

## How Black Friday is changing purchasing patterns in sub-Saharan Africa

The holiday season starts earlier every year, as three major shopping holidays originating in the US and China, namely Black Friday, Singles' Day (11-11) and Cyber Monday, are now extending to the rest of the world. This phenomenon is transforming consumers' shopping habits ahead of the Christmas season in December.



"Black Friday was first piloted in South Africa in 2012 by online retailer Takealot, with grocery retailer Checkers introducing the concept to the market in 2014. However, the trend only effectively took off in 2015 as more distributors joined the craze, offering discounts of 50% to 80% on various consumer goods," explains Christele Chokossa, senior research analyst at Euromonitor International.

Online retailers such as Jumia has been a pioneer of Black Friday in the rest of sub-Saharan Africa with its first Nigerian Black Friday taking place in 2013. Black Friday has since gained momentum over the past five years across African markets, with countries such as South Africa recording an increase in retail sales over this period.

Chokossa adds that numerous retailers are using social media to create awareness a few weeks prior to the event. "The rising number of internet users in the region, alongside momentum gained by online platforms like Takealot and Jumia, is expected to stimulate awareness in shopping holidays across the region. The trend is expected to spread across stores, with international modern chain retailers setting up in countries like Ivory Coast."



SA retailers reveal deals for Black Friday 2018

Lauren Hartzenberg 19 Nov 2018



## Christmas shopping in November

According to Chokossa, consumers in South Africa are changing their purchasing patterns, with many shifting their Christmas shopping to November due to the heaving discounting offered during Black Friday. As a result, many retailers have assessed their strategy to find ways to increase and maintain traffic during those holidays.

"In 2017, South Africa's online retailer Takealot benefited from its Blue Dot Sale which locked promotional prices on new ranges of products on a timely basis and incentivised shoppers to come back. Because of the opportunities offered by Black Friday, other consumer-facing entities such as consumer foodservice outlets, travel agents and airlines also offer Black Friday discounts on their products."

Chokossa says that although Black Friday and Cyber Monday are becoming popular in sub-Saharan Africa, particularly in South Africa, it is often believed that deals offered by local retailers are not good enough or up to Black Friday standards compared to other regions.

"However, in countries like South Africa, Black Friday and Cyber Monday are expected to become as important, if not more important than Christmas holidays, with consumers increasingly showing interest in online shopping, hence boosting sales," she adds.



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## Holiday season prime time for retailers

A new report by Euromonitor International highlights that the end of the year shopping season is key for retailers.

Amanda Bourlier, a market research consultant for the company explains, "a good sales performance during this time of year puts a retailer in a strong position going into the next year. Conversely, a weak performance during the end of year shopping season puts a retailer in a fragile position, particularly for retailers that had an otherwise mediocre year."

She adds: "Shopper behaviour is very different during the holiday shopping season compared with the rest of the year. Time-pressed consumers are especially open to trying new, time-saving services and to visiting retailers they don't normally shop at to get gifts for others. This makes the holiday season a prime time for retailers to promote new services and channels, and to reach new consumer groups.

"Best-in-class retailers use the holiday shopping season not just to reach consumers in their core market, but also to promote their products to international consumers."