

# Township market matters

 By [Musa Msane](#)

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The explosion of township-based malls and shopping centres, providing a space for all types of brands to be nearer to the secondary market is one of the new exciting developments in the townships...

I'm writing this being fully aware of the concerns around 'unfair competition' allegations levelled against big brands operating in the township-based malls, which has led to the 'death of small businesses' in the townships - so goes the narrative. Unfortunately, such sentiments are not painting a true reflection of what is happening in the townships, at least in the township where I operate my own business. Instead I see a new wave of township-grown businesses being innovative, as they venture into sophisticated markets within the township.



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I also see a correlation between the rise of malls and shopping centres, with a rise of value of township properties, especially those properties around township malls. Also there is a booming rental property market as the result of improved township infrastructure. These developments are absorbing township labour and, as people's lives improve, they move out of the family houses to start their lives, and renting a space is one step towards independence. With all these positive developments happening in the township property market, you would think that marketers are riding a wave too, in terms of communicating their related services to this market, using

appropriate media platforms, of course, but it is not happening as yet.

## Informal business hard hit

The informal business sector, which has been the cornerstone of the township economy, has been hard hit, but this is not the entire picture. Some still continue to trade amid the stiff competition. A notion that these developments have replaced 'bustling informal markets, the street stalls, repair shops, barber shops and all manner of enterprises' as some report, purely based on speculation, has been doing the rounds. The townships are not sleepy, but are a buzz of enterprising activities. What is lacking, especially in the area of marketing communications, is clients with a broader view of the South African marketing landscape to capture this estimated R308 billion-spending township and rural market, which represents an estimated over 40% of the total consumer spending.

Doing research on the proposal for the potential client recently, the truth replayed itself that the youth market drives the consumption of almost every branded goods and, surprisingly, commodity goods as well. It also hit me that township youths spend their time outdoors. If you are a marketer and you want to pay a visit to this influential group, get out of their houses, they are not at home! Whether marketers and brand managers are ready to invest in the townships or not, the truth of the matter still remains, township market matters.

## ABOUT MUSA MSANE

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