

Grocery Wars (queue the Starwars theme)

“In a market right here in South Africa ... a new ‘real-time’ market share tracking device has been discovered ...”

Even though the data set is only 12 months old the early indicators, errors aside, are positive, as anecdotal references confirm a correlation. Only time will tell how much so.

The focus this month, the grocery retailers. “Interested, you will be.”

There is an almighty battle going on in the supermarket space – a fight for survival. Pick n Pay and SPAR have had boardroom battles, as reported in the business media, while Shoprite reign supreme.

Pick n Pay has successfully appointed a new CEO, a new Chairperson, completed a capital raise, transitioned through a change of control, embarked on a turnaround strategy, and announced a separate listing of Boxer, no doubt all forced upon them by their bankers. They will drag out the typical retail turnaround strategy, which is to ...

- close unprofitable stores
- shakedown the landlords
- tighten price and request suppliers to pay
- reverse previous centralisation/decentralisation strategies
- 80/20 the range
- clear old stock
- push payment terms
- refresh some stores and the advertising
- rally the troops
- reverse the negative sentiment caused by their public troubles as listed retailers.



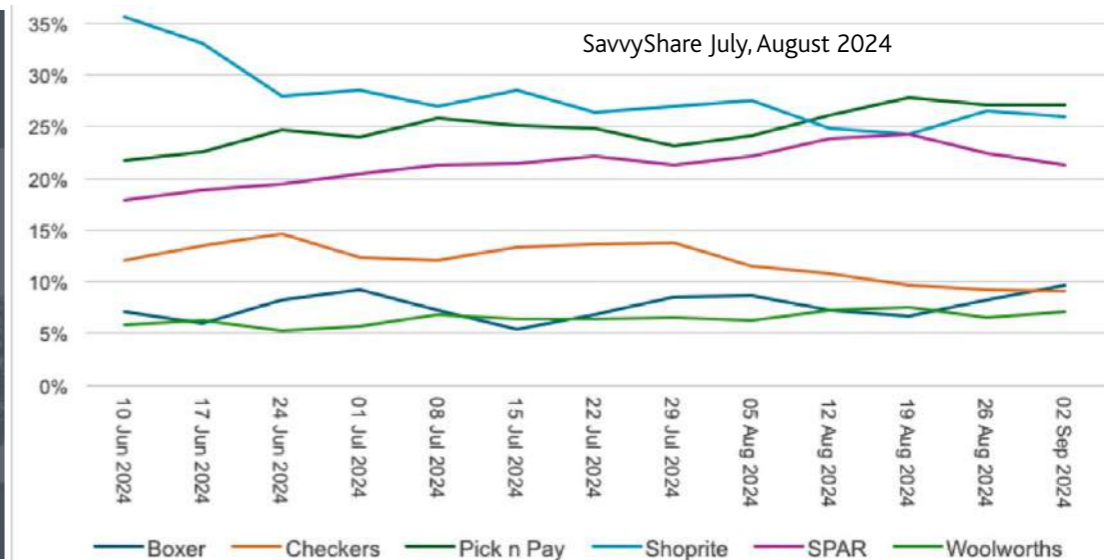
Grant Pattison

SPAR has a new chairman, new management and had some turnover in the Board. They have been in the courts fighting with at least one Franchisee. They will implement a similar plan to Pick n Pay.

Both groups will try extract more ‘rent’ from their franchisees and demand purchasing loyalty.

But the real question is, how is this playing out in the stores and with customers? Real time data is only anecdotal. We tend to only see and understand this month or even years (annual results) after its actually happened.

Savvyshare is monitored daily, and for purposes here we can follow weekly trends a month behind.



SavvySaver is a platform that gathers shopper invoices monthly from all over the country, through their free downloadable app. They monitor members’ overall shopping, based on various factors such as the retailer, location, and time, along with numerous other measurements.

Grocery Savvy Share (September/August 2024)

September saw a new trend, perhaps not unexpected, the fightback of Pick n Pay and SPAR started, and the share is seemingly winning back from Shoprite who has been gaining share for years, if not decades. And what about Boxer, the new IPO darling of the moment. What is its worth as a separate entity? Well, in-store all is calm, and their share is holding steady. Are Pick n Pay and SPAR fighting with price or retail know-how?

These trends continued into August – when will the Shoprite/Checkers response start. Who will be the winners and losers, and who will pay for the costs of the war?

These will be the topics we will focus on over the next few months here. **SR**

SavvyShare is a valuable tool for tracking market share trends, retailer behaviour and can be tailored to specific regions and customer demographics which serves as an early indicator of shifts in the market share. Accompanied by SavvyPriceTracker, real-time insight can be discovered. <https://www.savvyshares.com/>

