

The retail pendulum is shifting in SA and it's encouraging

By [Joanne Gould](#)

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It can be a slippery slope - loads hedging, the economy, post-pandemic aftershocks, communities facing hardships and even the chill of winter. However, as we ease into Spring the retail pendulum is shifting as an optimistic breeze starts blowing in South Africa.

There are some huge positives in retail from the increased adoption of e-commerce and digital platforms reaching a wider customer base and providing convenience for shoppers. Physical stores expanding their online presence. Consumers becoming more conscious of the environmental impact of their purchases and retailers responding to that.

More responsible manufacturing and packaging practices becoming the norm. We've seen innovations in payment methods. Tech and data analytics are being leveraged and retailers are understanding their customers better.

Don't get me wrong - we can go down a rabbit hole of doom and gloom and at times with due cause, but there are some positive shifts happening and that's very encouraging.



Joanne Gould, CEO at Smollan South Africa



Image by [Steve Buissinne](#) from [Pxabay](#)

Retail in SA in 2023 is indeed seeing enhanced convenience, sustainability, and personalised experiences for shoppers. Changes that reflect evolving customer preferences and the industry's response to meet these demands. The preference for said convenience combined with fresh competition has pushed some retailers to merge their products into one space.

As reported by *Mail & Guardian*, The Foschini Group (TFG) partnered with Superbalist to develop Bash, their online store where all the TFG-owned brands are conveniently sold in one place.



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On the other side of the coin, there are retailers that instead have chosen to nurture their brick-and-mortar experience such as Zara with renovations at their Sandton City and V&A Waterfront stores to give shoppers a more luxurious experience. While 'We Are EGG' opened their "next-generation department store" filling empty spaces left by previous brand giants and instead creating a "high-energy, integrative, experiential shopping experience".



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Recently PwC published the first-ever Retailer Sentiment Index for SA, measuring how consumers feel about the country's biggest retail brands such as Woolworths, Spar, Checkers, Shoprite, Food Lover's and the like. Woolworths emerged as the clear winner "lauded for its house brands and high-quality goods".

Interestingly when it came to customer service though, all brands saw an overall negative sentiment, indicating that this remains a big point of contention in our retail sector with room for improvement. However, there is light at the end of the tunnel with Spar emerging as the top retailer when it comes to great deals and driving positive sentiment.



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Left of centre in terms of future forward, as reported by www.cointelegraph.com saw Pick n Pay accepting Bitcoin payments in more than 2000 stores nationwide at the start of 2023. Customers can pay for items using cryptocurrency via a smartphone app or by scanning a QR code and accepting the rand conversion rate at the time of payment. Buying airline, electricity, plane and bus tickets and municipal bills is made simple and convenient at the tills using #Bitcoin. According to the stats, Chainalysis' 2023 Global Crypto Adoption Index, estimated that about 10% to 13% of the SA population holds crypto assets.



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Online marketplaces are thriving, the popularity of which continues to increase in SA, with various ecommerce platforms expanding their presence such as Takealot, OneDayOnly and Superbalist. Offering a wide range of products and deals to cater to diverse consumer preferences. So too, sustainable, and eco-friendly stores are making their mark in response to environmental concerns, with several retailers focusing on sustainable practices. From eco-friendly products to a reduction in packaging waste, or newly established recycling programmes.

Pioneered by the likes of Faithful to Nature and The Refillery as they prioritise the 'healthy people, healthy planet' ethos. While pop-up shops and temporary retail spaces gain popularity offering unique experiences and limited time offers. Showcasing local artisans, emerging brands, and niche products, keeping the retail experience fresh and relevant.

As we moved past the halfway mark in the year – our focus should be on collaborating, building a customer-centric culture, playing to win, embracing, and integrating technology, personalising experiences, supporting local businesses, integrating online and offline and increasing convenience. Navigating the challenges and shining a light on the positive as we move forward.

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