

The impact of riots and looting on spaza shops in Johannesburg 2021

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One-third of spaza shops in Johannesburg suffered looting or damage in the recent violent riots that took place in July with most requiring assistance to repair structural damage and capital to replace stock before they can resume trade, according to research conducted by Ask Afrika in partnership with Yebo Fresh, a tech start-up that is on a mission to rapidly restock spaza shops. Ask Afrika interviewed 200 spaza owners during July 2021.

According to Gauteng Premier David Makhura, the looting and damage to retail outlets in July has set the township economy back by 15 years.

Spaza shops play an important role in their communities, offering consumer's well-priced products and convenience as a result of their proximity. More than this, however, they also provide financial support in the form of credit and food to those in need. Many take their role in the community seriously by offering grocery donations for occasions such as funerals. Their existence also helps to grow the local economy.

The aim of Ask Afrika's research was to understand the impact of the looting on spaza shops in Johannesburg, including the extent of the damage suffered, what is required to restock outlets, and whether owners have the available capital to restock essential items.

The study found that of those stores that were looted, nearly 80% lost more than half their stock and urgently need to replenish products, including maize meal, beverages, sugar, tinned food, rice, household goods, sauces, seasoning, spices, oil, vinegar, coffee, bread and personal care products, before they can resume trade.



The **impact** of riots and looting on **spaza** shops in Johannesburg 2021

Nearly **R7 million** lost across 154 shops



68% of damaged spazas reported more than 50% damage to their stores

Main damage includes:

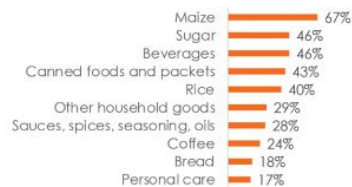


80% of looted spazas reported that they lost more than 50% of their stock

Immediate assistance required



Top 10 essential items needed to restock the shop



Capital requirement to restock essential items



Results based on n=201 telephonic interviews conducted 21-23 July 2021



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Damage to interiors, primarily to fridges, freezers and shelving, was more significant than exterior damage. Nearly 40% of spaza shops experienced structural damage.

On average spaza stores earned just under R21,000 per week prior to the looting. The report found that during the looting, half of spaza shops lost more than R10,000 and 20% lost more than R50,000 of products.

The majority of spaza shops need financial assistance as they don't have sufficient capital available to restock essential items and replace fridges. The average amount required to restock essential items is R47 316. Half of all stores need more than R20,000. Only 16% of spaza stores need no assistance.

However, help is not forthcoming and spaza shops are not receiving any real support from either business or large corporates. The study found that a total of 40% of spaza owners say nobody is helping them to rebuild in their community after the destruction caused by the looting and riots, leaving them to take personal responsibility for rebuilding. Yebo Fresh are looking to do something about this by collaborating with businesses and corporates to bring relief to affected spaza shops.

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“Support to affected small businesses would go a long way to rebuilding, growing solidarity and fast-tracking trade,” says Ask Afrika founder and CEO Andrea Rademeyer.

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