

Elevating the e-commerce experience with omnichannel adoption

By [Mayen Warrie](#)

9 Nov 2022

Market studies show that the recent Covid-19 pandemic served as a significant catalyst for e-commerce adoption among retail customers across the globe, with a vast majority of shoppers moving their spending online. In fact, the IDC Worldwide *Covid-19 Impact on IT Spending Survey* found that online shopping increased by a massive 90% during the height of the pandemic. Additionally, customers revealed that they are increasingly making choices about where to shop in-person based on the availability of buy online and pick up in-store, curbside and omnichannel returns services.



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In the post-Covid era, we are witnessing a fairly even split in consumers' retail wallet spend between brick-and-mortar and e-commerce retailers. At the same time, we also see more in-store retailers incorporating digital channels into their communications mix to drive more customer acquisition and retention.

This is as both brick-and-mortar and online retailers are under pressure to offer increasingly frictionless shopping experiences and meet shopper demand for omnichannel payments while adhering to shifting regulatory requirements. As a result, we are seeing the line between physical and digital commerce becoming increasingly blurred.

Key drivers

Currently, a number of key drivers are supporting the growth of e-commerce, as well as the rise of mobile commerce (m-commerce), the most important being the development and diversification of online commerce. The necessity of having an online presence was made clear for many retailers with the outbreak of Covid-19, and those without a developed online presence and shopping capability have been left at a great disadvantage.



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The convergence of physical and digital commerce is driving demand for payment systems to accommodate omnichannel capabilities. Furthermore, the ability to engage with customers across an increasing number of channels can be achieved via social media, which is becoming an increasingly effective sales channel for brands, with social commerce now an important area of growth.

Several other factors, which are pertinent to emerging markets such as Africa, include improved access to the internet and financial services for the unbanked and underbanked; and increasing mobile penetration and the development of mobile payment technology. Additionally, the development and increased availability of alternative payments and improvements in delivery times, supported by developments in logistics infrastructure, are also driving e-commerce in emerging markets.

Recent developments

We have witnessed several recent developments that are galvanising e-commerce payments for physical and digital goods in Africa. For example, in November last year, digital payment gateways MFS Africa and Chipper Cash announced that they had raised \$100m and \$150m, respectively, to scale up their cross-border e-commerce payment services in Africa, joining a growing number of companies targeting this emerging market.

Recently, African money transfer service M-Pesa teamed up with Visa to offer a virtual payment card service that will tap into the subscription market, worth \$40bn a year. Called the M-Pesa Global Pay Visa Virtual Card, it will enable users to pay merchants from their mobile phones, with no need for credit cards or accounts payment providers. The idea is to harness the unbanked, which has been a focus area for many companies looking to expand financial accessibility. Indeed, it seems that big opportunities lie in connecting the African continent and supporting within-region and cross-border e-commerce.



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Evolving needs of brands

At the same time, the future of e-commerce payments is closely tied to the evolving needs of e-commerce brands and merchants that are increasingly looking at the customer experience as the primary driver to attract consumers. Customers are increasingly seeking the most frictionless experience possible, and if the customer's preferred payment method is not available, it increases the risk of cart abandonment.

The omnichannel experience is also being extended further through new developments, such as social commerce. E-commerce has the potential to increase the availability of (physical) products in real time, linking brands to their consumers with fewer intermediaries and this presents additional opportunity for innovations in terms of e-commerce payments integration across social media, as well as the potential for omnichannel social media customer support.

According to Juniper Research, the value of global e-commerce payment transactions will exceed \$7.5tn by 2026, from \$4.9tn in 2021. This growth rate over the next five years will be driven by retailers offering compelling omnichannel retail experiences that increase user e-commerce spend.

End user demands will continue to change, meaning that brands that care enough to listen to their shoppers' expectations and are able to leverage the CX consulting expertise of global messaging providers (who already have a track record of delivering impactful projects) to build a solid omnichannel communications strategy and take the stress out of the entire shopping experience will be able to better retain their customers.

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