"It looks like you forgot something" – Why South Africans Abandon their Online Shopping Carts.



It is becoming increasingly important to adapt to an ever-evolving technological world. This is especially true given the current landscape, in which the world is greatly affected by the COVID-19 pandemic. More and more people are opting to buy online rather than at traditional brick and mortar stores. Online sales have increased tremendously over the past few months and are projected to continue to grow by 10.1% over the next 4 years. It is therefore imperative for managers to understand what influences online shopping cart abandonment so they can put measures in place to prevent it.

A research study was conducted by Wayne Wilson, a <u>Master's</u> student in the <u>Department of Marketing Management</u>, to determine whether factors such as organisation and research, hedonic purposes (also known as entertainment purposes) and perceived transaction inconvenience have an influence on online shopping cart abandonment. The study was conducted amongst a sample of 270 South Africans.

The results showed that two of the three factors under investigation, namely organisation and research as well as hedonic purposes, had a statistically significant positive influence on online shopping cart abandonment. Perceived transaction inconvenience on the other hand, did not have a statistically significant influence. This means that consumers who place items in their shopping cart for fun or research (checking prices, examining item specifications or comparing websites with each other or with traditional brick and mortar stores), are more likely to not proceed with the transaction.

Marketing managers need to take these findings into consideration when making business decisions relating to their online shopping platforms. Firstly, to discourage consumers from clicking off their web page to research other items, a strong call to action such as free delivery or a discount code can be presented. This can further encourage consumers to make purchases. Secondly, to discourage consumers using the web page as a means of entertainment, it is important not to make the web page too entertaining. Managers need to find a good balance of interactivity, great design and impactful call to actions on their web pages. Finally, since perceived transaction inconvenience does not affect online shopping cart abandonment, managers need to keep this insight in mind. For instance, decisions that may impact the ease of transactions on the page cannot be made as a trade-off for a visual call to action pop up. Managers can then make an informed decision knowing that a call to action may be better in boosting sales than a slightly more inconvenient transaction.

This research was conducted as part of the fulfilment of the <u>Master's degree</u> in Marketing Management in 2020 with the <u>Department of Marketing Management</u> by Wayne Wilson under the supervision of <u>Dr TTR Ndoro</u>.