

Junk Mail: From print to online

Covid, its regulations and subsequent lockdowns have forced many legacy businesses to change how they serve their customers. For *Junk Mail*, it propelled the business into a new way of transacting moving from a traditional print business to an online auction marketplace that has seen it sell almost R30m worth of stock from car auctions alone.



Source: Women on Wheels <https://www.womenonwheels.co.za/> Women on Wheels]] Junk Mail Marketplace's online auction has sold almost R30m worth of stock from car auctions

Junk Mail MD and current CEO, Felix Erken, says that as early as 2017, they researched buying and selling cars online. "At that time the complexities behind streamlining these transactions would mean allocating massive amounts of capital and resources into a venture like this."

The research showed that the technology to sell and buy vehicles online was not available and that the consumer was also not ready to make the leap to buying and selling their vehicles online.

Setting up the online auction space

Fast forward to the Covid-19 pandemic and lockdowns. "These had a massive impact on *Junk Mail*'s traditional print business, but despite losing such a long-term part of its business, which felt like a personal blow, the business decided to forge ahead and examine what new opportunities were emerging because of the lockdowns and the subsequent shift in consumer behaviour," explains Erken.



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It found that traditional auction houses could no longer operate, and all transactions now started to take place online. Erken says that while previously consumer readiness had been a key obstacle, this new way of transacting removed this. "The only decision left to make was when to join the online auction space."

“We set about moving into this new space quickly to be the first in its industry to do so, immediately setting up online auction teams,” Erken adds.

Within three months the business had registered a new company, established its team and held its first online auction. Since then, its car auctions have sold close to R30m worth of stock.

Currently, *Junk Mail* is the only local auction house that exists purely online.

While these auctions are still not seen as a mainstream way of buying, *Junk Mail* is striving, to make it a credible way for all to transact.



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Creating a good user experience

Auctions, although separate from its traditional marketplace business, is intrinsic to what *Junk Mail* is doing, and with this in mind, the business aims to move forward as the growth opportunities shown in the online auction space are impressive.

The next step is for *Junk Mail* Marketplaces to feed into its auction business, with the same key focus – to create a good user experience.

Still in its development phase, with all the groundwork done, the business is confident that customers will appreciate this new platform from which to sell.

Erken says they learnt some important lessons along the way. “Unlike our previous venture into the online space, where we attempted to mirror our print business, in this case, we learnt not to protect its existing models too much.”

“The lesson is to keep evolving and growing, and staying relevant to its customer, by continually evaluating how to get closer to the transaction,” he concludes.

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