The view from the top

By Gareth Richards

Many people may think that Thrupps, whose pay-off line is “grocers of distinction since 1892”, would be relatively immune to price increases, considering that many people who shop there are very wealthy.

Lesson: A niche shop for the wealthy finds it can’t escape the pressure of the food price spiral.

In fact, the opposite is true, says managing director Chris Keene, who is a great nephew of the founder and one in a line of family members who have run the business since it was founded at the corner of President and Eloff streets in central Johannesburg at the height of the Witwatersrand gold rush.

“Our customers are generally are well off, and that means they are also well informed. Because very often they do the buying for their staff, they know the price of maize and bread and other staples, and are quick to pull us up if we are out of line,” says Keene. The wealthy are also selective in their purchases and avoid items whose prices they believe are beyond the pale.

Thrupps is the place to go to find just about any recipe ingredient you can’t get anywhere else – Keene says they stock about 20% more food items than any other supermarket (and 50% more general merchandise). The shop, and there is only one, also offers exceptional services like hamper choice, packing and delivery and home delivery of one-off or standing or phoned-through orders. Their other speciality is food specialists: they are on the shop floor at every turn, from butchers and bakers to fruit and vegetable experts, all on hand to advise customers and make them feel more secure about their purchases.

Keene says he surveys competitors twice a year and, on price, considers himself a Pick n Pay rival. “In times like this of exceptionally high price rises, we have some capacity to reduce margins, where necessary, to smooth the effect on customers. We did it in 2003/04, when there were big increases in the cost of staples. And are doing it now. Of course, whether the prices will go down to the extent they did last time is the unknown factor,” says Keene.

The big trend in food sales in the past five years has been healthy and natural, and wholesome deli takeaways. “They want organic, fresh products and are prepared to pay for them, though the premium in this country is still far lower than, say, in Europe,” says Keene.