

# Untapped market: How spaza branding can increase sales and consumer demand

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South African townships have become a powerful and untapped market for brands looking to expand their reach and connect with diverse consumer segments. These vibrant communities offer unique characteristics and consumer behaviours that present numerous opportunities for businesses to thrive. Let's explore why branding spaza shops in South Africa is an exceptional opportunity for brands:



Before



After - Golden Cloud and Ace spaza branding

### **Key Facts:**

- 1. **Massive market:** Over 50% of South Africa's urban population resides in townships and informal settlements, making it a prime target for brand exposure and engagement.
- 2. **Substantial spending:** Spaza shops generate R390m in annual sales nationwide, with an average individual spend of R50 per day.
- 3. **Township buying power:** The estimated total income of the township population amounts to R568bn per year, showcasing the economic potential for brands.
- 4. **Impressive return on engagement:** 25% of the population enquires about brands advertised on spaza shops, indicating high levels of consumer engagement and interest.
- 5. **Cost-effective branding:** It costs as little as R40 per day to brand a spaza shop, offering an affordable way to establish a presence and drive sales.

At MegaVision Media, we specialise in providing comprehensive solutions designed specifically for brands seeking to capitalise on spaza shop advertising. With our extensive network of over 5,000 unbranded geo-tagged high-traffic spazas nationwide, we offer unparalleled visibility and reach.

Additionally, we offer optional services such as direct delivery of seeding stock to spazas, and flexible maintenance options, allowing you to customise your campaign according to your needs.

### How we help you become successful with the least barriers possible:

Negotiation with spaza owners: We facilitate discussions and negotiations with spaza owners to secure optimal

- placement and visibility for your brand within their shops.
- **Shop makeover:** Our services include the painting of spaza shops, creating an attractive and eye-catching environment for your brand to thrive.
- **Branded chalkboards:** We provide branded chalkboards that serve as a canvas for writing specials and promotional messages, ensuring maximum exposure for your brand's offerings.
- Custom spaza name and brand signage: We create custom signage, featuring your brand name and logo, to reinforce brand recognition and create a lasting impression.

MegaVision Media conducted a successful spaza branding case study for a blue-chip client in the maize business. The findings were remarkable, with spaza shop owners developing a strong affiliation with the brand and becoming enthusiastic advocates for their products.



Before



After - Eskort spaza branding

#### **Case Study Findings:**

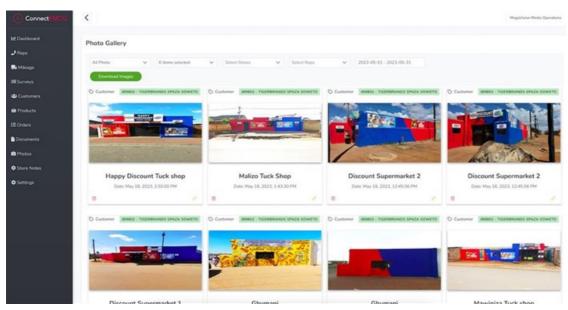
- Increased product availability: 75% of shop owners who previously did not stock the maize brand's product confirmed that they began stocking it after the spaza branding. This highlights the persuasive power of spaza shop branding in influencing product availability.
- Consumer demand generation: 95% of shop owners reported that once patrons saw the spaza branding, they specifically asked for that particular product. This showcases the strong influence of spaza shop branding in generating consumer demand and preference.
- Boost in sales: A significant 88% of shop owners experienced an increase in sales after their spaza shops were branded. This substantial growth can be attributed to the enhanced visibility and appeal created by the branding efforts.
- **Favourable perception:** 100% of shop owners confirmed that patrons loved the new spaza branding and agreed that it made the spaza shop more appealing. This positive reception indicates that spaza shop branding not only attracts customers but also enhances the overall perception of the shop.

To ensure that you have real-time insights into the performance of your spaza shop branding efforts, we offer the **ConnectSpaza App**. This powerful tool offers the following capabilities:

- Real-time before and after pictures: Capture and compare images of spaza shops before and after branding, allowing you to visually track the impact of your marketing initiatives.
- **Geo-mapped spaza locations:** Easily locate and map the spaza shops where your brand is being promoted, providing valuable geographical data for targeted marketing strategies.
- Product availability feedback: Receive timely feedback on the availability of your products in spaza shops, allowing

you to address any potential supply chain or distribution issues.

- Current point-of-sale material (POSM) visibility: Stay informed about the placement and visibility of your POSM materials at spaza stores, ensuring consistent and impactful branding.
- **Stock purchasing information:** Gain insights into where spaza owners purchase their stock, helping you optimise distribution channels and strengthen partnerships.
- **Price surveys and business intelligence reporting:** Conduct price surveys and access comprehensive business intelligence reports through a convenient dashboard, enabling you to make data-driven decisions.



ConnectSpaza App

By branding spaza shops, brands tap into a thriving market, cultivate loyalty, and establish mutually beneficial relationships with spaza shop owners. To tap into this market and propel your brand to new heights, partner with MegaVision Media today. Contact us to discuss how our comprehensive spaza shop branding solutions can drive your brand's visibility and impact.

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Empower your brand, support spaza owners, and make a lasting difference in the community with MegaVision Media.

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