

Reassessing our commitment to buying South African



30 Sep 2020

The Covid-19 pandemic and related lockdowns disrupted global supply chains, and necessitated a greater reliance on local goods and services. "Local businesses, manufacturers, petrol stations, retailers, local products and services... in the absence of exports... have carried us through this pandemic," said Happy Ngidi, chief officer: marketing and communications at Proudly South African.

In light of the above, South African consumers should "reassess their commitment to local", Ngidi noted during Proudly SA's *Price Versus Value* webinar last month.

Proudly South African is a government initiative that seeks to influence local procurement in the public and private sectors, to increase local production and to influence consumers to buy local in order to stimulate job creation. With <u>millions of jobs</u> <u>lost</u> during the country's lockdown, the need to boost the local economy and lower SA's unemployment rate is especially dire.

Local is more lekker

Encouragingly, recent Kantar research shows that South Africans are navigating more towards local brands. "Local has become a lot more *lekker*, and more important to people," said Karin Du Chenne, Kantar's chief growth officer Africa Middle East, during the webinar.

In Kantar's Covid-19 Barometer research, undertaken to understand how people are adapting, feeling and coping during the pandemic, the majority of South Africans said they were more in favour of buying locally-produced products, and that they were looking at where things are made.

This is partly due to the fact that the coronavirus was identified as originating in China, making consumers more concerned about where products come from. Goods that haven't travelled long distances are likely to be seen as more hygienic.



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Du Chenne explained that provenance is a valuable asset to local brands and they should communicate their South African status clearly. Positive stories about a brand's local heritage, their workforce or the locally-sourced raw ingredients could be conveyed through content marketing, packaging design, and the visibility of the Proudly South African logo, for example.

The Proudly South African logo is a recognised endorsement of local content and quality, with member companies benefitting from participation in campaigns and exhibitions, and access to market platforms and tender opportunities.

To become a Proudly SA member company, businesses must meet certain levels of local production and procurement, and they need to provide proof of quality through certification from an accredited verification body or industry association.



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South African success stories

Representatives from two successful Proudly South African companies joined the webinar to share their business journeys and commitment to uplifting South Africans.

Portia Mngomezulu is the founder of **Portia M Skin Solutions**, a thriving South African skincare business based in Centurion. The Marula oil used in the Portia M products is sourced and harvested locally, and provides a means of income for women in rural Phalaborwa in Limpopo.

"I wanted to make products for local skin using African ingredients," Mngomezulu said, recalling how she played beneath the Marula tree as a child.

Mngomezulu bootstrapped the business, and started off making her skincare products using just a two-plate stove and a mixer. From these humble beginnings in 2011, Portia M Skin Solutions now owns a 1,400m² factory and supplies over 2,000 stores across South Africa and neighbouring countries.

The Proudly SA badge made the brand more favourable to retailers, Mngomezulu said, and in 2018 Portia M Skin Solutions was named <u>Pick n Pay's 2018 Small Supplier of the Year</u> in recognition of its exceptional sales performance and commitment to job creation.



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Another successful South African business expanding its workforce is cellphone company **Mobicel**, which opened its first local mobile assembly plant in Johannesburg in July.

Notably, the plant is entirely staffed by women, in a bid to upskill and broaden the representation of women in the technical and manufacturing sectors. The plant launched with 65 female staff members, with further job openings planned in the coming months.



Credit: Mobicel

While Mobicel currently sources its mobile phone parts abroad, it was always Mobicel's vision to bring its assembly plant home to South Africa, according to the company's founder and CEO Ridhwan Khan.

On the back of its investment in local manufacturing, the smartphone company has officially been endorsed as a Proudly South African company.

Started by Khan in 2017, Mobicel was initially focused on repairing and refurbishing handsets. Knowing that cellphones are a necessity, not a luxury, he set out to put devices in more people's hands at affordable prices – first used and then new. Since then, the company has become one of the biggest local players in cellular technology.



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Mobicel spokesperson Kay Sexwale explained during the webinar that the company isn't focused on competing with big, global smartphones brands. Instead it aims to empower South Africans with internet access through affordable handsets for every budget.

"At Mobicel we reverse engineer everything. We'll ask, 'what can we give a customer for R400', and then the technology and materials used is dictated by that," she explained.

"We want to encourage people, our future leaders, to achieve more and be connected with society and the world. Smart

devices are key to opening up a world of information, and Mobicel wants to allow broad access to that."

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