

# High-value vs low-value payments - making checkouts count

The pandemic has shocked local businesses into action when it comes to transitioning from offline to online. While many have managed to digitise aspects of their business, brick-and-mortar companies are yet to fully realise the customer insight and retention benefits of e-commerce transactions.



Credit: Zapper

“So many businesses, most notably smaller retailers and hospitality companies, have had to digitise quickly in order to compete in lockdown economies. Whether it was simply including an online order option or a full pivot to provide new services and products, shifting from a purely brick-and-mortar offering to a digital one has been the big challenge over the last 12 months,” explains Brett White, CEO of Zapper.

“What many business owners are now realising is that by adopting smart payment solutions, especially QR code offerings with insights at their core, they can gain all the same customer insight and loyalty benefits as large e-commerce outfits.”

## What happens at the till really counts

Every business understands that they need to make their customer journey as frictionless as possible – and this is true whether the customer is braving a crowded mall, or shopping on a large e-commerce platform.

Ensuring payment is fast and simple is just one of the requirements. Store owners also need to ensure that they allow their customers to pay over their preferred channel, be it a debit or credit card, or a mobile option. However, too few business owners understand the additional benefits that insights-based QR payments can offer them.

According to a JP Morgan and Forbes survey, “Companies are beginning to recognise that payment data is a missed opportunity. The top characteristic they are seeking in a payment solutions provider is the ability to help them use technology to access data and enhanced offerings.”

White adds, “Of course, ensuring you can take whatever payment option your customer chooses is essential. But by actively encouraging the use of insights-driven QR code payments, you are equipping your business with all the power that big data offers.

“And, while we all know that information is currency, it has never been more so than in an age when all of our usual spending and behaviour patterns have flown out the window. For the thousands of businesses who are trying to drive loyalty and gain market share during this lockdown economy, payments hold the key.”



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## Insights-driven QR codes offer more options

White explains that his merchants have the benefit of additional insight into their customers' behaviour through Zapper's loyalty and rewards programmes, including earned and discount vouchers, by virtue of how Zapper inherently links unique consumer identifiers to transactions in much the same way e-commerce does.

“South Africans love loyalty and reward programmes and show a real knack for gamifying these to their benefit. Smart retailers, meanwhile, understand that they can use the information to generate revenue and protect themselves against the stressed economy and shrinking spending power of South African consumers.”

## Giving small businesses a fighting chance

The power of e-commerce has proved itself over and over in the last 12 months. White points out that from the first lockdown to the end of 2020, e-commerce businesses have outperformed their four-walled competitors. However, he says that this is not simply because they facilitate online orders.

A lot of the power behind an e-commerce business lies in the ability to better know your customer. From registration to purchase history, e-commerce businesses know their customers and what they are interested in. This means they can generate tailored campaigns to encourage repeat business and customer retention. However, White points out that these benefits do not need to remain exclusive to the online marketplace.

“Business owners need to shift the way they think about payments. Transactions have value. Swiping a card or handing over cash may be concluding the deal, but these low-cost transactions can also conclude your relationship with the customer. Encouraging your customers to use QR code payments, especially those insights at their core, means you are able to begin a long-term, high-value relationship with your customers.

“Assigning value to payments means you begin thinking of this part of the customer journey as an opportunity. And that is what will set your business apart,” White concludes.

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