

'Small Business Spotlight' initiative launched

Small businesses in South Africa should tap into existing business community, partner and supplier networks to help keep their heads above water in these tough times. It is only by finding creative ways to stand together and help one another that this vital sector of the South African economy, employing 9 out of 10 people, will survive.



The “Small Business Spotlight” initiative is the brainchild of SME funder Lulalend and one of the city's online magazines CapeTownMagazine.com. The nationwide initiative is designed to encourage all to support our favourite local businesses by showcasing them to a broader audience. The devastating impact of the pandemic on SMMEs is well documented, says Lulalend CEO Trevor Gosling.

“A recently [published survey](#) showed the extent of the problem facing this sector. It is estimated that 60% of SMEs may close before the end of the pandemic, while 39% spoke of their worry about maintaining and growing their business. At the same time, 29% are worried about staying in business or going bankrupt,” he says.

Looking ahead at the next year, three-quarters identified the rising cost of doing business, 63% cited red tape and regulations, and 51% mentioned getting access to capital as their biggest business concern.

“We all know that there is still a long road to economic recovery that lies ahead. We should use the networks we have already and look for new opportunities to join forces with suppliers and others that operate in our sector,” says Gosling.

Marcus Zandhuis started the CapeTownMagazine.com platform 15 years ago and says he intimately understands the impact of the pandemic on SMEs - and the stress of being an SME owner.

"I am lucky to have built up a network of very valuable business contacts over the years, and I have tapped into this network to find solutions, get advice and sometimes just camaraderie.

Gosling says the secret to survival for the SME sector is creativity and adaptability. This will help it reach the target set down by the government's National Development Plan to generate 10 million new job opportunities by the year 2030.

"Survival in the SME sector is dependent on shifting business strategies and plans, as well as leaning on partnerships with service providers, stakeholders, and customers.

"CapeTownMagazine has worked with Lulalend before. They have helped my business stay afloat during the pandemic, and then scale up again coming out of it. We are confident that our two organisations can work together to help promote small business enterprises and give them exposure and support on our platform," says Zandhuis.

Showcase your small business

Every week for the next three months, anyone will be able to nominate a small business that they admire for its ability to succeed and persevere in difficult times for free exposure across CapeTownMagazine's platforms.

In addition, one of the nominated businesses will be selected to receive interest-free funding from Lulalend as part of the initiative. All the detail and criteria is available at <https://www.capetownmagazine.com/spotlight>.

"Since the start of our business journey, we've run a unique small business impact programme that helps level the playing field for SMEs competing against bigger businesses with more resources.

"We have seen how our efforts have impacted positively on their bottom line and this made me realise how we can make a difference during the pandemic. Having worked with Lulalend in the past and knowing how efficient and seamless their service to SMEs is, I knew this was the right partner for our initiative," says Zandhuis.

Gosling urges business owners to find their own support systems, wherever they are located.

"These partnerships can be big or small and do not necessarily have to involve business owners. A social media notice board can be used to promote small shops and retailers to their specific communities, people can recommend SMEs they have worked with to create a word of mouth 'buzz', we can choose to buy from local shops and retailers as far as possible – these are all examples of systems or networks that support SMEs.

"The rest of the year will be a bumpy one, but with the right support and collaboration it will be possible to come out the other side in a much stronger position," he says.

"Owners of SMEs are the most resilient people you can imagine. All they need is that opportunity to bounce back and thrive, and in doing so they'll protect and create jobs - enabling a better future for all of us," says Zandhuis.