

5 tips for small businesses to emerge resilient from the pandemic

By [Jim Magats](#)

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Small businesses play an important role in our communities and economies. Over the past year, as the pandemic shifted the retail and commerce landscape, small businesses were faced with a lot of change. Many digital small businesses saw dramatic growth during the pandemic, as consumers moved to digital channels. On the other hand, many bricks and mortar small businesses saw their sales decline, some so drastically that they were forced to close either temporarily or for good.



Jim Magats, senior vice president of omni payments at PayPal

As we start to emerge from the pandemic, small businesses need to continuously adapt to evolving consumer behaviours and expectations. Here are five things small businesses can do to prepare themselves for success as the world rapidly goes digital.

1. Create a smooth (front and back end) omnichannel experience

According to a recent [study](#), e-commerce has doubled in South Africa over the last two years. The study further revealed that the total growth for online retail in South Africa in 2020 came to 66%, bringing the total of online retail in South Africa to R30,2bn.

Despite this reality, many small businesses still lack an online presence. Even among those businesses that do have one, many lack seamless, omnichannel experiences connecting their various selling channels. By enabling seamless omnichannel experiences, small businesses can better meet changing consumer expectations. This does not indicate the need for different systems for online, mobile, and in-store commerce, as it can lead to inventory and order management issues or a disconnected payment and checkout experience. An omnichannel experience means having a connected experience, both on the front and back end.



What are the core requirements for building an omnichannel customer experience?

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For example, consumers want to be able to add an item to their online shopping cart and then have it waiting to be tried on when they arrive at the physical store. Or conversely, they want to be able to try something on in a physical store and, if the right size or colour is not available, have it waiting in their online shopping cart for purchase.... instant gratification.

To facilitate this, small businesses should make sure their back end integrates options like reporting, payments, inventory and order management, and seamless integration with third-party partners.

2. Foolproof your business and customers' information with robust fraud protection measures

As businesses and customers have moved online, the scope for fraud and scams are also increasing. Cards, digital wallets, and contactless payments are replacing cash as the dominant e-commerce payment methods in South Africa. This has given rise to multiple types of fraud, from online shopping fraud to identity theft to tax scams and continues to grow as the number of internet users increases.

Therefore, at a fundamental level, small to medium businesses should monitor their transactions and customer accounts to identify any red flags. For example, if the company comes across any inconsistent shipping or billing information that does not match their records, it may be an indicator to some unusual activity in their account that should be investigated.

Businesses can also help prevent fraud by requiring their customers to create a strong and secure password with a minimum number of characters, including a special character as well as two-factor authentication, should login details be used from a different device.

3. Provide customers with alternate and flexible payment options

It is particularly important to always keep the customer experience first. SMBs should enable choice and flexible payment options for their customers so that consumers can make purchases in the manner they prefer. For example, businesses should allow their customers to pay with alternative funding sources, like buy now pay later solutions or paying with rewards points for example, that can help extend consumer spending power.



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4. Collaborate with trusted partners to stay focused on the business

Small businesses must ensure that a lot of things are taken care of. This might include managing their website, marketing to prospects and customers, managing their back office, hiring, managing their staff, customer service and so on. This is when the role of trusted partners come in. Partners can facilitate a lot of backend work, like setting up the company's e-

commerce site, managing accounting, marketing, and more, which can further enable small business owners to focus on what they do best.

5. Make data-driven decisions

Finally, leverage your data efficiently to make informed decisions. Your data can provide you with an understanding of your customers and their preferences, and thereby help drive better customer experiences. Data can also be used to target offers, drive pricing strategies and get more customers to make purchases. Further, efficient use of data can also prevent fraudulent activities and increase trust and security for customers.

Ultimately, by using data effectively, you can also drive good marketing campaigns, which will thereby help drive sales – however, make sure you adhere to the latest South African legislation on the Protection of Personal Information.

The pandemic may not be here to stay, but many of the new trends that have emerged are. Through the five tips above, you can help your business come out of the pandemic from a position of strength.

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