

SA's top retailers on improving access to fresh and healthy food

In an environment where many households are food insecure and some face malnutrition, rural food hubs are a sustainable business model that can deliver affordable, nutritious food, says James Lonsdale, National Fresh Produce Manager of the Spar Group in South Africa.



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He took part in a panel discussion at the 2018 Produce Marketing Association's (PMA's) Fresh Connections: Southern Africa Conference held in Pretoria. In the first ever for Southern Africa, the session staged four of the six leading retailers in South Africa – Shoprite/Freshmark, Food Lover's Market, Pick n Pay and Spar – to discuss the importance of the fresh produce industry and its growers to retail.

Household challenges

Lonsdale said that in addition to food insecurity, households face challenges such as affordability, which means that fruit, vegetables and dairy often are the least consumed food groups. These challenges are often more visible in the rural areas.

Supermarkets mainly source products from large commercial farmers, which are delivered to centralised distribution centres. Supply chains are long, commercial farmers tend to dominate the supply and smaller farmers struggle to enter the formal value chains.

The solution is to improve availability and affordability of fresh produce through rural hubs. This entails developing and driving a model of more localised sourcing of fresh produce, enabling the inclusion of emerging smallholder farmers. It will reduce transport costs, improve lead times and increase freshness and shelf-life.



We must ensure new food retail technologies are pathways - not barriers - to better health

Kathryn Backholer 11 Jul 2018



Benefits of rural hubs

Some of the real benefits include the development of an inclusive agricultural system. It shortens and brings down the cost of the value chain and it enables a food system that can provide nutritious and affordable food for rural communities.

For Spar to implement such rural hubs, it is important to locate the rural hubs in areas with high numbers of emerging smallholder farmers seeking market access and development support, high agricultural potential and high rural poverty. Essential in these areas are many Spar stores, technical service partners and commercial farmer mentors. Input financing must be available and a food safety programme must be in place.

Two Spar hubs have already been established, one is located in Ofcolaco in the Mopani District of Limpopo and the other in ikhwahlane in the Ehlanzeni District of Mpumalanga, a third hub will be established in King Cetshwayo District 32 in KwaZulu-Natal this year. Other sites in KwaZulu-Natal and the OR Tambo District in the Eastern Cape are also being evaluated as potential hub sites.

Balanced approach to health

Frikkie van Niekerk, head: fresh development and factories at Pick n Pay, discussed what "healthy food" really means. He said the answer is not that simple, as it has a different meaning to different people. Any approach to healthy eating should be holistic and balanced.

Many people suffer from conditions such as obesity, high blood pressure, malnutrition and even over-nutrition. The disturbing fact is that only 23% of children in South Africa meet the criteria for a minimum, acceptable diet. The Department of Health is increasing pressure on the industry to decrease obesity in South Africa through aspects such as food labelling regulations, nutrient profiling, sugar tax, sodium regulations, etc.

Retailers respond by providing food that is free-range, free from, vegan, vegetarian, low carb, no carb, fat-free, low GI, gluten-free, as well as a greater range of fruit and vegetable produce that is intrinsically healthy.



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He said there was a strong need for retailers to promote good nutrition to all South Africans, and encourage a healthier eating culture. This includes broadening healthy eating ranges available in store. "Retailers need to drive affordable health solutions and encourage consumers to eat more fruit and vegetables. As nutritional information can also be confusing for some consumers, education is also important, especially on food labelling. This allows them to make better choices about their diet.

“We have launched the PnP Live Well and PnP Free From brands – which offer products with specific nutrition or health attributes – and have extended the roll-out of front-of-pack labelling to over 900 private label products. Customers can also contact our resident dietitian, for free, should they have any nutrition or food queries,” says van Niekerk.

Long-term relations with diverse customer-base

Dr Johan van Deventer, general manager at Freshmark, Shoprite's fruit and vegetable procurement and distribution arm, said the Shoprite Checkers Group has a success chain in supplying fresh produce. The group's approach is to supply fresh produce to their diverse customer base in different areas under brands like Shoprite, Checkers, Checkers Hyper, Shoprite U Save and the OK Franchise Division.

It is driven by long-term supplier relations based on truth and trust, and they follow strict product specifications and food safety regulations according to their LSM groups' specifications. It is important to maintain the cold chain through the supply chain, which is done with a modern refrigerated fleet. Eco-friendly nitrogen units on the trucks are now installed.

He said they use the latest sophisticated stock inventory and replenishment systems for daily deliveries to their supermarkets. In this way, they ensure freshness and a happy and loyal "Madam" customer.



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Fresh produce is the future

Brian Coppin, co-founder of Food Lovers Market, is confident that fresh produce is a key driver of retail locally and elsewhere in the world. “As leaders in fresh produce, we aim to lead by example through giving our customers the tools and support that they need to live healthy, active lifestyles through wholesome food options and lifestyles.”

This article comes from a presentation given by the leading retailers in South Africa at PMA's Fresh Connections: Southern Africa Conference and Trade Show held on 15 August 2018 in Pretoria, South Africa.

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