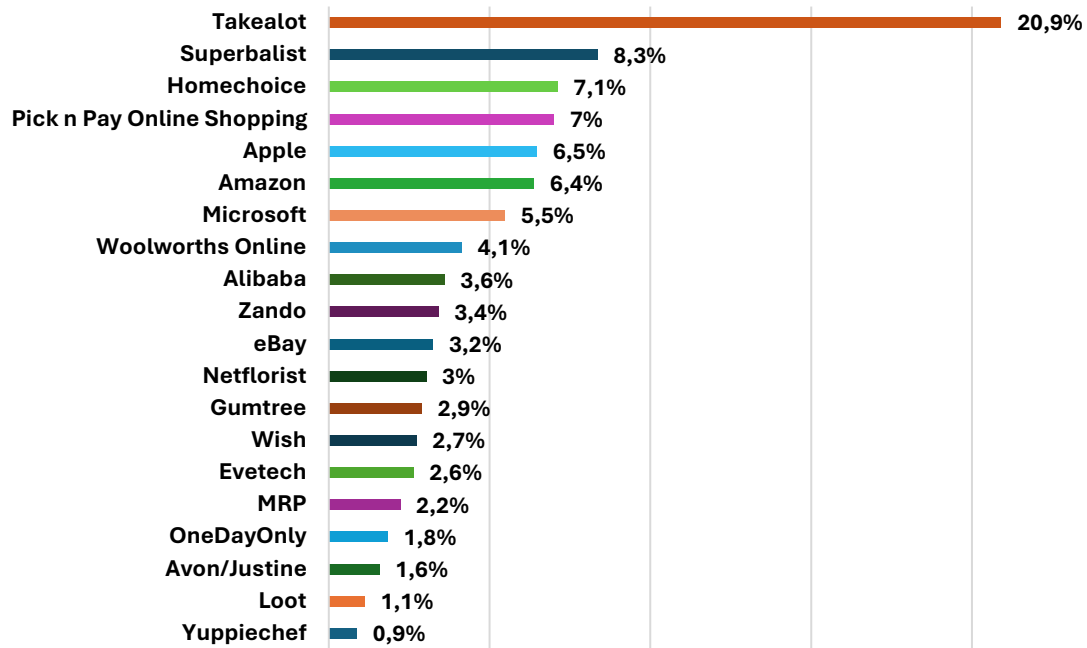
Takealot extends its lead decisively in 2024, used by 31.9% of online shoppers (up from 20.9% in 2023). Shein/Temu, a major new force, is positioned in second place at 15.3%. Amazon climbs strongly to 12.3%, edging Superbalist at 12.1%. The grocers move up the table, with Woolworths Online at 9.8% and Pick n Pay Online Shopping at 8.3%; Homechoice holds a solid 8.5%.

Growth is broad across marketplaces and specialty retailers. Alibaba rises to 6.5%, eBay to 4.5%, Zando to 5.5%, NetFlorist to 4.1%, MRP to 3.8%, Yuppiechef to 2.8%, and OneDayOnly to 2.7%. A few brands soften: Microsoft eases to 4.1%, Wish to 2.1%, and Evetech to 2.1%.

The market is more top-heavy than a year ago. The top two names now account for 47.2% of mentions (Takealot plus Shein/Temu), up from 29.2% for the top two in 2023 (Takealot plus Superbalist). The big shifts are Takealot's jump, the arrival of Shein/Temu in the number-two spot, and strong gains for Amazon and Woolworths Online.

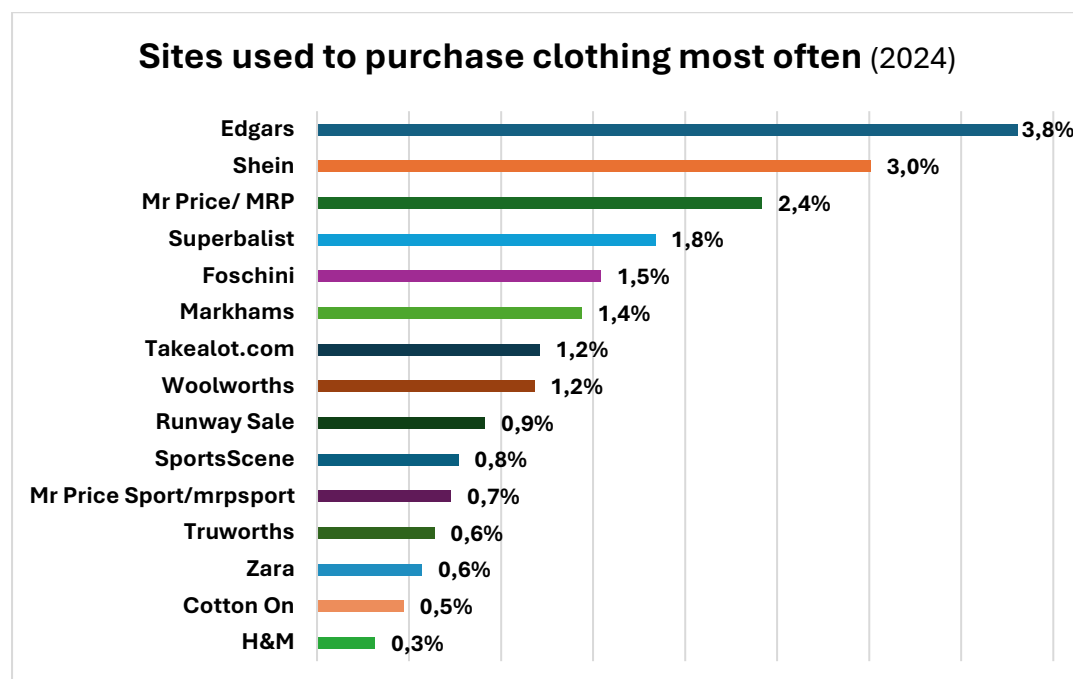


## Online retailers used by South Africans (2023)



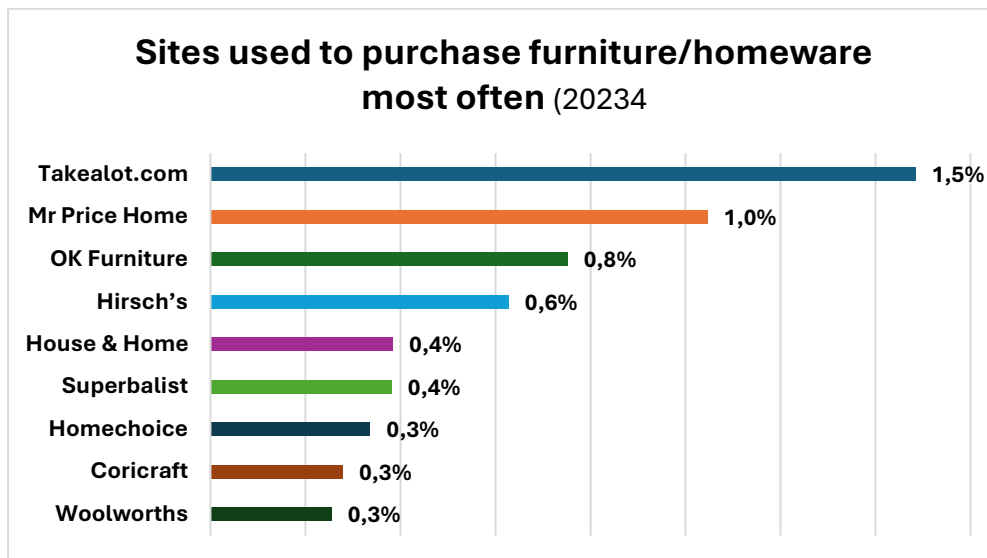
## Sites used to purchase clothing most often

Edgars leads as the most frequently used site for clothing purchases at 3.8%, followed by Shein at 3.0% and Mr Price/MRP at 2.4%. Superbalist comes next at 1.8%, with Foschini (1.5%) and Markhams (1.4%) also featuring strongly. Takealot and Woolworths are each used by 1.2% of shoppers, while Runway Sale (0.9%), SportsScene (0.8%) and Mr Price Sport (0.7%) hold smaller shares. Truworhts and Zara follow at 0.6%, with Cotton On (0.5%) and H&M (0.3%) closing out the list.



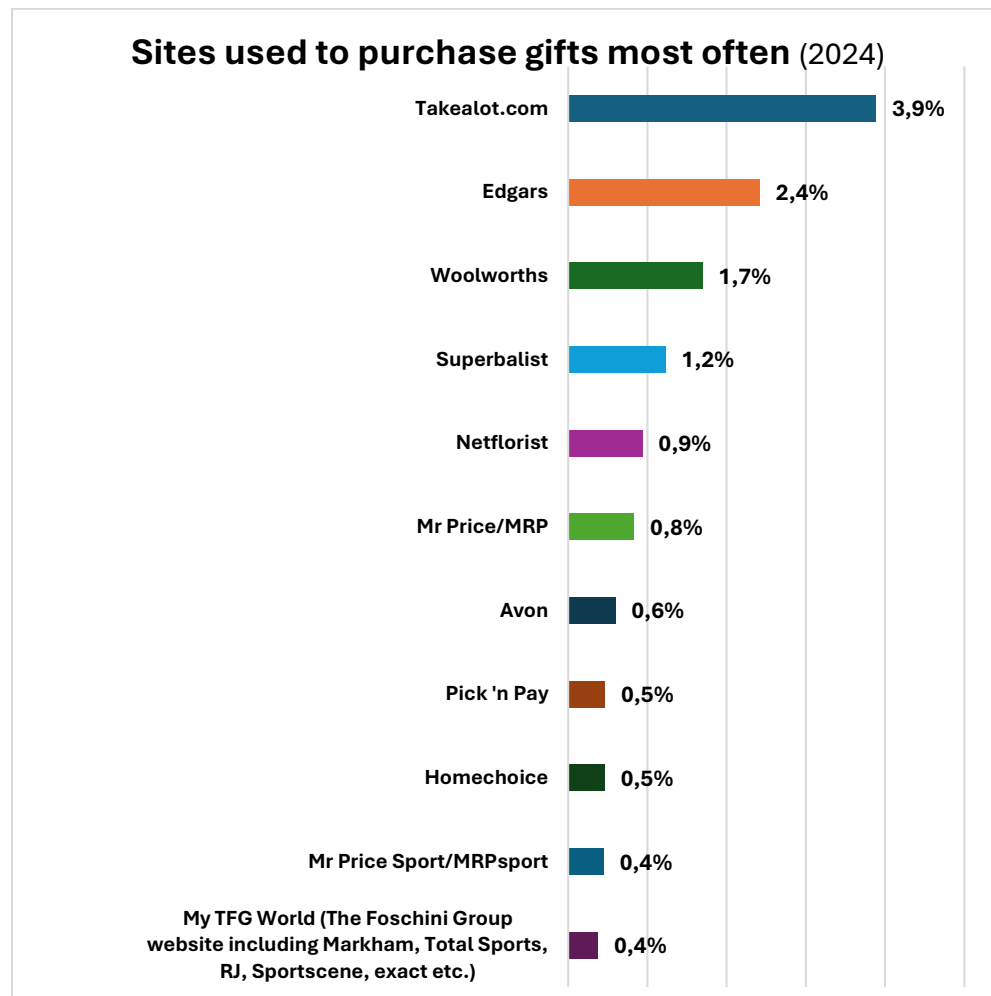
## Sites used to purchase furniture/homeware most often

Takealot is the most used platform for buying furniture and homeware, with 1.5%. Mr Price Home follows at 1.0%, and OK Furniture ranks third with 0.8%. Hirsch's (0.6%), House & Home (0.4%), and Superbalist (0.4%) are next, with Homechoice, Coricraft, and Woolworths each at 0.3%.



## Sites used to purchase gifts most often

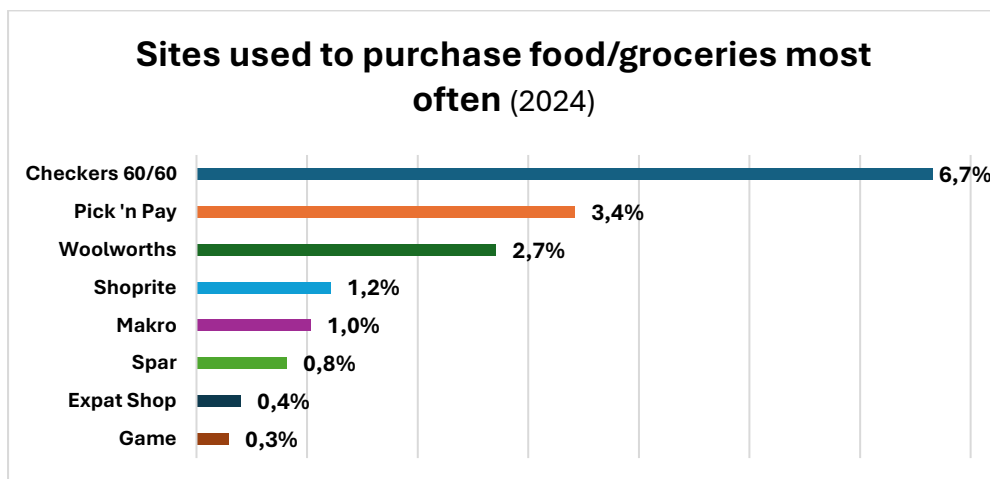
For gifts, Takealot is used most often at 3.9%, followed by Edgars (2.4%) and Woolworths (1.7%). Next are Superbalist (1.2%), Netflorist (0.9%), and Mr Price/MRP (0.8%). Rounding out the set are Avon (0.6%), Pick n Pay (0.5%), Homechoice (0.5%), Mr Price Sport/MRPsport (0.4%), and My TFG World (The Foschini Group website including Markham, Total Sports, RJ, Sportscene, exact etc.) (0.4%).





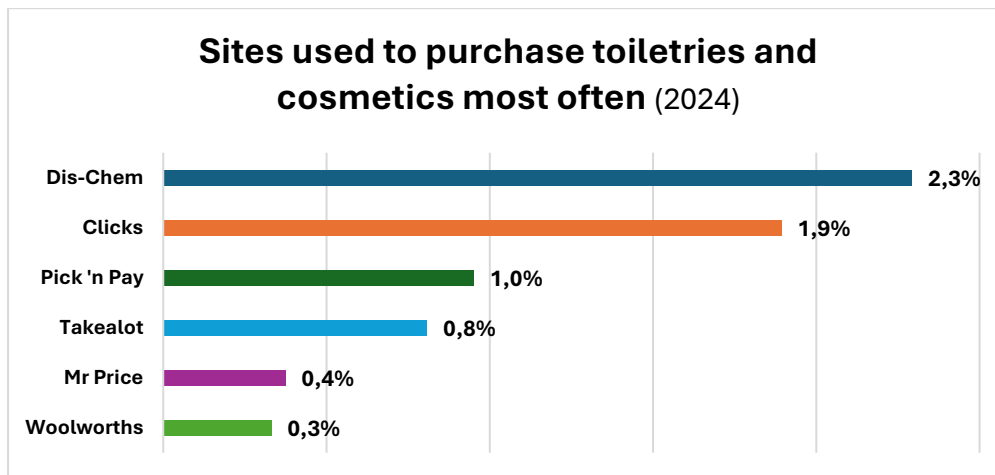
## Sites used to purchase food/groceries most often

Checkers 60/60 leads at 6.7%, followed by Pick n Pay (3.4%) and Woolworths (2.7%). The next group is Shoprite (1.2%), Makro (1.0%), and Spar (0.8%), with Expat Shop (0.4%) and Game (0.3%) completing the list.



## Sites used to purchase toiletries and cosmetics most often

Dis-Chem is used most often at 2.3%, with Clicks close behind at 1.9%. Pick n Pay follows at 1.0%, then Takealot (0.8%), Mr Price (0.4%), and Woolworths (0.3%).



## Online shopping attitudes

### General attitudes

The following references respondents who “definitely agree” with each attitude.

Shoppers are using the internet primarily as a decision tool. The strongest statements are that the internet helps them research products (28.2%) and that they check multiple sources before a significant purchase (23.1%). A sizeable group still prefers the in-store experience (21.9%), but that view is weakening, down 6.6% from 2023, one of the largest shifts on the chart.

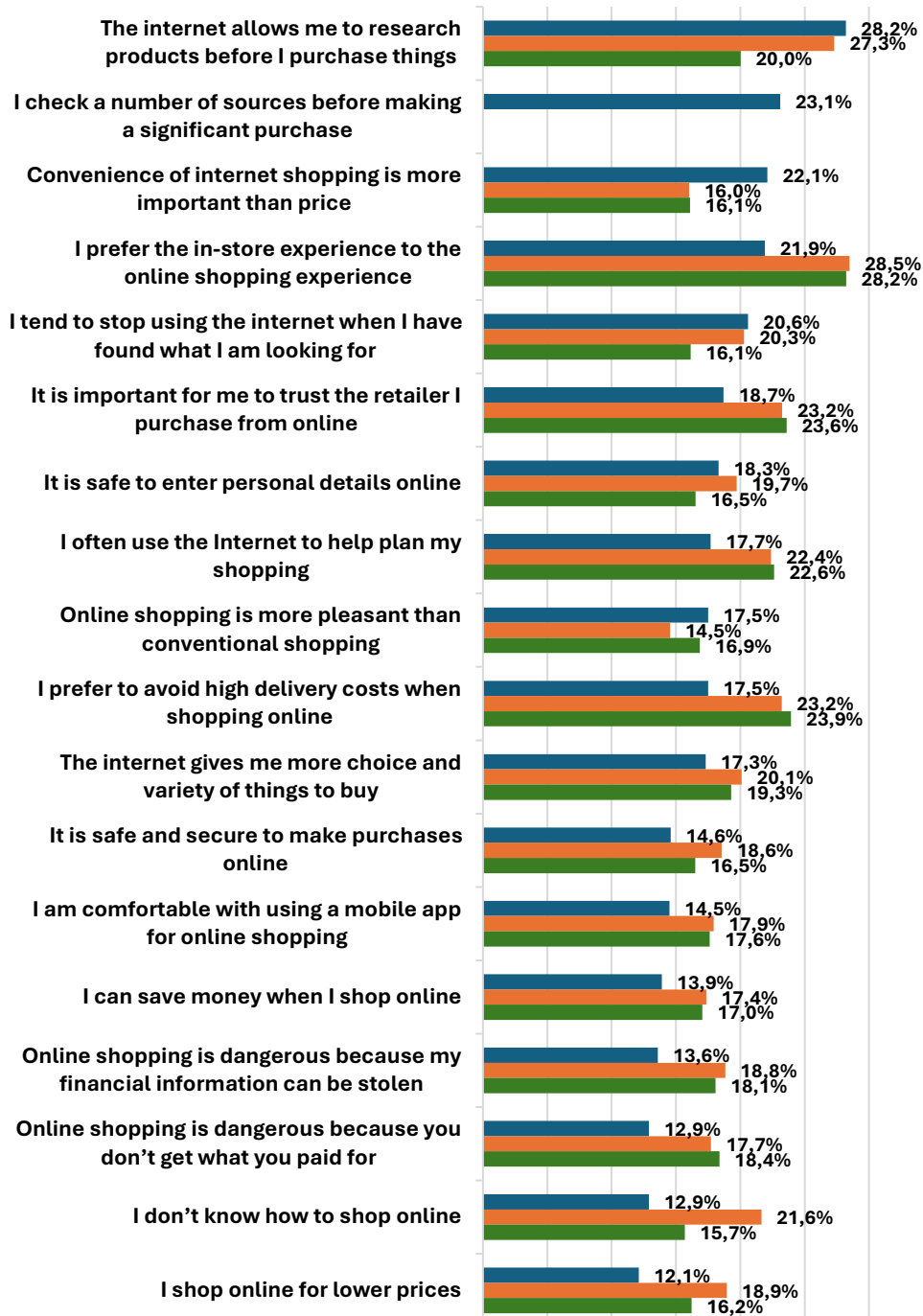
Two big movements reshape the value and cost story. The share who shop online for lower prices fell down 6.8% year on year to 12.1%, and those who prefer to avoid high delivery costs dropped down 5.7% to 17.5%. Trust and safety confidence also softened: trust in the retailer is down 4.5% to 18.7%, and saying it is safe and secure to make purchases online is down 4.0% to 14.6%. By contrast, enjoyment is improving – online shopping is more pleasant than conventional shopping is up 3.0% to 17.5%.

The clearest positives are the collapsing barriers. Fewer people say they don’t know how to shop online (down from 21.6% to 12.9%), and concern that financial information can be stolen is down from 18.8% to 13.6%, with fear of not getting what you paid for down from 17.7% to 12.9%.

2024 is characterised by high research behaviour, declining friction from skills and security worries, a reduced insistence on rock-bottom prices or delivery cost avoidance, and a noticeable easing of the in-store preference.

## Online shopping attitudes (definitely agree)

■ 2024 ■ 2023 ■ 2022

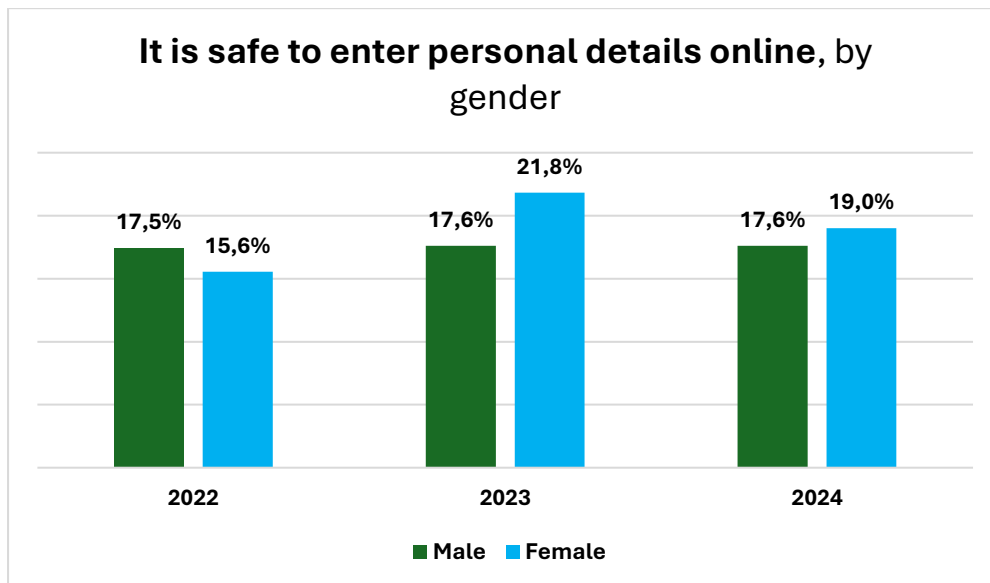


## Online shopping attitudes 2024 (definitely agree)

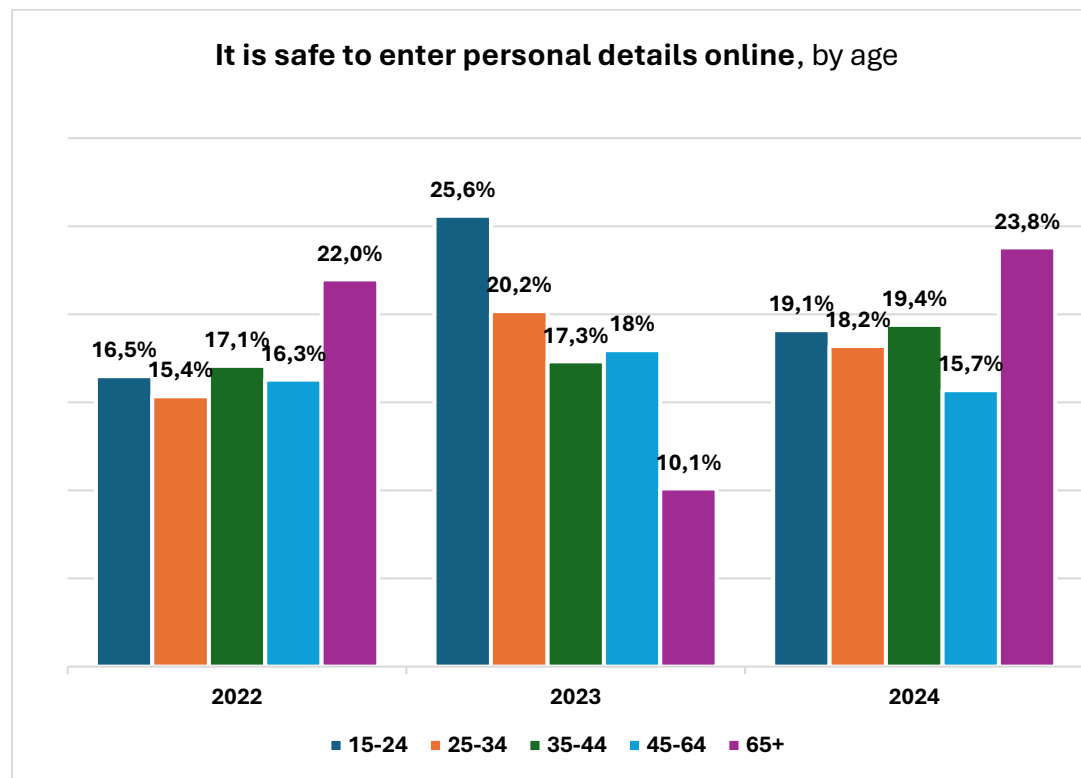


## Attitude demographics: safe to enter personal details online

In 2024, women are slightly more confident than men that it's safe to enter personal details online – 19.0% of women agree versus 17.6% of men. That's a reversal of 2022, when men were ahead (17.5% vs 15.6%). Since 2023, women are down 2.8% (from 21.8%) while men are unchanged, leaving only a 1.4% gap.

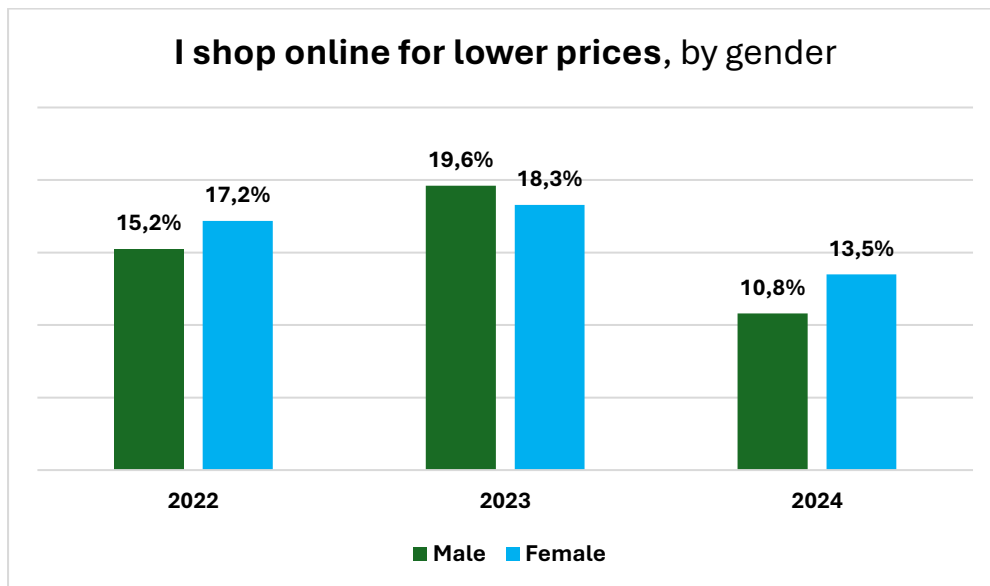


By age, confidence now peaks among 65+ at 23.8% after a sharp rebound – up 13.7% from 2023's trough (10.1%) and above 2022 (22.0%). The next cluster sits close together: 35–44 at 19.4%, 15–24 at 19.1%, and 25–34 at 18.2%. 45–64 is lowest at 15.7%.



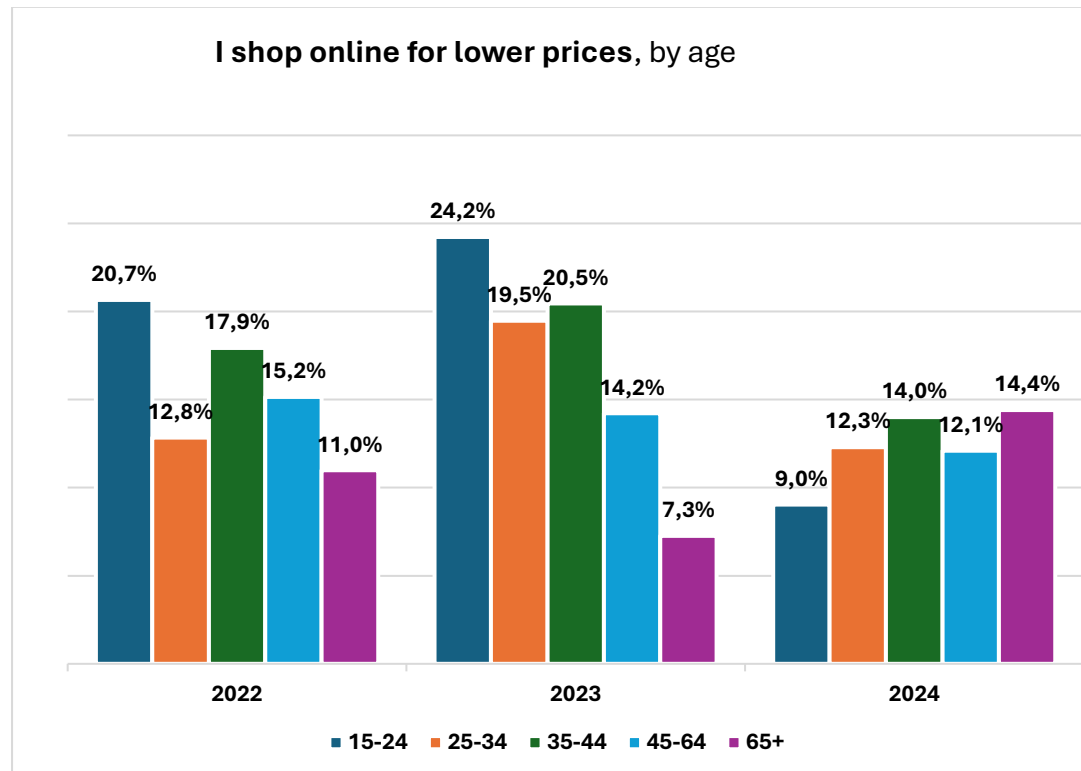
## Attitude demographics: shop online for lower prices

Price-seeking has cooled sharply by gender in 2024. Men who say they shop online for lower prices fell to 10.8% from 19.6% last year, while women dipped to 13.5% from 18.3%. That flips the 2023 pattern: women are now the more price-motivated group by 2.7%. Versus 2022, both genders are lower (men down 4.4%, women down 3.7%).

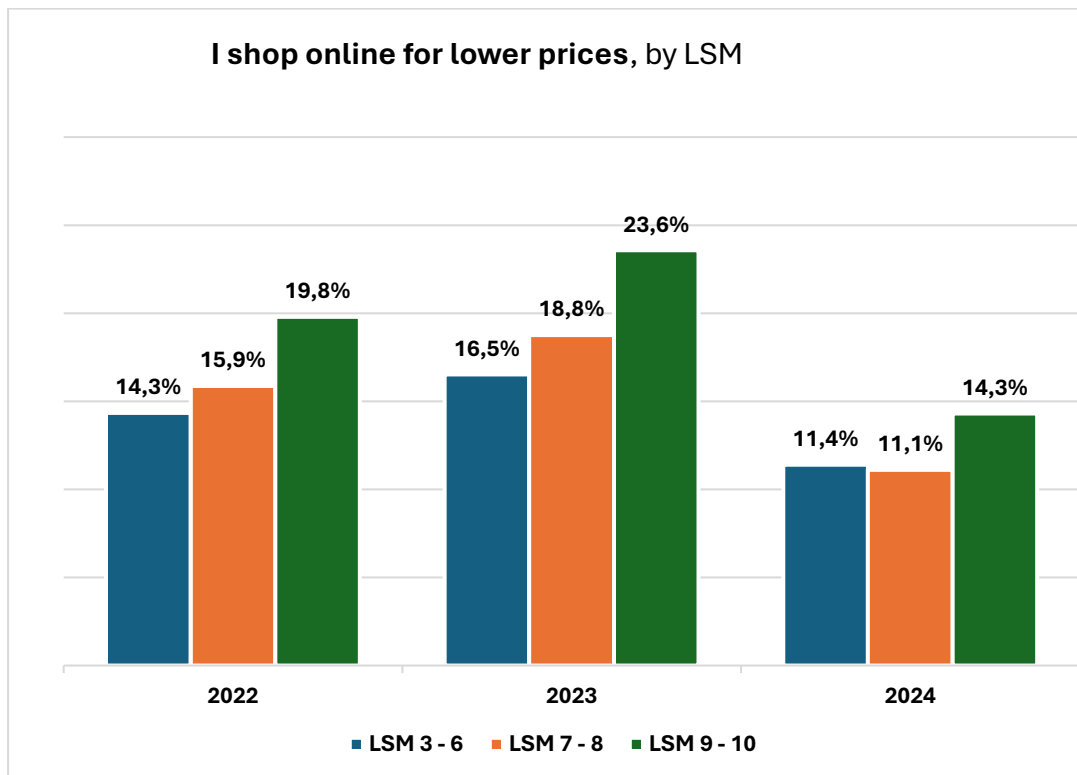




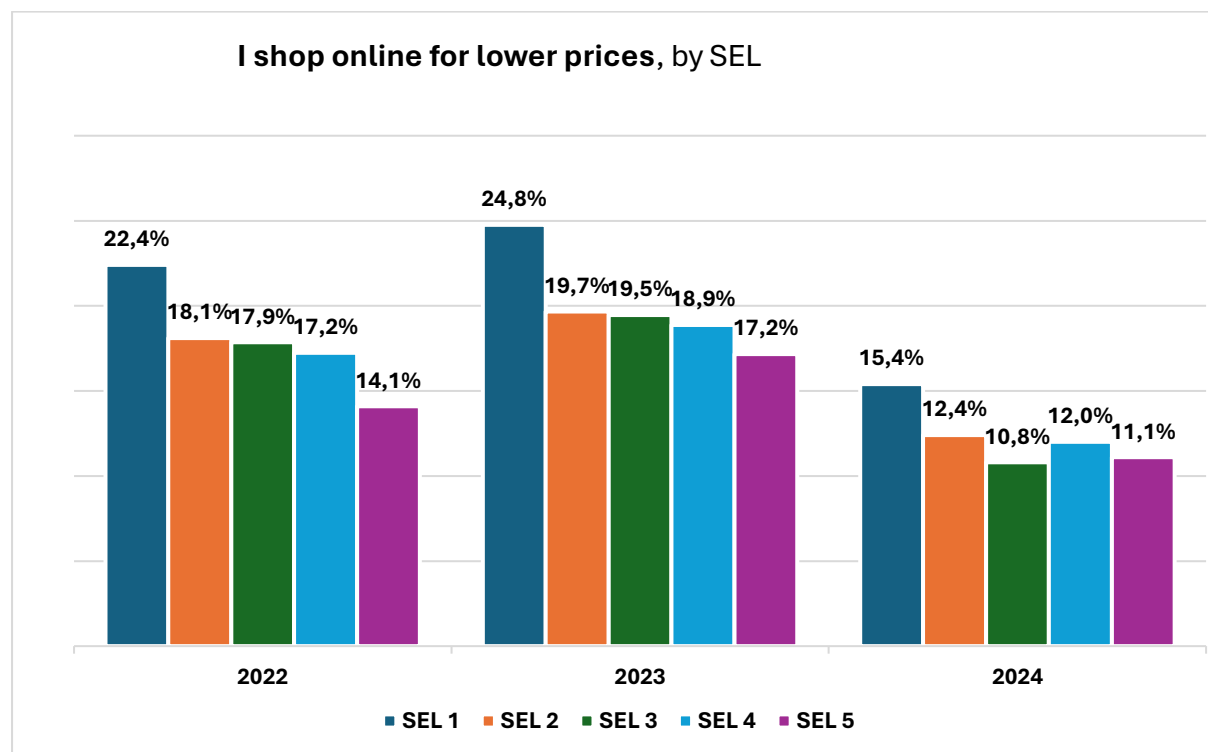
By age, the rotation is even starker. The 15–24 group drops to 9.0% from 24.2% in 2023, the largest change on the chart. 25–34 eases to 12.3% (from 19.5%), 35–44 to 14.0% (from 20.5%), and 45–64 to 12.1% (from 14.2%). Only 65+ moves the other way, rising to 14.4% from 7.3% and overtaking the younger cohorts. Compared with 2022, most groups are slightly lower except 65+, which is higher (up 3.4%). Price is less of a driver across the board in 2024, with the centre of gravity shifting from the youngest shoppers to the oldest.



Price-seeking by LSM has fallen across the board in 2024. LSM 9–10 is 14.3% (down 9.3% from 2023), LSM 7–8 is 11.1% (down 7.7%), and LSM 3–6 is 11.4% (down 5.1%). The gap between tiers has compressed, from a 7.1% spread in 2023 to 3.2% in 2024, and all three groups are below their 2022 levels (3–6 down 2.9%, 7–8 down 4.8%, 9–10 down 5.5%). The result is less emphasis on “lower prices” and far less differentiation by living standard.



By socio-economic level, the same cooling shows up. In 2024, SEL 1 is 15.4%, SEL 2 12.4%, SEL 3 10.8%, SEL 4 12.0%, and SEL 5 11.1%. Every level is down sharply from 2023 – SEL 1 down 9.4%, SEL 2 down 7.3%, SEL 3 down 8.7%, SEL 4 down 6.9%, SEL 5 down 6.1% – and all sit below 2022 (declines of 7.0%, 5.7%, 7.1%, 5.2%, and 3.0% respectively). The ranking also flattens: SEL 4 now edges SEL 3, and the top-to-bottom spread narrows from 7.6% in 2023 to 4.6% in 2024.



## Conclusion

South Africa's online market in 2025 is large, mobile-first and increasingly shaped by socio-economic advantage. Access is high and stable, but participation in shopping concentrates among higher incomes, higher SEL and LSM tiers, and in the biggest population centres. The age profile has rebalanced from a youth skew toward mid-age momentum, while gender differences have largely converged. Geography has tightened as well: metros are now clustered more closely together, Gauteng retains leadership, and the Western Cape has rebounded strongly, with townships narrowing the gap to mid-sized cities even as very large communities pull ahead again.

Behaviour is consolidating around regular, higher-value activity. Weekly shopping is most common among higher-affluence groups and 25–34s, and basket sizes have shifted decisively upward in both the last month and the last six months. Category demand remains anchored by apparel and groceries, with steady secondary interest in tech and gifts. The retailer landscape has become more top-heavy: a single domestic generalist leads by a wide margin, while a fast-growing cross-border duo and a resurgent global player have intensified competition near the top, and supermarket e-commerce continues to strengthen.

Attitudes point to a maturing, research-driven shopper. People are more confident in the mechanics of buying online and less fixated on rock-bottom prices or delivery-cost avoidance, yet trust signals have softened at the margins. The centre of gravity is shifting from price to assurance and experience: clear information, reliable fulfilment, transparent returns and visible safeguards now do more of the work that raw discounting once did.

The growth path is therefore clear. Deepen frequency and value among the connected core – especially higher SEL and upper-middle incomes – by compressing delivery times, keeping availability tight, and optimising mobile journeys. Re-engage younger cohorts and lower-mid incomes with compelling entry-price ranges, discovery-led merchandising and simple, risk-reducing policies. Address geographic imbalances by leaning into large-community scale and Western Cape momentum, while closing rural gaps through coverage, costs and dependable service. Finally, match the new mindset: foreground trustworthy content, reviews and guarantees; set accurate delivery expectations; and build programmes that reward sustained spend rather than one-off deals. Retailers that execute on speed, assurance and clarity – while meeting shoppers where they already are on mobile – will convert neutrals into regulars and capture a greater share of the market's larger baskets.

## Contact

The Online Retail in South Africa 2025 was led by Arthur Goldstuck, managing director of World Wide Worx. He is author of 21 books, including The Hitchhiker's Guide to AI, and Tech-Savvy Parenting. As principal analyst, he leads World Wide Worx's groundbreaking research. He was assisted by Jason Bannier in data analysis for Online Retail in South Africa 2025.

User demographic data was sourced from the Target Group Index (TGI) survey conducted by Ask Afrika, the largest market research organisation in Africa. World Wide Worx collaborates with Ask Afrika in the structuring of e-commerce, digital and electronics components of TGI, which comprises 16 000 interviews across a vast range of consumer topics and behaviours.

### About World Wide Worx

World Wide Worx conducts independent, sponsored and commissioned research projects, in areas ranging from cloud computing and digital transformation to ecommerce and digital consumer trends. We provide talks, commentary and thought leadership on business and digital trends for media and at corporate events.

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