

Kasi online retail

A new kasi omic revolution

Bafokeng Shisanyama in Soweto is normally a vibey open-to-the-street *shisanyama* by day and club by night. Their busy Facebook page shows parties spilling out into the street, platters loaded with meat, expensive brandy and whisky bottles on tables in the *kasi* style, fashionably dressed Sowetans bopping into the early hours.

And then along came the first lockdown and business came to a crashing halt. As the lockdown eased, takeaway food was allowed, but Bafokeng was not a takeaway outlet and their customers wanted to come party and grill. Bafokeng however, like many *kasi* outlets, pivoted quickly putting their delicious *nyama* menu on Facebook, with a WhatsApp link inviting people to WhatsApp their order and send a pin location and they would deliver. Orders poured in. Today Bafokeng has two fulltime freelance delivery motorcyclists who do 25–30 deliveries each a day during the week and almost double on weekends. Talk about turning a crisis into an opportunity!

At lockdown Borocho bakery in Soweto lost 25% of their business immediately, some of it from the closing of the township fast food sector, primarily the *kota* outlets, plus losing a large client at Baragwanath hospital. So the founder Refiloe moved to Facebook and WhatsApp, posting his delicious



and fresh offerings of bread and buns on Facebook. Refiloe invited people to WhatsApp him their order along with 'ipini' the *kasi* term for a pin location. Within days orders poured in and, with trolleys and branded umbrellas proudly shouting out Borocho Bakery, four trolley sellers walked the locked-down streets every day. "We now have orders as far as Rockville, even Dube, so the guys can walk about 10 even 15km's a day," he said at the time. Today his bakery sells direct to the public from the bakery,

but the Facebook and WhatsApp orders continue a lucrative additional distribution channel.

Mncedisi Nkuna left a great job in the formal sector to pursue his love of entrepreneurship. As a student at UCT he always had a side hustle selling to fellow students and looking around him in his local *kasi* of Alex he saw a proliferation of *kota* outlets. Recognising that most *kota* outlet owners struggle to leave their shops to stock up, particularly with potatoes, which they must wake up at

4am and go to the municipal fresh fruit and vegetable market for. So Mncedisi started buying and delivering cheese slices, cold meats and potatoes to the local *kota* outlets. His business is growing like hot potatoes, well actually cold fresh ones. He mailed me the other day. "Business is growing quite faster than I anticipated. As of today, our unit sales in terms of potato bags is up 30% versus last month. That is 3 383 bags so far this month, versus 2 646 the whole of last month."

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Our customer base is still very small compared to the target market in Alex – we only cater for 42 customers so far.” That’s almost R250 000 in sales to just 42 outlets and that’s almost double the two previous months’ turnover.

The streets of the township today echo with the sound of old-style bicycle bells and horns, ringing and boop-booping vegetable sellers walk street by street pushing trolleys loaded with fruit and vegetables selling right at your door.

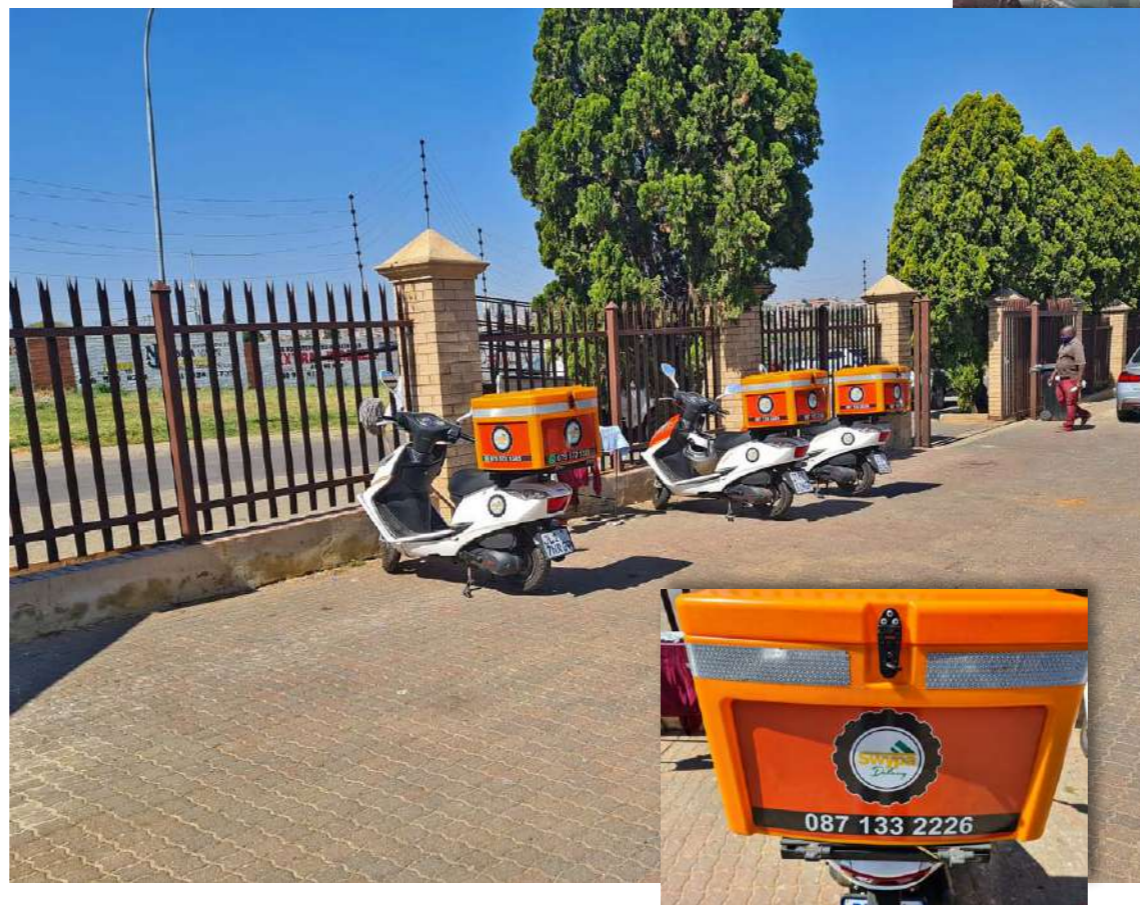
Reduced footfalls and closed ranks pushed these rank vegetable sellers to mobile offerings and consumers have become habituated by the convenience of this mobile at your door offering.

All these, and many other businesses examples, point to a growing online *kasi* delivery both B2B and B2C. This trend will grow and become more established. Ignore it at your peril.

Most informal *kasi* businesses have adapted to a new world – using technology, social media and delivery. It is remarkable how innovative and resilient these businesses have been. The era of local and delivery is here, built on social media and smartphone platforms. Very few *kasi* businesses today do not have a Facebook page with an associated WhatsApp number. Habituated by lockdown to the convenience of delivery, consumers have become ‘lazy’ said one outlet owner who has a successful alcohol delivery service.

Add to this convenience of online ordering is the comparative cost and inconvenience of taking

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and hire a *bakkie* from the rows of *bakkies* for hire outside the market or outside the wholesaler. Online ordering and delivery resolve these pain points of – inconvenience, risk, time out of store and delivery.

Over and above the in-house bread and vegetable trolleys or *shisanyama* motorbike delivery, a number of *kasi* entrepreneurs are entering the online delivery

space. Check out Swypa (<https://www.facebook.com/swypadelivery/>) in Thembisa whose fleet of scooters deliver alcohol, fast food or groceries. Or Go Groza (<https://www.facebook.com/GoGroza/>) recently launched in Gauteng delivering groceries into townships.

If you own a *spaza* or a *kota* outlet, the pain points of going to a wholesaler or a market are intense. Not only do you lose business when you leave your shop, but you typically take a taxi to the market or wholesaler. The cash in your pocket a huge risk. You then walk outside with your wares

a taxi to a retailer or mall. A taxi today will cost R12 one way for a local trip, i.e. within a township. That’s R24 return for one person. Multiply that if you are not alone. For R12 Bafokeng’s delivery bike will deliver the families Friday night feast to you.

Yebo Fresh (www.yebofresh.co.za) is probably the biggest and most sophisticated *kasi* delivery business currently doing grocery deliveries in the Western Cape townships like Khayelitsha and recently launched in the Gauteng East Rand.

Yebo Fresh offers a B2C service to consumers and a B2B wholesale offering to *spaza's* and *spazarette's*. The *spaza* and *spazarette* wholesale offering is one of their faster growing services, which I expect will create a new wholesale route-to-market, competing with traditional RTM channels. The trend may be in its infancy, but Yebo Fresh is at the forefront of a new *Kasinomic* revolution in online purchasing and *kasi* delivery. I expect their growth to be meteoric.

I anticipate that the next big thing in the *kasi* will be online ordering, albeit WhatsApp and Facebook based platforms vs dedicated webstores or apps. WhatsApp and Facebook Lite are already ubiquitous among *kasi* consumers and shoppers.

The relative low data cost of WhatsApp and Facebook Lite means that data cost sensitive consumers are less reluctant to use these.

Then there is data free, checkout #datafree <https://datafr.ee/> or Moya Messenger <https://moya.app/>. This data free platform allows for data free messaging or reverse billed websites or apps, enabling consumer shopping or website visits which are free to the consumer. With more than 4.6 million monthly users and growing fast Moya Messenger represents a means to fast-track online commerce.

Check out Malaicha.com <https://malaicha.com/>, an offering of the highly innovative HelloPaisa business, which I called a *Kasinomic* revolutionary

in my book. Malaicha enables shoppers who would normally send money to their relatives in Zimbabwe or Malawi where groceries are scarce or expensive, to send food instead. Scanning Q-codes on the data free app (which utilises the #datfree platform), shoppers build a shopping list, pay for it via a wallet or at a Malaicha store and hello your relative receives the groceries in their local town or village! By all accounts Malaicha is highly successful. A world class online grocery purchase and delivery platform for the most low tech and poorest people in Africa.

If online can work in this space then where can't it work? Prepare for a *Kasinomic* revolution in online purchasing and *kasi* delivery.



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Above left: Lwandle Majodina delivering to a customer.
Above right: Mfundo Maxamba delivering in Delft.

Left: Combos ready to go out to customers.
Centre: Faith Depa answering a customer query.
Right: Johannesburg marketing activation team.



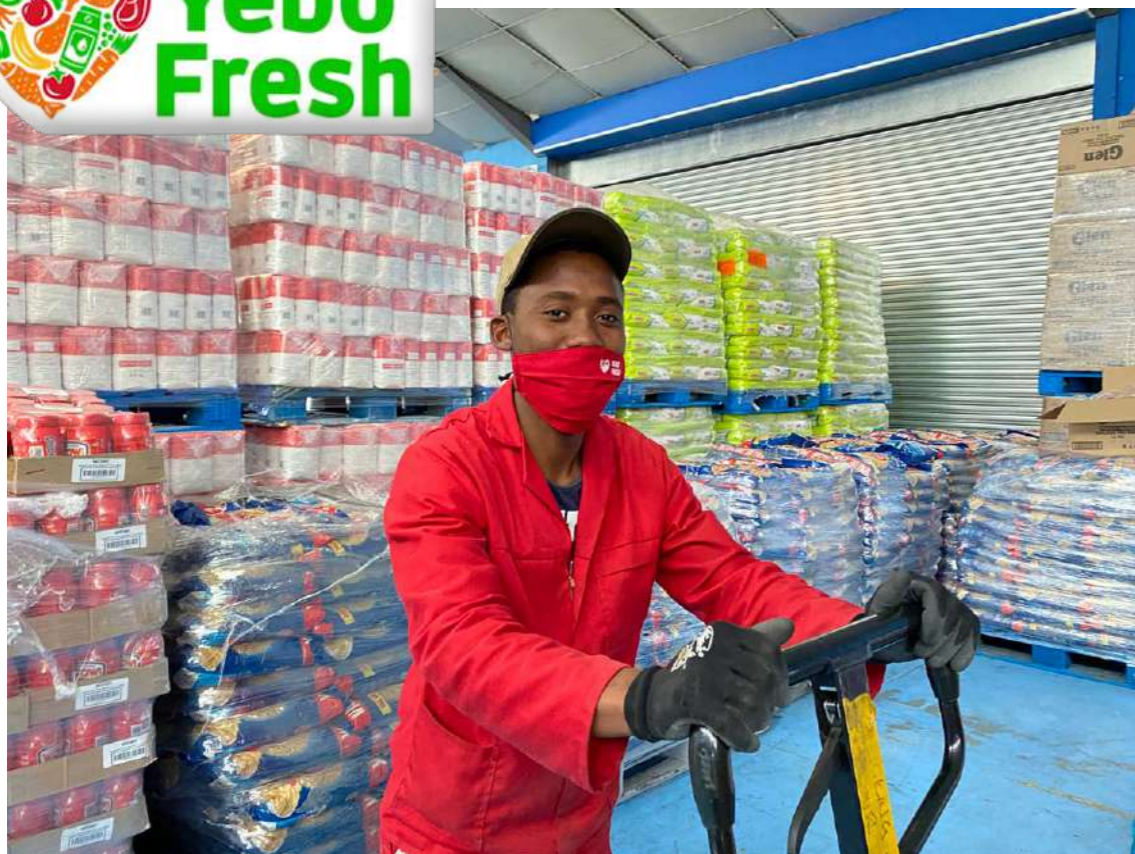
Above left: Siyabulela Nikani checking orders.

Above right: Thabiso Dubazana with Spaza owner Christina.

Below left: Sonwabile Mkiva at work in the Cape Town warehouse.

Centre: Jessica Boonstra.

Below: Sales Manager Moenier Hattas and Spaza trader.



GG Alcock is the author of *Third World Child: White Born Zulu Bred*, *KasiNomics: African Informal Economies and the People Who Inhabit Them*, and *Kasinomic Revolution: The Rise of African Informal Economies*. He is the founder of Minanawe Marketing and is a specialist in informal & Kasi (township) economies, marketing and route to market strategies.

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