

# FOREWORD

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The world stock markets have been up and down during the first half of 2021. Many countries are still fighting the Covid-19 pandemic and some sectors are feeling the brunt of containment measures taken by governments. In Europe there are concerted efforts to try and open the economy and more and more countries are allowing sports venues to allow spectators.

The retail trade is also slowly but surely edging back to the pre covid turnovers but retailers are facing many hurdles to overcome these challenges. An area where rapid expansion has taken place is in e-commerce. The past years have seen the retail landscape being revolutionised by online platforms and e-commerce. During 2020 many companies were forced to expand their ways of doing business in order to survive – not only to reach existing customers but also to expand their market to a wider audience. It is interesting to note how many smaller businesses have entered the online and e-commerce platforms as it opens new opportunities for them. Even though e-commerce is growing rapidly in South Africa, it still only accounts for a relatively small percentage of all retail sales. Practical problems that effect the expansion and growth of e-commerce in South Africa is the high cost of internet and the poor quality of the internet. The fact that the electricity network is also unstable is a further hindering factor to growth.

These and other factors have led to an increase in retail sales in the first quarter in South Africa but the sustainability of this is impacted by the level of infections in the country and the resultant lockdown measures. The biggest annual growth in retail sales were in household furniture, appliances and equipment as well as textiles, clothing and footwear.

These positive gains and the resultant increase in optimism have however been dampened by a number of factors. The drastic increase in Covid-19 infections in the country resulted in stricter measures on trading and movement of people. Secondly the widespread criminal behaviour of protestors has led to the looting and damaging of a number of shopping centres. These factors will have an effect on retail activities in the next few months.

The world that we all live in will not go back to normal very soon – maybe never and businesses have to adapt to these changes and adapt their strategies in order to survive. Sectors of the economy such as home delivery, online sales, take out businesses and many others have already taken huge steps to adapt to this new normal. Universities and other educational institutions have been forced to adapt and are now all online opening once again new possibilities. Similarly businesses have adapted to manage by distance- meeting can be held online and be as effective- but vastly cheaper.

The world economy is bleeding – but slowly and surely the bleeding is reduced and hopefully be stopped in the near future. By all doing their part governments and other institutions can bring a sense of normality back to a world that has been wracked by a situation not expected in today day and age.