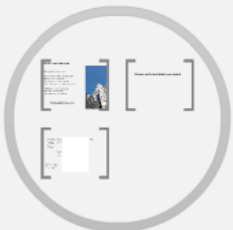
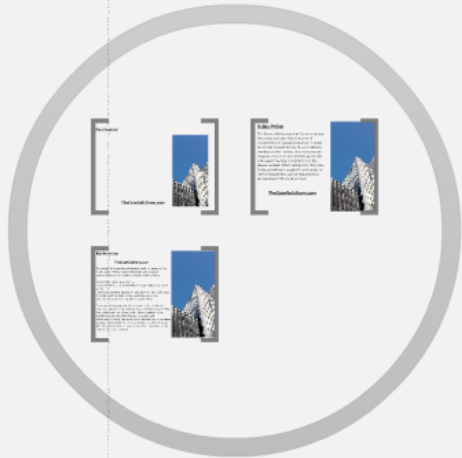


# Retail Relay (A)

## TheCaseSolutions.com



# **Retail Relay (A)**

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# What is Urbanisation?

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## Objectives and Scope

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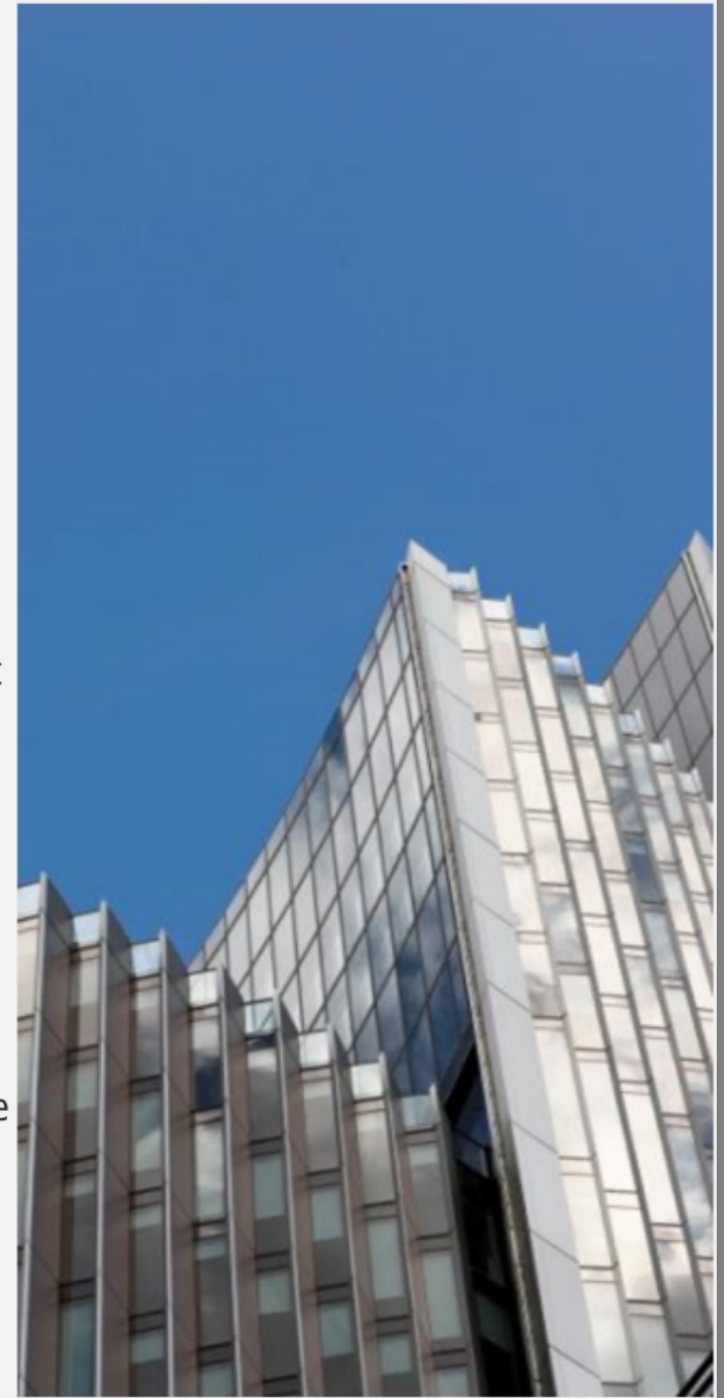
Our project is focused on urbanisation and its impact on the retail sector. The key to providing viable and practical recommendations to retailers is clearly understanding:

Urbanisation globally and locally

The factors that drive urbanisation both globally and in South Africa

The forces that have impacted urbanisation in the retail context  
To understand the opportunities and challenges that urbanisation present for retailers in South Africa.

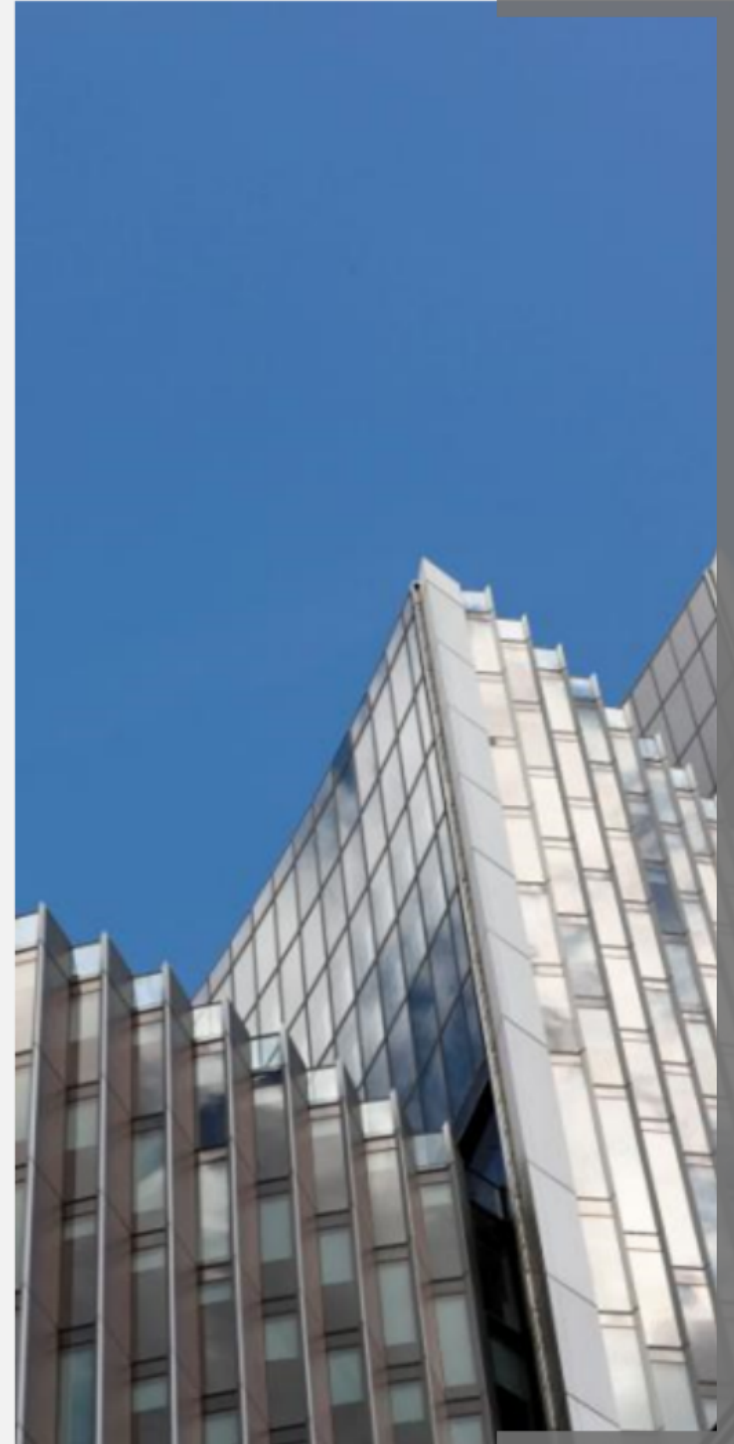
The focus of this project will be to compare the actual and perceived impacts of urbanization in global markets as in China and India, as well as in local South African markets, in the context of socio-economic impacts, resources and infrastructure. We will determine how urbanization in the above contexts affect retailers in China and India, as well as in South Africa in order to derive lessons that can be responded to and applied in the local context.



## **Business Problem**

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## Retailers Challenges

Rental and Location: Infrastructure has been developing at a rapid pace over the past decade but still has significant ground to cover. Urbanisation has resulted in soaring property and rental prices. Rent forms a large portion of total expenditure for retailers and can more often than not convert a profitable store into loss making

Unique Customers: Retailers have to understand the culture of the consumers. It is not viable to copy and paste what works in one city to another as each is unique in population demographics. While culture rarely plays a role in determining a shop profile, urbanisation often results in multiple people with various cultural backgrounds flocking into the same cities.

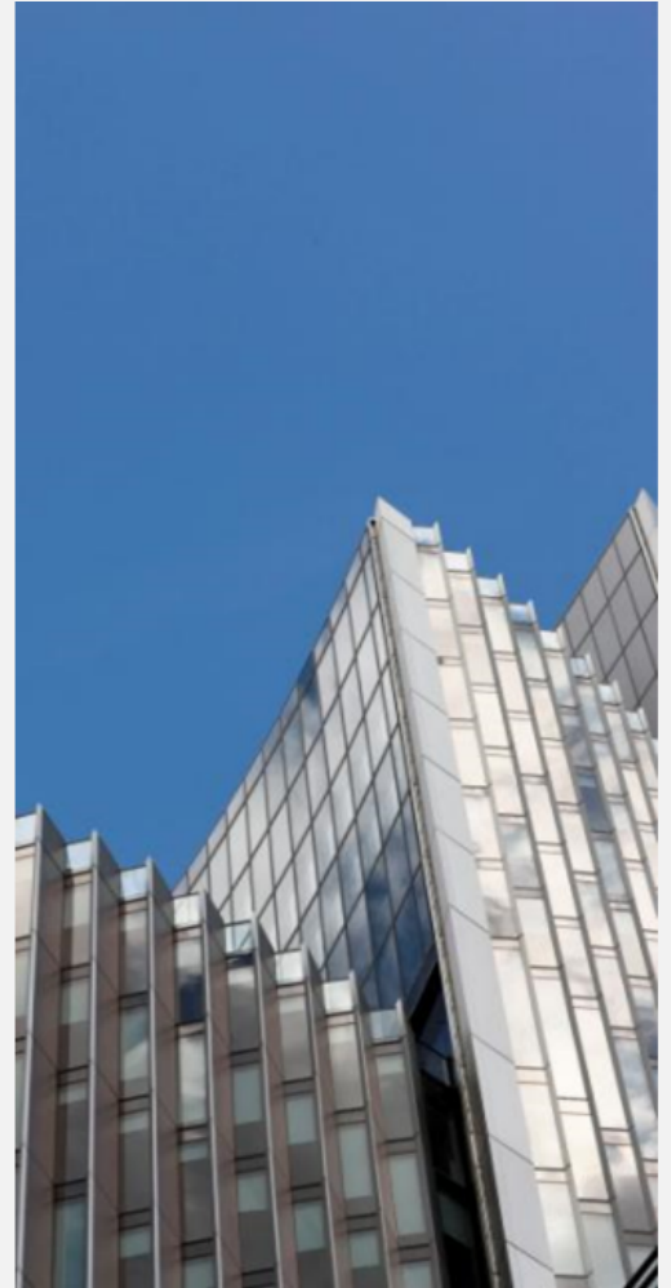
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## Results Discussion

- Urban Challenges
- 
- Housing
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- Service Delivery
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- Infrastructure
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- Environmental
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- Effects

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## Opportunities

Sharing rental costs

Diversifying portfolios

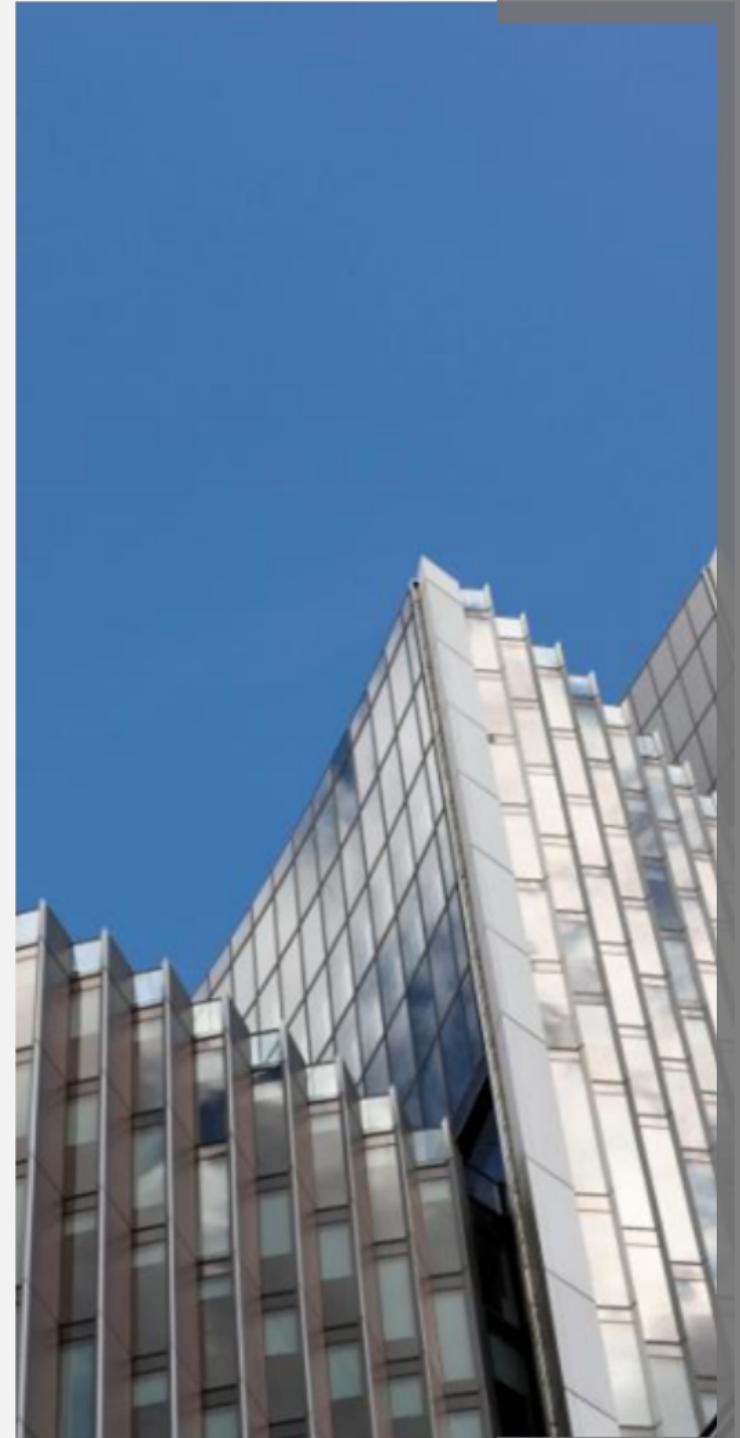
Smaller packaging

Market segmentation

Adapting to the needs of the rising middle class

Understanding the market structure

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**How can retailers adapt to the changing landscape?**

What are the past trends?

What are the present retail trends?

The rise of the Spaza shop

The future of mom 'n pop shops

Big retailers penetrating new markets

Modify current strategies for:

Sourcing rural retailers

Destination urban retailers

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