

SA's traditional trade revolution: 4 must-know strategies for success

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Fast-moving consumer goods (FMCG) manufacturers in South Africa have a massive array of advertising channels to consider when strategically planning their marketing budget. From formal retail to e-commerce and midi wholesalers to spaza shops, there is a much wider range of touchpoints to plan for.



In the South African context, the traditional trade sector stands out as a significant area for growth. According to Matthew Rosen, managing director of MegaVision Media, "While formal retail growth remains relatively static, the wholesale, midi wholesale, cash & carry and spaza outlets have become the focal points for most brands because of its massive growth opportunity."

Considering the growing importance of the traditional trade sector in South Africa, brand managers and trade marketers must adopt strategic approaches to maximise their presence and impact. Here are four key things to remember when looking to create impactful awareness and brand footprint in the traditional trade.



1. The simple impact of traditional trade media

In contrast to the more glamorous world of formal retail advertising, promoting products in wholesale, midi wholesalers and cash & carry establishments lack the same level of sophistication. These expansive box stores are utilitarian spaces designed to accommodate both individual shoppers and bulk traders. Advertising within such environments must align with this practicality. "MegaVision Media are media owners who provides an array of fixed, managed instore media boards that simplify the process of establishing brand advertising within these traditional trade spaces. These rental fixtures are permanent, routinely maintained and are capable of withstanding the challenges posed by heavy foot traffic and heisters," says Rosen. "Best of all we have direct relationships with key groups like KitKat, ICC Elite Star, UMS, Cambridge and IGA, making it easy for brand managers to execute a campaign without the headaches of negotiating space and paying rebates, etcetera."

2. Creating a traditional trade channel

Establishing effective brand channels from wholesale to spaza is crucial. A significant stakeholder that cannot be ignored, is the role of the informal trader. "Recognising that these merchants play a pivotal role in supplying a substantial portion of the market with groceries, means that investing in their businesses means investing in your brand," says Rosen. The idea of creating a brand channel from wholesale to surrounding spazas becomes a strategic move to foster stronger brand connections, build loyalty and maximise market share within the trade ecosystem. It ensures that the brand's message is conveyed consistently from spaza to wholesaler thus creating a unified brand experience that resonates with both end-consumers and the traders who serve as essential conduits to the broader market.



3. Stretching your budget

Maximising your advertising budget in today's tough economy requires some creative thinking. With both manufacturers and retailers tightening their belts, brand managers are feeling the pressure to make every rand count. But here's a savvy tip: instead of splurging on a single highway billboard, why not secure seven large outdoor boards from a busy wholesaler for the same price? An extra bonus is that customers are not zooming past your ads at 120km/h when they stroll into, say, a KitKat store at month end. If true growth indeed lies within the traditional trade, and brands can achieve greater advertising reach while spending less, then this truly represents a win-win situation.

4. Crafting brand experiences through in-store activators

Successful traditional trade media isn't just about visibility; it extends from the broadsheet onto the shop floor, where customers can engage with the brand and their product through activation stands. MegaVision Media offers brands the opportunity to host in-store activations in the traditional trade, making new products or promotions an interactive multi-sensory experience. Through their proprietary technology, ConnectFMCG, MegaVision Media empowers their teams of activators to deliver real-time reporting on SKU visibility, pricing, and competitor activity, adding a layer of insight and precision to your brand strategy.

In conclusion, the realm of advertising in the South African fast-moving consumer goods market demands a more complex approach, with a myriad of channels vying for attention. However, the real growth lies in the traditional trade, where brands are increasingly focusing their efforts. In the ever-evolving landscape of South African retail, MegaVision Media's expertise

stands as a beacon for brands aspiring to navigate and thrive in the traditional trade ecosystem.

If you would like to find out more, get hold of Matthew Rosen at MegaVision Media.

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