

Food retail in SA scores top marks for customer satisfaction

Food retail in South Africa has had to evolve to stay above water in a fiercely competitive industry. Strategies have to adapt to take changing consumer expectations into account and keep pace with technological advances. Added to this is the weak economy, where the increasing cost of doing business has to reckon with consumers' simultaneously tightening their belts.



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Yet despite all of this, food retail is managing to stay ahead of the pack when it comes to service delivery and customer satisfaction, as the results of the recent Ask Afrika Orange Index Awards can attest. Now in its 16th year the 2017/2018 Awards are a benchmark that celebrates which category winners are “doing right” to tap into customers’ needs and maintain excellent service levels.

“The customer services industry is vital to the South African economy. It drives 60% of GDP, accounts for 63% of employment and 74% of capital formation,” said Ask Afrika’s CEO Andrea Gevers. “But because it is a people business it is difficult to pin down. Retailers are faced with a constantly moving target.”

“The food retail industry is one that has consistently performed across the benchmark over the past five years. Leaders in the food retail industry have been those that have managed to adapt their product offering by looking at international trends and analysing the local market from the consumers’ point of view to adapt their product offerings.”



The top industry performers in service delivery from 2012 to 2017.

How industry leaders are keeping up with consumer trends

Ask Afrika's top three in the food industry category for 2017/2018 are: 1) Woolworths Food; 2) Food Lovers Market and 3) Checkers. Here are some of the ways these retailers are keeping up with consumer trends.

Aside from leading the Orange Index's food retail category, **Woolworths Food** was the overall winner of the Awards across all private sector service categories. The company has maintained its high standards since it was founded in 1931 by always staying one step ahead. They introduced staff benefits and sell-by dates to South Africa and continue to innovate to this day.

For 2017/2018 Ask Afrika identified an expectation from customers that the brands they follow should help to create a sense of meaning in their lives.

"Consumers are becoming more critical of brands than they are of themselves. They expect the companies to maintain high ethical values and to support their attempts at showcasing their 'desirable lifestyles' on social media," said Ask Afrika's managing director Sarina de Beer. "Retail brands build trust among consumers by being about more than just traders. They need to stand for something."

Woolworths Food has achieved this through a number of initiatives including its [Good Business Journey](#), which promises to care for the environment and contribute to needy communities. This includes ethical sourcing from sustainable fisheries, plantations and farms that treat their workers fairly.

Another trend is an increasing consumer desire for health and beauty. Woolworths Foods' Healthy Living Initiative taps right into this by sending out mailers with health advice and recipes, together with shopping lists and email access to a dietician for queries.



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Danette Breitenbach 13 Nov 2017



Food Lovers Market has always been about good pricing and salt-of-the-earth values. What started with an in-house fruit and vegetable chopping service has blossomed to incorporate ever-increasing convenience – not something you would particularly expect from a fruit and veg store. The Orange Index has identified that consumers want what they want, how they want it and when they want it and that technology is helping retailers to meet that demand.

Food Lovers Market stepped up to the plate by extending its range to include meats, fish, cheeses and even alcohol. The company also started Fresh Stop at Caltex outlets in 2009. From October this year, the retailer has [partnered with UberEats](#), to bring healthy ingredients straight to the consumer's front door. The app can now be used to order meal kits comprising fresh ingredients and easy to follow recipes.

Checkers has also taken up the mantle when it comes to ultimate convenience with the recent addition of pre-prepared convenience food with [Moneyweb reporting](#) in October that the retailer had recently launched 150 new convenience products, with 100 in development. To differentiate itself from its competitors, Checkers focussed on children's meals and snacks developed by celebrity chef [Gordon Ramsay and his daughter](#), Matilda. It has also [partnered with UberEats](#) to provide reasonably priced delivery of produce, groceries, pre-prepared meals, braai packs and alcohol.

Insight and evolution go hand in hand

As leaders in the customer service space have shown it is vital for every member of staff from boardroom executives to cashiers to place customer experience at the fore, particularly with regards to convenience. Marketing these days relies on a multidisciplinary approach that combines statistical intellect with psychological perceptiveness, business acumen and industry understanding.

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