



21 September 2023

A happy Heritage Day to all our readers, however you choose to spend it, although preferably around a fire tending to the protein – whether meat or plant-based – of your choice. Not much in the way of hard news this week but some excellent promotions by some of our great retailers and manufacturers alike. Enjoy the read.

YOUR NUMBERS THIS WEEK

+70% week-on-week growth in Mobicred at Pick n Pay	22,000 chicken wings for Makro shoppers to taste on Friday	15 years of partnership between Woolies and WWF	-0.5% decline in UK online grocery share for the hot month of Jun	50% of local Nespresso customers choose recyclable pods	R100k Nivea's fabric sponsorship for the Durban Fashion Fair
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RETAILERS AND WHOLESALERS

Pick n Pay

Credit where it's due

Any online shopper among our readers will have been tempted by the option offered by most purveyors of big (or even small) ticket items, where you can pay in three or four bite-sized instalments for this sneaker or that small appliance. Now Pick n Pay is getting in on the game, with the launch in its hypermarkets of PayJustNow, one of the fastest growing buy-now-pay-later providers in South Africa. PayJustNow allows punters to split payments into three tranches, free of fees and interest, after completing a digital application process. "Our commitment to innovation in retail and our dedication to digital convenience means that customers can now easily access an affordable payment solution should they need to stretch their pocket to buy a more expensive non-food item or clothing," explains Deven Moodley, Executive of Value-Added Services, Financial Services and Mobile. Significantly, the service will soon be extended to Pick n Pay Clothing stores. In July, you may recall, Pick n Pay became the first retailer to offer Mobicred, allowing customers to access revolving credit within 15 minutes in store and online. The service has seen +70% week-on-week growth since.

Comment: A good move from Pick n Pay, which has always recognised the overlap between financial services and retail.

[Tatler Reporter 14/09/23](#)

Makro

Braai the power vested in me

A slow news week, frankly, and we haven't heard much from **Massmart** lately, so here goes. **Makro** is going large for Braai Day this Friday, with Jan Braai, head of the National Braai Day initiative, taking up the tongs at the Makro Cape Gate store and 22,000 Makro customers nationally getting a taste of chicken wings basted in Mr. Braai's proprietary marinade. In other Makro news, SA's original big-box hybrid is teaming up with Unilever to offer deep discounts on a wide range of the latter's product through the end of September. "As a customer-obsessed business, we care about making our shoppers' lives better. Collaborating with Unilever will empower us to keep offering our customers their most-loved products at affordable prices, which should make a material difference to people's daily lives," says Kevin Maier, Merchandise Vice President: Food. They will also be running a swipe-and-win promo in which one lucky customer could win a cool R1m in Makro's mRewards loyalty points.

Comment: Tough times, smart promos.

[Tatler Reporter 20/09/23](#)

In Brief

It's been a wild ride

Congrats to **Woolies**, celebrating the 15-year anniversary of its partnership with the World Wide Fund for Nature (WWF). "Together, we have spearheaded advancements in sustainable farming and seafood sourcing, water stewardship, alien plant clearing, on-pack recycling labelling and various initiatives, leaving an indelible mark on the landscape of responsible business practice," says Woolies CEO Roy Bagattini. The collaboration is integral to Woolies' Good Business Journey in which the retailer has proved beyond a shadow of a doubt that sustainable practices are indeed good for business. More good works, this time from **Clicks**, whose Helping Hand Trust's 'Girls on the Go' Programme has partnered with the Gift of the Givers Foundation to hand over a year's supply of sanitary pads to girl learners at Fisantekraal High School and Kalkfontein Primary School in Kuilsriver, as part of a collection drive which aims to reach girl learners in schools across all nine provinces by the end of 2023. Finally, *au revoir* to SPAR's chief information technology exec Mark Huxtable, who has resigned for personal reasons, but not long after a patchy R1.8bn SAP implementation.

Comment: Almost every retailer has a dodgy SAP implementation in their closet. We wish Mr Huxtable well in his future endeavours.

[Tatler Reporter 20/09/23](#)

International Retailers

Cool shoppings

In the UK, climate change has had an unexpected impact on grocery retail this unusually pleasant summer: the share of online sales dipped to 10.4% over the four weeks to 17 June from 10.9% in May as punters popped into stores for drinks and

refreshments, and presumably a bit of aircon and some incidental grocery shopping. “These visits would have included smaller baskets, drinks, snacks and refreshments, as shoppers were out and about enjoying the sun,” said Mike Watkins, head of retailer and business insight at NIQ’s UK who produced the numbers. Over the pond, Chicago’s Mayor Brandon Johnson is proposing radical measures to deal with the growing food deserts of the city’s poorer neighbourhoods: a municipally owned grocery store, which, he argues, would promote “equitable” access to food. Several big-name grocery stores have closed in recent years, including **Walmart** who in April this year announced the closure of three stores in Chicago’s South and West Side neighbourhoods, and one in the more affluent North Side after years of profitability challenges despite investing in upgrades to the stores.

Comment: In the US, as in SA, food deserts are a real problem in poorer areas, but there they don’t have independent grocers and spazas to bail them out.

[Tatler Reporter 20/09/23](#)

MANUFACTURERS AND SERVICE PROVIDERS

Nespresso

Pod save us all

Nespresso South Africa has a new CEO, and with this development comes the opportunity for us to check in with its unique and oddly successful business model. Gabriel Nobre has been with the Nestlé Group since 2005, holding several positions across multiple business units and corporate functions. Nobre is looking forward to accelerating the growth of Nespresso South Africa to double its current position within the next five years, adding new stores and new points of contacts with consumers. “We are looking forward to launching innovative new coffee machines and developing new bespoke coffees to surprise and delight our customers,” he says. Nobre also sees a huge opportunity to increase the percentage of recycled capsules in South Africa, up from the current 50%, which is already 18% over the global average.

Comment: It ain’t cheap. And the environmental concerns have been well-documented, hence the move to recyclable. But Nespresso makes a fine cup of coffee, quickly and easily, whether you’re a car dealership or a harried host with demanding guests.

[Tatler Reporter 19/09/23](#)

In Brief

Switching it up

Good news for South Africa’s gamer bros and skate rats this Heritage Day is that their favourite locally produced energy drink **Switch** is releasing a limited edition that combines the succulent sweetness of marula fruit with the delicate floral notes of wild African violet, [packaged in a can](#) inspired by South African traditions and landscapes. Moving on, **Unilever** South Africa has launched [Hygiene Heroes](#), an online platform that teaches children handwashing, toilet hygiene and oral care through interactive activities and games. When parents sign up to the platform, their children will join over 6.2 million learners who have already gained the same hygiene education through the National Schools Hygiene Programme - presented by Unilever SA and the Department of Basic Education. Finally, Beiersdorf AG’s **Nivea** has joined the annual Durban Fashion Fair as sponsor of the ‘Shades of Liberation’ student competition, which is inspired by Nivea’s best-selling Black & White Invisible anti-stain deodorant. The business will be sponsoring R100,000 worth of fabric to 24 fashion mentees who will be exhibiting their collections at the event.

Comment: Three great businesses, three great marketing initiatives. We’re brilliant at this here in the South.

[Tatler Reporter 19/09/23](#)

TRADING ENVIRONMENT

Shopper Marketing

As far as we are aware, players are still going to play, however

News to us this week is that consumers don’t shop. Likewise, shoppers don’t consume. While many consumers also do their own shopping, and many shoppers then consume what they buy, it is in fact shoppers who do the shopping, the spending, the worrying about prices. And it is consumers who do the hard emotional work of consuming and falling in and out of love with brands, assisted in no small measure by the work of brand and marketing teams. In the world of retail, it is the purchase that counts, and the purchase is made by the shopper, or at the very least, by a consumer in shopper ‘mode’. And suddenly the relationship with the brand is not based purely on emotional connection – the shopper is subjected to all manner of new prompts, such as special offers, the availability of other brands, education about alternatives, and new places to shop, among a plethora of other drivers.

Comment: All of which are explored in the 2023 Trade Intelligence Shopper Marketing Report, [summarised in this excellent article](#). Give it a read.

[Trade Intelligence Research 20/09/23](#)

THE WEEKLY GURU

“No decision should be made on an empty shopping bag.”

Donita K. Paul

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