

The Wholesale-Retail Sector and Changes in Consumer Market Response in Rural South Africa

Tabukeli M. Ruhiiga

*Geography and Environmental Science, Mafikeng Campus, North West University,
Mmabatho 2735, South Africa*

E-mail: tabukeli.ruhiiga@nwu.ac.za

KEYWORDS Consumer Goods. Per Capita Store. Consumer Market. Economic Growth. Out Shopping. Consumption Patterns. Shopping Preference

ABSTRACT This paper reports the results of an investigation of the dynamics of the wholesale-retail trade sector in South Africa- carried out in order to characterize the non urban wholesale-retail sector and responses of the consumer market as a base for insights on the growth potential of rural South Africa. Based on secondary statistics on population, production, households and income, this has been reinforced with a conduct of a census of operating stores in ten administrative units (wards) and observation of a sample of 148 outlets in the QwaQwa locality of the Free State. Interviews were then conducted with twenty consumers from each ward about their shopping habits. One locality was then selected in each of the four other provinces; North West, Eastern Cape, KwaZulu Natal (KZN) and Limpopo- where a ground enumeration of outlets and observation of a sample of business units at a selection of sites was carried out. Interviews were conducted with a random sample of 50 shoppers at each of these sites. Correlation analysis was used to test the linkages between households, income per capita, store density and shopping preferences. The findings indicate a high store density compared to income per capita and population, major changes in consumption patterns, a preference for urban shopping, general decline in prospects and doubts about the contribution of the sector to local economies. The implications are discussed in the context of overall economic growth in rural South Africa.