Chapter XV

The South African Online Consumer

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ABSTRACT

This chapter attempts to develop a profile of online consumers in South Africa. Firstly, a profile of the South African online consumer is developed based on various research sources. The chapter then focuses on what the web consumers in South Africa want, and the challenges facing web developers and organizations developing web sites in South Africa.

INTRODUCTION

Many organizations, particularly financial organizations, are building web sites for South African consumers. Few have investigated the profile or needs of the people they are building these web sites for. This chapter examines the composition of the people of South Africa; it then attempts to develop a profile of what the web consumers in South Africa look like.

The chapter highlights some challenges facing web designers in South Africa. Surveys of web consumers were used to gather the information, as well as to determine the needs of the South African online consumers.

BACKGROUND

Who are the people of South Africa and what is known about them? The last official documented census in South Africa found 41.2 million people in South Africa in 1995. Over one million (1,169,000) newspapers are sold daily in South Africa. Two and a half million (6.2%) of the people of South Africa had any tertiary qualification, and 16.4% (6.8m) had completed high school. Over half the population (50.5%) are female and 53.7% of the South African population live in urban areas.

Thirty-one and a half million (76.4%) of the people of South Africa are Black, 10.9% (4.5m) are White, 8.9% (3.7m) are Colored, and 2.6% are Asians. When asked about home language, most of the people spoke one of the languages native to South Africa. Over nine million people (22.9% or 9.4m) listed Zulu as their home language, 17.9% (7.4m) listed Xhosa as their home language, 14.4% (5.9m) Afrikaans, 9.2% (3.8m) Sepidi, and 8.6% (3.5m) listed English as their home language.

The South African currency, the Rand, has been very volatile over the past few years. An exchange rate of 1 US$ = R12 was used to convert South African salaries into dollars. The picture when looking at monthly incomes is as follows: 3.5% of the employed population earns more than US$667 per month. Twenty percent of employed South Africans earn between US$208 and US$667 per month, the remaining 76.5% earn less than US$208 per month. In fact 26% earned less than US$42 per month. Forty-eight percent of employed African women earn less than US$42 per month, while 65% of white men earn more than US$250 per month. The percentage of South Africans who are unemployed is estimated by various sources to be between 40% to 45% of the population. Less than 7% (2.8 million) of the total population are registered income tax payers.

The information above was gathered from the South African Department of Statistics web site (www.statssa.gov.za).

WHO ARE THE WEB USERS IN SOUTH AFRICA?

No one knows exactly how many web users exist in South Africa. There are various estimates of the continually moving total. There are a number of problematic issues in terms of how these figures are determined. What is meant by terms such as "web users" – are these e-mail users only, surfers, people who do online transactions, or all of these? Many dial-up subscribers share accounts, and many people have multiple e-mail addresses.

Webchek is a strategic Internet research and insights company primarily focusing on business to consumer research in South Africa (www.webchek.co.za).

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