

**The viability of food retailers to grow the African retail footprint through supplier
development across the national borders of South Africa**

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A research project submitted to the Gordon Institute of Business Science, University of Pretoria, in partial fulfilment of the requirements for the degree of Master of Philosophy (International Business).

27 November 2023

Abstract

South African retailers have initiated expansion and internationalisation across the borders of South Africa. This internationalisation has opened new and exciting opportunities for retailers and suppliers for the country and the host countries within which they operate. However, this expansion across borders comes with many challenges as retailers battle trying to replicate the stores to look and feel the same as those in South Africa.

The export and import industries have exploded with opportunities, but South African retailers are still struggling with challenges such as product availability, product quality and suppliers' acquisitions, whilst navigating complex cross border trade regulations, to meet the required standard to ensure on-shelf availability. This qualitative research study involved retailers, suppliers, value chain and regulatory participants and sought to understand how viable role players perceived the issue of expanding across borders to be when involving South African suppliers as well as host country suppliers to grow the South African retail footprint. The research concludes that there are opportunities to grow the retail footprint through supplier development across the borders of South Africa.

Key Words

African Retail, Supply chain, Product Availability, Product Quality, Supplier Development,

Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Philosophy (International Business) at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other university. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

Signed

Date

Student no: 2202805727 November 2023

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Chapter 1: INTRODUCTION

1.1 Background to the research problem

The internationalisation of retail on the African continent has been undertaken through trial and error, with some of South Africa's top retailers having explored their business opportunities in other African countries with success and with failure. This internationalisation has presented retail chains with challenges and opportunities. Within the last three decades, retail has grown and changed so much with different levels of challenges and complexities.

Retailing contributes significantly to a country's economy, and it is a local and an international business activity. Expansion across borders is extremely complex and demands a different strategy to deliver a successful, productive, and profitable business venture. In a highly competitive industry, retailers need to strategically upscale their business models to survive and thrive and this must include internationalisation.

Internationalisation and quick urban developments are creating new opportunities for businesses, and large retail groups such as Woolworths, Spar, Pick 'n Pay and Shoprite have ventured into Africa with remarkable success in the last two decades, demonstrating that a supermarket revolution has occurred on the African continent, particularly within the Eastern and Southern African countries. The supermarket expansions within Africa are due to the Foreign direct investment (FDI) that has had significant consequences for the internationalisation of the supermarkets' consumers and suppliers (Nickanor et al., 2021; Nair et al., 2019; Mwamba & Qutieshat, 2021). These supermarket conglomerates have copied other international retailer strategies to design their supermarket blueprints and supply chains as they enter foreign markets (Nickanor et al., 2021). There have been significant investments made towards massive distribution centres, sourcing suppliers and products as well as transportation to enable distribution into their stores across borders (Nair, 2019).

Since the 1990s, South African retailers have been eager to enter African markets to increase their retail presence and make more profits however, this has come with many challenges, such as local production volumes, supply and demand of products, labour workforce challenges, imports and exports, franchise management, complicated supply chains, and cross-governmental policies (Nickanor et al., 2021). The retailers from within South Africa that have internationalized their retail presence have had a significant impact on food suppliers and products (Nair et al., 2018).

South African retailers internationalising have transformed economies within South Africa and the countries in which they operate through creativity, innovation, and a certain ambitious drive to succeed. The expansion and rise of supermarket internationalisation has shifted the growth of suppliers, the supply chains and created aggressive competition amongst other retailers. In considering internationalisation, the retail chain must consider its brand, products, and its service offering. International expansions are not as simple as they seem and require a holistic view of government regulations and trade relations.

Supermarkets are vital, and together with their suppliers, are opening doors for broader regional marketplaces, providing opportunities for suppliers to become competitive in an international market (Nair et al., 2018). The ability of a retailer to supply goods and products to its consumers relies on those goods and products that its consumers demand, and in developing countries, there is a dependency on local suppliers to effectively supply products to Supermarkets (Nandone & Kuada, 2018). Supermarkets, therefore, can contribute to food processing and manufacturing industries, which is a key objective of the Southern African Development Community (SADC) strategy (Nair et al., 2018).

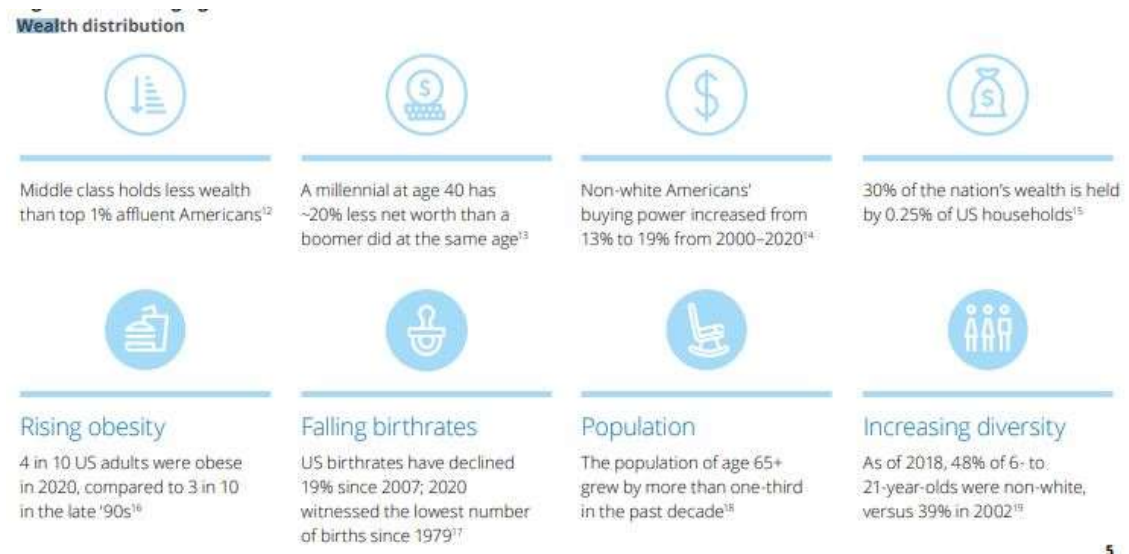
Africa is a continent that is filled with opportunities, and it is exponentially and for decades, the continent experienced barriers caused by colonialism (Dakora, 2012). Internationalism is evident as there is an increase in urban growth and a huge investment of Foreign Direct Investment (FDI) into Africa (McCordic et al., 2022). Typically, within the South African context, the internationalisation of supermarkets has been dominated by the larger, more competitive, and established supermarket chains, such as Pick n Pay, Shoprite Group, Food Lovers Market, and Woolworths (Nair et al, 2019).

Sub-Saharan Africa (SSA) has a goal of economic transformation by 2063 (Mwamba & Qutieshat, 2021). However, Informal retail trade dominates and harms the Formal retail trade. Informal retail trade does not conform to regulations and standards as formal retail trade would. Informal retailers benefit widely in all aspects while formal traders are taxed heavily. In Sub-Saharan Africa, South Africa dominates with a well-developed formal retail sector as it has the second-largest economy in this region and the cost of doing business is low (Mwamba & Qutieshat, 2021; Deloitte, 2023).

The retail sector is growing exponentially as supermarkets as we know them have evolved over the last decade. It is with the onset of the COVID-19 pandemic, that the

levels of the retail sector have capitulated into a new dimension. The major and more well-established retailers have progressed internationally with remarkable success, although not exempt from failures, particularly whilst testing the retail space within Africa (Mwamba & Qutieshat, 2021; Deloitte, 2023). Deloitte (2023), states (as shown in Figure 1), that since the COVID-19 pandemic, the retail sector has shifted, and trends point to the emergence of the customer expectation of the most convenient and time-efficient shopping methods. This has created a need for the development of online platforms. The customer's needs have changed given global trends in recent decades.

Figure 1: The Changing Customer



Deloitte (2023).

The economic outlook for the retail industry as cited by Deloitte (2023), by Bachman and Barua, is that the economies will shrink and unemployment will rise, therefore consumer spending will be under pressure with inflation limiting consumer spending.

Before entry into a country, the retailers will need to conduct a detailed market analysis, and models such as Porter's five forces are required to understand and determine the benefits and challenges of setting up business across the border. The analysis of the external environment is critical to success and failure.

Success or failure of expansion in internationalising can be attributed to understanding the local markets, local traders, and culture within a country. It may also require building and acquiring an alliance with governments, local communities, and local suppliers. In assessing local markets, retailers need to scope out the competitor activity and analyse

the demographics, geography, and customer profile. The adaptation of product offerings and services can play an important role in attracting and retaining the right customer.

Since 1990, South African retailers have been seeking new markets in African countries to establish a presence in. Whilst many good opportunities present themselves, there are many challenges that retailers are faced with. Retailers are faced with a range of complexities, such as the supply and demand of products, exploring commercial vs subsistence farming supplies, consistency in volumes to ensure product availability, imports versus exports, quality of products, labour to supply demand, transportation and distribution costs, supplier development programmes, trade with the Southern African development community districts, government policies and regulations affecting trade (Dakora, 2012; Nickanor et al., 2021).

With a diverse African culture, each country offers its own set of complexities. In saying this, retailers exploring the possibility of expanding into Africa will need to ensure that they can offer value-adding products through their supply chain (Nandone & Kuada, 2018). South Africa is considered more developed relative to the rest of the African continent, and it also has a well-developed economy and a multitude of successful companies (Nair et al., 2018). South Africa also has a well-established retail sector. South African retailers export dry food and perishable goods to their African businesses (Dakora, 2012; Nair et al., 2018). Importing such goods comes with obstacles such as host country government regulations; if importation is permitted it also comes with additional expenses and distribution costs (Nandone & Kuada, 2018). The challenge lies in creating a balance between local products and importing products into the host countries (Naik & Suresh, 2018). In the absence of local suppliers or low supplier bases, retailers have no other option, but to import goods that are in continuous demand (Nandone & Kuada, 2018).

Studies have shown that almost 80% of dry and fresh food products are imported by host retailers in Africa (Nandone & Kuada, 2018). Whilst urban development is rapid, the agricultural aspects of African countries require significant assistance to facilitate a demand-and-supply ratio to ensure consistent supply to an international retail chain. The comparison of commercial and subsistence farmers in terms of meeting production needs is problematic, in that the small farmers are unable to meet volumes to support retailers' demand (Naik & Suresh, 2018). There is a variety of problems experienced by farmers that impact production levels to ensure sustainable volumes to supply

international retailers; fresh and dry groceries can be sought locally but the variety and volumes are dependent on the demand from consumers within that geographical location (Nair et al., 2018).

South Africa is part of the Southern African Development Community (SADC). The SADC region is characterised by poverty, low-income households, unemployment, and a reliance on primary sector activities such as agriculture. Traditional retail continues to dominate within the SADC regions. Modern retailers, the likes of popular South African retailers have grown their retail presence and have placed pressure on traditional retailers. Modern retailers are gaining popularity and taking market share from traditional retailers. The measurements for the South African retailers can be seen in the positive and increasing sales growth. The continued urban development assists with modern retail expansions. Retail expansion, in developing countries is transforming the economic landscape and influencing the value chains significantly (Bahn & Abebe, 2019; Habiyaremye, 2020).

1.2 Research question

The research question explored in this study is:

How viable is it for food retailers to grow the African retail presence through supplier development across the national borders of South Africa?

The research question sought to establish the known elements for retail to grow through internationalisation, considering the supply chain capabilities (Nair et al., 2018). As South African Retailers internationalise into Africa, they are faced with several operational problems in supply chain development (Dakora, 2012; Nair et al., 2018; Nickanor et al., 2021).

1.3 Purpose of this research

This research is intended to explore and describe the complex dynamics of the supply chain for food retailers in South Africa who want to expand their African retail presence by internationalising. It also intended to broaden understanding of retailers' challenges as well as opportunities to guide future related ventures. Evidence has shown that retailers are challenged by a range of complexities, such as the supply and demand of

products, exploring commercial vs subsistence farming supplies, consistency in volumes to ensure product availability, imports versus exports, quality of products, labour to supply demand, transportation and distribution costs, supplier development programmes, trade with the southern development community districts, government policies and regulations affecting trade (Dakora, 2012). The findings of this study will highlight the predominant challenges, as well as opportunities for retailers in the future.

1.4 Business contribution

The research examined how the expansion of retail supermarkets across South Africa's borders affects suppliers, and how this expansion can create development opportunities for them (Nair, 2019). This expansion can help retailers meet trading demands and foster trade development, leading to regional growth and establishing South Africa as a key player in increasing imports across the Southern African Development Community (SADC) region (Nandone & Kuada, 2018).

Although regional trade and imports may not guarantee sustainable demand for food products, the existing trade agreement in place will create more valuable opportunities through supermarket developments. The SADC relationships will also be beneficial to increase imports of food products from South Africa. While there is much work to be done to develop the capabilities of suppliers, supermarkets have the power to change the trade dynamics within regions (Nair, 2019).

Supermarket chains can initiate business development, export food products, and ensure profitability. It can also be argued that the current supply chain can be developed to allow South Africa to become a centre for the supply of food products through producers, manufacturers, and suppliers. This, in turn, can contribute to the economic strategies and the development of South Africa (Nickanor et al., 2021).

Correctly supported by government policies and the building of value chain capabilities, can positively impact employment and economic strategies. Leading the development and expansion across the African continent, supermarkets from within South Africa are playing a crucial role in the future of retail (Nair, 2019). The demand for fresh and dry groceries from retailers requires farmers to ensure sustainable production levels.

However, farmers face various problems that impact their ability to supply international retailers with the required volumes. While fresh and dry groceries can be obtained locally, the variety and volumes vary depending on the demand from consumers in the area.

South Africa is part of the SADC and is characterised by poverty, low-income households, unemployment, and a reliance on primary sector activities such as agriculture. Traditional retail dominates the SADC region, but modern retailers like popular South African retailers are gaining popularity and taking market share from traditional retailers. This is evident in the positive and increasing sales growth of South African retailers. The continued urban development assists with modern retail expansions. Retail expansion in developing countries is transforming the economic landscape and significantly influencing value chains.

This study explores the viability of food retailers growing their African retail presence through supplier development across South Africa's national borders. The research question aims to establish the known elements for retail growth through internationalisation, considering supply chain capabilities. South African retailers face several operational problems in supply chain development as they internationalise into Africa. This research aims to describe the complex dynamics of the supply chain for food retailers in South Africa who want to expand their African retail presence by internationalising. The study aims to broaden understanding of retailers' challenges and opportunities to guide future related ventures. The findings of this study will highlight the predominant challenges, as well as opportunities for retailers in the future.

The research explores the impact on suppliers as retail supermarkets expand across the borders of South Africa and how this expansion can create development opportunities for suppliers and manufacturers. This expansion will assist retailers in solving the trading demands to facilitate trade development and increase imports of food products from South Africa. While regional trade and imports do not necessarily promise a sustainable demand for food products, these opportunities are important for the future of retail.

Supermarket chains can initiate business development, export food products, and ensure profitability. The current supply chain can be developed to allow South Africa to become a centre for the supply of food products through producers, manufacturers, and suppliers. If correctly supported by government policies and the building of value chain capabilities, it can exert a positive impact on employment and economic strategies.

Supermarkets from within South Africa are leading the development and expansion across the African continent.

1.5 Theoretical contribution

The research study utilized Porter's Five Forces Theory to explain how companies can achieve a competitive advantage in their respective industries. The framework was also used to highlight the significance of sustainable competitive advantages. According to Goyal (2020), Porter's Five Forces are useful in a competitive and dynamic retail environment. Moreover, the framework can enable businesses to develop future strategies. The supplier development theory can help in understanding knowledge-sharing and alignment between the buying and supplying companies. Chen et al. (2018), suggest that considering supplier development can explore the needs of both buyers and suppliers. This study contributes to this exploration in terms of internationalization, which has not been fully explored (Chen et al., 2018).

1.6 Research Methodology

This study followed a qualitative, inductive, exploratory approach. Methods to enhance the quality of the research are presented and ethical conduct was attended to in Chapter 4.

1.7 Structure of the document

This document comprises seven chapters structured as follows:

Ch 1: Background and Introduction

Ch 2: Literature Review

Ch 3: Research Questions

Ch 4: Research Methodology

Ch 5: Results

Ch 6: Discussion of Results

Ch 7: Conclusion and Recommendations

Chapter 2: Literature Review

2.1 Internationalisation of Retailers

In the last few decades, South African retailers have begun to expand their business into Africa. This undertaking has come with many challenges, successes, and failures. South African retailers have been looking for business opportunities to grow their existing business and trade expansion across borders as part of the business strategy.

Africa's potential for growth has been receiving international attention and attracting international businesses to the continent. It has the fastest-growing population and economy in the world. Technologically innovative advances have placed the capabilities of a thriving economy as a place of opportunity. Trading in Africa comes with many complex challenges that include currency weakening, poor and undeveloped infrastructure, new and unfamiliar cultures, supply chain challenges, poverty and much more. Africa is modernising and urban growth and development is taking place quite rapidly and with that progressive change comes potential economic growth (Nickanor et al., 2021). This is supported by market growth with a rising middle-class economy and a new demand for supermarket modernisation (Nickanor et al., 2021). Africa is transforming and aims to follow what other global countries are doing and experience a "Supermarket revolution" (Nair et al, 2019). South Africa only has a few big retailers who have been quite successful and have become motivational stories for retail expansion success within other African countries (Nickanor et al., 2021). These big retailers have begun an aggressive expansion into Africa, disrupting trade and supply chains within the countries that they venture into (Wang et al., 2018).

South African top retailers include Pick n Pay, Shoprite, Woolworths, Spar and Food Lovers Market and these retailers' have been bold enough to believe in the opportunities to trade across South African borders. The trade is predominantly within the SADC region. South African retailers have capitalised and have been driving internationalisation on the continent (White & Van Dongen, 2017).

The internationalisation of retailers has impacted economies and the ability to transform South Africa retailers and the countries in which they trade. This impact will be analysed in exports and imports, product availability, product quality, value chain capabilities, border regulations and suppliers and supplier development.

2.2 Exports and Imports

Exports and imports are important in the expansion of retailers. The ability to grow exports and imports of food products across the South African borders will create significant opportunities for retailers to grow their retail presence (Blekking et al., 2022). The population within Sub-Saharan Africa is expected to grow to 1.5 billion people by 2050. Governments within this area, have started to focus on urban food systems as most consumers buy their food from retail outlets (Blekking et al., 2022). Growing populations increase food consumption and supermarkets play an important role in transforming an economy (Blekking et al., 2022). The links between the growing population and food retailers can determine whether supermarkets can source food products from within that country's economy or rely on exports with global health opportunities for retailers to present different food choices to their customers (Blekking et al., 2022).

South Africa forms part of the SADC region. In this region, Foreign Direct Investments (FDI) are drivers of economic growth. With this economic growth comes better and improved technology, skills, and better business models to business (Markowitz, 2022). The ability to trade across the SADC regions will elevate a country's FDI positively and in the SADC regions, South Africa has a higher FDI than other countries in the region. Retail investments in this sector have come from areas that have a more developed retail chain sector which then contributes to the regional value chains (RVC) (Markowitz, 2022). However, retailers from South Africa who are more developed, who invest in stores in these regions, are faced with product procurement challenges from the local suppliers which present challenges for retailers who resort to importing from suppliers from their own countries (Markowitz, 2022).

Within the SADC region, South Africa has dominated with the highest percentage of exports. Food export remains because of host suppliers' inability to supply food products consistently. Within the SADC regions, there is a bigger export of raw materials as opposed to manufactured goods. In 2017, South Africa, within the SADC region, exported a substantially higher amount of goods than it imported (Black et al. 2020). Two-thirds of the FDI within the SADC region comes from South Africa and one of the investments is in retail (Markowitz, 2022). FDI investments lead to job creation and skills transfer. Exports and imports create employment opportunities, especially in the primary and secondary sectors where agricultural development (in the primary sectors) and

manufacturing (in the secondary sectors) are vital for exports and imports and economic development (Markowitz, 2022).

Table 1 outlines the full manufacturing contribution to the GDP of SADC countries. The average growth is 12% as opposed to that of developing countries with an average growth of 29% (Habiyaremye, 2020).

Table 1: GDP in SADC countries

Table 1: Share of manufacturing value added to total GDP in SADC countries

SADC member	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Angola	3.5	5.2	4.6	4.2	4.3	4.8	5.2	5.1	5.0	5.0	7.4
Botswana	6.4	7.2	7.1	6.4	6.6	6.4	5.8	6.4	5.7	5.6	5.7
Comoros	7.4	7.7	7.5	7.7	7.3	7.8	8.1	8.2	8.6	9.0	9.2
DR Congo	23.2	26.5	17.0	16.2	16.4	16.6	16.7	17.7	20.4	20.8	18.8
Eswatini	36.1	36.3	34.0	33.3	33.4	31.8	32.9	34.0	32.8	32.0	32.8
Lesotho	21.1	17.5	13.2	13.1	12.1	11.8	11.4	12.5	12.0	12.1	14.5
Madagascar	14.6	14.4	14.3	14.3	14.3	14.1	14.0	13.8	12.9	13.1	14.1
Malawi	12.6	11.2	10.7	10.4	10.1	10.1	10.1	10.2	10.1	9.8	9.2
Mauritius	17.2	16.7	15.9	15.7	15.5	15.7	15.3	14.7	14.0	13.4	12.9
Mozambique	13.4	11.9	11.3	11.2	10.0	9.5	9.9	10.0	9.6	10.0	10.3
Namibia	12.3	14.1	13.5	14.8	13.1	11.9	10.8	10.5	12.0	11.7	11.0
Seychelles	10.8	9.2	9.7	9.4	10.3	8.6	7.9	7.2	7.0	7.4	7.9
South Africa	16.0	15.0	14.4	13.3	13.0	12.9	13.4	13.4	13.5	13.4	13.2
Tanzania	7.4	7.3	7.3	8.1	10.2	9.8	9.9	8.6	8.5	8.4	8.7
Zambia	9.0	9.0	8.0	8.0	7.5	6.4	7.3	7.9	8.1	7.9	9.9
Zimbabwe	15.9	12.5	10.4	10.3	15.8	14.4	13.9	13.2	12.8	12.1	13.3
SADC total	13.0	13.1	12.3	11.3	11.1	10.9	11.2	11.2	11.5	11.2	11.9

Source: SADC (2019).

Source: SADC (2019), (Habiyaremye, 2020)

Table 2: Total intra SADC exports- Largest Exporters

Table 2: Shares of total intra-SADC exports for largest exporters

Member state	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
South Africa	60%	60%	57%	59%	55%	54%	55%	53%	54%	57%	58%
Angola	9%	5%	5%	5%	7%	4%	5%	4%	5%	4%	6%
Namibia	8%	11%	8%	7%	5%	7%	6%	7%	6%	6%	6%
Zimbabwe	3%	4%	4%	6%	8%	8%	7%	7%	8%	8%	7%
DRC	2%	2%	8%	3%	3%	4%	5%	6%	6%	6%	6%
Rest of SADC	23%	23%	30%	30%	32%	35%	34%	36%	35%	33%	29%
Total intra SADC export (US\$ million)	28,378	25,856	33,135	36,958	40,613	41,843	40,783	35,394	34,371	35,316	37,356

Source: SADC (2019).

Source: SADC (2019), (Habiyaremye, 2020)

In the table, South Africa can be seen as the domineering country with 58% of its goods and services being exported within the SADC region. South Africa exports more

manufactured goods than the other countries within SADC that export raw materials (Habiyaemye, 2020).

Table 3: Shares of total intra-SADC exports for largest exporters

Source: SADC (2019), (Habiyaemye, 2020)

In table 3, South Africa is seen as the dominant country in exporting goods within the SADC regions. South Africa is known for exporting more manufactured goods while other countries export more raw resources (Habiyaemye, 2020).

South Africa SADC trade imbalances

Table 3: Intra-SADC trade balance of largest importers (US\$ million)

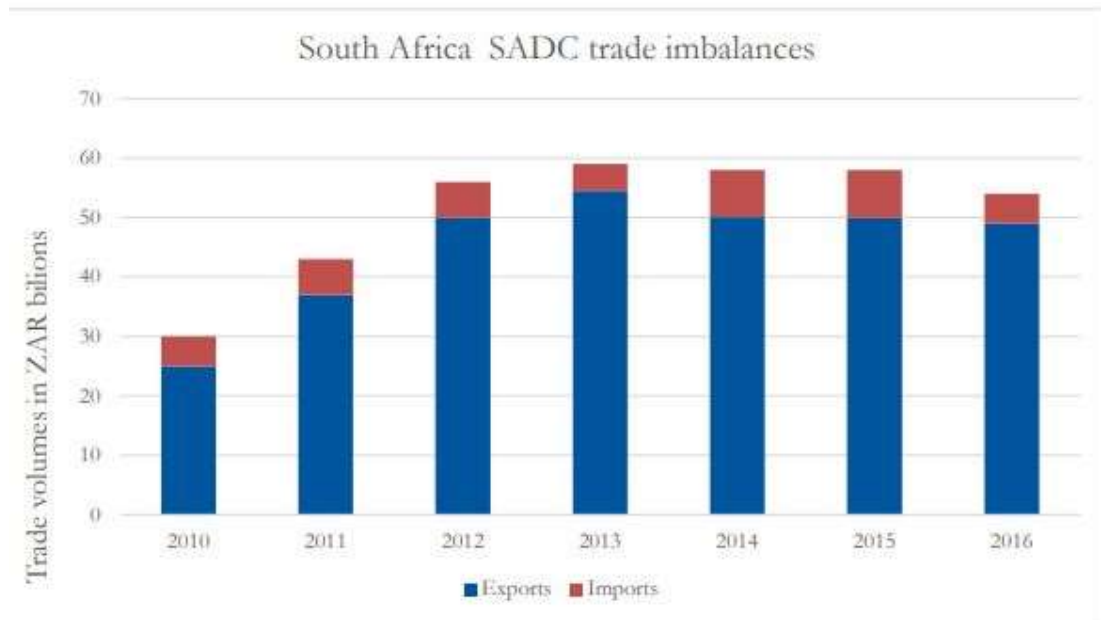
SADC member	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
South Africa	10,928	11,526	13,479	15,694	14,703	15,391	15,983	12,585	13,076	14,406
Angola	1251	-933	757	494	1045	-493	518	334	928	609
Zimbabwe	-641	-3865	-1622	-2951	-583	-924	-347	-491	-88	-96
Namibia	-1352	-1619	-2208	-2680	-3319	-2367	-2704	-3046	-2601	-2113
Botswana	-2926	-3214	-3587	-3542	-4516	-3875	-3045	-3843	-2851	-3237
Zambia	-1962	-1267	-1981	-2332	-1885	-2187	-2980	-2827	-2967	-3672

Source: SADC (2019).

Source: SADC (2019), (Habiyaemye, 2020)

Table 3 shows South Africa's advantage in trade balance surplus as opposed to its fellow SADC members.

Figure 2: South Africa's exports through the Beitbridge border post



Source: author's graphical representation based on Ngarachu et al. (2018).

Source: SADC (2019), (Habiyaremye, 2020)

Figure 2 shows South Africa's advantage in trade balance surplus, as opposed to its fellow SADC members.

Exports and imports are entirely dependent on product availability from suppliers to enable the South Africa retailers to trade effectively and efficiently.

2.3. Product Availability

In retail, having full on-shelf availability is essential. Full shelves resonate with good stock availability and therefore is an opportunity to sell stock and generate sales. Product availability must support this kind of availability. South African retailers that trade within host countries in Africa often struggle with on-shelf availability. There is no certainty that host country suppliers can contribute to full shelves of different food products, as such South African retailers are more dominant in host countries in Africa and when local suppliers are not able to meet South African retail standards, these retailers will rely on acquiring food products from South African suppliers through exports. However, if local suppliers can meet the retailers' requirements and standards, then they are given opportunities to supply those retailers (Bosiu & Vilakazi, 2020; Nair & Landani, 2019). The lack of host country suppliers to be able to fulfil South African retailers' standards, is

primarily from a lack of development of their capabilities and this subsequently places pressure on the South African retailers to import products from their home country to ensure that they have the correct on-shelf availability (Bosiu & Vilakazi, 2020; Nair & Landani, 2019). There is a challenge concerning the availability of local suppliers to supply products to modern retailers (Cruz et al., 2019). The lack of availability of products has most often resulted in international retailers having no alternative but to import their goods (Ziba & Phiri, 2017). However, such importations come with a tremendous number of bureaucratic trials and government policies (Nandonde & Kuada, 2018). International supermarkets entering developing economies in Africa and Latin America have had to establish networks with manufacturers to source suppliers to supply local food products (Nandonde & Kuada, 2018). The investment into agribusiness has sought to accelerate the ever-increasing demands of modern retail (Nandonde & Kuada, 2018). The availability of suppliers to meet demands is the key to accelerating international retail growth within Africa (Ziba & Phiri, 2017).

As in the case of Tanzania, the rise of modern retail has had implications for the agricultural sector (Nandonde & Kuada, 2018). It is assumed that if local suppliers can manage production and improve equal product quality, this can contribute positively to the supply chain and enhance the building of supplier businesses (Nandonde & Kuada, 2018). In such instances, it will also enable job creation. Retailers are also looking for innovative and unique products and not all suppliers can cope with volumes and efficient products without suitable investments, and this may place them at a significant disadvantage (Nandonde & Kuada, 2018). The host country governments are placing pressure on South African retailers to use suppliers from within their countries by developing those suppliers' capabilities so that they can enter and participate in the regional value chain (Black et al., 2020).

In some countries, the climate and the topography do not lend themselves to food production capabilities, additionally, climate change and the increase in population pose a challenge to food security (Mutengwa et al., 2023). The SADC region is very reliant on agriculture and is one of the drivers in Gross Domestic Product (GDP), but the poor agricultural yields and poor economic development create obstacles for food security and hence food outputs, which is further complicated by poor soil fertility, droughts, and other climatic factors, as most people in this region are dependent on agriculture and this is mainly attributed to subsistence farming (Mutengwa et al., 2023). Subsistence farming can support availability for retailers. The heavy reliance on agriculture in the

SADC regions as a basis of employment, food and earnings impacts the economy in this region (Mutengwa et al., 2023).

Sufficient food availability enables retailers to acquire and sustain good food volumes on their shelves. If suppliers are unable to supply the required volumes based on quality, then this poses a strain on the retailer to manage sufficient on-shelf availability. South African retailers in host countries rely on South African retailers because of the inability of the local host country suppliers to produce good quality products because of their underdevelopment and inability to meet the higher expectations of the South African retailers' standards (Bosiu & Vilakazi, 2020; Nair & Landani, 2019). These local suppliers are forced to improve their production capabilities to enable them to supply to the South African retailer and the retail sector. Further to this, South African retailers are coming under pressure to develop these suppliers in host countries (Bosiu & Vilakazi, 2020, Nair & Landani, 2019). Governments of host countries are continuously placing pressure on South African suppliers to utilise their country suppliers to develop and manage supplier development (Black et al.2020).

As the global inequality in socio-economic development persists, developing countries must manage food shortages. Several countries within the Sub Sahara Africa form part of this food insecurity. The main reason for this food insecurity is the economic unavailability of food products (Pawlak & Kołodziejczak, 2020). The adverse conditions and terrain inhibit farming and other agricultural activities, and this is further compounded by a lack of infrastructure (Pawlak & Kołodziejczak, 2020).

The ability of local suppliers to supply for on-shelf availability has a co-dependency with the quality that suppliers can supply. South African retailers will not compromise on their standards when it comes to ensuring that their customers get the very best quality products.

2.4 Quality of products

Global food safety continues to be a challenge as the population grows. There is a huge sense of ensuring that the food that is supplied to consumers is nutritious and safe (Garcia et al., 2020). Diseases, natural disasters, and contamination of produce are threats to food security. All stakeholders from farmers to suppliers to governments have a vital role to play in maintaining food safety policies. (Garcia et al., 2020).

Selling food products for consumption has inherent food safety implications, Food safety is always important because of the impact that it has on the health of its consumers and the possibilities of the spread of viruses and diseases. In undeveloped countries, there is a more established and profound understanding of food safety measures. However, in developing countries, there is a need for a better understanding and improved management of food safety (Aworh, 2021; Boatemaa et al., 2019). To prevent potential damaging effects to the consumers food safety from farmers to production systems and suppliers needs to understand and apply the correct food safety measures. Within Sub-Saharan Africa, fresh products are usually transported without refrigeration and do not have the correct packaging, and this places the food products at risk (Aworh, 2021; Boatemaa et al., 2019).

Supplying, transporting and storage of fresh food requires strict adherence to cold chain management to facilitate food safety compliance. Transportation for fresh food should comply with cold chain protocols and this must be regulated as guided by the cold chain principles. Fresh food transportation must be managed within the correct cold chain temperature specifications to ensure food safety and ultimately food safety (Han et al., 2021). Supply chains are extremely important in trade. Modern customers are demanding superior quality products and therefore goods from the supplier through the supply chain to the customer are important (Shahid et al., 2020).

Product traceability is becoming more important to retailers and consumers (Shahid et al., 2020; Boatemaa et al., 2019). Consumers are demanding top quality food products and therefore the traceability of products from source to retail store is becoming increasingly important. Customers are becoming more demanding in understanding more about the products that they purchase. The validation and substantiation within a value chain are becoming more transparent as customers require more information about products and supply chains therefore there must be information to support the product origins and traceability through the supply chain process (Haywood et al., 2021). To build consumer confidence and trust, supply chain authorities need to ensure that the integrity, reliability, and quality of the supply chain is compliant. Barcodes are used to ensure traceability and verification of products (Shahid et al., 2020; Boatemaa et al., 2019). Retailers buy the finished products with a traceable identification code that will allow for verified tracking to the source, the consumer can verify the product through the reputation system and retailer brand, the logistic company can be audited for the delivery process and the arbitrator can audit the entire process. Consumer protection emphasises the traceability of products (Shahid et al., 2020; Boatemaa et al., 2019).

Food manufacturers determine good food quality and food safety. Good cold chain policies and transportation allow for fresher and better-quality products for retailers (Demmler, 2020). In a Sub-Saharan context, there is a significant loss of products due to poor harvesting practices, and poor packaging. Processes such as milling, and freezing are an opportunity to increase shelf life and become convenience items to consumers. Agriculture food supply chain (Agri-Food), processing is on the rise and expanding in Africa (Demmler, 2020). Retailers must ensure that the food that they sell is of exceptionally superior quality.

The suppliers must be credible and dependable (Ochieng et al., 2019). Quality and freshness are components of fair-value products and fundamental to retailing (Porat et al., 2018). Consistency and uniformity of products are also important. There are opportunities to enable such farmers to produce excellent quality products to enhance their competitiveness with an efficient supply chain which can assist retailers in delivering higher sales and greater profits (Ochieng et al., 2019; Boatemaa et al., 2019). This also improves the efficiency of procurement processes and investing in cold chain systems, and good trading platforms will enable greater production demands (Davies et al., 2021).

In SSA (Sub-Saharan Africa), the small suppliers belong to a category of small, and medium enterprises (SMEs), which are generally underdeveloped and whilst they are resilient, dynamic, and very resourceful, much is needed to assist them in accessing raw materials and assist them with food safety training interventions to transform food safety and food quality (Demmler, 2020). The opportunity to include the small supplier within the supply chain can change the dynamics of the supply chain and food safety and food quality to gain better standards within this area of opportunity (Demmler, 2020). With the increase in the population, food production is increasing and in Sub-Saharan Africa, there are huge amounts of food losses because of the inefficiencies of storage facilities and supply chains which can be attributed to the post-harvest handling which presents challenges with the lack of proper training, poor technology, erratic climatic conditions, and inadequate and poorly developed infrastructure (Makule et al., 2022). Fruit and vegetables, together with other meat and perishable food products, require cold chain management systems to reduce food losses. Consumers demand high-quality and fresher food products. Cold chain management therefore assists with preventing food losses and increases food availability and quality to the consumer (Makule et al., 2022).

2.5 Building of Value Chains

South Africa forms part of the Southern African Development Community (SADC) which is an intergovernmental body comprising 15 countries to further develop integration and trade between the countries (Pretorius et al., 2021). SADC countries are pursuing opportunities for regional growth for trade and advancing regional trade. This inter-trade will support Foreign Direct Investment (FDI), which will mean that there will be an increase in exports and imports within these regions although this regional trade will come with challenges (Pretorius et al., 2021). African trade is often perceived as poor undeveloped regional value chains, exports of raw materials and a higher dependence on exports however, South Africa is a more developed economy and the trade in this region is to South Africa's advantage and dominance. (Black et al., 2019; Pretorius et al., 2021).

Most of the countries that South African retailers trade in are the SADC region. The value chains in this region are well integrated but mainly for exporting raw goods and South Africa with its strong export of produced goods dominates here (Black et al., 2019). The regional value chain therefore has many shortfalls that will challenge South African retailers (Black et al., 2019). South African retailers have a well-built supply chain within their home country and an emerging market, there are opportunities to build new supply chains and create value chains to promote growth opportunities and reduce costs (Wu & Jia, 2018). Supply chains are ever-changing based on their business environments and to be competitive, there is a continuous focus on having a dynamic supply chain and with the customer as a focal point, supplier management and product availability are crucial (Wang et al., 2018). Distribution, supply, volume, and coordination are fundamental to successful supply chains (Wang et al., 2018).

Urbanisation is driving high food consumption and as urban incomes are higher than rural incomes, so too is the demand for modern living with convenience (Reardon et al., 2021). Migration from urban areas has resulted in people wanting more processed food and this drive has created a selling opportunity for retailers and is a driving force in the growth of a supply chain (Reardon et al., 2021).

Global Value Chain (GVC) knowledge has a significant role to play in value chain capability (Lee et al., 2018). Economies can be at risk of having low value-added activities and the developed countries of the Northern Hemisphere have more developed GVCs than the developing countries of the Southern Hemisphere (Lee et al., 2018). There are benefits and risks of the GVC to any developing economy, GVCs driven by

profits can place lower-end GVCs under pressure which can impact local products and job creation (Lee et al., 2018). Conversely, learning can be transferred to enable the local value chain through innovative technology and innovation, and this is key to upgrading the local value chain capabilities (Lee et al., 2018). In most instances, multinational companies have had to adjust to the host country's trading ways to enable production, products and systems and ways of working (Wu & Jia, 2018).

Multinationals entering host countries are always faced with many challenges, companies are placed under scrutiny for environmental issues and are constantly under pressure to reduce waste consumption and focus on environmentally friendly activities (Sánchez-Flores et al., 2020). Collaboration plays an important role in the supply chain; however, this can also become risky, and corruption is always a risk however, collaboration can promote global sustainability (Tumpa et al., 2019). Developing countries need innovative and new technologies to assist in building and developing better forms of supply chains Governments are emphasizing supply chain operations concerning the use of natural products, labour, logistics and the reduction of plastics (Sánchez-Flores et al., 2020; Tumpa et al., 2019; Song et al., 2019).

In Sub-Sahara Africa, the road and railway infrastructure are very poor, underdeveloped and poorly maintained which places an enormous strain on the supply chain when goods need to be transported long distances and across borders. Airfreight is a possible consideration depending on the country and the cost of the airfreight (Tolcha et al., 2020). For airfreight to be feasible the airports need to be upgraded to be able to accommodate this alternative transportation and its cost-effectiveness (Tolcha et al., 2020).

Poor transport infrastructure is also an obstacle to trade expansion (Quium, 2019). The trade volumes for countries that share borders can be quantified from between 1% to 5% in Africa (Quium, 2019). The landlocked countries in Sub-Saharan Africa are likely to face higher transport costs and the opportunities to upgrade road systems and maintain them are estimated to be over a few billion US dollars, such an investment could potentially have a positive effect on increased volumes for cross-border trade (Quium, 2019). Transport infrastructure development can prove to have a positive effect on economies however, it is very risky as it may not be as beneficial as would be envisioned and required, due to this, poor road systems cause road accidents and better road systems can reduce this (Quium, 2019). This improvement could provide better connectivity between rural areas and cities, city to city and country to country and can be seen as a corridor to facilitate development (Quium, 2019).

In many of the member countries within the SADC regions, there is a lack of an efficient infrastructure and low connectivity between areas which become barriers to development and trade. For instance, the main arterial road which is the North-South Corridor has very poor road connectivity, few fuelling stations, fewer fuel station stops for drivers and extremely poor road conditions which makes the road systems very risky for drivers (Habiyaremye, 2020). Poor road conditions result in high fuel costs as drivers need to drive slower on such poor road systems (Habiyaremye, 2020). The rail systems are no better and only 10% of the cargo being exported can be transported through the railway system (Habiyaremye, 2020).

2.6 The Importance of Logistics in Export Endeavours

The efficiency of coordination is crucial to the success of the Multinationals within the host country and the ability to access the markets with speed and reduce costs are very crucial (Wang et al., 2018). Logistics costs can be impacted by customer service demands (Nguyen et al., 2019). The higher the demand for good service, the higher the costs are. In logistics, transportation is the backbone of operations (Nguyen et al., 2019). Transportation costs are the most strenuous demand on the logistics of an operation however, without transportation, no company can transport its goods to customers and there is an emphasis placed on inventory, process management, packaging, and systems (Nguyen et al., 2019).

Kano et al. (2020), in their study, state that leading organisational, coupled with understanding cultures, global outlook analytics, dimensions and interface competitions can contribute to a successful cross-border operation. GVC components vary and dimensions such as control, location, network frameworks, knowledge sharing, impacts of the Multinationals Enterprise (MNE), and decision-making influence value chains (Kano et al., 2020).

Control is regarded as knowledge and branding rights and technology podium, and MNEs can effectively use modern technological advancements and digitisation to influence components within a value chain with location decisions of retailers influencing market accessibility (Song et al., 2019). The need to be in areas that are well connected through technology plays a major factor in the positions of different components of the value chain (Bag et al., 2018). The lack of digital connectivity in certain locations can limit the success of the value chain and network structures are defined by knowledge, learning, and innovation (Kano et al., 2020).

MNEs usually have capabilities on whether local companies can access their knowledge bases and share network relations (Kano et al., 2020). The knowledge acquisition strategy is used to ensure that their suppliers improve their capabilities and, in this way, MNEs can benefit from increased efficiencies of the suppliers' enhanced capabilities (Nguyen et al.,2019). MNEs continue to dominate with control over suppliers through technological dominance (Kano et al., 2020). Orchestration can be defined as decision-making by the leadership of MNEs who manage control, knowledge, the value of the distribution and the strategy of the GVC (Bag et al., 2018).

Within the context of the South African retail expansion, retailers face many challenges regarding infrastructure such as almost non-existent rail systems, poor road systems and in most SADC countries, the inability to supply electricity (Black et al., 2019). South Africa dominates with its ability to export about 90% of manufactured goods to the SADC regions which then places South Africa with a higher competitive advantage (Levin, 2022).

The ability to export food products presents many challenges; for transport systems to allow for exports comes with long freight through road transport systems which are poorly developed - It is extremely slow and tedious (Levin, 2022). The cost of transporting goods through a road system is very costly and this places pressure on fuel, driver costs, and vehicle maintenance which is also further compounded by poor infrastructure such as roads and undeveloped and poorly maintained roadways both in South Africa and in host countries (Levin, 2022). Trucks that take products from South Africa often come back empty as the host countries are unable to export goods from their countries (Levin 2022).

Table 4: Road Network Statistics

Table 4: Estimated total road network length in KM in SADC member states

SADC member	1990	1995	2000	2008	2009	2010	2011	2012	2013	2014	2015
Angola	51429	51429	51429	n.a	n.a	n.a	n.a	n.a	n.a	n.a	26000
Botswana	9132	9132	9132	8916	8946	8946	18042	18042	30905	30276	30276
DRC	157000	157000	157000	n.a	n.a	n.a	n.a	152400	n.a	151529	n.a
Eswatini	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Lesotho	5090	4995	5940	4433	n.a.	5843	5860	5865	5865	5865	6906
Madagascar	49837	49837	49837	37476	37476	n.a	n.a	n.a	n.a	n.a	n.a
Malawi	10204	14594	14594	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Mauritius	1801	1899	1926	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a
Mozambique	27000	29900	30400	30331	30331	30331	30331	30562	30464	30554	30983
Namibia	65254	63251	66467	n.a	42100	44138	n.a	n.a	n.a	n.a	n.a
Seychelles	498	498	498	508	508	508	508	515	520	526	n.a
South Africa	331265	331265	331265	n.a	n.a	n.a	n.a	n.a	n.a	n.a	750000
Tanzania	88100	88100	88200	87525	85000	83739	86472	88484	88485	88485	108946
Zambia	66781	66781	67761	67761	67761	67761	67761	67761	67761	67761	67761
Zimbabwe	90200	90200	85000	n.a	n.a	n.a	n.a	n.a	n.a	n.a	n.a

Source: SADC (2016b); CIA World Factbook (2019).

Source: SADC (2019), (Habiyaemye, 2020)

Table 5: This reflects the availability of rail network systems.

Table 5: Total rail network in SADC member states: latest available estimates

SADC member	Rail network in km
Angola	2,852
Botswana	888
DRC	4,000
Eswatini	300
Lesotho	n.a
Madagascar	872
Malawi	n.a
Mauritius	n.a
Mozambique	3,116
Namibia	n.a
Seychelles	n.a
South Africa	20,986
Tanzania	3,682
Zambia	2,164
Zimbabwe	3,427

Source: SADC (2016b); CIA World Factbook (2019).

Source: SADC (2019), (Habiyaemye, 2020)

The larger retail chain in South Africa has invested in huge distribution centres strategically located to enable a faster and more efficient way to get stock across borders. South Africa is more developed than most countries in Africa and therefore there are more exports of food products from South Africa to the host countries. The supplier based within is more established and more reliable. The retailers from here can take trucks full of food products across the border whether it is fresh perishable or dry goods (Levin,2020).

In most cases, the trucks that leave the host countries arrive empty as suppliers in those countries, those suppliers are not able to goods to the retailers within South Africa (Levin, 2020). The empty truck presents a challenge for retailers as they incur high transport costs to transport goods, but the truck arrives back in the country with no load (Levin, 2020). The effects of fuel costs, high maintenance and wasted space are also important obstacles within the supply chain (Levin, 2020).

2.7 Entry Points and Government Regulations

Whilst South Africa is part of the SADC region the tariff barriers place difficulty and an impact on trade as each country within the region has different requirements at their border points, these restrictions are usually put into place to protect the local markets with host countries and their local suppliers (Levin, 2020). Whilst these restrictions and regulations are in place, the local host country suppliers do not have the manufacturing or production capabilities to support their growth (Levin, 2020). Trade across borders is mostly one-sided (Levin, 2020).

Recently, South African suppliers have come under much pressure because of the host countries' indigenisation legislation (Black et al., 2019; Ismail, 2022). South African retailers provide good partners in developing cross-border trade (Black et al., 2019; Ismail, 2022). Border delays are costly to retailers as customs at border points tend to create unnecessary delays through paperwork requirements (Levin, 2020).

Collaborating with governments can be perceived as a risk of corruption, even though it is important, and entering emerging markets often comes with uncertainty and excessive costs (Moragues-Faus & Battersby, 2021). There are vast differences between developing countries and developed countries (Sánchez-Flores et al., 2020). Cross-

border trade is always complicated and involves trade costs, and this can be categorised by transport costs and government regulations (Shahid et al., 2020).

Container freight has assisted with cost efficiencies globally and information is now the new cost for multinational companies as well as blockchains which, therefore, have an impact on trade costs as it involves the acquiring of information to trade with government compliance (Shahid et al., 2020). Compliance across each government varies and imported goods are supposed to comply with government regulations (Shahid et al., 2020). This now results in an intensified need for information to trade across borders (Moragues-Faus & Battersby, 2021).

2.6.1 Africa Free Trade Agreement

The African Continental Free Trade Agreement area (AfCFTA) is the largest free trade area in the world to be different. It supports free trade across the continent, intending to overcome the effects of colonialism and slavery. The focus is on Africa, so it allows countries to trade freely across borders (Obeng-Odoom, 2020). Despite its groundbreaking inception, the trade between African countries remains low which is largely due to the poor delays and poor border crossing controls and procedures (Kouty, 2021). Imports and exports take anything between 8 to 10 days however, there are also inconsistencies and a lack of standardisation of paperwork and trade procedures at border points (Kouty, 2021).

There are many limitations to seamless integration in trade with the SADC regions; In many countries, border entry points are always perceived as corrupt points. Corruption largely happens when border staff have high sums of transactions to process and this can create opportunities to commit corrupt activities sometimes, the corrupt relationships are long-term, and this presents many challenges as low-paid staff look for opportunities to make additional money (Jancsics, 2019).

The solutions of encouraging whistleblowing and anonymity are types of ways to encourage the prevention of corruption additionally, stricter anti-corruption laws with strict consequences need to be used to manage corruption (Jancsics, 2019).

2.8 Suppliers

Complexities have resulted in retailers facing many supply chain issues such as a lack of adequate suppliers within the host country (White & Van Dongen, 2017). Primarily, goods are exported from South Africa to the host country and sometimes the retailers can source a small amount of goods (White & Van Dongen, 2017). Importation results in huge costs, which means that transportation is impacted and distribution costs (Song et al., 2019). When supermarkets internationalise, they provide an opportunity for suppliers to expand their business too. Supermarkets buy in large quantities, therefore the ability of the suppliers to meet volume and demands is a prerequisite.

The internationalisation of South African retailers has promoted cross-country trade; however, this has shown that there are more imports from South Africa rather than from the host country, which poses the question of whether the suppliers within the host country can export, and this also then places South African suppliers at a disadvantage with rivalry and contempt for supplying goods that the local suppliers are not able to do (Nair, 2019). On the other hand, it opens possibilities for South African suppliers with growth and employment opportunities (Nair, 2019).

Farmers are the key players in this field and people are enthusiastic about farming, and it is important to their people but many African farmers are small to medium farmers with a subsistent profile in comparison to the large-scale farmers in Europe and North America and typically, in Africa, oil and sugar are farmed by larger farmers with fruit and vegetable, cereals and legumes and animal products being farmed by smaller and medium farmers (Demmler, 2020). Most products are supplied to retailers, by small to medium farmers in Sub-Saharan Africa and these farmers can produce about 85% of fruit and vegetables (Demmler, 2020).

The supply of meat is very low with almost 60% of countries on the continent having a low average of meat production (Demmler, 2020). Animal farming is very traditional and subsistent, and the milk markets are large in the Eastern and Northern regions, whilst meat dominates in the Western and Southern regions (Demmler, 2020). South Africa is known for its large dairy farms and therefore is able to export widely into Africa (Demmler, 2020).

Smaller farmers are often not equipped to supply good volumes consistent with decent quality which can result in them not being able to become accessible to the markets and a lack of efficiency often results in high losses in their products (Ochieng et al., 2019). Retailers often struggle to find good farming producers as farmers often struggle with

levels of disorganisation and need coaching on building good business acumen (Ochieng et al., 2019).

In Africa, South Africa and Kenya were the pioneers of retail expansions, and the fast growth of the retail sector in the host countries meant that suppliers would be required, or existing suppliers would need to upgrade their existing capabilities to support the retailers (Levin, 2020). Supermarkets place pressure on suppliers to meet their requirements and suppliers are faced with many challenges to fulfil the retailers' expectations. (Levin, 2020).

Retailers source their products from suppliers who can fulfil their volumes, and these are generally bigger and more developed farmers (Levin, 2020). Farmers and suppliers must be able to meet the volumes together with good quality to ensure better on-shelf availability (Levin, 2020). As consumers become more aware of health and safety standards, the greater is their expectations of the quality of the products that they purchase (Levin, 2020).

Smaller suppliers whether in South Africa or host countries are challenged slightly more because they may not necessarily have the capabilities to meet the retailers' expectations, this then places limits on them to export and import to that market (Levin, 2020). Undeveloped suppliers in host countries are sometimes not able to support the retail requirements and the retailers then rely on importing the goods from South Africa until they can build the supplier base. This will also be determined by the country and its climatic and political challenges and opportunities (Levin, 2020).

2.9 Supplier Development Programmes

A competitive advantage for supply chains is to have a continuous innovative process and supplier development forms part of this process and is used to enhance the capability across the supply chain (Saghiri & Wilding, 2021). Supplier development refers to the involvement of the buying company with its suppliers and these programmes are put in place to enhance the capabilities of a supplier these programmes are usually a large financial investment on the side of the retailer (Saghiri & Wilding, 2021).

Larger retailers have the resources to make a more impactful difference on that supplier. This involvement can be in the form of finances, training, technical, technological and recruitment support (Saghiri & Wilding, 2021). Research by Sancha et al., (2015) has shown that there is a positive shift in performance with suppliers when supplier programmes have been implemented (Subramaniam et al., 2019).

It has also assisted suppliers in being more environmentally friendly and developing supplier capabilities through training, skills, and knowledge (Subramaniam et al., 2019). Such initiatives often allow for an increase in the performance of the suppliers and in most instances, companies offer incentives for suppliers' collaboration (Subramaniam et al., 2019).

Retailers from South Africa continue to strive to take on projects to assist suppliers within the host countries to enable them to supply to those retail stores by assisting them in developing food safety, better quality, and increased hygiene standards (Black et al., 2019). In this way, South African retailers can forge long relationships that are mutually beneficial to them and their suppliers (Black et al., 2019).

With the expansion of the South African retailers, there are opportunities to develop suppliers within South Africa and host countries that simply make food products more accessible to the stores within host countries and create a way for them to contribute and participate in the value chain (Black et al., 2019). Suppliers within host countries are not developed and cannot produce good quality products in sufficient volumes to show on-shelf availability (Das, 2022). Strategies, 2022 highlights, that suppliers need to improve on packaging to get consumers to buy products and this needs to be a continuous cycle to improve their capabilities (Das, 2022) highlights that product quality is a prerequisite for supermarkets' growing sales and ensures that consumers are happy with the quality of products - quality of products ensures continuity of sale of products and customer loyalty. This internationalisation significantly affects retailers, suppliers, and consumers. Such expansion and growth of the South African retail presence creates an opportunity for both suppliers within South Africa and within the host countries to grow their existing businesses. This bold step has now forced suppliers to re-look at their existing capabilities and improve on them to support their retail partners (Levin 2020; Black et al., 2019). The expansion of South African suppliers across the borders contributes to exports and imports and contributes to the Foreign Direct Investment (Levin,2020). Such expansion comes with many foreseen and unforeseen challenges.

In Chapter 3, the research questions were explored.

Chapter 3: RESEARCH QUESTIONS

3.1 Introduction

This research explored the viability of food retailers to grow the African retail footprint through supplier development across the national borders of South Africa. The research question sought to establish the known elements for retail to grow through internationalisation, considering the supply chain capabilities (Nair et al., 2018). As South African Retailers internationalise into Africa, they are faced with several operational problems in supply chain development (Dakora, 2012; Nair et al., 2018; Nickanor et al., 2021). An overarching research question was defined after a thorough literature review, which was divided into six sub-questions that explored different aspects of the research problem.

3.2 Research question and sub-questions

The primary research question explored in this research was:

How viable is it for food retailers to grow the African retail footprint through supplier development across the national borders of South Africa?

The following sub-questions emerged:

1) How can South African Food Retailers grow their African retail footprint through exports and imports?

This question sought to identify and understand avenues to increase the import and exporting of food products from within South Africa to retailers in other African countries.

2) How does product availability influence retailers' expansion into Africa?

In this question, the researcher explored food product availability issues and how they will influence the expansion within Africa.

3) How does product quality influence the success of retail expansion into Africa?

Food product quality as managed by farmers and suppliers influences food availability and potential for export, raising the issue of local food quality issues.

4) How does the value chain impact retail growth, specifically expansion into Africa?

In this question, the researcher explored the supply chain capabilities as well as the contribution to the value chain by retailers, exploring challenges and opportunities.

5) How do government regulations and entry border points influence accessibility to food products in terms of food exports from, and imports to South Africa?

The researcher sought to understand the impact of the government and entry border regulations and their impact on exports and imports of food products into and out of South Africa.

6) What can be done to build and improve supplier development programmes to enhance food exports from and imports into South Africa?

This question explored the ability of the retail chain to enable suppliers through a supplier development programme.

Chapter 4: RESEARCH METHODOLOGY

4.1 Introduction

This chapter outlines the research methodology and design of the research that followed a qualitative, inductive, and exploratory approach. Methods to enhance the quality of the research are presented and ethical conduct is attended to.

4.2 Research Assumptions

Burrell and Morgan (2016) indicate that at each stage of the research, different assumptions are made. These will include the ontological assumptions which outline the realities in your research, the epistemological which connect to human knowledge, and the axiological assumptions which highlight how the researcher's values influence the research process (Saunders et al., 2019).

4.2.1 Ontology

This assumption may be termed the theory of social entities. Saunders et al. (2019) state that this theory relates to the nature of social phenomena that are related to the system of knowledge. It is the assumption that we make of reality, and it comprises the nature of the world and how we relate to it (Bahari, 2012). Ragab and Arisha (2017b), state that when conducting qualitative research, as this research did, the researchers accept the ideas of **multiple realities instead of one**.

4.2.2 Epistemological position

Epistemology may be described as the manner of looking at the world and making sense of it. Epistemology underpins what people think, what they believe and how they apply the new knowledge. Therefore, in this research study, by using an **interpretivist** approach, the researcher, by conducting interviews and collecting data sought to understand and contextualise what the participants thought and said about the expansion of retailers across the borders of South Africa. It sheds light on any new and additional information that will inspire future studies. The researcher also learnt through the interactions of the participants (Melnikovas, 2018). An interpretivist philosophy is based on a belief system and is a **qualitative research method**. This study, therefore, gathered information and data through words rather the numbers, implementing interviews to collect data (Melnikovas, 2018).

The different types of epistemologies are objectivism, constructivism, and subjectivism. This study followed a **constructivist** approach. The second part is the theoretical perspective which describes the philosophical viewpoint. This solidifies the main assumptions of the chosen methodology (Al-Ababneh, 2020c). The different kinds of theoretical perspectives are positivism, interpretivism, postmodernism etc. This study followed an **interpretive approach**. Interpretivism refers to the theoretical perspective to describe and comprehend social and human reality. The approach focused on the cultural derivatives and past interpretations of the social world. The interpretivism philosophy considers the situation in each business to be exclusive and distinguishes it from other situations. It develops knowledge differently by emphasizing a subjective and descriptive way to investigate and deal with complex circumstances rather than objective and statistical methods (Asenahabi, 2019).

The next part is the research methodology which characterizes the strategy, and the plan of action refers to the research design which shapes the chosen research methods and may entail in-depth individual interviews as this research intends to do (Al-Ababneh, 2020c). The last element refers to the method or process that comprises activities to collect and analyse the data based on the research questions. These methods include questionnaires, observations, focus groups, case studies etc. This study used individual interviews to solicit the data for analysis.

4.3 Research Design

Research design is important in deciding the research processes and components such as research method, strategy, and sampling. The purpose and the theory determined the research questions, and the research questions determined the methodology and sampling method. This research was **exploratory** and focused on the investigation of current trends, gathering information, gaining new insights, providing more information, and analysing the data to further understand retailer challenges in their efforts to expand into Africa (Asenahabi, 2019; Saunders et al., 2019). This research was exploratory because it focused on exploring what was happening, asking questions, acquiring new perspectives, and looking at information differently, being a flexible approach (Asenahabi, 2019).

This research followed a **qualitative methodology**, focusing on the comprehension of social phenomena from the perspective of role players (selected participants, described

below). Contrary to positivistic research, qualitative, interpretive research is not always truly objective as the perspectives are those shared by role players, from their point of view (Asenahabi, 2019; Saunders et al., 2019).

In this research study, the researcher conducted **personal interviews**. The results of the interviews were transcribed, and data acquired through the discussions were analysed and arranged in **themes** (Asenahabi, 2019). It also looked for new ideas for future research. This type of research design was considered suitable to gain a better perspective and understanding of retailers' expansion into Africa by searching for relevant, recent literature from top journals as part of the initial literature review and cautious interpretation of the data gathered through in-depth interviews with subject matter experts (Asenahabi, 2019; Saunders et al., 2019).

4.4 Research Methodology

A **mono-method, single-phase study** approach was followed to answer the research question (Melnikovas, 2018). This research followed a **qualitative approach** whereby data was collected once. An **inductive approach** was used in this study, to **develop insights** following the data analysis (Al-Ababneh, 2020a) of information gathered through interviews, that were transcribed by the researcher and analysed to understand more about the chosen phenomena (Melnikovas, 2018).

4.5 Sampling

4.5.1 Population

It is not possible to target the entire population to collect data as the population is too large and therefore the entire population cannot participate (Sharma, 2017). For that reason, the researcher selected a sample of participants from a selected population (Stratton, 2021) who could contribute to the expansion of South Africa across its borders (Stratton, 2021). Two factors were considered when defining and choosing participants from the envisaged population for this research. Firstly, the research participants and contributors had *to be knowledgeable about the expansion of South African retailers across its borders* and needed to *interact with significant responses* to the interview questions. For this reason, the population is comprised of a range of actors and representatives from the food retail sector (Stratton, 2021).

The population comprised *specialists in the food retail sector*, including specialists in food retail that are in top management in food retail head office that work in Africa; top management in research institutions that do studies in African retail; top management in consumer studies that focus on food retail in Africa; top management that is actively involved in export and import regulatory bodies that are involved in retail in Africa; top management within research institutions and consumer studies institutions that are working on food retail trade in Africa, or any other senior managers in any organisation that works in the African food retail space that will create an opportunity to gain valuable insights and acquire dense data based on the interviews and interactions from the population.

4.5.2 Unit of analysis

The unit of analysis refers to the main parameter that a researcher uses to measure the research project. This research study included individuals as described in section 4.5.1 at relevant institutions or retailers on the managerial level who were actively involved within the whole retail sector in terms of being experienced experts in retail with at least three years of experience in working with retailers that are currently operating in Africa.

4.5.3 Sampling

Sampling refers to the technique that a researcher will utilise to select from a pre-determined populace to form subjects for experiments or observation for the study. Sampling will only cover a portion of the population and it will be used to test the population to obtain valid and accurate data (Sharma, 2017). For this research study, **purposive sampling** was used. This type of sampling is selective and subjective, and the researcher who is employed in the food retail sector relied on her judgement in the assortment of the people, population, and organisation, to gather the relevant data that will be studied and analysed (Sharma, 2017; Saunders et al., 2019). This sampling methodology according to Sharma (2017), allows the researcher the opportunity to justify the general conclusions from the samples that will be studied. This, unfortunately, may also lead to the researcher being biased and the conclusions and judgements may be poorly conceived unless the researcher makes a concerted effort to be as objective as possible in not only selecting individuals she knows well or is acquainted with (Saunders et al., 2019).

The criteria used to guide and enable the selection of the research participants were individuals who:

- were currently working in, and or have worked in the retail sector and have been involved with suppliers for a **minimum of three years**,
- had **extensive experience specifically in exports and imports** (more than one year), and knowledge of the retail environment,
- were in a **senior position managerial and** had interactions with the retailers and suppliers that have expanded across the borders of South Africa,
- were **available for interviews** from August 2023 to October 2023, per appointment, for virtual discussions.

4.5.4 Sample size and saturation

In the literature review, it has emerged that the themes of suppliers, exporters, importers, product quality and product availability, government regulations and supplier development programmes are vital to the research study (Sharma, 2017). Participants were chosen based on their involvement in these sectors, hence purposive sampling. As such, the sample size that was chosen was based on the emergence of the sub-questions and this was linked to the discussion in the literature review. The following describes the sampling plan.

Population Group	Target Sample Number
Suppliers /exporters and importers	3
Managers of product quality/product availability	4
Value chain /logistics	3
Entry points and government regulators	2
Role players in supplier development programmes	3
Envisaged sample size	15

4.6 Measurement Instrument

The research instrument was **an interview guide** (see **Appendix 1**). The questions in the interview guide outlined the theoretical and business questions and this incorporated themes from the literature review, commencing with:

- an introduction,
- explanation of the purpose of the study,
- explaining the ethics-related issues, such as
 - ✓ anonymity,

- ✓ confidentiality,
- ✓ an opportunity to withdraw whenever they wish to,
- ✓ the time required per interview,
- ✓ permission to record the interview,
- ✓ the opportunity to access the results upon completion of the study,
- ✓ not forcing any responses.

In qualitative research interviews, the researcher asks fewer, well-chosen questions to a smaller sample of participants for in-depth discussion to prevent participants from becoming fatigued. The interview guide was a fixed information tool generator (Braun et al., 2020).

4.7 Data Collection Method

The interviews were conducted virtually through Microsoft Teams **per appointment and were recorded with the permission of the participants**. Microsoft Teams has a transcription facility that was used. The transcripts were then converted into a Word document by the researcher. The data collection took place between August and October 2023. All recordings will be **stored in a protected folder** on a password-protected laptop for the prescribed **ten-year retention period** and will be submitted to the institution upon completion of the study. The identities of the participants were **anonymised** - as indicated to the participants - although the identities will be known to the researcher. Codes were used to distinguish the different participants. This **confidentiality is important to protect the participants and to ensure the protection of the intellectual property of the company they are employed**. The participants were given a platform to **speak freely** and share their insights. This anonymity protected the participants from any consequences from their employers. Data collection was done **per appointment**, and participants were **free to retract their consent to participate at any time, without consequences**. The report was done **without identifiers**. The recordings were only done if they **consented to it being recorded**. Responses are not linked to employers in the report.

4.8 Analysis Approach

Interviews are a reliable method to gather data, (Melnikovas, 2018) in qualitative research to provide in-depth insight into specific topics. The use of **semi-structured interviews** allowed the researchers to have flexibility during the interview sessions. Once the interviews were transcribed, **thematic analysis** was used by the researcher

(Ragab & Arisha, 2017), to **identify constructs, coherent themes, and patterns within the data** (Ragab & Arisha, 2017). This was done by the researcher **using Atlas TI**.

4.9 Quality Controls

Qualitative research requires appropriate quality controls. Facts are important in the quality of the results and the search for objectivity in the knowledge is very crucial. (Hayashi et al., 2019) The unintended bias will limit the adequate knowledge and will be a threat to the quality of the data (Hayashi et al., 2019).

4.9.1 Appropriate and sufficient samples

In this research study, 13 interviews were conducted to gain an in-depth understanding rather than breadth and to gain rich and valuable insights (Boddy, 2016).

4.9.2 Addressing researcher bias

Researchers who embark on non-qualitative research are often concerned that their assumptions and expectations will impact the research process (Levitt et al., 2018). Therefore, considerable consideration was given to the influence of the data that was collected and analysed. The researcher needed to ensure transparency with how she presented her perspective - not influencing participants or leading their responses (Levitt et al., 2018) - and how the research was written - not changing or omitting any information (Levitt et al., 2018). This meant that she had to separate herself from the participants and position herself objectively to achieve a transparent articulation of their findings (Levitt et al., 2018). She conducted the interviews personally did the transcriptions and analysed the data herself.

4.9.3 Authenticity of the data

In this research study, the authenticity of the data served as the quality criterion aiming to promote a fair view by considering all perspectives during the interviews to enhance awareness of the topic, and create new learnings (Saunders et al., 2019). In this research study, the researcher needed to maintain a balanced view of the data collected from the participants, excluding her views and beliefs, and only reporting what participants had shared without changing anything or omitting details. It was furthermore important to involve participants who were knowledgeable on the topic.

4.9.4 Trustworthiness

Trustworthiness is enhanced through validity and reliability and is supported by techniques such as credibility, transferability, dependability, and conformability (Rose & Johnson, 2020). In this study, the researcher had to ensure that the analysis is believable, can be applied to another context, and that if the study is repeated it will show consistent and similar results that will be supported by data (Rose & Johnson, 2020). The researcher ensured that accurate methods were used for data collection, data analysis, and interpretation to ensure dependability. Triangulation and observations were used by involving individuals from different sectors and involving more than one per sector, to ensure the credibility of the data. Confirmability was applied by summarising the responses to each interview question to observe themes. Transferability measures were applied by providing enough details on the participants, methods and procedures used to collect data.

4.9.5 Reliability

Reliability refers to the accuracy of the research study in terms of the methods that will be chosen and applied in the research study (Rose & Johnson, 2020). The researcher remained objective and treated every interview the same, allowing enough time for participants to share their views, focusing on the questions and what the research questions aimed to elicit, not rushing responses.

4.9.6 Triangulation

Triangulation can be referred to as a method which enhances the validation of any research. It involves the combination of theories or methods in a research study to overcome a singular use of a theory (Ragab & Arisha, 2017). Triangulation can assist in giving a balanced view of the research study explaining the results of a research study and re-enforce the results. This study did not use different methods but merged the perspectives of different participants until data saturation was achieved, not forcing contributions, and not amending any contribution (Noble & Heale, 2019; Ragab & Arisha, 2017).

4.10 Ethics

The commencement of research studies entails ethical considerations. The researcher honoured the principles of ethical conduct throughout the research process (Saunders

et al., 2019). All ethical considerations which included the integrity of the researcher, the respect, and rights of the participants to this research, no harm to the contributors or the researchers, voluntary involvement of the participants, and the right of the contributor to retract participation, consent, confidentiality and non-disclosure of names were considered very important and could not be breached (Saunders et al., 2019). As such, the researcher:

- ✓ **anonymised the participants' data**, and
- ✓ the interview questions **strictly focused on the relevant topic** and excluded any biographical questions.
- ✓ **analysed data responsibly** and complied with legal restrictions and the institution of education's ethical considerations (Saunders et al., 2019). Ethics will need to be applied daily when conducting research.
- ✓ honoured the integrity of the research process, ensured justice, and respect, minimizing any risks in the research (Wallace & Sheldon, 2014)
- ✓ did not allow any harm to occur due to the infliction of psychological, physical, personal, social or any other harm or damage to prevent personal harm, business- and legal implications.
- ✓ tried not to inconvenience participants, especially when doing interviews (Wallace & Sheldon, 2014).
- ✓ ensured that the recruitment of participants was fair, without pressuring anyone to participate.
- ✓ ensured that none of the participants felt exploited,
- ✓ and ensured that all research outcomes were accessible to the participants upon request (Saunders et al., 2019; Wallace & Sheldon, 2014).
- ✓ limiting risk by informing the participants of the benefits of the research as well as explaining that their welfare is important and would be protected (Wallace & Sheldon, 2014).
- ✓ respecting the values of welfare, beliefs, customs, confidentiality, and privacy of the participants as human beings who can make their own choices of whether to participate or not and what they wish to share or not (Wallace & Sheldon, 2014).

Per Wallace and Sheldon (2014), the research followed the academic institution's guidelines for ethical conduct (Saunders et al., 2019; Wallace & Sheldon, 2014).

Only resources (literature) that were **peer-reviewed** were considered, and all are **properly cited and referenced** in this final document.

4.11 Limitations

The research was limited to the retail sector and food product category. Because the researcher is inexperienced, she prepares herself properly, relying on her experience in the food retail industry. The researcher struggled to recruit a larger sample size due to the complexity of reaching the right people and limited time in their busy work schedules, which is typical of retail. The interview guide complied with care, and it was envisaged that limitations would be addressed by participants' spontaneous contributions.

The results of the research that was conducted were discussed in chapter 5.

Chapter 5: RESULTS

5.1 Introduction

This chapter presents all the findings that emerged from the analysis of the data that was collected through personal interviews. The findings are organized per research question as discussed in Chapter 3. For the facilitation of easier reference, the participants were organized into groups and assigned a code.

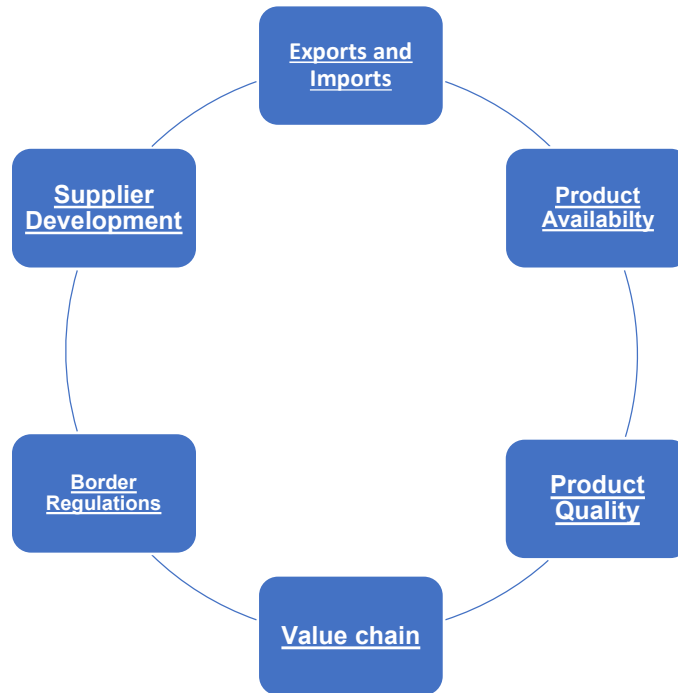
In this study, it must be noted that the use of frequent words, themes or topics does not reflect the level of importance. Each of the participants' experience regarding the phenomenon was derived as insights into each of the research questions. Any additional themes that emerged were based on the new insights and understanding from the research findings.

The target sample of 15 interviews could not be achieved. A total of 13 interviews were conducted with a range of senior managers within the retail sector, suppliers' sector, and supply chain units as well as legal relating to the viability of growing retailers across the borders of South African borders. The sections have been structured and organized according to the categories and themes that have emerged from the analysis of the interviews.

An analysis of six themes was identified and mapped out with 17 sub-themes. The researcher conducted an analysis based on the six themes and 17 sub-themes to provide richer insights and a deeper understanding of the research topic. The conceptual framework below outlines the results from the inductive analysis of the data analysis.

The figure below shows the flow of the interrelated sub-themes that were discussed.

Figure 3: The Cycle of Reliance and Interdependence to grow the African Retail footprint.



Authors own.

5.2 Organisation of the participants for the analysis

For the facilitation of easier reference, the participants were organized into groups based on job categories and were assigned a code. The groups are presented in Table 6 and Table 7.

Table 6: Categories of sample participants

	Target Sample Number	Actual Sample
Suppliers/ Exporters/ Importers (SEI)	3	1
Managers of product quality/Product availability (MPQPA)	4	4
Value Chain/Logistics (VCL)	3	5
Entry Points and Government Regulators (EPGR)	2	1
Role Players in Supplier Development (RPSD)	3	2
Total	15	13

Table 7: Codes assigned to participants.

Participant Number	Code	Participant Profile
1	RSPD 1	Role Players in Enterprise and Supplier development
2	VCL 1	Supply chain and logistics
3	MPQPA 1	Managers of Product and Product Quality
4	RSPD 2	Enterprise and Supplier development
5	MPQPA 2	Managers of Product and Product Quality
6	VCL 2	Value Chain and Logistics
7	MPQPA 3	Managers of Product and Product Quality
8	SEI 1	Suppliers, Exporters, and Importers
9	VCL 3	Supply chain and logistics
10	MPQPA 4	Managers of Product and Product Quality
11	EPGR1	Entry Points, Government Regulators
12	VCL 4	Supply chain and logistics
13	VCL 5	Supply chain and logistics

5.3 Research Question

The main research question was:

How viable is it for food retailers to grow the African retail footprint through supplier development across the national borders of South Africa.

The following represent responses to the sub-questions.

5.3.1 RQ1: How can African Food Retailers grow their African retail footprint through exports and imports?

This question sought to identify and understand avenues to increase the import and exporting of food products from within South Africa to retailers in other African countries. In this section, there was an analysis of export percentages and the possibilities of growing existing suppliers and creating employment opportunities by expanding into Africa by using South African suppliers. About 60% of the participants were able to quantify the percentage of food products that were exported out of South Africa. This percentage can be defined as between 90% to 95%. All participants cited that there were plenty of opportunities to grow existing suppliers with South Africa as the local host country suppliers faced many constraints. VCL 1 mentioned that the South African economy is much more advanced than the other African Countries. It has a strong financial currency. There are huge opportunities for South Africa to import and export food. The following represent some of the comments:

- *"The borders are not "porous", so it will be difficult to expand into the north of the continent without fully understanding them." (VCL1)*
- *"The possibilities are endless, however, constrained, so in terms of local procurement in all of our African countries, that is the absolute unlock to drive trade and grow our business within the different formats "(MPQPA 2)*
- *"There's great potential that the businesses that are already supplying the domestic market stand a better chance of exporting their products. (RSPD 2)*
- *'Look, I think I think the opportunities are plentiful, right, predominantly because of the regulatory landscape." (EPGR1)*

RESDP1 said that suppliers are curious about growing their current businesses and exporting out of South Africa through the retail sector but there is a limited amount of information and resources to enable them to do so. There is inadequate information available to suppliers to understand how to export and import their products. VCL1 stated that the South African economy is advanced, and the country is better developed than most African countries. South Africa is also backed by a strong financial currency. The borders are not so porous so there is much work to be done to expand successfully by understanding the foreign markets and cultures. All participants agreed that the

possibilities of expanding and growing suppliers within South Africa and the host country are endless.

Participants concurred that this creates an opportunity to unlock trade possibilities and grow retail sales exponentially. MPQPA 1, 2 and 3 concluded that South African suppliers remain advanced as they have the expertise to meet the retail sector expectations for quality and production standards. They further stated that domestic markets have a better opportunity to export the goods. Local suppliers from South Africa can offer volume and good quality products rather than the host countries.

According to RSPD 1 and 2, the Department of Trade and Industry is placing a lot of pressure on retail companies to invest in the local economy to enable employment and social and economic development. MPQPA 1, 2 and 3, concur that the investment in, local host country suppliers could also assist in reducing import costs.

The host countries' supplier footprints are so small, that the volumes and quality are a challenge. VCL 2 and 3 stated that there are good opportunities, however, factors like border restrictions can harm the export of goods. VCL 2 further stated that whilst there are good opportunities in host countries, South Africa may have products that may not be grown anywhere else in Africa. VCL 2 stated that moving goods from South Africa into Africa is not difficult, but the trade barriers are an issue where these are in place to protect the local markets. VCL 2 stated that the Africa Free Trade Agreement should mean free trade and duty-free, but it is not so.

MPQPA 3, shared a view that their host countries want retailers to use local suppliers, which is referred to as "economic diversification. Those governments want to balance the export and import equation. VCL 3 stated that host country suppliers must meet the required quality standards to do this effectively.

MPQPA 2 said that most countries want to protect their markets and grow them. There is a growing emphasis on developing local host suppliers. VCL 2 said that the intent of this is to balance the export and import equations for both countries. MPQPA 1, 2, 3 and 4 said that there are opportunities to create employment opportunities from farm to retail stores. There remains a good opportunity to grow suppliers from South Africa and within host countries provided they meet the product standards. The growth in African trade will translate into good retail sales an investment in suppliers and good product availability.

Conclusion:

The ability of South African retailers to grow their African footprint through exports and imports can be defined as highly probable as participants who work within the FMCG and Value chain can quantify that more than 90% of South African products are exported to other African countries to ensure product availability. Every participant conceded that the possibility of growing existing suppliers was possible and that this would create employment opportunities within South Africa. There was some information shared by EPGR 1 that host countries want a balance and an opportunity for outside retailers to show an interest in their suppliers and grow and develop them as well.

5.3.2 RQ2: How does the product quality of South African food produce influence the success of retail expansion into Africa?

Food product quality as managed by farmers and suppliers influences food availability and potential for export, raising the issue of local food quality issues. This question sought to analyse whether products that are sourced from local suppliers in South Africa and the host country can be considered for export as well as the reliance of retailers on importing the goods to sustain the availability of products.

VCL 1 expressed a concern that within South Africa, suppliers could not meet local demand therefore that would be an obstacle to exports. VCL1 further commented that local suppliers are not able to meet the local demands within the country therefore the consideration for export is compromised. There is a shortage of farmers and farming skills. This presents an opportunity to build a skill set for farming skills and grow the agricultural sector. This was about the South African context. VCL1 further stated that sometimes South African suppliers can barely produce for themselves as there are many imported food products in stores in South Africa. VCL 1 further stated that there were opportunities to encourage the younger people of South Africa to take farming as a profession. RSPD1 shared a view that smaller companies in South Africa have no capacity, and this is further compounded by load-shedding, and a lack of transport and logistics to support their capabilities. This was further supported by a view that it was cheaper to import than export food products. Direct contributions included:

- *“So for us to start thinking about, uh, supplying other countries when we actually can't even fulfil our local market, it's I think it's a big ask. Hence, we are still depending on the farmers that have always been there instead of looking at it as a*

profession where we can grow the number of suppliers within South Africa, I don't see an appetite from the young people to getting into that so that we can boost the supply of these products that could be retailed out of the country. " (VCL 1)

- *"Our South African supplies are very advanced in that regard." (MPQPA1)*
- *"And the challenge that Africa, the broader African local supplier pool faces is that number one, they don't currently have the expertise." (MPQPA1)*
- *"So, you can imagine how we rely largely on the import of products to provide availability and a great catalogue to the customers within " (MPQPA 2)*
- *"you know exactly and based on the batch control the know does batch came from this batch of Paris was produced with those batch of chicken and it came from this batch of starch and that batch of flour. " (VCL 2)*

RSPD 2 shared the view that most suppliers can export their goods. This was further supported by a view that there is a reliance on South Africa to supply goods to other African countries and this assists with export revenue. RSPD 2 said that countries like Uganda and Tanzania need South African businesses to work with them to grow their manufacturing capabilities. An example of such was how grain is imported from Ukraine rather than being imported from the African continent.

MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and 3 that South African suppliers are much more advanced than suppliers within the host country. South African suppliers have the ability and capacity to export goods. Local products are considered for export. Local suppliers within host countries are only able to supply 20% of retail. There remains a shortage of suppliers from within the host country. These participants further stated that there is constant work being done to invest in suppliers to improve the quality of goods so that they meet the company specifications for customers and the retailers' brand image. Large quantities of food products are imported to maintain full shelves and product availability in host countries' retail stores. MPQPA 3 stated that sourcing from the local communities is very complex so exporting food products, depending on the distance and supply chain complexities becomes an alternative solution for retailers. Dry goods are much easier to export because of the extended shelf life.

MPQPA1, 2, and 3 also stated there is a huge reliance on suppliers from South Africa to ensure that good product availability is maintained. There are more farmers in South Africa than within the host countries. Climates and terrain are not always conducive to enabling a strong primary sector development, especially within the agricultural aspects.

MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and 3 stated that there were challenges because of border control regulations. It becomes a tedious exercise when authorities of host countries change regulations overnight. VCL2 and 3 expressed frustrations and unhappiness when such regulations change without warning, the host countries' retailers will have to withdraw their food products and re-deploy the stock to the stores in South Africa. VCL 3 gave an example of tomatoes that are restricted, then tomatoes cannot be sent across the border and then those orders and any products with tomatoes are then cancelled.

VCL 2 and 3 confirmed that there is a reliance on retailers to export to support their business within host countries. MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and 3 further stated that quality, production, and volumes impact the ability to support exports and imports and therefore there is an impact on loss of sales, goods that are exported into the neighbouring countries to enable export and foreign revenue. Most African countries rely on the imports of food products and therefore this has an impact on availability within the host country. If chicken is exported and there is an issue with avian flu, then fresh products are impacted.

The host countries are trying to get major retailers to source products from local suppliers. The shortage of farmers and agricultural skills forces the host country to source from South Africa. There is a strong reliance on imports from South Africa. VCL 3 stated that host countries wanted retailers to use their suppliers, especially for food items such as fruit and vegetables, but compliance documents sometimes impact this and as a result, shelves stand empty.

MPQPA 4 stated there was a total reliance on the export of goods to sustain stores. There was an observation that everyone was investing in exports as there was a significant amount of development taking place.

Conclusion:

South African suppliers are regarded by the participants as being advanced and developed in comparison to the local suppliers within the host countries. There is an appetite to further develop these suppliers so that their opportunities to export to different countries. The South African standards are recognized by host countries. An interesting comment from VCL 1 was that South Africa can perhaps invest in agricultural programmes to re-ignite the farming industry.

Local suppliers within host countries lack the skills and the resources to develop their capabilities. If this persists, South African retailers will continue to move the products from South Africa into their stores in other African countries. Therefore, it can be concluded that products from within South Africa are considered for export as almost 90% of the food products are currently being exported. There is more development that can take place to enhance this supplier's capability. Suppliers in host countries are less reliant on and therefore the South African retailers will continue to rely on goods from South Africa to sustain availability.

5.3.3 RQ3: How does the product quality of South African food produce influence the success of retail expansion into Africa?

Food product quality as managed by farmers and suppliers influences food availability and potential for export, raising the issue of local food quality issues. In this question, product quality and its influence on retail expansion were explored to cover traceability and cold chain standards.

RSPD 1 and RSPD 2 stated that the cost of quality standards in South Africa is so high and therefore this may present a challenge to suppliers or developing suppliers. They lack funding to get the products to the correct quality standards. There is also a lack of funding and inadequate facilities that would enable superior-quality products. There seems to be a lack of support from the retailer or other bodies.

VLC 1 stated that some suppliers may be placed under pressure to produce the product at speed to produce the right volumes and in doing so may compromise on the quality standard unintentionally. MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and 3 stated that some of the major retailers work with their suppliers to ensure that their products meet the correct quality standards to export across the borders of South Africa. Some major retailers will not compromise the quality standards as they represent their brand and in doing so, they ensure that the products made for South African stores are the same for their stores in other African countries.

MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and 3 further stated that smaller suppliers are regarded as "start-ups" and emphasis is placed on growing them. Initially, there are many challenges and yet the retail chain endeavours to challenge themselves and the suppliers to present the "best version" of the product. Quality does have an impact on the expansion into Africa. African Countries export some of the best quality products into Europe so their capabilities on the continent are massive.

This was further supported by a view that the Produce procurement teams work with the local Supplier Enterprise development within South Africa and in host countries to assist with enabling the right quality standards. The local host country suppliers are faced with many challenges in being “best in quality”. They further stated that food product imports and exports are highly regulated by safety laws and regulations. If the company requirements are not met, then the suppliers cannot be onboarded.

RSPD 2 further stated that retailers from South Africa will not compromise on quality. Contents and ingredients must be checked by regulatory bodies such as the South African Bureau of Standards. Food items are always barcode traced. MPQPA 3 said that host country suppliers face quality challenges because of a lack of resources such as water, finance, and skill MPQPA 3 further said their retail company had an audit department to check on quality, traceability, and cold chain management systems.

MPQPA1, 2, 3 as well as EPGR1 highlighted that there are challenges facing host country suppliers who experience water challenges, and their inability to invest in their production lines and this impacts the product quality. The lack of financial resources is primarily the reason for this, and they may lack the skills and knowledge as well as technology to deliver the required quality standards.

MPQPA1, 2, 3 as well as EPGR1 stated that local standards and international standards must be the same for most suppliers and retailers. Suppliers cannot be given a contract to supply if they are not able to meet the quality standards. Retailers will rather have empty shelves rather than compromise on quality. They would need to protect their brand image. The stores in South Africa and stores in other African countries follow identical protocols concerning quality, cold chain management and traceability as well as quality management. The technical department manages this end-to-end. MPQPA 3 said that host country suppliers often have no evidence of traceability, placing consumer safety for the brand at risk. Most of the suppliers were “mastering traditional farming methods.”

MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and VCL 3 stated that most of the stores within the host country are dependent on South Africa, especially the perishable products. This means that the product quality must be good and have a long shelf life. The departments of agriculture from all governments do regular checks to probe quality. The biggest hurdle in managing quality is the cold chain management across borders. City Deep remains the heart of the South African distribution depot into the rest of Africa.

MPQPA1, 2, 3 as well as EPGR1 and VCL 2 and VCL 3 also confirmed food quality extends to food traceability. Most suppliers have a traceability system which allows for raw ingredients and produced food products to be traced effectively. One of the major

retailers that was interviewed has an entire technology department that looks after technology and food traceability. In this way every ingredient and produced product is traceable.

All participants indicated that food safety has become highly regulated by governments. These laws are in place to ensure consumers are protected. The Department of Health in South Africa will not compromise on quality. The requirements and contents are always well scrutinized and are authorized and accredited by the South African Bureau of Standards in most cases. Food traceability is also tracked with barcode and batch codes.

VCL2, VCL 3 and SEI 1 confirmed that sell-by dates also form part of traceability where a click of the date will reveal all the required information about the product. Each supplier and retailer has their own health and safety department to manage and regulate food safety and hence quality.

VCL2 VCL 3 and SEI 1 said that cold chains are managed through the correct cold systems that suppliers have in place. The advanced refrigeration systems allow for fresh food products to be moved within the designated temperature categories. One of the major retailers has a very strict cold chain management system. The cold chains are managed at less than 5 degrees with strict controls on the trucks that are further monitored by remote systems to ensure that the products are received into stores as fresh as indicated by the cold chain policies.

VCL2 VCL 3 and SEI 1 also stated that some retailers lead the way in technology to manage cold chains. As part of government regulations, cold chain policies cannot be compromised. "Protocol must be maintained throughout." Cold chains are also well managed with DCs and transportation systems. Cold chain standards as defined by most of the participants with cold chain temperature being less than 5 degrees, ambient at room temperature and frozen goods at greater than minus 18 degrees.

Most suppliers and retailers ensure that fresh products are triple-checked before they are exported. Some organizations have whole cold chain warehouses to enable sustainable cold chain policies. This is then translated into ensuring that perishable products are transported while still managing that cold chain policy. SEI 1 said that their trucks are sealed from export to delivery into stores. City Deep is the central export depot in Africa. All documents must comply with the cold chain before the exports are done.

EPGR 1 spoke of localization legislation which is increasingly blocking the export of goods out of South Africa and the need for the retail chain to source from local suppliers. However, the retail chains have very "stringent: quality and cold chain requirements.

Retailers are then forced to engage and develop suppliers to the retail chain standards. There is a full application of technical skill that is applied to probe food products, and this may include soil testing to ensure water suitability and safety as well as E- coli contamination.

Direct quotes include:

- *“Kenya is an example of being “best in class” for their coffee exports.” (MPQPA1)*
- *“And when I say quality, I'm not talking just about the product I'm talking about the product. We will go and we will do a test in terms of the soil, in terms of whether the suitability of the soil will test the water that's coming there to the ground. Water is not contaminated where there's no E coli, E coli, there's no contamination.” (EPGR1)*

Conclusion:

Product quality must be good and have a long shelf life. Suppliers cannot be given a contract to supply if they are not able to meet the quality standards. Retailers will rather have empty shelves rather than compromise on quality. These laws are in place to ensure consumers are protected. The Department of Health in South Africa will not compromise on quality. The requirements and contents are always well scrutinized and are authorized and accredited by the South African Bureau of Standards in most cases. The Departments of Agriculture from all governments do regular checks to probe quality. The biggest hurdle in managing quality is the cold chain management across borders. City Deep remains the heart of the South African distribution deport into the rest of Africa. Inspections are a continuous activity at City Deep. Many different documents will be required here to ensure extensive compliance standards are met.

Food traceability is managed through barcodes and supplier codes on the products. If there are eggs in a cake, even the eggs can be traced. This is in line with customer protection and customer food safety standards.

Retailers and suppliers supply both dry goods and perishable goods as part of the export proposition to the retail chain outlets in African countries. The transportation of dry goods does not imply a quality perspective as this may include tinned goods. The challenge presents itself when the retailer must transport fresh goods in the form of produce fruit or even dairy products.

The trucks that transport such perishable food products will require strict adherence to cold chain regulations as required by each retailer's points of cold chain regulations and compliance. The refrigeration trucks can be monitored remotely and therefore products

will reach their destination without compromising on the cold chain standards. If there are delays, retailers may be faced with truck rejections, and this will mean that entire deliveries may be destroyed. This is done on the sole basis of protecting and preserving customer food safety standards.

5.3.4 RQ4: How does the value chain impact retail growth, specifically expansion into Africa?

In this question, the researcher explored the supply chain capabilities as well as the contribution to the value chain by retailers and explored challenges and opportunities.

It can be noted from the interviews, that all participants conceded that transportation and infrastructure challenges pose a huge problem for retailers as they expand across borders. All participants stated that it was their understanding that most retailers make use of the road system to transport their products across borders.

VCL2, VCL 3 and SEI 1 stated that in some countries airfreight or sea transport may be used. By this, it may be deduced that rail transport is nonexistent. MPQPA1, 2, 3 stated that air freight is a consideration but that is done with longer distances into Africa. MPQPA1 said that there is also the consideration of different truck configurations that can transport a greater volume of goods to the destinations. MPQPA1, VCL2 and VCL3 further stated that generally, retailers co-load, cold chain, ambient and frozen products as part of the delivery schedules. The different truck configurations assist with gaining great efficiencies in volume and cost.

Direct quotes include:

- *“Different forms of supply chain that we maybe have not tested before.” (MPQPA1)*
- *“What if a 12-footer could become a 26-footer truck twice a week, so then one we increase the replenishment cycle and two we get fresher product on to the shelf.” (MPQPA1)*
- *“The supply chain itself presents huge opportunities.” (VCL 2)*
- *“So, the supply chain is a huge unlock particularly in the expansion of our foods business. MPQPA1)”*
- *“The supply chain could be the key to unlocking the expansion of our food business.” (MPQPA1)*

MPQPA1 and 2 said that such innovation will positively contribute to the stores getting replenishment faster and a spin-off on good sales acquisition. As outlined by MPQPA1, the unlocking of the supply chain has the potential to grow the retail footprints. MPQPA 1, 2 and 3 and VCL 2 and 3 said that distribution costs do come with the cost of trading out of South Africa. Trading in Africa is very costly. VCL 2, 3 and 4 clarified that there are huge challenges with infrastructure development and its backlogs.

These participants further stated this is then translated into pricing costs. Since most products are exported, it means that transport costs are higher. The longer the distance the more expensive transportation gets. Sometimes the distance causes a loss of shelf life to ensure availability. The quicker the fresh products can get into stores, the better the chance of sales. Border control plays a crucial role in allowing quicker passage through the different countries. This does impact speed to market and can mean the difference between getting the product faster into stores or not.

Some countries also have depots in other countries. In another aspect, goods can be transported to one country as once that delivery is done then the delivery continues to another country. This strategy can also attract additional taxes and duties costs. VCL4 stated that another major retailer has strategically built a distribution centre in 4 different locations close to different borders to be able to shorten the distance between the neighbouring countries. VCL3 said that there was still a considerable amount of work to be done to sort out the value chain. VCL 3 further stated that their business was in the process of a huge expansion of their existing distribution centre to further support the expansion of the foods business in or into Africa. The investment will also investigate the logistics within South Africa and the host countries.

SEI 1 shared that a country such as Zambia is a gateway to eight different borders. City Deep in Gauteng, South Africa, is the central depot for all exports into Africa. SEI 1 further shared that it is regarded as the main distribution centre in Africa and is controlled by the South African government. This participant contribution was expressed as a similar experience with VCL2, VCL 3 and VCL 4 that there also exist opportunities to combine suppliers and retailers with shared costs to transport the food products across the borders. As retailers continue to expand, they also expand their distribution centres.

Some retailers are expanding distribution centres, and this gives a positive sense of the potential that they see in the African trade. Paperless picking is another type of innovation used to gain efficiency with distribution centres. Some opportunities are being considered to work with the local host logistic companies. This will require investments to create the standard that is required. This also contributes to a positive employment

opportunity with South Africa and host countries. MPQPA 4 stated that countries like Mozambique are now placing trade barriers on packaging, including 3 languages, English, Portuguese, and French.

Direct quotes include:

- *We are willing to build and facilitate more retail spaces in countries and that way you might you should be able to increase the value chain and efficiencies in the value chain. (VCL2)*
- *So, your cost to the product for that distance in terms of the kilometres and fuel etcetera is a lot more invasive because it's because of the longer distance than the variable cost that comes with the terms of fueling. (VCL2)*

Participants VCL 1, 2, 3, and 4 shared a common experience that distribution costs will remain high because of the mode of transport. The increase in fuel tariffs is creating - inflated costs for retailers and ultimately the consumer. They further showed a common experience and spoke and highlighted the Africa Free Trade Agreement. VCL 1, 2, 3 and 4 shared a similarity in confirming that distribution costs remain one of the biggest challenges. It has an impact on the pricing. The objective in any business is to remain profitable and surging distribution costs must be at the selling price of a product. The opportunity to co-load goods with suppliers to get goods over the border can be a possible alternative solution to a much more competitive pricing advantage. They further stated that distribution costs are high coupled with high transport costs.

This then has an impact on the standard costing model, into the individual item price, and margins are impacted. In all businesses, profit is important. VCL 5 said that in doing business in Africa, goods can be delayed and cleared after 2 to 3 days. The distance to any destination will always be cheaper to use a truck. This evidence will cost more with surging fuel costs. There is also insurance and general maintenance of vehicles to be considered. Sometimes the transport cost is more than the value of the goods within the truck.

- *"Our high ground as a business, we have a fantastic supply chain that we work with and all of our trucks at that leave from our devices and go over the border as far as I said as far as Zambia etcetera, all maintain their cold chain within the current infrastructure of the truck." MPQPA 1*

Conclusions:

The Value Chain in the main represents the ability of the retailers to transport their products out of South Africa and into Africa. The single biggest obstacle that was raised by most of the participants was the poor infrastructure in African countries, this includes South Africa. The most common way to transport food products is through the road system. This presents huge challenges for the retail chains in respect of exorbitant costs.

As stated by most participants, there are opportunities to try different forms of the supply chain. In countries such as Zambia, airfreight would be more efficient than road transport. By enabling different truck configurations there lies an innovative way of transporting goods. Such a retailer has a 'fantastic', logistic system that is even able to track the temperatures of the cold chain chambers through modern technology.

There are opportunities to improve the existing supply chain by expanding the current distribution centres (DCs) and this will enable the value chain transformation. There is always a challenge for small suppliers to grow their value chain capabilities. Payment to suppliers is 90 days and cash flow is always a problem with small suppliers. Customers tend to be loyal to bigger brands. Bigger companies can monopolies the markets. There are plenty of opportunities to enable the value chain. It is not about the product but how South African companies work with organizations on the African Continent.

5.3.5 RQ5: How do government regulations and entry border points influence accessibility to food products in terms of food exports from, and imports to South Africa?

The researcher sought to understand the impact of the government and entry border regulations and the impact of this on exports and imports of food products into and out of South Africa.

VCL 1 shared a sentiment that South Africa sometimes believes that it is not a country in Africa. VCL 1 felt that there is a perception that they are better than other countries in Africa. Most of the participants share the common view that the Africa Free Trade Agreement has been signed but the lack of implementation is causing problems for exports. There is a lack of implementation of good intent and there is plenty of corruption. Different countries have different regulations. VCL 2, and 4 and as well EPR1 stated there were opportunities to standardize border regulations.

The non-standardized border regulations made it increasingly difficult to move products across borders. All participants stated that there were too many regulations, too many

delays at the border entry point and too much paperwork. Sometimes there are deliberate attempts to delay the goods into the store. There are too many border restrictions. VCL 4 and 5 stated that at one point, their business had to get security escorts into the host country because the drivers were being targeted.

VCL 6 stated that often despite the intense paperwork, proof of production is required. It becomes a process to clear the trucks. There are multiple delays with the food trucks, and this then causes congestion. Trucks need to go through the “green zones”.

All the participants stated that the transport barriers of having to use mainly the road systems present themselves with many challenges. They further stated that sea freight and air freight are equally challenging. All the participants have stated that the main mode of transportation remains the road systems. They collectively stated that there needs to be standardized regulations across countries to enable better trade between countries.

There is much corruption and crime at the borders. There is a lack of openness at the borders and a lack of partnerships. What South Africa views as corruption may also be viewed as normal behaviour in other countries. VCL1 compared South Africa to countries like Rwanda which are doing fantastically well and yet South Africa is lagging in infrastructure development and maintenance.

Direct comments include:

- *“The dynamics of crossing the borders must be understood.”*
- *“However, the challenge remains that within the African continent, the borders are not that porous, so it will be difficult to go up north from South Africa and be able to get into these markets without understanding them fully “(VCL 1)*

Most participants believed partnerships across the border can assist with an ease of flow of products into the country and the building of relationships with the communities can assist with partnerships. They all went on to concur that collaboration, communication and coordination with government and suppliers can contribute towards the building of better export relationships.

There must be mutually beneficial ways of working to unlock trade opportunities between countries through exports and imports. Some of the participants felt that corporate citizenship can play a role in the trade of exports and imports. All participants reiterated that governments are becoming stringent because of food security. Most referred to the COVID-19 pandemic as an example of how local communities enabled food security when the borders were closed. MPQPA1, 2, and 4 said that the trade of exports and

imports is like countries forced to take host country products as a tradeoff to trade within that country.

The participants said that the Africa Free Trade Agreement plays a large part in the trade of exports and imports between countries. Disruption at the border post can cause delays. Sometimes officials are difficult. SEI 1 also said situations like unrest and politically unstable climates cause delays as well.

VCL 2, 3 and 4 stated that SA exports and imports to the European Union (EU) with ease. If the same is applied to the African continent, there can be a similar way to trade. The Department of Trade and Industry assists with trade agreements and assists retailers with regulations and border control. Border controls require documents from the Department of Agriculture.

VCL 2, 3, and 4 further stated that customs are very tedious and disorganized. Vehicles can get delayed by 4 to 5 hours. There is always plenty of paperwork. There are a lot of conformity documents in countries such as Mozambique. Mozambique has put into place the COC documents. These conformity documents mean that the document from the Department of Agriculture endorses the safety of the food products that are exported. Sometimes multiple border posts slow down the export of vehicles. This time delay with the queuing of trucks, poor border administrations and deliberate delays impacts the retailer's ability to get stock into its store.

- *“So, we as retailers have an even bigger role to play to unlock the opportunity within the African continent and to make each of us richer in many ways, opportunities are limitless, and execution is limitless.”*

All participants shared the view that border control can cause massive delays and impact on the shelf-life, product availability and the loss of sales. MPQA 1, 2 further stated that tariffs are sometimes pushed up to force retailers to buy products from within the host countries using host country suppliers.

This also would mean lower prices within the host countries for its consumers. This however places the retailers under pressure as those products may not meet the food safety standards, cold chain standards, and product quality standards, Host country suppliers in the main struggle to meet the specific standards from the relevant retailers. EBP1 said that on the contrary, food certain retailers are not as pedantic about food safety and will accept the terms and conditions of the host countries easily. EBP1 said that host countries are not always able to meet compliance and food safety regulations and their governments do not mind.

Host countries' suppliers must conform to regulatory compliance of ISO standards which they do not often meet. The facilitation of food exports and imports is largely impacted by bureaucracy with laws and regulations. There have been indications that governments try to have "inclusive foreign policies" that can open borders with limited paperwork and bureaucracy. Exports and imports need to be regulated so that food safety is protected through legislation. Legislation is in place to protect the local economies and local communities.

Direct comments include:

- *"The other thing is because of the localization legislation, some of the countries are increasingly blocking goods from South Africa or other countries, from being from, from "entering their markets."*
- *"So, from that perspective, to make sure that they have our stringent quality requirements that they have our stringent cogent requirements, we are forced to engage the farmers and develop them to our standards for their products to come to our standards."*
- *"So, the way is very strict in terms of in terms of in terms of in terms of in terms of how goods enter what goods enter and because and the correct categorization of goods, because that's revenue for them. Now because of that, you need extensive paperwork."*
- *"Yeah, so, so regulations which I spoke about and also one has to be honest about it that they ease large scale corruption, uh, in a lot of these, a lot of these border post a lot of these countries and a principal company like ours that we are very adamant and our instruction is to the guys to our, to our logistics providers."*
- *"If you have to wait in the queue, you wait in the queue, but you will not indulge in that kind of behaviour."*
- *"And because we are principled, and because we have 0 tolerance for corruption and bribery, it costs us as well."*

All participants said that regulations ensure that good quality and saleable products are brought into the country. The limitation of this is that countries want to protect their industries and their economies. All participants said that when the government charges higher tariffs, this forces retailers to source from local suppliers in their country.

The private sector needs to play a much bigger and more active role in educating the government on the issues with solutions to effectively drive cross-border trade by being

involved in the drafting and implementing policies. Bilateral agreements are those that can enable “free” trade. The reality is that is on paper, but the practical application is a major concern. While this is in place, the barriers are becoming more evident.

Conclusions:

There are a significant number of challenges facing retailers that export products from South Africa to their stores in other African countries. Border control and border regulations cause many obstacles to ensuring products are transported across the borders seamlessly. The lack of suitable infrastructure. There is a heavy reliance on the roads and therefore manipulation of control and significant corrupt behaviours that hinder the regulatory processes. Customs can be very time-consuming and at some borders, there is a high level of disorganization.

At some entry points trucks can be delayed for hours because of paperwork regulations. In countries such as Mozambique, this has been compounded by the introduction of the conformity documents and the introduction of the Portuguese language on the labels. Most border posts require documents from the Department of Agriculture, from veterinarians, depending on the products that are being exported. The multiple border posts also slow down the export of vehicles, some with deliberate intent. This time delay with the queuing of trucks, poor border administrations and deliberate delays impacts the retailer's ability to get stock into its store.

The standardization of regulations could assist with minimizing the regulatory barriers. Governments will seriously need to be vigilant around corruption at border posts. Most Governments are reliant on exports as a contribution to GDP, so curtailing unethical behaviour can improve these barriers. Conversely what South Africa deems corruption, could be “normal” behaviours in other countries. Governments with the assistance of the Trade and Industry Departments will need to consider partnerships with host government countries to assist with an ease of flow or allowing the goods into the country to limit the loss of revenue.

Collaborative working relationships, coupled with effective communication and an effective strategy will contribute toward building an improved export relationship. The ability to unlock trade potential lies with mutually aligned goals and efforts. The Africa Free Trade Agreement has been signed but the lack of implementation is causing problems for exports. There is a lack of implementation of good intent and there is plenty of corruption.

5.3.6 RQ6: What can be done to build and improve supplier development programmes to enhance food exports from and imports into South Africa?

This question explored the ability of the retail chain to enable suppliers through a supplier development programme. It sought to understand and explore the opportunities to build and improve supplier development programmes to facilitate exports into Africa. VCL 1 stated that suppliers lacked technical skills, and this was corroborated by most of the participants. MPQPA 2, stated that suppliers lacked finance and lacked manufacturing capabilities. The quality of and standard of the products is a problem for the retailers. The retailer is unable to find suppliers aligned to its Values and Purpose. RSPD1 said that there were not enough suppliers and suppliers were lacking in funding. MPQAPA1, 2, 3 and 4 stated that host country suppliers lacked skills.

They also lacked the finances and resources to enable their capabilities. Host country suppliers still need to develop their secondary and tertiary skills. As MPAQPA said, it comes down to the cost of doing business and doing business across borders requires South African suppliers.

RSPD2 stated that there were plenty of disruptions in the global value chain. Suppliers are facing high costs and high inflation. SEI1 stated that there were serious knowledge gaps with suppliers in host countries and they were not able to supply volumes for in-country trade and export. MPQPA4 stated that their business model allowed for the retail stores within host countries to be allowed to source any suppliers. VCL3 stated that each country needs to build their ecosystems.

All the participants said that there were an inadequate number of suppliers in host countries, but South Africa had an adequate number of suppliers. MPQPA 1, stated that South Africa has so many suppliers and a good climate to produce goods. The country is rich in resources, and this is what was lacking in host countries.

VCL2 also said that host country suppliers lack the expertise, and it takes a lot of time to get them to operate at the required standards for that business. MPQAP 3 said that there was potential to capitalize on suppliers within host countries and capital will be needed to get them to the required level. There would be a required level of vertical and backward integration. MPQPA 3 said that host country suppliers lacked loyalty.

All participants stated that retail companies could finance supplier development programmes. Some concluded that it would be complicated and expensive, and retailers would then want exclusivity. VCL3 stated that it was possible provided it was viable and there was financial stability for the supplier. VCL 2 and MPQAP 3 concurred that investments in suppliers will ensure product availability. MPQAPA 3 said that some suppliers will not be loyal.

The benefits of the supplier programmes ranged with opinions of positivity. RSPD 1 and MPQPA 3 stated that the supplier would be loyal, consistent in products, and good availability of products. MPQAP1 said that such benefits could assist in becoming and having a competitive advantage. VCL 2, 3, 4, and 5 said that the tradeoff will bring positive benefits. RSDP 2 said that this will assist with uninterrupted supply chains and transform suppliers.

- RSPD 1 said that more collaboration and support from the government will assist in promoting more imports and exports. MPQAPA1 said that trading in Africa is full of opportunities and that one needs to embrace the continent. South Africans have the influence and power to change the landscape of the African Continent. This was further supported by an opinion to make lots of money and create jobs if suppliers and governments can find a mutual way of working with mutual benefits. VCL 3 said that the African Free Trade Agreement will ensure good tradeoffs.

- *And so, we've worked with the supplier called Arona Bakery and we've done so much work, I promise you wrote that so much of work with that supplier to get caramel cake to the level where it tastes almost the same as the one in South Africa.*^[P.7]_{SEP}

- *The future looks bright. Africa's not for everybody. You've got to be cut from a different cloth and that's just generally whether your operations, whether your commercial, whether you are leadership.*^[P.7]_{SEP}

Conclusion:

South African Suppliers stand out as outstanding in their ability to produce and supply products to retail chains. They are deemed to be more advanced in having the skills and resources. Suppliers within host countries are not fully developed. They lack skills and

perhaps sometimes the scale to supply. Suppliers probably lack funding to expand and improve their capabilities.

There are insufficient big suppliers to meet demands. There are many suppliers but there is constant work that needs to be done to assist the suppliers. South Africa has suppliers that are more established with better capabilities to supply for export to host countries. The country has a rich source of resources to enable that.

Retailers have the capacity and capabilities to develop suppliers, however, they may be unwilling to invest in suppliers for multiple reasons. This would include funding and finances that may be limited. Support can only be rendered up to point. The return on investment may or may not be feasible. The funding can be complex and become complicated. Development and funding may be impeded by strategy changes and the need to develop other suppliers. South Africans do not fully understand the African markets, and investing in suppliers when the market is unstable can be quite risky.

A participant from a large retailer stated they were working with small suppliers and trying to grow them into large suppliers. They have seen a growth from 3% to 7% in supplier development.

The investments will build up a better supplier base. The upside is that it can bring loyalty to the retailer and consistency with the product. The product quality has also improved. Funding may require exclusivity. Development programmes have the potential to transform entire companies from a supplier perspective and a retail perspective. The ability to meet product demand and improve product availability can result in sales and ensure profitability. Investments in suppliers assist in protecting retail business. It also helps with developing them and getting them to the right level to effectively produce products. Some retailers do 'vertical integration and backward integration' (which allows you to buy into a supplier) to develop suppliers.

Such investments can be seen in suppliers being able to produce the correct volumes to ensure the availability of products. In the retail industry, cash flow is important and that can be an issue with suppliers. Therefore, it is important to ensure that some sort of investment goes into supplier developments. One of the participants from a major retailer cited how they invested in a small supplier with phenomenal results for the retailer and the supplier. Investment will mean loyalty and the ability for them to share the vision of product development and product availability.

Not all retailers want exclusively, they merely need to stick to the trade agreements and deliver the required products. In some African countries, they are incentivizing South

African Farmers to come to their country and farm to build up a supplier base knowing the issues that farmers are facing in South Africa, this also alludes to the transfer of skills across countries. Governments in such countries go to the extent of providing the seeds and resources.

The future of exports and imports will extend into production opportunities. This will allow for entrance into the global value chains. Collaboration and the correct support can unleash great potential with suppliers. The future of exports and imports can be limitless because the African landscapes are so dynamic and are changing at a rapid pace. There might be limited resources for a limited period to limited suppliers.

The Africa Free Trade Agreement and its finalization and implementation will determine the future potential of exports and imports. African countries send out a lot more raw materials as opposed to finished products. There exists an opportunity to change the equation by sending out more completed products through the development of the secondary and tertiary sectors.

5.4 Summary of the Research Findings

This chapter summarised the results of the analysed contributions of the 13 participants. The findings were summarized and further reviewed per the different participant groups and then triangulated as part of the quality control. The six themes were derived through the inductive analysis of the 53 code groups.

The findings were reviewed against the dominance of the key themes within the groups interviewed. The key themes from each group were noted and aligned with the predominant themes.

Each participant voiced a clear understanding of each of the themes. Some themes revealed that participants had differences in opinion.

Chapter 6 discusses the findings in terms of existing research presented in Chapter 2, the literature review.

Chapter 6: DISCUSSION OF THE FINDINGS

6.1 Introduction

In this chapter, there is a comparison of the findings in Chapter 5 about the literature review in Chapter 2. Each of the research questions and each of the themes and subthemes have been compared and discussed within the current and relevant literature review.

The chapter aims to further analyse the findings with existing and current literature. A comparative analysis has been done to evaluate the validity of the outcomes. For each theme and sub-theme, comparisons have been made to check the similarities and differences between the findings and the literature that was reviewed.

6.2 Exports and Imports

The ability of South African retailers to grow their retail footprint across the borders of South Africa can be understood through the identification and understanding of avenues to increase the imports and exports of food products. In developing countries, as the population grows and the demand for food increases, the need for food production also grows. As outlined in Chapter 5, an average of between 90 % and 95% of food products are exported by food retailers across the borders of South Africa.

This percentage of food exports from South Africa to other African countries is significantly high because host country suppliers are unable to meet retailer's product standards. The percentage is based on South Africa's ability to produce high-quality food products through high-quality standards to ensure stock availability on the shelves in host countries.

The prospects of regional trade integrations are very progressive within African countries. The lack of a developed regional value chain, dependency on raw material exports and low levels of integration in other African countries allows for exports out of South Africa to work in its favour. South Africa is more developed in those aspects. There are more manufactured goods that are exported from South Africa to other African countries that form part of the Southern African Regional District (SADC).

The trade with this region is growing with the emergence of a value chain. There is a steady growth of export goods into South Africa and out of South Africa to countries with the SADC regions (Black et al., 2019). In 2017, South Africa exported as much as five times more products than it imported (Black et al., 2020).

There are several opportunities to grow South African suppliers because the host country suppliers remain undeveloped. In this way, South African retailers can expand their current suppliers and create more employment opportunities. Likewise, through the supplier development programmes, there is an opportunity to develop the host country's suppliers' development programme.

This, however, will take time, finances, skills, and resources to fully develop those suppliers to get them to the required standards. Suppliers within South Africa and host countries both have limited resources, skills finance, and information to expand their operations.

The high export opportunities as discussed in Chapter 5, forms the basis for strong employment opportunities within the South African supplier base. This can be further extended through the value chain into transport, logistics, distribution centres, regulatory bodies and into the retail store environment. An increase in exports and imports affects the global value chain in any country's economy. As the global chain changes, employment opportunities increase negatively or positively, and often they increase positively. The positive shifts in exports create more employment throughout the value chain (Global Value Chain Development Report 2019, 2017).

In South Africa, as retailers embark on internationalising across borders into other African countries, there is a certainty to grow employment indices for both South Africa and those African countries. South African suppliers are fully developed in comparison to the host country suppliers. This then places the South African supplier base at an advantage ahead of the host country suppliers. Retailers are placed in an uncomfortable position to export food products from South Africa across the borders into their stores to ensure full shelves and ultimately make sales and grow profits.

In developing countries, the populations grow, food demands grow and subsequently food production increases. In developing countries in Africa, the agriculture sector is less attractive as the younger populations do not want to participate in farming and agricultural activities. In retrospect, this means that farming is largely viewed as a lowly paid occupation.

The older generation is more likely to continue wanting to farm as opposed to the younger generations (*Global Value Chain Development Report 2019, 2017*). Agricultural export and emigration factors in developing countries offer fewer work opportunities to the economy. The investment into labour-saving costs is a stifling factor as farm workers can now be replaced by technology and equipment. The border workers assist with short-term solutions as a substitution for farm workers. The COVID-19 Pandemic has exposed

the agricultural sector showing the dependency on immigrant workers. New technology is replacing farm workers and automation can mean no new job creation. The wealthier farmers who can embrace technological changes can employ tech-savvy young people in the farm workforce. The older, mature farmers have difficulty in being able to make the transition (Christiaensen et al., 2021).

Host country governments are placing an enormous amount of pressure on South African retailers to grow host country suppliers to reduce exports. This will also create employment and skills development for the host country. Conversely, it assists retailers in reducing transport and distribution costs.

“Economic diversification” is something that host countries strive to attain, to balance the export and import equations by developing suppliers from within their own countries. These governments want to protect their markets, and suppliers and reduce employment. They want to create more employment opportunities from farms to retail stores. The high export opportunities as discussed in Chapter 5, forms the basis for strong employment opportunities within the South African supplier base. This can be further extended through the value chain into transport, logistics, distribution centres, regulatory bodies and into the retail store environment.

6.3 Product Availability

In exploring the theme of food product availability issues and how they will influence the expansion within Africa, it is apparent that food quality has an impact on food availability on South African retailers being able to source food products to ensure full shelves. Retailers are not able to ensure that there is full or partial food product availability if suppliers whether in host countries or South African suppliers are not able to meet the required food products standards.

Host country markets are often dominated by South African suppliers because of the South African retail chain emergence. Local host suppliers are forced to upgrade their capabilities to compete with those suppliers and products to gain access to the retail market space. The rivalry between the two different suppliers is very prominent and the host country suppliers are sidelined because of their inability to compete. The presence of South African products places pressure on South African retailers to know their suppliers and bring them to host countries to stabilize their on-shelf availability (Nair & Landani, 2019, Bosiu & Vilakazi, 2020). Host countries' governments are emphasizing policies to get retailers from South Africa to help build supplier bases within their countries and develop companies to be part of a regional value chain (Black et al., 2020).

Local host country suppliers are often unable to meet the retail store food quality standards because they are undeveloped. Farmers may practice traditional farming and are unable to meet the correct required quality required by the retail stores. Local host suppliers are only able to supply a small percentage to the retail stores and for exports. There is a serious shortage of suppliers in host countries. The suppliers with these countries will require considerable investments, resources, and skills development to enable them to produce the goods at the required standard.

This then influences the need for retailers to import from their home country to sustain full product availability. In some instances, the host countries have climates and terrain that are not conducive for farming activities and then the retailers have no option but to import food items from their home countries.

South African Food safety standards are highly regulated by the Department of Health, The Department of Trade and Industry and the Department of Agriculture, Forestry and Fisheries (DAFF) together with local and international councils. Food products are examined and approved for consumption by these regulatory bodies before they are released for sale in retail outlets.

Four regulatory acts govern the quality standard of fresh and processed food products. The DAFF has strict management processes to uphold food safety within the domestic and international markets. They ensure grading, labelling, the safety, quality, safe food handling and hygiene of animal and agricultural products. Within the food retail sector, food safety training is compulsory, and retailers must conduct their internal safety audits to ensure proper food safety compliance (Boatema et al., 2019b).

Fruit and vegetables contribute and play a critical role in the nutrition of animal-sourced foods as well and fruit and vegetable consumption have been associated with foodborne diseases. There is an emphasis on good agricultural practices and good food products are well managed in the host country as many of the farmers practice subsistence farming, therefore almost 90% of the agricultural products are not subjected to proper food safety protocols as compared to safety standards.

Food safety can be further controlled through supply chain management by the washing of products, sorting, enabling refrigerated shipping and storage. The use of digital technology such as cell phones can assist more than 90% of poor farmers in reinforcing their supply chains by monitoring weather conditions and cold chain management systems. Further to this, food traceability is the ability to verify the safety of food products. This helps to minimize the poor quality and unsafe products. The use of cell phones and the internet can assist farmers and suppliers in managing the food safety of their

products. By adopting good agricultural processes, good hygiene, and good health practices, there certainly will be an improvement in food quality and food safety. The use of the Internet and mobile phones can assist small-scale farmers and suppliers to improve food safety standards (Aworh, 2021).

Border regulations can change overnight when authorities decide to change import or export regulations, and this then places the South African retailers under pressure to withdraw food products which then has a massive impact on food product availability in the host country store. South African suppliers are well-developed and can export food products and have a good range and the ability to sustain the volumes to ensure good product availability.

The participants have stated that most South African suppliers are far more developed and advanced in comparison to the suppliers within host countries. The suppliers in host countries will need significant development to get them to the same standard as South African suppliers. South African suppliers have set the benchmark standards to which host country suppliers strive to achieve. Some of the participants have suggested that South Africa needs to re-enforce the stronger agricultural sector by re-igniting agricultural programs and farming as a career choice.

Local suppliers within host countries lack the skills and resources to develop their capabilities. If this persists, South Africa will need to continue to export food products.

6.4 Product Quality

Product quality is managed by the farmers and suppliers and suppliers play a pivotal role in influencing the food availability and food volumes for potential exports. Product quality can be compromised in any way and the shelf life of all food products is important. Food retailers that have stores within host countries would rather have empty shelves than compromise on selling inferior quality food products to their customers. Regulations and laws are in place to ensure that consumers are always protected against poor-quality food standards.

In South Africa, the South African Bureau of Standards and the Department of Health regulate food quality. The Department of Agriculture and the Departments of Health in all countries do regular checks on delivery trucks into the country to ensure that the food quality standards are well managed with the quality specifications. Cold chain management is crucial in transporting perishable goods across borders. In South Africa, City Deep is the biggest cold chain distribution centre and is the heart of the cold chain

distribution in Africa. At the City Deep depot, detailed inspections are carried out, and it is a continuous activity. It is here that the extensive compliance standards need to be met before the perishable food products are exported out of the country.

Food safety is always a concern because of the impact on health through diseases. Whilst better-developed countries have a better understanding of safety, poorer developing countries bear the damaging effects of unsafe food. Emphasis needs to be placed on ensuring that safe agricultural processes are in place through the production and supply chains so that farmers understand the importance thereof.

In Sub-Saharan Africa, the practice of transporting fresh produce in bulk is done in wooden crates or baskets without any cold chain or refrigeration facilities. There is inadequate packaging or refrigeration of fresh products. There is an opportunity to provide packhouses or cold chain warehouses to store fresh products and produce together, with better cold chain transportation (Aworh, 2021; Boatemaa et al., 2019).

Food traceability also forms part of the food quality standards. Food traceability is managed through barcodes and batch codes located on the products. All products imported or exported need to be traceable for consumer health protection and food safety standards. Food traceability can be understood as a compliance process in which food products can be verified through their label description and code. It is through such labels that production method, batch codes and area of production as examples can be traced which assists in differentiating legitimate products from fraudulent food products. This is in place to protect consumers' health, food safety and food quality. Food traceability forms part of the food compliance standards on an international level. Consumers across the world need reassurance that the products that they are buying are safe to consume (Gálvez et al., 2018).

The supply of fresh and dry food products as part of an export proposition must follow all food safety protocols in line with all government food regulations. Trucks that transport fresh food products must adhere to strict cold chain management systems that are regulated by the correct temperature specifications by regulations and food safety standards. Refrigerated trucks are monitored remotely to ensure that no temperature controls are compromised. If there are delays in the trips and the products reach the destination with fresh products that expire, then the entire fresh consignment will be destroyed as part of the food destruction process. This is to ensure that the customer's safety is not compromised. Fresh food requires a consistent temperature, and this then translates into costs for managing cold rooms powered by electricity, transportation that

requires cold chain refrigeration systems, processing, and packaging. All of these come with a certain cost that most farmers cannot afford (Han et al., 2021).

Cold chain logistics management refers to the transportation of fresh meat, produce and other perishable food products through refrigerated transportation. The perishable food products must be transported at a recommended temperature to prevent spoilage, waste, and bacterial contamination of the transported products (Han et al., 2021). With the rapid expansion of the food trade, the increasing focus on food safety and food quality becomes as important. Unfavourable conditions and temperature for perishable food products will cause those products to spoil easily and compromise the quality of those products. It is for this reason that governments have placed extra emphasis on cold chain management systems so that farmers, suppliers, and retailers comply with the set standards (J. Wu & Hsiao, 2021).

6.5 The Value Chain

In this question, the researcher will explore the supply chain capabilities as well as the contribution to the value chain by retailers and explore challenges and opportunities. The value chain represents the ability of South African retailers to export their food products in their stores in host countries with efficiency. The single biggest obstacle to improving this efficiency lies in the opportunity to improve existing infrastructure. The road system is the only viable option as the rail transport system is non-existent. Air freight is far too expensive and can be used to far destinations where the road transport option is viable. The road systems in South Africa and host countries are far from efficient with roads not properly maintained and towns and suburbs are less developed. Road transport represents huge costs for fuel.

Most retailers have centralised Distribution Centres (DC), which allows for wide volumes of stock to be centralised for distribution by volume. DCs are located as close to the borders to assist with easier distribution into host countries. Retailers are also considering innovative ways of transporting food products by co-loading food products with suppliers and using bigger truck configurations to get more stock into their African stores. Such innovation will allow for more stock, faster replenishment, and increased sales. Most retailers have increased the size of their DCs to hold more stock to assist with quicker stock management strategies. The investments will assist with logistics and getting stock faster across the borders. In some countries, there are DCs that have been set to hold stock. Some retailers have also gone to the extent of setting up DC's as close to the borders to ensure faster delivery across the borders. The expansion of the DC's is

an indication of the positive investment for the African retail cross-border business. Such expansion also increases employment opportunities for South Africa and host countries.

Distribution costs will remain high because the road system remains the primary way to transport goods. The increase in fuel in South Africa places increased costs and pressure on other South African retailers. These costs translate into inflated costs for the consumer. Opportunities to co-load with suppliers may be an alternative to keep costs down. Bigger truck configurations may assist with bigger volumes being transported thus reducing cost.

Trade in Africa is growing, and with that comes the expansion of the Regional Value Chains (RVC). This expansion comes with many difficulties and major complexities. Whilst there are agreements in place with governments, this is only on paper. The application of these agreements is very complex and difficult. For this expansion to become successful, the stakeholders and policymakers need to be well aligned as Regional Value Chains can bring much value to the economies of different countries. Regional Value Chains can allow for the movement of people, goods, and capital across borders. Building the regional value chains can assist with the transfer of skills, further enhance skill sets with teams working across cross-border markets and further expansion of the regional value chains. In Africa, the regional value chains are underdeveloped, and this has been in the favour of South Africa, but it is deemed more developed and advanced countries than most others (Black et al., 2019b).

The lack of efficient transport systems in any country has an impact on development within that country. Transport systems are the key drivers in market access. Such a barrier where transport systems are lacking presents high transport costs in that country and in any other country wanting to set up business operations. This presents a challenge to multi-national companies awaiting to invest in Foreign Direct Trade (Bouraima et al., 2020). Transport companies from South Africa, generally transport goods in a one-way system because they do not want the risk of returning with low-value goods to sell in South Africa. Also, this is compounded by the fact that most retailers transport their goods through their own transport and logistic systems. The deterioration of the rail system across African countries including South Africa forced the road system to be the most viable and this too is not in the best conditions (Levin, 2020). South African retailers traded mainly in the SADC region where the infrastructure is very inefficient. The expansion of the road infrastructure is very slow. The limited road network systems especially the links between main highways and other roads make the distance longer for transportation thereby increasing fuel costs. Poor road maintenance also

contributes to accidents and breakdowns which places additional costs on the general maintenance of vehicles (Habiyaemye, 2020).

Retail chains that expand across borders have become change agents for the future and further development of regional value chains. With the worldwide retail revolution, South Africa has also taken the retail lead with its cross-border trade into Africa (Nickanor et al. 2017). As the five major retailers export food products across the border, they are faced with many challenges such as poor infrastructure in the form of ports, railway systems, road networks and poor power supply (Nickanor et al., 2017, Black et al., 2019b)

6.6 Government Regulations and Entry Border Points

The researcher will seek to understand the impact of the government and entry border regulations and the impact of this on exports and imports of food products into and out of South Africa. Government regulations and border controls present the biggest challenge in exporting to other African countries. Border control and Government regulation pose obstacles and many frustrations for South African retailers.

The poor infrastructure means that there is a heavy reliance on the road, and this means that the manipulation of controls and corruption at the border controls is significantly higher at border posts. Corrupt behaviours hinder the smooth and efficient transportation of goods across borders. Most retail companies will compromise on their integrity and indulge in such behaviour and as a result, this causes them further delays. Such delay can result in entire perishable deliveries being completely compromised and then that stock must be destroyed. Border customs are tedious, and this hinders regulatory control. The introduction of the compliance regulations with Mozambique is increasing the current challenges.

There needs to be a standardisation of regulation across all borders to any African countries. The African Free Trade Agreement has been signed but the lack of implementation is causing much discomfort and chaos. A lack of openness and a lack of partnerships with countries to assist each other with the ability to trade effectively and efficiently. There is an opportunity to use the model adopted by the European Union. Host country governments want to protect their industries and their economies, but they do not have suppliers to meet quality and food safety standards. Border regulations have been barriers to the effective streamlining of crossing borders for South African retailers. There are too many long delays and excessive red tape regulatory issues which does

not allow ease of border crossings. Whilst there are policies in place to develop intra-regional trade, border officials make it extremely difficult to make this seamless.

(Pretorius et al., 2021; Moyo, (2020), concedes that the decolonisation of borders within the SADC regions will give and unleash the trading potential within that jurisdiction. Border tariffs impact the transfer of goods across the borders. While there is a SADC agreement in place, governments remain defensive of their industries. Governments place restrictions on goods imported to protect their local suppliers and manufacturers. Such actions then make it extremely difficult and tedious for South African retailers to get their products across the borders (Strategies, 2022).

Border corruption presents itself with many challenges as well as illegal operations at borders. At some of the border points, authorities request bribes which is against their governments' laws. Sometimes companies or persons transporting goods that may not meet the government regulatory standards, offer bribes to officials to allow them into the country (Jancsics, 2019, Jancsics, 2019b).

Long queues at border points, and long waiting periods often attract bribes and corrupt behaviours from both officials and companies transporting goods. (Klopp et al., 2022), recommend that there should be more effective anti-corruption policies put into place, with regular checks on border authorities to reduce the corrupt behaviours of both officials and companies and people crossing borders. The implementation of more stringent penalties and disciplinary actions with significant consequences will assist in reducing this unsavoury behaviour (Klopp et al., 2022; Levin 2020; Jancsics, 2019).

6.7 Building and Improving Supplier Development Programmes

As outlined in Chapter 5, South African Suppliers stand out as outstanding in their ability to produce and supply products to the retail chains. They are deemed to be more advanced in having the skills and resources. Suppliers with host countries are not fully developed. They lack skills and perhaps sometimes the scale to supply. Suppliers probably lack funding to expand and improve their capabilities. There are insufficient big suppliers to meet demands. There are many suppliers but there is constant work that needs to be done to assist the suppliers. South Africa has suppliers that are more established with better capabilities to supply for export to host countries. The country has a rich source of resources to enable that.

Retailers have the capacity and capabilities to develop suppliers, however, they may be unwilling to invest in suppliers for multiple reasons. This would include funding and finances that may be limited. Support can only be rendered up to point. The return on investment may or may not be feasible. The funding can be complex and become complicated. Development and funding may be impeded by strategy changes and the need to develop other suppliers. South Africans do not fully understand the African markets, and investing in suppliers when the market is unstable can be quite risky. A participant from a large retailer stated they were working with small suppliers and trying to grow them into large suppliers. They have seen a growth from 3% to 7% in supplier development.

The investments will build up a better supplier base. The upside is that it can bring loyalty to the retailer and consistency with the product. The product quality has also improved. Funding may require exclusivity. Development programmes have the potential to transform entire companies from a supplier perspective and a retail perspective. The ability to meet product demand and improve product availability can result in sales and ensure profitability. Investments in suppliers assist in protecting retail business. It also helps with developing them and getting them to the right level to effectively produce products. Some retailers do 'vertical integration and backward integration' (which allows you to buy into a supplier) to develop suppliers.

Such investments can be seen in suppliers being able to produce the correct volumes to ensure the availability of products. In the retail industry, cash flow is important and that can be an issue with suppliers. Therefore, it is important to ensure that some sort of investment goes into supplier developments. One of the participants from a major retailer cited how they invested in a small supplier with phenomenal results for the retailer and the supplier. Investment will mean loyalty and the ability for them to share the vision of product development and product availability. Not all retailers want exclusivity, they merely need to stick to the trade agreements and deliver the required products. In some African countries, they are incentivizing South African Farmers to come to their country and farm to build up a supplier base knowing the issues that farmers are facing in South Africa, this also alludes to the transfer of skills across countries. Governments in such countries go to the extent of providing the seeds and resources.

The future of exports and imports will extend into production opportunities. This will allow for entrance into the global value chains. Collaboration and the correct support can unleash great potential with suppliers. The future of exports and imports can be limitless

because the African landscapes are so dynamic and are changing at a rapid pace. There might be limited resources for a limited period to limited suppliers.

The Africa Free Trade Agreement and its finalization and implementation will determine the future potential of exports and imports. African countries send out a lot more raw materials as opposed to finished products. There exists an opportunity to change the equation by sending out more completed products through the development of the secondary and tertiary sectors. The expansion of South African retailers across its borders is steering important changes in the Regional Value Chains and the further development of food suppliers. Unfortunately, this expansion places a huge reliance on exports of fresh and dry products from South Africa. Whilst most of the regional trade takes place in the SADC region, those countries have capabilities and opportunities to export their food items into South Africa.

Countries like Botswana, Zambia and Zimbabwe remain heavily reliant on imports from South Africa. The large volume of exports from South Africa highlights the deep reliance on South African suppliers. Both South African suppliers and host countries suppliers should be able to supply good quality, good volume as well and lead times at the lowest cost prices to the larger supermarket chain (Nair et al., 2019b).

Suppliers with increased volumes and orders must re-enforce their capabilities by investing in themselves with additional workers, better equipment, and machinery. Suppliers will need to relook at packaging, cold chain management storage and transportation to meet the required quality standards (Nair et al., 2018b). Suppliers that have been supplying to the major retailers have begun to improve their capabilities to ensure that they meet the standards that the retailers require. The high growth of trade within the SADC in retail sales shows that there is a continuing dependence and need for South African suppliers (Levin, 2020)

Food product exports are growing rapidly and DC's supplying goods to their international stores will need to have the stock levels to support the growth in these regions. There are more food products to export out of South Africa using the South African Supplier base than importing from host country suppliers (Levin, 2020).

Conclusion:

'Economic diversification', is a concept that governments are trying to establish to balance trade imports and exports. Governments want to protect their markets and local suppliers. Local suppliers are unable to sustain the standards required by international

retailers simply because they lack the resources and capabilities to fully develop themselves. South African retailers are going to demand the same exceptional quality standards that South African suppliers exhibit. They will not compromise on food safety standards. The value chains have considerable challenges with rising fuel costs, poor road infrastructure and long distances that trucks will need to transport the goods to ensure that stock reaches its international destination. Border regulations and corruption continue to challenge seamless trade relations and overcoming such challenges will also ease trade. Much will need to be done to develop local suppliers who are challenged with lack of finance and skills, packaging, and supply chain management issues to develop them further to become reliable and efficient. The supplier development programmes by retailers and governments will assist in developing local suppliers further. In the interim, the reliance and dependency on South African suppliers will continue.

Chapter 7 CONCLUSIONS AND RECOMMENDATIONS

7.1 Introduction

This chapter aims to describe the research outcomes that were derived from the comparison and analysis of Chapter 6 and the literature review. The research topic was chosen to explore the viability of food retailers to grow the African retail footprint through supplier development across the national borders of South Africa. The choice was to examine the operations of retailers in South Africa and how the internationalisation of South African retailers has expanded across South Africa's borders. The participants included senior managers who were involved in exports and imports, senior managers involved in product quality and availability, senior managers in value chain operations, senior managers in regulatory operations and senior managers in supplier development initiatives.

This chapter presents the research conclusions on each of the research questions that the study intended to answer. Part of the research aim was to demonstrate the importance of suppliers and the need to develop the existing South African suppliers and suppliers within host countries to further grow the South African retail footprint.

This chapter has been organised by each research question. The theoretical conclusions are discussed and compared to the most important research findings with critical comparisons to the extant literature presented in Chapter 2.

7.2 Principal Conclusions

Research Question 1: The viability of growing and expanding the African retail footprint through supplier development programmes across the national borders of South Africa.

7.2.1 Exports and Imports

The research outcomes on exports and imports consisted of two sub-themes. The first sub-theme was to understand the percentage of food products that were being exported from South Africa by retailers to sustain their business across the borders. The research was able to confirm that most of the products were being exported to sustain full shelves. This has been supported by the literature that there is a high dependence on retailers to use South African suppliers to export food products into African stores.

The second sub-theme in this section confirmed there were plenty of opportunities to grow existing suppliers thereby creating employment opportunities for both South African suppliers and those within the host countries.

7.2.1.1 Similarities with extant literature for Exports and Imports

Regarding exports and imports as a factor in growing the South African retail footprint, the research outcomes are consistent with the literature which shows that there is a high dependency on South African suppliers. Since 2007, as South African retailers have expanded into the SADC region, there has been a drastic increase in the export of food products. This can be attributed to a more developed and advanced supplier base and a higher level of a developed agricultural and manufacturing sector.

As Africa faces rapid urbanisation and high population growth, the demand for food will continue to grow and this will change how the demand for food products and how consumers choose to purchase food grows and evolves. (Levin, 2020). South Africa is well positioned and dominates with exports into the SADC regions highlighting 58% of exports. The well-positioned and developed secondary and tertiary sectors all demonstrate South Africa dominates the SADC regions and give it an added advantage as the other countries within SADC mainly export raw materials and other commodities (Habiyaemye, 2020).

7.2.1.2 Distinct differences to extant Literature

The host countries are major exporters of raw materials. South Africa and those countries need to take advantage of the opportunities to cross- supply each other.

7.2.1.3 Conclusions for Imports and Exports

There is a deep reliance on South African retailers who expand into Africa, to continue to use existing South African suppliers. For this reason, the export percentages will remain very high until the host country suppliers are fully developed to be able to supply those in retail stores in their countries.

7.2.2 Product Availability

The theme of product availability had two sub-themes. The first subtheme of food products being sourced from local communities is being considered, showing that South African suppliers are more developed and more advanced than host country suppliers. There was a massive opportunity to grow host country suppliers, but this will require time, money, skills development, and other resources to enable those suppliers to operate to the requirements of the South African retailers' standards.

The second sub-theme looked at the importing of food products to sustain availability. The research showed that South African Retailers had no option but to import goods whilst operating in host African countries until the host country suppliers were developed to supply volumes and quality as required by the retailers' standards.

7.2.2.1 Similarities with Extant Literature

As outlined in Chapter 6, as South African suppliers expand across their borders, there is a continued reliance on South African suppliers through exports to manage on-shelf availability. South Africa is very well positioned relative to the partner countries in the SADC region. It is recognized as being a well-developed country that has better production systems and better efficiencies. For this reason, it will dominate in its ability to have better food suppliers than the host countries. The regional value chains, some of which are led by retail expansion, are dominated by South Africa. The retail expansion favours South African suppliers as the developed manufacturing sectors allow for more South African products to be moved into host countries to manage on-shelf availability (Banga & Balchin, 2019).

7.2.2.2 Distinct difference to extant Literature

There are small and large suppliers that exist in host countries and these suppliers' capabilities need to be explored and developed.

7.2.2.3 Conclusions for Product Availability

South African retailers have a deep reliance on their own countries' suppliers because the host country suppliers are unable to meet the standards that the South African retailers require. Product quality translates into product availability.

Most retailers will not compromise on poor quality and would rather have empty shelves, which then impacts poor on-shelf availability. Local suppliers within host countries are unable to supply the South African retailers simply because they lack the capabilities through labour, skills, resources, and finances to measure to the required standards. This then presents a challenge to the South African retailers who are then forced to import from their supplier bases in South Africa.

7.2.3 Product Quality

The theme of product quality has three important sub-themes that were identified and explored. In this section, the key challenges facing retail chains concerning quality were examined. Further to this, the sub-theme of food traceability was looked at to ascertain how food products are traced. The third sub-theme that was analyzed was the suppliers' ability to manage cold chains to ensure that their food products from farms to retail stores are managed. In addition to this, the retailers' ability to manage their cold chain functionality from suppliers into the DCs and their stores was analyzed.

7.2.2.1 Similarities with Extant Literature

The growth in trade as retailers expand has reinforced food safety and food quality challenges. As the complexity of the food chain increases and gains momentum, the risk factors increase and affect those food items susceptible to temperature monitoring. The out-of-specification of temperature-sensitive food products will cause microbial growth, spoiled food, and poor food quality. Cold chain management refers to the uninterrupted temperature control of frozen and refrigerated stock from product to distribution to ensure good food safety and quality (J. Wu & Hsiao, 2021b, DeWaal et al., 2022).

Food traceability is highly dependent on a country's location and its health and safety regulations. Traceability, according to ISO-22005, can be defined as being able to follow a food or a feed from production to processing to distribution (Qian et al., 2020). The availability of blockchain technology is an easy way to manage food traceability. Transparency in authenticating food products is critical to consumer protection and is a way to manage errors and minimise possible fraud (Mirabelli & Solina, 2020).

Cold chain management extends to perishable products and the intention to manage products according to the correct temperature systems to ensure safe and good food quality. Transportation, in this regard, plays a vital role in fresh food temperature management. Fresh food products are highly temperature sensitive and if products are compromised by temperature mismanagement, then this will impact food safety and consumer safety and ultimately result in huge risks for retailers, suppliers and farmers resulting in a loss of trade and trade. (Chaudhuri et al., 2018).

7.2.2.2 Distinct difference to extant Literature

More literature needs to be explored to understand why the local suppliers and governments in African countries do not want to conform and implement food standards.

7.2.2.3 Conclusions for Product Quality

Food product availability as managed by suppliers from the farm to the retail store influences food product availability. Food product quality has a direct impact on on-shelf product availability. Suppliers will not be able to do business with South African retailers if they are not able to produce good quality products that meet the retailer's standards. South African retailers would not place food products on their shelves if they were not certain that those products are suitable for their consumers.

In South Africa, the laws governing food safety through the Department of Health, the Department of Trade and Industry and the Department of Agriculture, ensure that all food products meet the specific requirements relating to food safety. Food safety is managed through proper transportation of cold chain through refrigerated systems and technology. Food traceability is managed strictly through batch codes and barcodes.

7.2.3 Value Chain

In this section, the research investigated the value of chain capabilities and the impact of the expansion of retailers into Africa. Two sub-themes were explored. The first sub-theme that was considered was what opportunities there are to expand and innovative retail expansion into Africa. The second sub-theme was the analysis of the distribution and transport cost to the retailers to enable and enhance the expansion into Africa.

7.2.2.1 Similarities with Extant Literature

The COVID-19 pandemic has shown that retailers are capable of re-inventing and becoming innovative to better manage supply chain dynamics. These experiences can be applied to improvements to effect efficiencies with value chains. The transportation of food products across borders presents many challenges for food retailers who now need to reassess methods to overcome the challenges through effective communication and networking to get their stock across the borders. The aim is to provide good product availability and promote sales (Burgos & Ivanov, 2021, Cavalcante et al., 2019).

For the expansion of retailers to continue across the borders of South Africa, the transportation issues of cross-border trade need to be tackled. The growth of food exports is growing however the challenge with a non-existent rail and overworked road system is to provide cost-effective solutions to retailers and suppliers for transportation. Retailers face increasing costs in fuel, transportation, toll concession fees, driver fees, and maintenance of vehicles. High costs are incurred by border control regulatory delays. Improving inter-country and inter-regional logistics can reduce costs (Arndt & Roberts, 2018, R. D. Nair, 2017).

7.2.2 Distinct difference to extant literature

There are issues of the Africa Free Trade Agreement non – implementation that are not being fully explored as to why this implementation remains an agreement on paper only and the implementation barriers need to be explored.

7.2.2.3 Conclusions for Value Chain Capabilities

Within the value chain, effective and efficient transportation of goods is detrimental for South African retailers. Their ability to get their products through efficient transportation systems will ensure on-shelf availability. Most retailers have food products delivered by suppliers to their DCs and this is then transported across the borders.

Unfortunately, the road transport system is the only means to do so. The poor infrastructure of South African roads and host country roads makes the entire process quite long and expensive. The rising fuel costs in South Africa compounds this challenge. The trucks that leave South Africa usually leave full of products but return empty as no suppliers can export their goods to South Africa. The transport and distribution costs usually mean that the consumers end up paying a much higher price for their goods.

7.2.3 Border Regulations and Entry Points

This section relates to the understanding of the impact of the government and entry border regulations and how the challenges at borders impact the imports and exports by retailers into African countries. Three sub-themes were considered here.

7.2.2.1 Similarities with Extant Literature

Corruption and illegal activities at borders hinder the seamless movement of food products at borders. Corruption is very rife and takes place in the form of bribes, nepotism, and misappropriation. Corruption strategies such as harsher disciplinary actions to curb and reduce these illegal behaviours are needed (Jancsics, 2019).

7.2.2.2 Distinct difference to extant Literature

The literature does not cover the exact details of border stops and the delays. The paperwork at border control that hinders the delays requires more in-depth explanations.

7.2.2.3 Conclusions for Border Regulations and Entry Points

South African retailers are challenged with a substantial number of issues and problems with exporting their food products across the borders of South Africa. There is no ease of processing at border posts because of the inconsistent processes at borders. Officials are often corrupt and deliberately delay processes to illicit bribes. If retailers or suppliers do not comply or indulge in illegal activity, then they are pushed to the back of long waiting queues.

This sometimes places the perishable products under pressure and may arrive at their destination totally out of their sell-by dates and then huge loads of stock need to be destroyed as they will not be suitable for sale in retail stores. This places pressure on the on-shelf availability and the waste of delivery, loss of stock and loss of sales. Border controls and border regulations continue to hinder the intended seamless trade across the borders. The Africa Free trade agreement needs to be a trade agreement in action and not just a paper-based agreement. Retailers are bearing the brunt of unnecessary corruption and delays at the borders.

The lack of a more efficient transport system forces South African retailers to specifically rely on the road systems. Often regulations change overnight and cause havoc in the distribution centres with products being removed from deliveries. Whilst the Africa Free Trade Agreement is in place, its practical application still needs to become more effective. Better collaboration from governments is essential in improving the corruption and irregularities at border posts to make imports and exports more seamless and allow for a better, more effective ease of trade.

7.2.3 Supplier Development

In this section, five sub-themes were identified and discussed. This is related to the challenges facing suppliers for both export and import and extended to South African suppliers and host country suppliers. The second sub-theme attempted to understand if there were an adequate number of suppliers to meet the retailer's demands. The third sub-theme focused on the retailers' ability to finance supplier development programmes. The fourth sub-theme analysed the benefits of such supplier development programmes and the fifth sub-theme looked into the future of food exports and imports.

South African retailers have a high dependence on their own South African suppliers because of the undeveloped suppliers within host countries. They are more advanced in comparison to the host country suppliers, and this then places them at an added advantage over those suppliers. The host country suppliers are not fully developed and lack skills, resources, finance, and a market to supply into. This is simply because of the sales on the economy. In most African countries development is slow and lacking.

Retailers can assist with supplier development programmes, but this may come with exclusivity. As South Africans expand into Africa, they still are trying to understand those markets. Sometimes the climatic conditions may not be in favour of supplier development and therefore there will be a dependency on South African suppliers. Investments in suppliers will increase supplier capabilities but this will place financial strain on the retailers.

Big retailers have an active role to play in developing suppliers. This can be done through skills development, financial aid, upgrades, and investment in suppliers. With the encouragement of supplier development, there can be a symbiotic relationship where both retailers and suppliers can mutually benefit. Governments in South Africa need to encourage funding to enable such development to contribute to the economic development of the country. Host country governments are very protective of their

industries and prefer the development of suppliers within their country to also boost economic development (Nair & Landani, 2020)

7.2.3.1 Similarities with Extant Literature

The suppliers within host countries need to be developed to make food products available for supply to international retailers. In this way, there could be a forging of a mutually beneficial relationship between local suppliers and international retailers (Black et al., 2019).

7.2.3.2 Distinct difference to extant Literature

Whilst there remains much discussion about the development of the host country suppliers, there needs to be more literature able to understand why the un-development is still so existent and less progressive despite these countries being independent countries for decades. The slow economic transformation needs to be further explored to fully understand the impact of slow progress in developing agricultural, manufacturing, and tertiary sectors.

7.2.3.3 Conclusions for Supplier Development

Retailers can invest in supplier programmes. Investment can be a costly factor. Much work in financing, upskilling, and acquiring the right supplier must be done. The opportunity exists and in the long term will be a viable solution to the bigger factor of transporting and exporting more than 80% of food products across the border. Cross-country collaboration can assist both countries to develop and protect their markets and their communities.

7.3 Research Contributions and Recommendations

In summary, South African retailers, will need to continue to export food products to host countries until it has developed suppliers to support their host country operations. Once this has been established, it may reduce the amount of exported goods to host countries. This may take longer as the primary, secondary and tertiary sectors of some host countries remain undeveloped.

South African retailers will not compromise on selling poor-quality products. It will continue to insist on and ensure the highest quality food products are sold to its customers and that the same standards are applied in its international and African operations.

These retailers will always ensure that the highest quality standards are managed focusing on food safety, traceability, and cold chain management systems.

Cross-border trade will continue to be faced with challenges if the application of the Africa Free Trade Agreement is not properly and efficiently implemented. Corruption needs to be better controlled and eradicated.

South African retailers have the ability and influence to invest in supplier development in host countries by collaborating with those governments. This will no doubt take a bit longer, but the long-term result will yield success for the suppliers and the retailers. The growth and development opportunities look promising and the future for the expansion is set to change the retail business on the continent.

The research has covered several interesting and challenging themes. It would be recommended that the following be taken into consideration:

- Retailers need to continue to invest in smaller and medium-sized suppliers to improve their existing capabilities and their value within the regional value chains.
- Such investments can contribute positively to exports as retailers continue to internationalise.
- There are opportunities to allow South African suppliers to set up operations within host countries to create a mutually beneficial relationship to transfer learning, skills and create employment and contribute to that country's economic development.
- Governments need to continue to support smaller and medium-sized suppliers through skills development programmes and incentive schemes.

7.4 Limitations of Research

The limitations discussed in this section refer to the general limitations of the research. As cited in Chapter 4, the following limitations were identified.

- The research was limited to the retail sector and food product category.
- The researcher has more experience in the food retail industry.
- The researcher struggled to recruit a larger sample size due to the complexity of reaching the right people and limited time in their busy work schedules, which is typical of retail.
- There was a reluctance from some retailers to participate in this study as they saw it as a conflict of interest and possibly a compromise of intellectual property.
- The interview guide had limitations and could not acquire the required data, unless the questions were formulated meticulously, and probes were conveyed clearly.
- It was difficult to get the required number of participants as indicated in chapter 4.

7.5 Suggestions for Further Research

Based on the research findings and the derived conclusions, there exist opportunities for further research on the areas that were identified:

- Development of host country suppliers to replicate South African products being imported. The retail expansion seeks to ensure good product availability. Restrictions at the border present challenges. South African retailers have an opportunity to build and expose host country supplier bases with the transfer of knowledge and skills.
- Exploring creative ways of transporting goods across borders to reduce cost and logistical challenges.

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Appendix 1: Consent Letter

Consent letter

The following statement was mailed to participants before the interview. Before the interview commences, they would need to accept the conditions of the study.

Dear participant,

I am an MPhil student specialising in International Business at GIBS, University of Pretoria. I am conducting a research project as part of my prescribed academic programme.

The title of my study is: **The Viability of Food Retailers Growing the African Retail Footprint through Supplier Development across the National Borders of South Africa**

Will you please, based on your expertise, participate in an interview that should take approximately 30 minutes to complete? Based on your expertise, your view is invaluable in completing this research project.

Your participation is **voluntary**, and you can decide to withdraw at any time without penalty. Your participation is **anonymous**, no names or companies will be disclosed in the research report. Aggregated data will be reported as part of an academic report, although quotations will be included without any identifiers or links to employers or companies.

To qualify to participate in this survey, the following pre-requisites apply:

- You should be working in, and or have worked in the retail sector, having been involved with suppliers for a minimum of three years.
- You should have more than three years' experience in retail and at least one year 's experience in exports and imports on a management level, hence possessing knowledge and experience of the retail environment, specifically exports and imports.
- You should occupy a senior position, managerial.
- You should have interactions with the retailers and suppliers that have expanded across the borders of South Africa.
- You need to be available for interviews between August 2023 to October 2023, per appointment, for virtual discussions.

If you have any concerns, please contact my supervisor or me. Our details are provided below.

Willingness to be interviewed will confirm that you voluntarily participate in this research. Thank you!

Researcher name: Rhoda Chetty, Email: 22028057@mygibs.co.za

Supervisor name: Prof Alet Erasmus, Email: ErasmusA@gibs.co.za

Appendix 2: Interview Questions

Dear participant

In your view and based on your experience in food retail...

1: How can African Food Retailers grow their African retail footprint through exports and imports?

- 1.1. What percentage of food products are exported from South Africa?
- 1.2. What are the possibilities of growing existing suppliers and creating employment opportunities by expanding into Africa and using South African suppliers?

2: How does product availability in South Africa, at the moment, influence retailers' expansion of food exports into Africa?

- 2.1 Are products sourced from local communities considered for export? Explain.
- 2.2 Do the retailers rely on importing the goods to sustain the availability of food products?

3: How does product quality influence the success of retail expansion into Africa?

- 3.1 What are the key challenges facing retail chains regarding the quality of food products from local suppliers and host country suppliers?
- 3.2 How is food traceability managed?
- 3.3 How are cold chains managed to enable the export and import of good-quality products?

4: How does the value chain impact retail growth, specifically expansion into Africa?

- 4.1 What are the opportunities to improve existing supply chains?
- 4.2 What are the impacts of distribution and transport costs to host countries?

5: How do government regulations and entry border points influence accessibility to food products in terms of food exports from, and imports to South Africa?

- 5.1 Please give your view on challenges regarding entry points and government regulations concerning food exports and imports.
- 5.2 Are you of the opinion that government regulations indeed encourage/facilitate food export?
- 5.3 Are there other problems/limitations that hinder food imports and exports that could be managed better? Explain

6: What can be done to build and improve supplier development programmes for food exports from, and imports to South Africa?

6.1. What are the current challenges facing suppliers to supply products (for export and import)?

6.2. In your experience, is there an adequate number of suppliers in SA to meet product demand, and how does that influence the need to import?

6.3 Are retailers able to finance supplier development programmes? Explain.

6.4 What are the benefits of the supplier development programmes to the retail chain?

6.5 How do you see the future of food export and import to and from African countries?

Appendix 3: Codes

	Code	
1	o Advantage	8
2	o Africa free trade agreement	21
3	o Black Economic Dev Act	1
4	o Border Controls	78
5	o Chamber of Commerce	2
6	o Cold Chain	38
7	o Corruption	10
8	o Costs	53
9	o Creation of resources	2
10	o Current Challenges	19
11	o Departments of Trade and Industry	9
12	o Dependency on SA	6
13	o Disadvantage local communities	1
14	o Domestic export market	5
15	o Ecosystems	1
16	o E.g. supplier development	1
17	o EU	2
18	o Exclusive Suppliers	4
19	o Export and Imports	37
20	o Export Models	7
21	o Food security and safety	1
22	o Foods Safety	11
23	o Foreign Policy	3
24	o Growth of Supplier + Employment	4
25	o Host country suppliers	5
26	o Joint supplier managers	3
27	o Lack of Control over Imports	2
28	o Lack of infrastructure	12
29	o Limitations	13
30	o Long Life/Dry Goods	5
31	o Loss of trade	8
32	o Number of countries in Africa	2
33	o Private sector	1
34	o Product Availability	9
35	o Product Quality	45
36	o Reduce shelf life	4
37	o Regulations	25
38	o Relations between countries	19
39	o Restrictions on host countries	4
40	o Revenue for the country	10
41	o SADC	2
42	o Shortage of raw material - Ukraine	1
43	o Skills Shortage	18
44	o SME	3

45	○ Strategic Purpose	2
46	○ Supplier development	81
47	○ Supply chain	21
48	○ Technologist	2
49	○ Traceability	25
50	○ Transport and Logistics	29
51	○ Undeveloped Secondary and tertiary sectors	8
52	○ Variety of goods available	2
53	○ World Trade Organisation	3
Title:	ATLAS.ti - Code Report	
Project:	Master's Research	
User:	22028057	
Date:	10/20/2023 - 8:23:57 PM	

Appendix 4: Ethics Approval

**Gordon Institute
of Business Science**
University of Pretoria

Ethical Clearance
Approved

Dear [REDACTED]

Please be advised that your application for **Ethical** Clearance has been approved.

You are therefore allowed to continue collecting your data.

We wish you everything of the best for the rest of the project.

[Ethical Clearance Form](#)

Kind Regards

Appendix 5: Consistency Matrix

TITLE: The viability of food retailers growing the African retail footprint through supplier development across the national borders of South Africa

RESEARCH QUESTIONS	LITERATURE REVIEW	DATA COLLECTION TOOL	DATA ANALYSIS
Research question 1: How can South African Food Retailers grow their African retail footprint through exports and imports?	Blekking et al.,2022; Markowitz, 2022; Black et al.,2020; Habiyaremye, 2020	Question 1 in the questionnaire	Analysis of closed-ended questions.
Research question 2: How does product availability influence retailers' expansion?	Bosiu & Vilakazi, 2020; Nair & Landani, 2019; Cruz et al., 2019; Ziba & Phiri, 2017; Nandonde & Kuada, 2018; Black et al., 2020; Mutengwa et al., 2023; Pawlak & Kolodziejczak, 2020	Question 2 in the questionnaire	Analysis of closed-ended questions.
Research question 3: How does product quality influence the success of retail expansion into Africa?	Garcia et al.; 2020; Aworh, 2021; Boatemaa et al., 2019; Han et al., 2021; Shaid et al., 2020; Haywood et al., 2021; Demmler, 2020; Ochieng et al., 2019; Porat et al., 2018; Davies et al., 2021; Makule et al., 2022	Question 3 in the questionnaire	Analysis of closed-ended questions.

<p>Research question 4: How does the value chain impact retail growth, specifically retail expansion into Africa?</p>	<p>Pretorius et al., 2021; Black et al., 2019; Wu & Jia, 2018; Wang et al., 2018; Reardon et al, 2021; Lee et al., 2018; Sanchez-Flores et al., 2020; Tumpa et al., 2019; Song et al., 2019; Tolcha et al., 2020; Quium, 2019; Habiyaremye, 2020; Nguyen et al., 2019; Kano et al., 2020; Bag et al., 2018; Levin 2022;</p>	<p>Question 4 in the questionnaire</p>	<p>Analysis of closed-ended questions.</p>
<p>Research question 5: How do government regulations and entry border points influence accessibility to food products in terms of food exports from, and imports to South Africa?</p>	<p>Levin, 2020; Black et al., 2019; Ismail, 2022; Moragues- Faus & Battersby, 2021; Sanchez-Flores et al., 2020; Shahid et al., 2020; Obeng-Odoom, 2020; Kouty, 2021; Janics, 2019;</p>	<p>Question 5 in the questionnaire</p>	<p>Analysis of closed-ended questions.</p>
<p>Research question 6: What can be done to build and improve supplier development programmes to enhance food</p>	<p>White & Van Dongen, 2017; Song et al., 2019; Nair, 2019; Demmler, 2020; Ochieng et al., 2019; Levin 2022; Saghiri & Wilding, 2021; Sancha et al., 2015; Subramaniam et al.,</p>	<p>Question 6 in the questionnaire</p>	<p>Analysis of closed-ended questions.</p>

exports from and imports into South Africa?	2019; Black et al., 2019; Das, 2002;		
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