

Research on SA's rich

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The Southern Africa Luxury Association (SALA) has produced what it claims is the first annual report on the local luxury market, entitled *South Africa: a New Frontier for Luxury Brands?* The survey used 100 in-depth interviews with luxury industry representatives, commentators and consumers, both in SA and abroad, in order to provide valuable strategic insight on an otherwise supposedly uncharted market.



“This publication provides the luxury industry in South Africa with a shared understanding of key issues unique to the local market, as well as commentary on the most relevant global trends,” says Piers Schmidt, SALA's chairman.

“SALA's purpose is to encourage interaction and collective thinking within the region's luxury industry, something we hope to accomplish by providing just this kind of fresh intelligence to help plug the data gap that currently exists.”

Key findings

The study identifies an opportunity for South African brands that already exemplify social, environmental and ethical best business practices to exploit the broad societal shift towards just that kind of consumption currently being observed in the mature luxury markets. South Africa's game lodge sector, for example, is identified as a global leader in combining luxury experiences with 'triple bottom line' (profit, people, planet) thinking.

The report finds that where the country lets itself down however, is in its failure to look beyond simply delivering products and services on a tactical basis to adopting a strategic approach to brand building; this is in spite of the considerable creative, design and craft talent already in existence. Products are often made with a local consumer in mind, thereby severely limiting their international appeal, whilst wealthy local consumers tend to prefer spending their money on higher quality, internationally branded products.

Possible futures

A possible way out of this is to focus on doing what South Africa does best and what the world's luxury consumers are increasingly hungry for; namely handcrafted, socially responsible and organically inspired products that are replete with provenance and cultural cachet. Blended with just enough “African-ness” to provide differentiation on the international stage, while carefully avoiding ethnic cliché or tribal pastiche, it could provide the model for an alternative interpretation of luxury in the 21st Century.

What is certain is that the country's dual role as regional hub and continental entry point, the blurring of boundaries between old (white) wealth and new (black) bling, combined with a global shift back to the basics of craft and authenticity, will only further the chances of Africa's largest economy becoming a serious player on the luxury stage within the next 10 to 15 years.

The research publication is available free to all SALA member brands as part of their annual membership fee. It may be purchased independently from SALA on www.sa-la.org or contact Gemma Burdett, membership secretary, on email gemma@sa-la.org or tel +27 (0) 21 425 9051 for more information.