

Women can, and should, occupy more space in FMCG

The ground is ripe for women in manufacturing to take charge and drive localisation by playing a meaningful role in the fast-moving consumer goods (FMCG) sector.



Zahra and Nadia Rawjee, founders and directors, Uzenzele Holdings

Capitalise on incentives

According to niche capital raising consulting company, Uzenzele Holdings, women should take up more space in the FMCG sector by capitalising on incentives from the Department of Trade and Industry and Competition (DTIC) such as the Agro-Processing Scheme and the Black Industrialist Fund.

“There is massive room for industrialists to establish themselves within the FMCG sector. The country’s transformation agenda, Covid-19 shocks and recent riots across the country make the playing ground ripe for women to take charge to drive localisation by playing a meaningful role in the sector, not only in South African markets but the broader consumer base on the continent,” says Nadia Rawjee, director at Uzenzele Holdings.



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Rawjee elaborates that an interesting way for women looking to grow their businesses in the FMCG sector and related industries such as manufacturing, is to take what is considered a disempowering reality by many – being a homemaker – and to convert it into a pool of knowledge.

Raising self-awareness of what goes into your basket of goods every month can give you a clear picture of what makes up a typical basket of products; reading the ingredients demonstrates raw material inputs for that item and what products you could manufacture.

Fellow Uzenzele Holdings director Zahra Rawjee notes that although there is an improvement in women benefiting and taking advantage of incentives from the DTIC, it remains tipped heavily to male-owned businesses.

“What we have to remember with manufacturing is that at the end of the day incentives such as the Black Industrialist Scheme looks for value addition, and right now that value addition is generally still found in male-dominated or owned businesses. This is why partnerships play such a huge role in success,” Zahra explains.



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Adapt to changing markets

She elaborates that although the FMCG sector has been one of the more resilient sectors in the economy in recent years, that's mainly because it's been typically deemed as essential goods; but she warns that markets are changing and women looking to grow their businesses in the sector need to change along with it.

“Businesses need to remember that these are very different types of markets, different types of buyers, with different sets of pros and cons, understanding that and who you can partner with to build those strong relationships is critical. While the final product is important, building relationships with suppliers, customers and other stakeholders in the value chain are equally important,” she says.

Zahra adds that over and above the big brands looking for transformed manufacturers to supply them with products – think no-name brands – a lot of small businesses are looking for contract manufacturers to make their own products and bring them to the market.

“So, we're saying to women the opportunities lie not only in the manufacturing of the end product, raw inputs to that product or packaging of the product but also in the business structure itself. We encourage women to look for opportunities where they bring their expertise into an existing business in exchange for shareholding,” Zahra says.



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Eye out opportunities

She adds that the move to capital-intensive industrial-type businesses could be a really good option for women moving from the professional services space and having a deep understanding of professional and effective record-keeping.

“Those are critical skills for acquiring the business data required in managing a business’ day-to-day tasks and in getting ready for expansion,” Nadia concludes.

Uzenzele expects the sector to continue to feel the brunt of Covid-19 and the recent riots, despite its resilience over the last year, as international trade continues to be disrupted both from an import and export perspective.

The directors caution women to ensure that they have the right structure in the business and always remain compliant in how they do business – as this could mean the difference between being in or out when it comes to DTIC incentives.

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