By GG Alcock

Changing trends and behaviour of the Kasi shopper

Township shoppers have increasingly benefitted from a huge range of shopping options, from the gleaming kasi malls with their retail tenants to retailers now present in kasi suburbs and even down to the growing informal retailers – spazarette and spazas in every kasi street. The spaza sector continues to offer a better and better variety of brands at prices often on par with the formal retailer. So, the kasi shopper is spoilt for choice and is increasingly adapting her shopping behaviour to these offerings and for her convenience.

Starting with the kasi malls, these are increasingly about month start and end shopping visits. The visit to a mall at month start or end is generally a social visit, an experience, a family event where the shopper dresses up, and spends the best part of the day at the mall. The day starts with drawing cash at the ATM, then updating your apps on the free mall wifi, then the total ambit of shopping from the Shoprite or Pick n Pay to the Pep, paying for your DStv, having a fast food meal, doing eye shopping (window shopping) and then the taxi ride home.

This mall experience is enjoyed, but characterised by a number of pain points which are increasingly dissuading the shopper from more frequent mall

> The informal business sector is the next great frontier of Africa and it is undergoing an economic revolution – a new world of small people doing big things, transforming the continent. Prepare for the Rise of the Informal Sector. Prepare for a KasiNomic Revolution. GG Alcock, 2018

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visits. These pain points are the cost of transport to the mall and back, particularly when you consider it's not just one person, and considering a typical taxi fare is R15 per person one way. Then the mall is characterised by long queues at each point – taxi, ATM / bank, retailer, fast food – these are 1–2-hour queues at each point which are hated. Consider these are old grannies with sore knees, moms with babies, shoppers with bags of shopping. So what has happened is that shopping at malls is increasingly for smaller size or weight items, or more high value items with better prices at malls. The balance of shopping has shifted away from the mall. Mall owners and retailer owners would do well to resolve the crazy queues and general discomfort that shoppers experience at month end at these points.

Another interesting dynamic is the time of month end shopping trips. In the past the massive R20 billion a month social grants were paid on the last day of the month. Due to Covid, and in an attempt to lessen queues, the social grants are split from the 3rd or 4th of the month until the 7th or 8th. This has meant that often the malls are quiet at month end and the main shopping event is in the first or even second week/end of the month. Its important to consider this in promotions and special pricing which is often only at month end.

Outside of month end and start, the shopper now takes advantage of the local retail options and there is a strong trend towards local and neighbourhood shopping, driven by the experience of local shopping over lockdown, the inconvenience and cost of public transport, but also the better formal and informal retail offerings that are available.

The impact on out of kasi shopping will be and already is seeing a move to local. Consider the Vukile Property Groups recent media: *Rural and 'township' shopping centres are bucking the retail trend. Smaller value centres, and malls located in townships and around commuter routes, did much better, while recovery of urban centres lagged.*

There is an increasing use and preference by shoppers of local junction or high streets. In fact, high street shopping activity is growing rapidly, and, along with it, the presence of retail offerings on these high streets. The high streets in the kasi are those main arterials where the taxis routes operate. Spazarettes are capitalising on this insight and are increasingly positioned on high streets or at key junctions. Retailers presence here is not as prevalent.

Shoppers now prefer shopping a local taxi ride, or even better, walking to their local retail outlet – whether this is a formal retailer or an informal supermarket, what I call a spazarette. Shopper baskets have sized appropriately with specific items such as 10kg's of rice or 5 litres of cooking oil being purchased locally and not in the month end shopping trip. This trend of local shopping particularly for staples and branded FMCG items at local and neighbourhood points is accelerating.

The growth of the spazarette has meant that kasi shoppers now benefit on a number of levels. The shopper can now get cheaper, or priced on par, branded products at the spazarette right down the road from their home. Shoppers are saving on transport, which can be a large part of shoppers' budgets, plus the spazarette will arrange an assistant with a wheelbarrow or cart to help transport home larger staple items.

> “Spazarettes give interest free credit at critical times of the month (*mamparra* week) when consumers have no money and would otherwise resort to loan sharks to afford food.”

Add the inconvenience of public transport or carrying your heavy goods like bags of rice, maize meal, canned goods, litres of cooking oil and

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suddenly the massive attraction and competitive advantage of the spazarette becomes irresistible.

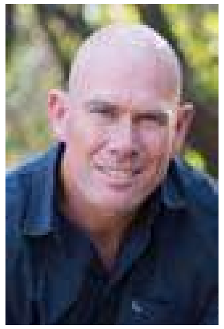
In sectors like fruit and vegetables or bread there is a growing trend of buying from mobile traders moving street by street. The streets of the township today echo with the sound of old-style bicycle horns, boop-booping vegetable sellers or bread sellers who walk street by street pushing trolleys loaded with fruit and vegetables selling right at your door. Reduced footfalls and closed ranks pushed these rank vegetable sellers to mobile offerings and consumers have become habituated by the convenience of this mobile at your door offering. It is a growing trend in kasi fast food and this trend will grow into other categories.

To survive, retailers and brand owners need to anticipate these trends and be where their shopper is, give consideration to ...

- What's your local strategy, presence or availability in high streets, kasi junctions and township residential neighbourhoods?
- Is your brand marketing local, are you present and visible at these neighbourhood and high street points at point of purchase?
- Your promotional plan needs to consider times of month for shopping dictated by social grant dates
- If you are in a mall, retailer or shopping centre, how are you improving shopper experiences – lessening queues, creating positive retail expectations and memories and attracting shoppers to your outlet as a destination which compares favourably to a local or informal retailer?

Shopper patterns and trends which were shifting towards local and neighbourhood or even delivery have been fast tracked by lockdown and related fear of travel, plus shrinking family public transport budgets. Anticipate and prepare for these new trends.

The *KasiNomic Revolution* is a murmur in the streets, a grassroots economic rising which has grown organically despite government and business regulation, and which is the future of African economic activity. Are you going to be part of the Kasinomic Revolution? **SR**



GG Alcock is the author of *Third World Child: White Born Zulu Bred*, *KasiNomics: African Informal Economies and the People Who Inhabit Them*, and *Kasinomic Revolution: The Rise of African Informal Economies*. He is the founder of Minanawe Marketing and is a specialist in informal & Kasi (township) economies, marketing and route to market strategies. Visit www.ggalcock.com