# Online Retail in SA 2026

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A study conducted by World Wide Worx, in partnership with Mastercard, Peach Payments, and Ask Africa.

## Contents

# Executive summary

**By Arthur Goldstuck, CEO of World Wide Worx and principal analyst of the Online Retail in SA 2026 study**

South African online retail has grown up. It is no longer about whether people will shop online, but about how deeply online shopping has woven itself into everyday life. The numbers now reflect a market competing on scale, on how often people buy, and on growing profit rather than simply chasing revenue growth.

The central figure in the report validates the forecast made in the previous edition: In 2025, South Africans spent around R130-billion shopping online. This represents, for the first time, more than 10% of the country's total retail spending in real terms, that is, once the figures are adjusted for inflation rather than measured in nominal (actual rand) terms.

Total online retail spend is expected to grow by roughly 22.5% through 2026, lifting it to about R159-billion by the end of the year. Measured in nominal terms – actual rands spent, without the inflation adjustment – online shopping reached 10% of all retail spending for the first time during mid-2026.

The market is growing several times faster than physical retail, despite a much larger base than only a few years ago. Growth has also become more commercially sustainable. Takealot Group recorded a first full-year trading profit, while Pick n Pay's online business remained profitable for a second consecutive year. Checkers Sixty60 revenue grew 34.5%, while TFG Africa recorded 49.2% online growth. These results show digital commerce moving from a growth channel towards the core of retail operations.

A small fall in consumer penetration provides an important qualification to this growth trendline. The proportion of adults shopping online declined from 36.6% in 2024 to 34.2% in 2025. Rather than indicating weakening demand, the decline suggests that online retail may be approaching saturation within the initial higher-income, urban and connected customer base. At the same time, ecommerce continues to become more deeply embedded in retail spending, fulfilment, loyalty programmes and customer relationships.

The next major opportunity therefore lies beyond the existing online-shopping base. Internet access reaches 79.1% of South African adults, more than double the 34.2% proportion who shop online. A large connected population has therefore not yet converted into online shoppers. The gap provides substantial room for retailers to expand the addressable market rather than relying only on greater spending from existing customers.

Growth beyond the initial customer base will depend on addressing barriers that connectivity alone cannot solve. Delivery costs and minimum-order requirements can make smaller purchases uneconomical, while last-mile reliability remains more difficult outside major urban areas. Payment friction, concerns about security and fulfilment, data costs and limited support for South African languages create further obstacles. Retailers able to reduce these barriers through lower-cost fulfilment, collection points, accessible payments, lighter digital experiences and stronger localisation have the clearest opportunity to convert connected consumers into online shoppers.

The strongest existing online-shopping segments remain younger and more affluent. Adults aged 25 to 34 record 39.5% penetration, while more than 60% of adults in households earning R40,000 or more shop online. SEL 1 High reaches 75.4%, LSM 9 to 10 reaches 59.4% and post-matric respondents reach 56.7%. Gauteng remains the strongest province at 46.9%, with Pretoria, Johannesburg and Greater Soweto providing particularly strong markets.

Shopping behaviour also shows a market becoming increasingly mobile and commercially diverse. Smartphones are used by 57.9% of online shoppers, more than double laptop use. Clothing remains the leading retail category at 36%, followed by groceries at 21.2%. Spending ranges from small monthly transactions to a sizeable higher-spend segment, with 29% of shoppers spending R2,001 or more over six months. Web browsers nevertheless remain important, exceeding app purchasing across most measured categories.

Competition has broadened alongside the market. Takealot remains the most-used platform at 35.3%, followed by Shein at 21.5% and Checkers Sixty60 at 15%. Amazon recorded 12.7% usage before the June 2026 launch of Prime, providing a meaningful base for expansion. Category leadership remains fragmented, with Shein leading clothing, Sixty60 leading groceries, Takealot leading gifts and Dis-Chem leading toiletries and cosmetics.

Amazon Prime adds another layer to the competitive market by shifting focus towards subscriptions, delivery economics and shopping frequency. Local retailers are responding from positions of strength through established store networks, loyalty programmes, fulfilment infrastructure and local customer data. Cross-border platforms are also adapting, with regulatory changes pushing competition towards local inventory, fulfilment and merchant participation rather than relying mainly on low-cost imports.

Artificial intelligence, retail media and payments are becoming increasingly important to the next phase of competition. Retailers are deploying AI-based shopping assistants, using loyalty data to personalise customer experiences and developing retail media as an additional profit pool. Payment development is moving towards lower-friction authentication and faster account-to-account transactions. These developments shift competitive advantage away from simply having an online store and towards controlling more of the customer relationship.

The central opportunity for South African online retail has therefore changed. The market no longer depends primarily on proving consumer demand for e-commerce. The challenge now involves deepening engagement among current shoppers while expanding beyond the initial customer base. Retailers that reduce the economic, logistical, payment and trust barriers separating internet access from online shopping will be best positioned to capture the next stage of growth.

**About this report**

This report combines four research streams into a single volume, organised into four parts:

- Part 1: The Online Retail Landscape in 2026, covering market sizing and category-level analysis, based on World Wide Worx analysis.
- Part 2: Demographics of SA online shoppers, covering who is shopping online and how this varies by age, gender, income and geography, based on World Wide Worx analysis of TGI data collected by Ask Africa.
- Part 3: Survey of South African Consumers, 2026, primary research among 1,400 online shoppers.
- Part 4: Survey of South African Retailers, 2026, primary research among 201 retailers on payments, fulfilment and online strategy.

# Foreword: Mastercard

**By Shabir Ahmed, Mastercard senior vice president, Customer Solutions Centre Africa**

South African online retail has reached an important milestone. An emerging channel has become an established part of everyday commerce, with online retail expected to account for around 10% of national retail turnover in 2026. The significance of this moment lies not only in the scale of online spending, but in what it tells us about how consumers shop, how retailers operate and how digital commerce continues to evolve.

The research in this report shows just how far the market has come. South Africans spent approximately R130-billion online in 2025, and World Wide Worx expects that figure to reach almost R159-billion in 2026. Online retail is also growing significantly faster than the wider retail sector, with growth of around 22.5% projected for the year. At the same time, major players are demonstrating that digital commerce can be both scalable and sustainable. Takealot Group has reported its first full-year trading profit, while Pick n Pay's online business has now achieved profitability for a second consecutive year.

These developments point to a sector that is maturing rapidly. Retailers are no longer focused solely on growing online sales. Increasingly, they are building long-term digital businesses supported by fulfilment networks, loyalty programmes, marketplaces, subscriptions and advertising platforms. The conversation has shifted from proving that e-commerce works to improving how it works.

The question today is no longer whether South Africans will shop online. For millions of consumers, online shopping is already a normal part of everyday life. The next phase of growth will be shaped by the quality of the experience: how convenient it is, how secure it feels, how quickly customers can complete a purchase, and how reliably products reach their destination.

This report highlights the factors that increasingly influence online purchasing decisions. Consumers have more choice than ever before, but they also have higher expectations. A checkout process that is slow or complicated, unexpected costs that appear late in the purchase journey, or delivery fees that feel higher than anticipated relative to the value of an order can all create unnecessary friction. As online retail becomes more competitive, the businesses that succeed will be those that make shopping easier, simpler and more predictable.

Trust remains central to this experience. While consumers are becoming increasingly comfortable with digital commerce, trust is not built through familiarity alone. It is built through consistently secure transactions, reliable delivery experiences and payment processes that work reliably in the background. Every successful transaction strengthens confidence and reinforces the habits that drive long-term participation in the digital economy.

Much of this progress is enabled by innovation that consumers rarely see. Advances in tokenisation, digital wallets, authentication and fraud prevention are helping make digital payments both safer and more convenient. The best payment experience is one that removes effort while preserving security, allowing consumers to complete purchases with confidence and merchants to focus on serving their customers.

The findings of this report also reinforce an important reality: connectivity may enable participation, but experience drives adoption and repeat engagement. South Africa has built a strong foundation for digital commerce. The opportunity now is to reduce friction further, expand payment choice, improve fulfilment and ensure that the benefits of online retail are accessible to more consumers and businesses across the country.

South African e-commerce has reached a significant milestone, but its most important chapter is still being written. The next gains will come from creating shopping experiences that are more convenient, more trusted and more inclusive, helping more people participate confidently in the digital economy.

Mastercard is proud to have supported this research alongside World Wide Worx, Peach Payments and Ask Africa. We hope this report provides valuable insight into the continued evolution of South Africa's online retail sector and contributes meaningfully to the conversations shaping its future.

# Foreword: Peach Payments

**By Rahul Jain, CEO and co-founder, Peach Payments**

For a decade, everyone in this industry was asking one question: will South Africans shop online? That question is now answered, with 79.1% of adults having internet access, and online retail making up more than 10% of all retail. R159-billion is expected to move through online checkouts this year.

The new question is harder, and belongs squarely to payments: how do we help a customer choose to complete the transaction when payment infrastructure isn't the barrier?

**Let's take a step back**

Payments infrastructure handled the busiest trading hours of the South African year with minimum disruption. In 2025, SA's automated clearing house PayInc processed an average of 934 transactions a minute on Black Friday and 700 a minute on Cyber Monday. Peach Payments itself processed over R1.86 billion over the Black Friday/Cyber Monday weekend. Last year's retailer survey found 92% satisfaction with payment providers.

Cart abandonment is driven primarily by failed card transactions, complicated sign-ups, checkouts that take too long and shipping costs that are presented to the customer too late in the process. In response to this trend, we introduced Embedded Express, allowing customers to pay with a digital wallet directly from the product page, before they even reach checkout. Fewer clicks, less friction and a faster path to purchase.

**The conversion gap**

This is the report's most important finding. Only 34.2% of South African adults shop online. In the previous report, 36.6% did.

South Africa has a conversion problem, with payment friction identified in this report as one of the reasons a connected consumer stops short of buying.

Customers paying with prepaid data on entry-level smartphones are the growth market, not an edge case. Pages have to load on a constrained connection. Payment options have to be ones they already recognise and trust. The checkout has to recover cleanly when the signal drops halfway through. Consumers who are underbanked or prefer cash, need routes into digital commerce that do not assume a credit card. Get those things right and the addressable market roughly doubles.

**There is more than one way to pay**

The payment mix has fragmented in a way that would have been hard to imagine five years ago. Card remains the base layer, but pay-by-bank and instant EFT now carry substantial checkout volume. Digital wallets have grown more than 35% year on year. Buy Now Pay Later has found its natural home in the R800 to R8,000 considered-purchase range, where it lifts both conversion and basket size enough to justify itself. (It adds little to the customer experience or basket size below about R300.)

Meanwhile the Reserve Bank's Payments Ecosystem Modernisation programme is building a broader fast-payment architecture with an activity-based framework so retailers and fintechs can participate more directly in payment activity. That is a significant opportunity which retailers with large loyalty ecosystems should be thinking about now.

For merchants, the lesson is not to add every payment logo available, but to orchestrate intelligently. It's about routing each transaction to the method most likely to complete it for that customer, on that device, at that basket size.

This is one of the reasons Peach Payments has developed a native mobile checkout for apps that keeps customers in-app, supports the payment methods they want to use, and can be customised to match a merchant's brand.

**Trust remains the slower curve**

One finding should keep all of us honest. Consumer comfort with the mechanics of online shopping is improving steadily. For example, mobile-app comfort rose from 14.5% to 18.1% this year. Yet trust has barely moved, with only 20.7% of online shoppers agreeing that entering their personal details online is safe. Concern about financial information being stolen is the most persistent barrier measured, and it did not budge.

Confidence in the process rose faster than confidence in the counterparty, the merchant. Tokenisation, passkeys, strong fraud controls, and real-time account-to-account rails are only useful if they reduce effort without asking the customer to trade away security to get it.

**What comes next?**

Two findings in this report point to where payments go from here. Firstly, subscriptions have become the competitive battleground. Amazon Prime, Xtra Savings Plus and

TakealotMORE already put recurring authorisation, stored credentials and failed-renewal recovery at the centre of retail economics.

Secondly, AI, in the form of Penny and Pixie, with more loading, has reached the interface. Those assistants currently help customers build a basket, but before long, customers will expect them to complete the purchase. The payment layer will need to authorise a transaction that no human is watching, safely, reversibly and with clear consent. Retailers who have thought about that in advance will move faster than those who have not.

For fourteen years, Peach Payments has argued that the best payment experience is the one the customer never has to think about. This report is the clearest evidence yet that the industry has reached the point where that ambition is the whole game.

Here's to converting the 65.8% of South African adults who don’t shop online yet.

# Foreword: Ask Africa

**By Andrea Rademeyer, executive chair and founder, Ask Africa**

At Ask Africa, we believe the future of retail is best understood through the people it serves: how consumers discover, compare, purchase and receive goods, and how those experiences shape their everyday choices. This report is published at an important moment for South Africa's online retail sector. An emerging channel has become a structural part of retail, increasingly defined by scale, profitability, fulfilment capability, loyalty, payments, data and artificial intelligence.

The headline milestone is significant: online retail has crossed the 10% threshold of national retail turnover on the established measurement series, with the strict like-for-like measure expected to average 10% during 2026. From an Ask Africa perspective, however, the deeper significance is not only the size of the channel, but what it reveals about people's changing expectations. South Africans are not simply moving more spend online; they are redefining what convenience, trust, value and service should feel like in everyday retail experiences.

Ask Africa's role in this conversation is to connect the market numbers to the human behaviour behind them. Online retail growth is not only about platforms, transactions and fulfilment models; it also reflects confidence, ease, perceived value and lived customer experience. These are the factors that ultimately determine whether people return, recommend and remain loyal.

This shift affects every participant in the retail ecosystem. Retailers can no longer separate e-commerce from core strategy or treat digital behaviour as a narrow channel issue. Stores are becoming fulfilment nodes, loyalty programmes are becoming data assets, payment systems are becoming conversion infrastructure, and digital platforms are becoming engines for customer frequency and margin expansion. The strongest performers will be those that bring online and physical retail together as one connected customer relationship, built around real customer needs.

Findings from the 2026 Ask Africa Orange Index show that South Africans increasingly trust online shopping and understand how to use digital retail platforms. However, actual shopping behaviour still lags confidence. The Orange Index results suggest that as service quality becomes more consistent across retailers, differentiation is increasingly driven by trust, emotional connection, fairness, and ease of effort rather than functional delivery alone.

Other headline findings show that over the past eight years, confidence in online shopping has strengthened significantly and digital confidence has improved substantially, implying that South Africa's online retail challenge is no longer primarily about convincing consumers that online shopping is safe, and that consumers have become very comfortable with engaging online and using digital retail platforms.

In addition to the Ask Africa Orange Index, the Ask Africa Target Group Index (TGI), too, adds an essential consumer lens to this picture. Internet access now extends to nearly four in five South African adults, while just over a third shop online. This gap represents both a commercial opportunity and an inclusion challenge. Future growth will depend less on connectivity alone and more on building trust, improving affordability, strengthening delivery reliability, offering payment flexibility, reducing friction and creating more localised experiences, including language and mobile-first design.

As competition intensifies across marketplaces, grocery platforms, fashion retailers, cross-border players and subscription ecosystems, the South African market is entering a more demanding phase. Growth is still important, but not at any cost. Leadership will be shaped by profitability, customer relevance, operational resilience and the ability to turn occasional users into habitual shoppers. For Ask Africa, this reinforces a central insight: sustainable online retail growth begins with understanding not only what consumers buy, but why they choose, trust, return, recommend and stay loyal.

This report provides an important view of that transition. By combining market sizing, retailer performance, platform dynamics and demographic insight, it shows not only where online retail stands today, but where the next phase of value is likely to be created. For retailers, payment providers, technology partners, policymakers and investors, the message is clear: online retail in South Africa is no longer peripheral. It is central to the future of retail growth, customer experience and competitive advantage.

The pages that follow should therefore be read not only as a market update, but as a guide to the next chapter of online retail in South Africa. They show how consumer adoption, retailer strategy, fulfilment capability and digital infrastructure are converging, and why the winners will be those who can turn access into confidence, confidence into behaviour, and behaviour into sustained loyalty.

Ask Africa is proud to contribute the consumer intelligence that helps make this future visible and actionable, and to support decisions that build more trusted and meaningful retail experiences for South Africans.

# The Online Retail Landscape in 2026

**By Arthur Goldstuck**

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**A new phase of maturity**

South African online retail has moved beyond the question of whether it is mainstream. The 2026 evidence points to a market entering a new phase in which profitability, fulfilment density, marketplace scale, loyalty, retail media, payments and AI are watched as closely as headline growth.

The 10% threshold has now been crossed on all three measures available, and on each of them earlier than forecast. On the constant-price convention used in the 2024 and 2025 editions, online retail passed 10% during the first quarter of 2025. At the peak of the November 2025 trading month, online share exceeded 10% on a single-month basis. On the strictest like-for-like nominal measure, using Stats SA current-price retail trade as the denominator, the crossing occurred during the first half of 2026: making 2026 the first calendar year in which online retail averages 10% of national retail turnover.

Growth has stabilised into the 20–35% band that has characterised the sector since pandemic base effects washed through. On a turnover-weighted basis the market is expanding at approximately 22.5% in 2026: between five and ten times the rate of physical retail, and fast enough to add more turnover in a single year than the entire online market generated in 2020. This is the growth profile of a channel that has reached scale and is now compounding on a much larger base.

# The Online Retail Landscape in 2026

## Market at a glance

| Indicator | Latest figure | Interpretation |
|---|---|---|
| **2025 online retail turnover** | ≈ R130bn | World Wide Worx estimate; about 35% above 2024. See methodology note. |
| **Penetration, constant-price basis** | 10.7% in 2025 | Published convention. Threshold crossed Q1 2025, ahead of forecast. |
| **Penetration, nominal basis** | 8.49% in 2025 | R130bn over Stats SA current-price total of R1,531,208m. |
| **November 2025 peak month** | ≥ 10% likely | Requires online at 1.37x its average month; total retail ran 1.163x. |
| **2026 growth, turnover-weighted** | ≈ 22.5% | Weighted by rand contribution to the online pool, not company scale. |
| **2026 average penetration** | 10.00% | First calendar year at 10% on a like-for-like nominal basis. |
| **2026 nominal retail growth** | 4.0% YTD | Retail price inflation ≈ 1.2%, well below CPI. |
| **2025 real retail growth** | 3.7% | Stats SA, constant 2019 prices. Total retail remained far slower than online. |
| **2026 total retail growth** | 2.0–2.3% y/y | Real terms. Online is growing many times faster than the wider market. |
| **Takealot Group FY2026** | R17.7bn revenue | Up 18%; first full-year aEBIT profit of R171m, a R384.8m turnaround. |
| **Amazon South Africa** | Prime launched | 3 June 2026 at R59/month or R399/year; 27th Prime market worldwide. |
| **Largest platform growth** | TFG Africa +49.2% | The only major category where online growth accelerated year-on-year. |

| Indicator | Latest figure | Interpretation |
|---|---|---|
| **Slowest platform growth** | Mr Price +4.9% | But over 55% of its online orders are collected in store. |

*About this edition: This landscape section of Online Retail in South Africa 2026 assesses the market through early September 2026. It draws on company financial results to FY2026, including Shoprite's year-end results released on 1 September 2026, macroeconomic data to mid-2026, and the accompanying demographics report from the TGI survey through to the end of 2025. Where a year is cited, it is qualified by type: the 2026 edition, FY2026 results, the 2025 TGI demographics, or 2026 year-to-date.*

## A decisive phase becomes structural permanence


*Sources: World Wide Worx estimates and the Online Retail in South Africa report series. The 2026 figure is a forecast at the central growth estimate.*

South Africa's online retail sector entered 2026 in a different position from the one it occupied even two years earlier. The debate is no longer about whether e-commerce will become a mainstream component of retail. The scale achieved by on-demand grocery, the expansion of apparel marketplaces, the launch of Amazon Prime, the profitability milestone reached by Takealot Group and the continuing double-digit digital growth of most listed retailers show that online commerce is now part of the operating core of South African retail rather than an experimental channel.

The change since the previous edition is the composition of growth rather than its direction. Checkers Sixty60 grew 47.7% in the year to June 2025 and 34.5% in the full year to June 2026, holding its rate almost exactly steady on a base a third larger. Pick n Pay online grew 44.6% in FY2025 and 32.7% in FY2026. Woolies Dash grew 49.2% in the first half of FY2025 and 19.6% across the full FY2026 year. Takealot Group grew gross merchandise value by more than 14% while turning its first full-year profit. Each of these is a rate applied to a base substantially larger than the year before.

These are strong numbers by the standards of any other retail channel in South Africa, and they cluster in the 20–40% band that has defined the sector since 2006, with only the pandemic year spiking above that. They show a market compounding on a much larger base than it was two years ago: Sixty60 alone now adds more turnover in a year than several categories generate in total. Reading the aggregate from these disclosures, weighted by their contribution to total online turnover, is the analytical core of this chapter.

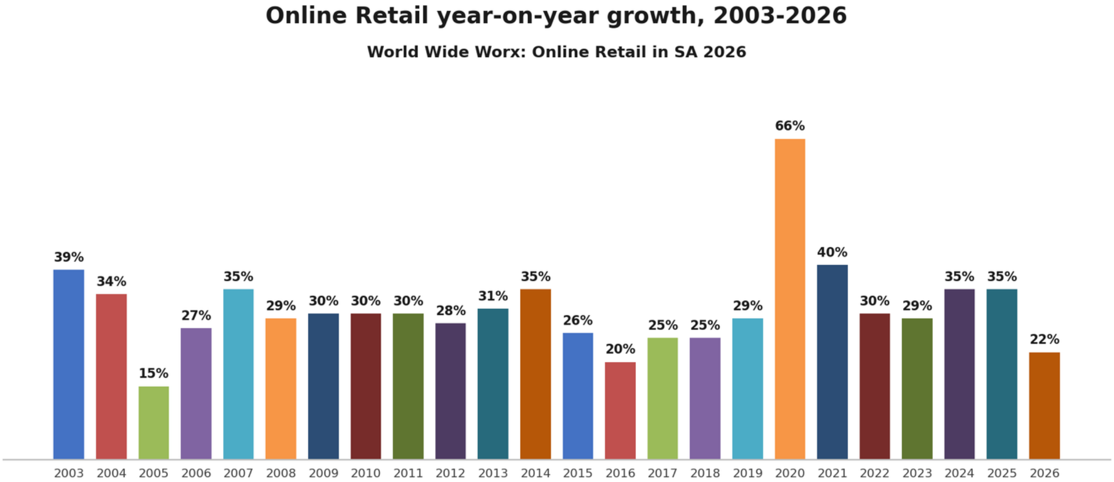
The gap between digital and total retail is the defining feature of the market. Total retail grew 3.7% in real terms across 2025 and is running at 2.0–2.3% through 2026: solid, steady numbers for a mature retail economy. Against that baseline, online is growing at 20%, 30% and more: many times the pace of the market it is part of. This is not a rising tide lifting every channel; it is online decisively outgrowing everything around it. The implication  is that online growth is now overwhelmingly a share-shift phenomenon, driven by consumers moving spend between channels and by retailers widening the categories and occasions that can be served digitally.

**A decade in perspective**

The change is clearer against the pre-pandemic base. Online retail turnover was approximately R30.2-billion in 2020, R42.3-billion in 2021, R55-billion in 2022 and R71-billion in 2023, before accelerating to an estimated R96-billion in 2024 and around R130-billion in 2025. The pandemic triggered the first step-change, but the persistence of growth after restrictions ended proved the effect was not temporary.

The change after 2020 was not only the number of people willing to shop online. The supply side was rebuilt. Retailers invested in apps, stock visibility, picking and fulfilment, loyalty integration, payment acceptance, delivery fleets, marketplaces and analytics. Consumers in turn learned to expect reliable digital service from local retailers. The virtuous cycle between better service and greater confidence widened the addressable market.

The result is a more mature competitive question. The next phase will be won by controlling the customer relationship, lowering fulfilment cost, increasing purchase frequency, using physical assets more intelligently, monetising marketplaces and advertising, and applying data to improve relevance.




*The pandemic spike of 2020 disrupted an unbroken growth rate in the 20-40% range from 2006 onwards. The 2026 estimate reflects turnover-weighted platform disclosures.*

## The measurement framework

Penetration can be measured on more than one basis, and each basis answers a different question. This edition sets out the framework used throughout, so that every figure in this chapter can be traced to its source and independently reproduced. Three measures are reported: the constant-price series carried forward from previous editions, a like-for-like nominal series introduced here, and a single-month peak measure. Together they give a fuller picture of the channel than any one of them alone.

### Choosing a denominator

Penetration percentages in the 2024 and 2025 editions of this report used Stats SA retail trade sales at constant 2019 prices as the denominator. Stats SA reported total retail trade sales of R1.217-trillion for 2025 on that basis. Dividing the R130-billion online estimate by that figure yields approximately 10.7%, and it is on this arithmetic that the claim of crossing the 10% threshold rests.

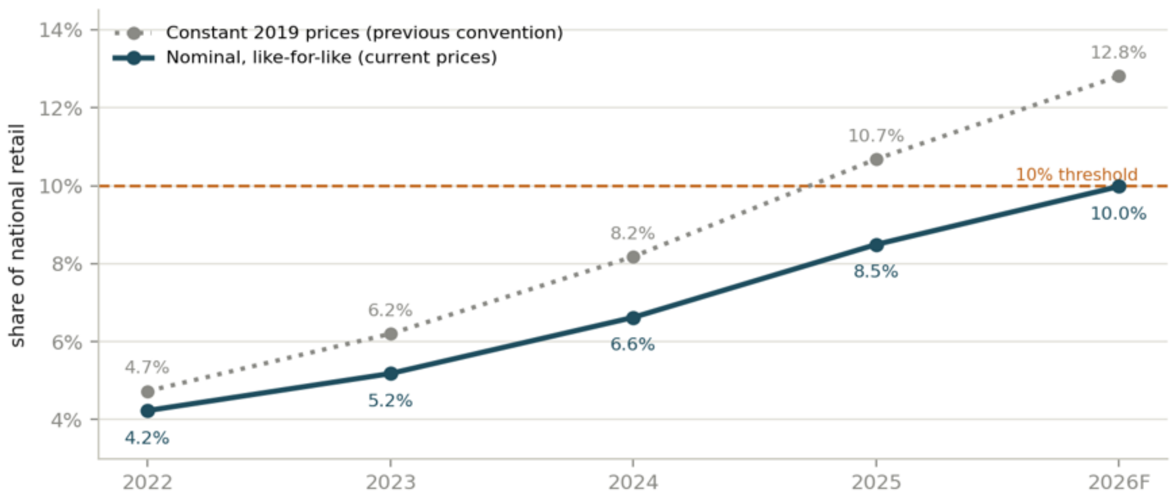
That series measures the online channel against retail volumes held at 2019 price levels, which isolates real growth in the underlying market. Because online turnover is expressed in nominal rand while the denominator is deflated, the ratio is best read as a continuity indicator, tracking the channel’s advance against a constant-volume baseline. It is the series on which the sector’s progress has been charted for several years, and it is retained here for that continuity.

Stats SA publishes a current-price series alongside it, and this edition introduces a second measure built on that basis, matching nominal turnover to nominal turnover. Table 8 of the May 2026 retail trade release records total retail trade sales at current prices of R1,531,208-million for 2025. On that measure, R130-billion of online turnover represents 8.49% of national retail trade. Stated as a full series, it gives the strictest available read on the channel's share of every rand spent in South African retail.

| Year | Online turnover | Retail trade (current prices) | Share |
|---|---|---|---|
| **2022** | R55bn | R1,299,797m | 4.23% |
| **2023** | R71bn | R1,370,495m | 5.18% |
| **2024** | R96bn | R1,450,339m | 6.62% |
| **2025** | R130bn | R1,531,208m | 8.49% |

Rather than choose between the two conventions, this edition reports all three measures available, because each answers a different question and the divergence between them is itself informative.

**Figure 3 Online retail as a share of national retail, by measurement basis**




*Online retail as a share of national retail on the nominal, like-for-like basis. Denominators from Statistics South Africa, Retail trade sales (P6242.1), May 2026, Table 8. The 2026 figure is the forecast average.*

### Three measures, three answers

The first is the constant-price convention carried forward from the 2024 and 2025 editions, which places 2025 at approximately 10.7%. It is a continuity indicator rather than a market share, but it is the published series and it reached the threshold during 2025.

The second is the single-month peak. Online retail is more concentrated in the November trading month than physical retail, because Black Friday is disproportionately a digital event. The extent of that concentration determines whether the threshold was reached before 2026.

The total-retail side of this calculation is measured. Stats SA records November 2025 retail trade sales at current prices of R148,405-million against a 2025 monthly average of R127,601-million; an index of 1.163 times an average month. November accounted for 46.1% of combined November and December sales at current prices, and 45.9% at constant prices.

The online side is not measured, because no official monthly series for online retail exists. We can establish the threshold that must be met. For the online share to reach 10% in November, off an annual base of 8.49%, online turnover must reach approximately 1.37 times its own average month.

| Online November index | November online share |
|---|---|
| **1.3 times average month** | 9.5% |
| **1.37 times average month** | 10.0% |
| **1.5 times average month** | 10.9% |
| **1.6 times average month** | 11.7% |
| **1.8 times average month** | 13.1% |

A multiple of 1.37 is a modest requirement. Total retail reaches 1.163 in November without Black Friday being a predominantly digital event, and payment infrastructure recorded online transaction volumes well ahead of prior-year levels across the period, with PayInc processing an average of 934 transactions per minute on Black Friday 2025. On that basis the threshold was in all likelihood breached at the November 2025 peak.

It should be noted that November rather than December is the correct month for this test. December total retail runs at 1.360 times an average month, which would require an online index of 1.60 to clear the same threshold. The December peak is driven by grocery and gifting across all channels; the November peak is the one skewed toward online.

The third and strictest measure is a rolling twelve-month, nominal-to-nominal ratio. It is the measure most readily reproduced from published sources, and the one that had not yet reached 10% at the end of 2025.

**Estimating 2026 growth from turnover**

Aggregate growth cannot be read from the spread of platform growth rates directly, because those rates apply to very different volumes of turnover. We have weighted each platform's growth by its rand contribution to the online pool. Doing so produces a materially different answer from a simple average, because several of the fastest-growing platforms are also among the largest contributors.

| Component | 2025 turnover | Growth rate | Contribution to growth rate |
|---|---|---|---|
| **Takealot.com (GMV)** | ≈ R30bn | 15% | 4.50 |
| **Checkers Sixty60** | ≈ R22bn | 34.5% | 7.59 |
| **Woolworths online** | ≈ R4.2bn | 14.3% | 0.60 |
| **Shein and Temu** | ≈ R7.5bn | 5% | 0.38 |
| **Pick n Pay online** | ≈ R6bn | 32.7% | 1.96 |
| **TFG Africa online** | ≈ R5.4bn | 49.2% | 2.66 |
| **Mr D (GMV)** | ≈ R5bn | 13% | 0.65 |
| **Other apparel** | ≈ R3bn | 10% | 0.30 |
| **Clicks and Dis-Chem** | ≈ R2.5bn | 17.9% | 0.45 |
| **Observed subtotal** | ≈ R85.6bn | 22.5% | 19.26 |

The observed platforms produce a turnover-weighted growth rate of approximately 22.5% for 2026. The remaining component is the unlisted long tail – roughly R42-billion, or a third of the pool – whose growth is not directly disclosed and which therefore carries the largest single uncertainty in any market estimate.

### Sizing the Amazon contribution

Amazon's local scale can be bounded using this report series' own usage data, even though Amazon discloses no South African revenue. The 2024 edition put Takealot at approximately 20% of online retail turnover by value, down from around 25% three years earlier. The TGI demographics for 2025 put Takealot at 35.3% of online shoppers by usage, Shein at 21.5%, Checkers Sixty60 at 15%, Superbalist at 13.6%, Amazon at 12.7% and Temu at 11.6%. The ratio between Takealot's value share and its usage share is approximately 0.57. Applying that ratio to Amazon's usage share implies a value share of roughly 7%, or in the region of R9-billion of 2025 turnover, with a plausible range of R8-10-billion, depending on the Takealot value-share anchor.

This is an indicative bound, derived from the relationship between value share and usage share observed for Takealot and applied to Amazon on the basis that both are general-merchandise platforms. It is consistent with Amazon ranking third by transaction value at both FNB and Discovery Bank over Black Friday 2025, and with Amazon having recruited more than 10,000 sellers in its first year and opened a walk-in seller centre in Cape Town in January 2025, where more than 60% of sales come from independent sellers. If Amazon is growing from that base at anything above 50%, the market aggregate exceeds the 22.5% central estimate and the penetration milestone is reached earlier than projected.

### The role of the denominator

The rate at which the online share closes on 10% depends as much on retail trade growth as on online growth, and retail trade is growing far more slowly than headline consumer inflation would suggest. Retail trade sales at current prices grew 5.6% across 2025 and 4.0% year-to-date through May 2026. In May 2026, nominal growth of 3.5% against real growth of 2.3% implies retail price inflation of approximately 1.2%: well below CPI, reflecting the food deflation reported by several grocers over the period.

A denominator growing at 4% rather than the 6–7% implied by general inflation closes the gap materially faster. This is the single most consequential input in the calculation, and it is now measured rather than assumed.

### When the strict measure crosses

The share ratio compounds at the rate of online growth divided by the rate of nominal retail growth. An annual ratio of 8.49% for calendar 2025 centres on approximately 30 June 2025, which sets the starting point.

| Online growth in 2026 | 2026 turnover | 2026 average share | 10% crossed |
|---|---|---|---|
| **24%** | R161bn | 10.12% | May 2026 |
| **22.5% (central)** | R159bn | 10.00% | May–June 2026 |
| **20%** | R156bn | 9.80% | July 2026 |
| **18%** | R153bn | 9.63% | September 2026 |

At the central estimate, calendar 2026 becomes the first full year in which online retail averages 10% of national retail turnover, with the instantaneous crossing occurring around the middle of the year. The result does not depend on any assumption about Amazon: it follows from disclosed platform turnover weighted by rand contribution, divided by a measured denominator. Amazon's undisclosed contribution would bring the crossing forward.

The conclusion of this chapter is therefore that online retail crossed 10% of national retail turnover on the strictest like-for-like measure during the first half of 2026, and that 2026 is the first calendar year to average 10%. On the constant-price series published in previous editions, the threshold was crossed in the first quarter of 2025, ahead of the forecast made at the time. On a single-month basis it was crossed at the November 2025 trading peak. All three measures place the milestone within this reporting cycle, and all three place it earlier than previously projected.

**Methodology note**

This edition reports penetration on three bases. The constant-price basis divides nominal online turnover by Stats SA retail trade at constant 2019 prices, and is the convention used in the 2024 and 2025 editions; it places 2025 at approximately 10.7%. The nominal basis divides nominal online turnover by current-price retail trade sales from Table 8 of the Stats SA May 2026 release, and places 2025 at 8.49%. The single-month basis derives the online multiple required to reach 10% in November 2025, using measured total-retail seasonality from Table 8; the online multiple itself is not officially measured.

The three measures describe the same underlying market from different angles and are complementary rather than competing. The threshold is reached during 2025 on the constant-price series and at the November trading peak, and during the first half of 2026 on the like-for-like nominal measure.

> Denominators are taken from Statistics South Africa, Retail trade sales (P6242.1), May 2026, Table 8. The 2026 denominator is projected at 4.0% nominal growth, the year-to-date rate through May 2026.
>
> Data periods used in this edition: company results to FY2026; Statistics South Africa retail trade to mid-2026 (2026 year-to-date); and the TGI demographics from fieldwork through to the end of 2025, presented in the accompanying demographics report. The edition is titled for its year of publication, 2026; the data years are as stated.

**Building the market estimate**

Total South African online retail turnover is estimated by aggregating disclosures from listed retailers and extrapolating across the unlisted long tail, since no single official monthly measure of online retail exists. As the listed platforms have grown, their disclosures have become a progressively richer input to that estimate. This edition weights them by rand contribution rather than treating each disclosed growth rate as equally informative.

That weighting is used because disclosed growth rates now span a wide range, from 49.2% at TFG Africa to 4.9% at Mr Price, with the largest single participant, Takealot Group, growing gross merchandise value by more than 14%. A simple average across platforms would misstate the aggregate in either direction depending on which names were included. Weighting each platform by its rand contribution to the online pool produces a turnover-weighted rate of approximately 22.5% for 2026, and that is the figure carried through this chapter.

One official series offers a useful cross-reference. Stats SA's structural industry statistics report on retail trade measures income from e-commerce sales directly, recording growth from R37.4-billion in 2018 to R86.8-billion in 2022. That measure uses a wider definition than this series, capturing enterprise-level e-commerce income including business-to-business activity, and is published with a multi-year lag. Reconciling the two definitions is a worthwhile exercise for future editions and would further strengthen the foundation on which South African online retail estimates rest.

**A note on two widely cited figures**

Two figures in wide circulation warrant clarification, because both bear on how platform scale is understood.

The first is Checkers Sixty60 at R18.9-billion. This is the platform's full-year result for the 52 weeks to 29 June 2025, on growth of 47.7%. It is sometimes paired with a growth rate of 47.1%, which is separately correct but refers to the first half of FY2025. The two belong to different periods, and read together they imply an annualised run rate close to R38-billion, roughly double the platform's actual scale. The comparable half-year figure is R11.9-billion for the 26 weeks to 28 December 2025, on growth of 34.6%.

The second is TFG's ecommerce arm Bash, at 12% of TFG sales. That figure describes group online contribution across all three of TFG's territories rather than the South African platform alone. TFG Africa's online contribution was 5.2% in Q1 FY2025 and 7% in Q1 FY2026, reaching 8.2% for the full FY2026 year and 10% in the fourth quarter. Group online, which includes the substantially more digital London and Australian businesses, stands at 14.8%. Read on the correct basis, TFG Africa's online trajectory is among the strongest in the local market.

## The retailer scoreboard

The latest disclosures show a wide spread in online growth rates. Reporting periods and definitions differ, so the figures should not be treated as a league table. They do, however, show how material digital has become across every retail category, and how differently it is being deployed from one group to the next.

| Retailer / platform | Online growth | Contribution / scale | Period |
|---|---|---|---|
| **TFG Africa (Bash)** | +49.2% | 8.2% of TFG Africa sales; 10% in Q4 | FY2026 |
| **Checkers Sixty60** | +34.5% | R25.5bn full year; 10.3% of SA sales | FY2026 |
| **Pick n Pay Online** | +32.7% | On-demand subset +37.6%; profitable | FY2026 |
| **Truworths Africa** | +23.3% | 8.3% of retail sales, from 6.4% | To Nov 2025 |
| **Woolies on-demand** | +19.6% | Online 7.3% of SA Food sales | FY2026 |
| **Clicks** | +17.9% | ClubCard 12.9m members, 83.7% of sales | H1 FY2026 |
| **Takealot.com** | +15% GMV | Marketplace 60% of GMV; 15,000 sellers | FY2026 |
| **Mr Price Group** | +4.9% | Over 55% of online orders collected in store | FY2026 |

Two features of this table require emphasis. The first is that the dispersion is itself a sign of market maturity: a market in which every participant grows at the same rate is being lifted by a common tide, while one showing a forty-five-point spread is a market in which execution decides outcomes. The second is that the two extremes are more alike than they appear. TFG at the top and Mr Price at the bottom are both using digital to reorganise the relationship between store estate and customer: TFG by rationalising its footprint behind a unified platform, Mr Price by converting stores into collection infrastructure.

## Grocery and FMCG: on-demand at scale

Grocery remains the most visible demonstration of how quickly digital behaviour becomes habitual, and the largest single component of online turnover.

#### Shoprite

Sixty60 closed FY2026 with R25.5-billion in sales, up 34.5%, having grown 47.7% the year before to R18.9-billion. The full-year rate almost exactly matched the 34.6% recorded at the half-year, confirming that growth held steady through the second half rather than tapering. The platform now represents 10.3% of Shoprite's total South African sales, and grew close to five times faster than the core supermarket business, which increased 7.1% over the same period. Crossing ten percent of a domestic sales base above R115-billion is a milestone in its own right, and the platform reported 94.0% on-time deliveries and 96.8% order fulfilment.

The more important development is the growing visibility of the economics. Shoprite reported that the 25.3% gross margin achieved by Supermarkets RSA in the first half was struck after fully absorbing Sixty60 delivery expenses within cost of sales. That marks a decisive move away from the early e-commerce phase in which delivery costs were treated as a temporary investment in customer acquisition. The competitive question is now whether order density, picking efficiency, delivery recoveries, subscriptions and route economics can turn convenience into sustainable margin. Shoprite is asserting that they can.

The composition of that growth is equally telling. Shoprite and Usave sustained internal selling price deflation of -0.1% and -0.6% respectively across the full year, while Checkers held internal inflation to 2.0%, against official food inflation several points higher. Sixty60's growth was therefore overwhelmingly volume rather than price: the healthiest possible basis for a number of this size, and strong evidence that the channel is winning real baskets rather than riding inflation.

The structural advantage underpinning this remains store density. Shoprite operates within five kilometres of an estimated 85% of South African households and opened a net 262 new Supermarkets RSA stores over the past twelve months. Inventory close to the customer converts directly into shorter delivery windows and lower fulfilment complexity than centralised warehouse models achieve. The group has also broadened what travels down that pipe: general merchandise from Checkers Hypers, and adjacent formats including Petshop Science, Uniq Clothing, Checkers Outdoor and Little Me, with Petshop Science specifically credited to its Sixty60 integration, and the adjacent formats collectively growing 57.4% over the year. The extension of Sixty60 into selected Shoprite stores takes on-demand delivery beyond the premium grocery customer for the first time.

Sixty60 has now passed 100 million cumulative orders. In March 2025 it expanded beyond its 601 Checkers locations into 19 Shoprite stores across eight provinces, taking on-demand grocery into township and lower-income communities for the first time. The supporting capital programme remains substantial: two new distribution centres totalling 193,000 square metres, point-of-sale upgrades across 3,100 stores, and a 50/50 joint venture with RTT Group for last-mile technology, funded from a Group capital budget that came in at R6.8-billion for FY2026 overall, down from R8.0-billion in FY2025.

Shoprite also operates a delivery subscription of its own. Xtra Savings Plus offers unlimited free deliveries at R99 a month: a figure worth holding alongside Amazon Prime at R59, since the two now compete on the same mechanism.

**Pick n Pay**

Pick n Pay's online turnover grew 32.7% in the 52 weeks to 1 March 2026, with asap! and Pick n Pay groceries on the Mr D app combining for 37.6%. That follows 44.6% in FY2025 and 34.4% at the half-year. The more important disclosure is that the online business was profitable for a second consecutive year: an unusual claim in on-demand grocery anywhere in the world, and one that redefines what the channel is for.

The platform serves customers from more than 620 locations with roughly 2,500 bikes, carries over 35,000 searchable products, and was rebuilt around a next-generation asap! app launched in April 2025 with Smart Shopper integration, scheduled delivery and a revised checkout. Early FY2027 trading shows the growth rate strengthening again: online turnover rose 37.5% across the first twenty weeks to 19 July 2026.

This occurred while total Pick n Pay segment turnover declined 1.6% on a comparable 52-week basis as the store estate reset completed, group trading profit fell from R1.8-billion to R1.7-billion, and the segment trading loss widened to R953-million. Digital grew not because the underlying retail business was booming, but because it continued to take a larger role within the retailer, which is why its profitability is more significant than its growth rate.

**Woolworths**

Woolworths represents the most mature digital profile of the three, and its growth rates reflect a channel further along the adoption curve. Woolies Dash grew 49.2% in the first half of FY2025, 24.2% across the first nineteen weeks of FY2026, 23% at the half-year, and 19.6% across the full 52 weeks to 30 June 2026, with the online channel contributing 7.3% of South African Food sales. In Fashion, Beauty and Home, online grew 22.8% in FY2025 to 6.6% of divisional sales. That growth did not carry into FY2026: audited segmental disclosures show Fashion, Beauty and Home online turnover essentially flat at R881-million, down from R887-million, easing to 5.6% of divisional turnover from 5.9% – a reversal that sets the division apart from Food, where online kept growing.

Woolies Dash is the most established of the three platforms, and its growth reflects that maturity: rates in the low-to-mid twenties applied to a base far larger than the launch-phase platforms, now embedded in the everyday economics of the food business. Sustaining better than 20% on that scale is a strong result, not a slowing one. Some of it also reflects competitive pressure, since Woolworths has been visibly losing grocery share to Checkers. The Woolies After Dark initiative extended shoppable trading to midnight in more than seventy locations, and the group has been investing heavily in the expanded Midrand distribution centre, with the associated depreciation compressing near-term gross margin. Woolworths flagged a materially tougher second half, attributing softer demand and higher operating costs to fuel price and inflation effects flowing from conflict in the Middle East.

The dark-store build-out has been steady rather than dramatic: the first opened in the Cape Town CBD in August 2024, followed by Gardens and Maitland in November 2024, and a Wynberg fulfilment centre in June 2026 aimed at speed and availability across the southern suburbs.

**What the grocery numbers now mean**

Taken together, the three platforms describe a category that has added operating discipline to its growth. Rates in the 20–35% band are now being sustained on bases several times larger than a few years ago – so each point of growth represents far more rand than it once did – and profitability has come alongside the growth rather than being deferred behind it. Accurate picking, fast delivery, digital loyalty recognition and real-time promotions now function as basic supermarket capabilities in urban markets rather than as differentiators. Penetration is approaching the point – around ten percent of the grocers' own domestic sales – at which further gains come from deeper basket penetration among existing users and from genuine expansion beyond the metros. Both are structurally slower than signing up a first cohort of urban early adopters, and both represent larger long-term prizes.

## Fashion, beauty and home: platforms become operating systems

Apparel is the one major category where online growth accelerated year on year, and the reason is almost entirely one platform.

TFG Africa's online sales grew 49.2% in the year to 31 March 2026, up from 43.5% in FY2025, reaching 8.2% of divisional sales and 10% in the fourth quarter. Group online grew 31.7% to 14.8% of total retail turnover. TFG says scale benefits are continuing to improve online profitability, while stopping short of confirming that Bash itself is yet profitable.

This is significant because Bash is no longer simply a website shared by multiple brands. It functions as common digital infrastructure across a large brand portfolio, allowing search, customer data, fulfilment, loyalty, payments and merchandising to be coordinated across the group. Management framed it explicitly as enabling store network rationalisation: the group opened 233 stores and closed 242 during the year, trading from 4,914 at year-end. Online here is not an additional channel; it is the mechanism by which a store-heavy fashion group reduces its physical footprint without surrendering revenue.

TFG has quantified what the platform replaces: Bash's R2.1-billion contribution was described as equivalent to the turnover of 195 physical stores. That framing is the clearest available statement of why a store-heavy group invests in a marketplace.

The counterpoint is that this happened inside a bruising year. TFG took roughly R1-billion in write-downs against its offshore brands, group operating profit fell 22% to R4.9-billion, TFG Australia sales declined 1.5%, and TFG London was hit by what the group described as a significant cyber incident affecting a key online concession partner.

Truworths provides another clear indicator of channel migration. Online sales increased 23.3% and contributed 8.3% of retail sales, up from 6.4% in the prior period, even as total retail sales in the segment declined 4.0%. Management noted separately that the UKbased Office business runs at roughly 45% online: a useful reference point for where a mature apparel channel eventually ends up. Woolworths' own Country Road Group, predominantly Australian and New Zealand trading, offers a second such benchmark: online there reached 27.8% of divisional turnover in FY2026, even as CRG's overall turnover eased slightly.

Mr Price shows a different version of the same pattern. Group online sales increased only 4.9% in FY2026, close to store sales growth of 4.4%, but more than 55% of online orders were collected in stores. That statistic is arguably more revealing than the growth rate. It shows the customer no longer experiences the transaction as purely digital or purely physical: discovery and payment happen online while fulfilment happens at a branch.

The pattern across apparel is consistent. Online growth is strong and share is rising, but within groups whose overall sales are close to flat. Channel shift is doing most of the work. This is the clearest evidence in the market that a large share of what gets counted as e-commerce growth is not new consumption but the same consumption moving through a different door.

## Health and beauty: a harder year, a shifting battleground

Clicks reported online sales growth of 17.9% in the first half of FY2026, alongside 12.9-million active ClubCard members accounting for 83.7% of sales. Group turnover rose 7.4% to R24.9-billion for the six months to 28 February 2026, with retail turnover up 5.4% to R19.4-billion, or 6.3% adjusting for R175-million in sales lost to a warehouse management system implementation that disrupted stock availability in the Western and Eastern Cape. The group now trades from 1,003 stores.

Dis-Chem grew group revenue 9.3% to R42.8-billion for the twelve months to 28 February 2026, with retail revenue up 9.0% to R36.6-billion, though headline earnings per share fell 17.4% amid heavy investment in its integrated healthcare ecosystem. NielsenIQ data for the twelve weeks to January 2026 showed Dis-Chem achieving 8% volume growth against a market at 1.3%.

The category is naturally suited to omnichannel: repeat purchasing, known products, rich loyalty data and physical pharmacy services combine well, with replenishment moving online while stores retain professional and immediate-use roles. But the competitive dynamic has changed. Clicks CEO Bertina Engelbrecht identified the pressure directly, citing constrained middle-income households and traditional players extending into health and beauty with heightened promotional activity. Beauty was TFG Africa's fastest-growing merchandise category at 21.5%, and Woolworths reported

Beauty growth of 8.9% and Home at 14%. Health and beauty is becoming less a standalone online category than a high-margin adjacency that grocery and apparel platforms are absorbing; they are attacking with delivery capability the specialists cannot easily match.

## Omnichannel becomes the default operating model

The phrase has been used in retail for more than a decade, but the 2026 evidence shows it becoming operational reality. The customer journey is increasingly split across channels: discovery on social media or search, comparison on an app, payment online, collection at a store, return through a branch, loyalty recognition across all of them.

Mr Price's disclosure that more than 55% of online orders are collected in stores is the clearest local example. In grocery, large store networks allow retailers to use existing inventory and proximity as fulfilment infrastructure. In fashion, they provide fit, returns and collection. In health and beauty, they combine digital replenishment with professional services. The physical network is not simply competing with e-commerce; integrated well, it lowers the cost and increases the usefulness of e-commerce.

This changes the economics of store estates. A branch generates value from transactions never recorded as store-originated sales. It supports digital customer acquisition, reduces last-mile distance, absorbs returns and creates additional shopping occasions when customers collect orders. Conventional channel accounting understates these spillovers, and retailers that manage channels as separate profit centres will systematically misprice their own infrastructure.

The logic works in reverse too. Digital data improves the store business through demand forecasting, range localisation, targeted offers and better understanding of customer missions. The most successful retailers will optimise the total customer relationship rather than maximise one channel in isolation.

## Takealot crosses the profitability threshold

The most important development in South African pure-play e-commerce during the past year was financial rather than technological. Takealot Group reported its first full-year trading profit in FY2026, fifteen years after launch. Adjusted EBIT reached R171-million, a R384.8-million turnaround from the prior-year loss of R213.8-million, on revenue up 18% to R17.7-billion. The group processed more than 60-million orders for over 6.2-million active customers, with GMV growth above 14%. All three units – takealot.com, Mr D and Takealot Fulfilment Solutions – were profitable.

Takealot.com recorded 17% revenue growth and 15% GMV growth, with revenue of R14.8-billion representing 84% of group revenue. Its Marketplace model contributed 60% of takealot.com GMV and expanded to 15,000 active sellers, with more than 30,000 SMEs trading across the group's platforms. Marketplace economics allow a platform to widen range without carrying every item on its own balance sheet, while seller services, advertising, fulfilment and payments create additional revenue pools.

The same pattern is visible in logistics. Takealot Fulfilment Solutions grew revenue 93.5% as the group opened its infrastructure to external merchants, with more than half of its top forty volume marketplace sellers using the service, at margins CEO Frederik Zietsman indicated are significantly better than the core e-commerce unit, which he acknowledged operates at roughly 1% margin and needs to improve. Mr D has onboarded national retailers including Absolute Pets, Wellness Warehouse, Toy Kingdom, Nespresso and Frozen for You; grocery orders on Mr D grew 38%, far outstripping its overall GMV growth of 12.6%.

Loyalty is becoming another competitive layer. TakealotMORE captured more than 25% of group GMV within two years of launch, with active membership up 74% year-on-year, member orders up 263%, and nearly R700-million saved for consumers in FY26.

Two cautions belong alongside this. Naspers declined to reverse the R5.9-billion impairment booked against its Takealot holding company in FY2024, carried goodwill against the Takealot cash-generating unit at just US$51-million, and applied post-tax discount rates of 17% to 21% in valuing the business: the higher end of its range. And a core retail margin of around 1% is thin protection against a competitor with Amazon's balance sheet. Zietsman has argued that the move from 10% online penetration toward 15% and 20% could happen faster than the move to 10%; that is an executive view rather than a market forecast, and this chapter's reading of the growth data suggests more caution is warranted.

## Amazon moves from entry to ecosystem

The previous edition characterised Amazon's South African presence as a deliberate, measured foothold and identified Prime-style membership as the indicator to watch for in 2026. That milestone was reached on 3 June 2026.

Amazon launched Prime in South Africa at R59 per month or R399 per year, making the country the twenty-seventh Prime market worldwide. The bundle includes unlimited free same-day delivery in Johannesburg, Cape Town and Pretoria for eligible items ordered before midday, free next-day delivery in other major metros, Prime Video and Amazon

Luna cloud gaming. A 30-day free trial anchors acquisition. South Africa's first Prime Day ran from 23 to 29 June 2026.

Three features of the pricing are notable. It undercuts Amazon's own prior standalone Prime Video price of R79 a month, with existing video-only subscribers automatically upgraded to the full tier. At roughly US$3.60 a month it is priced far below the US equivalent, indicating a volume strategy rather than margin extraction. And it removes minimum order thresholds: the mechanism by which most South African e-commerce currently protects delivery economics.

Amazon's traction ahead of the launch was already more substantial than its muted 2024 debut suggested. During the 2025 Black Friday period, Amazon recorded the third-highest transaction value among customers of both FNB and Discovery Bank, behind only Takealot and Checkers Sixty60. Following the first Prime Day, Sub-Saharan Africa managing director Robert Koen highlighted growing demand for everyday essentials and Prime's role in encouraging more frequent shopping: an emphasis suggesting ambitions beyond the classic marketplace categories of electronics and discretionary general merchandise.

The strategic purpose of a delivery subscription is not to reduce shipping cost. It is to drive the marginal delivery cost of an additional order toward zero, concentrating spend, increasing frequency and expanding the number of categories purchased. It converts delivery speed – the primary axis of South African e-commerce competition since Sixty60 launched – into a fixed cost the customer has already paid, shifting competition towards range, price and interface.

The resulting contest is not simply Amazon versus Takealot. Takealot has local scale, a large seller base, deep logistics experience, Mr D, TakealotMORE and a growing fulfilment business. Amazon brings global technology, seller systems and the world's most refined membership model. Local omnichannel retailers bring what neither pure-play can reproduce quickly: extensive store networks, established loyalty programmes, local merchandising expertise and inventory positioned close to customers. It is platform ecosystem against platform ecosystem, with large store-based retailers competing on the same terrain.

## Shein, Temu and cross-border: from tax arbitrage to local execution

The previous edition argued that Shein and Temu were significant but not dominant, that their growth would face regulatory headwinds, and that the likely outcome was coexistence rather than displacement. That call was correct. If anything it was too cautious.

**What the policy did**

Timing is important here. In November 2024 SARS removed the de minimis concession that had allowed parcels under R500 to clear at a flat 20% duty with no VAT: a 2007 arrangement designed for a pre-e-commerce world, under which local retailers paid up to 45% duty plus 15% VAT on comparable goods. In February 2025 a tiered tariff structure followed. In April 2025 SARS tightened declaration requirements to demand full invoice detail. Later in 2025, National Treasury's draft tax bills proposed removing low customs value consignment relief entirely, alongside a broader withdrawal of more than 140 customs concessions aligned to World Customs Organisation guidelines. In November 2025 SARS implemented automated validation for individuals using customs code 70707070, rejecting further declarations once cumulative annual imports under that code exceed R150,000.

**What happened next**

Industry data assembled by MustangPay with the South African International E-Commerce Association shows cross-border e-commerce growth slowing to 7% in 2025, from the 30–50% annual range prevailing before 2024. Approximately 19-million cross-border platform orders were placed during the year, representing 18.6% of all South African e-commerce transactions. Platform-level detail is starker: Shein slowed from 30–50% annual growth to 11% in 2025, while Temu recorded an average monthly decline of 42%.

The scale should be kept in proportion. SARS import data shows that in 2024, goods entering under the three CTFL-related tariff sections totalled approximately R92-billion, up 11.4% on 2023: R65.5-billion in textiles and clothing, R21-billion in footwear and R5.5-billion in leather goods. The Localisation Support Fund estimate of R7.3-billion in combined Shein and Temu turnover represents less than a tenth of imported CTFL goods, and the two are not directly comparable in any case: SARS records customs value at cost, insurance and freight, while the Fund estimate is retail turnover inclusive of shipping and margin.

These are industry estimates rather than audited disclosures, and no directly audited 2026 turnover figure for either platform in South Africa exists. But the direction and magnitude are corroborated by independent market-share tracking showing Shein's apparel share declining from its 2023 peak, and by the resilience of the domestic CTFL category in Stats SA data, where textiles, clothing, footwear and leather goods rebounded 3.7% year-on-year in May 2026 after a 1.0% April decline.

**Moving to local execution**

Both platforms have responded by moving toward locally compliant supply chains and local merchant programmes. Temu introduced local-dispatch warehouse services in South Africa, stocking some goods domestically through logistics partners for faster delivery. This is strategically significant: the next phase of cross-border competition will depend less on parcel-by-parcel import advantages and more on local inventory, fulfilment speed and marketplace participation. A Shein or Temu operating through local fulfilment and local sellers is a materially different competitor: slower to scale, more expensive to run, but far harder to regulate away.

The Localisation Support Fund and BMA estimate of R7.3-billion in combined turnover, 3.6% of the CTFL market and nearly 40% of online clothing sales, remains the best available baseline. BMA's projection that up to 34,000 jobs could be at risk by 2030 if offshore e-commerce went unchecked was premised on continued rapid growth. Growth stopped. It was a conditional forecast that lobbied successfully for its own condition to be removed, and the intervention worked faster and more completely than almost anyone modelled. That is a genuine policy success and should be recorded as one. It is also a caution: the same enforcement capability now remains available for use elsewhere, and compliance costs fall on all cross-border participants, including South African SMEs importing inputs.

The most durable effect of Shein and Temu may prove behavioural rather than numerical. They trained consumers to expect vast assortment, continuous discovery, aggressive promotion and algorithmically personalised storefronts. Local retailers cannot match ultra-fast-fashion manufacturing economics, but they can compete on trust, delivery speed, returns, local payments, physical presence, loyalty and increasingly sophisticated digital merchandising.

## Profitability replaces growth at any cost

The financial disclosures of 2026 show the centre of gravity moving from raw growth to profitable growth. Takealot has reached full-year trading profitability across all three units. TFG says scale benefits are improving online profitability. Pick n Pay's online business is profitable for a second year. Shoprite is absorbing Sixty60 delivery expenses within cost of sales while maintaining a 25.3% supermarket gross margin.

That is a material change from the earlier playbook. Delivery subsidies, broad discounting and heavy customer-acquisition spending generate growth but are difficult to sustain. As the channel matures, the decisive variables become fulfilment density, basket economics, delivery recovery, returns, picking productivity, seller commissions, advertising revenue, subscriptions and utilisation of physical infrastructure.

Retail media is emerging as one of the most important of these new profit pools, and it has been underweighted in previous editions of this report. Takealot reported retail media revenue growth above 35% in FY2026, driven by an 82% increase in average ad spend per advertiser. Advertising is structurally attractive because it monetises traffic and first-party data without requiring the retailer to take inventory risk, and it carries margins unavailable anywhere in merchandise retail.

Shoprite has built the larger business. ShopriteX's marketing, media and consumer insights revenue reached R647-million in FY2025, up 37%, and R593-million in the first half of FY2026 alone: a pace that puts it on track to exceed R1-billion for the full year, and the fastest-growing of the group's alternative revenue streams. Rainmaker Media, its retail media network, reaches an audience the group puts at 82 million shoppers monthly, while the Rex platform sells outlet-level analytics to suppliers.

The asset underneath is loyalty data. Xtra Savings has 33 million members who saved R16.5-billion in the past financial year, accounts for 88% of group merchandise revenue, and generates roughly 2,700 card swipes per minute. Clicks ClubCard has 12.9 million active members at 83.7% of sales, and Truth and BrandMapp research puts loyalty programme usage at 85% of South Africans. Retail media is the mechanism by which that data becomes margin, and it is compounding faster than any merchandise line in South African retail.

The implication is that the economics of large e-commerce platforms will increasingly resemble a portfolio of businesses rather than a single retail margin: merchandise, marketplace commissions, logistics, membership, advertising, financial services and data-driven supplier services. Assessing these businesses on retail multiples will progressively understate them; assessing a 1% core retail margin in isolation will progressively mislead.

## AI enters the shopping basket

Artificial intelligence moved from back-office experimentation to the consumer interface during 2026, and did so faster in South Africa than most observers expected.

In April, ShopriteX introduced Pixie, an AI-powered personalised shopping assistant inside Sixty60, suggesting replenishment items, new products and deals based on individual shopping behaviour and drawing on Xtra Savings loyalty data. By July, Shoprite said the feature had generated millions of personalised interactions. Shoprite has paired this with an AI-powered Smart Trolley extending the approach into physical stores.

On 2 July 2026, Pick n Pay launched Penny on the asap! app, built on Google's Gemini models and rolled out to all users through July. Penny lets customers assemble a basket conversationally by voice note, text or photograph, including photographs of handwritten shopping lists or recipes, and can suggest recipes, recommend substitutions, assist with meal planning and budget-conscious shopping, and generate personalised recommendations. Pick n Pay's omnichannel retail executive Enrico Ferigolli framed the shift directly: for years the focus was faster delivery, and the next disruption is removing the effort from shopping itself.

Grocery is unusually well suited to this. It is a high-frequency category with large repeat baskets, which makes predictive replenishment tractable. If a system reliably anticipates household needs, digital commerce moves from search and selection toward assisted or partially automated shopping. South Africa's largest retailers hold a genuine local advantage here, because they already possess large loyalty datasets connecting individual behaviour with products, prices, stores and promotions in ways generic global models cannot reproduce without local transaction history.

**The question behind the assistants**

Two caveats from the Penny launch are more informative than the launch itself. Ferigolli was candid that while the assistant supports as many languages as Gemini does, performance in South African languages is not at the level of others, and suggested an ecosystem of local start-ups would be needed to close that gap. And Gemini has no direct access to Pick n Pay's databases; Penny works through APIs for search, order history and Smart Shopper points, plus a curated retrieval layer.

Critically, external agents cannot yet shop Pick n Pay through an API, as US shoppers can now do with some retailers through ChatGPT. That defines the strategic question for the next three years. Globally, AI-referred traffic to retail sites grew 805% year-on-year over the 1–28 November 2025 window, according to Adobe, with overall AI-driven traffic projected to grow 515–520% against 2024. If discovery migrates to general-purpose assistants, the retailer that owns the app no longer owns the customer relationship.

South African retailers have so far responded by building assistants inside their own apps: defending the interface rather than opening it. That is a coherent position while local adoption of general-purpose shopping agents remains low. Whether it holds depends on whether South African consumers follow other markets, and on how quickly African-language support becomes good enough to change buying behaviour, in a country where it very much would. The constraint on all of this is data quality and trust: AI cannot compensate for inaccurate stock information, poor fulfilment or weak consent practices.

## Payments: from acceptance to invisible infrastructure

Payments remain foundational, but the nature of the challenge has changed. The first phase of e-commerce required reliable card acceptance and basic EFT. The next phase is about removing friction, widening access and making the act of paying less visible.

The 2025 retailer survey found 92% satisfaction with payment providers and identified long checkouts and shipping fees, rather than failed transactions, as the primary drivers of cart abandonment. It also found 40.8% of surveyed retailers already using Instant EFT or PayShap. Yet the South African Reserve Bank reports that PayShap's overall uptake has been slow since its 2023 launch. SARB's Payments Ecosystem Modernisation programme is consequently developing a broader fast-payment architecture and a national payments utility intended to widen participation and interoperability across banks, fintechs and non-bank providers.

There is no longer a single dominant online payment method. Card remains the base layer, but instant EFT and pay-by-bank now carry substantial checkout volume, with Capitec Pay alone accounting for around 40% of total payment value across some processors. Digital wallets have grown over 35% year-on-year. Buy-now-pay-later providers perform strongest in the R800–R8,000 considered-purchase range, where they lift conversion and average order value enough to justify the merchant fee, and add little below roughly R300.

Infrastructure held up under load: PayInc recorded an average of 934 transactions per minute on Black Friday 2025 and 700 per minute on Cyber Monday. Reliability at peak is no longer the constraint it was five years ago. The commercial objective is now conversion, and tokenised credentials, wallets, passkeys, real-time account-to-account payments and smarter fraud controls are worthwhile only insofar as they reduce checkout effort without sacrificing trust.

SARB's proposed opening of payment infrastructure to non-bank participants could be strategically significant for large retailers. The programme envisages an activity-based framework under which entities such as supermarkets and fintechs could participate more directly in payment activities: potentially strengthening the link between retail loyalty ecosystems, stored value, instant payments and financial services.

## Structural drivers and constraints

Several forces now reinforce one another. Logistics density improves as more households order online, lowering marginal delivery cost and making faster service viable in more areas. Loyalty programmes and subscriptions encourage frequency. Marketplace models expand range without requiring platforms to own every item. Stores are increasingly used as fulfilment and collection infrastructure. Data and AI increase relevance and reduce the effort required to shop. Retail media converts traffic into margin.

The market is also widening geographically. Takealot has emphasised township and emerging-market expansion, including a large network of personal shoppers and driver partners. Shoprite's extension of Sixty60 into selected Shoprite stores takes on-demand delivery beyond the premium grocery customer. These segments are important because the next wave of growth cannot depend on affluent metropolitan early adopters alone.

The demographic data points to where that next wave will come from. The small dip in penetration – from 36.6% to 34.2% of adults shopping online – should not be read as a market losing momentum, but as a sign that online retail has largely saturated its initial base of higher-income, urban, connected consumers and must now grow into a different population to go further. The evidence for continued acceleration coexists with the dip: internet access has climbed to 79.1% of adults, more than double the 34.2% who shop online, and that widening gap between connectivity and commerce is the clearest measure of the opportunity. A large and growing population is already online but not yet buying online. Converting them is the next phase of growth, and the factors holding it back are now less about access than about trust and economics: the cost and reliability of last-mile delivery outside the metros, where addressing and security add complexity; delivery fees and minimum-order thresholds that price out smaller, more frequent baskets; the friction of digital payment for consumers who are underbanked or cash-preferring; persistent concerns about payment security and about goods not arriving as described; data costs that make browsing expensive on a pay-as-you-go connection; and a shortage of product discovery and interfaces in languages other than English. The retailers that solve these – through cash and low-cost payment options, collection points that remove the delivery-address problem, data-light or zero-rated apps, and genuinely multilingual experiences – will be the ones that convert the connected-but-not-yet-converted majority into the next wave of online shoppers.

**The load-shedding dividend**

One enabling factor is easy to overlook, because it is specific to South Africa and helps explain why the fulfilment build-out accelerated when it did. Load shedding was suspended on 26 March 2024 and has been largely absent since, following Eskom's generation recovery programme. The cost it had been imposing was substantial: Shoprite spent R1.3-billion on diesel for generators in the year to July 2023, falling to R754-million in the year to June 2024, while Pick n Pay spent R698-million in the year to February 2024. Across the four largest food retailers, direct load-shedding costs reached R1.87-billion in the four months from December 2022 to March 2023 alone.

Removing that drain freed operating capacity at precisely the moment retailers needed to fund distribution centres, delivery fleets, dark stores and digital platforms. Woolworths' Midrand and Wynberg facilities and Pick n Pay's re-platforming both fall in the period after the diesel bills stopped, while Shoprite's own diesel savings, from R327-million to R240-million in FY2026, flowed into a 10-basis-point improvement in trading margin to 6.0% rather than incremental capital spend: Group capital expenditure actually fell to R6.8-billion from R8.0-billion for the year. The correlation is not proof of causation, but the timing is difficult to ignore, and it is a reminder that the infrastructure enabling on-demand retail rests on grid stability that cannot be assumed permanent.

The constraints are equally real, and 2026 has sharpened them. South African consumers are price sensitive, last-mile logistics are expensive, crime and security add operational cost, and discretionary demand is uneven. TFG explicitly describes the local macroeconomic environment as challenging, with pressure on disposable income. Clicks points to constrained middle-income households. Woolworths attributes a weak fourth quarter to fuel and inflation effects from Middle East conflict.

A consistent pattern runs across the listed retailers: online is the fastest-growing part of each business, often by a wide margin, while group-level profitability reflects the broader trading conditions each group faces. Shoprite delivered full-year headline earnings per share growth of 12.2% (continuing operations) while Sixty60 grew 34.5%. Pick n Pay's trading loss widened while online grew 32.7%. TFG's operating profit fell 22% while TFG Africa online grew 49.2%. Woolworths' headline earnings fell while Dash grew. Online is where the growth is; outside Takealot, Pick n Pay's online unit and retail media, it is not yet where the profit is.

Within the aggregate data, the Stats SA category that includes online stores – the miscellaneous "all other retailers" grouping – has been among the most consistent positive contributors, growing 9.4% in February 2026, 7.1% in March, 7.3% in April and between 7% and 10% through late 2025. It is an imperfect proxy, since the category also captures jewellery, stationery and sports goods retailers, but the direction independently corroborates the channel-shift thesis.

## Global context: runway, correctly measured

South Africa's online share remains below the largest global e-commerce markets, which suggests room for further structural growth. But the comparison figures used in previous editions were inaccurate and require correction.

In the United States, e-commerce accounted for 16.9% of total retail sales in the first quarter of 2026, growing 9.8% year-on-year against 3.9% growth in total retail. In China, online sales of physical goods represented 26.1% of total retail sales of consumer goods in 2025. Global e-commerce stands at roughly 20.5% of retail sales, but that average is heavily lifted by China; excluding China, global penetration is closer to 12.8%, which is the more useful benchmark for a market like South Africa.

Against that picture, South Africa at 8.49% on the like-for-like nominal basis is below the ex-China global benchmark and is converging on it steadily. These comparisons should not be treated as targets: income levels, delivery economics, infrastructure and retail geography all differ. The relevant lesson is not the eventual penetration number; it is that digital growth typically moderates as the base expands while continuing to outpace total retail for many years.

South Africa also possesses characteristics that can accelerate adoption: high mobile usage, with roughly 71% of business-to-consumer e-commerce transactions occurring on mobile; sophisticated banks and payment providers; powerful national retail groups; dense mall and store networks; and unusually rapid innovation in on-demand grocery. A market that largely skipped desktop commerce has less legacy behaviour to unlearn. Those assets support a distinctive model in which physical retail infrastructure may help the country catch up digitally rather than hold it back.

## Outlook: scenarios rather than a forecast

Given how quickly the growth picture changed over twelve months, a single point forecast would be false precision. If the 2025 estimate of approximately R130-billion is confirmed, growth of 15% in 2026 would take online turnover to roughly R150-billion, 20% to about R156-billion and 25% to about R163-billion. The R150-billion threshold is therefore close even under a much lower growth assumption than the rates of 2024 and 2025. The more useful framing is a set of scenarios and the indicators distinguishing them.

**Base case: steady convergence**

Growth holds in the low-to-mid twenties as the large platforms compound on their expanded bases. The 10% threshold is crossed on the strict nominal measure during the first half of 2026, and online reaches between eleven and thirteen percent of national retail on that basis by 2028. Pick n Pay's FY2027 opening numbers and TFG's accelerating online growth both point to the band holding firmly. R150-billion is reached, but later than previously forecast, and the composition shifts further towards grocery and marketplace-plus-services models.

**Upside: Prime resets the category**

Amazon Prime achieves meaningful penetration, subscription-led delivery becomes the norm, and the removal of minimum order thresholds unlocks a tier of smaller, more frequent baskets that current economics suppress. Incumbents respond with their own bundles, total category frequency rises, and growth reaccelerates towards thirty percent. The indicator is whether Takealot, Shoprite and Woolworths move to match Prime on delivery economics rather than compete on range, and what that does to their margins.

**Downside: consumer constraint bites**

Macroeconomic pressure persists, discretionary spending contracts further, and channel shift continues without meaningful category growth. Online share still rises – because it is winning a share fight, not a growth fight – but turnover growth slows towards the mid-teens. The key measure is grocery volume rather than value; Shoprite's disclosure that Sixty60 growth was volume-led is currently the strongest evidence against this scenario.

**What to watch**

- Prime subscriber uptake and whether Amazon discloses it, along with any incumbent subscription response
- Whether Sixty60 growth stabilises above thirty percent or continues stepping down through FY2027
- Whether Bash discloses standalone profitability, validating the marketplace-consolidation model for apparel
- Takealot Fulfilment Solutions growth and margin, as a proxy for logistics-as-a-service becoming a durable moat
- Retail media growth rates across Takealot, Rainmaker Media and any new entrants: the fastest-compounding margin pool in the market

- Adoption rates for Pixie and Penny, and whether any South African retailer opens to external AI agents
- Whether Shein and Temu's move to local supply chains restores growth, and how policy responds if it does
- Progress on African-language support in retail AI, which gates the addressable market for conversational commerce
- Reconciliation between this series and Stats SA structural industry statistics on e-commerce income
- Whether retail price inflation stays near 1%, which is currently accelerating the penetration milestone
- Monthly online transaction data from payment processors, which would establish the online seasonal index and resolve the peak-month question

## Implications for retailers and market participants

> Treat digital profitability as a system problem. Optimise fulfilment density, basket economics, returns, advertising, subscriptions and marketplace services together rather than evaluating the website margin in isolation.
>
> Use stores as digital infrastructure. Collection, returns, local inventory and service reduce e-commerce cost while creating incremental store visits. Mr Price's 55% in-store collection rate is a template, not an anomaly.
>
> Compete for frequency, not only transactions. Membership and loyalty models shift share of wallet by making repeat use easier and more valuable. Prime has made this the central battleground.
>
> Build retail media deliberately. Advertising monetises traffic and first-party data without inventory risk, and is compounding faster than merchandise margin.
>
> Decide your position on external AI agents now. Defending the app interface is coherent today but may not be in three years; the decision should be deliberate rather than default.
>
> Prepare for a more localised cross-border battle. Temu's local-dispatch model suggests global platforms will increasingly compete on delivery and local execution, not only price.
>
> Design payments to disappear. The next conversion gains will come from trusted, low-friction authentication and interoperable infrastructure rather than from multiplying payment logos.

## Conclusion

South African online retail in 2026 is larger, more profitable and more deeply established than the market described a year ago, and it continues to grow at rates most retail sectors never see. Takealot has turned its first annual profit after fifteen years. Pick n Pay's online business is profitable for a second year. Sixty60 has passed ten percent of Shoprite's domestic sales and now absorbs its delivery costs within cost of sales. TFG's ecommerce arm Bash has passed eight percent of TFG Africa's sales. The regulatory intervention against low-value imports worked, decisively. Amazon has committed with its full subscription apparatus, and the interface through which South Africans shop is being rebuilt around conversational AI.

The 10% forecast made a year ago has been borne out, and on the published series it was reached earlier than projected. Online retail crossed the threshold during 2025 on the constant-price basis and passed it at the November trading peak; on the strictest like-for-like measure it is reached during the first half of 2026, making this the first calendar year to average 10%. Growth has stabilised into a sustained band well above the rate of physical retail. A channel that has gone from under one percent of retail to a tenth of it in a decade, is now profitable at scale, and continues to grow at five to ten times the rate of the wider market, has moved decisively into the mainstream of South African retail.

The strategic conclusion is close to the opposite of the one that would have been drawn a year ago. The question is no longer whether retailers should invest in digital, nor how fast the market will grow. It is who captures the customer relationship as delivery speed commoditises, subscriptions absorb logistics costs, advertising becomes the margin engine, and the point of discovery migrates from the search bar to the assistant. The biggest winners are unlikely to be definable as "online retailers" or "physical retailers". They will be businesses that combine both: the physical estate providing proximity, trust and inventory; digital providing convenience, data and scale; the platform layer adding sellers and assortment; logistics turning assortment into service; loyalty and subscriptions turning service into frequency.

For this report series, 2026 is the year the headline question closes and a harder one opens. Online retail has reached 10% of national turnover, turned profitable at scale, and stabilised into a growth band that continues to outpace the wider market several times over. The saturation of the first, affluent, urban cohort is not a ceiling but a signpost: the next decade of growth lies in converting the large connected population that is online but not yet shopping online, and in building the fulfilment, payment and language capabilities that will bring them in. The retailers positioned to lead are those already treating physical and digital as one business rather than two, and on the evidence of this year, several of South Africa's largest are doing exactly that.

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*Reporting-date note: This landscape reflects public information available up to 1 September 2026. Company reporting periods differ and online-sales definitions are not standardised across retailers. Penetration is reported on three bases – constant-price, like-for-like nominal, and single-month peak – which are set out in the methodology note. The constant-price figure is the series carried forward from previous editions and is directly comparable with them; the nominal series is introduced in this edition.*

# Demographics of SA online shoppers

Data from Target Group Index, survey by Ask Africa.

## Executive Summary

The strongest online-shopping market is found at the intersection of age, affluence and urban life. Adults aged 25 to 34 form the age sweet spot, with 39.5% penetration. Men record higher penetration than women, at 36.9% compared with 31.7%. The 35 to 44 and 15 to 24 groups follow closely, showing that the strongest age opportunity extends well beyond one narrow cohort.

Income sharpens the picture. More than 60% of adults in households earning R40,000 or more shop online, while SEL 1 High records 75.4%. LSM 9 to 10 penetration is 59.4%, and post-matric respondents record 56.7%. Online shopping therefore becomes materially more embedded once education and household resources move higher up the scale.

Geography adds another dimension to online shopping. Gauteng leads the provinces at 46.9%, while Pretoria leads metros at 51.2%. Johannesburg follows at 46.2%, Greater Soweto at 40%, and cities and towns overall at 40.7%. The three strongest metro results all come from Gauteng, reinforcing Gauteng's lead in online-shopping penetration.

Taken together, the demographic findings point to the strongest penetration among younger, better-off and urban consumers. White respondents record 59.2%, while Indian/Asian and Black respondents cluster near one-third. The opportunity beyond the strongest groups remains substantial, especially where internet access already exists but online shopping has not followed.

Frequency behaves differently from penetration. Only 20% of online shoppers buy online weekly, but the most committed shoppers are concentrated at the top. SEL 1

High records 35.1%, while R50,000+ households record 37%. LSM 9 to 10 also records 28%, showing that the weekly habit remains concentrated among higher socio-economic groups.

Age is far less important for weekly shopping than for overall penetration. Most age groups cluster between 18.3% and 21.8%, while women now outpace men at 22.3% versus 18%. The weekly habit therefore looks more socio-economic than generational.

Connectivity provides perhaps the clearest growth clue. Internet-access penetration has climbed to 79.1%, far above the 34.2% who shop online. The gap represents a large connected population that retailers have not yet converted into online shoppers. Connectivity and commerce are therefore no longer the same growth problem.

That conversion gap is not evenly distributed. Internet access is near universal across much of the upper SEL range, yet drops to 31.6% in SEL 10 Low. Non-metro access also trails cities and towns, at 67% versus 84%. The next growth frontier involves better conversion among connected lower-income and non-metro consumers, not simply more connections.

Smartphones are used by 57.9% of online shoppers, more than double laptops at 26%. Tablet and desktop use remain near 10%. Mobile design, checkout and merchandising increasingly shape the practical shopping experience.

The online basket also has a clear lead category. Clothing is bought online by 36% of shoppers, well ahead of groceries at 21.2%. Womenswear, menswear and video streaming form the next cluster, between 18.2% and 19.7%. Fashion therefore acts as the clearest discretionary gateway into online retail.

Spending reveals two sides of the market. Over six months, 29% spend R2,001 or more, creating a sizeable higher-spend group. Over one month, however, the largest band is below R100 at 20.4%. Online retail therefore serves both small-value purchases and larger accumulated spending, rather than one dominant basket profile.

Takealot remains the platform to beat, used by 35.3% of online shoppers. Shein follows at 21.5% and Checkers Sixty60 at 15%. Below the leaders, competition becomes crowded, with several platforms packed into the 10.4% to 13.6% range. Takealot's lead remains large, but the middle of the market is becoming more contestable.

Category leadership is more fragmented. Shein leads clothing, Checkers Sixty60 leads groceries, Takealot leads gifts, and Dis-Chem leads toiletries and cosmetics. No single platform owns every shopping mission. Consumers appear willing to use different retailers for different needs, leaving room for specialists alongside broad marketplaces.

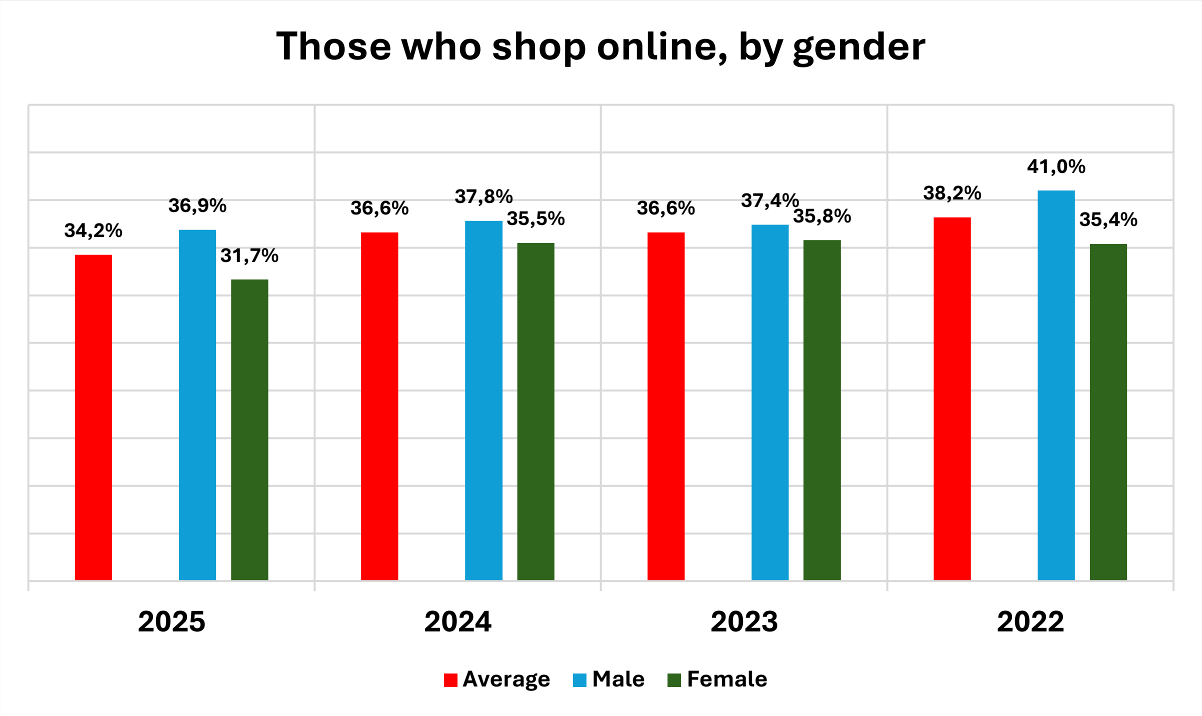
Online shoppers are increasingly using the internet as part of the buying decision, not only for the transaction itself. Among online shoppers, 29.8% definitely agree that the internet helps them research products before purchase, while 24.7% check several sources. A further 20.3% use online channels to plan shopping. Convenience remains a stronger motivation than price, with 22.8% saying convenience outweighs price. By comparison, 16.4% associate online shopping with saving money and 15.7% with finding lower prices. The findings point to a shopping journey shaped more strongly by research and convenience, although value-related motivations are becoming more important.

Online shoppers are also becoming more comfortable with the mechanics of buying online. Mobile-app comfort rises from 14.5% to 18.1%, while confidence that online purchases are safe increases from 14.6% to 17.6%. Retailer trust changes only slightly, from 18.7% to 18.8%, while concern about financial-information theft remains almost unchanged at 13.7%. At the same time, fewer shoppers say they do not know how to shop online or fear that a paid-for order will not arrive. The emerging picture is one of growing familiarity with online shopping, while trust and security remain harder barriers to shift.

In short, South Africa has a large population, clear high-value segments and an increasingly mobile shopping habit. Future growth depends on converting access into shopping, and occasional shopping into regular behaviour. The next chapter will depend more on relevance, trust and frequency than on adding first-time internet users.

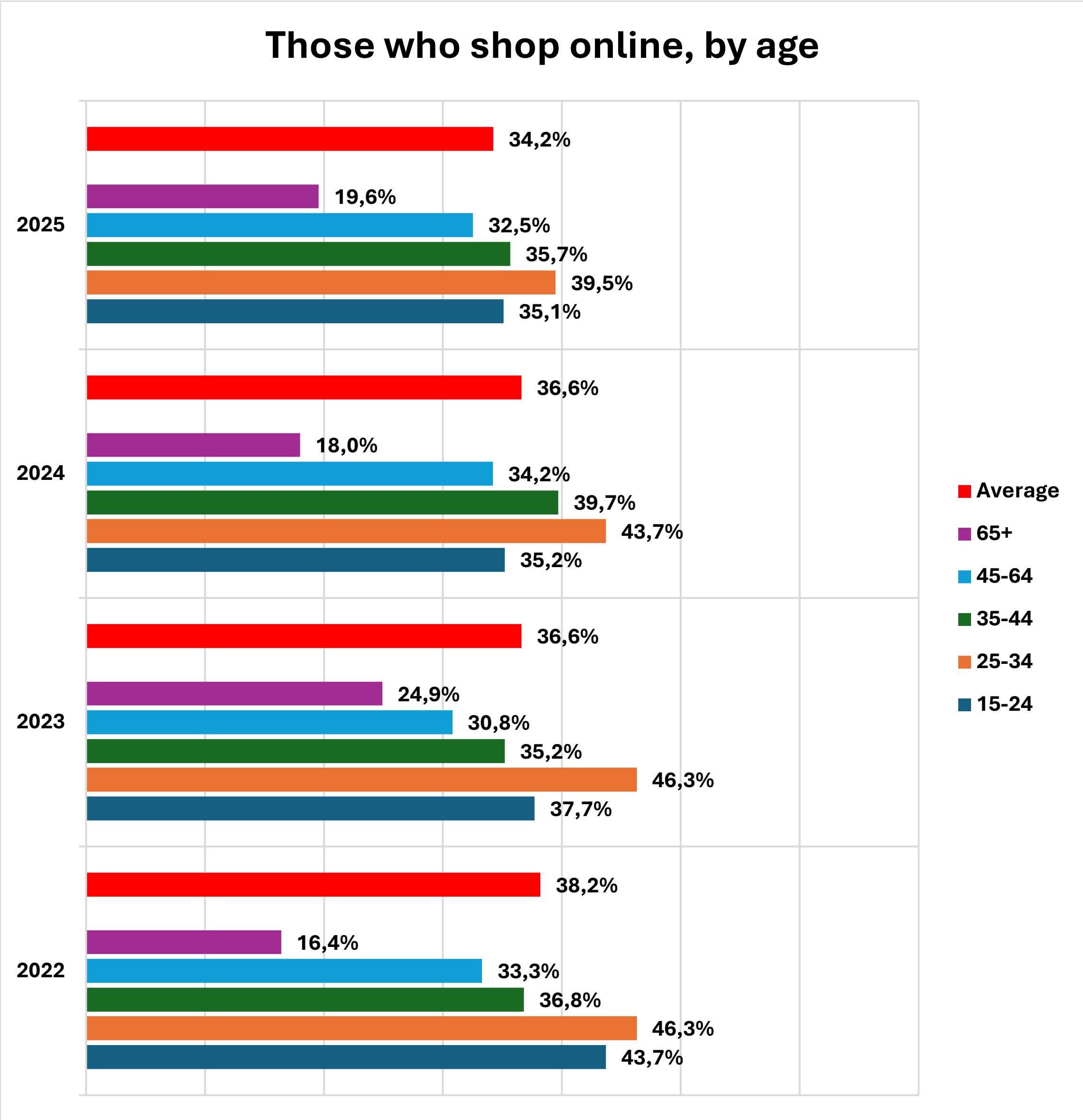
## Gender

The gender gap has opened again as overall online-shopping penetration decreased from 36.6% in 2024 to 34.2% in 2025. Penetration is 36.9% among men and 31.7% among women. Male penetration decreased from 37.8%, while female penetration decreased more sharply from 35.5%. The wider gap therefore comes mainly from the steeper decline among women.



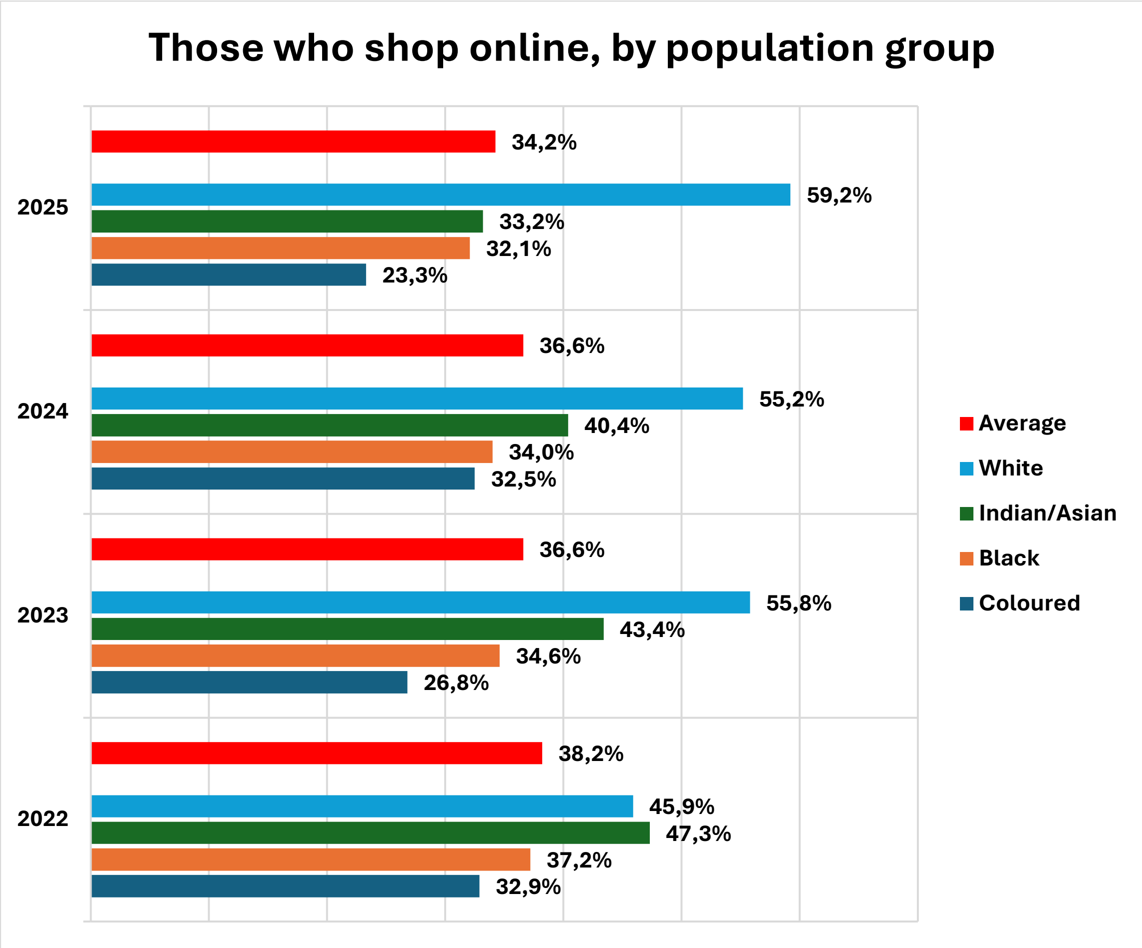
## Age

The sweet spot for online selling is among 25 to 34-year-olds, where penetration is 39.5%. The 35 to 44 and 15 to 24 groups follow at 35.7% and 35.1%. The 65+ group moves in the opposite direction, rising to 19.6%, but remains well behind younger adults.



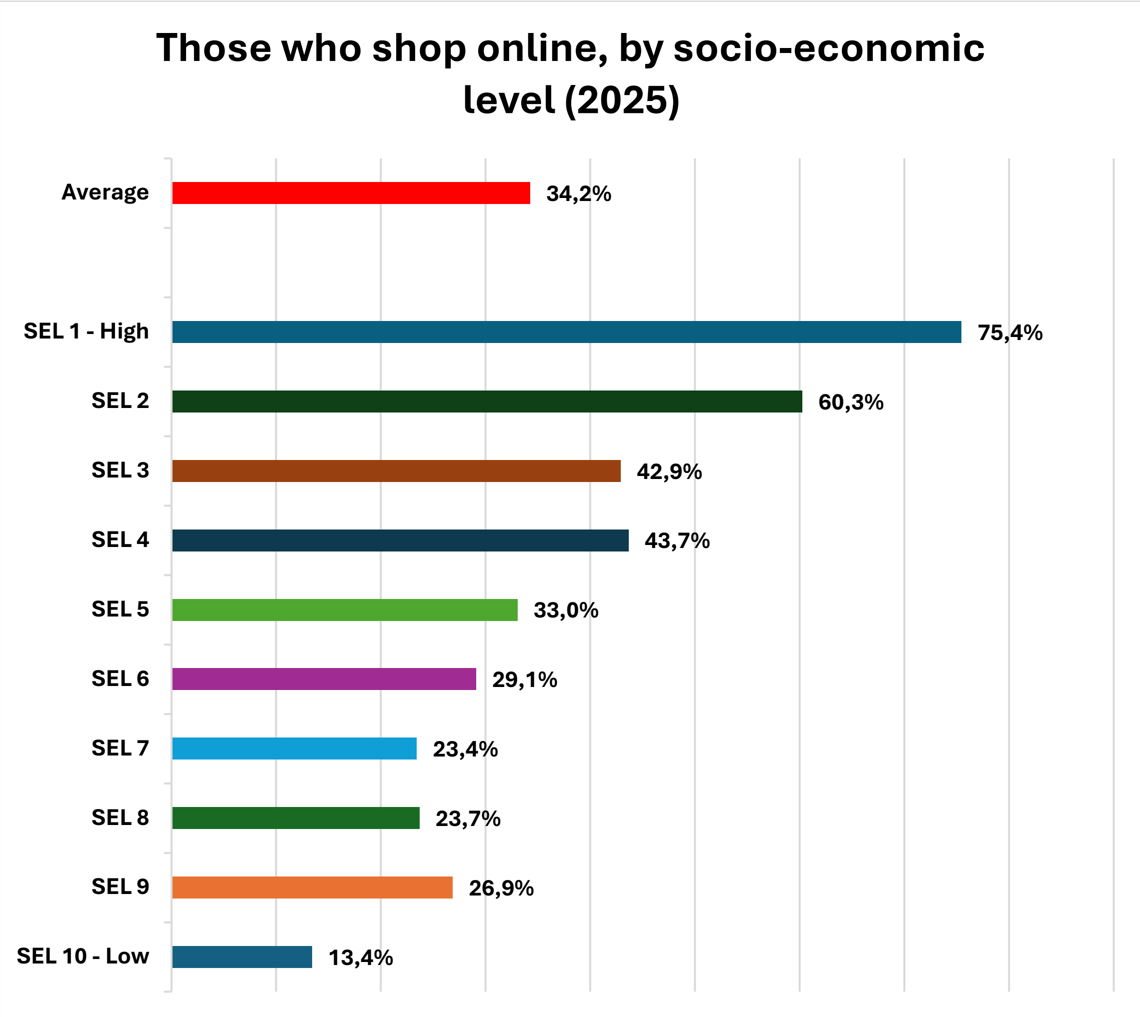
## Population group

Population-group penetration shows a pronounced split. White respondents record 59.2%, while Indian/Asian and Black respondents cluster at 33.2% and 32.1%. Coloured respondents record 23.3%. White penetration rises from 2024, while the other three groups decline, widening the separation at the top.



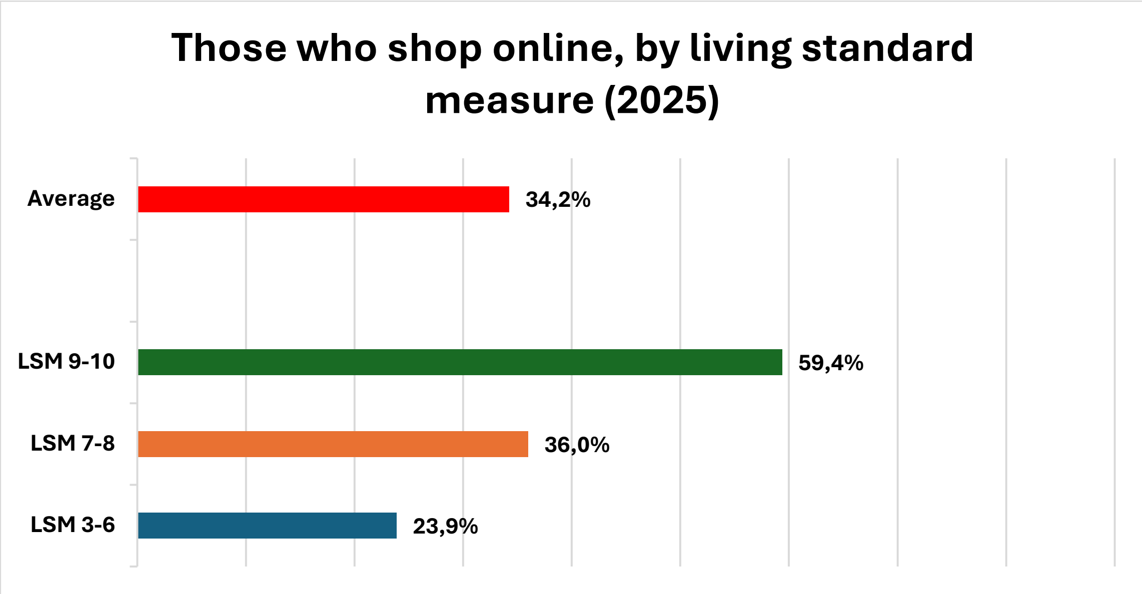
## Socio-Economic Level

Online shopping becomes close to a mainstream habit at the top of the socio-economic scale. SEL 1 High records 75.4% penetration and SEL 2 records 60.3%. Penetration drops into the low 40s at SEL 3 and SEL 4, then below 33% from SEL 6 downward.



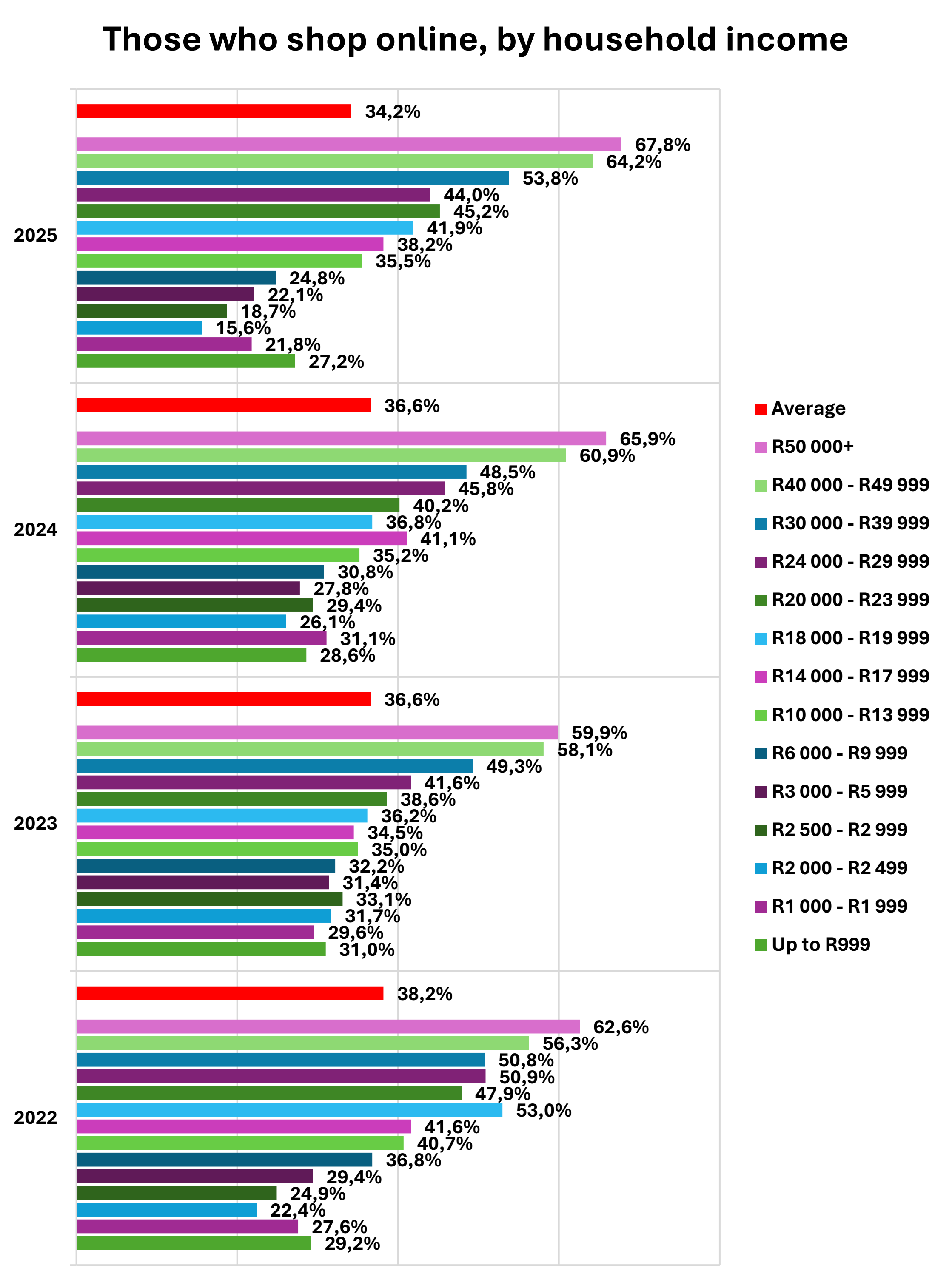
## Living Standard Measure

Living standards show a steepening pattern. Penetration moves from 23.9% in LSM 3 to 6 to 36% in LSM 7 to 8. The biggest leap comes at LSM 9 to 10, where 59.4% shop online. The affluence effect is strongest at the top rather than evenly across the scale.



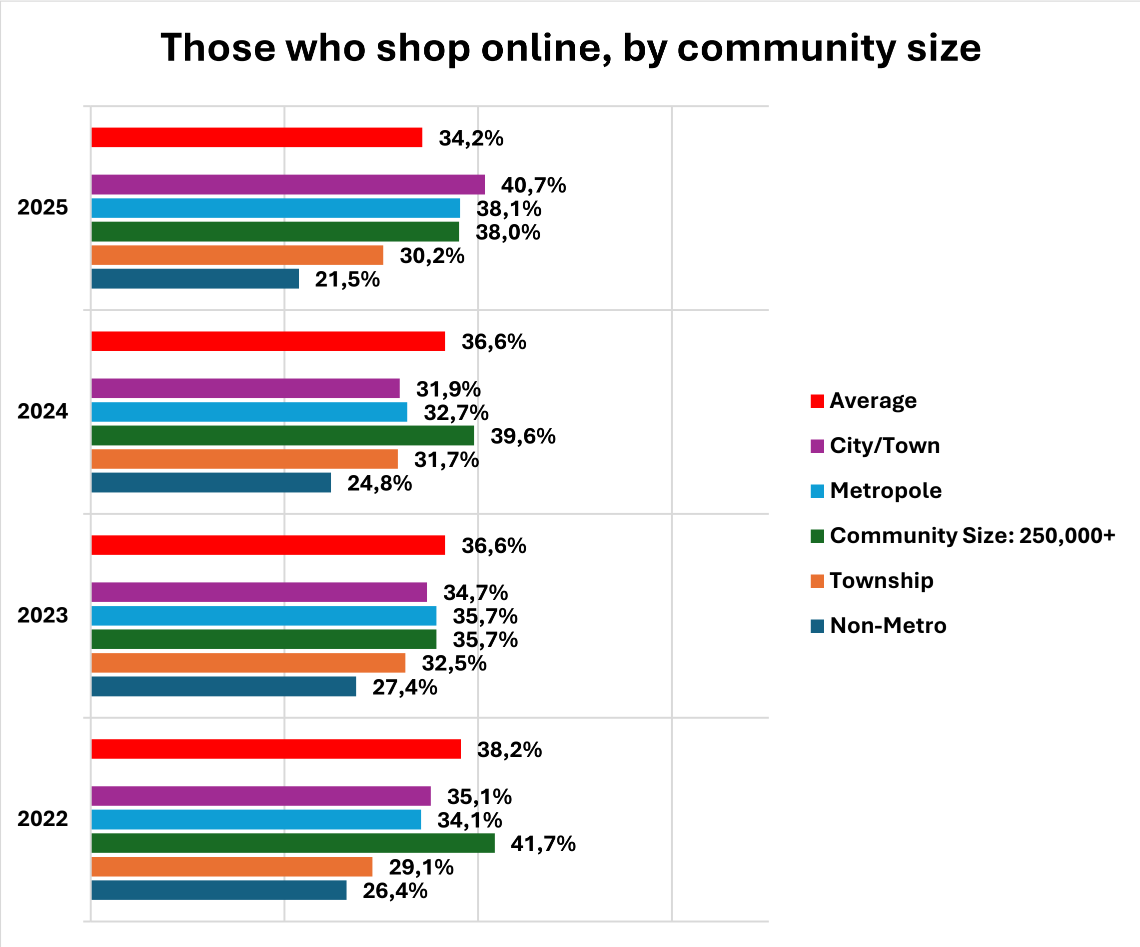
## Household Income

Household income draws one of the clearest commercial dividing lines. Penetration is 67.8% among R50,000+ households and 64.2% between R40,000 and R49,999. The R30,000 to R39,999 band follows at 53.8%. Below R10,000, no band exceeds 27.2%, showing how sharply the opportunity concentrates higher up the income ladder.



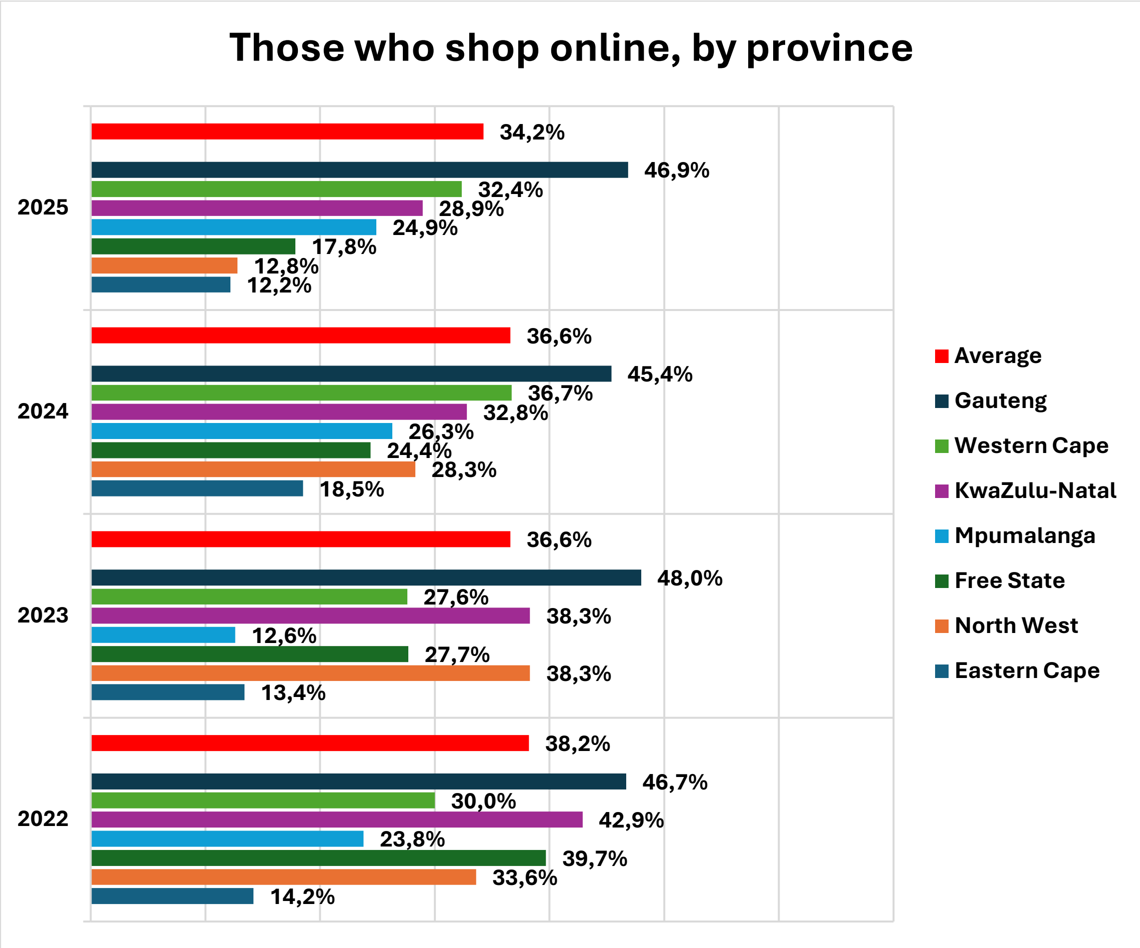
## Community Size

Online shopping is no longer confined to metros. Cities and towns now lead at 40.7%, ahead of metropoles at 38.1% and communities above 250,000 at 38%. Townships record 30.2%, while non-metro areas trail at 21.5%. The strongest opportunity now extends beyond the biggest metros, but not yet evenly into non-metro areas.



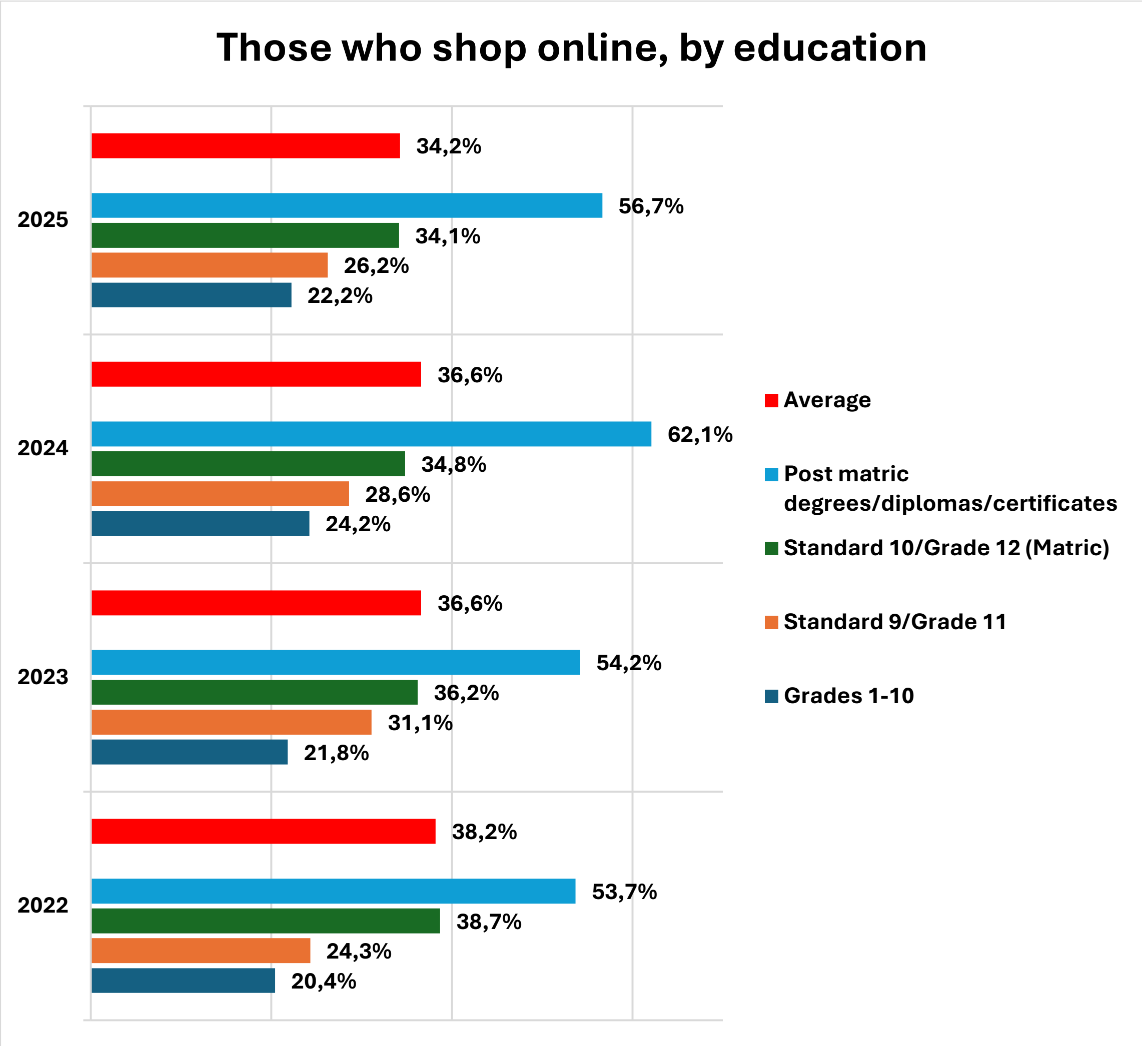
## Province

Gauteng has become the clear provincial centre of online shopping, with 46.9% penetration. Western Cape follows at 32.4%, then KwaZulu-Natal at 28.9% and Mpumalanga at 24.9%. Free State, North West and Eastern Cape remain below 18%. Gauteng therefore has much deeper online-shopping penetration than the rest of the country.



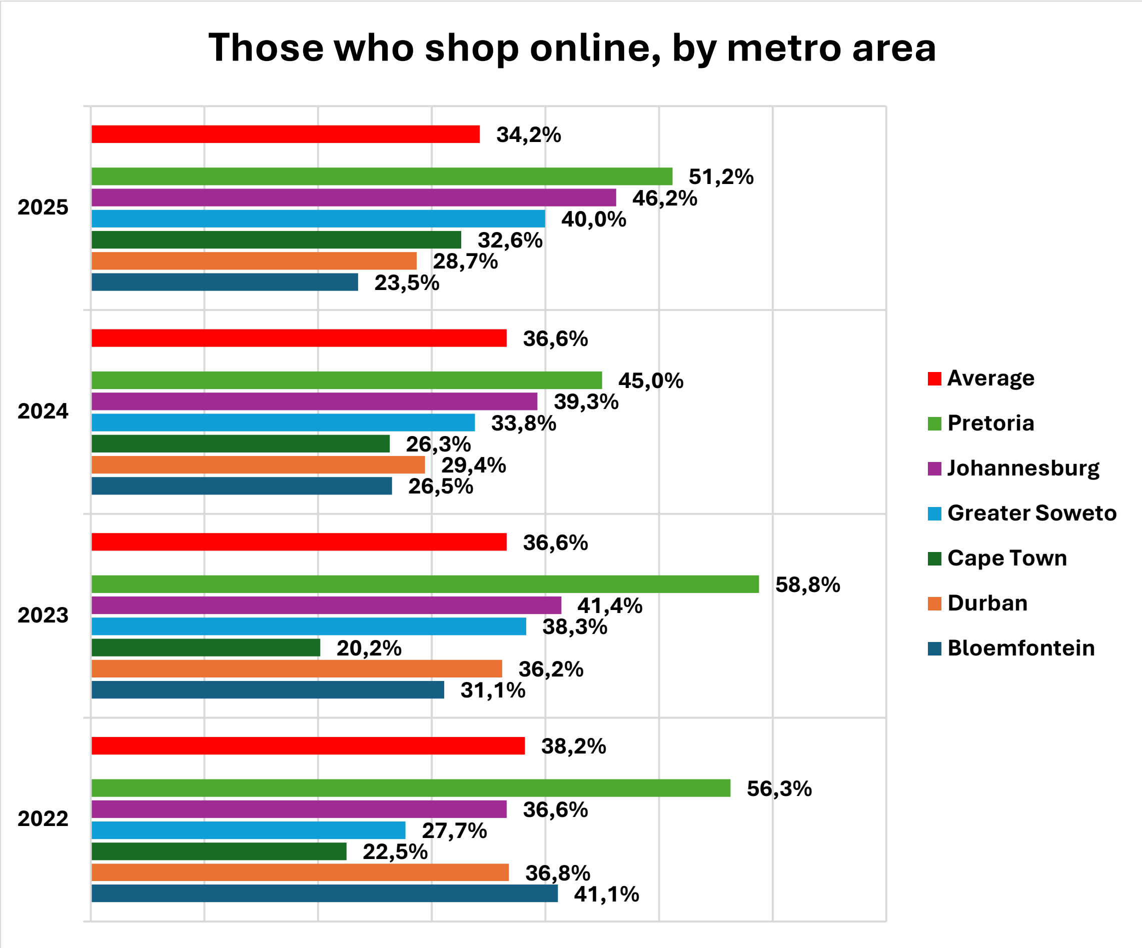
## Education

Education creates another decisive break. Post-matric respondents record 56.7% penetration, compared with 34.1% among matric holders. Grade 11 records 26.2%, while Grades 1 to 10 record 22.2%. The 22.6% gap between matric and post-matric respondents is larger than the differences lower down the education ladder.



## Metro Area

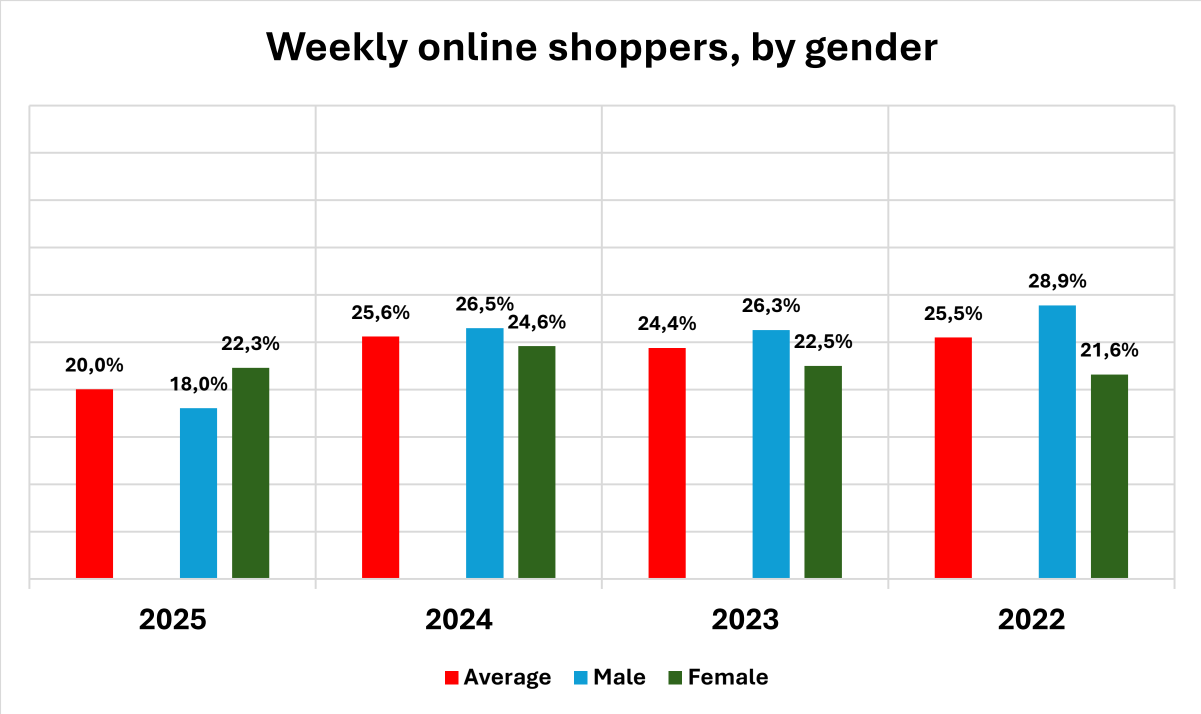
Gauteng's provincial advantage becomes even clearer at metro level. Pretoria leads at 51.2%, Johannesburg follows at 46.2%, and Greater Soweto records 40%. Cape Town is next at 32.6%, ahead of Durban at 28.7% and Bloemfontein at 23.5%. The country's three strongest metro markets are all in Gauteng.



## Shopping once a week or more breakdown

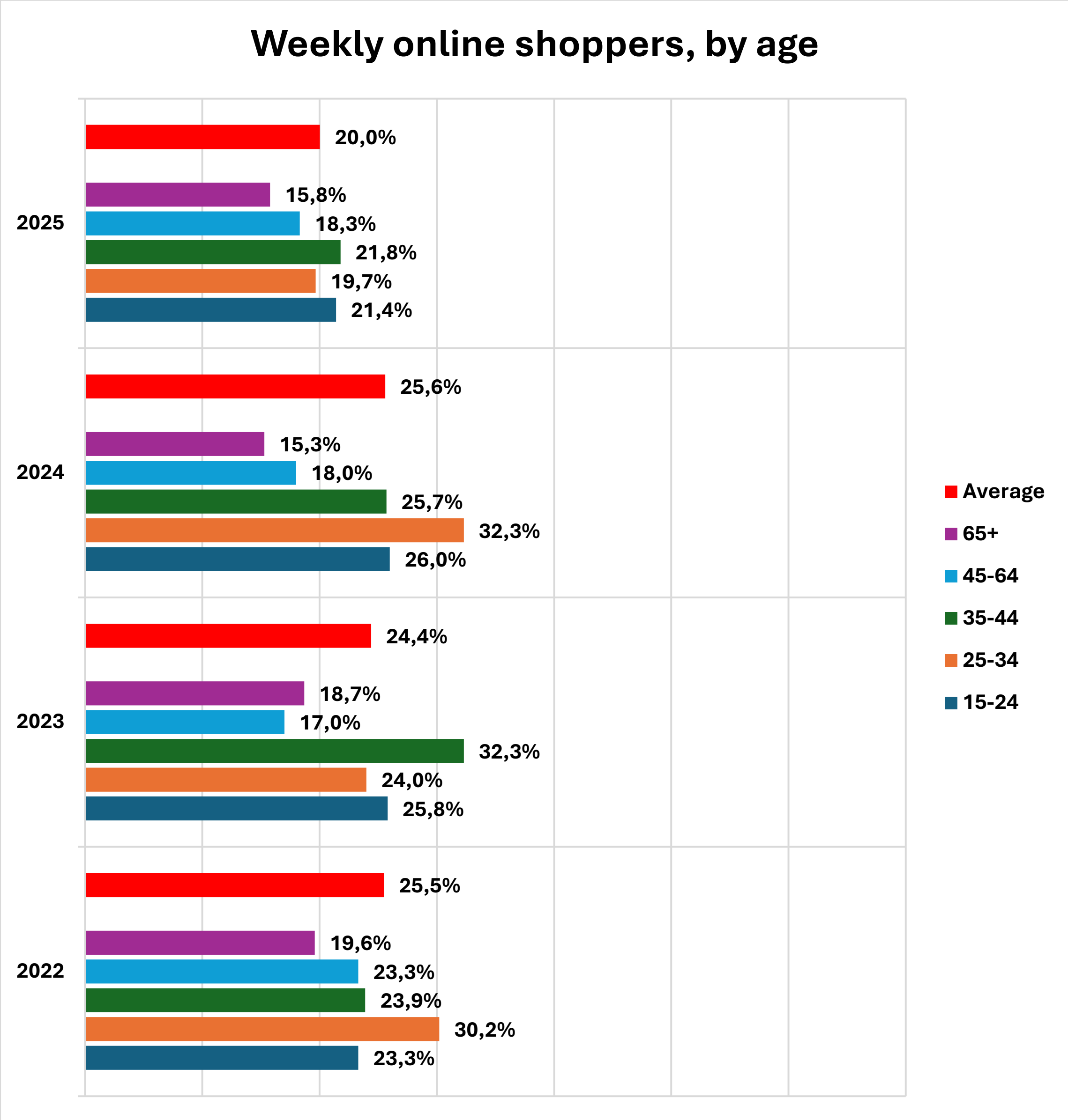
### By Gender

The weekly online shopper now skews female. Among online shoppers, 22.3% of women buy online weekly, compared with 18% of men. The reversal is striking because men led in each of the previous three years. Male weekly shopping falls from 26.5%, while female shopping eases from 24.6%.



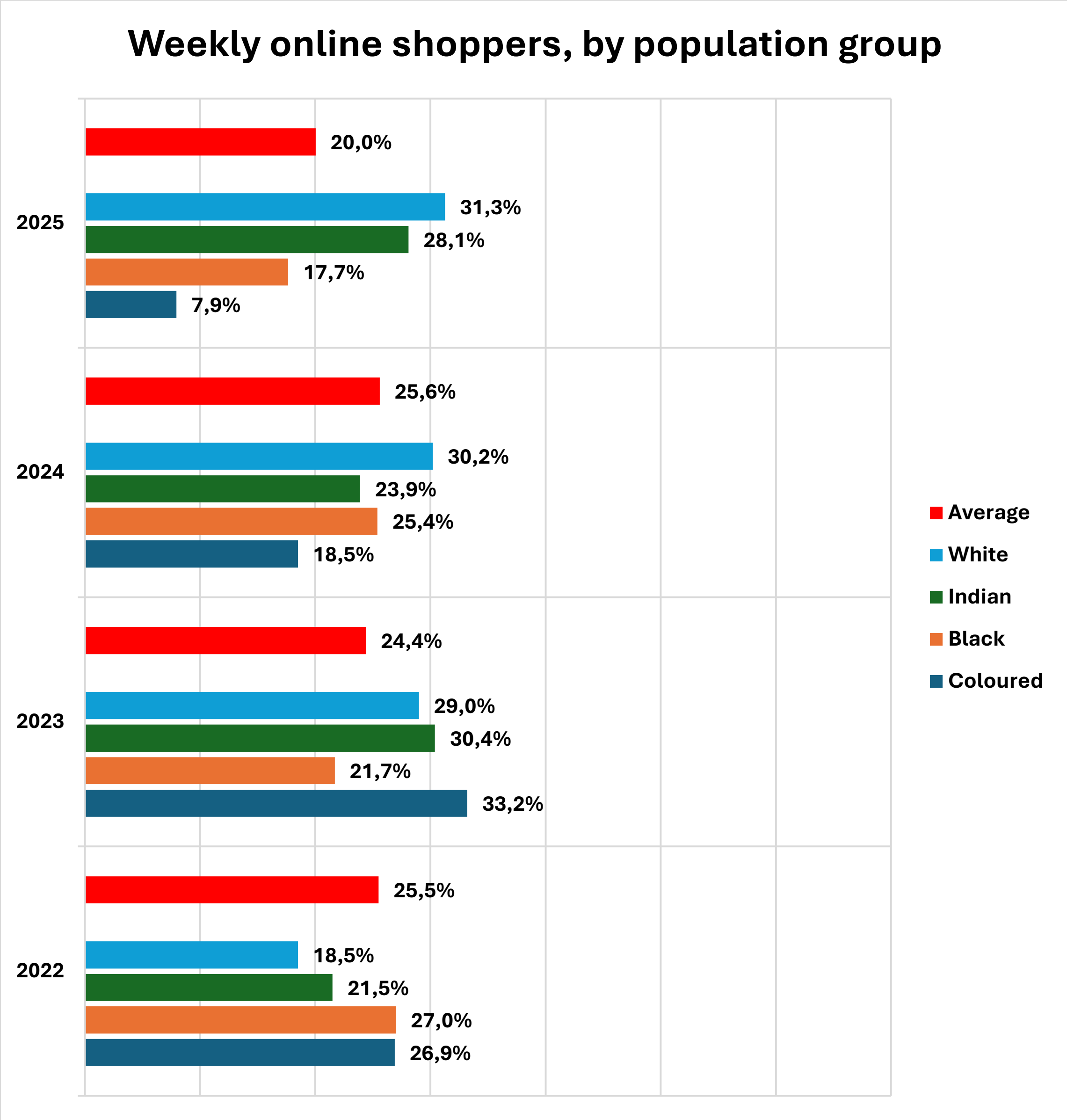
## By Age

Weekly online shopping no longer has a clear age sweet spot. The 35 to 44 group leads narrowly at 21.8%, followed by 15 to 24-year-olds at 21.4%. The 25 to 34 group drops to 19.7% from 32.3% in 2024. Frequency has therefore become much more evenly spread across working-age shoppers.



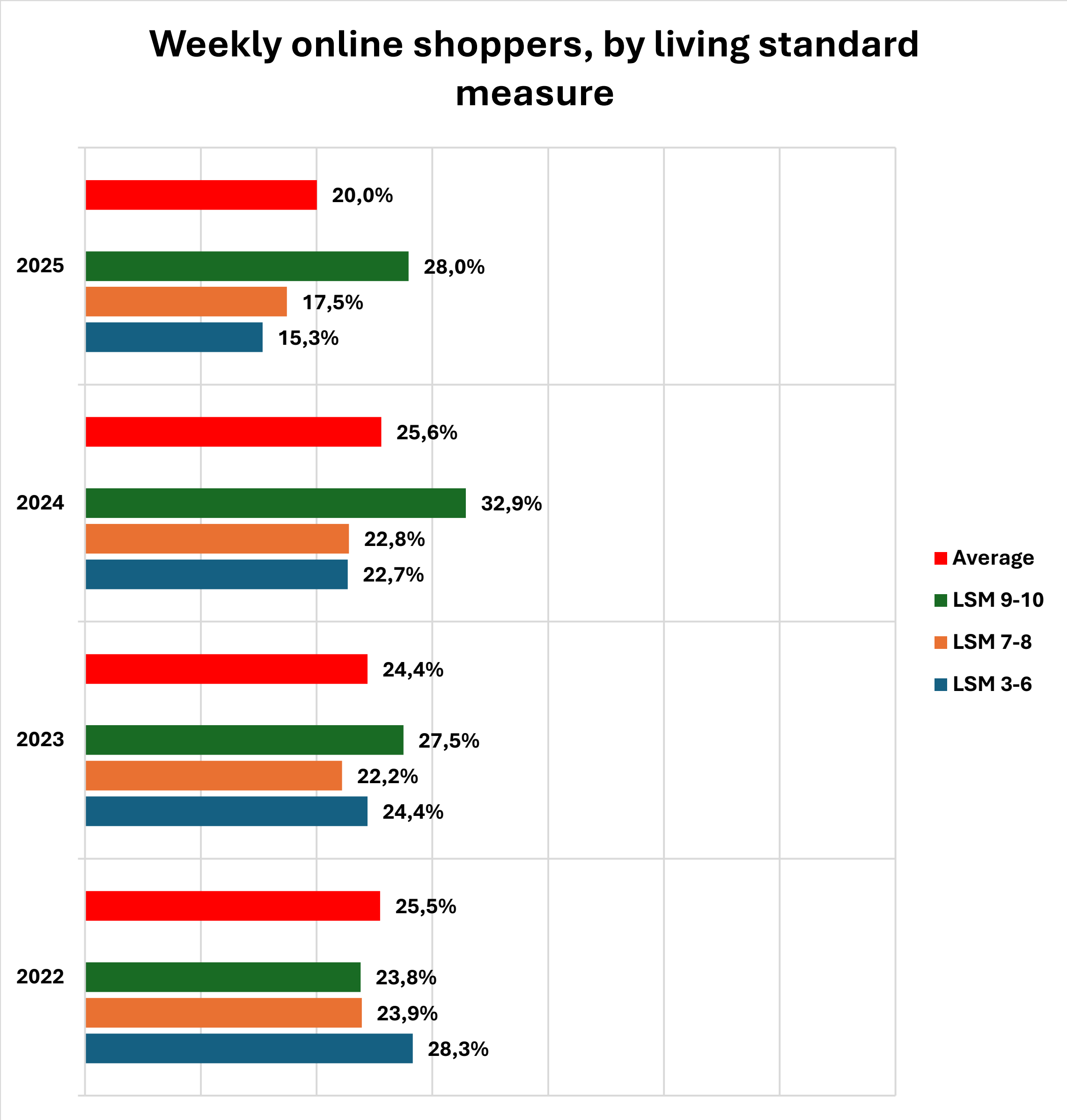
## By Population Group

Weekly habits split sharply by population group. White online shoppers lead at 31.3%, closely followed by Indian shoppers at 28.1%. Black shoppers record 17.7%, while Coloured shoppers record 7.9%. The 2025 pattern creates two distinct tiers rather than a gradual spread.



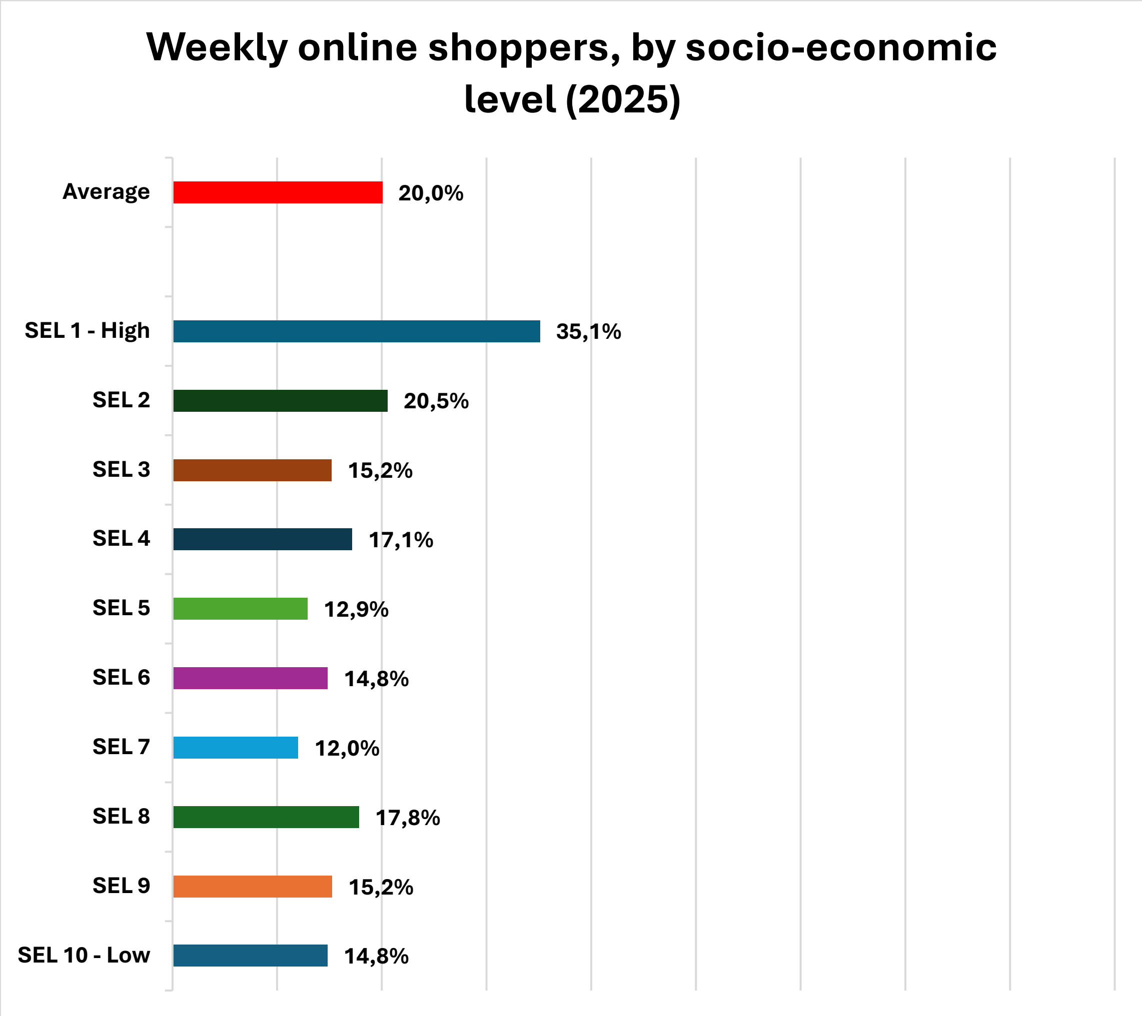
## By Living Standard Measure

Living standards have a bigger effect on frequency than age does. LSM 9 to 10 online shoppers record a 28% weekly-shopping rate, well above 17.5% in LSM 7 to 8. LSM 3 to 6 records 15.3%. The weekly habit remains concentrated among higher-LSM shoppers despite softer rates across all three groups.



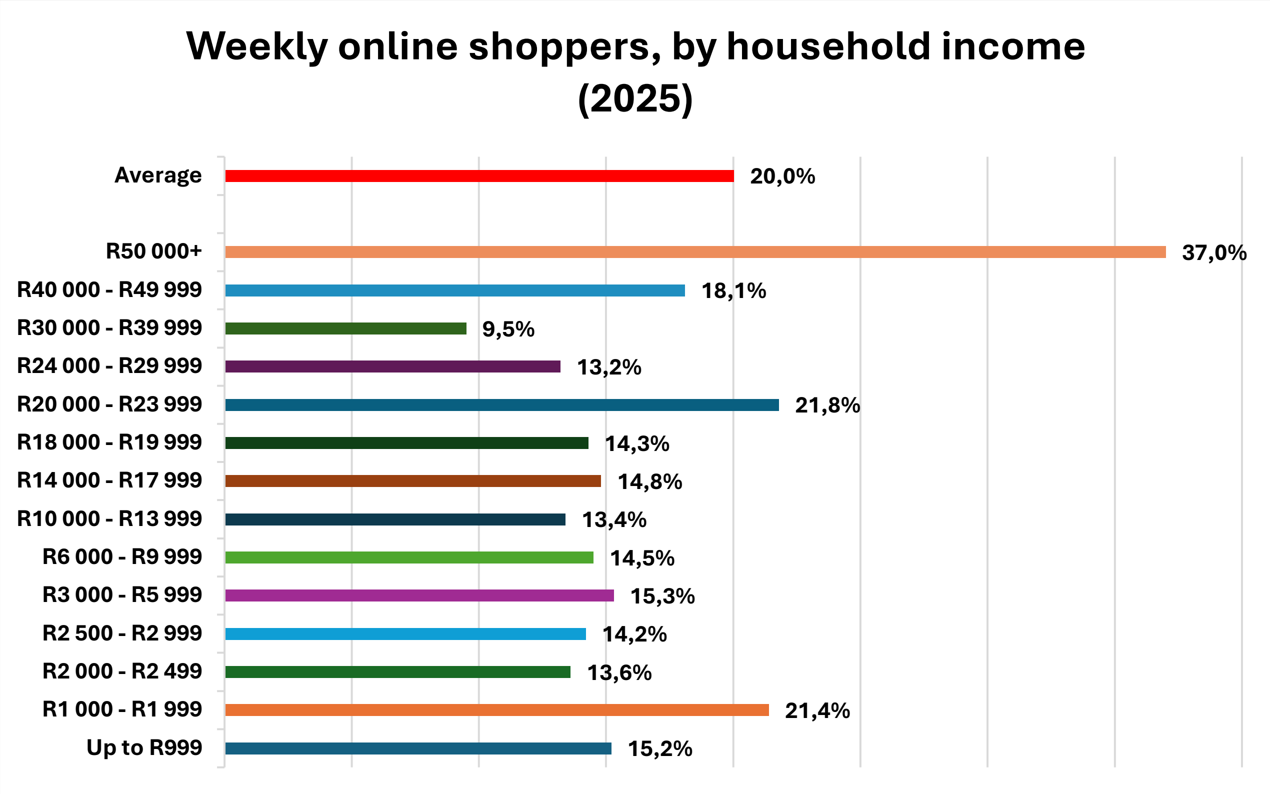
## By Socio-Economic Level

The top of the socio-economic scale behaves differently from everyone else. SEL 1 High records a 35.1% weekly-shopping rate, compared with 20.5% for SEL 2. Every remaining level falls between 12% and 17.8%. The divide is therefore a top-end break rather than a smooth socio-economic gradient.



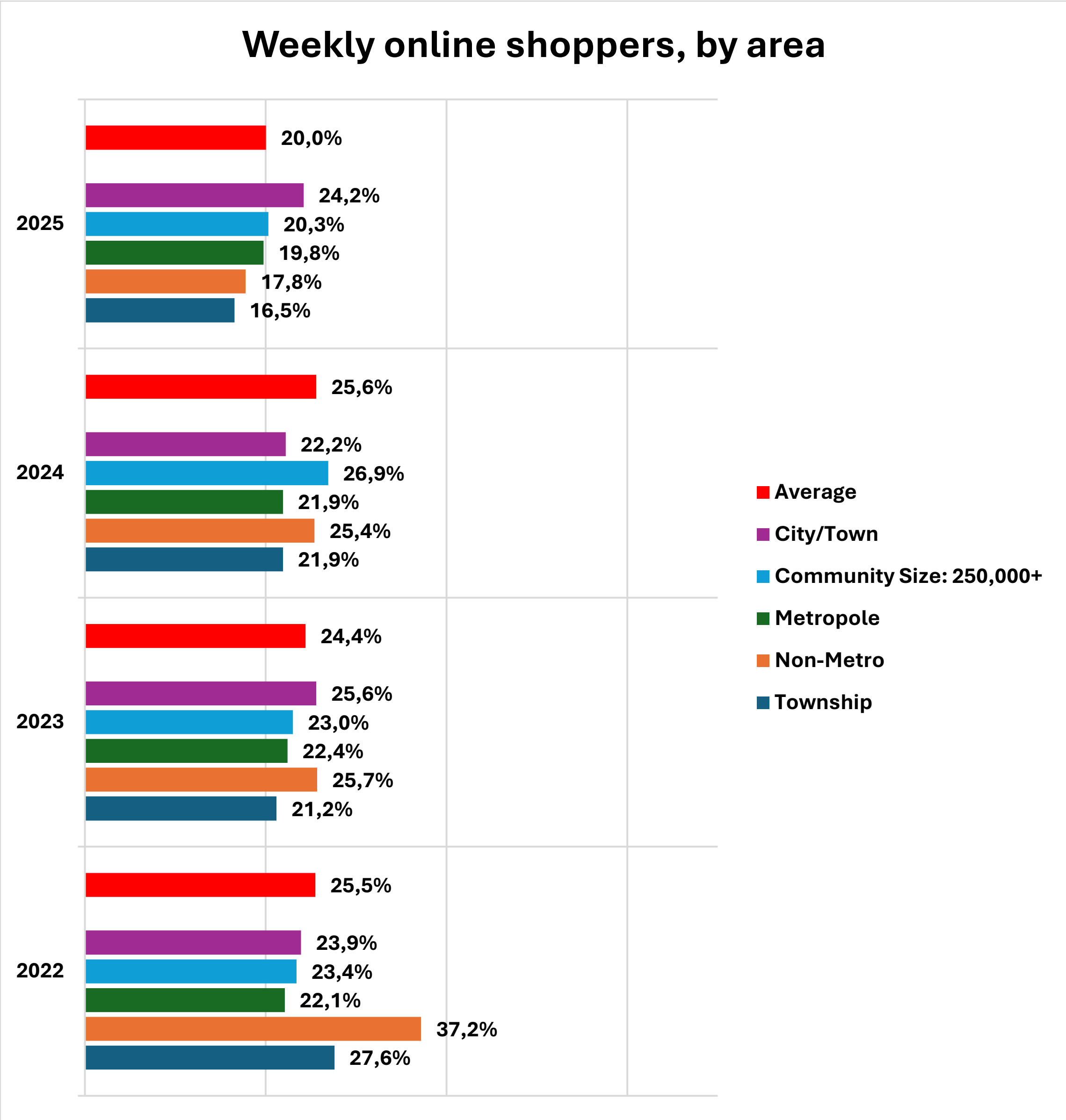
### By Household Income Level

Weekly frequency produces a surprise below the highest income band. R50,000+ households lead clearly at 37%, but no other band exceeds 21.8%. R20,000-R23,999 records 21.8%, while R1,000-R1,999 records 21.4%. Below the top band, income alone does not explain weekly shopping behaviour.



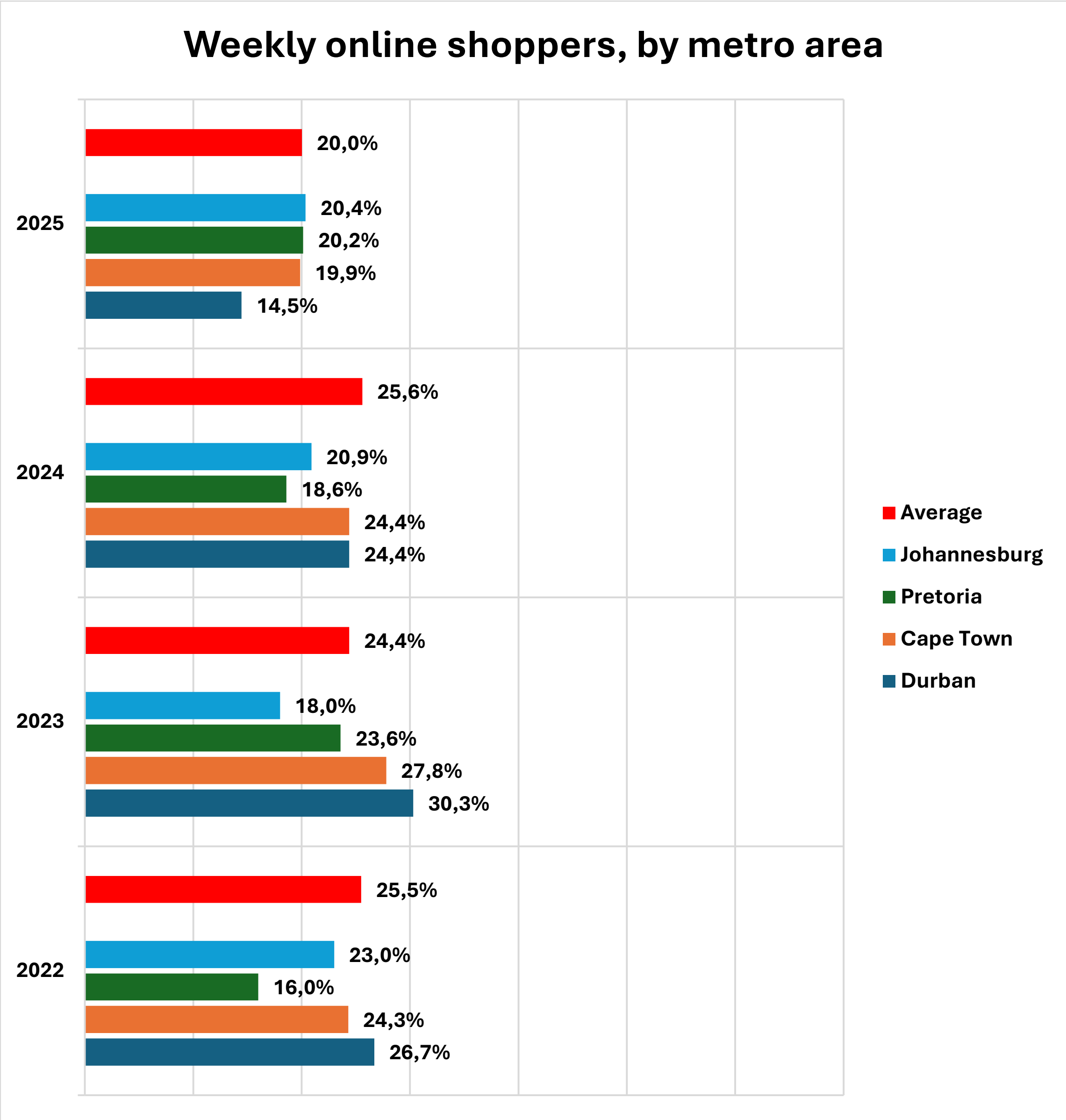
## By Area

Cities and towns are the one area type moving against the broader softening in weekly shopping. The weekly rate rises to 24.2%, ahead of communities above 250,000 at 20.3% and metropoles at 19.8%. Non-metro areas and townships follow at 17.8% and 16.5%.



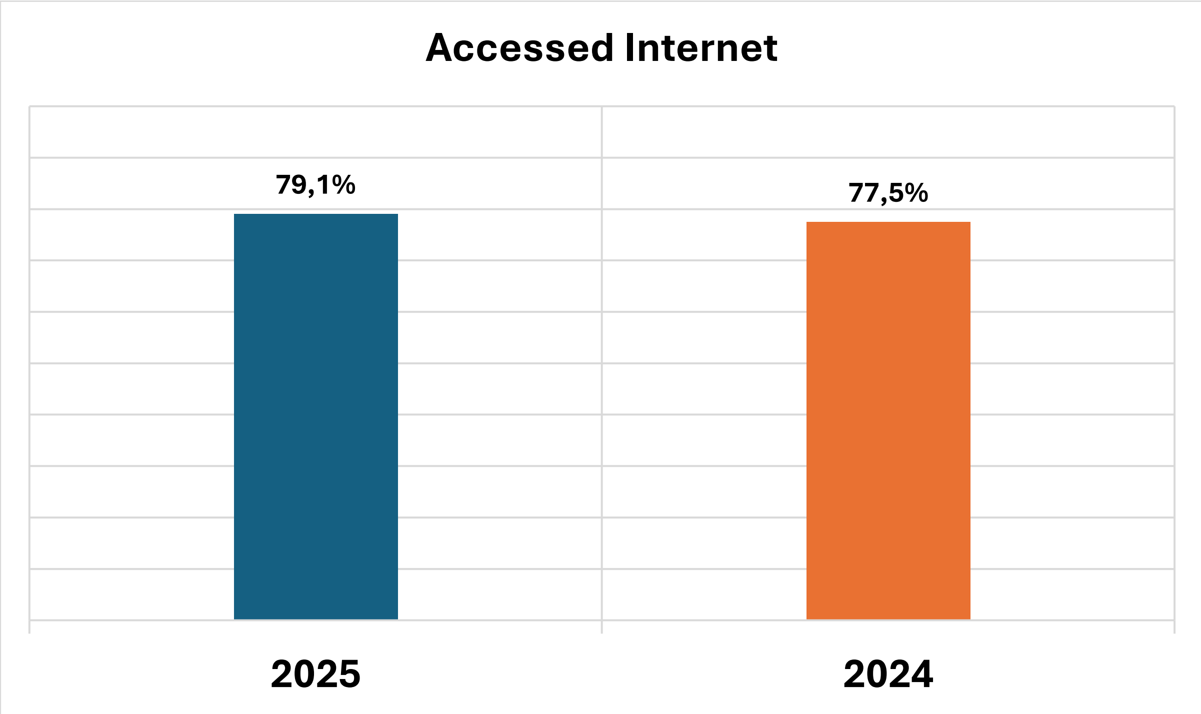
## By Metro Area

No metro clearly owns the weekly-shopping habit. Johannesburg, Pretoria and Cape Town cluster tightly at 20.4%, 20.2% and 19.9%. Durban is lower at 14.5%, after dropping from 24.4% in 2024. The top three metros now look more alike than different on shopping frequency.



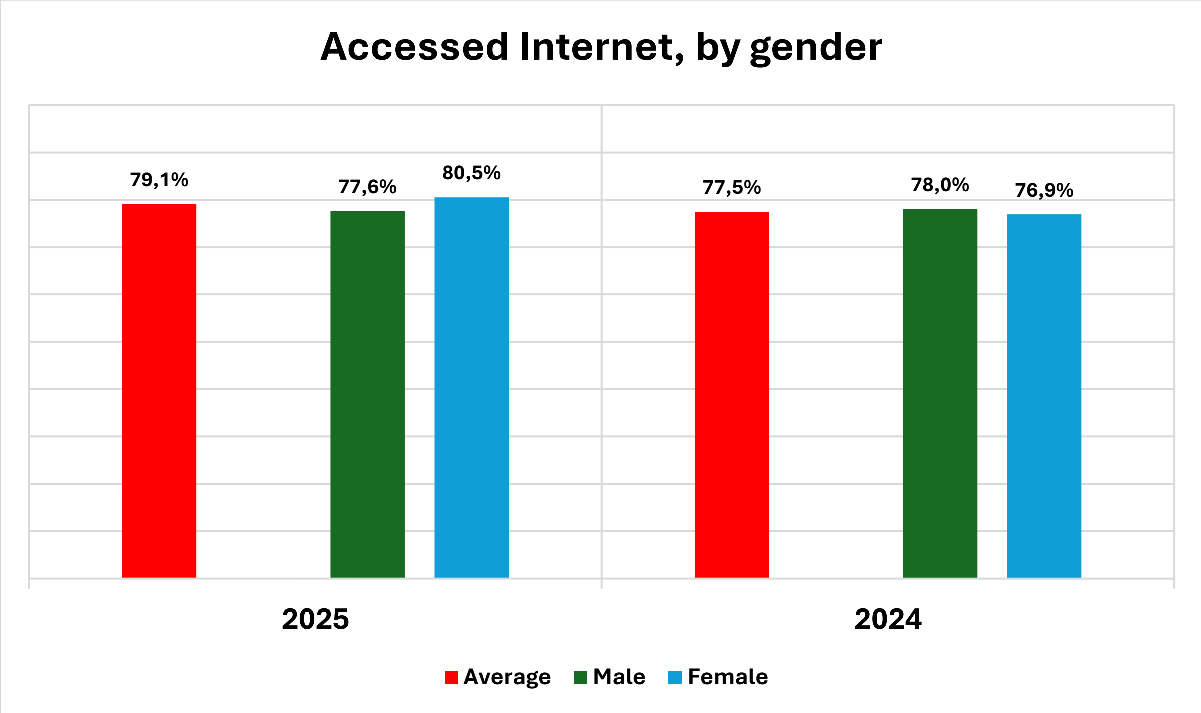
## Internet Access

Connectivity is no longer the main barrier for most South African adults. Internet-access penetration is 79.1%, up from 77.5% in 2024. With almost four in five adults connected, the larger retail challenge is converting access into online-shopping behaviour.



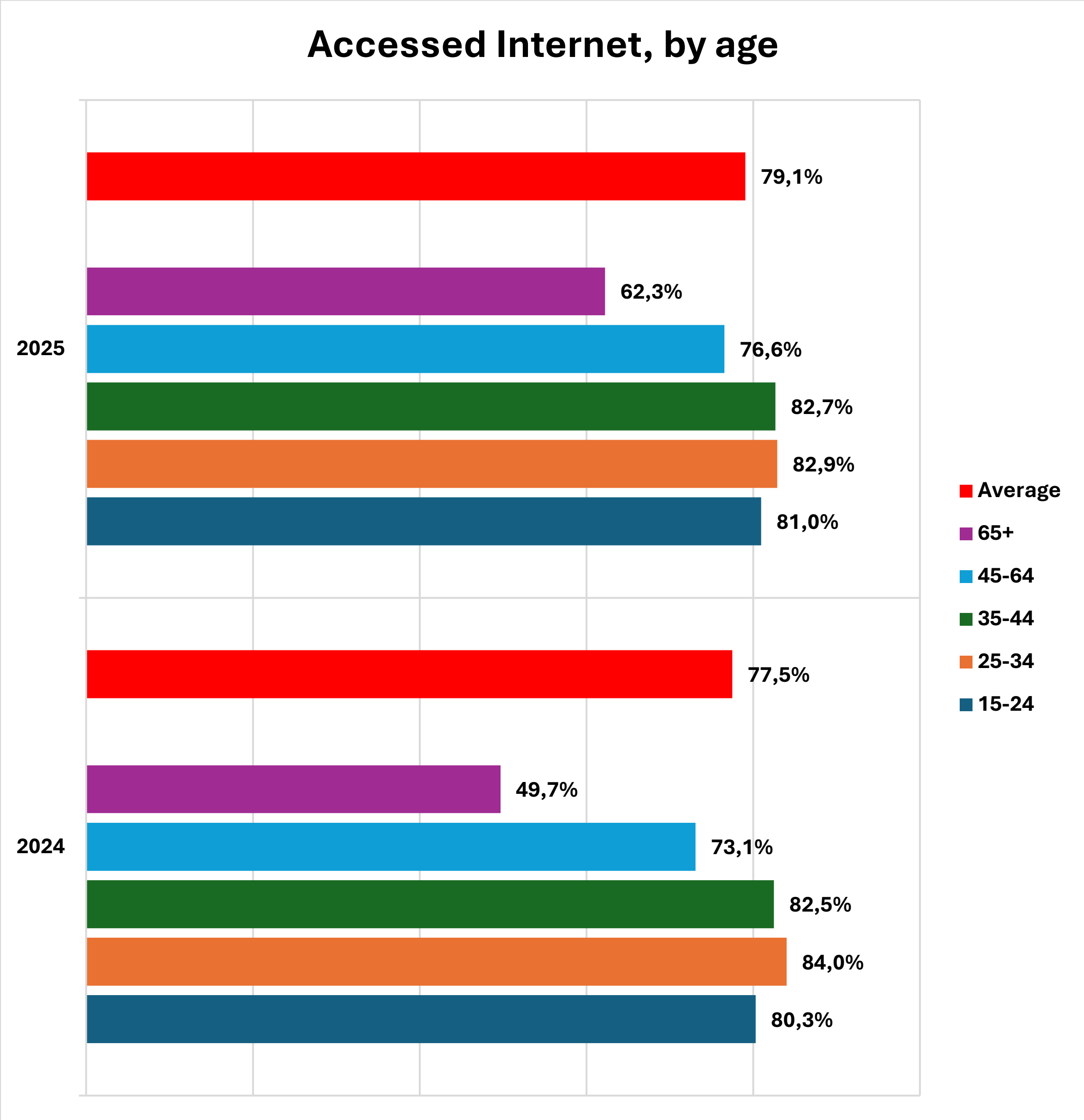
## By Gender

Women now hold a small internet-access lead. Female access is 80.5%, compared with 77.6% among men. The positions reverse from 2024, when men recorded 78% and women 76.9%. The change comes from stronger female growth rather than a major shift among men.



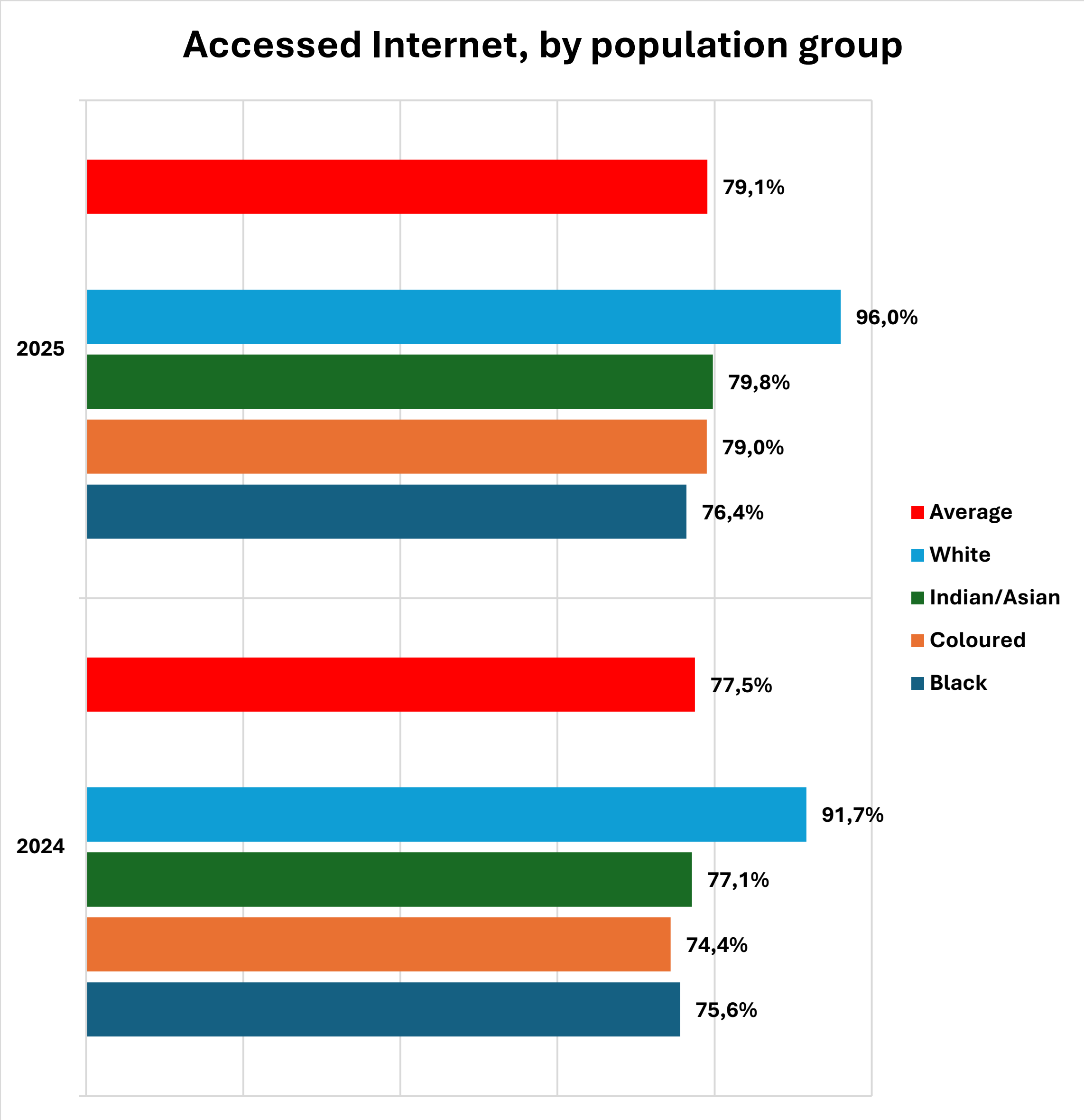
## By Age

The internet age gap is closing fastest at the oldest end. Adults under 45 remain tightly grouped above 80%, while 45 to 64-year-olds record 76.6%. Access among the 65+ group rises sharply from 49.7% to 62.3%. Older South Africans are therefore becoming a more reachable digital audience.



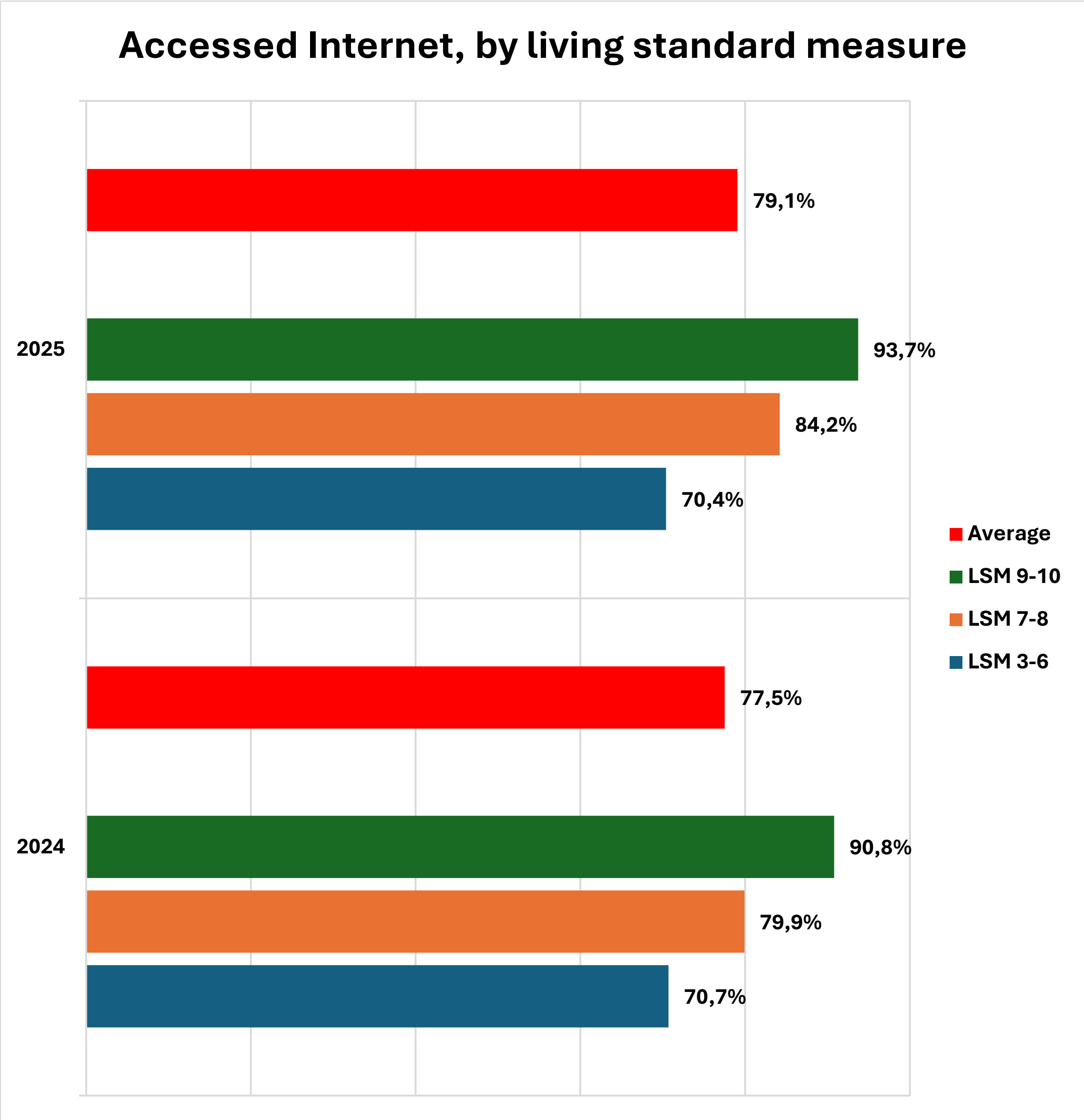
## By Population Group

Internet access outside the White population group has largely converged around the high 70s. Indian/Asian respondents record 79.8%, Coloured respondents 79%, and Black respondents 76.4%. White access remains much higher at 96%. Every group improves on 2024, but the largest divide remains at the top.



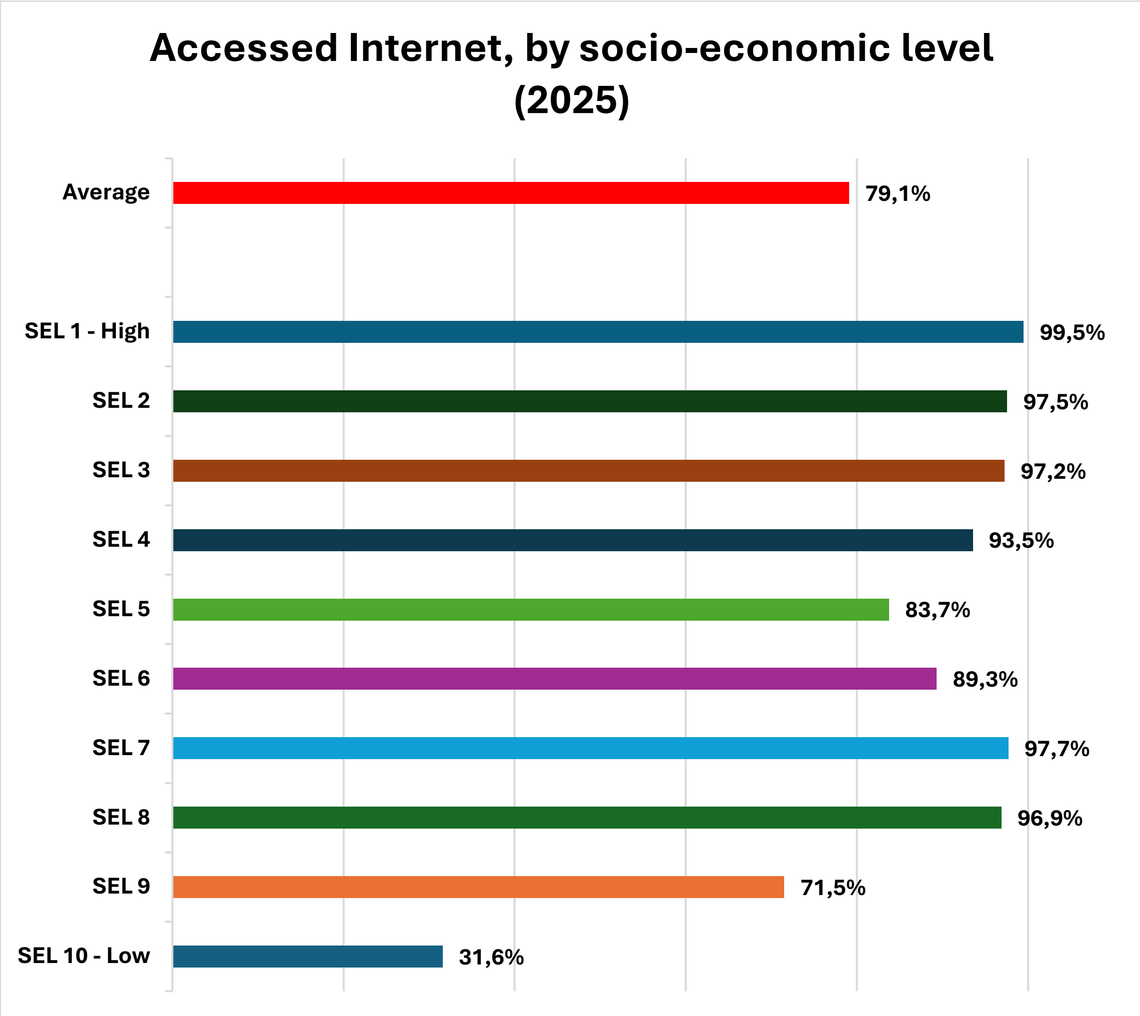
## By Living Standard Measure

Living standards still shape connectivity, but even the lowest LSM band has substantial access. LSM 3 to 6 records 70.4%, rising to 84.2% in LSM 7 to 8 and 93.7% in LSM 9 to 10. The connected audience is broad, although depth increases sharply with living standards.



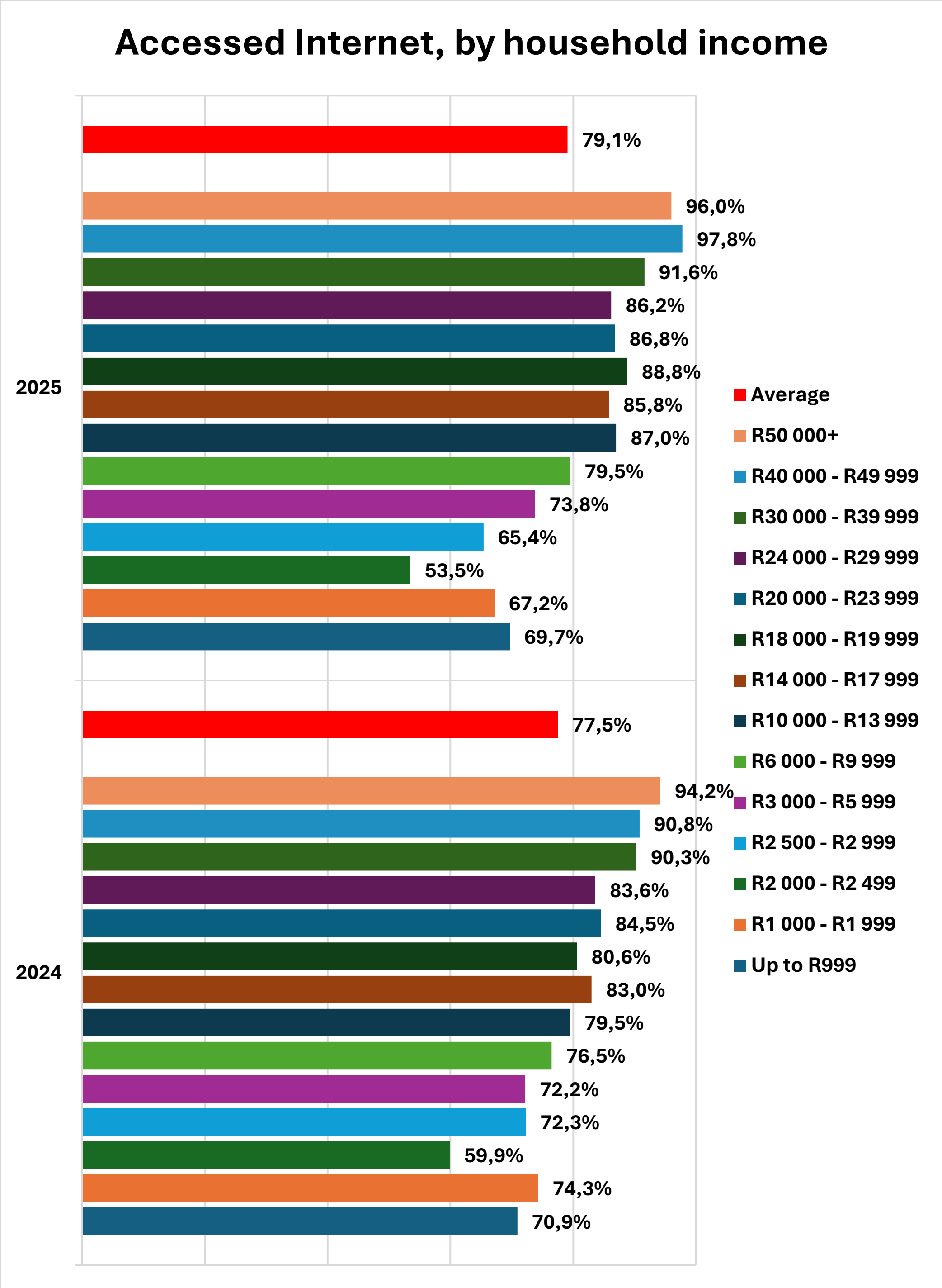
## By Socio-Economic Level

Most of the socio-economic ladder is already connected. SEL 1 High records 99.5%, while several middle and upper levels cluster between 96.9% and 97.7%. The real access challenge is at the bottom: SEL 9 records 71.5%, while SEL 10 Low drops to 31.6%.



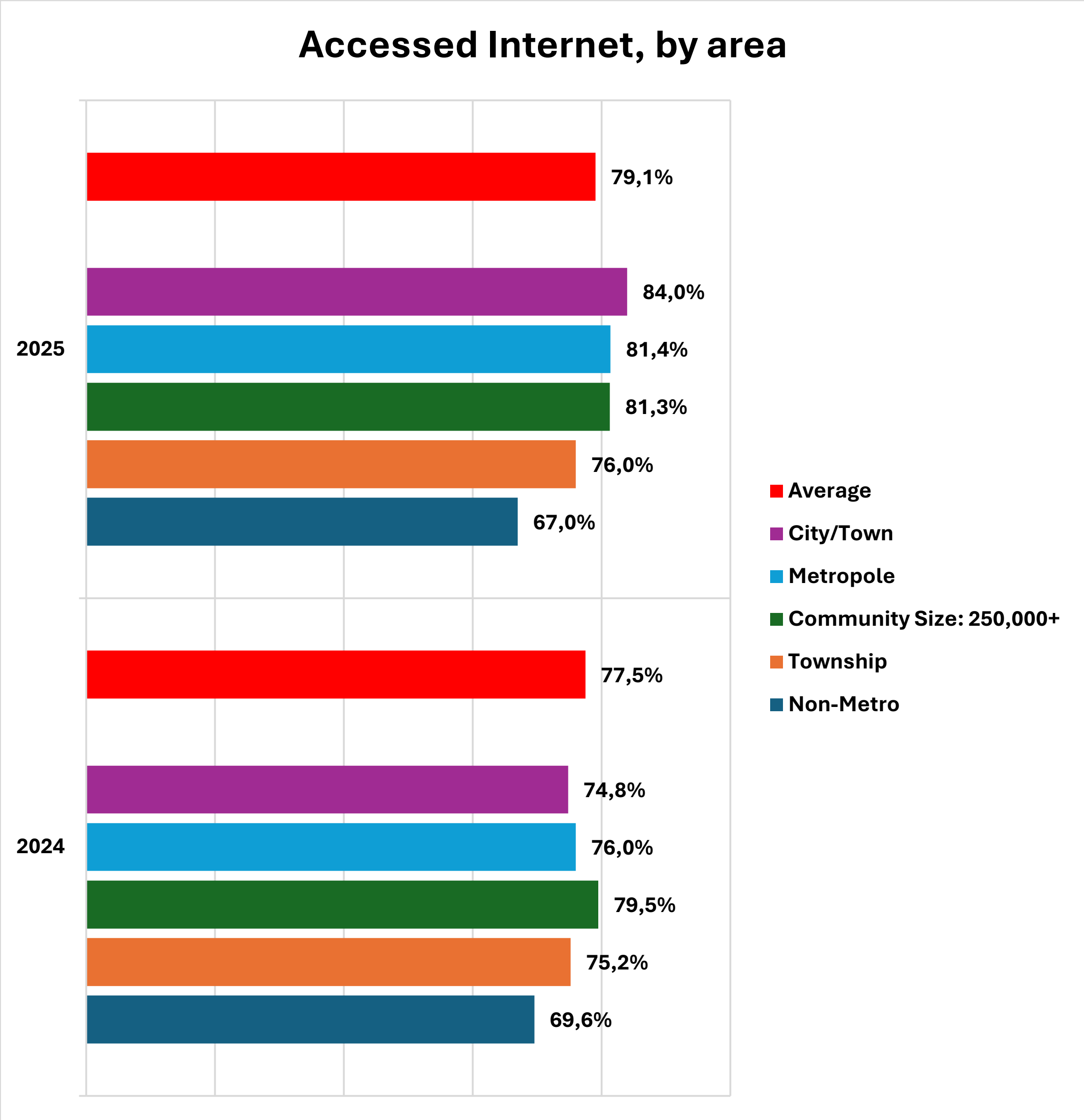
## By Household Income

Household income reveals a connectivity threshold rather than a smooth ladder. Every band from R10,000 upward records at least 85.8% internet access. Below R10,000, access becomes far more uneven, ranging from 53.5% to 79.5%. Connectivity is therefore already widespread across much of the income spectrum.



## By Area

The remaining geographic access gap is increasingly a non-metro problem. Cities and towns lead at 84%, followed closely by metropoles at 81.4% and communities above 250,000 at 81.3%. Township access is 76%, while non-metro areas fall to 67%. The largest geographic headroom therefore remains in non-metro areas.

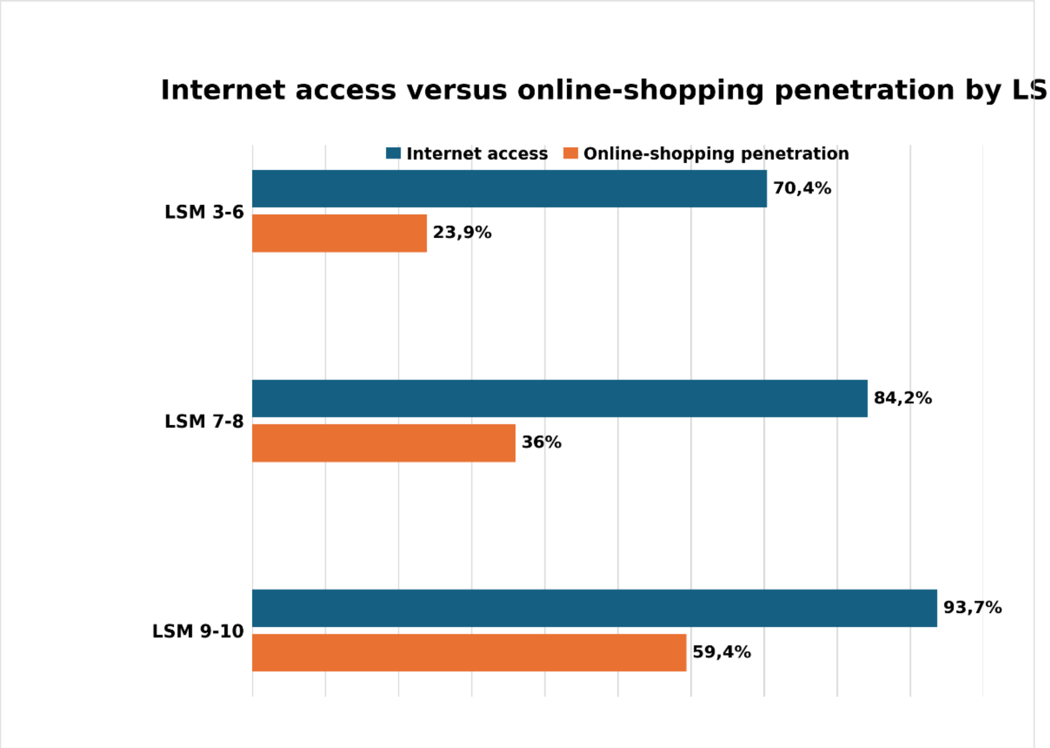


## Internet access extends far beyond online-shopping adoption

Internet access covers 79.1% of South African adults, while 34.2% shop online. The difference shows that connectivity extends much further through the population than participation in online retail.

Gender makes the distinction particularly clear. Internet access is higher among women at 80.5%, compared with 77.6% among men. Online-shopping penetration moves in the opposite direction, at 31.7% among women and 36.9% among men.

Living standards show an even wider separation between access and shopping. Among LSM 3 to 6 adults, internet access records 70.4%, while online-shopping penetration is 23.9%. Among LSM 7 to 8 adults, the respective figures are 84.2% and 36%. For LSM 9 to 10, internet access records 93.7%, while 59.4% shop online.

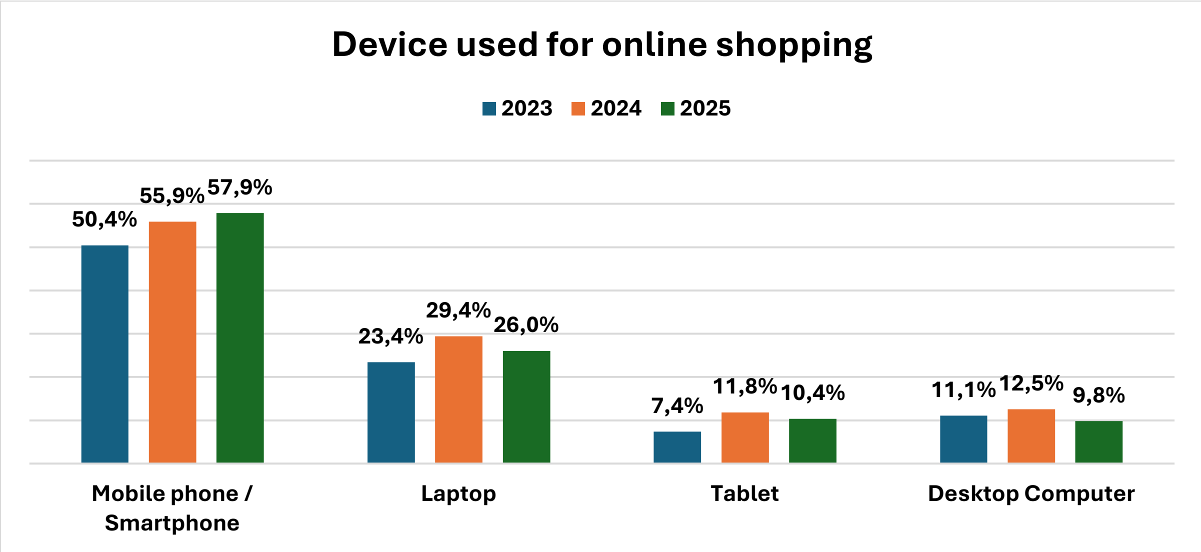



Internet access alone does not determine participation in online retail. Even among highly connected groups, online-shopping penetration remains substantially lower than internet access.

The next stage of online-retail growth therefore depends on more than expanding connectivity. The research points to a large connected population that has yet to become online shoppers, making the reasons behind non-participation increasingly important to understand.

## Device used for online shopping

South African online shopping is a smartphone activity first. Smartphones are used by 57.9% of online shoppers, more than double laptops at 26%. Tablets and desktops sit near 10%. As computer-based use declines, retailers increasingly meet customers through the device already in their hands.

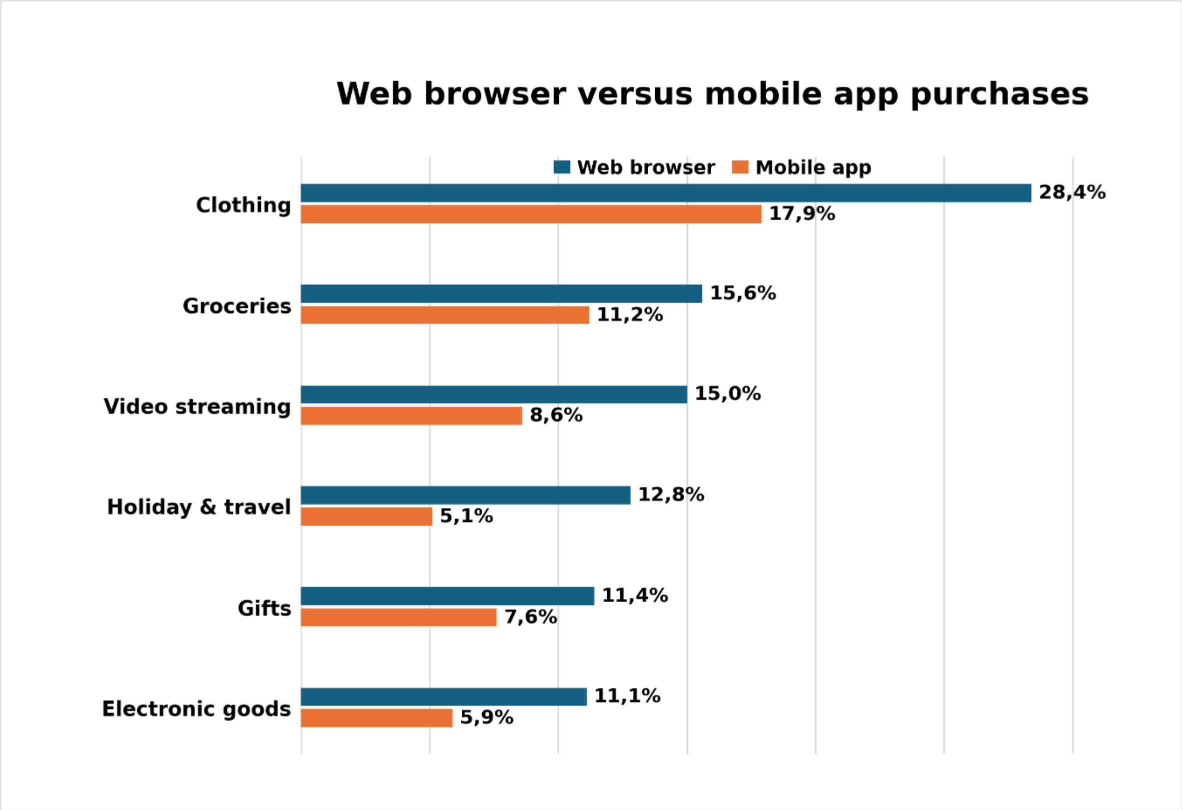


## Browsers remain ahead of apps across most categories

Web browsers remain more widely used than mobile apps for online purchases across most product and service categories. Among online shoppers, browser purchasing exceeds app purchasing in 42 of 48 named categories.

Clothing shows the largest gap, with 28.4% purchasing through a browser compared with 17.9% through an app. Groceries follow the same pattern, at 15.6% through browsers and 11.2% through apps. Video streaming records 15% through browsers compared with 8.6% through apps. Holiday and travel records 12.8% and 5.1%, respectively.

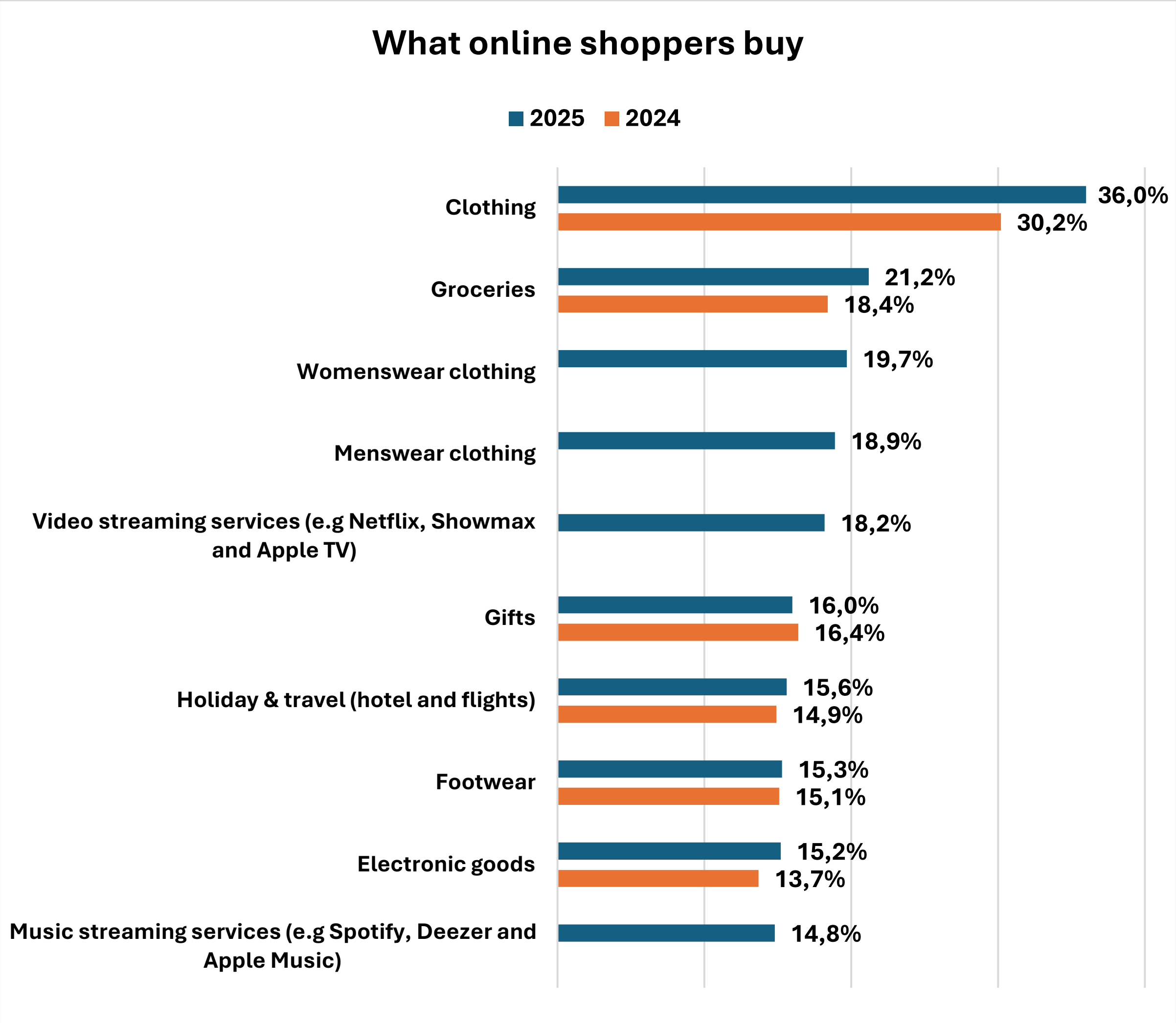
The pattern indicates that web browsers remain a significant purchasing channel, with browser usage exceeding mobile-app usage across most measured categories. Businesses should therefore consider browser-based shopping alongside mobile-app experiences when planning online purchasing channels.



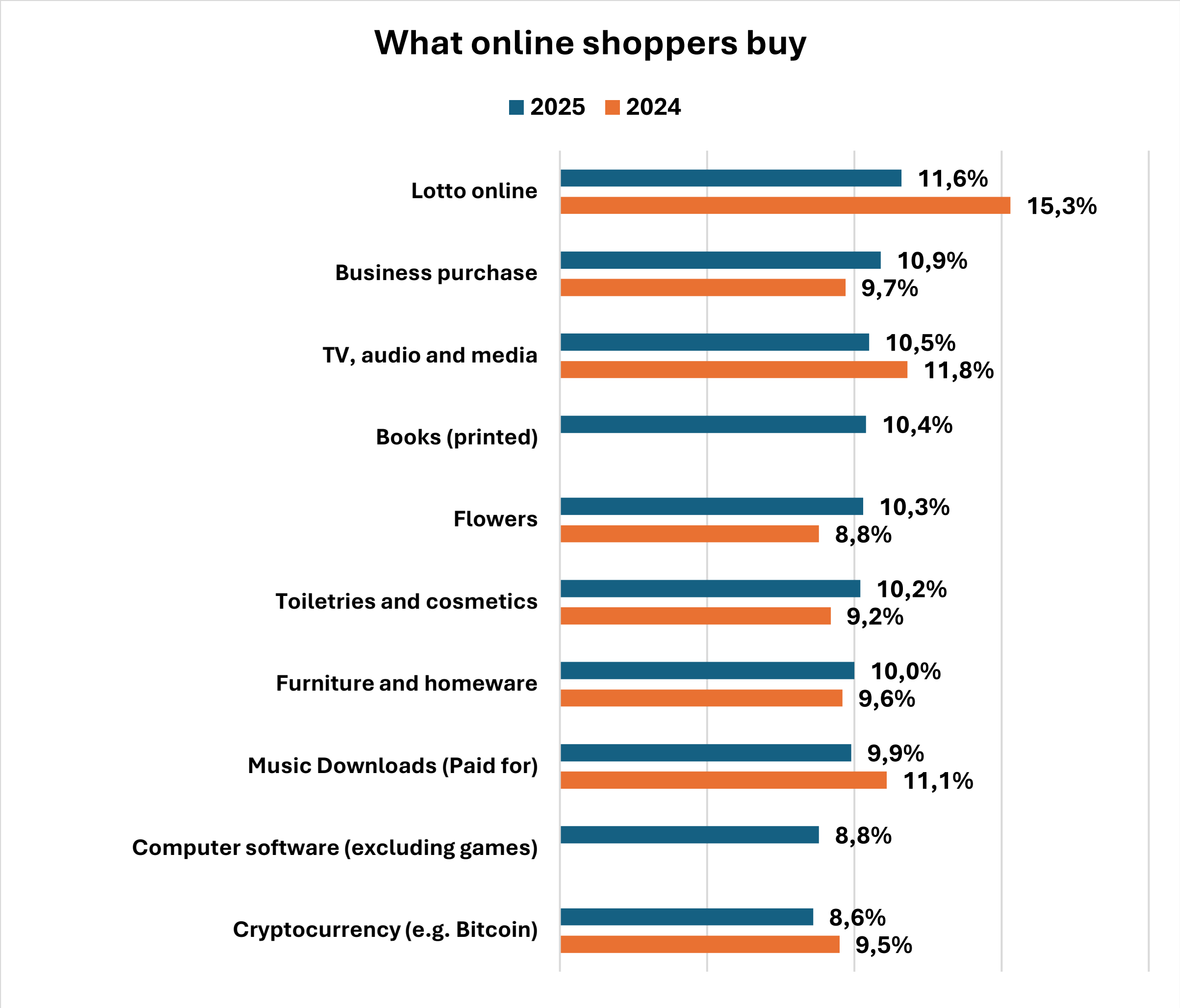
## What online shoppers buy

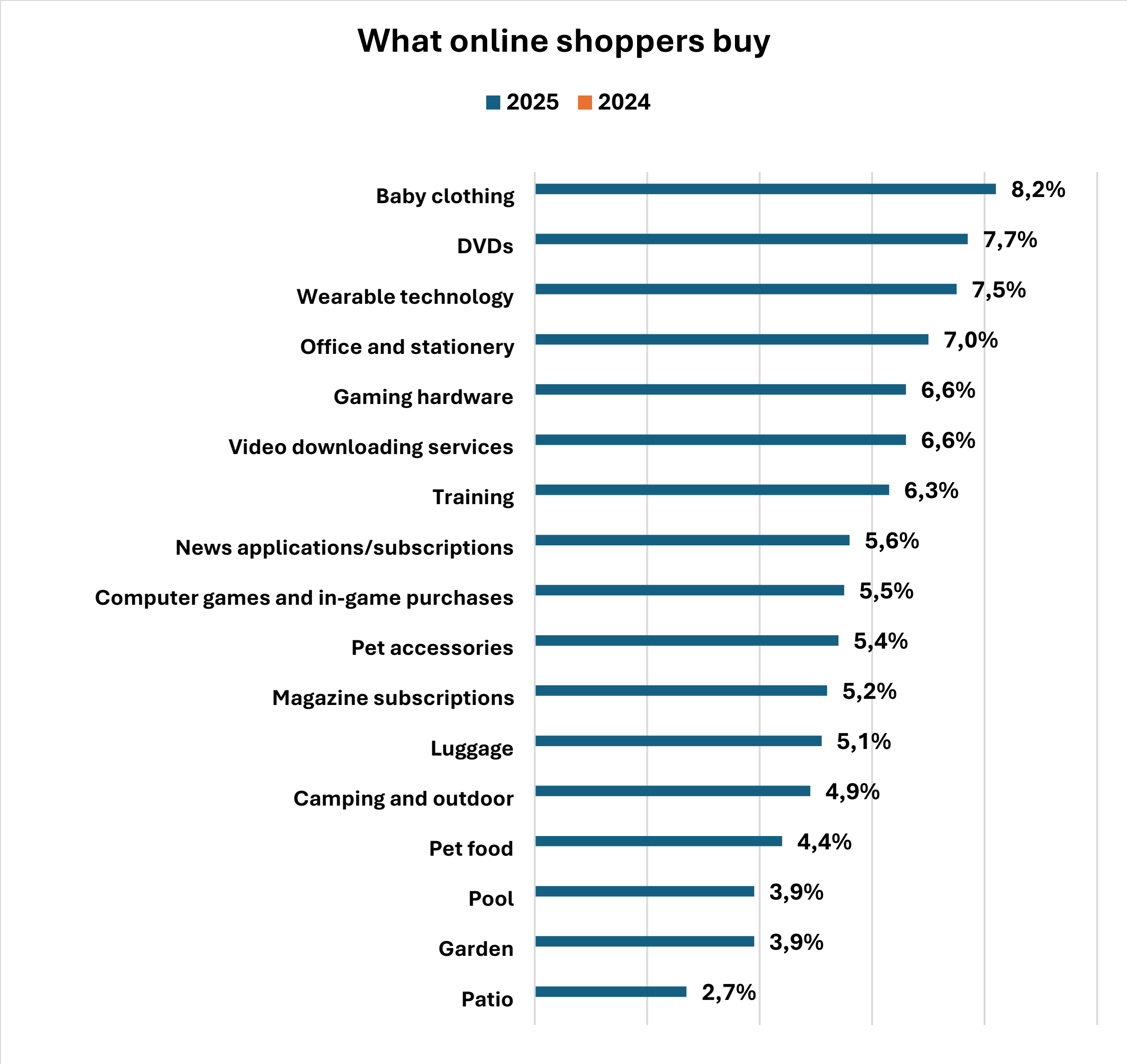
Airtime remains the most common online purchase at 58.1%, but airtime behaves more like a digital utility than a retail category. For that reason, the retail-category breakdown below starts with clothing rather than airtime.

What people wear dominates the online retail basket. Clothing leads at 36%, well ahead of groceries at 21.2%. Womenswear, menswear and video streaming form the next tier, between 18.2% and 19.7%. Clothing's lead over groceries widens from 2024, giving fashion the clearest category advantage in the online basket.



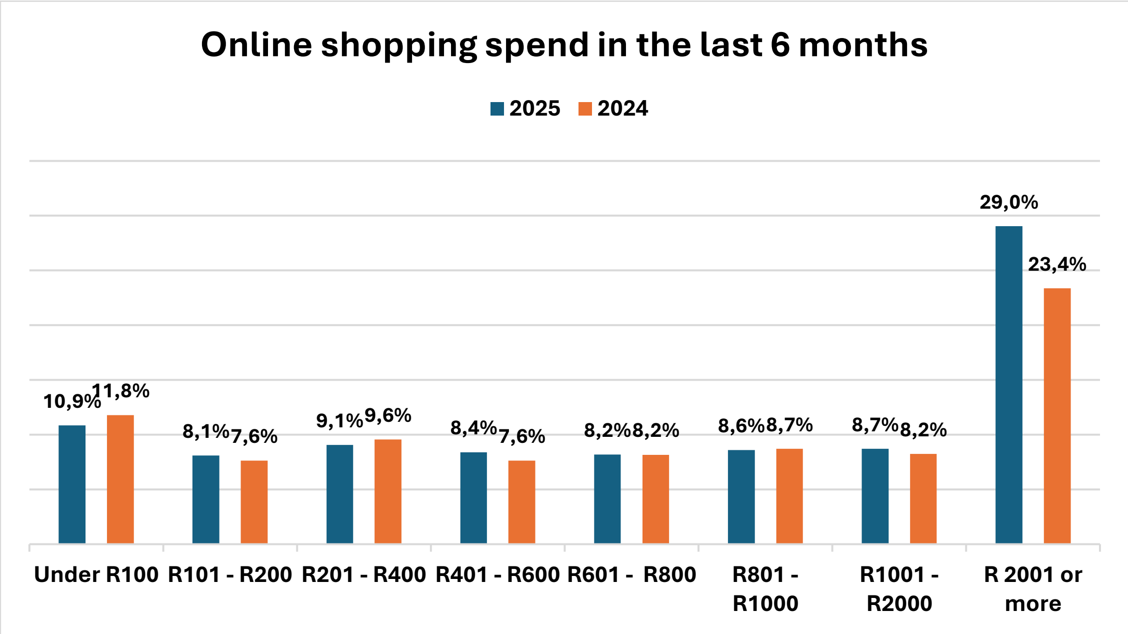

What online shoppers buy
2025
2024
Childrenswear clothing
14,4%
Computer software/games
14,0%
15,2%
Computer hardware & accessories
13,9%
16,6%
Medicine
13,8%
11,9%
Children's toys and games
13,7%
13,5%
Shoes
13,5%
14,2%
Insurance /other financial products
13,4%
9,7%
E-Books
12,9%
11,3%
Tickets for events
12,7%
11,8%
Mobile phones & accessories
12,4%
12,3%


What online shoppers buy
2025
2024
Lotto online
11,6%
15,3%
Business purchase
10,9%
9,7%
TV, audio and media
10,5%
11,8%
Books (printed)
10,4%
Flowers
10,3%
8,8%
Toiletries and cosmetics
10,2%
9,2%
Furniture and homeware
10,0%
9,6%
Music Downloads (Paid for)
9,9%
11,1%
Computer software (excluding games)
8,8%
Cryptocurrency (e.g. Bitcoin)
8,6%
9,5%


What online shoppers buy
2025
2024
Baby clothing
8,2%
DVDs
7,7%
Wearable technology
7,5%
Office and stationery
7,0%
Gaming hardware
6,6%
Video downloading services
6,6%
Training
6,3%
News applications/subscriptions
5,6%
Computer games and in-game purchases
5,5%
Pet accessories
5,4%
Magazine subscriptions
5,2%
Luggage
5,1%
Camping and outdoor
4,9%
Pet food
4,4%
Pool
3,9%
Garden
3,9%
Patio
2,7%

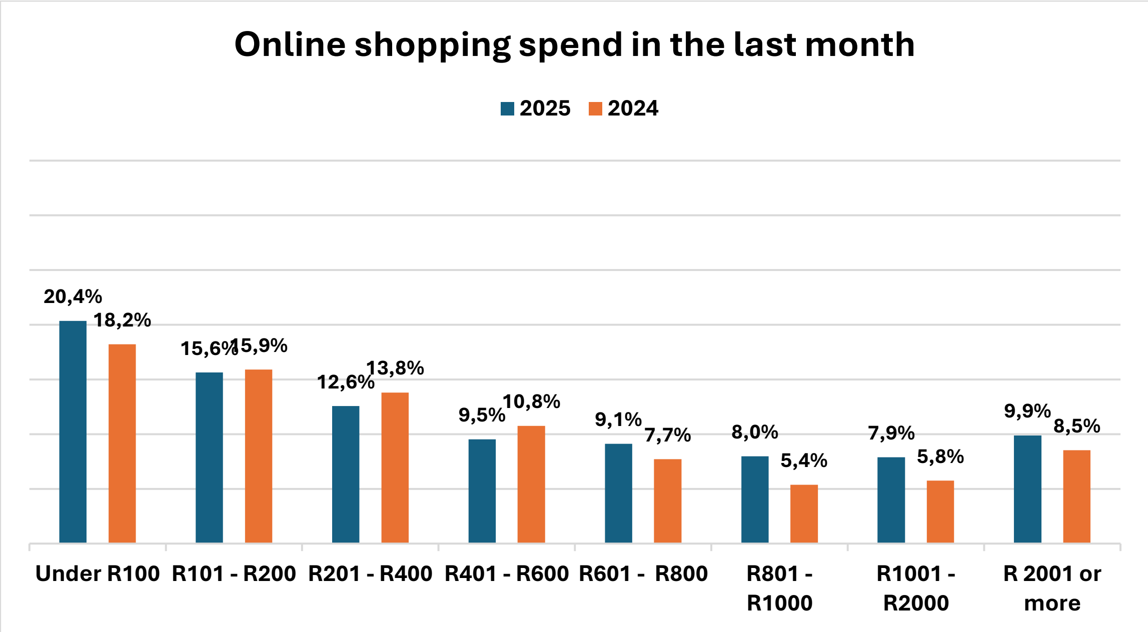
## Online shopping spend in last 6 months

A sizeable high-spend cohort is visible over six months. Some 29% of online shoppers report spending R2,001 or more, up from 23.4% in 2024. No other band exceeds 10.9%. The upper band therefore separates sharply from the rest of the spending distribution.



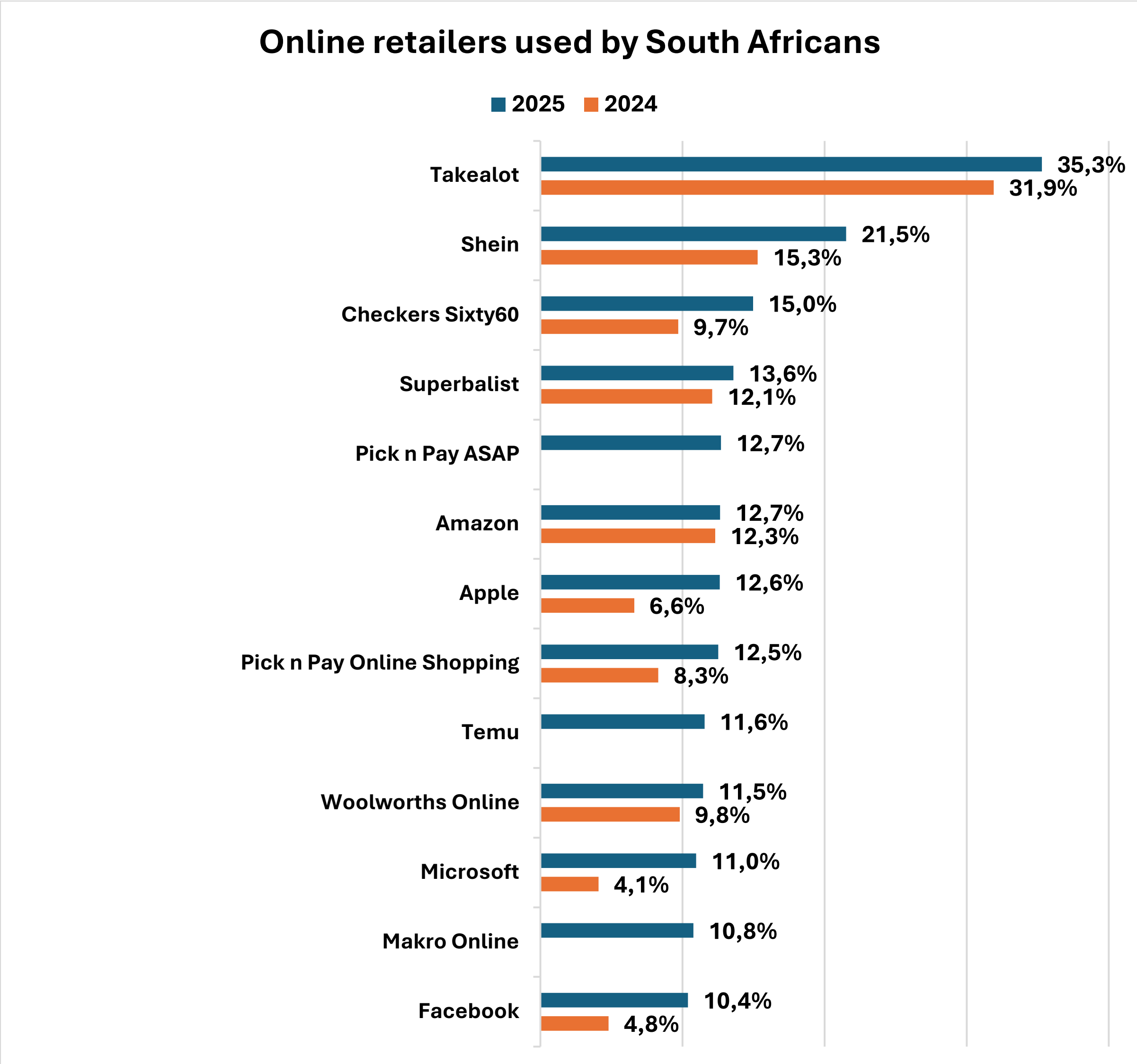
## Online shopping spend in last month

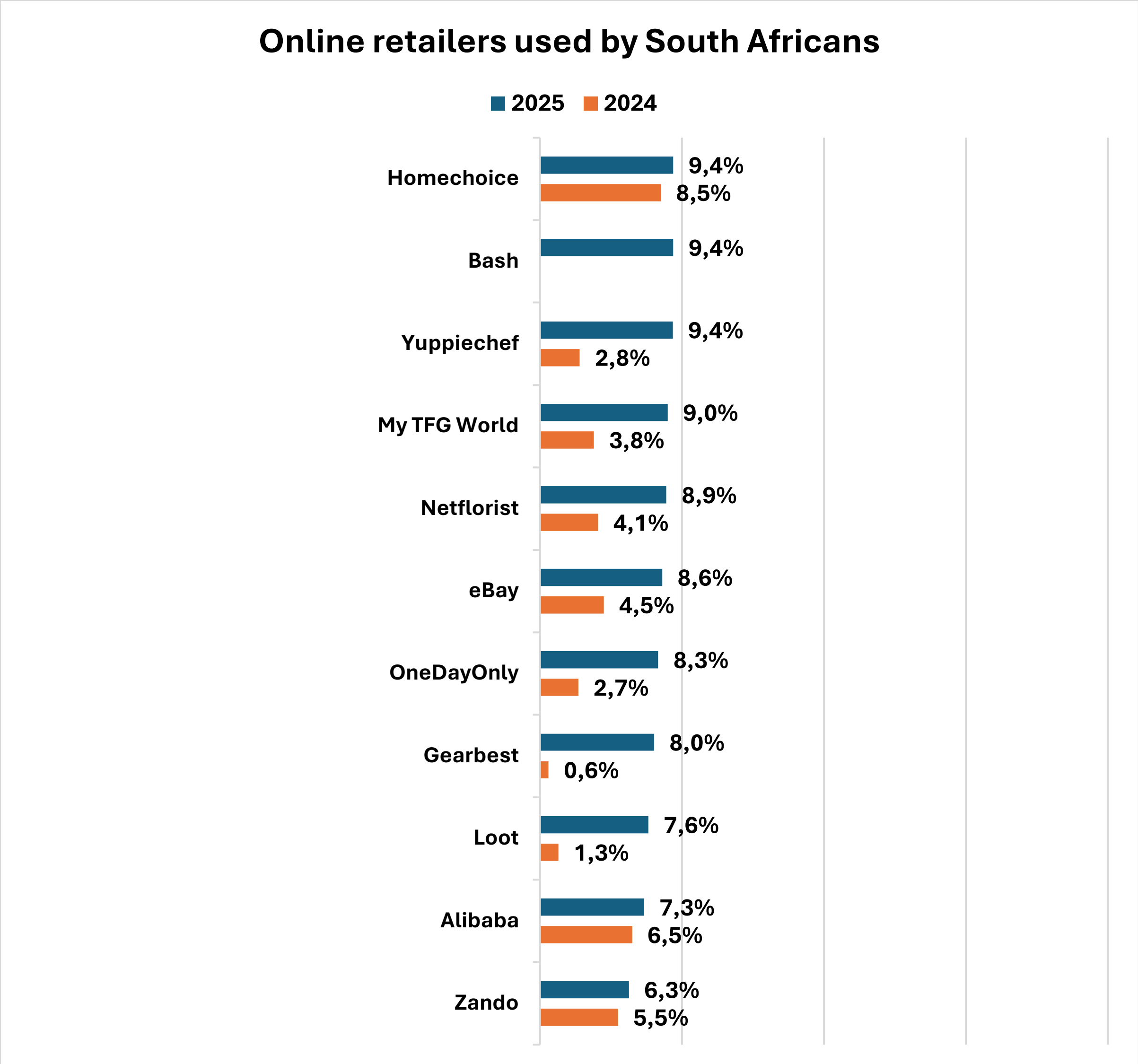
The monthly basket shows almost the opposite pattern. Spending below R100 is the largest band at 20.4%, followed by R101-R200 at 15.6% and R201-R400 at 12.6%. The R2,001+ band accounts for 9.9%. The spread shows a market supporting both small-value purchases and higher-value spending.

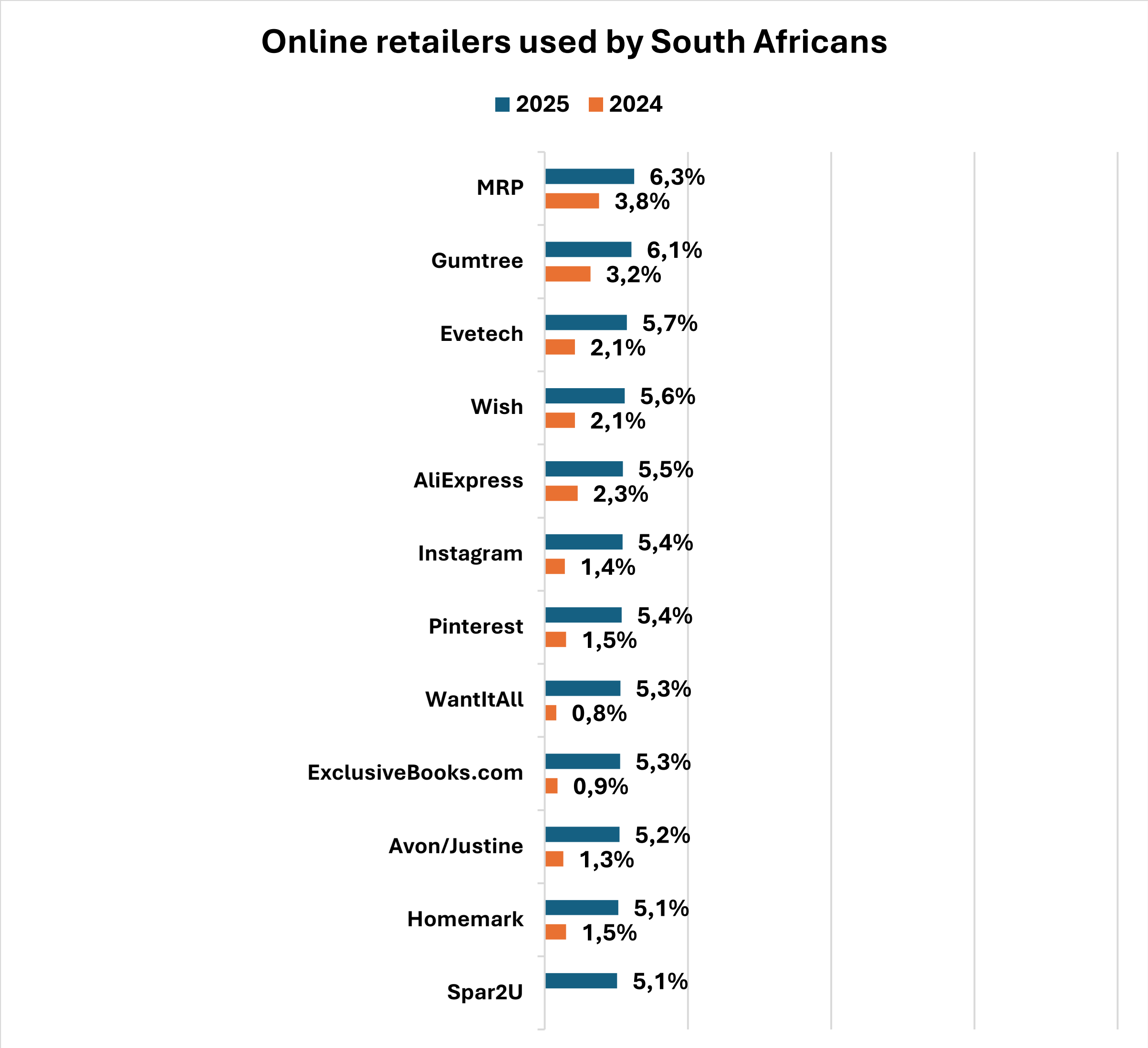


## Online retailers used by South Africans

Takealot remains the platform to beat, used by 35.3% of online shoppers. Shein follows at 21.5% and Checkers Sixty60 at 15%. Below those leaders, competition becomes crowded, with several platforms between 10.4% and 13.6%. Shein records the strongest gain among the top three, adding pressure below Takealot.



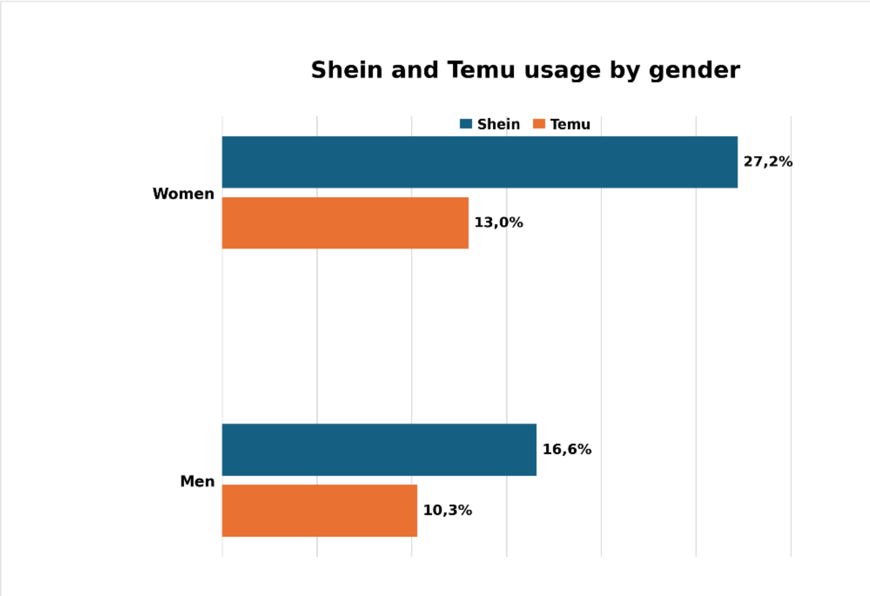

Online retailers used by South Africans
2025
2024
Homechoice
9,4%
8,5%
Bash
9,4%
Yuppiechef
9,4%
2,8%
My TFG World
9,0%
3,8%
Netflorist
8,9%
4,1%
eBay
8,6%
4,5%
OneDayOnly
8,3%
2,7%
Gearbest
8,0%
0,6%
Loot
7,6%
1,3%
Alibaba
7,3%
6,5%
Zando
6,3%
5,5%


Online retailers used by South Africans
2025
2024
MRP
6,3%
3,8%
Gumtree
6,1%
3,2%
Evetech
5,7%
2,1%
Wish
5,6%
2,1%
AliExpress
5,5%
2,3%
Instagram
5,4%
1,4%
Pinterest
5,4%
1,5%
WantItAll
5,3%
0,8%
ExclusiveBooks.com
5,3%
0,9%
Avon/Justine
5,2%
1,3%
Homemark
5,1%
1,5%
Spar2U
5,1%

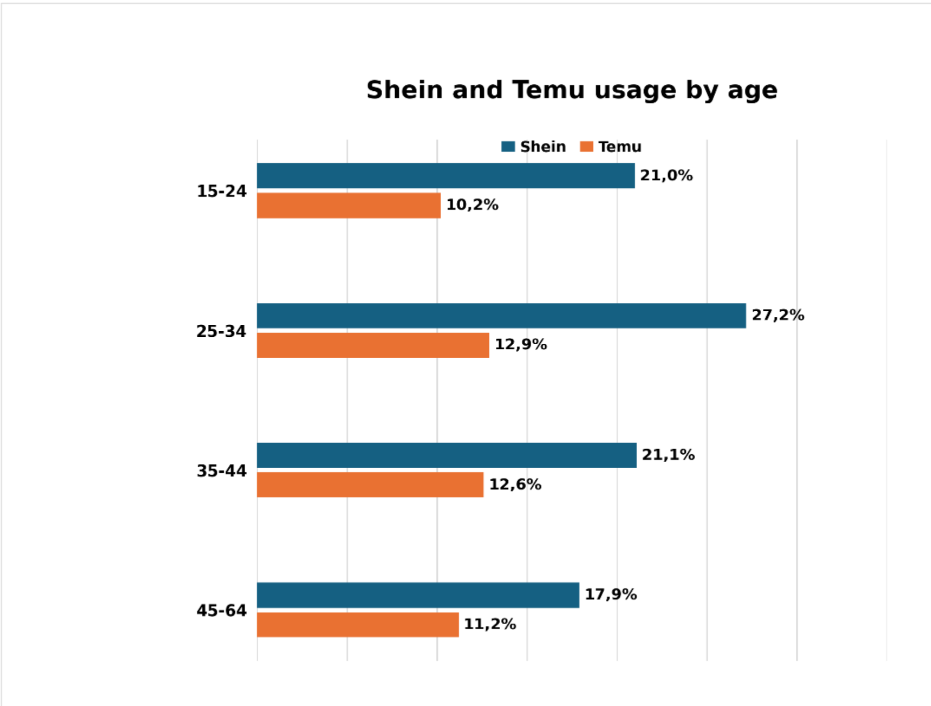
## Shein and Temu show different shopper profiles

Shein and Temu show distinct usage patterns across gender, age, living standards and major metros.

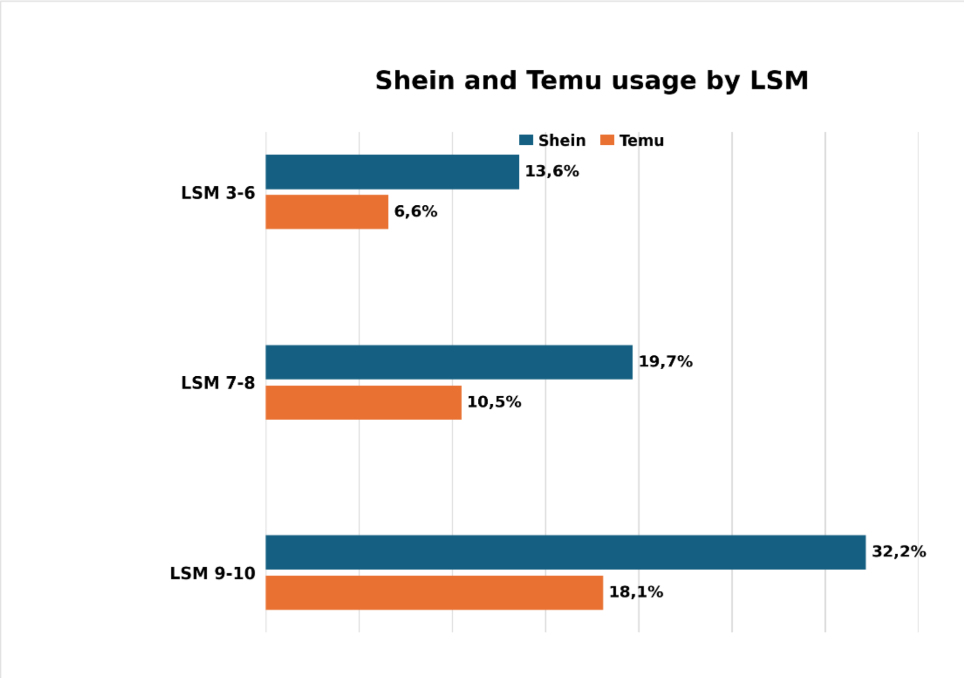
Shein has a much stronger female profile. Usage records 27.2% among female online shoppers and 16.6% among men. Temu shows a narrower gender difference, at 13% among women and 10.3% among men.




Age also separates the platforms. Shein usage is highest among 25 to 34-year-olds at 27.2%, compared with 21.1% among 35 to 44-year-olds. Temu is more evenly distributed across these groups, recording 12.9% and 12.6%, respectively.



Living standards show a consistent pattern for both platforms. Shein usage increases from 13.6% among LSM 3 to 6 shoppers to 19.7% among LSM 7 to 8. Usage then increases to 32.2% among LSM 9 to 10 shoppers. Temu follows the same direction, rising from 6.6% among LSM 3 to 6 shoppers to 10.5% among LSM 7 to 8. Usage reaches 18.1% among LSM 9 to 10 shoppers. Both platforms record their highest LSM usage among LSM 9 to 10 online shoppers, rather than among lower-LSM shoppers.




The metro profiles for Johannesburg and Cape Town move in opposite directions. Shein usage records 28.8% among Johannesburg online shoppers and 19.5% in Cape Town. Temu records 12% in Johannesburg and 17.9% in Cape Town.

Shein and Temu should not be treated as interchangeable cross-border platforms. Shein has a stronger female and Johannesburg profile, alongside a clear peak among 25 to 34-year-olds. Temu is more balanced by gender and age, while Cape Town records stronger Temu usage than Johannesburg.

## Amazon's pre-Prime baseline

The findings provide a baseline for Amazon before Amazon Prime launched in South Africa in June 2026.

Amazon usage recorded 12.7% among online shoppers, compared with 35.3% for Takealot. The findings place Amazon well behind the established local platform during the pre-Prime period.

The difference remains substantial among higher-LSM online shoppers. Among LSM 9 to 10 online shoppers, 55.9% use Takealot, compared with 21.7% who use Amazon.

Amazon usage also increases markedly as living standards rise. Usage records 6.8% among LSM 3 to 6 online shoppers and 10.2% among LSM 7 to 8 online shoppers. The figure rises to 21.7% among LSM 9 to 10 online shoppers.

The same socio-economic pattern appears in SEL. Among SEL 1 High online shoppers, Amazon usage records 26.4%, compared with 61.8% for Takealot.

Among online shoppers earning personal incomes of R18,000 or more, Amazon records 22.1%, compared with 57.3% for Takealot.

Education follows the same direction. Amazon records 19.5% among post-matric online shoppers, compared with 53% for Takealot. Among shoppers with matric, the respective figures are 10.8% and 31.6%.

Age and gender show less variation in Amazon usage than living standards and income. Amazon usage records 13.2% among women and 12.2% among men.

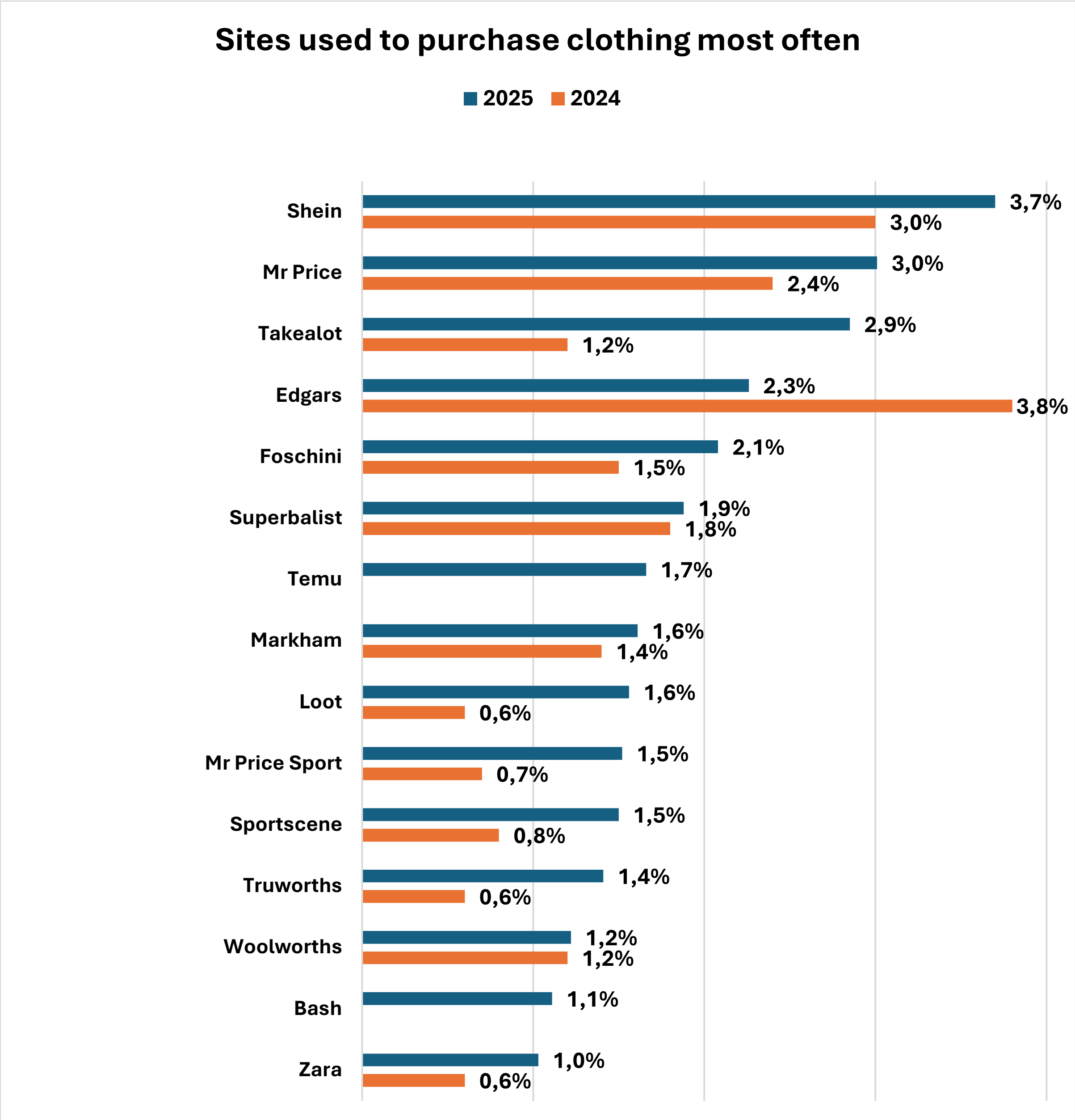
Among online shoppers younger than 65, Amazon usage ranges from 12% among 45 to 64-year-olds to 14.4% among 25 to 34-year-olds. This range is considerably narrower than the differences across living standards and income.

Geography provides another distinction. Amazon usage records 16.1% among online shoppers in cities and towns, compared with 9.8% among township shoppers. Takealot records 45.6% and 26.7%, respectively.

The pre-Prime findings therefore show more than a difference in scale. Amazon had established a measurable presence, with usage strongest among higher socio-economic groups before Prime launched.

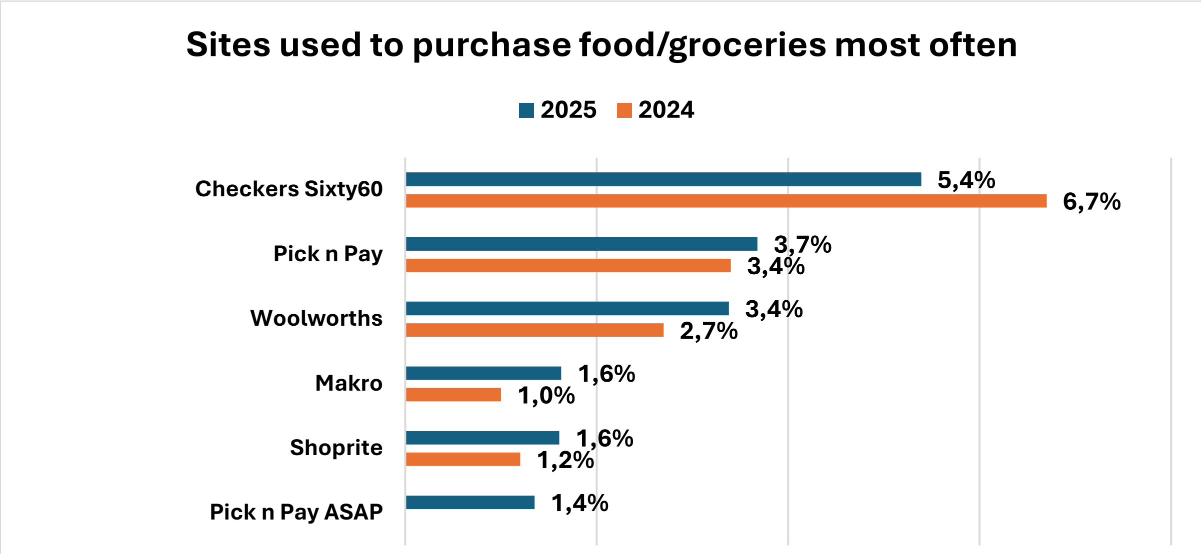
## Sites used to purchase clothing most often

Fashion has no runaway winner. Shein leads at 3.7%, followed closely by Mr Price at 3% and Takealot at 2.9%. Takealot more than doubles from 1.2%, while Edgars falls from 3.8% to 2.3%. The top of the clothing-site ranking has therefore been reshuffled rather than consolidated.



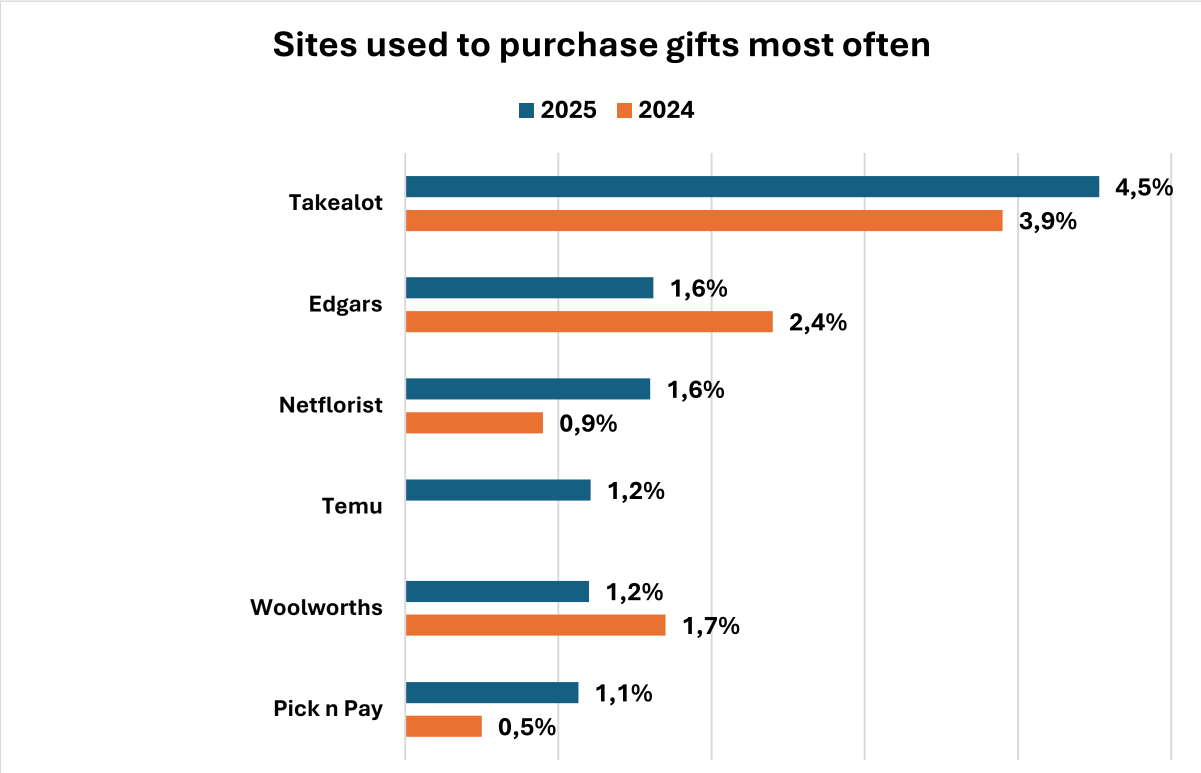
## Sites used to purchase food/groceries most often

Checkers Sixty60 still sets the pace for online groceries, but the gap is narrowing. Sixty60 records 5.4%, ahead of Pick n Pay at 3.7% and Woolworths at 3.4%. Both challengers improve as Sixty60 falls from 6.7%, creating a more competitive top three.



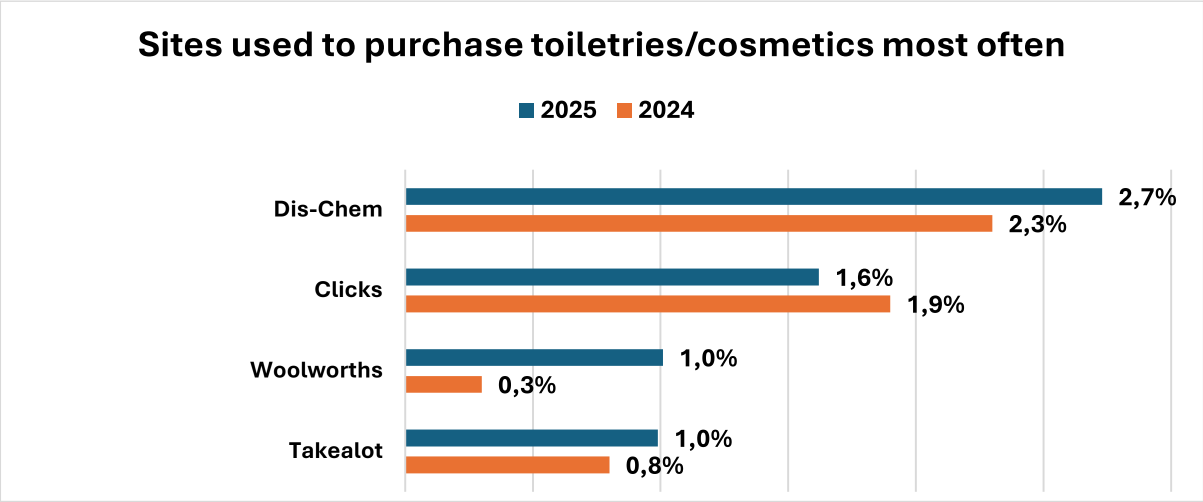
## Sites used to purchase gifts most often

Gift buying has a much clearer leader. Takealot records 4.5%, nearly three times the 1.6% recorded by both Edgars and Netflorist. Temu and Woolworths follow at 1.2%. Takealot strengthens from 3.9%, leaving the rest of the field tightly grouped.



## Sites used to purchase toiletries and cosmetics most often

Specialist retailers still hold the strongest positions in toiletries and cosmetics. Dis-Chem leads at 2.7%, followed by Clicks at 1.6%. Woolworths and Takealot are both at 1%. Dis-Chem gains while Clicks declines, widening the gap between the two specialist names.



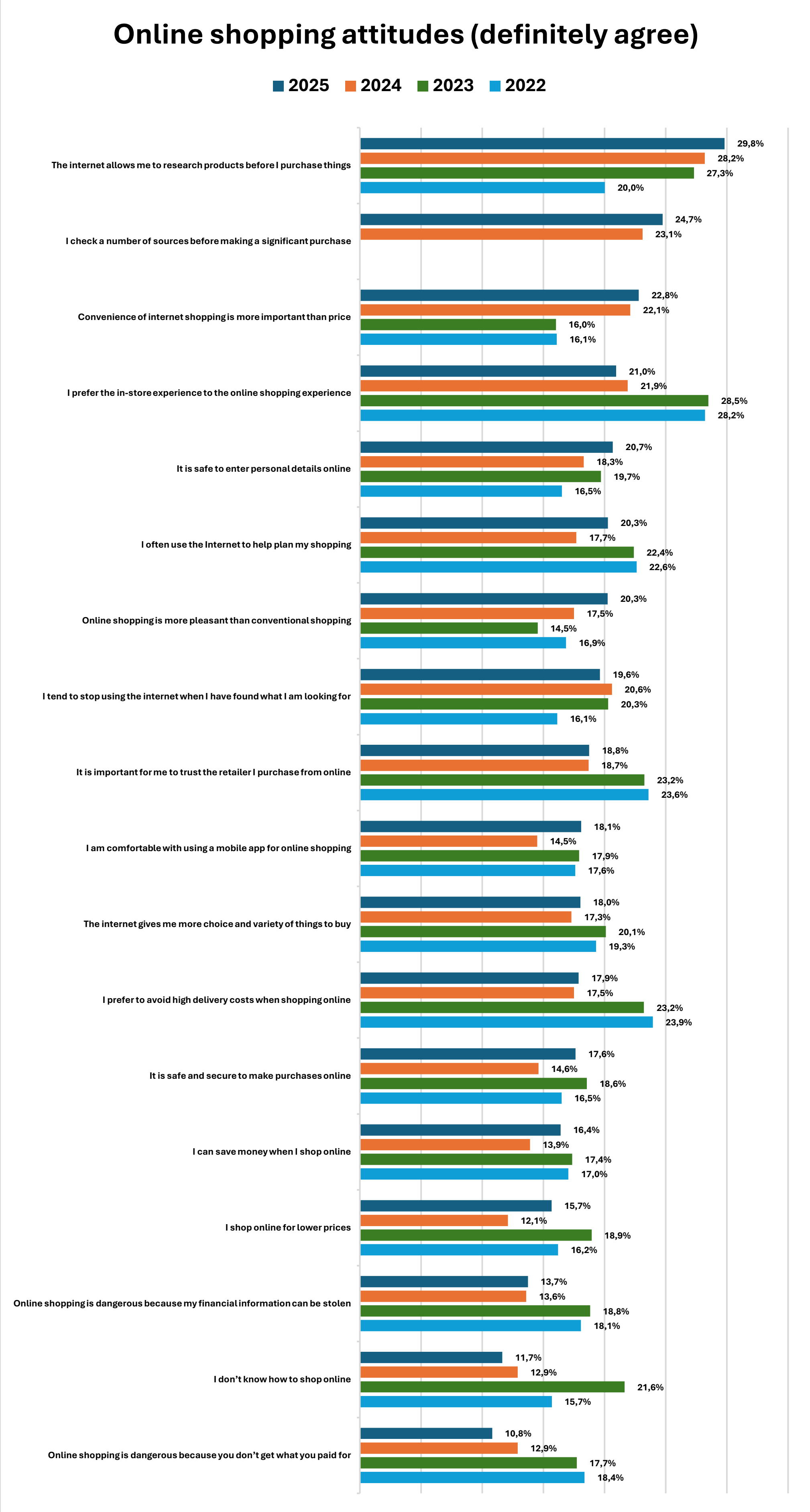
# Online shopping attitudes

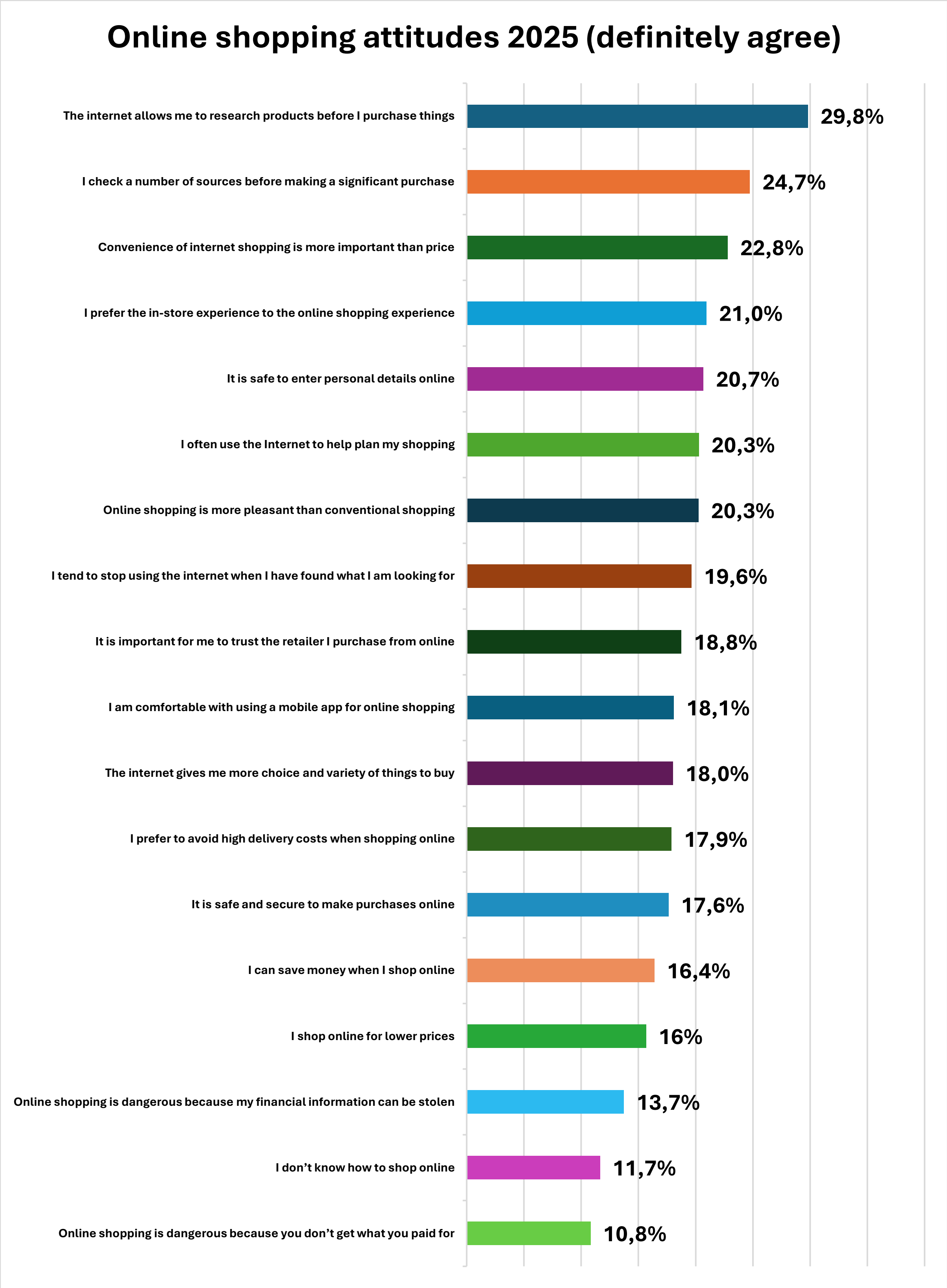
## General attitudes

Product research remains the clearest online-shopping attitude: 29.8% of online shoppers definitely agree the internet helps them research products before purchase. Checking several sources follows at 24.7%, while 22.8% definitely agree convenience outweighs price. The top responses centre on information gathering and convenience rather than price alone.

Several confidence and value measures strengthen more noticeably. Mobile-app comfort rises from 14.5% to 18.1%, confidence in purchase security from 14.6% to 17.6%, and lower-price shopping from 12.1% to 15.7%. Retailer trust moves from 18.7% to 18.8%, while concern about financial-information theft shifts from 13.6% to 13.7%.

Knowledge and fulfilment concerns sit at the bottom of the 2025 ranking. Only 11.7% definitely agree they do not know how to shop online, and 10.8% fear not receiving a paid-for order. Both measures decline from 12.9% in 2024, suggesting practical barriers are easing faster than concern about financial security.

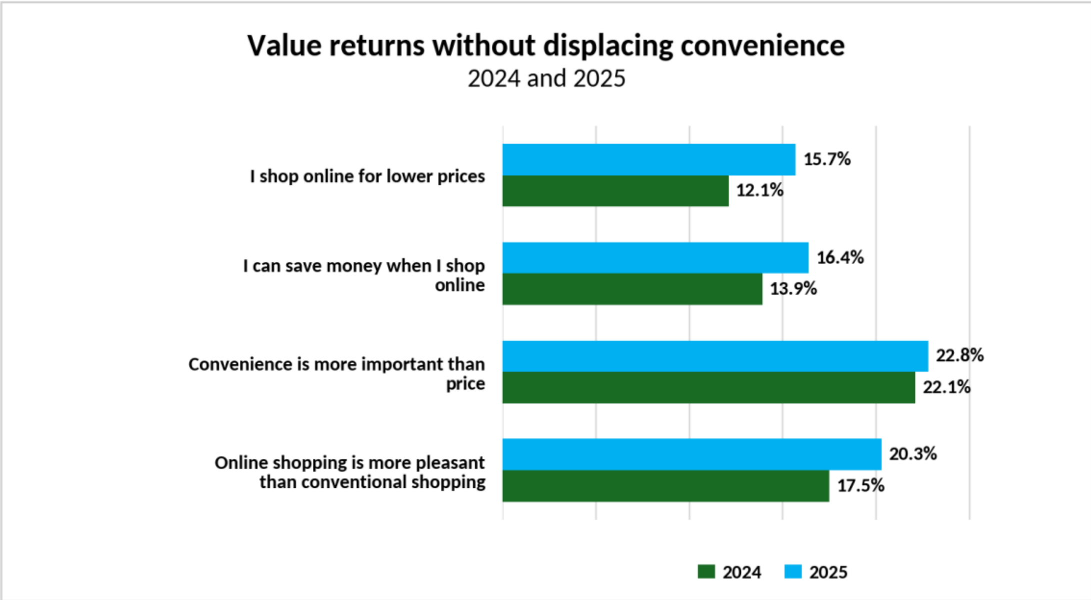

Online shopping attitudes (definitely agree)
2025
2024
2023
2022
The internet allows me to research products before I purchase things
29,8%
28,2%
27,3%
20,0%
I check a number of sources before making a significant purchase
24,7%
23,1%
Convenience of internet shopping is more important than price
22,8%
22,1%
16,0%
16,1%
I prefer the in-store experience to the online shopping experience
21,0%
21,9%
28,5%
28,2%
It is safe to enter personal details online
20,7%
18,3%
19,7%
16,5%
I often use the Internet to help plan my shopping
20,3%
17,7%
22,4%
22,6%
Online shopping is more pleasant than conventional shopping
20,3%
17,5%
14,5%
16,9%
I tend to stop using the internet when I have found what I am looking for
19,6%
20,6%
20,3%
16,1%
It is important for me to trust the retailer I purchase from online
18,8%
18,7%
23,2%
23,6%
I am comfortable with using a mobile app for online shopping
18,1%
14,5%
17,9%
17,6%
The internet gives me more choice and variety of things to buy
18,0%
17,3%
20,1%
19,3%
I prefer to avoid high delivery costs when shopping online
17,9%
17,5%
23,2%
23,9%
It is safe and secure to make purchases online
17,6%
14,6%
18,6%
16,5%
I can save money when I shop online
16,4%
13,9%
17,4%
17,0%
I shop online for lower prices
15,7%
12,1%
18,9%
16,2%
Online shopping is dangerous because my financial information can be stolen
13,7%
13,6%
18,8%
18,1%
I don't know how to shop online
11,7%
12,9%
21,6%
15,7%
Online shopping is dangerous because you don't get what you paid for
10,8%
12,9%
17,7%
18,4%



Online shopping attitudes 2025 (definitely agree)
The internet allows me to research products before I purchase things
29,8%
I check a number of sources before making a significant purchase
24,7%
Convenience of internet shopping is more important than price
22,8%
I prefer the in-store experience to the online shopping experience
21,0%
It is safe to enter personal details online
20,7%
I often use the Internet to help plan my shopping
20,3%
Online shopping is more pleasant than conventional shopping
20,3%
I tend to stop using the internet when I have found what I am looking for
19,6%
It is important for me to trust the retailer I purchase from online
18,8%
I am comfortable with using a mobile app for online shopping
18,1%
The internet gives me more choice and variety of things to buy
18,0%
I prefer to avoid high delivery costs when shopping online
17,9%
It is safe and secure to make purchases online
17,6%
I can save money when I shop online
16,4%
I shop online for lower prices
16%
Online shopping is dangerous because my financial information can be stolen
13,7%
I don't know how to shop online
11,7%
Online shopping is dangerous because you don't get what you paid for
10,8%

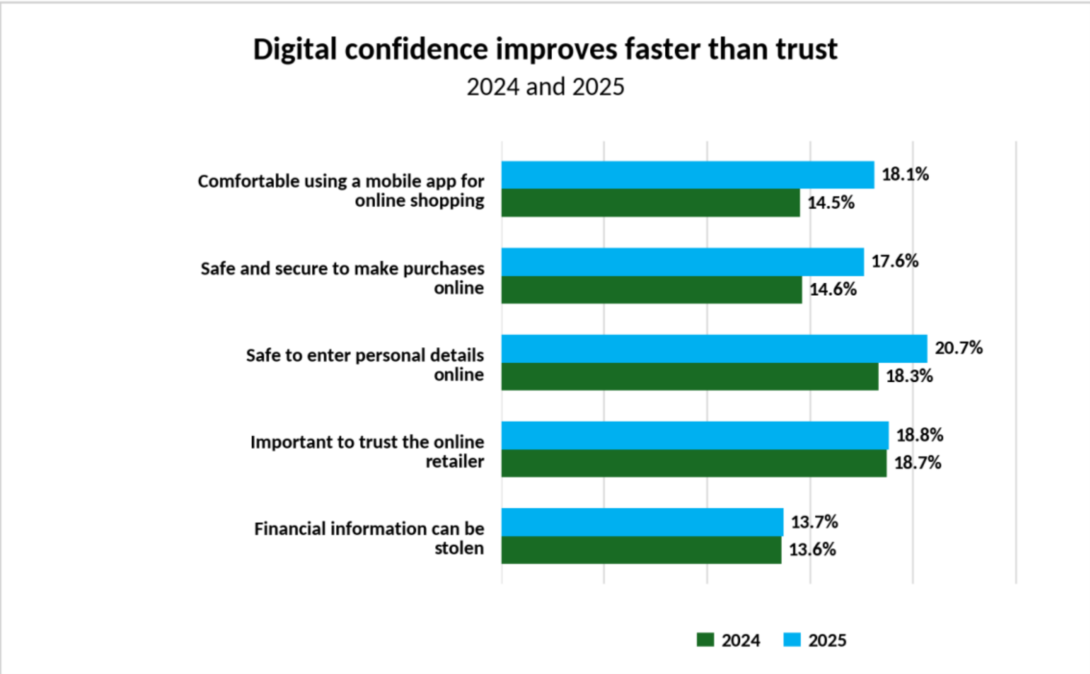
## Value returns without displacing convenience

Convenience still carries more weight than price in this comparison. Among online shoppers, 22.8% definitely agree convenience outweighs price, while 20.3% find online shopping more pleasant than conventional shopping. The value statements remain lower at 16.4% for saving money and 15.7% for lower prices. Both value measures rise from 2024 but remain below convenience and enjoyment.



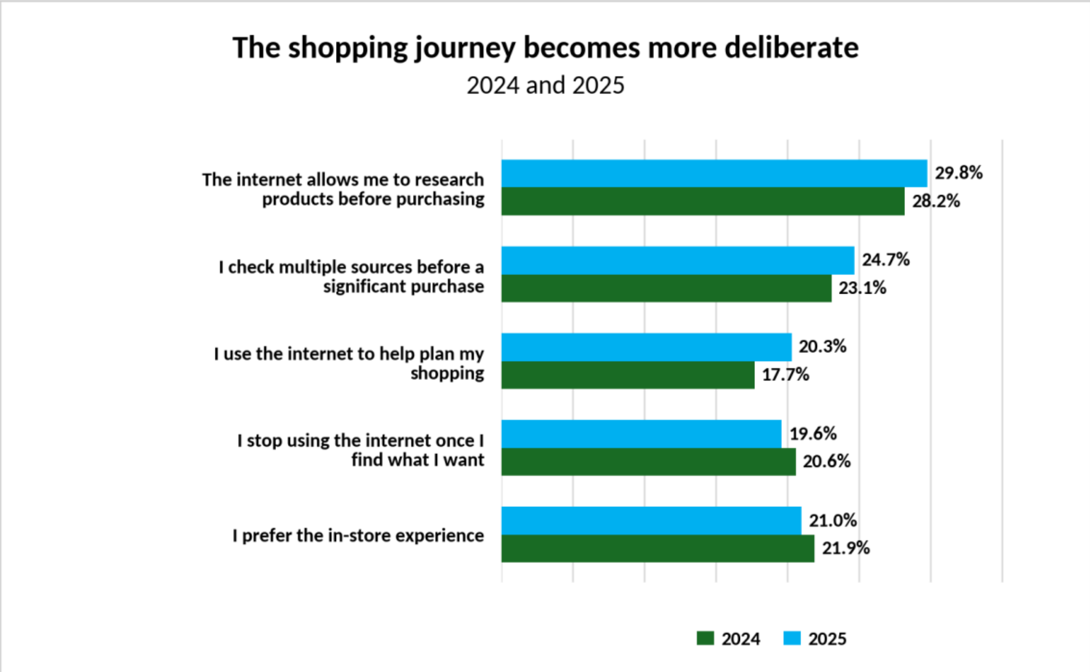
## Digital confidence improves faster than trust

Among online shoppers, 20.7% definitely agree that entering personal details online is safe, the highest 2025 result within this confidence group. Retailer trust stands at 18.8%, mobile-app comfort at 18.1%, and confidence in purchase security at 17.6%. App comfort and purchase security show the strongest gains from 2024. Retailer trust moves from 18.7% to 18.8%, while financial-information concern shifts from 13.6% to 13.7%. The pattern separates growing confidence in the shopping process from slower movement in trust.



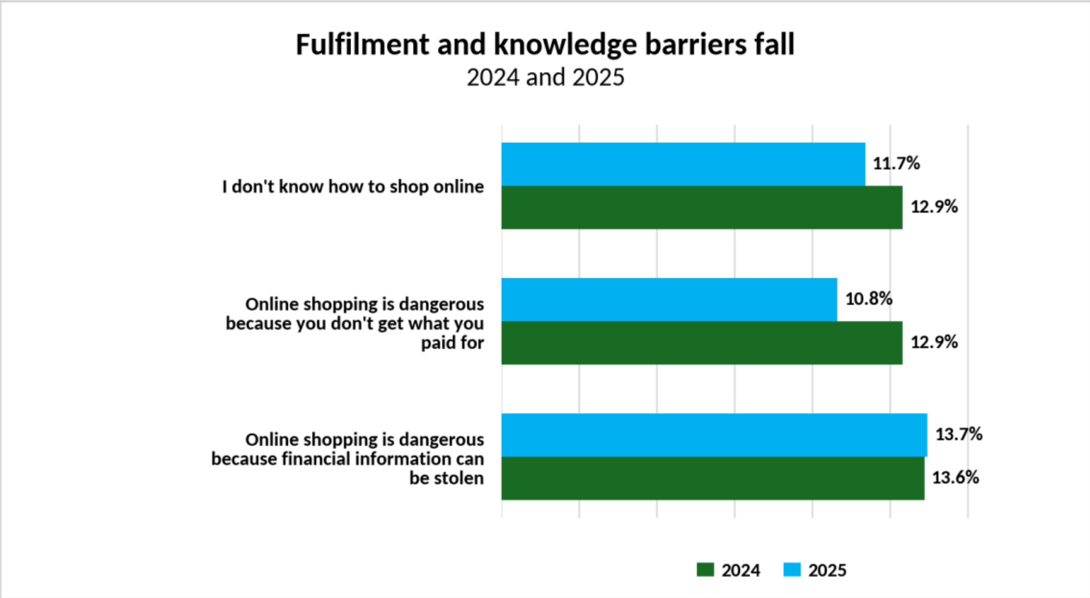
## The shopping journey becomes more deliberate

Research remains the strongest part of the online shopping journey, with 29.8% definitely agreeing the internet helps them research products. Checking several sources follows at 24.7%, while preference for in-store shopping stands at 21%. Planning shopping online rises to 20.3%, while stopping a search after finding a desired item falls to 19.6%. More research and planning, alongside lower early search termination, point to a more comparative decision process.



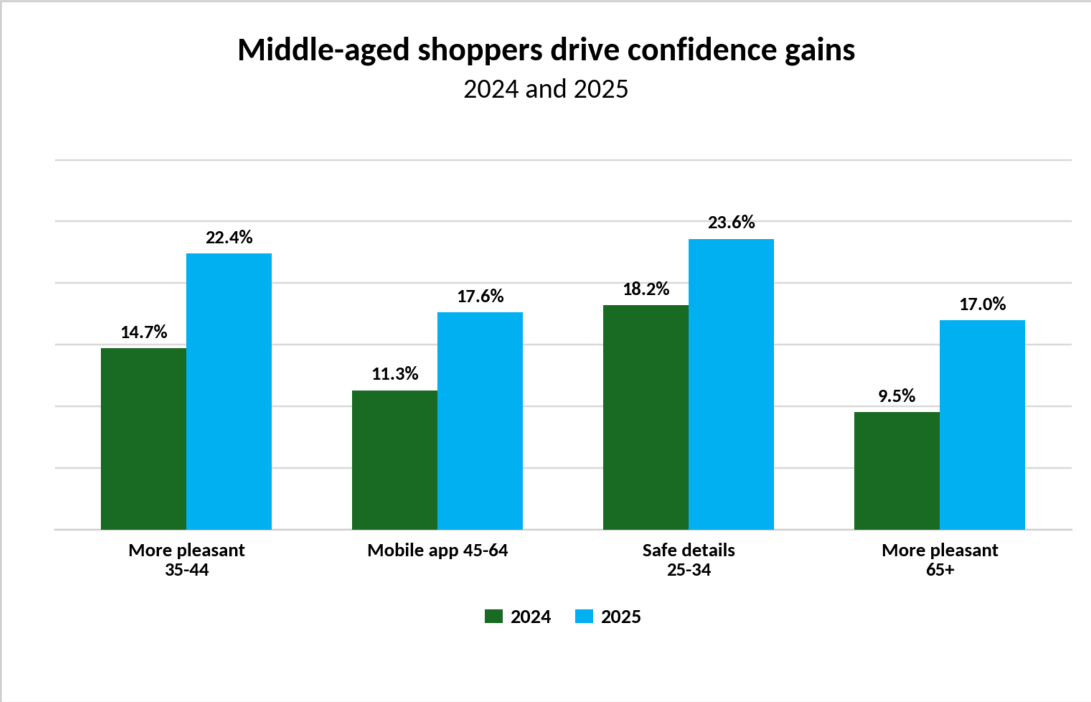
## Fulfilment and knowledge barriers fall

Financial-information theft remains the most persistent barrier, with 13.7% of online shoppers definitely agreeing that online shopping is dangerous for this reason. Lack of shopping knowledge follows at 11.7%, while fear of not receiving a paid-for order stands at 10.8%. The latter two fall from 12.9% in 2024, whereas financial-security concern moves from 13.6% to 13.7%. Practical barriers are receding more clearly than security concern.



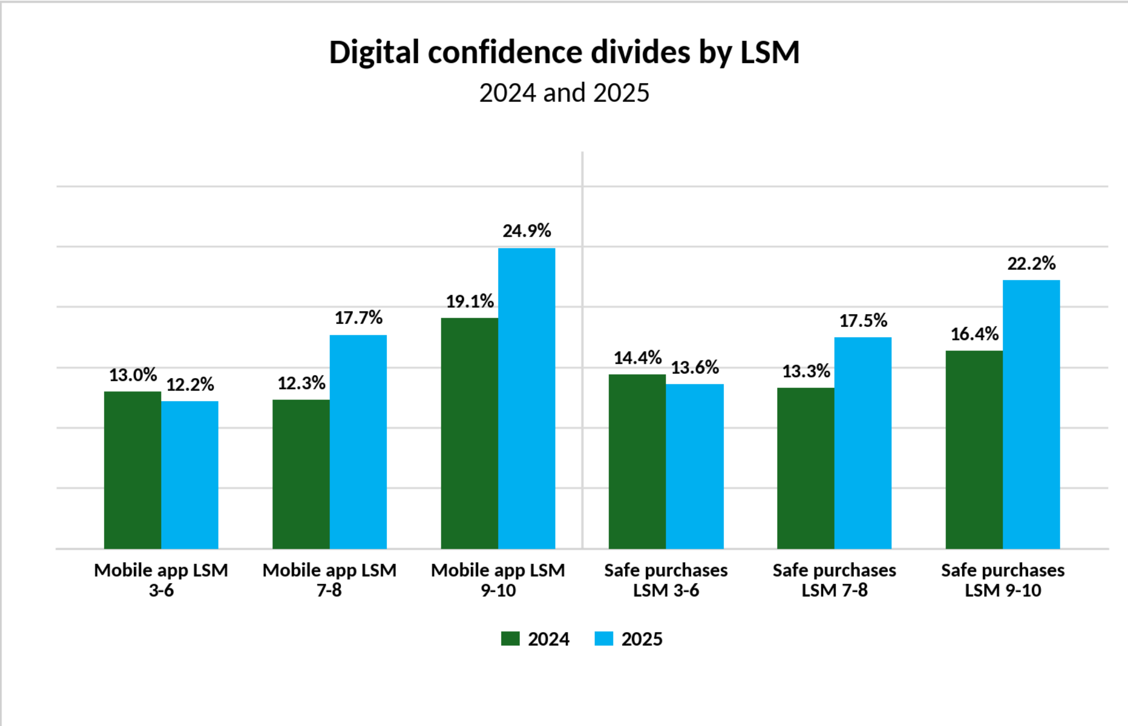
## Middle-aged shoppers drive confidence gains

Among online shoppers aged 25-34, 23.6% definitely agree that entering personal details online is safe, up from 18.2% in 2024. Among 35-44s, 22.4% find online shopping more pleasant, compared with 14.7% previously. Mobile-app comfort among 45-64s rises from 11.3% to 17.6%, while enjoyment among 65+ rises from 9.5% to 17%. The gains span different aspects of confidence across age groups, although the smaller 65+ subgroup warrants caution.



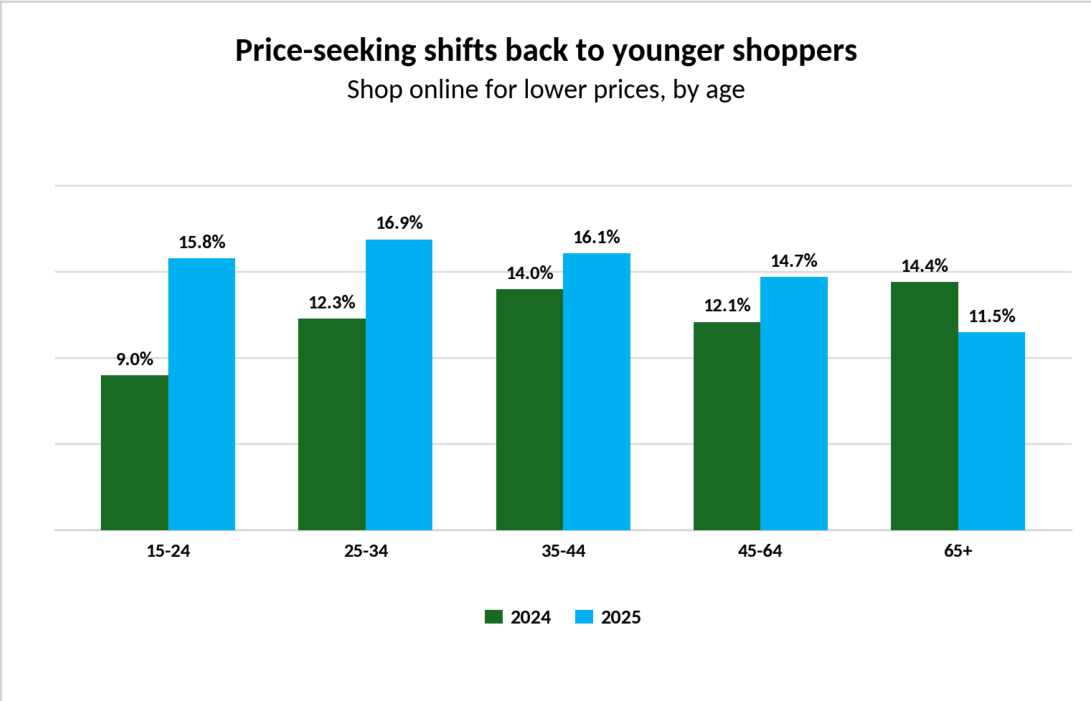
## Digital confidence divides by LSM

Digital confidence shows a clear LSM gradient in both measures. Among LSM 9-10 online shoppers, 24.9% are comfortable using a mobile app and 22.2% consider online purchases safe. The equivalent rates are 17.7% and 17.5% for LSM 7-8, then 12.2% and 13.6% for LSM 3-6. Confidence strengthens in the two higher LSM groups from 2024, while both lower-LSM measures decline.



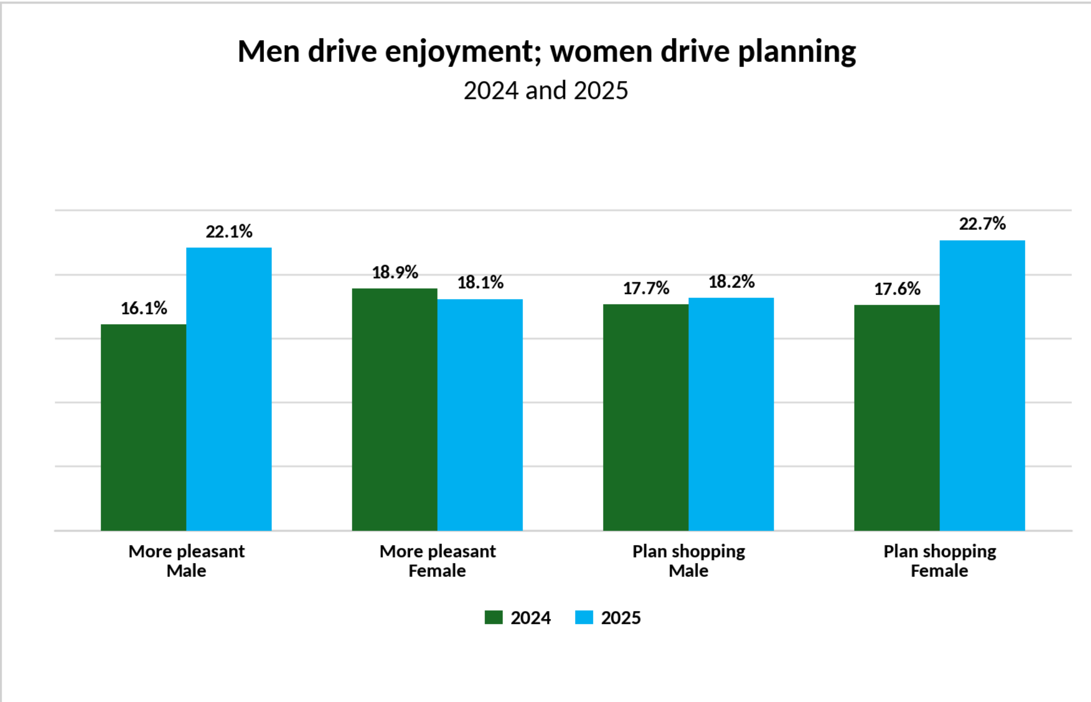
## Price-seeking shifts back to younger shoppers

Lower-price shopping is most common among 25-34 online shoppers at 16.9%, but the spread across people under 65 is narrow. The 35-44 rate is 16.1%, followed by 15-24s at 15.8% and 45-64s at 14.7%. The 65+ group is lower at 11.5%. Every group under 65 rises from 2024, while 65+ declines, shifting the age pattern towards younger shoppers without creating a large gap among under-65s.



## Men drive enjoyment; women drive planning

Women and men show different shifts in how online channels are used. Among female online shoppers, 22.7% definitely agree they use the internet to plan shopping, up from 17.6%. Among male online shoppers, 22.1% find online shopping more pleasant than conventional shopping, up from 16.1%. Male planning moves from 17.7% to 18.2%, while female enjoyment shifts from 18.9% to 18.1%. The 2025 results separate the two behaviours: planning is more common among women, while enjoyment is more common among men.



PART 3 OF 4

# Survey of South African Consumers, 2026

An analysis of 1,400 South African online shoppers surveyed in 2026. Comparisons with the 2025 published consumer survey are included only where question wording and response structures remain sufficiently comparable.

*Source note: 2026 percentages are based on the 2026 survey of South African online shoppers. 2025 comparisons use the published Online Retail in South Africa 2025 consumer survey. The 2025 report generally published consumer percentages at whole-number precision; 2026 results are shown to one decimal place.*

## Executive Summary

Local platforms remain the centre of online shopping, but the channel mix is broadening. South African platforms are the primary shopping channel for 43.6% of respondents, down from 48% in 2025, while retailer websites rise from 13% to 14.6% and international platforms from 9% to 10.6%.

Local shopping is becoming more frequent among the most engaged consumers. 29.6% now buy from local platforms at least weekly, compared with 21% in 2025. At the same time, 74.4% shop locally at least monthly, versus 77% previously. This points to a stronger high-frequency core rather than simply broader reach.

International platforms are used somewhat more regularly, but trust in international platforms has weakened. The share that never shops on international platforms falls from 56% to 53.2%, while local platforms retain a 46.6% trust preference. Only 4.3% now trust international platforms more, compared with 10% in 2025.

Takealot remains the most frequently used local platform at 39.9%, though its lead narrows from 45% in 2025. Checkers Sixty60 holds broadly steady at 16.9% overall, while Woolworths rises to 10.5% and Makro to 7.9%. The more striking pattern appears in the income cross-tab: among households earning more than R100,000, Checkers Sixty60 has closed to within 3 percentage points of Takealot (20.0% versus 22.9%) – a remarkable position given how dominant Takealot was when Sixty60 entered the market.

Purchase decisions are led by social proof and value. Customer reviews (28.4%) and price promotions (26.9%) together account for 55.3% of the single strongest influences on purchase decisions. When the product is unfamiliar, reviews remain first at 29.4%, followed by clear returns and refunds at 22.4%.

No single payment method dominates. Instant EFT or automated bank transfer leads at 16.4%, followed by debit cards at 15.3%, saved card details at 10.6%, credit cards at 9.3% and Capitec Pay at 9.1%. Speed (26.1%) and security (23.9%) are the two strongest reasons behind preference.

Payment failure can result in lost conversions. 30.1% experienced at least one decline in the past year despite having sufficient funds or credit. Among the 422 respondents who experienced a decline, 56.6% either abandoned the purchase or bought from another retailer.

WhatsApp commerce is established but has not expanded at the topline: 35.1% have purchased from a WhatsApp link, almost unchanged from 35% in 2025. WhatsApp purchasing is stronger among younger consumers in 2026, and notably lower among respondents aged 55+.

AI shopping faces a control challenge. Only 26.4% are comfortable with an AI service completing purchases within rules set by the shopper, while 50.9% are uncomfortable. Comfort falls from 33.2% among 25-34-year-olds to 16.7% among those aged 55+.

Growth intent has strengthened sharply. 69.6% are likely to increase online shopping in the next 12 months, up from 57% in 2025. This is one of the clearest year-on-year shifts in the consumer survey.

## Methodology and sample profile

The 2026 South African Online Shoppers survey was conducted by Ratepop: a consumer survey using a bot-based survey tool on Facebook Messenger, which is zero-rated by most mobile operators, to reach a nationally representative sample of consumers. The target of 1,400 respondents was achieved. The sample is evenly split by gender, with 65.0% Black African, 19.0% White and 16.0% Coloured/Indian/Asian respondents. Gauteng accounts for 28.0% of the sample, KwaZulu-Natal 20.1% and Western Cape 12.9%.

The largest age groups are 25-34 (30.4%) and 35-44 (24.9%). Household income is concentrated between R10,001 and R75,000, led by R20,001-R30,000 at 25.0%. Cross-tabs in this section are used selectively where the difference is large enough to change the interpretation of the topline result. Small subgroups are not used to drive conclusions.

**How to read the year-on-year comparisons**

The 2025 and 2026 consumer surveys both contain 1,400 respondents. Direct comparisons are made only for questions whose wording and answer structures are closely aligned. Where the 2026 questionnaire has materially redesigned payment or AI options, the report focuses on 2026 rather than forcing a trend line.

## Local remains the default, but the channel mix broadens

South African platforms remain the primary online shopping channel for 43.6% of respondents. That is still more than four times the 10.6% who shop most frequently through international platforms. However, local platforms are down from 48% in 2025, while retailer websites rise from 13% to 14.6% and international platforms from 9% to 10.6%. Social media remains virtually unchanged at 7.1%.

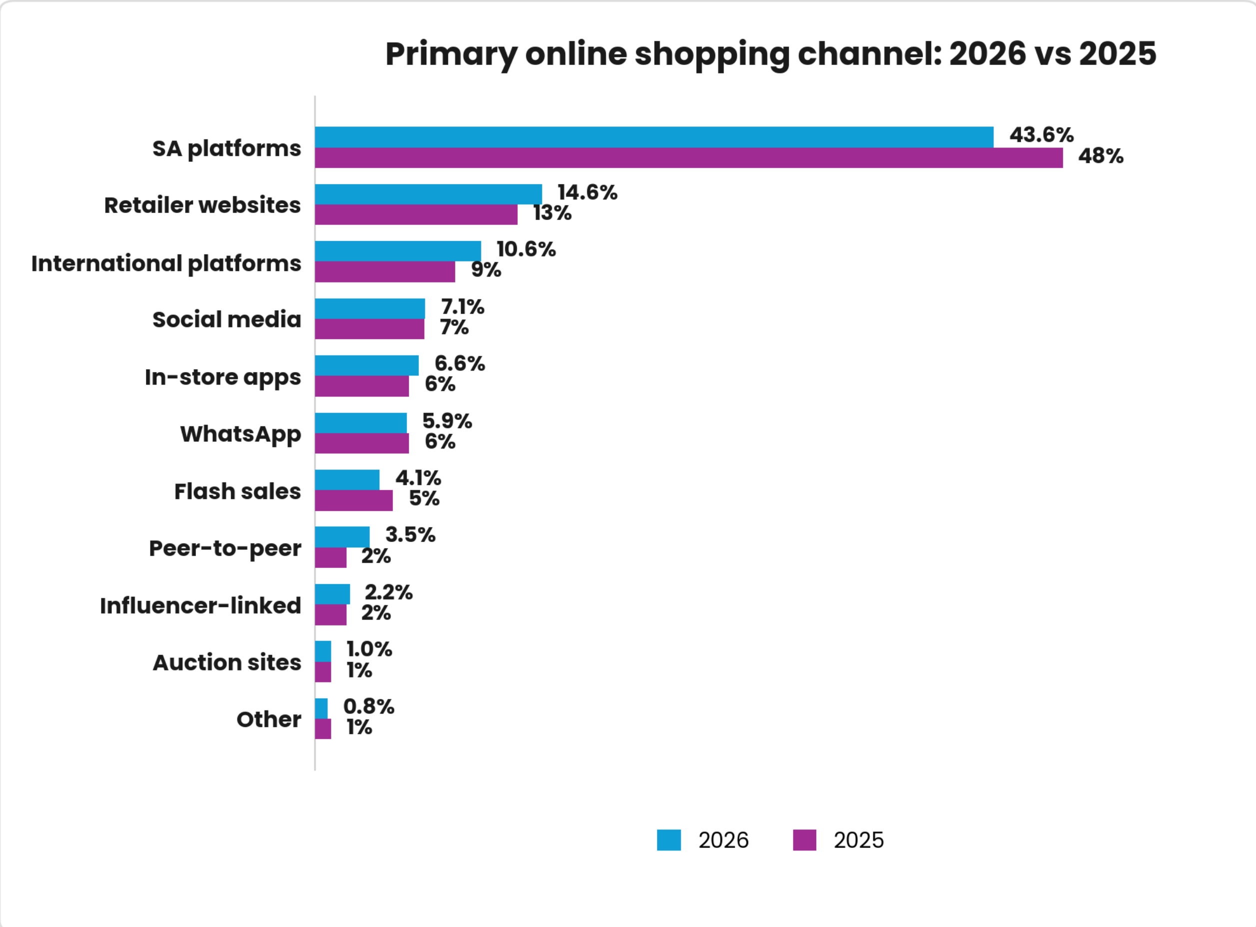



*Figure: Primary online shopping channel, 2026 vs 2025 (n=1,400 each).*

## The high-frequency local shopper grows

The distribution of local shopping frequency changes more than the headline reach. In 2025, 21% shopped on local platforms at least weekly. In 2026 that rises to 29.6%, driven by 20.6% shopping once a week and 8.9% more than once a week. The broader monthly-or-more group is slightly lower at 74.4% versus 77% in 2025. The pattern therefore points to greater intensity among the most active local shoppers rather than uniform growth across every frequency band.

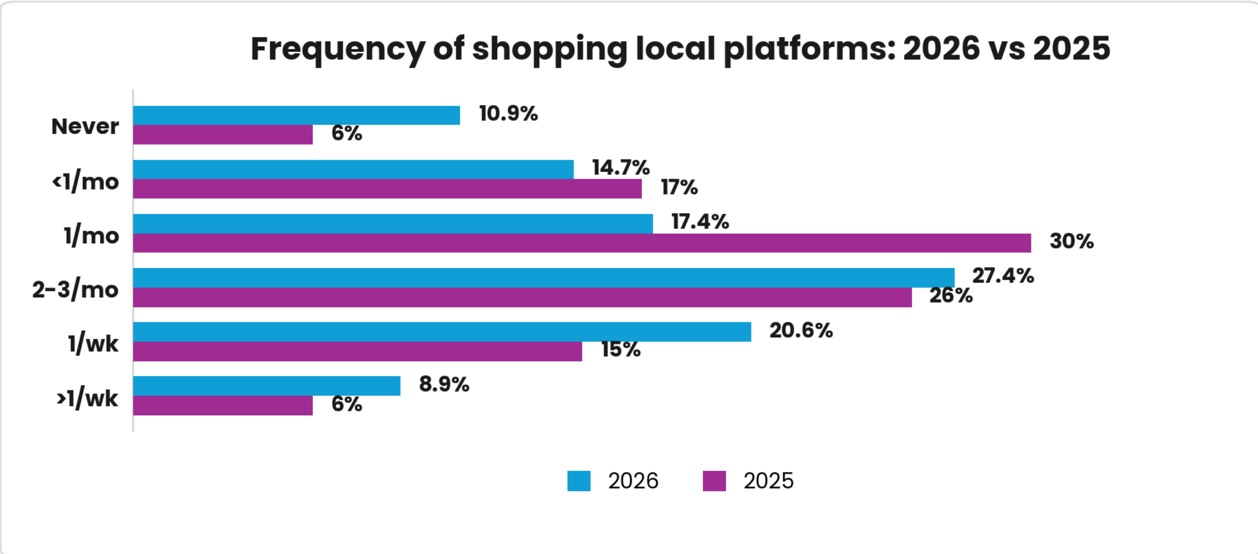



*Figure: Frequency of shopping from local platforms, 2026 vs 2025.*

## International platforms gain frequency, not trust

International shopping moves in the opposite direction to its trust score. The share that never shops on international platforms falls from 56% in 2025 to 53.2% in 2026, while the share shopping internationally at least monthly rises from about 20% to 26.6%. Better deals remain the largest single motivation at 15.2% of the full sample, compared with 17% in 2025. The pull of price is much stronger among younger consumers: 21.0% of 18-24-year-olds name better deals as the main reason, compared with 7.6% of those aged 55+.

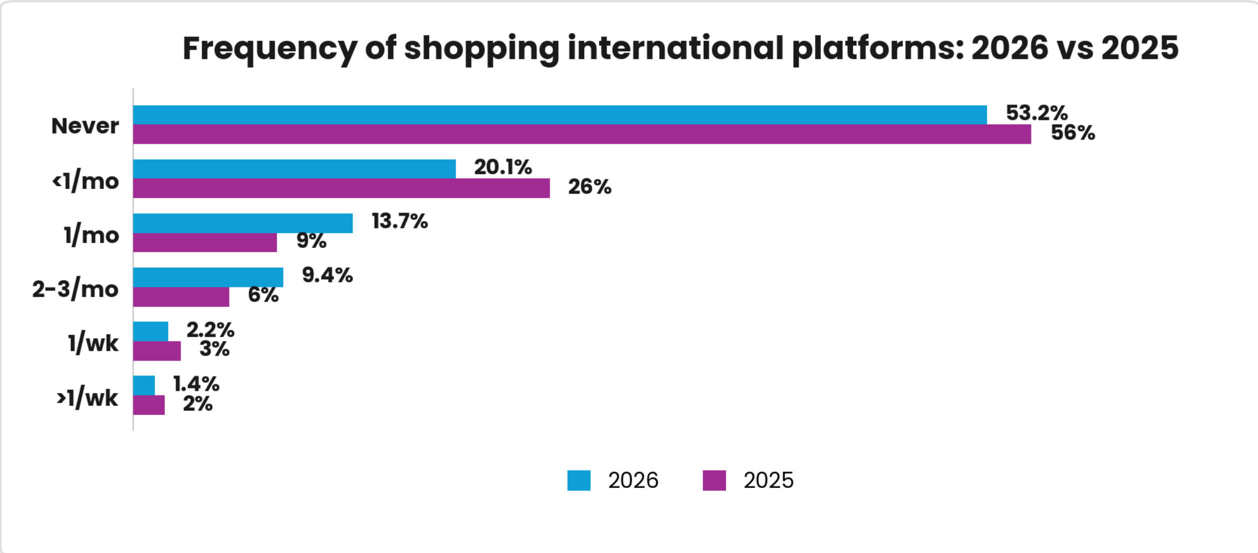



*Figure: Frequency of shopping from international platforms, 2026 vs 2025.*

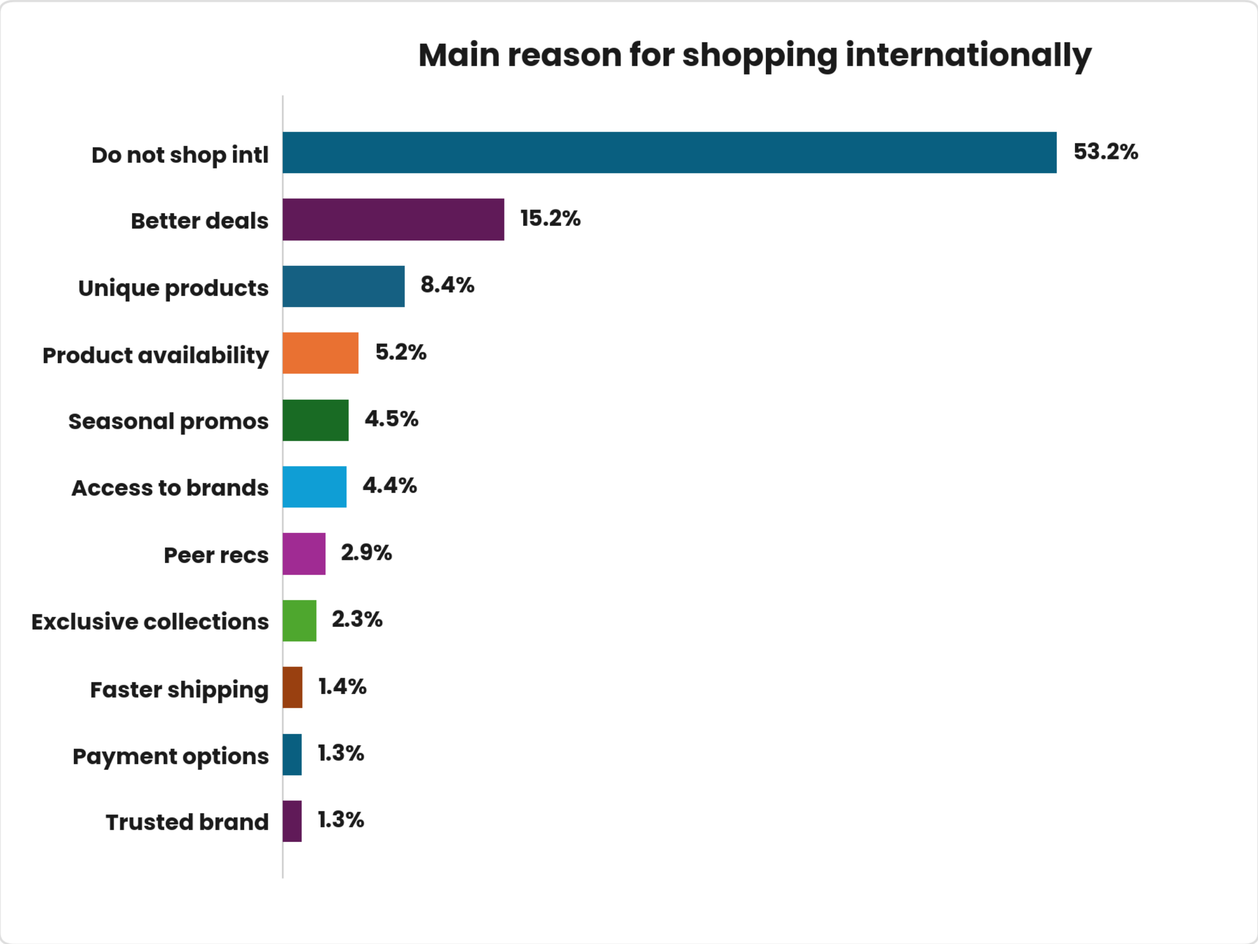



*Figure: Main reason for shopping from international platforms, 2026.*

## Local trust holds while international preference falls

The local trust advantage is more durable than local channel share. 46.6% trust local platforms more, almost unchanged from 46% in 2025. A further 38.0% trust local and international platforms equally. The clearest movement is at the other end of the scale: only 4.3% trust international platforms more, down from 10% in 2025.

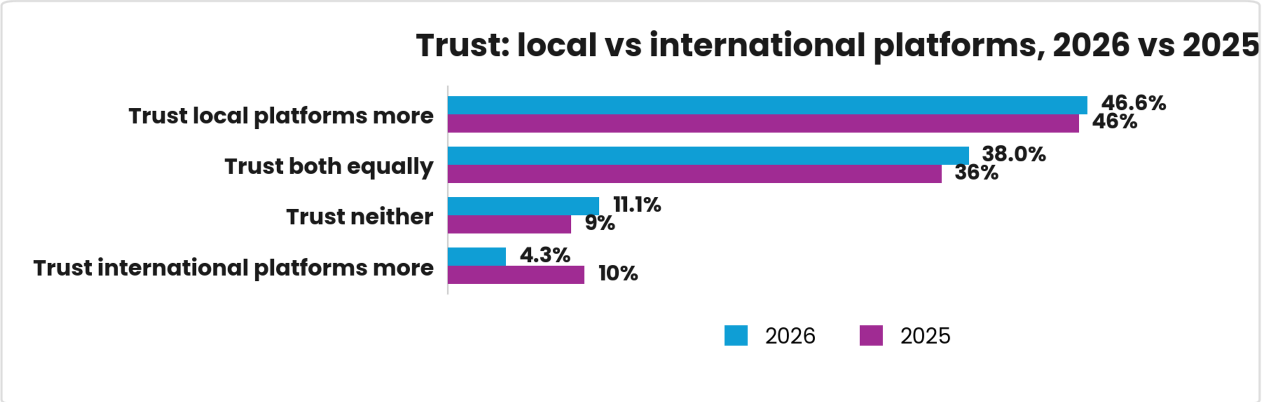



*Figure: Trust in local vs international platforms, 2026 vs 2025. The 2025 published report gives 46% local, 36% equal and 10% international.*

The friction around offshore shopping also changes. Long delivery times remain the leading challenge at 19.0%, but this is well below the 31% reported in 2025. Customs fees fall from 19% to 9.6%, while high shipping costs are comparatively stable at 13.2% versus 14% previously. Product quality, payment security and returns now sit much closer to delivery cost in the ranking.

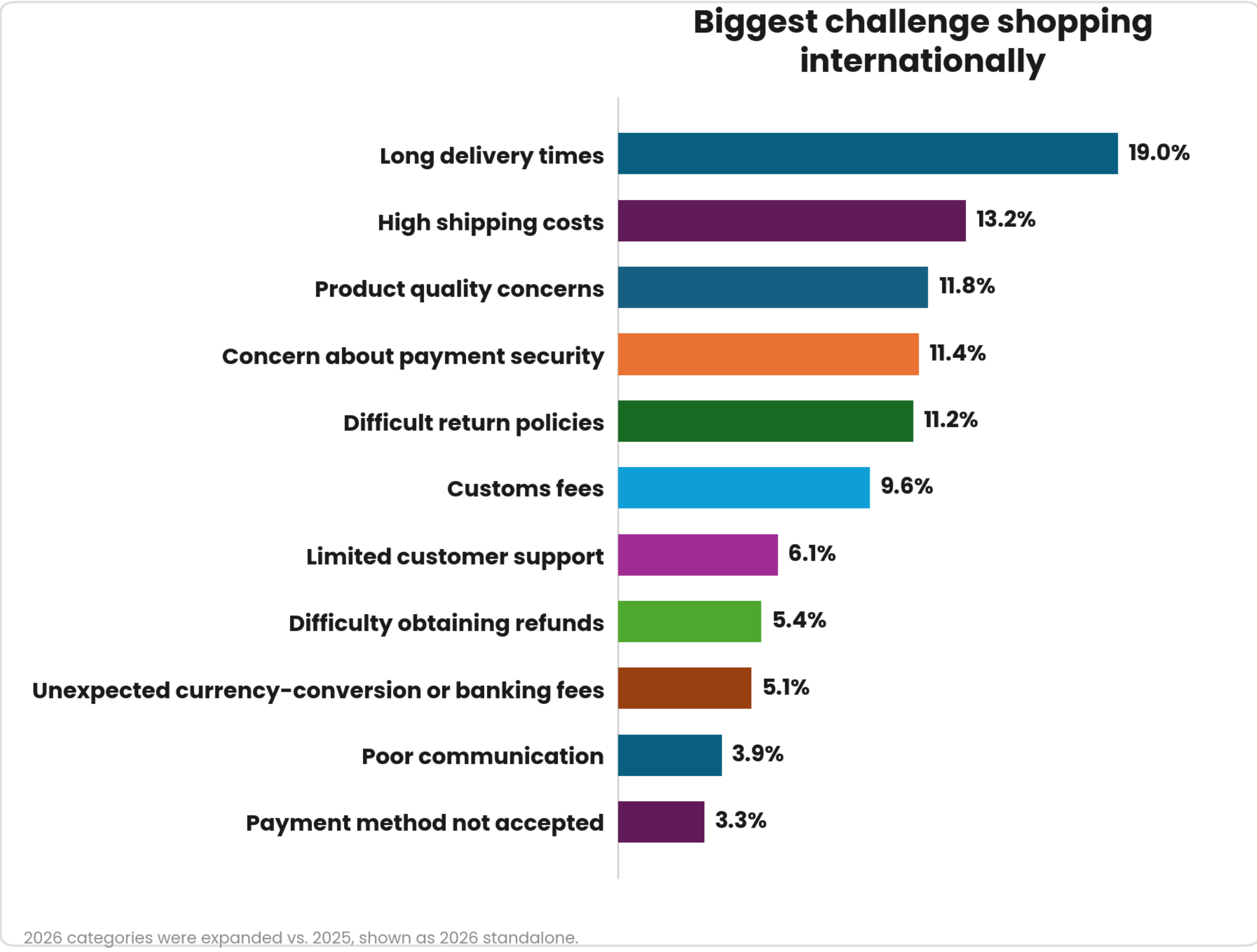



*Figure: Biggest challenge when shopping on international platforms, 2026.*

## Subscriptions move closer to mainstream

Loyalty and delivery economics dominate subscription appeal. A loyalty or rewards programme leads at 27.4%, followed by a free-delivery programme at 22.6%. Together these two options account for exactly 50.0% of respondents. The emphasis remains on tangible recurring value rather than niche services such as styling or clothing rental.

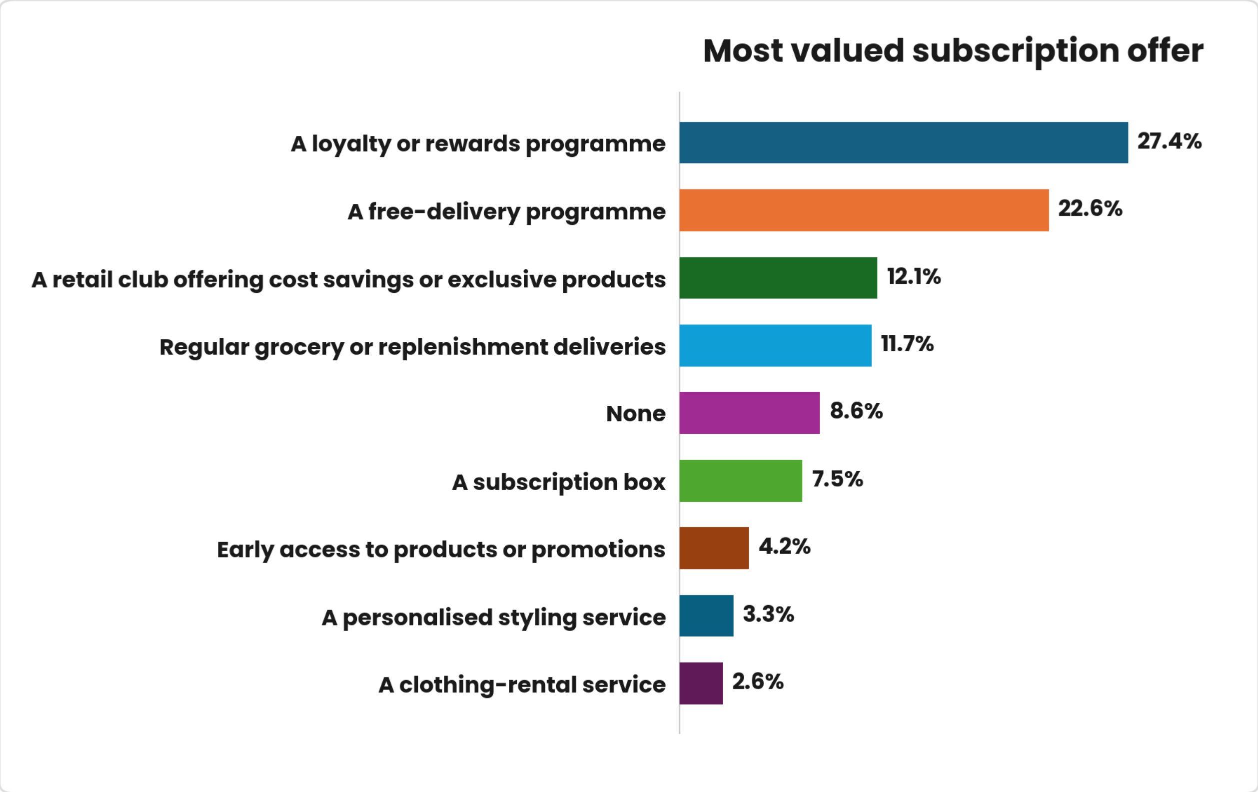



*Figure: Retail-related subscription offer most likely to be considered, 2026.*

Intent has strengthened since last year. 51.1% are somewhat or very likely to sign up for a retail subscription within six months, compared with 45% in 2025. The neutral group falls from 31% to 21.6%, suggesting that more of the previously undecided middle has moved toward a stated position.

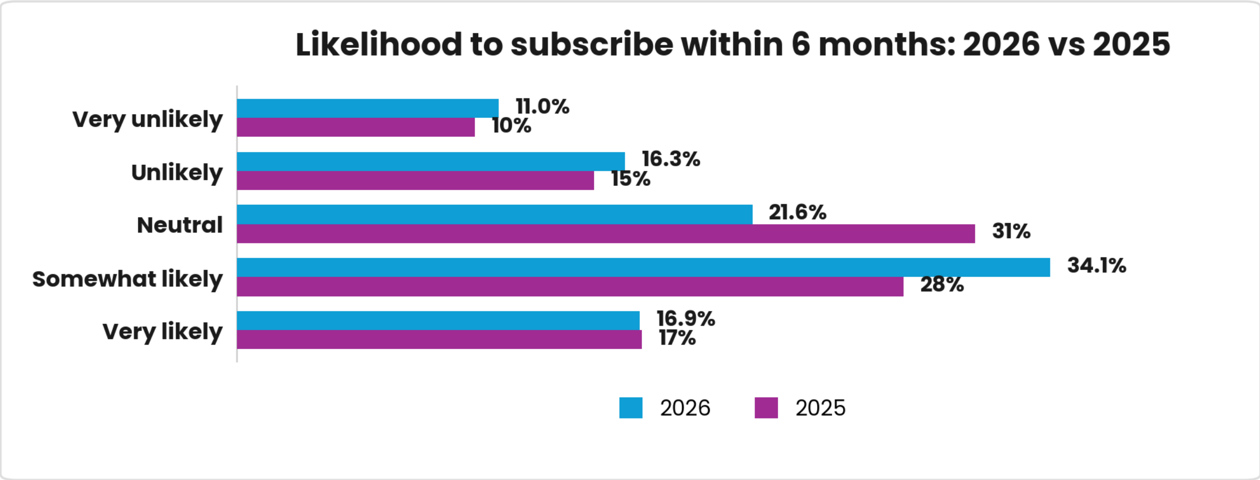



*Figure: Likelihood of signing up for a retail subscription in the next six months, 2026 vs 2025.*

## Takealot leads, but the gap narrows

Takealot remains the most frequently used local shopping platform at 39.9%, but its share is lower than the 45% reported in 2025. Checkers Sixty60 is broadly stable at 16.9% versus 16%, while Woolworths rises from 7% to 10.5% and Makro from 5% to 7.9%. Pick n Pay is virtually unchanged at 8.1%. The result is still a market with one clear generalist leader, but the second tier is becoming more substantial.

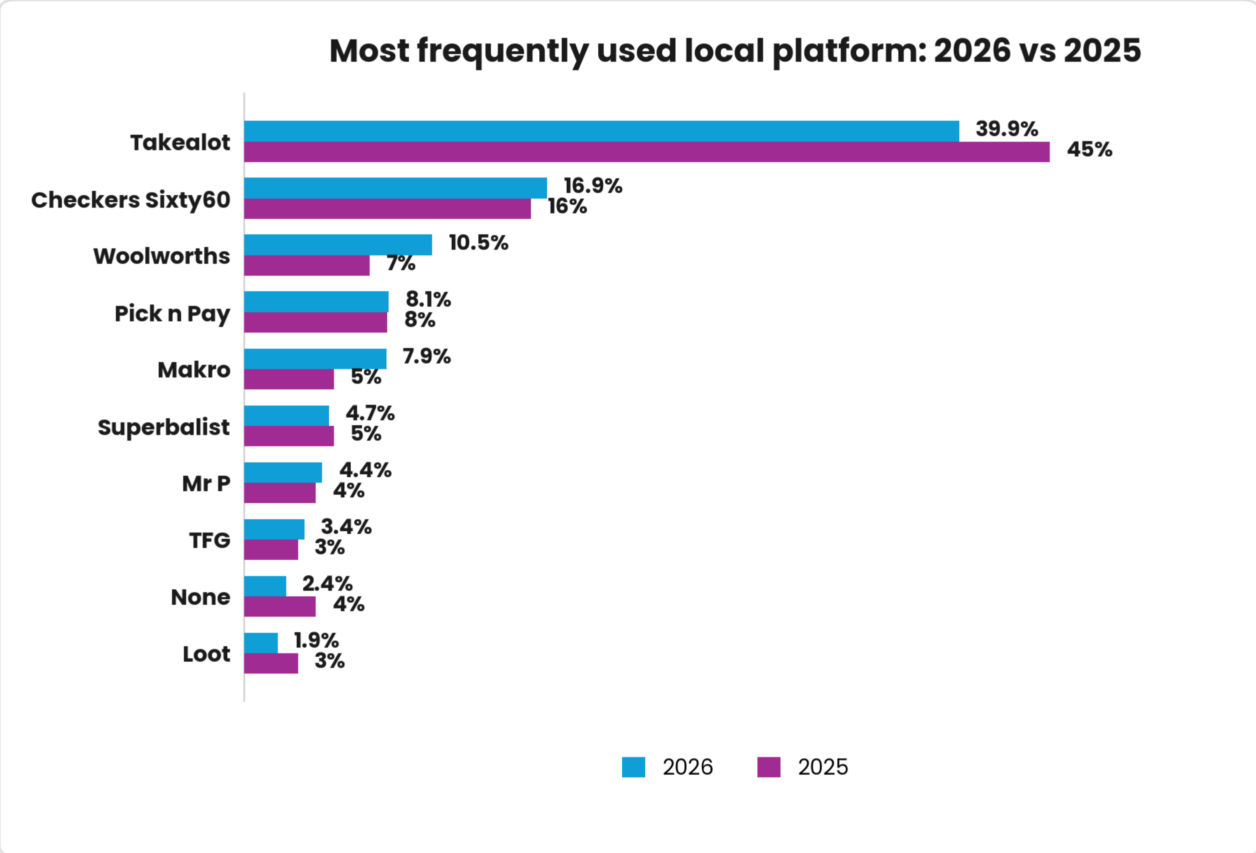



*Figure: Most frequently used local shopping platform, 2026 vs 2025.*

## Checkers Sixty60 closes the gap on Takealot among higher earners

The topline obscures a striking income pattern. Checkers Sixty60 and Takealot are close to parity among the highest earners: 20.0% versus 22.9% among households earning more than R100,000, a gap of under 3 percentage points. That is a remarkable position for Checkers Sixty60 to have reached given Takealot's scale and head start as South Africa's dominant online retail platform – lower down the income scale Takealot's lead is still wide (44.5% versus 14.7% at R10,001-R20,000), which makes the closing gap at the top all the more notable. Woolworths follows a similar trajectory, rising from 11.8% to 15.7% over the same range. The subgroup earning more than R100,000 contains 70 respondents, so the precise gap should not be over-generalised, but the direction is consistent across the upper-income bands.

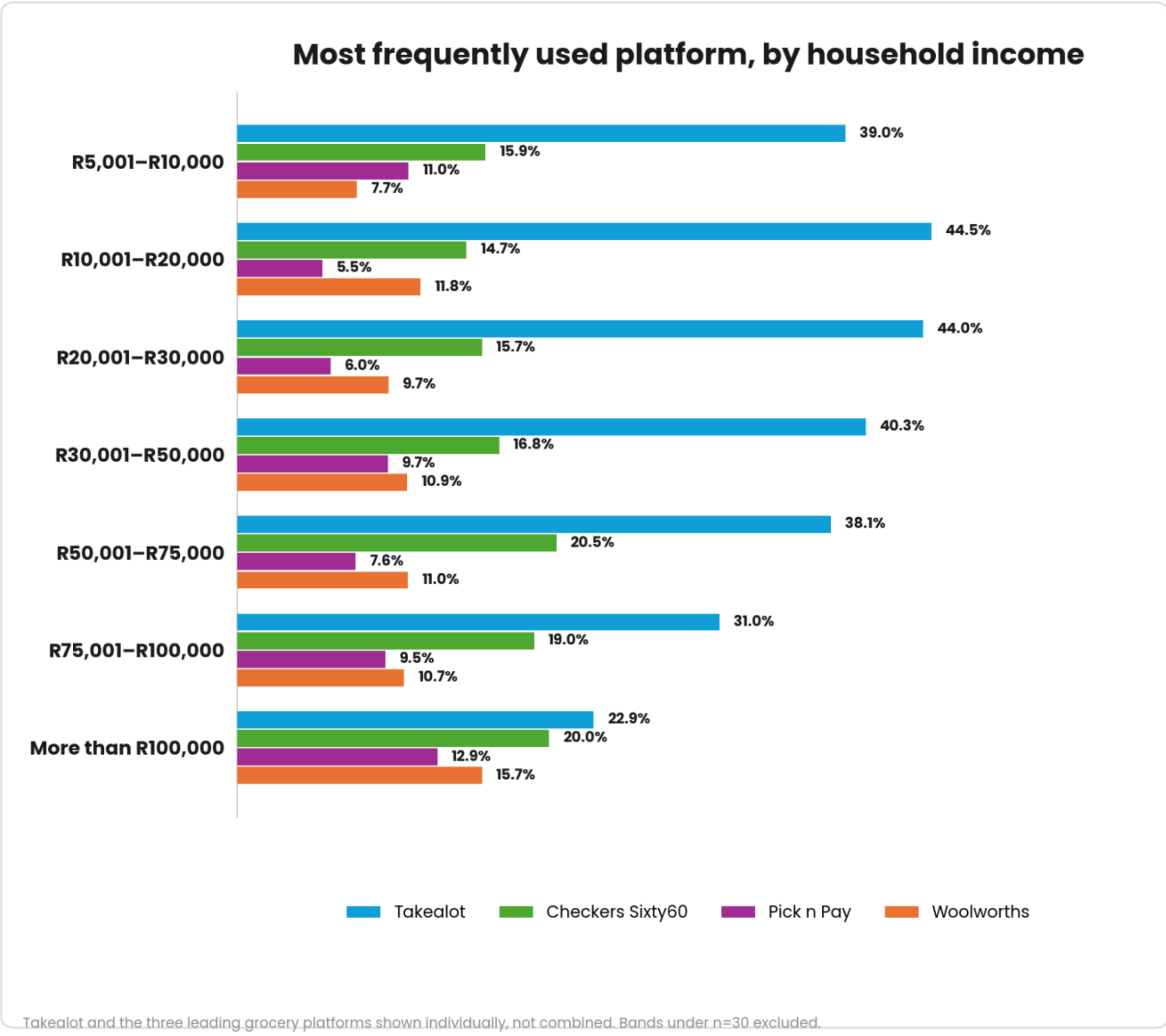



*Figure: Most frequently used platform by household income – Takealot, Checkers Sixty60, Pick n Pay and Woolworths shown individually, 2026.*

## Reviews and promotions beat brand messaging

Customer reviews (28.4%) and price promotions (26.9%) account for 55.3% of respondents when asked for the single strongest influence on an online purchase. Online search follows at 13.6%, while creators or influencers (7.6%) and AI-generated recommendations (4.6%) remain secondary. The result puts consumer evidence and price value ahead of brand-led persuasion.

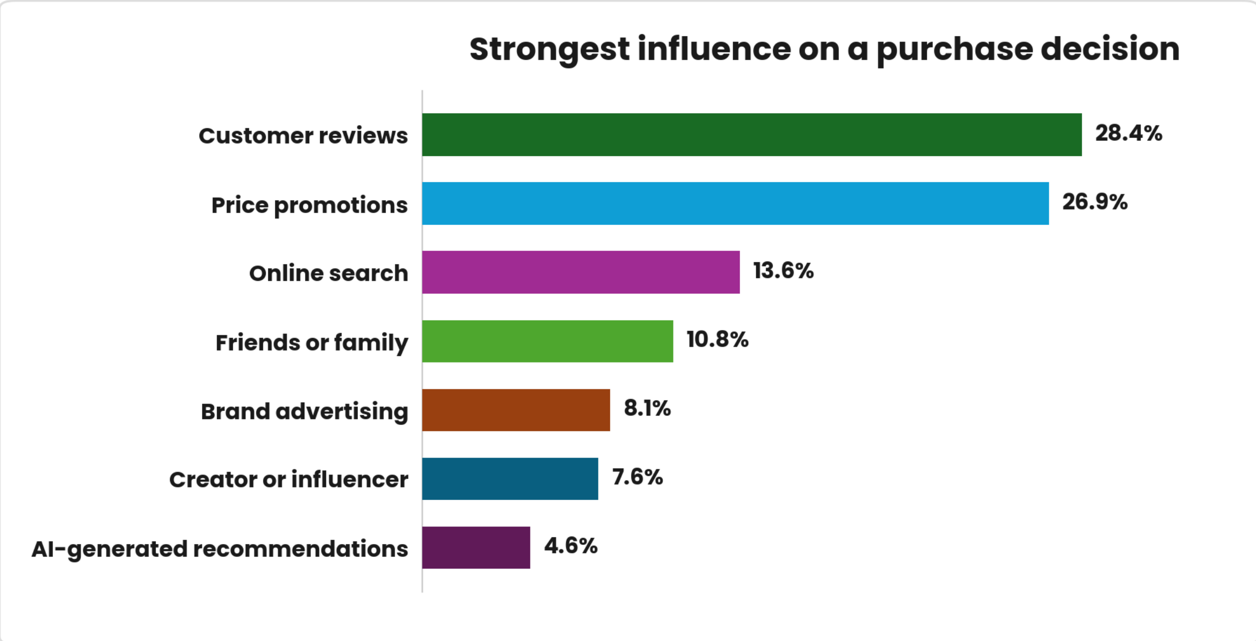



*Figure: Source that most influences the decision to buy a product online, 2026.*

The confidence question reinforces the same pattern. Reading customer reviews is first at 29.4%, followed by clear returns and refund policies at 22.4% and a recognised secure payment method at 17.4%. Advertising from the brand is selected by only 5.4%. For unfamiliar products, reducing perceived risk outweighs adding promotional exposure.

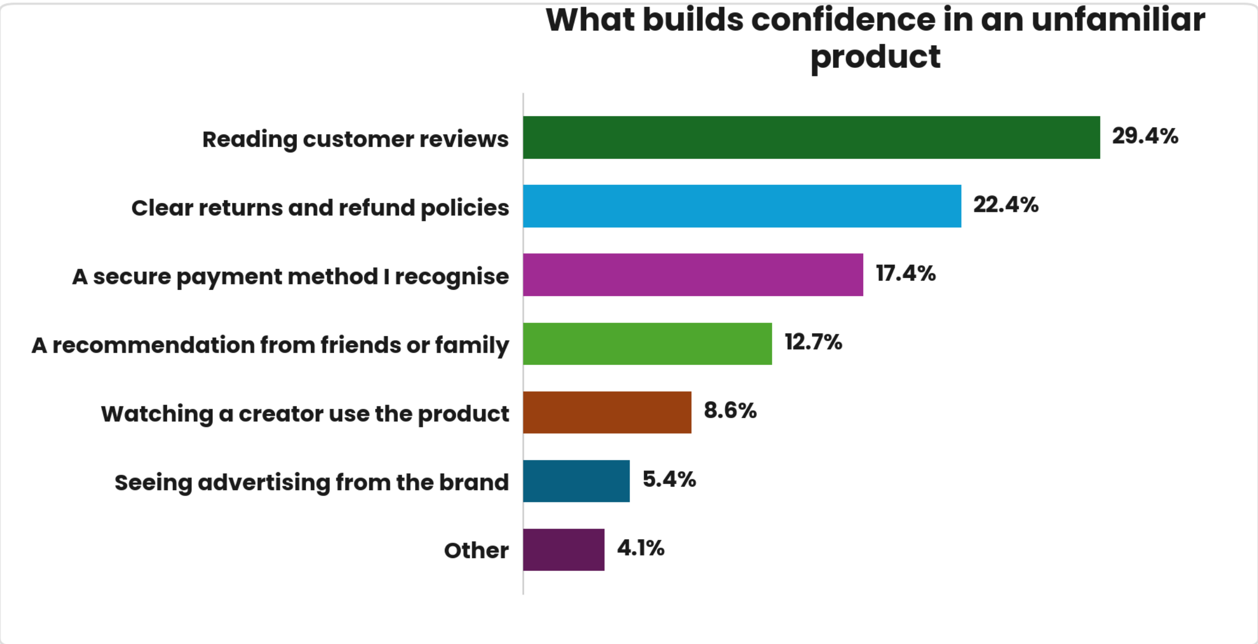



*Figure: What would make consumers feel most confident buying an unfamiliar product online, 2026.*

## Payments fragment around speed and security

No payment method dominates the 2026 preference question. Instant EFT or automated bank transfer leads at 16.4%, narrowly ahead of debit cards at 15.3%. Saved card details (10.6%), credit cards (9.3%), Capitec Pay (9.1%) and PayShap (8.4%) form a broad second tier. The 2025 questionnaire grouped payment rails more broadly, with credit cards and bank transfers dominating; because the 2026 instrument separates several bank-transfer, saved-card and wallet options, a direct percentage comparison would be misleading.

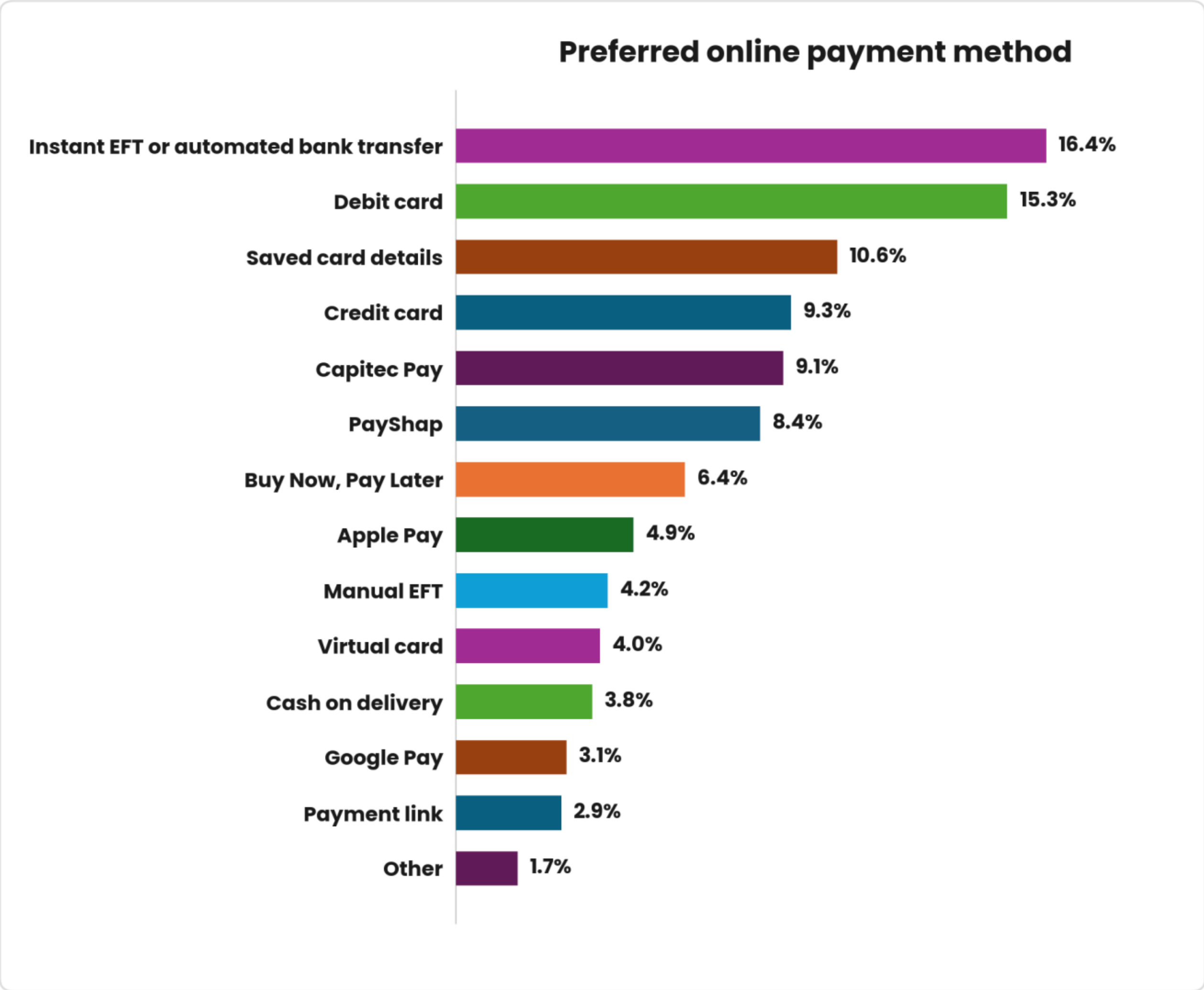



*Figure: Preferred payment method for online shopping, 2026.*

The reasons behind payment preference are clearer than the method ranking. Speed leads at 26.1%, followed by security at 23.9%. Acceptance across retailers (12.9%) and linkage to the main bank account (11.8%) are next. This helps explain why no single rail dominates: consumers are choosing for attributes that several methods can deliver.

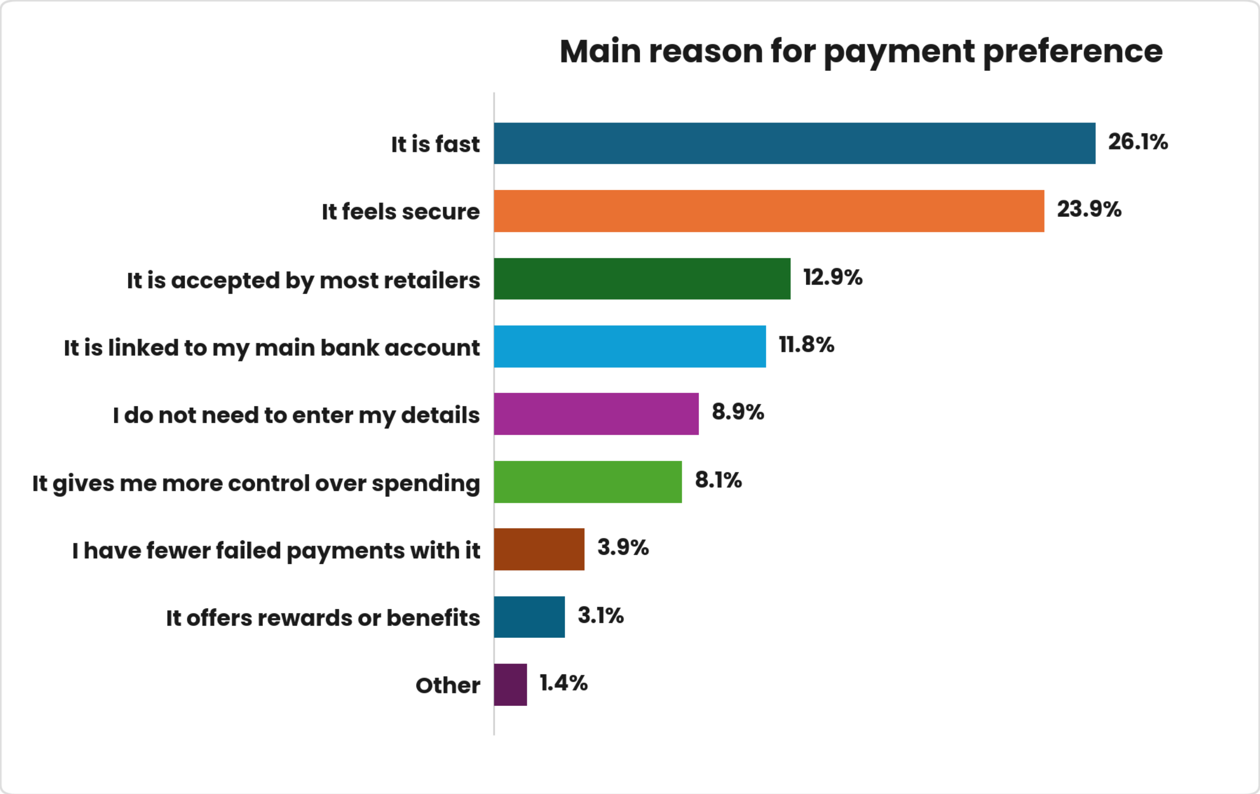



*Figure: Main reason for preferring a payment method, 2026.*

## Bank relationships still shape online payment behaviour

Capitec is the bank behind the card or account used most often for online shopping by 29.6% of respondents, followed by FNB at 18.0%, Standard Bank at 14.6%, Nedbank at 10.2% and Absa at 9.8%. This distribution gives context to the prominence of bank-authenticated payment options elsewhere in the survey.

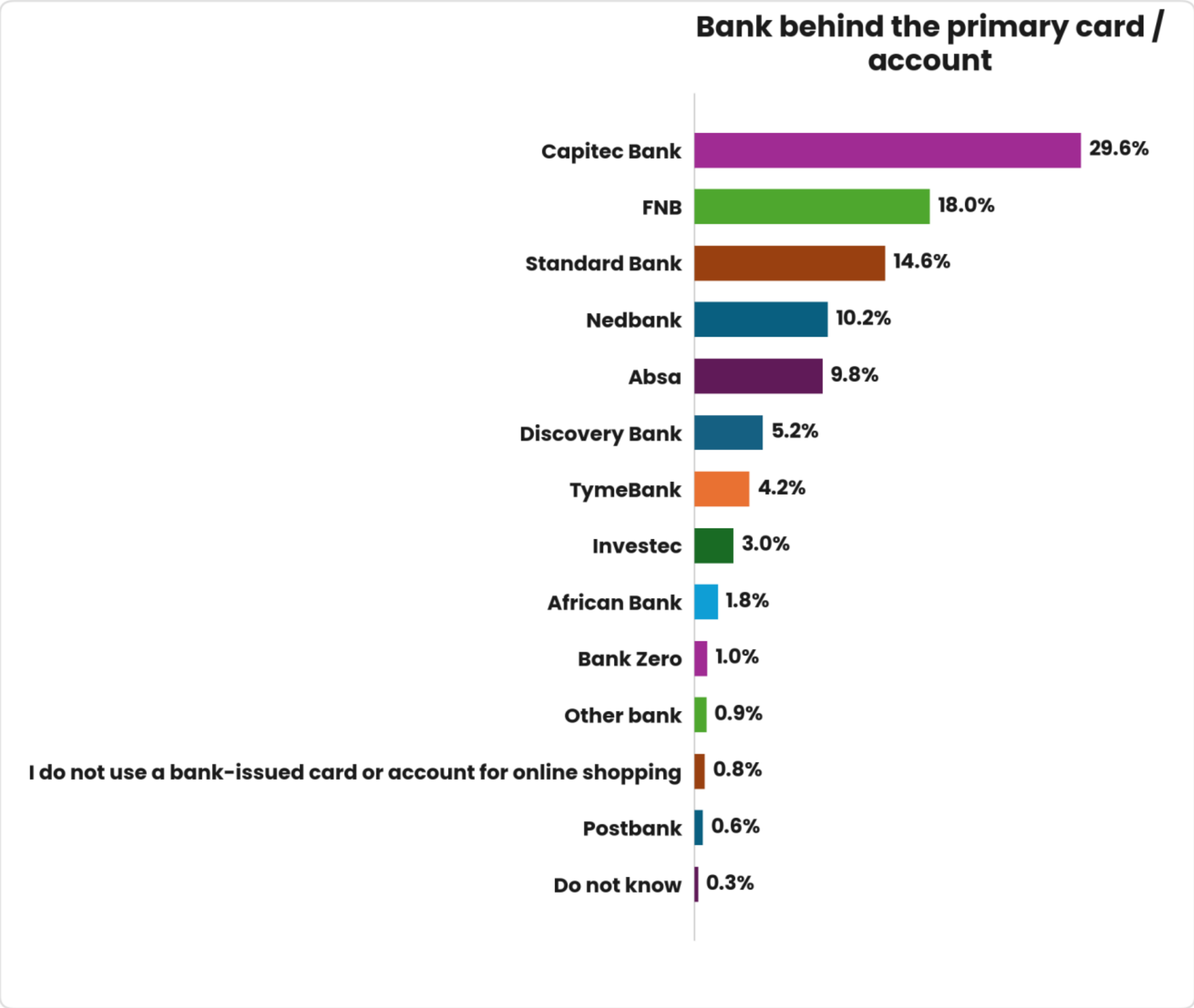



*Figure: Bank that issued the card or account used most often for online shopping, 2026.*

## Checkout design favours bank-authenticated speed

When consumers choose one checkout feature, instant or automated bank transfer leads at 34.1%. One-click checkout with saved card details follows at 24.7%, guest checkout at 21.7% and biometric digital wallets at 19.5%. The ranking again combines speed with a familiar authentication path rather than pointing to a single winning payment brand.

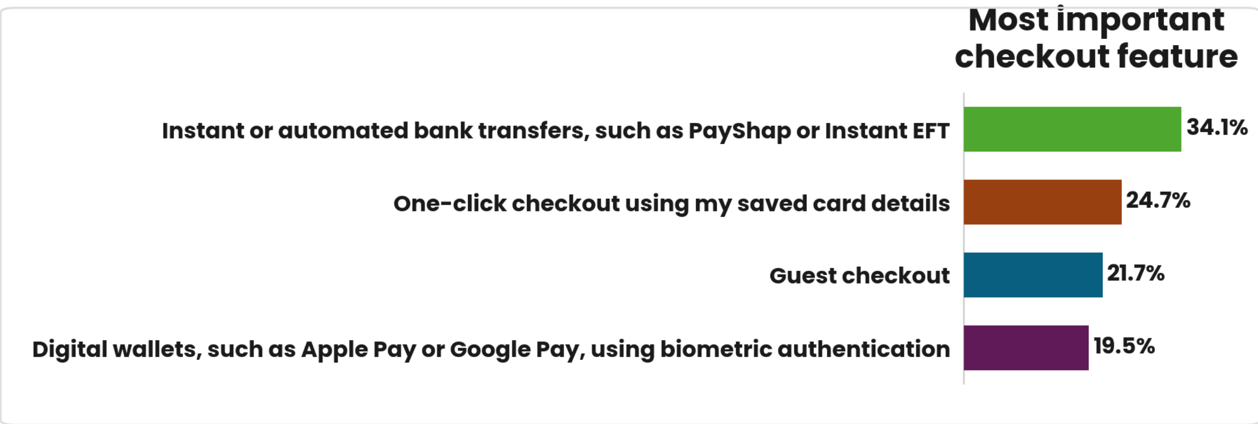



*Figure: Checkout feature consumers consider most important, 2026.*

Future payment curiosity is similarly dispersed. BNPL (11.6%) and PayShap (11.5%) lead, closely followed by instant EFT (9.8%) and Apple Pay (9.6%). Only 12.0% identify no new method they would try. Among respondents who name a method, 71.0% say they are somewhat or very likely to try a new payment method within the next 12 months.

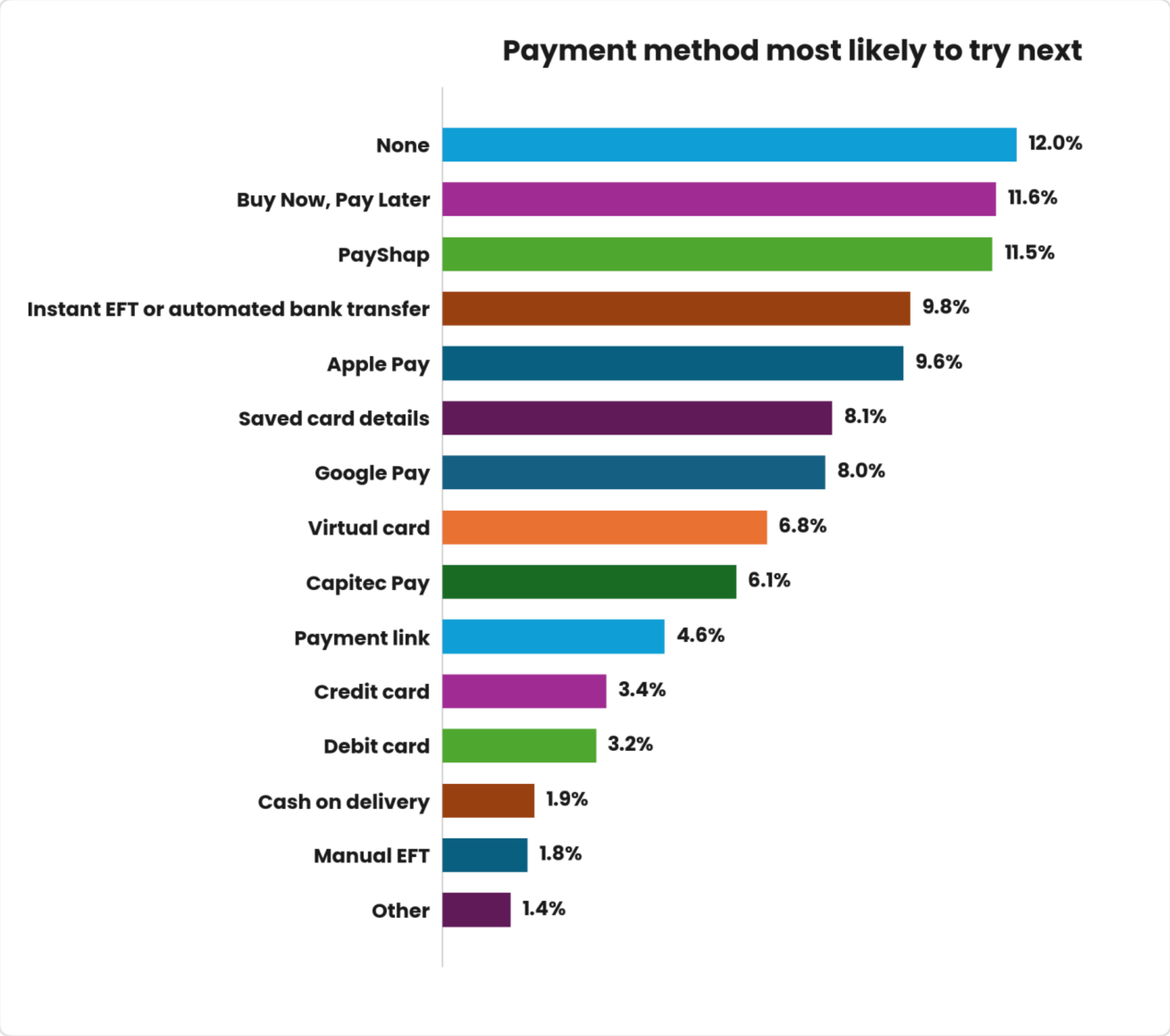



*Figure: Payment method consumers are most likely to try in the next 12 months, 2026.*

## BNPL is meaningful, but not yet a majority behaviour

More than half of respondents (54.4%) say they do not use BNPL. Among the full sample, 12.4% say it enables higher-value purchases, 9.9% say it makes checkout easier, and 9.0% say it encourages more frequent spending. BNPL therefore changes behaviour for a material minority, but the dominant finding is still non-use.

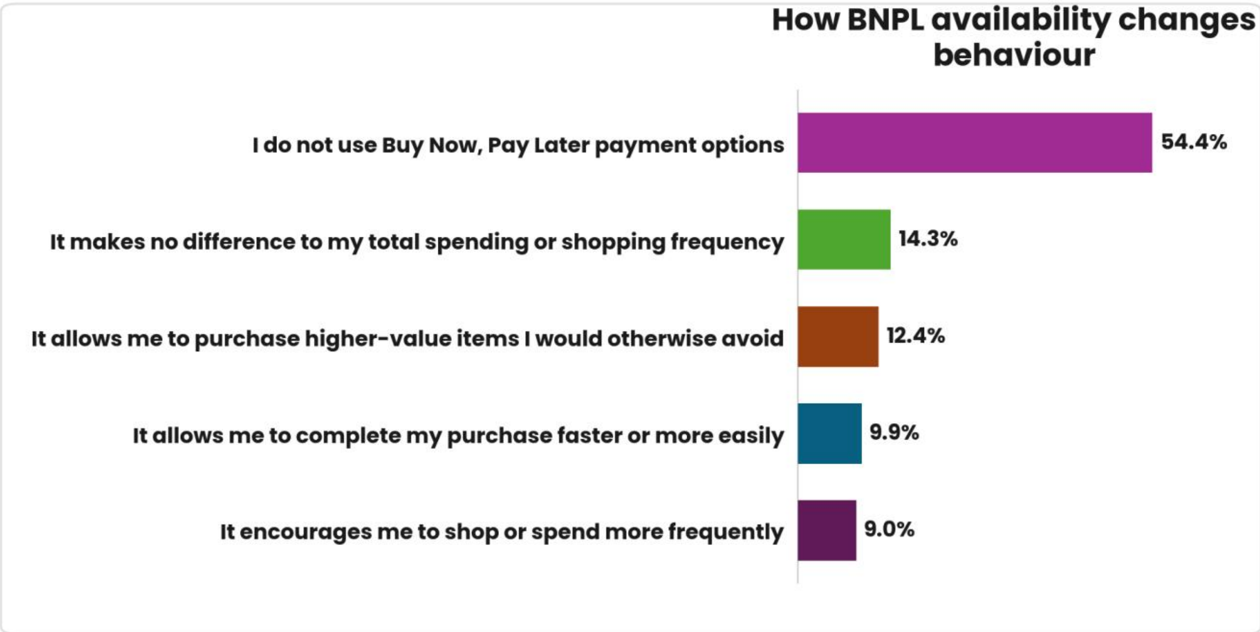



*Figure: How BNPL availability influences shopping behaviour, 2026.*

## Payment failure can translate into lost sales

30.1% of respondents report at least one online payment decline in the past 12 months despite having sufficient funds or credit: 16.1% experienced one and 14.1% more than one. A further 8.6% do not recall.

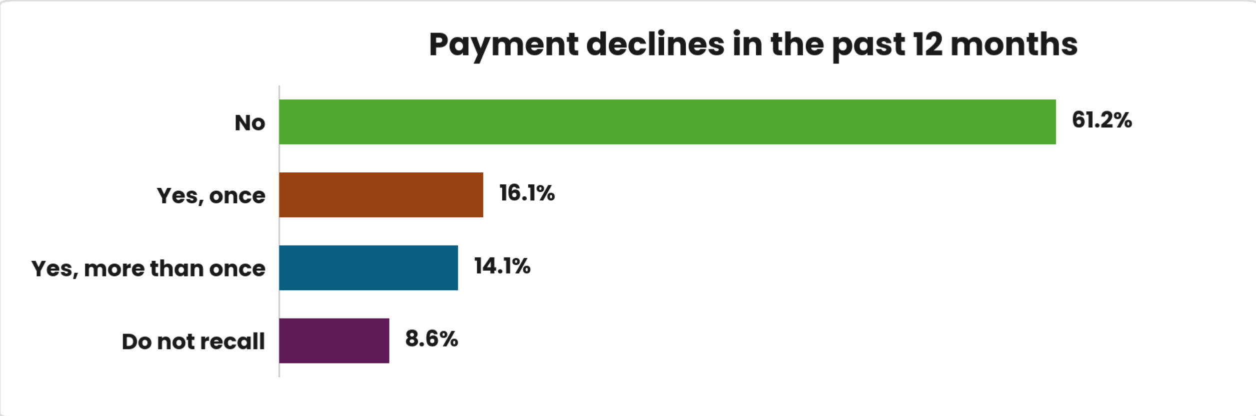



*Figure: Payment decline despite sufficient funds or credit in the past 12 months, 2026.*

The commercial consequence is clearer in the follow-up. Among the 422 respondents who experienced a decline, 56.6% of affected respondents abandoned their most recent purchase or bought from another retailer (39.3% abandoned the purchase and 17.3% bought from another retailer). A further 16.8% retried the same method and 16.6% switched payment method.

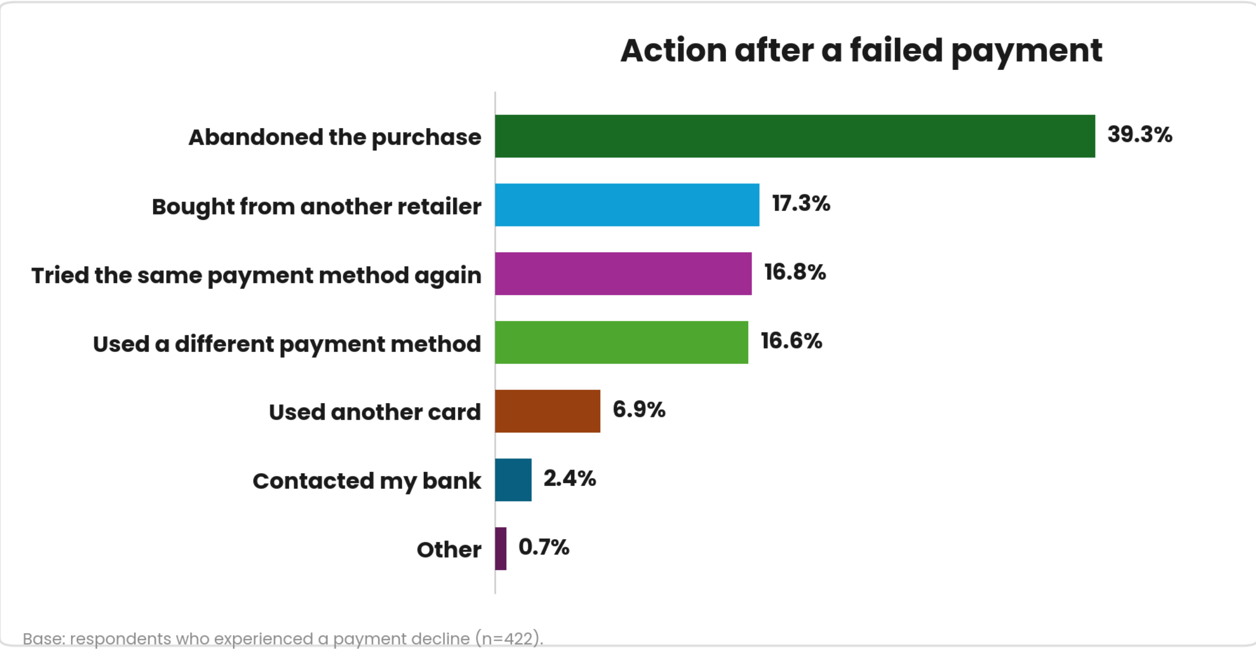



*Figure: Action after the most recent failed payment, 2026 (base n=422).*

## WhatsApp commerce holds steady, but is stronger among younger consumers in 2026

Overall WhatsApp purchasing is almost unchanged: 35.1% have bought something from a link in WhatsApp in 2026, compared with 35% in 2025. WhatsApp purchasing is stronger among younger consumers in 2026. Usage rises from 34% to 38.2% among 18-24-year-olds and from 37% to 39.5% among 25-34s, but falls from 31% to 23.2% among respondents aged 55+. WhatsApp commerce therefore remains established, but its strongest momentum is among younger shoppers.

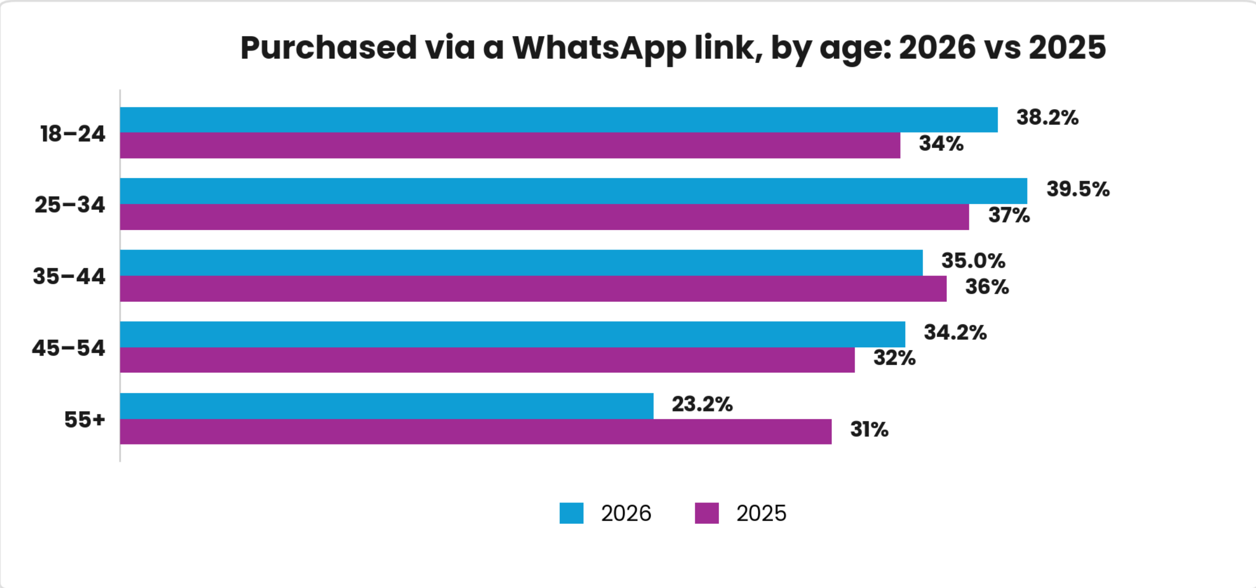



*Figure: Share who have purchased from a WhatsApp link, by age, 2026 vs 2025.*

## Consumers want payment approval they can see

Approval through a banking app is the single most selected feature for feeling safest when paying online at 23.4%, followed by fingerprint or facial recognition at 21.3%. Together these two visible authentication mechanisms account for 44.6% of responses. Clear refund and dispute protection follows at 11.1%. The result points to safety being understood as both transaction authorisation and recourse after something goes wrong.

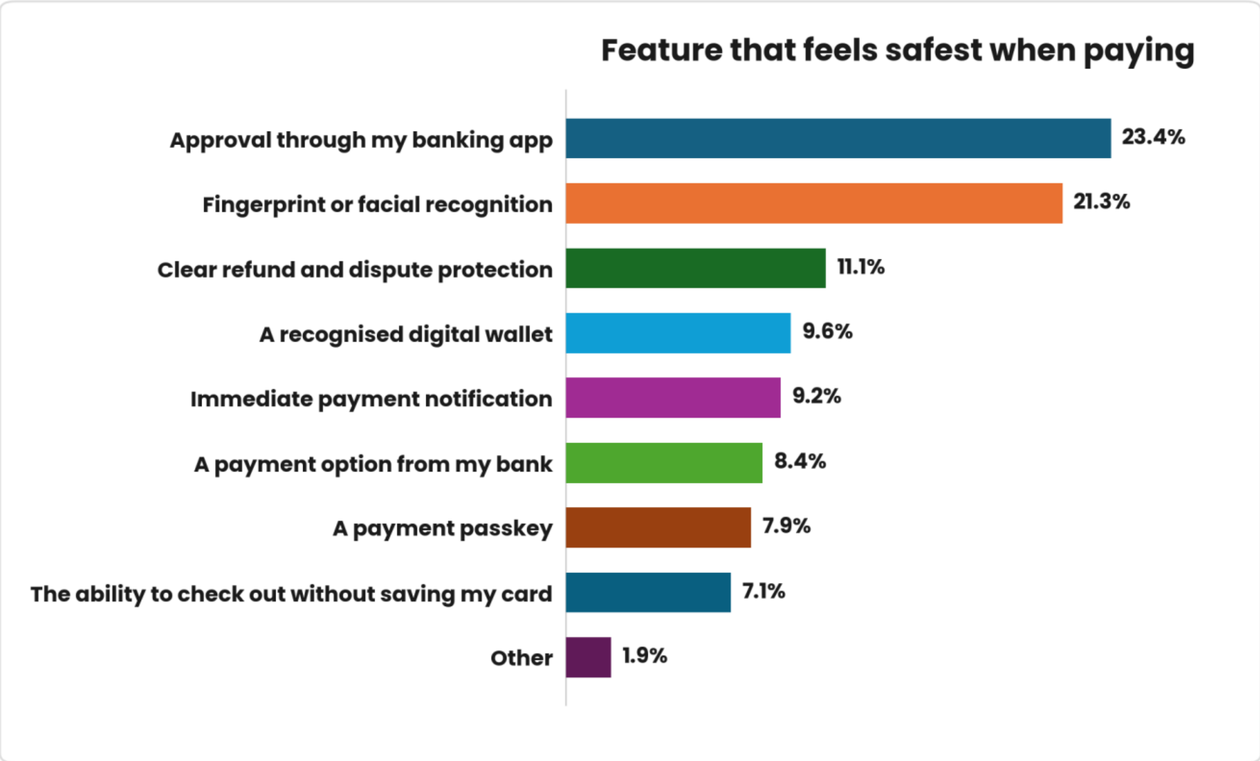



*Figure: Feature that would make consumers feel safest when paying online, 2026.*

## AI shopping confronts a control problem

Only 26.4% of respondents are somewhat or very comfortable with an AI service completing a purchase on their behalf within rules and spending limits they set. 50.9% are somewhat or very uncomfortable and 22.7% are neutral. This is a different measure from the 2025 survey, which focused on AI exposure and use, so it should not be treated as a year-on-year adoption comparison.

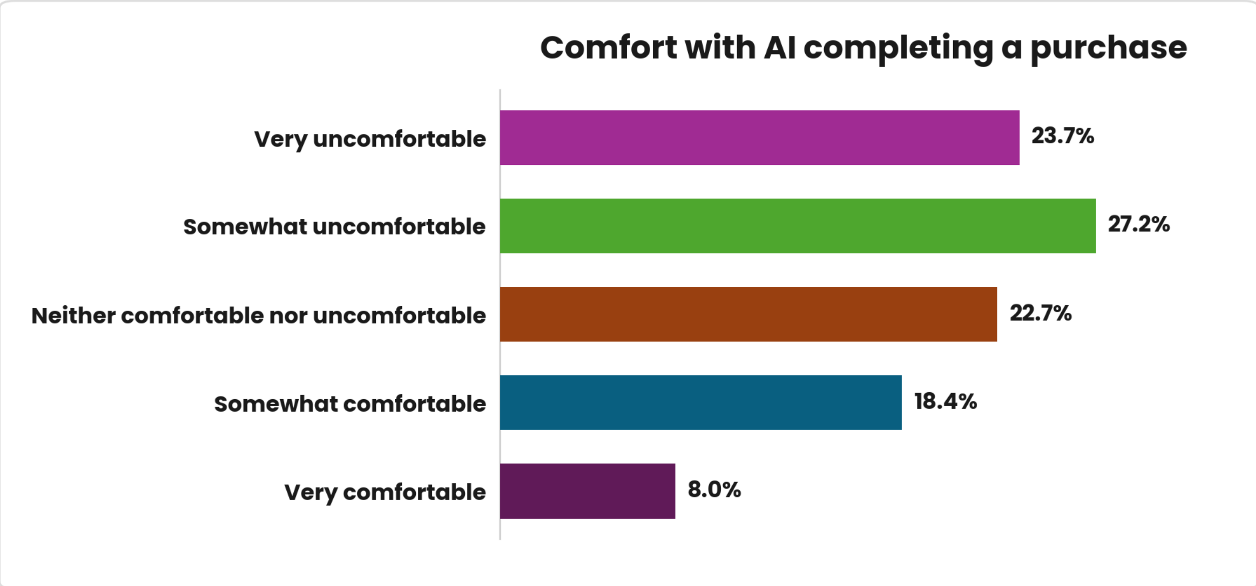



*Figure: Comfort with an AI service completing purchases within user-defined rules, 2026.*

Age is the clearest divide. Comfort peaks at 33.2% among 25-34-year-olds and is 29.4% among 18-24s. It falls to 25.2% among 35-44s, 19.5% among 45-54s and 16.7% among those aged 55+. The age gradient is considerably larger than the gender differences elsewhere in the survey.

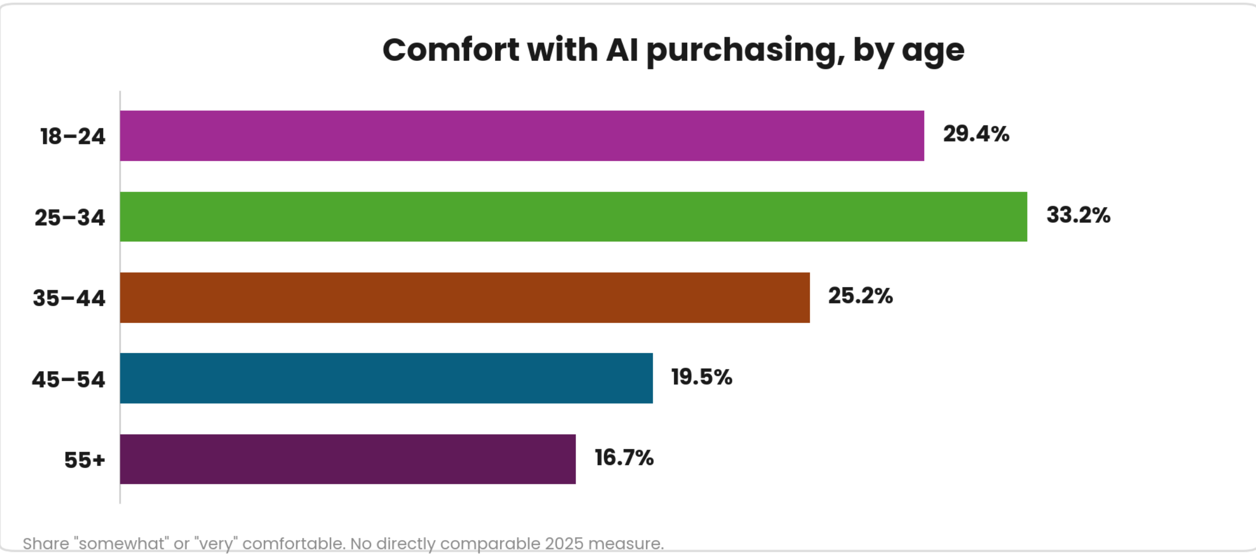



*Figure: Share comfortable with AI purchasing by age, 2026.*

## AI acceptance depends on explicit safeguards

Protection against unauthorised transactions is the most important AI-shopping control at 21.5%, followed closely by approval before every purchase at 20.9%. Another 20.1% reject the proposition entirely. Spending limits, retailer restrictions and product-category controls each attract smaller shares. The strongest demand is therefore for the shopper to retain veto power and protection, rather than simply setting a budget and allowing the agent to act freely.

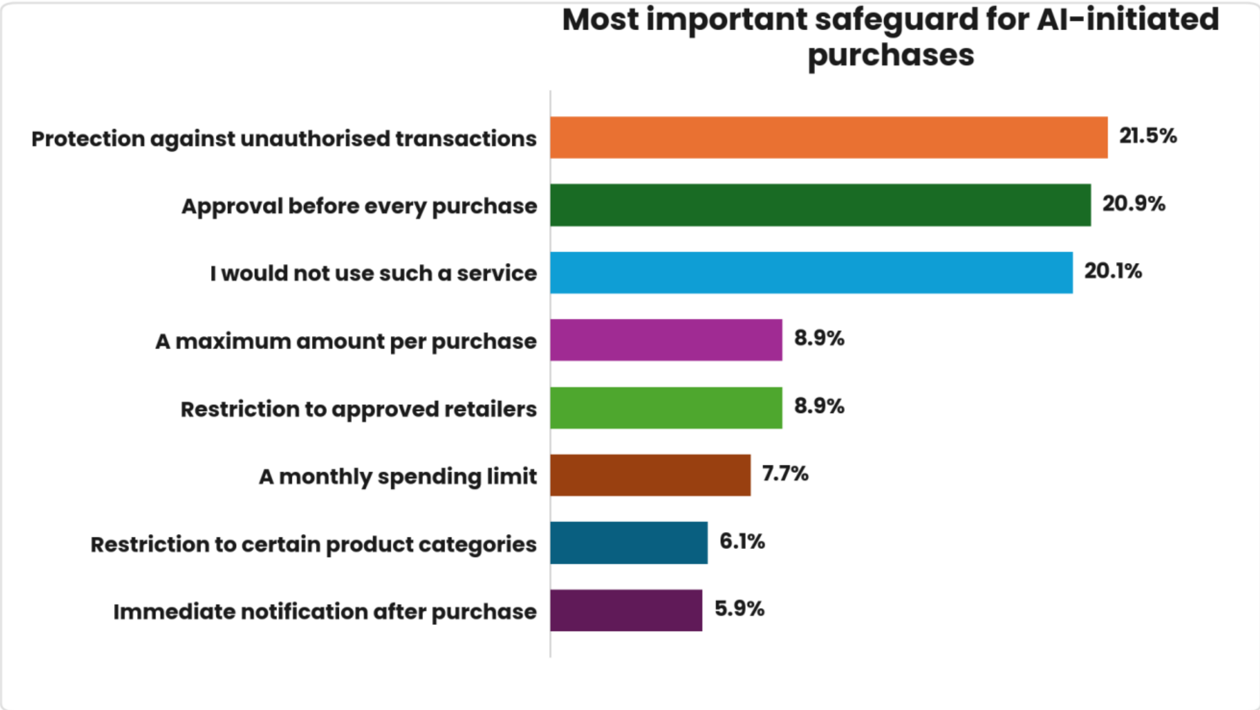



*Figure: Most important control for AI-initiated purchases, 2026.*

## Growth intent accelerates

69.6% of respondents say they are somewhat or very likely to increase their online shopping in the next 12 months, up from 57% in the 2025 survey. The very-likely share rises from 20% to 31.9%, while the neutral group falls from 24% to 15.9%. The increase is strongest among younger adults: 76.1% of 18-24s and 74.4% of 25-34s are likely to shop more online, compared with 65.2% of respondents aged 55+.


*Figure: Likelihood of increasing online shopping in the next 12 months, 2026 vs 2025.*

## Conclusion

The 2026 consumer survey shows a market that is becoming more active without becoming less demanding. Local platforms remain the default and retain their trust advantage, yet international shopping is becoming somewhat more frequent. Takealot remains the largest individual platform overall, but grocery-led services – Checkers Sixty60 above all – have closed much of that gap among higher-income households, a striking shift given Takealot's scale advantage. The competitive opportunity is therefore not simply to acquire online shoppers, but to win a larger share of increasingly frequent digital routines.

At checkout, consumers show the same priorities in several different ways: speed, visible security and control. Payment preferences are fragmented, new methods attract curiosity, and bank-authenticated experiences perform strongly. The cost of getting this wrong is measurable: three in ten shoppers report a decline despite sufficient funds or credit, and more than half of those decline experiences end in abandonment or a switch to another retailer.

The next frontier is AI-mediated commerce, but consumers are not granting autonomous purchasing authority easily. Only around a quarter are comfortable with AI buying within user-set rules, and the leading safeguards are protection against unauthorised transactions and approval before every purchase. This caution exists alongside a much more bullish outlook for ordinary online shopping: nearly seven in ten expect to increase their online shopping over the next year. The growth opportunity is therefore immediate, while agentic commerce remains conditional on trust and control.

## Source notes

2026: South African Online Shoppers survey, Ratepop, n=1,400.

2025 comparisons: Online Retail in South Africa 2025, World Wide Worx in partnership with Mastercard, Peach Payments and Ask Africa, published consumer survey section, n=1,400. Public report: https://www.worldwideworx.com/wp-content/uploads/2025/09/Online-Retail-in-South-Africa-2025.pdf

Comparison rule: historical percentages are included only where the 2025 and 2026 questions are materially comparable. Where options or concepts changed, the 2026 result is reported without a forced year-on-year calculation.

# Survey of South African Retailers, 2026

*Prepared by World Wide Worx · Fieldwork 11–31 August 2026 · n = 201 completed interviews*
*Full methodology and a note on what changed from the 2025 questionnaire appear in Appendix A.*

## Executive Summary

South Africa's online retailers have embraced AI everywhere except the one place it might do the most financial good. **Nine in ten** (90.5%) now use AI to write marketing copy and product content: a sharp rise from the 53.7% who said they were merely "considering" it a year ago, though the two questions are not directly comparable (see Adoption by business area); yet only 9.0% use AI specifically for checkout and payment optimisation, even as **card decline** overtakes every other factor as the single biggest reason shopping carts are abandoned (61.2% of retailers, more than double the 27.9% recorded in 2025). That mismatch – between where retailers are pouring their AI investment and where they are actually losing sales – is the standout finding of this wave of the annual retailer survey, covering 201 completed interviews.

**Card decline is now a bigger cart-abandonment factor than shipping fees.** Only 1.5% of South African online retailers approve every card payment they process, 74.1% fall in the 75–99% approval band, and a further 8.0% do not even know their approval rate. Most retailers are losing at least some sales to friction, and a meaningful share cannot measure how much. The leading causes of failed payments are checkout/website error (60.7%), insufficient funds (50.7%) and customer abandonment mid-authentication (50.7%). Checkout and authentication flow, not issuer behaviour, is where the money is actually being lost.

**Yet satisfaction refuses to budge.** Despite that rising friction, 91.0% of retailers still rate their current payment provider(s) 4 or 5 out of 5 (average 4.3/5), barely changed from a combined 92.0% in 2025. Retailers appear to read card decline as a checkout and authentication problem, not a verdict on their gateway, and most run more than one provider regardless; a single commercial and support relationship, not more providers, is the single most commonly chosen answer for what would actually simplify things (see Payment Management).

**Buy now, pay later has gone mainstream in a single year.** The share of retailers offering BNPL has more than tripled, from 15.9% in 2025 to 54.7% today: a bigger one-year jump than any other payment method in this survey, and a sign that instalment credit has moved from experiment to expectation at South African checkouts.

**Shein and Temu are squeezing harder.** The share of retailers who rate the impact of cross-border platforms on their business 4 or 5 out of 5 has more than doubled in a year – from a combined 15.0% rating the impact "significant" or "very significant" in 2025 to 39.3% today (average 2.98/5) – and far fewer retailers now dismiss the threat as negligible.

**Two concentrated markets hiding in plain sight.** The Courier Guy delivers for 64.7% of online retailers – nearly five times the usage of its nearest rival, RAM (13.9%), just ahead of Fastway (13.4%) – while FNB banks 51.2% of them and separately handles merchant acquiring for 41.8%. Two pieces of infrastructure retailers rarely discuss in public have ended up concentrated in the hands of one provider apiece.

**Security's two-speed reality.** Payment fraud (70.6%) and refund abuse (52.2%) are what worry retailers most. This question is new for 2026, so no 2025 comparison is available. The basics – 3-D Secure (86.1%), encryption (78.6%), CVV checks (78.6%) – are close to universal, but after two years of industry talk about passwordless checkout, passkeys are used by just 10.0% of retailers and fingerprint/facial biometrics by 13.9%. Adoption remains low, consistent with the 2025 findings.

**AI is coming for checkout too: retailers just aren't ready.** Beyond marketing, 41.3% of retailers currently use AI for customer service/engagement and 26.9% for payment verification/fraud detection. But as AI shopping agents move from pilot to reality internationally, South African retailers are largely unprepared for the next step: only 2.5% say they are already enabled to accept purchases an AI agent initiates on a customer's behalf, 33.3% are interested but have no plans, and 21.4% do not even know what enabling it would require.

**Logistics: cost, not service, drives switching.** Lower delivery costs is the single most likely reason retailers would switch courier partners in the next 12 months (92.4% rate it 4-5/5); high delivery costs is also the most-cited operational pain point, though even here fewer than half (48.0%) rate it a significant challenge. Logistics reads overall as an area of manageable, cost-driven friction, not acute crisis.

**Growth optimism cools further, but stays high.** 59.7% of retailers still expect turnover growth above 40% in the next 12 months, but that is down from 2025's 74.2%, continuing a moderation the 2025 report itself already noted from 2024, and occurring in the same wave that recorded the jump in card decline and cross-border pressure reported above.

**Who was surveyed.** This wave draws on 201 interviews with South African online retail decision-makers, led by Business Decision Makers/Managers (37.3%) and Owners/MDs/CEOs (36.3%), skewing somewhat smaller by employee count than the 2025 panel: a difference flagged wherever it plausibly affects a year-on-year comparison in this report.

## Methodology

This report is based on interviews conducted by World Wide Worx with technology and business decision-makers at South African online retailers. The primary objective is to track how payments, fraud, security, AI adoption and logistics are changing in South African e-commerce, and to compare year-on-year with the 2025 wave of this study where the questionnaire allows.

**Fieldwork status**

Fieldwork opened on 11 August 2026 and closed on 31 August 2026, with 201 completed interviews recorded, ahead of the original target of 200. All figures in this report are drawn from the complete set of 201 completed interviews. As with any survey, findings based on a small subgroup (for example, "Other" write-in gateways or couriers, or single-digit-percentage categories) carry a wider margin of error than the headline figures and should be read with that in mind.

**Sampling and data collection**

The sample consists of businesses operating across South African retail sectors, selected on their involvement in online retail activity and their status as payment or e-commerce decision-makers within their organisation. Interviews were conducted telephonically, with the same respondent categories (Owner/MD/CEO, Ecommerce Decision Maker, Business Decision Maker/Manager, Operations Manager/COO, Financial Decision Maker, IT Decision Maker, HR Manager/Consultant) used in the 2025 wave.

**A redesigned questionnaire: what changed from 2025**

The 2026 questionnaire was substantially rebuilt. Some 2025 modules were not re-fielded this wave: WhatsApp commerce and payment collection, marketing-activity importance, "technologies and strategies" (in-store payments, cash on delivery, collection points, etc.), ecommerce site profitability, capability-versus-international-platforms comparisons, and five-year industry growth prospects. In their place, the 2026 questionnaire adds substantial new depth:

- Root-cause detail on payment failures, and the actions retailers take after a failed payment
- Card approval rates, payment risk concerns and the specific security controls in use
- Banking relationships: which bank holds the main transactional account and which supplies merchant acquiring
- What would help retailers simplify payment management (single integration, single token, centralised reconciliation, etc.)
- AI adoption broken out by nine specific business areas (current use / planned / neither), plus a new question on readiness for AI-agent-initiated ("agentic commerce") purchases
- An entirely new logistics and courier module: platforms used, reasons for switching providers, and operational challenges

Because of this redesign, year-on-year comparisons in this report are offered only where the question wording and response options are close enough to be meaningful.

## Respondent Profile

### Position in company

Business Decision Makers/Managers make up the largest share of respondents at 37.3%, narrowly ahead of Owners/Managing Directors/CEOs at 36.3%. Ecommerce Decision Makers account for 15.4%, with Operations Managers/COOs (3.0%), IT Decision Makers, Financial Decision Makers and HR Managers/Consultants making up the remainder. That marks a shift from 2025, when Owners/MDs/CEOs led at 38.3% ahead of Ecommerce Decision Makers (29.9%) and Business Decision Makers/Managers (18.4%).

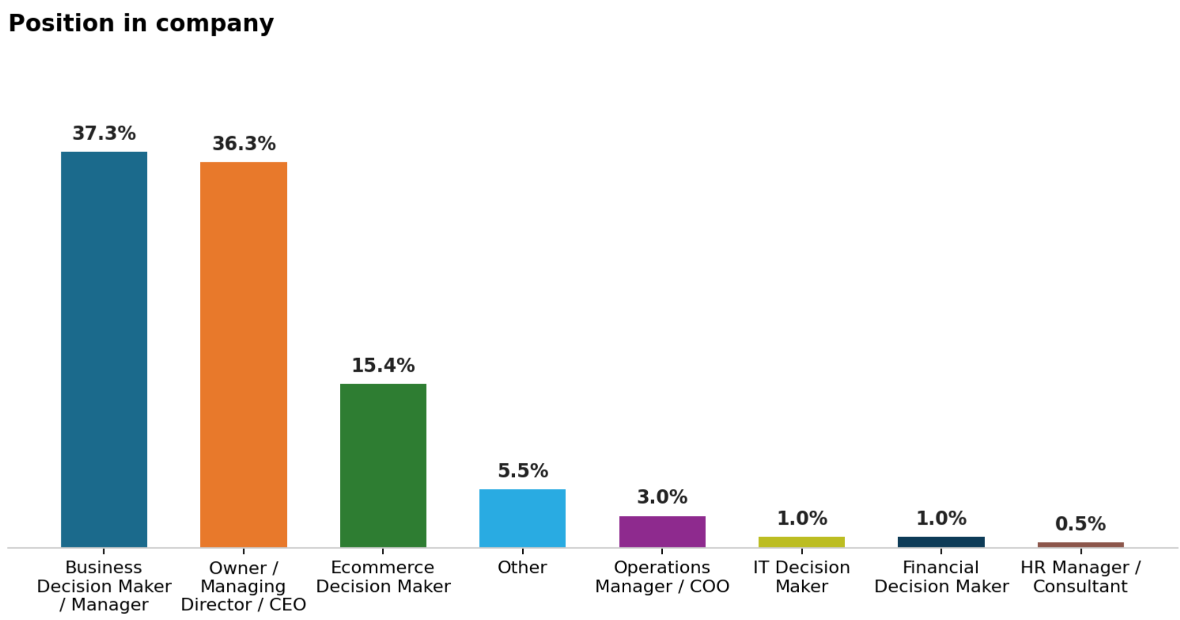



*Figure: Position in company (n=201)*

## Company size

Firms with 1–5 employees make up the single largest segment of respondents (28.9%), followed by 6–20 employees (20.9%) and 21–50 employees (19.4%). Together, businesses with fewer than 50 employees account for 69.2% of the sample. Larger organisations are still represented – 201–1,000 employees (7.0%), 1,001–5,000 (5.0%) and 5,001+ (3.5%) – but this is a markedly broader spread toward smaller firms than the 2025 sample, which was weighted toward 51–200-employee firms (37.3%). This difference is worth keeping in mind wherever this report compares 2026 with 2025; Appendix A sets it out in full.

**Company size**

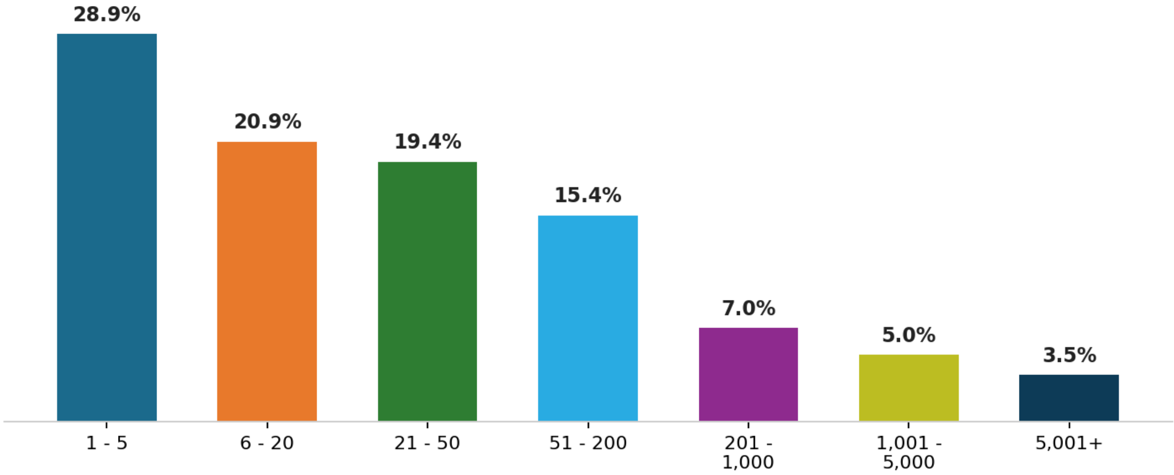



*Figure: Company size, 2026 sample (n=201)*

## Sector

Clothing, footwear or beauty products is the leading sales category (22.4%), followed closely by "Other" at 18.9%: the second-largest category in the chart below, and substantial enough to warrant its own breakdown rather than being left opaque. Electronics, appliances or automotive products (15.9%), general merchandise (15.4%) and home, furniture, garden or leisure products (11.4%) round out the named categories, alongside the 7.0% who selected Health & Wellness directly. Sales category was captured for the first time this wave, so no year-on-year comparison is available.

**Company's main sales category**

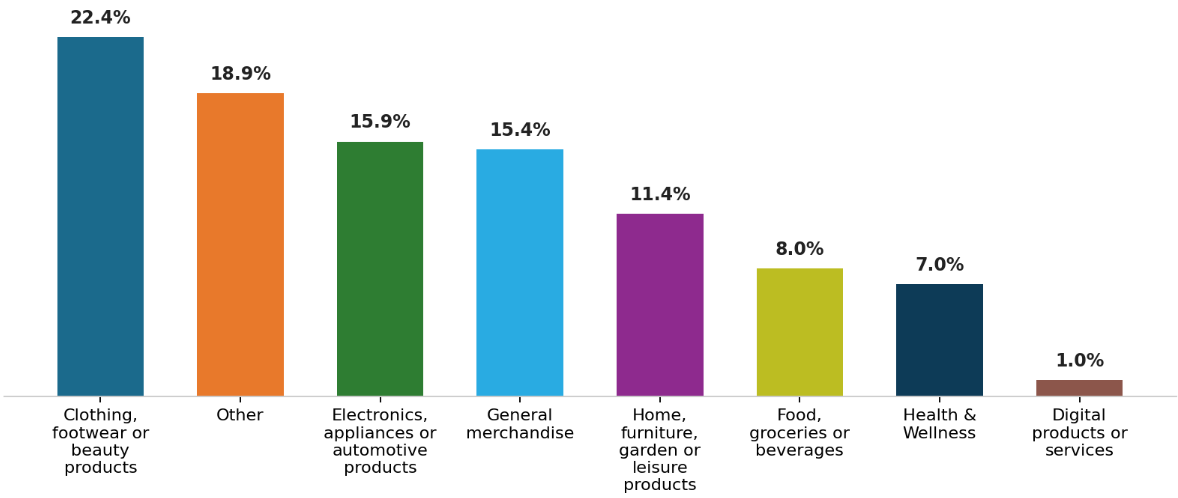



*Figure: Company's main sales category (n=201)*

What the "Other" responses actually contain: retailers who wrote in a category were most commonly selling health & wellness products, followed by a mix of stationery, office supplies, books, crafts and gifts, pet products, and sports, outdoor and fitness equipment.

| Write-in category | Responses | % of full sample |
|---|---|---|
| Health & wellness | 8 | 4.0% |
| Stationery, office supplies, books, crafts & gifts | 6 | 3.0% |
| Pet products/supplies | 5 | 2.5% |
| Sports, outdoor & fitness equipment | 5 | 2.5% |
| Baby products | 4 | 2.0% |
| Beauty, cosmetics & personal care | 4 | 2.0% |
| Home/lifestyle or mixed merchandise | 2 | 1.0% |
| Jewellery | 2 | 1.0% |
| Travel accessories | 1 | 0.5% |
| Kitchen appliances | 1 | 0.5% |

## Payment Gateway Satisfaction

Retailers remain positive about their payment providers, and most run more than one gateway instead of depending on a single relationship.

### Satisfaction with current payment providers

Satisfaction remains strongly positive: 91.0% of retailers rate their current payment provider(s) 4 or 5 out of 5 (average 4.3/5), with 50.2% satisfied and 40.8% very satisfied. This compares with a combined 92.0% positive rating in 2025 (76.6% very satisfied, 15.4% satisfied): the overall positive share is similar, but the balance has shifted from "very satisfied" toward "satisfied," and dissatisfaction (1.5% rating 1–2) remains a small minority. Given the smaller-business tilt of the 2026 sample (see Appendix A), some of this softening in the "very satisfied" share may reflect company-size composition, not a genuine decline in gateway performance.

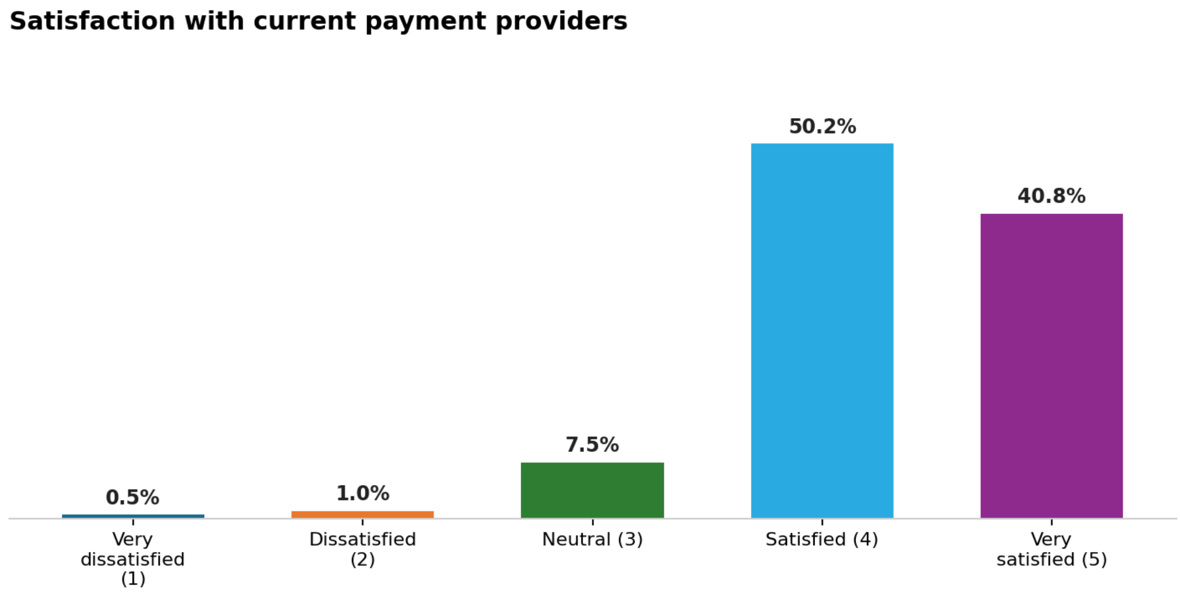



*Figure: Satisfaction with current payment providers, 1=very dissatisfied, 5=very satisfied (n=201)*

## Payment Methods Offered and Used

### Methods offered to customers

Debit cards (99.0%) and credit cards (98.5%) are near-universal, with EFT/bank transfer close behind at 89.1%. Buy now, pay later has moved from niche to mainstream: 54.7% of retailers now offer it, a marked rise from the 15.9% who reported actual BNPL usage in 2025. Rewards/vouchers/gift cards (38.3%), digital wallets (36.8%) and QR payments (27.9%) are now offered by well over a quarter of retailers. One-click checkout using saved card details (17.9%) and payment links (12.4%) are offered by a meaningful minority. PayShap is offered by 6.5% of retailers on its own: 2025 combined Instant EFT and PayShap into a single 40.8% figure, so this is not directly comparable, but it suggests PayShap specifically still has room to grow. Cash on delivery, at 2.0%, is now rare among these mostly online-native retailers.

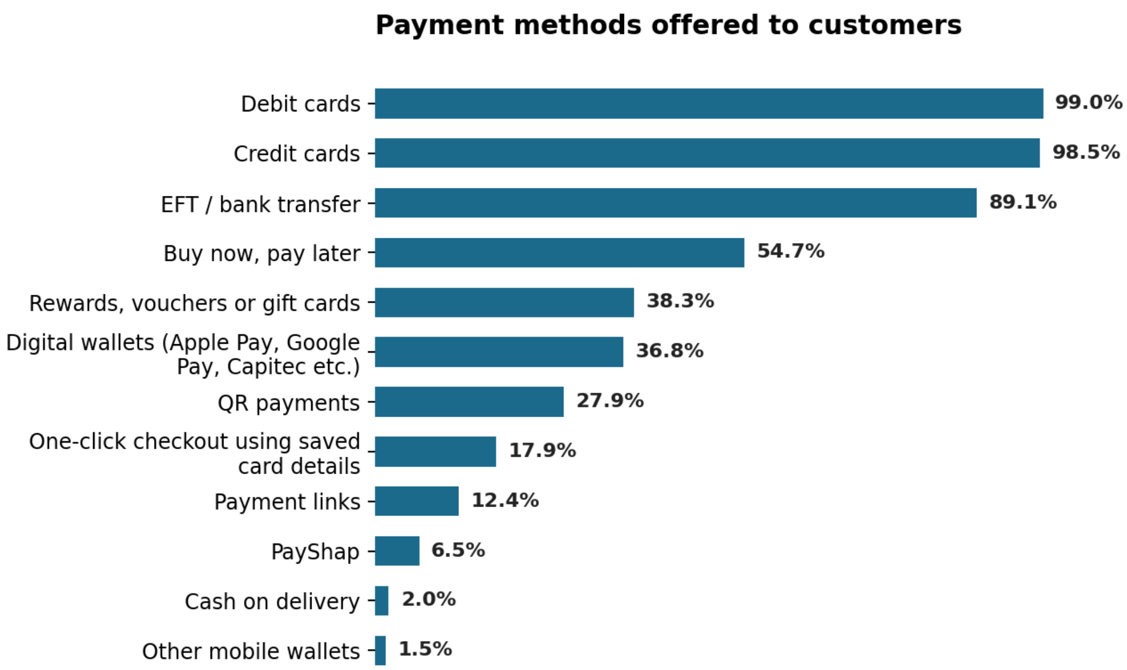



*Figure: Payment methods offered to customers, select all that apply (n=201)*

### Which method customers actually use most

Debit cards are what customers actually reach for: 43.3% of retailers say debit cards are used most frequently, ahead of credit cards (23.9%), EFT/bank transfer (12.4%) and BNPL (10.4%). The 2026 questionnaire asks this directly for the first time, and gives a cleaner read on actual customer behaviour than the "methods offered" question above, which only shows what is available, not what customers choose.

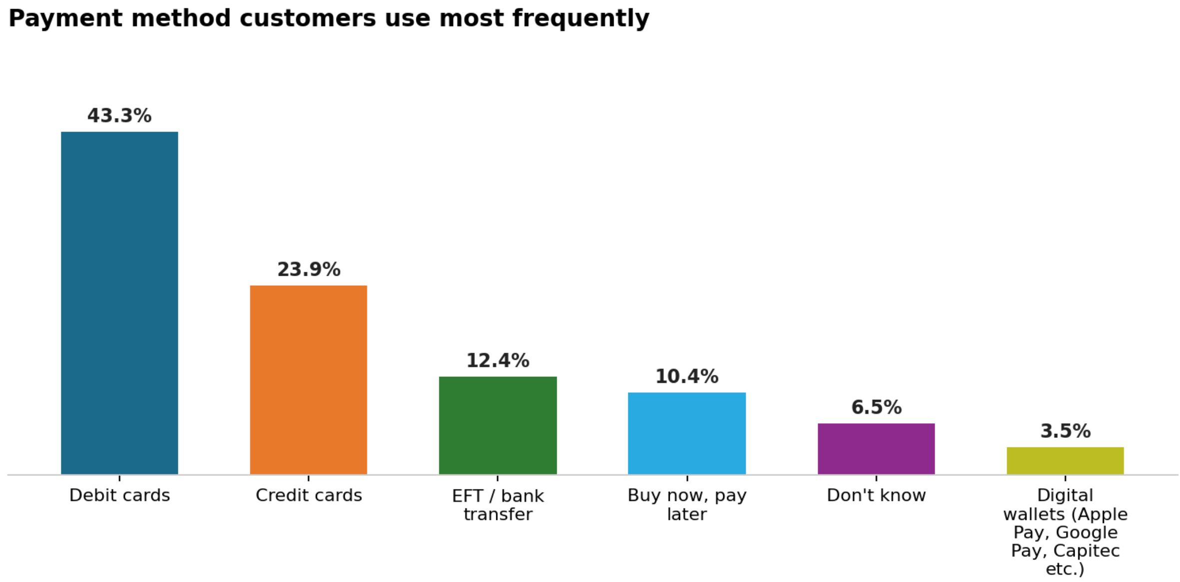



*Figure: Payment method customers use most frequently (n=201)*

## Methods planned for the next 12 months

34.8% of retailers do not plan to add any new payment method in the next 12 months, comparable to the 53.2% recorded in 2025. Among those planning additions, digital wallets lead (33.8%), consistent with 2025's finding that mobile wallets (22.4%) topped the wish-list. BNPL (17.4%), other mobile wallets (14.9%) and QR payments (10.4%) also feature. Interest in adding core rails already offered by nearly everyone – credit cards, debit cards, EFT – is close to zero, as expected.

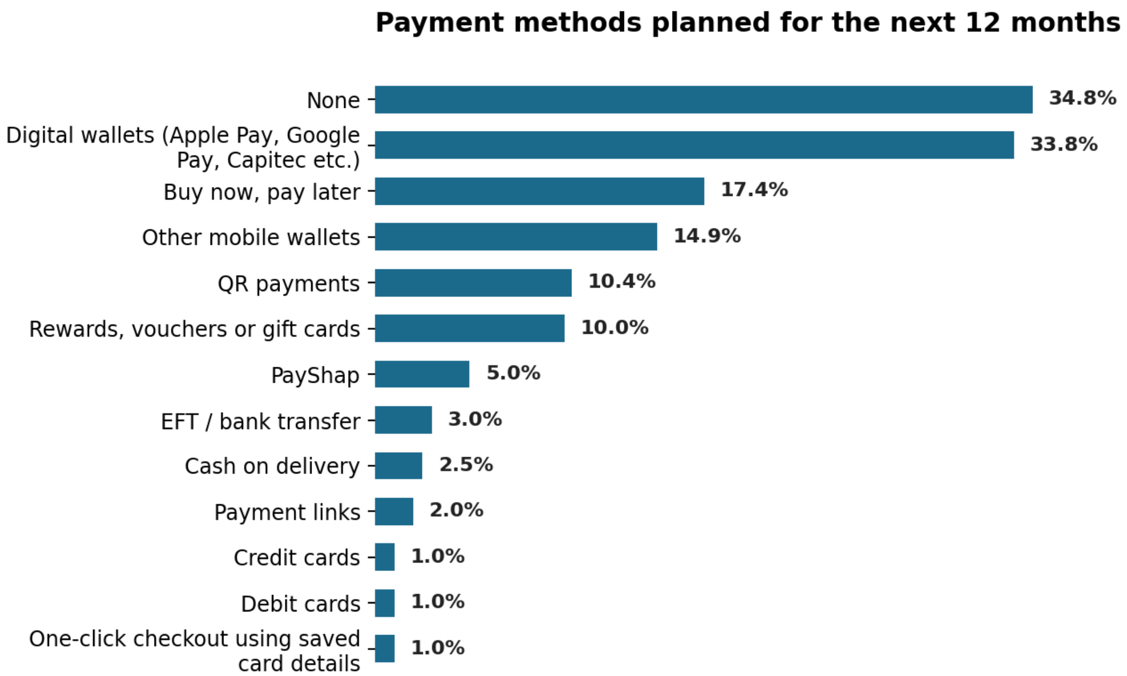



*Figure: Payment methods planned for the next 12 months, select all that apply (n=201)*

## What retailers prioritise when choosing a payment method

Commercial considerations (average 4.75/5, 96.5% rating 4-5) and settlement time (average 4.67/5, 95.5% rating 4-5) rank as the most important factors, with drop-off rates (average 4.55/5) and customer experience (average 4.51/5) close behind. All four factors score highly overall, with fewer than 5% of retailers rating any of them as unimportant. This question was redesigned for 2026: 2025 asked about eight distinct gateway-selection criteria (ease of integration, security, user experience, price, trust, reporting, stability, multi-currency support), not these four customer-payment-method criteria, so a direct numerical comparison is not possible. Thematically, the emphasis on customer experience and drop-off rates in 2026 echoes 2025's finding that ease of integration and user experience had risen to the top of the gateway-selection hierarchy.

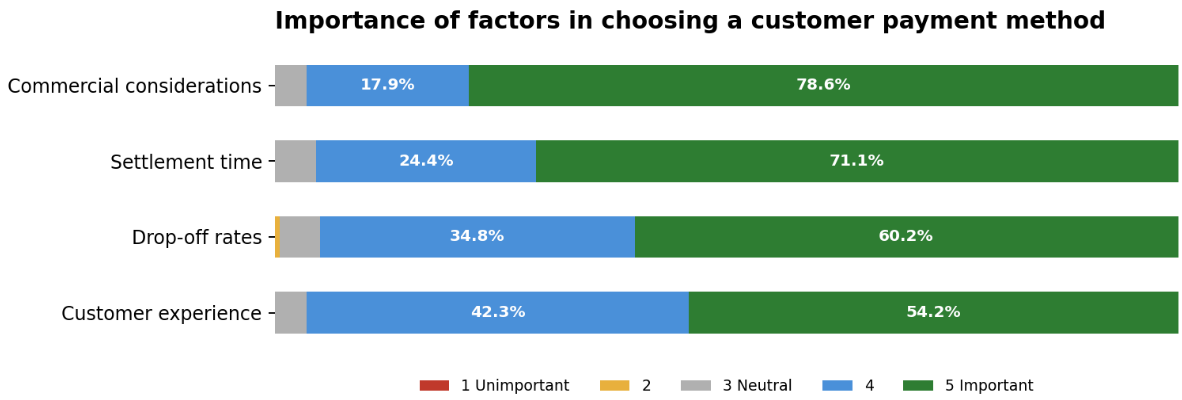



*Figure: Importance of factors in choosing a customer payment method, 1=unimportant, 5=important (n=201)*

## Payment Performance, Failure and Fraud

Only 1.5% of retailers approve every attempted card transaction, and checkout or website error – not issuer-side decline – is the single most common reason a payment fails. These questions on payment performance are new for 2026, giving a diagnostic view of where transaction value is being lost that was not available in 2025.

### Card approval rates

74.1% of retailers report that 75–99% of attempted card transactions are approved, and a further 15.9% report a 50–74% approval rate. Only 1.5% report 100% approval, while 8.0% do not know their approval rate at all: itself a finding worth acting on, since a retailer that cannot measure its approval rate cannot systematically improve it.

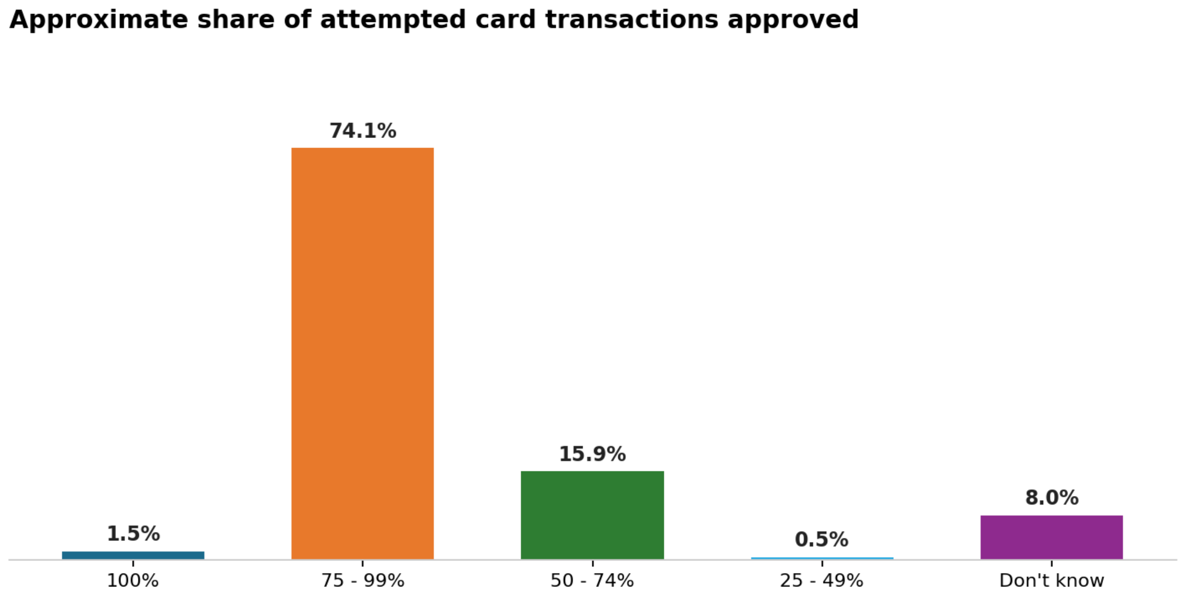



*Figure: Approximate share of attempted card transactions approved (n=201)*

### Causes of unsuccessful payments

Checkout or website error is the most commonly cited cause of failed payments (60.7%), ahead of insufficient funds, customer abandonment during authentication and 3-D Secure/authentication failure, which tie at 50.7% each. Expired or invalid cards (44.8%) and suspected fraud (30.8%) are also significant. That checkout/website error and authentication abandonment rank above generic issuer decline (25.9%) points to friction inside the retailer's own checkout and 3-D Secure flow as a bigger lever than issuer-side behaviour: a finding that lines up with card decline now being the top cause of cart abandonment (see below).

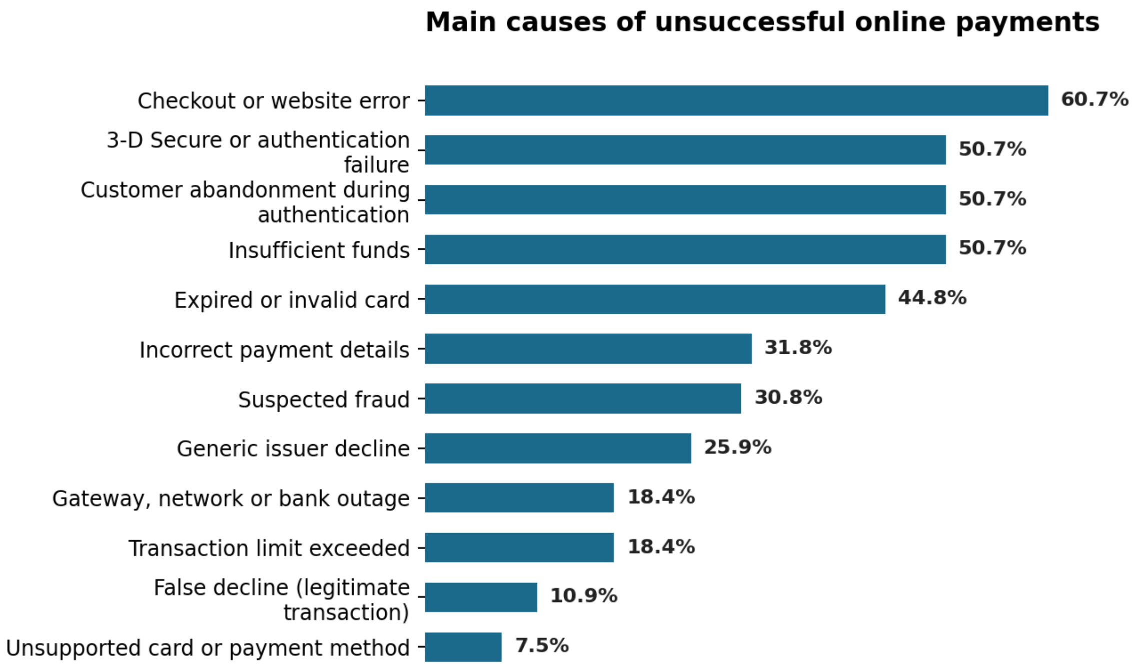



*Figure: Main causes of unsuccessful online payments, select all that apply (n=201)*

## What retailers do after a payment fails

Displaying the decline reason to the customer is the most common response (57.2%), followed by providing customer-support assistance (46.3%), sending an abandoned-cart reminder (43.8%) and offering another payment method (42.8%). Automatic retry (8.5%) and sending a payment link (7.5%) are used by a minority, suggesting room for more automated recovery. Only 1.5% of retailers take no action at all after a failed payment.


*Figure: Actions taken after an online payment fails, select all that apply (n=201)*

## Cart Abandonment

Card decline has become the leading driver of abandoned carts, cited by 61.2% of retailers: a sharp rise from 27.9% in 2025, when a long/complicated checkout process (37.3%) topped the list. Shipping fees remain a persistent second-place factor (51.7%, versus 31.3% in 2025), and required account creation has risen to 43.8% (versus 13.9% in 2025). Checkout complexity is still material (40.3%), and a newly separated "website or checkout error" option captures 31.3%: 2025 did not separately break this out, so some of what shows up as "checkout error" in 2026 may previously have been folded into "long/complicated checkout." Only 3.0% of retailers say none of these factors apply, down from 17.9% in 2025.

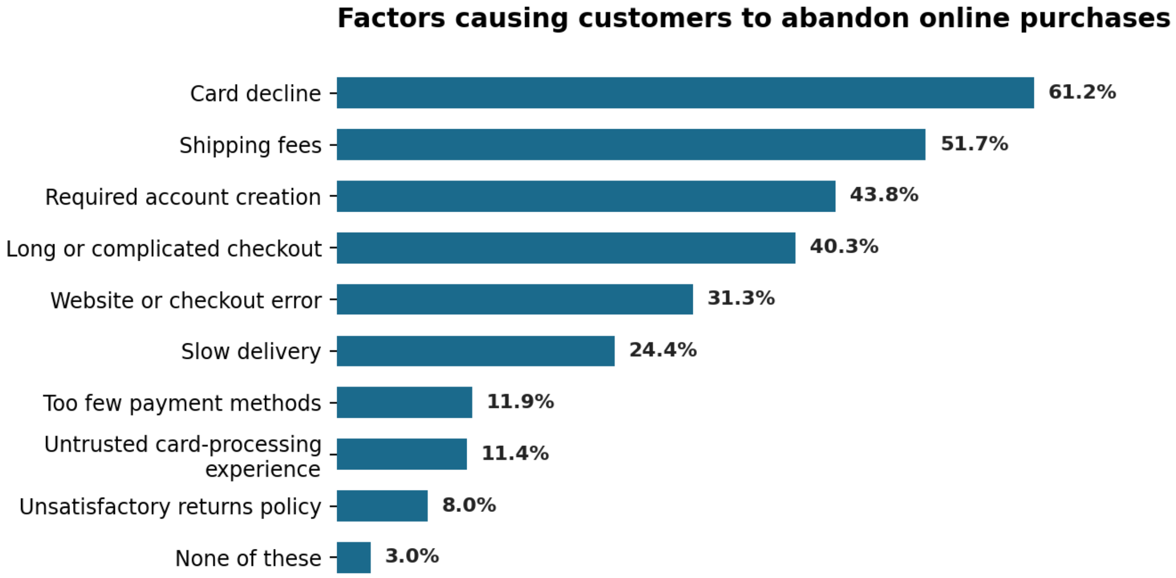



*Figure: Factors causing customers to abandon online purchases, select all that apply (n=201)*

### Reading this alongside payment performance

The rise of card decline as the top cart-abandonment driver is consistent with this wave's new payment-performance data: checkout/website error and authentication abandonment are the leading causes of failed payments, only 1.5% of retailers achieve full (100%) card approval, and a further 8.0% do not even know their approval rate. Together, these findings point to checkout and authentication flow, more than gateway choice, as the highest-value area for conversion improvement in the year ahead.

# Banking Relationships

FNB is the dominant banking partner for South African online retailers, holding the main transactional account for half of respondents and supplying merchant-acquiring services to more than four in ten. The 2026 questionnaire separates these two relationships for the first time – day-to-day business banking from the acquiring relationship that actually processes card payments – which are often, but not always, held by the same bank.

## Main transactional bank

FNB holds the main transactional account for 51.2% of retailers – a clear plurality – ahead of Nedbank (12.9%), Absa (10.4%) and Standard Bank (8.5%). 11.4% of respondents preferred not to disclose their transactional bank.

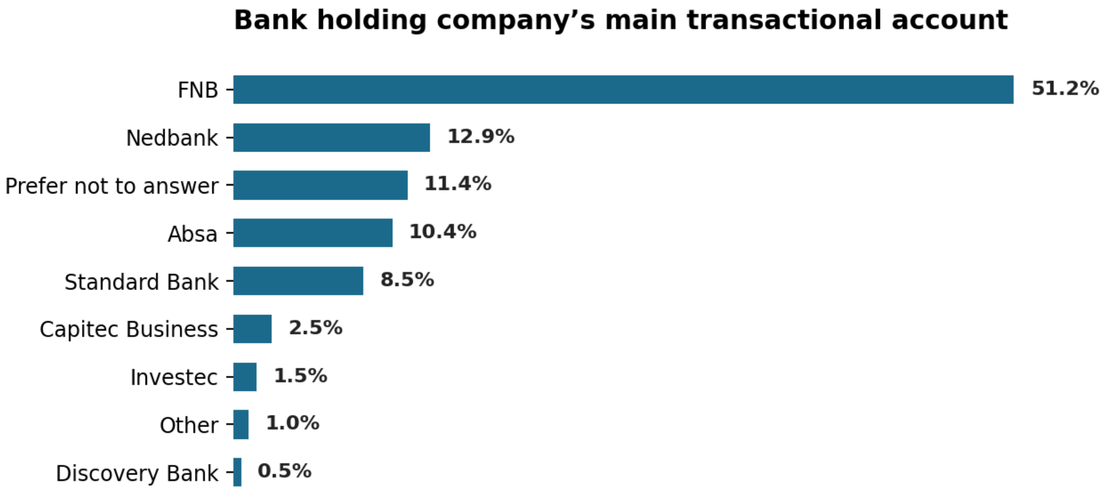



*Figure: Bank holding the company’s main transactional account (n=201)*

## Merchant-acquiring bank

FNB is also the leading merchant-acquiring bank, supplying 41.8% of retailers, ahead of Nedbank (20.9%), Absa (12.4%) and Standard Bank (10.4%). 10.0% of respondents did not know which bank supplies their merchant-acquiring service: a notable share, given how directly this relationship affects settlement times and approval rates.

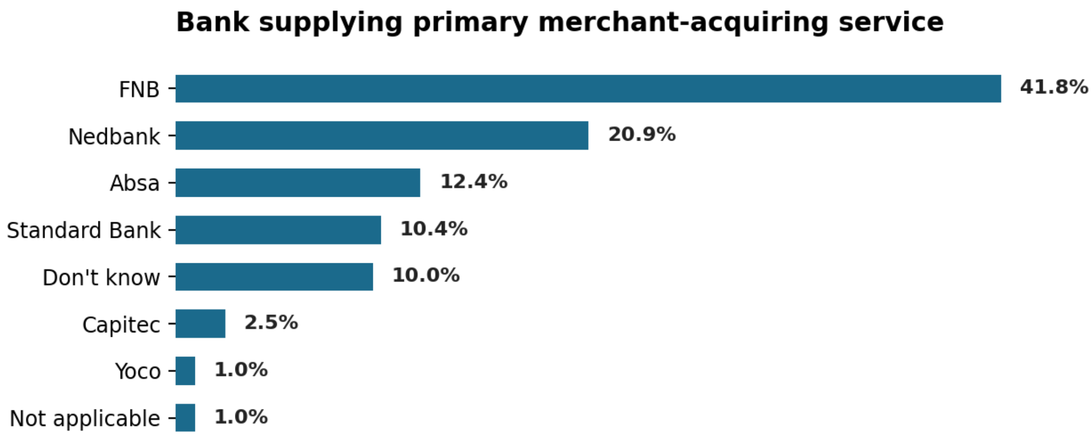



*Figure: Bank supplying primary merchant-acquiring service (n=201)*

## Payment Risk and Security

Payment fraud is the risk that worries South African retailers most, named by 70.6% of them, well ahead of refund abuse, account takeover and chargebacks. The 2026 questionnaire broadens 2025's narrow focus on passkey/biometric adoption into a full picture of both the risks retailers worry about and the security controls actually in place.

### Risks that concern retailers most

Payment fraud is the dominant concern, named by 70.6% of retailers, well ahead of refund abuse (52.2%), account takeover/stolen credentials (34.3%) and chargebacks/friendly fraud (29.9%). Data breaches (14.9%) and regulatory non-compliance (5.5%) concern fewer retailers. Only 10.9% report no major payment-risk concerns at all.

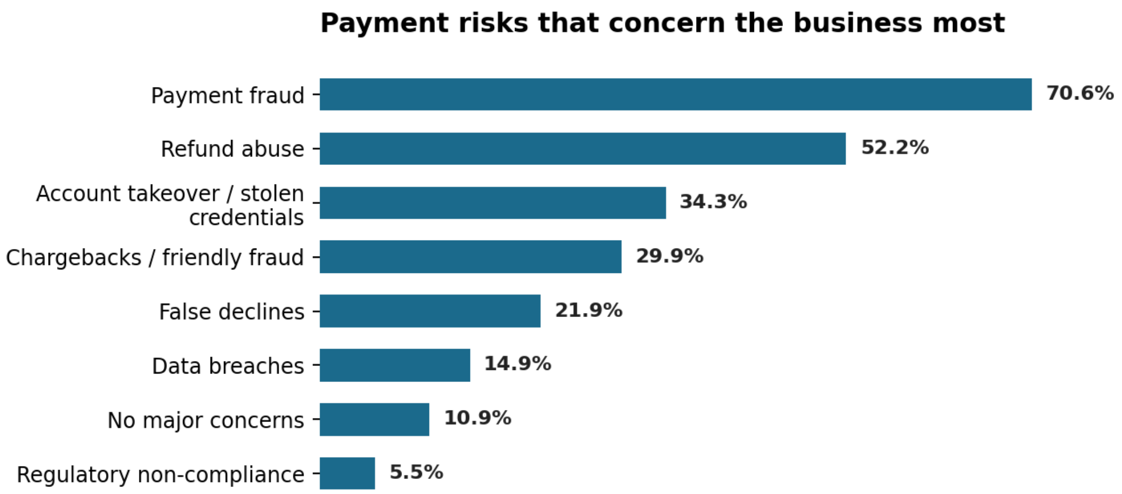



*Figure: Payment risks that concern the business most, select all that apply (n=201)*

### Security measures in use

3-D Secure (86.1%), encryption (78.6%) and CVV checks (78.6%) are close to universal. PCI DSS controls (49.3%) and tokenisation (38.8%) are used by roughly half and just under four in ten of retailers respectively. Passkeys (10.0%) and fingerprint/facial biometrics (13.9%) remain marginal: consistent with 2025's finding that 64.7% of retailers were not using any form of passkey or biometric authentication, and that most who did relied on email or mobile number as the payment identifier, not true biometrics. No retailer in this sample reports using none of the listed measures.

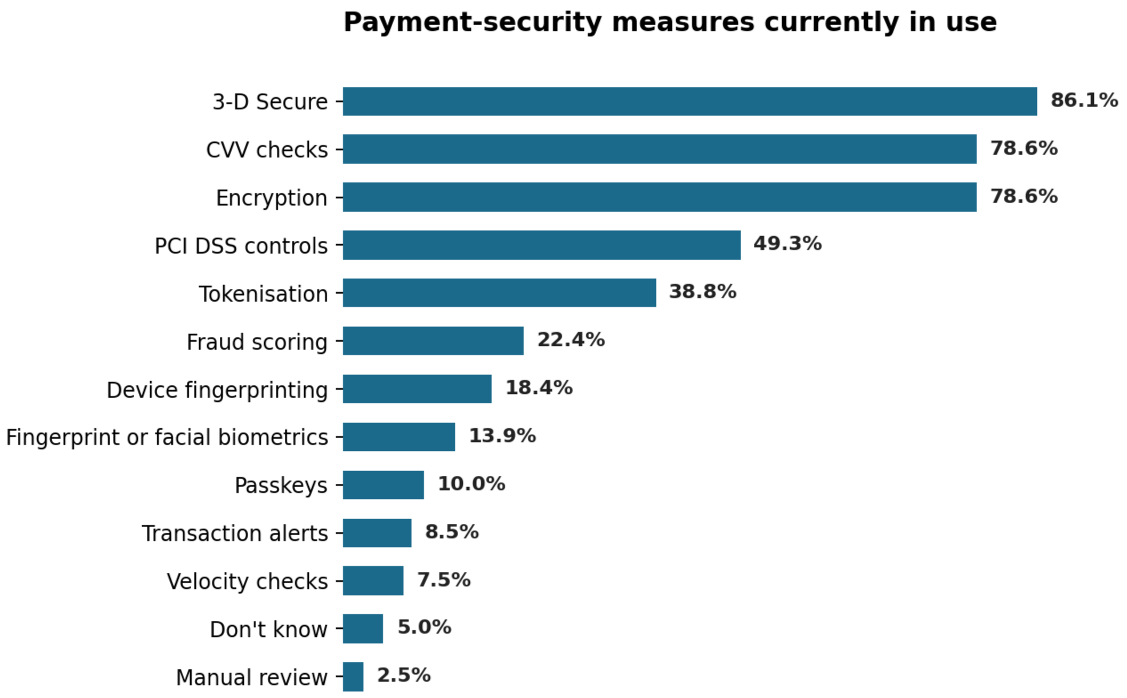



*Figure: Payment-security measures currently in use, select all that apply (n=201)*

## Payment Management: What Would Help

A single commercial and support relationship is the most common preference for simplifying payment management, selected by 42.3% of retailers – though not a majority – ahead of access to multiple providers for resilience (34.3%), a single integration for all payment-processing needs (31.8%) and centralised reporting/reconciliation (31.3%). A single token across multiple providers appeals to 25.4%. Only 10.9% say none of these would help. Running multiple payment providers is not purely a burden retailers would rather avoid – 34.3% explicitly value the resilience and continuity it provides – but the appetite for a single relationship and simpler integration suggests the operational overhead is real regardless. This question is new for 2026, so no year-on-year comparison is available.

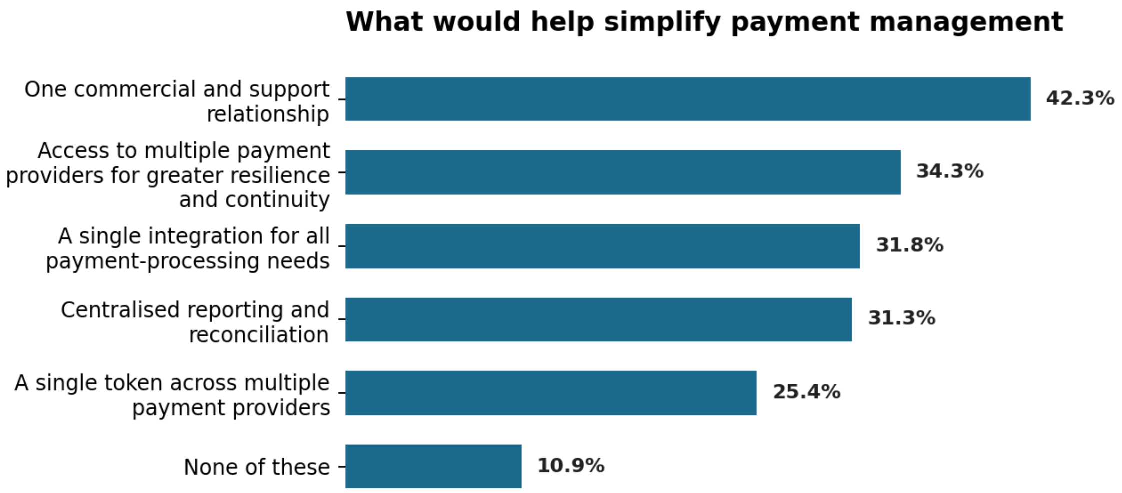



*Figure: What would help simplify payment management, select all that apply (n=201)*

## Cross-Border Platforms

Cross-border platforms such as Shein and Temu are biting harder than a year ago: 39.3% of retailers now rate the impact on their business 4 or 5 out of 5 on a 1–5 scale (average 2.98/5), and a further 29.9% fall at the midpoint. Only 20.4% report no impact at all.

This points to a clear intensification since 2025, when 65.2% of retailers reported no impact and only 15.0% rated the impact "significant" or "very significant." The scales used in the two waves are not identical (2025 used named categories: no impact/minor/moderate/significant/very significant, while 2026 uses an unlabelled 1–5 numeric scale), so the comparison should be read as directional, not as a precise percentage-point shift; but the direction is unambiguous. Combined with the smaller-business tilt of this year's sample – smaller retailers are typically more exposed to price-based competition from cross-border platforms than the mid-market and larger firms who dominated the 2025 panel – this is a trend worth monitoring closely in next year's wave.

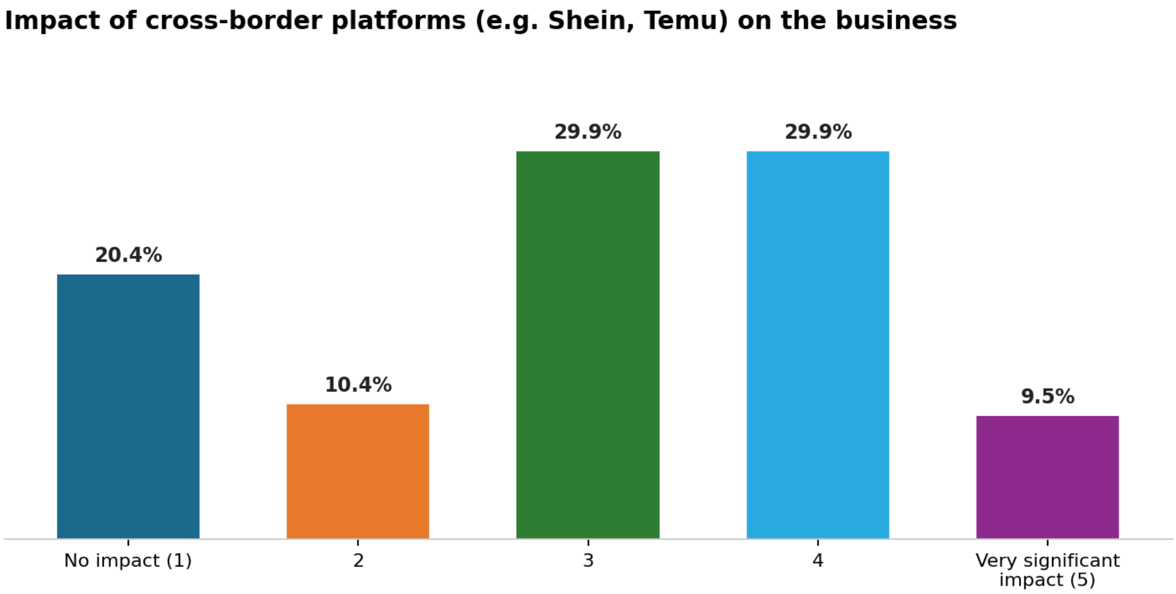



*Figure: Impact of cross-border platforms on the business, 1=no impact, 5=very significant impact (n=201)*

## AI Adoption

AI use in South African online retail has risen sharply since 2025: 90.5% of retailers now say they currently use AI for marketing and content generation, against 53.7% who said they were "considering" it in 2025. The 2026 questionnaire asks, area by area, whether AI is already in use, planned within 12 months, or neither: replacing 2025's single list of areas "considered" for AI with a genuine adoption curve, so the two figures are directional rather than a like-for-like series.

### Adoption by business area

Marketing and content generation is now mainstream: 90.5% of retailers currently use AI here, with a further 6.0% planning to within 12 months, together 96.5%, against only 3.5% with no plans at all. Customer service and engagement follows, with 41.3% currently using AI and a further 36.8% planning to. Payment verification/fraud detection (26.9% current use) and product recommendations (22.4% current use) show meaningful but earlier-stage adoption. Business analytics (7.0% current use) and an AI sales agent (2.0% current use) remain the least-adopted areas. Combining "plan" and "currently use," an AI sales agent still trails well behind at 13.4%, while business analytics closes to just short of a third of retailers, at 31.8%. Other areas fare better on that combined measure: inventory management and forecasting, for example, reaches 54.7% combined.

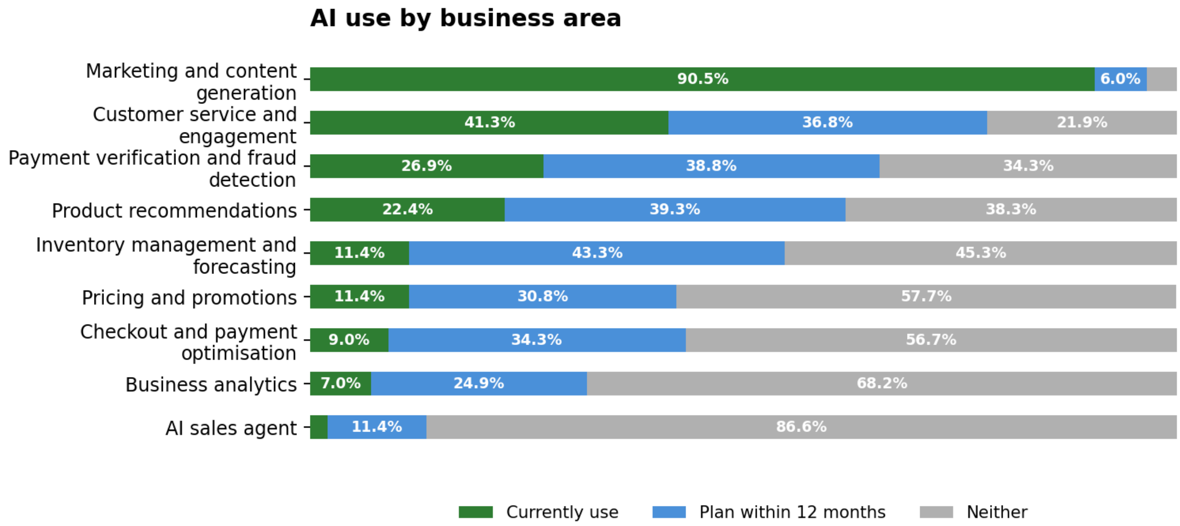



*Figure: AI use by business area – current, planned, or neither (n=201)*

### Readiness for agentic commerce

Agentic commerce remains a distinctly early-stage proposition: only 2.5% of retailers say they are already enabled to accept purchases initiated by AI agents acting within customer-defined rules, and a further 4.5% are testing this capability. 11.4% are planning within 12 months, while the largest group (33.3%) is interested but has no concrete plans, and 21.4% are unsure what implementation would even require. 26.9% are not considering it at all. This question is new for 2026; read alongside the marketing-AI adoption curve above, it suggests South African retailers are moving quickly on AI as a content and engagement tool, but treat AI as an autonomous purchasing counterparty as a distinctly separate, much earlier-stage question.

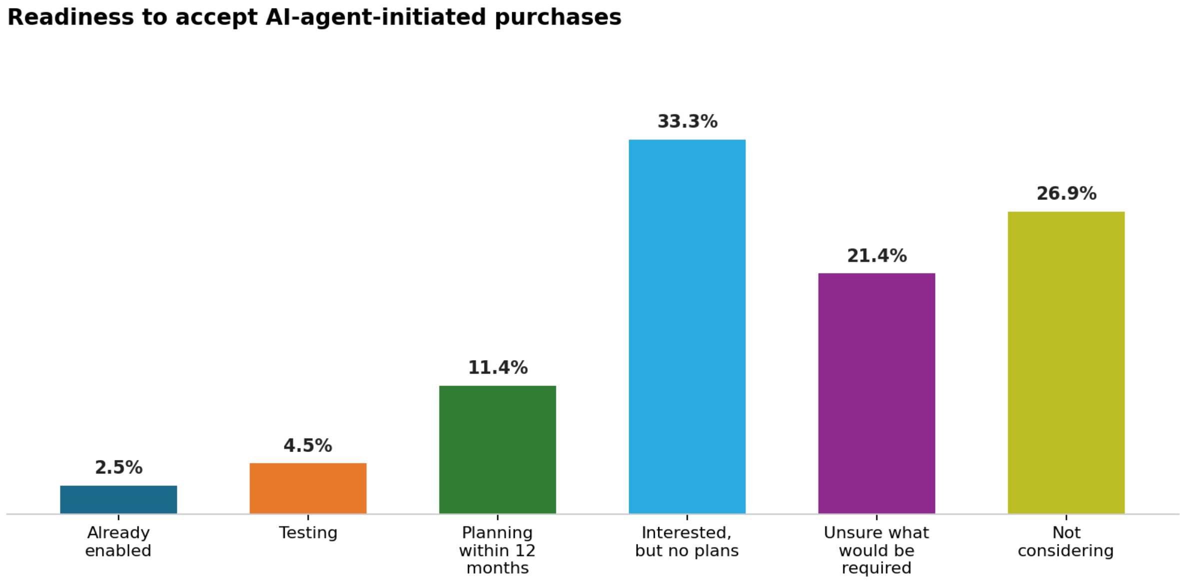



*Figure: Readiness to accept AI-agent-initiated purchases (n=201)*

## Logistics and Fulfilment

The Courier Guy dominates South African online retail delivery, used by nearly two-thirds of retailers, more than four times the usage of its nearest named rival. The logistics and courier module is entirely new for 2026, giving a first look at the delivery infrastructure underpinning South African online retail and at where retailers feel the greatest operational strain.

### Couriers and shipping platforms used

The Courier Guy dominates, used by 64.7% of retailers, nearly five times the usage of its nearest rival, RAM (13.9%), once "Other" write-ins that clearly name a listed courier are folded into that courier's total, as they are throughout this section. Fastway is close behind at 13.4% once write-ins such as "Fastway Couriers" and "fastway" are folded in. Aramex – listed on the questionnaire as "Aramax," and likewise consolidated with Aramex-spelled write-ins – follows at 7.5%. DPD Laser and in-house or "own" delivery fleets (the latter consolidated from write-ins such as "Own Courier" and "CTM own delivery service") are tied at 6.0% each. Pargo (5.0%), DSV (4.5%) and Internet Express (4.0%) follow behind, with BobGo and Pudo lockers tied at 3.5% each. CourierIT (2.5%) and a handful of smaller platforms make up the remainder, alongside a genuine long tail of "Other" write-ins that don't map to a named courier, including Primetime Express, DHL and MDS Collivery. Only 1.5% of retailers report using no courier or shipping platform at all.

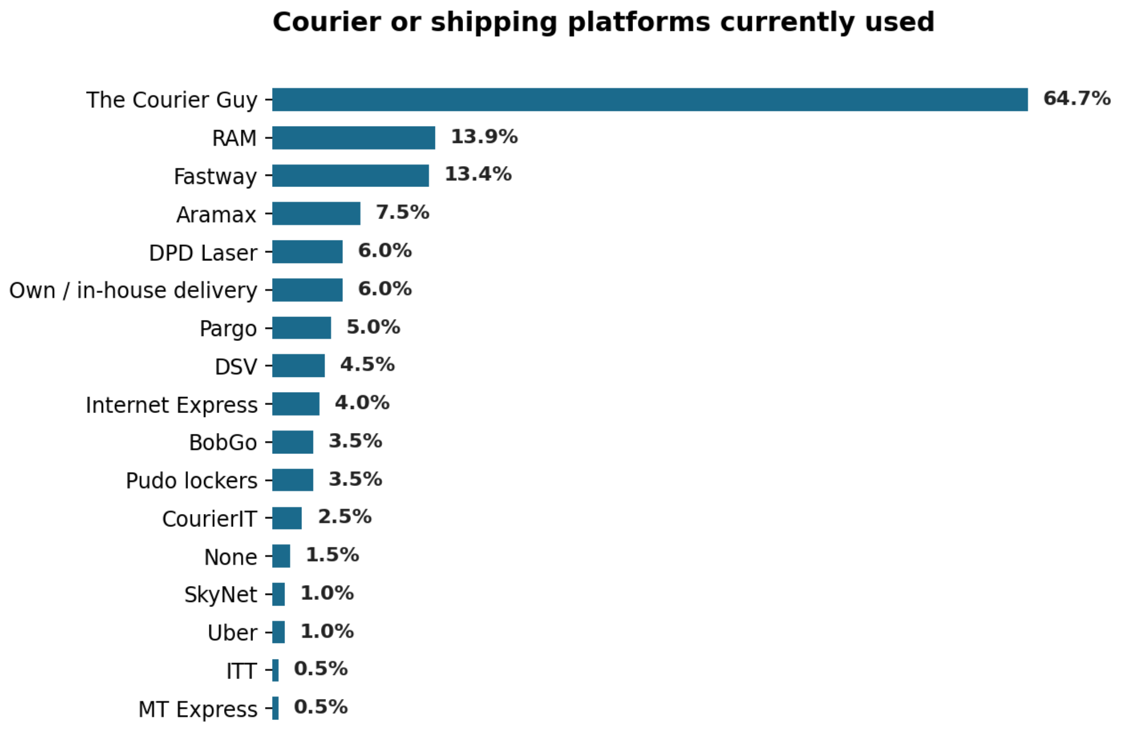



*Figure: Courier or shipping platforms currently used, select all that apply (n=201)*

## Reasons retailers would switch courier partners

Lower delivery costs is by far the most compelling reason to switch, with 92.4% of retailers rating it a likely driver (average 4.57/5). Cost is clearly the dominant lever in this market. Better customer support (83.8%), better delivery reliability (87.9%) and faster delivery times (85.4%) all also score highly, followed by improved shipment tracking and visibility (80.3%). Easier e-commerce platform integration and access to a wider courier network are somewhat less compelling switching triggers, but still rated likely by around seven in ten retailers.

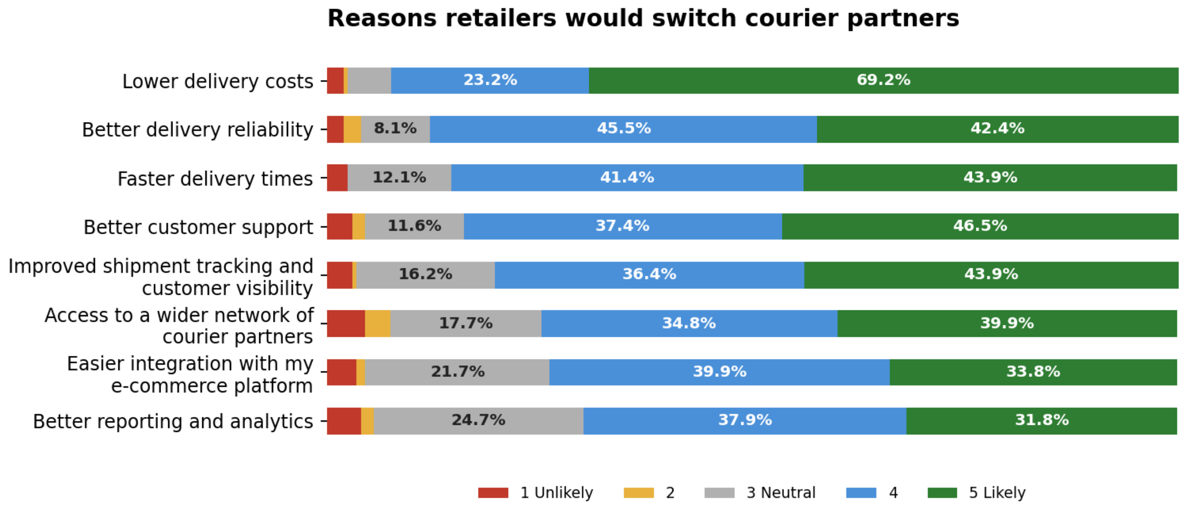



*Figure: Likely reasons for changing courier/logistics platform in the next 12 months, 1=unlikely, 5=likely (n=198)*

## Logistics challenges

Despite cost being the top switching trigger, high delivery costs is also the most-cited operational challenge, though even here fewer than half of retailers (48.0%) rate it 4 or 5 out of 5. Delivery in rural or remote areas (32.8%), failed deliveries and return-to-origin (25.8%) and customer queries related to deliveries (24.7%) follow next. Managing multiple courier partners and returns processing tie at 20.2% each, with quick commerce (19.8%) close behind. Shipment tracking and fulfilment (warehousing, picking and packing) are the least challenging named areas, tied at 15.2% each, with bulk shipping the lowest-rated challenge overall at 13.7%. Overall, logistics reads as an area of persistent, cost-driven friction, not acute operational crisis: a pattern that echoes the 2025 finding that most payment and operations challenges were "not challenging" for the majority of respondents.

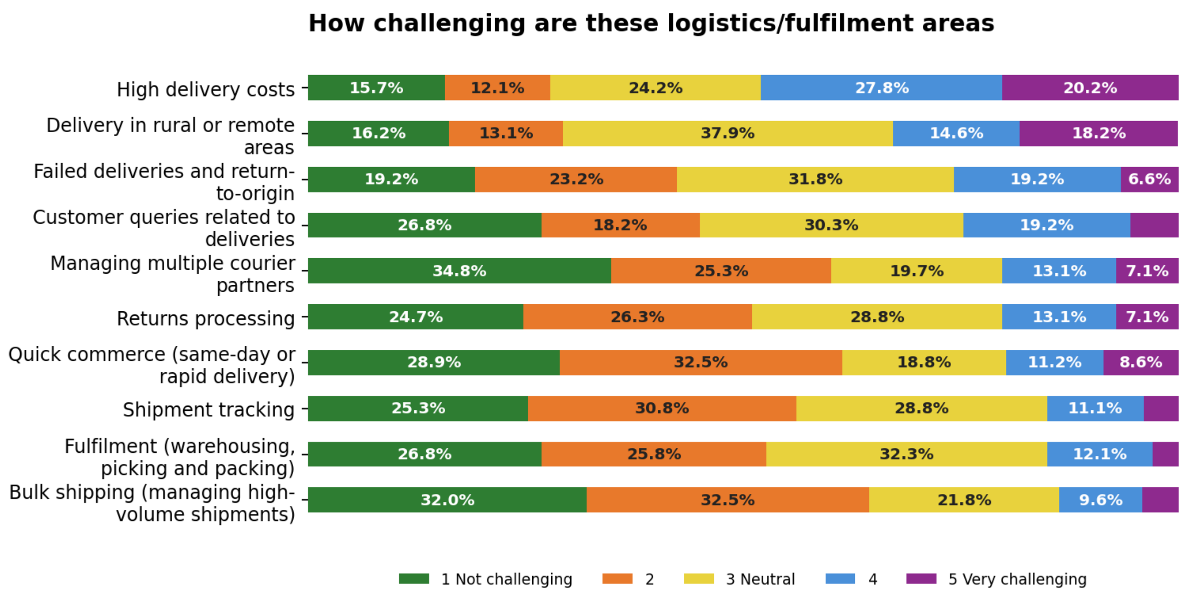



*Figure: How challenging are these logistics/fulfilment areas, 1=not challenging, 5=very challenging (n=198; n=197 for Quick commerce and Bulk shipping)*

## Growth Outlook

Growth expectations for the next 12 months remain firmly positive. 35.8% of retailers expect turnover growth of 41–60%, and a further 23.9% expect growth above 60%, together 59.7% expecting growth above 40%. A further 17.4% expect more moderate growth of 21–40%, and only 2.0% expect growth below 20%. 15.4% do not know what to expect, and 5.5% preferred not to answer.

Growth expectations have moderated from 2025, when almost three-quarters of retailers (74.2%) expected growth above 40%, with 49.3% specifically expecting 41–60% growth and 24.9% expecting more than 60%. The 2026 figure (59.7% combined above 40%) falls below that level, and further still below the considerably more bullish 2024 baseline reported in the 2025 study, where 35.5% of retailers expected growth above 100% and a further 47.8% expected 61–100% growth. The 2025 report itself described the move from 2024 to 2025 as a clear shift toward more moderate growth expectations, so the further moderation seen in 2026 continues that trend rather than breaking new ground. As with other year-on-year comparisons in this report, some of this moderation may reflect the smaller-business composition of the 2026 sample, not a change in market-wide sentiment.

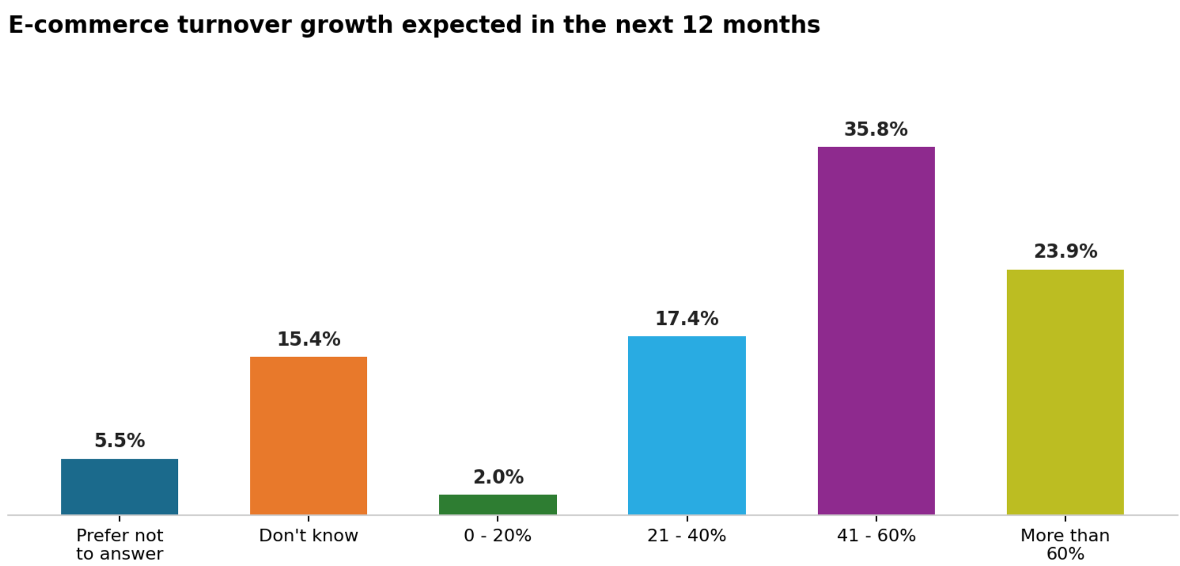



*Figure: E-commerce turnover growth expected in the next 12 months (n=201)*

## Conclusion

This wave of the retailer survey paints a picture of a market under growing operational strain even as sentiment stays positive. Payment satisfaction remains high and the core rails (debit, credit, EFT) are entrenched, but a harder edge is emerging: card decline has overtaken checkout complexity as the leading cause of abandoned carts, and the new payment-performance questions this wave show exactly why: checkout/website error and authentication abandonment, not issuer-side decline, are the biggest drags on approval rates.

Cross-border platforms are also biting harder than they were in 2025, AI has moved decisively from "considering" to "using" in marketing and customer engagement, and an entirely new logistics module shows a market where The Courier Guy dominates delivery and cost, not service failure, is what would move retailers to switch providers. Security fundamentals (3-D Secure, encryption, CVV) are close to universal, but passkey and biometric adoption remains low in 2026, consistent with the 2025 findings.

# Contact

The Online Retail in South Africa 2026 was led by Arthur Goldstuck, managing director of World Wide Worx. He is author of 21 books, including The Hitchhiker's Guide to AI, and Tech-Savvy Parenting. As principal analyst, he leads World Wide Worx's groundbreaking research. He was assisted by Jason Bannier in data analysis for Online Retail in South Africa 2026.

User demographic data was sourced from the Target Group Index (TGI) survey conducted by Ask Africa, the largest market research organisation in Africa. World Wide Worx collaborates with Ask Africa in the structuring of e-commerce, digital and electronics components of TGI, which comprises 23,910 interviews across a vast range of consumer topics and behaviours.

**About World Wide Worx**

World Wide Worx conducts independent, sponsored and commissioned research projects, in areas ranging from cloud computing and digital transformation to e-commerce and digital consumer trends. We provide talks, commentary and thought leadership on business and digital trends for media and at corporate events.

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