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Reaching the South African customer: which channels convert which products, and for whom

South Africa concentrates a third of Africa's millionaires, a fast-growing middle class and a retail scene as sophisticated as any in Europe. But there is no single South African customer, and no single channel. Choosing the right combination is the first decision of any market entry.

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A concentrated, and growing, premium market

South Africa is home to 41,100 millionaires, 34% of the continent's total. Johannesburg remains Africa's wealthiest city, with 11,700 millionaires concentrated in Sandton and along the Waterfall–Midrand corridor, while Cape Town counts 8,500 high-net-worth individuals and 35 centimillionaires, the most of any African city, and is expected to overtake Johannesburg in total wealth by 2030 [1]. Beneath this tier, the black middle class grew from under 1.7 million people in 2004 to 4.2 million in 2012, according to UCT's Unilever Institute, and has outnumbered its white counterpart for several years [2].

Premium retail reflects this. Sandton City reached 99.9% occupancy in late 2025, with trading density up 12.1% over two years; Standard Bank ranks it ahead of the V&A Waterfront and Durban's Oceans Mall as the country's leading luxury destinations [3]. The V&A Waterfront welcomed 25 million visitors in 2025 and generated more than R11 billion in retail sales, up 7% [4]. Online, retail was set to pass R130 billion in 2025, close to 10% of all retail spending [5].

Four customers, four ways of buying

Behind these figures sit distinct customers, who rarely buy in the same places or for the same reasons.

Customer	Where they buy	What converts
Established affluent (Sandton, Constantia, Atlantic Seaboard)	Luxury precincts, brand boutiques, personal shoppers, WhatsApp	Exclusivity, service, discovery of brands unavailable locally

Customer	Where they buy	What converts
Young urban professionals, notably Gauteng's emerging middle class	Online marketplaces, social media, flagship malls	Recognised brands, influencer endorsement, aspirational pricing with instalments
Beauty-led shoppers across income groups	Clicks, Dis-Chem, Woolworths beauty halls, Takealot	Ingredients and efficacy, loyalty rewards, in-store advice
International visitors in Cape Town	V&A Waterfront and tourist precincts	Gifts, travel-friendly formats, VAT refund on departure

First Edit Africa analysis, based on the sources cited in this insight.

Matching products to channels

Beauty and fragrance are won in specialist retail. Clicks has opened its 950th store, counts 12.1 million active loyalty members and grew online sales by 23% [6]. Woolworths has turned beauty into a strategic priority: its beauty halls place Chanel and La Mer alongside its own ranges, and its beauty revenue more than doubled in two years to over R1 billion [7]. Experiential formats work: the first Takealot House of Beauty event in Johannesburg sold out within fifteen minutes [8]. For a new brand, the question is not whether to be in these channels, but when, and on what terms.

Accessories and jewellery remain anchored in the mall, where customers want to see, touch and try. The Foschini Group, which owns American Swiss and Sterns, reports rising demand for gold jewellery, while the Jewellery Council of South Africa observes a shift towards silver, lighter pieces and timeless items that hold their value [9]. A brand that is not visible in a premium precinct struggles to build the credibility that justifies its price online.

Online and social channels are where discovery happens. Almost every South African online shopper buys on marketplaces, and Takealot is used by 92% of them; three in four have already bought through social media, and 78% believe social platforms could become their main place to shop by 2030 [10]. Payment is no longer a barrier: 97% pay by card, and 41% use buy-now-pay-later services [10]. The conversation that closes the sale, however, usually moves to WhatsApp, used by 93.8% of South Africa's active social media users [11].

Why the choice is harder than it looks

Each channel comes with its own gatekeepers. National retailers expect listing terms, promotional budgets and a supply chain that can follow their volumes. Department-store concessions require staff and stock on the floor. Marketplaces reward price and speed, at the risk of exposing a premium brand alongside discount offers. Social channels demand constant content in a local voice, and influencers whose audience truly matches the brand.

The channels also interact. A price promoted on a marketplace undermines the boutique; a product absent from the mall struggles to justify its price on Instagram; a beauty brand listed too early with a national chain can lose the aura that made it desirable. The right sequence depends on the product, the price point and the customer the brand wants to reach first, and it rarely matches what worked in Europe.

Sequencing the entry

The most successful entries start narrow. A brand first meets one well-defined customer, in one or two channels it can control, measures what sells and at what price, and only then extends to national retail. In South Africa, this usually means beginning with the affluent customer and the visitor in Cape Town and Johannesburg, where the brand can be presented in the right setting and served personally, before opening the doors of the large chains.

> **THE FIRST EDIT AFRICA APPROACH**
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> *This sequencing is the core of what First Edit Africa does. Through Edit14, our curated platform, a brand meets the affluent South African customer online and in a showroom at a premium Cape Town address, with service by WhatsApp and prices that include duties and delivery. The results of each three-month drop show who buys, what and at what price. On that evidence, we select and approach the right partners, whether a department store, a beauty retailer, a marketplace or a distributor, carry out financial and human due diligence, and negotiate terms that protect the brand's positioning. Our network among South Africa's retailers and mall owners, built since 2008, does the rest.*

Sources

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