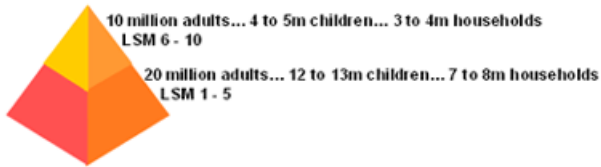


# Reach the “bottom of the pyramid” more effectively

C.K. Prahalad, one of the world's leading business strategists, has recently provided new insights on how brand-owners can tap into “The Fortune at the Bottom of the Pyramid” (lower-middle mass market, LSM 1 – 5 in South Africa), and is featured later this month at Gallagher Estates.



The South African pyramid

## MAKES YOU THINK!

units sold... can be extremely high... margins low... new models...  
new measures of success...

**Marketta ‘Trade Routes’<sup>®</sup>** research provides the information/insights required for you to understand, and reach this market more effectively and efficiently – through informal, as well as formal channels of distribution, and new/evolving delivery platforms... through co-creation of values... and exciting new models where “distribution” and communication/promotion come together to connect and form bonds between brand and community!

In 2006 Marketta conducted comprehensive trade/shopper research focussed on the lower-middle mass market – covering: independent traders; cash ‘n carry wholesalers; and lower-middle mass market ‘Shoppers’, producing valuable info and insights for nine participating clients (18 brands).

## “Trade Routes”<sup>®</sup> syndicated research focus in 2007, is the spaza trade in SA

‘Estimates’ of the **spaza** market in SA are vague, (and one-dimensional) – and range from 150 000 outlets to over 300 000... (apart from macro-economic studies ex BMR; some good work being done in WC by Triple Trust Organisation; and by distribution agents including TAC/Primedia Face 2 Face) and there is little current information available on the profiles of **spaza’s**, or the product ranges and brands carried by different types of **spaza** outlet...

There is no commonly accepted ‘categorisation’ of **spaza’s**, which would assist in evaluation of importance and priorities for brands; and little that points to answering key questions of growth/trends, or the changes taking place at **spaza** level... including the emerging new models for spaza survival, and growth; where/how the different **spaza’s** purchase product; or the level of influence they have on brand choice.

**Spaza’s** remain an important part of the distributive trade, reaching the lower middle mass market through providing location convenience for ‘emergency’ and ‘fill-in’ purchase. Conservative estimates put **spaza’s** turnover at R5 – 7bn per annum... AND **spaza’s** provide employment/income to many who would otherwise be poverty stricken.

The research is planned for April/May with results end-May/early June. It will be practically ‘hard-hitting’, and will provide valuable info on the **spaza** trade and its value/importance to brands – not only in making brands available, but also optimising **spaza’s** unique connection with the people! It includes comprehensive **personal interviews with 960 spaza owners**, as well as observation checks at outlet level.

The results output will be in the form of valuable information; highlighting of insights and opportunities; and identifying practical action(s) that can be taken to improve company/brand performance in the townships market, through... **spaza’s!**

For more details contact: Laura Shaw/John Foster at Marketta  
011 675-0241/2 or

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practical ‘nu waiz’ of doing the business better”

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