

3 ways retailers can retain customers amid a global buying slump

By  [Zuko Mdwaba](#)

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Due to the pandemic, the global economic climate has remained unstable and volatile during the last two years. Global inflation is expected to increase by around 10%, and with supply chain disruptions and economic uncertainty on the rise, consumer purchasing power is decreasing. However, even in the face of hardship, retailers should look for the positives.



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Digital engagement is at an all-time high, according to Salesforce's Q1 Shopping Index. In fact, the two year online sales growth rate in Q1 is at 65% globally. This demonstrates that businesses have significant opportunities to engage clients and sell things online, but only if they do so successfully.

1. Enhance customer engagement online

In a time where purchasing power is low, customers must be inspired. With limitless possibilities and decision-making challenges at an all-time high, assisting consumers in avoiding choice paralysis is crucial. Rather than presenting large lists of products and prices accessible via filters, businesses can ensure the correct products are in front of the right customers by leveraging digital platforms.

Wherever consumers are browsing, collecting data at every touch point will help retailers get to know their clientele better and provide personalised experiences. Being able to share information and offers at the right time, based on previous interactions and tailored to customers' needs, will keep them invested, and therefore investing.

To achieve this, retailers must rely not only on their own channels, but also harness the personalisation power of social media to drive awareness and sales. According to Statista, in 2020, the number of social media users globally stood at over 3.6 billion - nearly half of the world's population. This presents a huge opportunity for brands to continue elevating their targeting capabilities and unlocking new audiences in the digital sphere.



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2. A well integrated ecosystem is vital

Integrating a seamless experience across all devices is essential to securing and retaining business. While desktop websites used to be seen as the most important online purchasing platform, shopping traffic from mobile devices has remained at 71% over the last nine quarters.

In order for businesses to engage customers cross-device, it's important for them to invest equally in their digital ecosystem. In a digital purchasing landscape, shoppers expect to seamlessly move from app to app, and from one device to another with the same experience.

However with the return of in-store shopping, the physical retail realm should also not be forgotten. Ensuring the transition between physical stores and all digital devices is as seamless as possible is essential, not only to engage customers, but to ensure they follow through to purchase.

3. Introduce 'buy now pay later' options

As consumers contend with inflation and higher prices across the board, they are less likely to purchase multiple high-priced items all in one go. Flexible payment options such as Buy Now Pay Later (BNPL) are offering a safety net for consumers in uncertain times.

By offering simple, transparent, and financially responsible payment tools, retailers can empower and encourage customers to invest in their products without financial stress. Not only does this help to build trust and loyalty amongst existing customers, but it opens them up to new customers who may have overlooked their business before.



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Conclusion

Amid a global inflation hike and a reduction in purchasing power for consumers, the retail industry must adapt. Through optimising their entire purchasing ecosystem, to driving personalisation and developing schemes that help consumers with finance management, retailers must work harder to attract and retain customers.

Ultimately, this evolving economic landscape must be seen as an opportunity. Only then, will retailers ensure they continue

enticing customers and delivering profit during a global purchase decline.

ABOUT ZUKO MDWABA

Zuko Mdwaba is Area Vice President at Salesforce South Africa.

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