BIZCOMMUNITY

Soko District: A flexible retail concept that champions small and local

By Lauren Hartzenberg

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Rosebank Mall is currently home to the first <u>Soko District</u>, a curated retail space designed to showcase a bevy of small, local brands, and give them a platform to grow.



Source: Supplied

Soko District is guided by the principle of 'regenerative retail', and takes its name from the Swahili word for 'market'. Thus, the concept is meant to present a marketplace that champions locally-designed, artisanal goods across fashion, food, homeware and more.

For many of the brands currently forming part of the concept, the district marks their first step into physical retail after operating solely online. Historically, the shopping mall space has been difficult for small entrepreneur-led brands to operate in profitably, due to high rental costs and rigid leases. Soko District aims to make it more accessible by offering flexible leases through a digital platform and giving brands the ability to create a store with a smaller budget.

Soko District works differently from Egg in Cavendish, because all the stores within the district are individually owned and run, simply operating within a leased space. These retailers, therefore, remain custodians of their own brands.



Source: Supplied

Signing an agreement or lease as a retailer with Soko District means the district takes care of the shopfittings and all the associated services and maintenance that come with managing a physical space. Essentially, Soko offers the platform and the hardware, while the retailers employ their own salespeople, add their merchandise to the shopfitting solution, and operate their own point of sale.

Soko District provides a flexible physical space with modular, rentable shopfittings manufactured in solid wood, steel glass, and granite with interchangeable finishes. All components are 100% reusable.



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Rosebank Mall is just the beginning. Soko District founders Chris Truter, Cobus Truter, Ricardo Rocha, Jeanine Rocha and Hanré Truter have their eyes peeled for expansion opportunities, with a view to open districts in additional locations that house a customised tenant mix that appeals to the local customers.

Here, head of space Hanré Truter tells us more about more about the vision behind Soko District.

III How is Soko District aiming to do retail differently?

Soko's brand promise is to enable regenerative retail. By not being a shop or a store, but rather a platform, we have set out to:

- · Connect the maker to the community
- Help brands go global
- Match-make brands to landlords/property owners and communities
- · Offer an integrated pricing algorithm/calculator
- · Offer modular, original and rentable shopfitting

What are the key features of the space?

Each Soko District should be unique and relevant to its community. By leaving the existing architecture in place the structure is able to tell its own story. Therefore the key features of each district will be different. However, Soko District in Rosebank mall has bragging rights with its everchanging town hall (a feature that can also be experienced via our virtual tour), the expansive shopfront is also quite unexpected but very impressive.

How would you describe the brands that you aim to attract into Soko District?

Our curation is focused on local artisanal brands that want to scale and expand while delivering on their unique brand promise in order to connect with their customers in a better way. Furthermore, each district has its 'own' tenant mix relevant to the customer demand.

III How does Soko District make it easier for smaller brands to enter the shopping mall space

By providing and validating the right physical location, whilst minimising financial risk and initial capital outlay at the same time.

What are the main factors that informed the design of the Soko District space?

It all started with a design guide and our design principles. Our design principles are derived from our company guiding principles.

Our design principles are the following:

- · Focus on the retail experience
- Ensure organic fluidity between the blueprint and footprint
- · Universal hardware/shopfitting designed with local heritage and custom character details
- Manufacturing and material uses should be part of our conscious ecosystem

III Since the first district launched in Rosebank earlier this year, how's business been, particularly in light of the ongoing pandemic?

To launch any kind of business at this time is quite brave. Kudos to the ones that have done the same!

Covid has had different effects on people in general. There are a few current trends and predictions in terms of customer behaviour when it comes to spending, but we rely on the fact that there will always be a demand for physical retail, and if the experience is great that customers will return.

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What is the typical process a brand would go through from the point of expressing interest in opening a store in the district to the moment they begin trading?

Brands can register on our platform. Once curated they will be notified and can start 'playing' with the pricing calculator. The next steps would be to choose their space, choose their shopfitting, book a store design and review session and ultimately sign their lease.

We take care of the shopfitting building process and the rest of the onboarding functions like setting up point of sale, etc. Easy hey?

III How do you think South Africa's shopping centres need to evolve to entice more shoppers to physical retailer and keep them visiting repeatedly?

It is all about providing a good customer experience. It is no longer about just filling vacant space but being serviceorientated towards the retailer.

Are there plans to open more districts, and where?

Yes! We are exploring new opportunities all the time within traditional and non-traditional retail spaces.

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