Topshop opens in Sandton City

By Zeenat Moorad

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UK high street fashion retailer Topshop opens its first store in Africa today, Thursday 22 November 2012.

It joins a slew of foreign players hoping to tap into the continent's mushrooming middle-class.

The 950m² store is located in Johannesburg's Sandton City shopping centre. A second outlet will open in Gateway Mall, Durban next month.

The British retailer, which is known for its cheap chic apparel, is part of the Arcadia Group, which is wholly owned by billionaire businessman Sir Philip Green.

The franchise and shop-in-shops expansion will be through a partnership with local players The House of Busby and Edcon, which together have the rights for Topshop and Topman.

"This represents another step in our continued international growth, and I am confident that the South African customers will enjoy the retail experience and fantastic product offer that both our brands will deliver for them," Sir Philip said earlier this year.

Chris Gilmour, an analyst at Absa Investments, said the group's expansion into SA was a big vote of confidence in the country as a destination for international retailers.

"It comes hot on the heels of a number of them like Thomas Pink, Zara and one or two others. Having said that, I think the chances of a major expansion in the country are quite limited. Much depends on the price point and how they compare to local retailers," he said.

Spain's Zara, owned by Inditex, the world's biggest fashion retailer, opened its doors in SA late last year. The retailer, which has new items appearing in its stores twice a week, has three outlets in SA.

Australian retailer Cotton On Group is also expanding the presence of its brands Typo and Factorie in SA.

Although local companies such as The Foschini Group, Woolworths and Truworths already have a significant presence across the country in prime locations, they are streamlining sourcing and speed-to-market efficiencies in the face of new market entrants.