

Who's on top in corporate FMCG retail?

Issued by [Trade Intelligence](#)

5 Aug 2022

Align your resources with the winners



The **total FMCG market has an estimated value of R655bn*** at end 2021 and is divided up into three contributing channels – corporate retail, formal independents and direct to supplier – with the **corporates contributing 65%** to the total market. For suppliers or service providers to corporate FMCG retailers, the starting point when planning resource allocation for best ROI is a thorough understanding of their retailer customers' performance and strategy.

Trade Intelligence's Corporate Retail Comparative Online Briefing will provide insights into who is winning (and losing) in corporate FMCG retail, as well as a view on shifting dynamics within the market. The event will be held on **16 August 2022** and will **compare the financial performances of the Shoprite Group, Pick n Pay Group, SPAR, Massmart, Woolworths, Clicks and Dis-Chem** across sales and operational areas. The briefing will use FY2021 as the complete year of comparison, with HY/FY2022 data reported where relevant.

It goes without saying that it has been tough out there for businesses and consumers alike, and although **FMCG retailers have generally fared better than other retailer types** thanks to the essential nature of the products they sell, the headwinds have been strong.

Some of the key information uncovered and discussed during the briefing will include:

- **Combined Group turnover** across the seven retailers was up +5.0% year-on-year for FY2021. This total growth hides mixed results as retailers managed varying internal and external challenges and opportunities. Part of this growth can be attributed to the loosening of liquor trading restrictions, which meant trade was halted for 'only' 110 days during 2021, versus almost twice that at ±200 days in 2020
- **Turnover growth from Checkers has been ahead of Woolworths** food growth since FY2020 – Checkers does roughly +R20bn more per year in turnover, pointing to market share gains among more affluent shoppers
- **23 million people have Checkers or Shoprite loyalty cards** – impressive since there are 41 million adults living in South Africa
- **Total corporate retail store footprint growth** has been suppressed over the last few years with unprofitable stores closing. CAPEX was cut to preserve cash flow and challenges around the opening new stores during a pandemic resulted in store footprint growth of +1.5% for FY2021 (FY2020: +3.8%)
- **However, after two years of CAPEX cuts** (FY2020: -15%, FY2021: -12%), planned CAPEX going forward signals a return to 'normality' – expansion and maintenance CAPEX is going full steam ahead and a significant amount is being allocated to IT for systems and digital enhancement

Who should attend?

The Corporate Retail Comparative Online Briefing would benefit all FMCG supplier management across key functions, such as customer, commercial, operations and supply chain teams.

For more information, [click here](#) or contact Shelley van Heerden on shelley@tradeintelligence.co.za or +27 [0] 31 303 2803.

*Note: *Trade Intelligence market size estimates based on sales of FMCG including:*

- *Edible and non-edible groceries, perishables/fresh, tobacco, health and beauty, bakery, butchery, liquor*
- *Exclusions: Dispensary, hardware and general merchandise*

For more, visit: <https://www.bizcommunity.com>