

The retail sales assistant position has been identified as a hard-to-fill vacancy by the Wholesale & Retail SETA (2021)



**Key Stats:** Youth unemployment in South Africa stands at 44.3% (Stats SA, 2024).



**SDG 8:** Decent Work and Economic Growth.

# Focused Problem

The retail sales assistant position is a hard-to-fill vacancy in South Africa due to widespread negative perceptions among the country's unemployed youth.



# Applying the 5 Whys Method

Why are vacancies for retail sales assistants not being filled?

 Youth don't see retail as a career choice.

Why is it not a career choice?

 Other sectors are more appealing to young people.

Why are other sectors more appealing?

 Retail is seen as low paying, with long hours and limited growth potential.

Why do they perceive retail this way?

• They associate the role with low status and lack of career progression.

Why is the perception of low status and lack of growth present?

• Limited focus on showcasing the opportunities and growth potential within retail.

# Insights from Youth Interviews

# Main Reasons for Not Choosing the Retail Sales Assistant as a Career:

- Perceived Low Wages/Salary
- Perceived Limited Career Growth
- Perceived Unpredictable Work Hours
- Perceived Physically Demanding Work
- Preference for Other Industries





OUR INNOVATIVE SOLUTION TO BRING THE RETAIL SALES ASSISTANT POSITION TO LIFE!

# **RETAIL CONNECT HUB**

A comprehensive platform aimed at transforming how unemployed youth perceive and engage with retail careers.





Social Media Engagement



School-Level Engagement



Retail Academy



Job Placement

# Business Model Canvas for Retail Connect Hub



# KEY PARTNERS

- Retailer for Job placement
- Financial Support from partners



### **KEY ACTIVITIES**

Data-driven outreachContinuous content feedback



### **KEY RESOURCES**

- Retail mentors
- E-learning platforms



# VALUE PROPOSITIONS

- Highlight success stories
- Focus on soft skill development



# CUSTOMER RELATIONSHIPS

- Ongoing mentorship
- Personalized career coaching



### **CHANNELS**

- E-learning platforms
- Mobile app for engagement



# CUSTOMER SEGMENTS

- Gen Z, millennials
- Underemployed individuals



### COST STRUCTURE

Digital platform development Localized content delivery



# REVENUE STREAMS

- Premium career services
  - Corporate sponsorships

# Vision:



Empower young individuals by changing perceptions of retail careers, showcasing job satisfaction, and providing clear pathways to career advancement.

### **MISSION:**



To be the leading platform that transforms retail careers into exciting and rewarding opportunities for youth, empowering the next generation through innovation, education, and technology.



# Learning from Thailand: PIM's Success with 7-Eleven

Inspiration from Thailand: Panyapiwat Institute of Management (PIM)

- PIM's "Earn and Learn" model.
- Key features: Industry partnerships, specialized curricula, mentorship, and job placement.
- Success in creating a job-ready retail workforce for 7-Eleven.



# Adapting the PIM **Model to** Retail Connect Hub

Focus on **Youth Employment** in Retail.



Earn and Learn approach for local retail companies (Massmart, SPAR, Pick & Pay, Checkers etc.).



Specialized, industrydriven curricula.



Blended learning model with online modules for rural participants.



Securing job opportunities to make the program more attractive to youth.



Commitment to hire youth post-training.



Digital access via mobile apps for continuous learning.



In-person workshops with retail companies for hands-on practice.



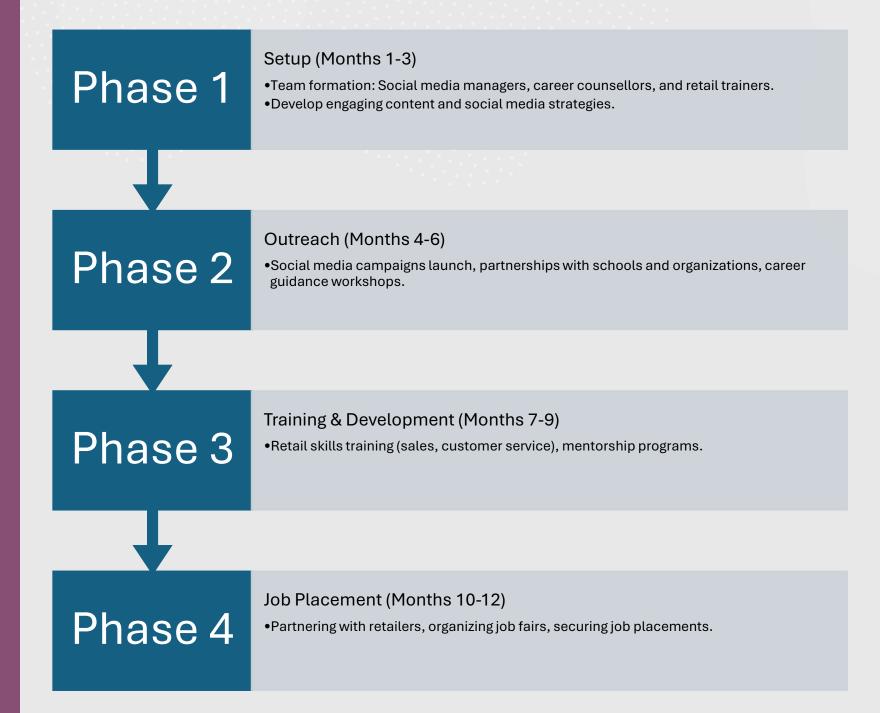
Partnerships with industry veterans to provide career coaching.



Long-term career development in retail.



Ongoing support for youth transitioning from training to employment.



# **Revenue Projections:**

- **Year 2 Revenue Growth:** 59.3%, tapering to sustainable rates by Year 5 as the model matures.
- Net Profit Margin: Reaching 14.96% by Year 5, starting from 0.64% in Year 1.

# **Revenue Sources:**

- Job placement fees (4% per hire).
- Online courses and certifications.
- Corporate sponsorships and CSR contributions (enhances BBBEE score).
- Advertising revenue, affiliate marketing, and merchandising.

# Sustainable Financial Model & Revenue Streams

# Revenue & Expense Projections

Income Statement	Y1 .	Y2	Y3	Ŷ4	Y5
Trading Income	4,679,700.00	7,378,400.00	7,859,136.00	8,421,249.60	9,125,584.56
Partnerships and Sponsors & Affiliate Marketing	210,000.00	240,000.00	259,200.00	311,040.00	466,560.00
Job Placement Fees	1,051,200.00	2,390,400.00	2,605,536.00	2,866,089.60	3,152,698.56
Advertising space	125,000.00	300,000.00	324,000.00	340,200.00	357,210.00
Workshops and seminars	962,500.00	1,200,000.00	1,260,000.00	1,323,000.00	1,389,150.00
Online Courses & certifications	2,051,000.00	2,688,000.00	2,822,400.00	2,963,520.00	3,111,696.00
Event Hosting	280,000.00	560,000.00	588,000.00	617,400.00	648,270.00
Other Income	58,000.00	168,000.00	176,400.00	185,220.00	194,481.00
CSI	28,000.00	48,000.00	50,400.00	52,920.00	55,566.00
Merchandising Revenue	30,000.00	120,000.00	126,000.00	132,300.00	138,915.00
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Total Revenue	4,737,700.00	7,546,400.00	8,035,536.00	8,606,469.60	9,320,065.56
Operating Expenses	4,707,400.16	6,713,214.08	7,048,874.76	7,401,318.47	7,925,850.90
Influencer Fees	516,000.19	541,800.00	568,890.00	597,334.50	627,201.23
Social Media Adv (Agency)	300,000.00	315,000.00	330,750.00	347,287.50	379,237.95
Video Editing Subs	252,000.00	264,600.00	277,830.00	291,721.50	312,433.73
Salaries and Wages	1,269,999.97	2,482,597.98	2,606,727.85	2,737,064.22	2,990,606.00
Drawings	1,440,000.00	1,976,000.00	2,074,800.00	2,178,540.00	2,287,467.00
Data	156,000.00	163,800.00	171,990.00	180,589.50	189,618.98
Laptop Leasing	468,000.00	491,400.00	515,970.00	541,768.50	585,922.63
Venue Hire events	105,000.00	231,000.00	242,550.00	254,677.50	267,411.38
Cellphone	186,000.00	231,896.10	243,490.91	255,665.45	268,448.73
Bank Charges	14,400.00	15,120.00	15,876.00	16,669.80	17,503.29
Net Profit Before Interest and Tax	30,299.84	833,185.92	986,661.24	1,205,151.13	1,394,214.66
NET PROFIT MARGIN	0.64%	•			14.96%
AVG PER MONTH PROFIT	2,524.99	69,432.16	82,221.77	100,429.26	116,184.56

# Financial Ratio Projections

Revenue Growth rate		
Year 2	59.3%	
Year 3	6.5%	
Year 4	7.1%	
Year 5	8.3%	

Net Profit Margin Ratio		
Year 1	0.64%	
Year 2	11.04%	
Year 3	12.28%	
Year 4	14%	
Year 5	14.96%	



# Addressing Potential Risks

# **Youth Engagement Resistance:**

• Leveraging social media influencers and interactive campaigns to appeal to youth.

### **Retailer Resistance:**

• Stakeholder presentations to outline program benefits and potential ROI for retailers.

# **Funding Instability:**

 Secure a base through shareholder equity and partnerships for longterm financial stability.

# **Technology Gaps:**

• Ensuring compatibility between our platform and retailer systems, providing support for any required integrations.

### **Data Privacy:**

• Strict adherence to data privacy laws, gaining youth permission before utilizing any personal information.

# Other Youth Retail Recruitment Initiatives

# Youth Employment Service (YES) Programme:

Focus: A government initiative aimed at addressing youth unemployment by providing young people with 12-month work experience placements in various sectors, including retail.

Limitation: While it has successfully placed many young people in jobs, it's not retailspecific and does not directly focus on building long-term retail careers or improving perceptions of retail roles.

# Expanded Public Works Programme (EPWP):

Focus: Provides short-term work opportunities in various sectors, including retail and service industries.

Limitation: These are often temporary jobs, and participants don't receive specialized retail training or career development support.

# W&RSETA Learnership Programs:

Focus: The Wholesale and Retail Sector Education and Training Authority (W&RSETA) funds learnerships for young people, focusing on developing skills specific to the retail sector.

Limitation: Traditional learnership models can sometimes lack appeal for younger, tech-savvy job seekers who might prefer more dynamic and interactive learning experiences.

# National Skills Fund (NSF):

Focus: Provides funding for skills development initiatives aimed at addressing skills shortages in various industries, including retail.

Limitation: Primarily fundingfocused, without dedicated platforms for active youth engagement or retail-specific career marketing.

# Technical and Vocational Education and Training (TVET) Colleges:

Focus: Government-funded vocational education colleges that offer retail and business management courses.

Limitation: Limited focus on modern retail skills and does not incorporate digital tools or influencer-driven marketing to attract youth into retail careers.

# Why the Retail Connect Hub?



### 1. Social Media Marketing & Influencer Engagement:

- Leverage influencers
- Viral challenges and authentic storytelling

# 2. School-Level Engagement through Career Days:

- Active engagement at schools
- Collaborate with community groups and religious organizations

# 3. Tailored Approach to Youth:

- Targeted outreach
- Aspirational content

# 4. Real-Time, Interactive Recruitment:

- Interactive content
- Social media ads and digital tools

# 5. Industry & Employer Partnerships:

- Collaboration
- Mentorship

# Strategic Objectives for the period 2020/21 – 2024/25



- An appropriately skilled, agile, and responsive workforce and skills pool
  - Register 10,000 workers in programmes addressing Hard to Fill Vacancies.
  - Achieve a 10% reduction in the imbalance between skills supply and demand for priority skills.
- An integrated Career Guidance Programme:
  - Develop and implement a comprehensive career guidance and career development strategy.
- A sector responsive Research Agenda
  - Implement 3 transformation projects in collaboration with industry partners

# A Future Where Retail Empowers Youth



Retail Connect Hub is poised to reshape the retail employment landscape, engaging and training unemployed youth for meaningful retail careers. With SETA's support, we can scale this initiative to transform perceptions, reduce unemployment, and set the Retail Sales Assistant as the foundation for a promising career in retail.

