

South African Fulfilment Market Snapshot

What changing retail demand means for
warehousing stock control and packing



THREE SIGNALS SHAPING FULFILMENT

7.7%

FMCG unit sales growth

H1 2026 vs H1 2025 | NIQ [4]

13.7%

Traditional trade growth

Sales value, H1 2026 | NIQ [4]

8.4%

Industrial rental growth

Year-on-year, Q3 2025 | Rode [7]

South African businesses are operating in a market where FMCG unit sales are rising, retail channels are growing at different rates, and industrial space remains relatively tightly occupied. For businesses holding product stock, point-of-sale materials, or reusable event assets, these changes affect the space, preparation work, and information needed to support sales.

At Nexus Fulfilment, we provide [professional third party logistics \(3PL\)](#) through nationwide warehousing, stock control, picking and packing, kitting, co-packing, and marketing materials management. We have brought together the latest South African research to explain the market conditions behind those services, and what they mean for your business. [\[8\]\[9\]](#)

This paper is for procurement, operations, marketing, and trade marketing teams assessing their storage and fulfilment requirements. It covers [outsourced fulfilment services](#) as market context, then focuses on warehousing, materials handling, and packing. Delivery and transportation services fall outside its scope.

The market in brief

- **FMCG demand has increased in physical units.** NIQ reported unit sales growth of 7.7% in the first half of 2026, ahead of sales value growth. More units sold can mean more handling work, although each business needs to establish the effect on its own operation. [\[4\]](#)
- **Retail channels need different service arrangements.** Traditional trade grew faster than modern trade in NIQ's latest analysis. Brands need to account for their outlet mix when defining stock allocations and pack configurations. [\[4\]](#)
- **Year-end demand extends beyond Black Friday.** Stats SA's 2025 analysis shows a growing November share, while December remains the busiest month for most retail categories. [\[6\]](#)
- **Storage decisions have a cost context.** Rode's Q3 2025 data show low industrial vacancies and rising rentals. This strengthens the case for examining space utilisation alongside the cost of handling stock. [\[7\]](#)

The findings make product mix, seasonal workload, and usable stock relevant to fulfilment decisions. Assess outsourcing against your requirements and its full cost.

The scale of outsourced logistics in South Africa

Ken Research's August 2025 public summaries place South Africa's third-party logistics market at approximately US\$6 billion and its logistics outsourcing market at US\$6.4 billion, with 2024 identified as the base year. These are separate publisher estimates for overlapping markets. They must not be added together. [\[1\]](#)[\[2\]](#)

Both report scopes include warehousing and services such as packaging, labelling, and quality control. They also include substantial activities outside this paper's focus, including transportation and freight forwarding. Their headline values therefore describe wider outsourced logistics, rather than a stand-alone warehousing or co-packing market.

What this means for your business: Separate the functions you need before assessing an outsourced service. Storage, stock records, picking, assembly, labelling, and reporting create different workloads and costs. A broad 3PL proposal needs a defined scope before you can compare it with your existing arrangements.

When business use Nexus, that scope can include marketing stock held between campaigns, materials allocated by retailer or field team, and kits assembled from several components. Our [fulfilment services](#) connect storage and preparation with stock allocation and reporting. [8] The appropriate arrangement depends on the stock profile and work required.

Industrial space adds pressure to storage decisions

3.8%

national industrial vacancies

8.4%

year-on-year rental growth

Rode Publications and Media reported national industrial vacancies of 3.8% in Q3 2025, alongside 8.4% year-on-year rental growth for 500 m² industrial space. These are industrial property indicators, covering a wider category than outsourced warehousing. They are not Nexus prices or a forecast of your next lease increase. [7]

The figures describe a market with relatively little vacant industrial space and rising rental levels. For a business considering additional premises, rental is only one part of the comparison. Staffing, stock systems, handling equipment, security, and the usable capacity of the building also matter.

The distinction between space occupied and space needed becomes relevant here. Old printed material, damaged assets, and slow-moving stock can continue to occupy capacity even when they have little operational use. Removing or reworking them may change the storage requirement before additional space is commissioned.

With Nexus, you only pay for the warehousing space you actually use.

What this means for your business: Compare storage options using the stock you need to retain, the period it must be held, and the work performed around it. Include assembly space and seasonal fluctuations. Shared outsourced capacity may suit some requirements; dedicated premises may suit others. The research does not establish a universal saving from either model.

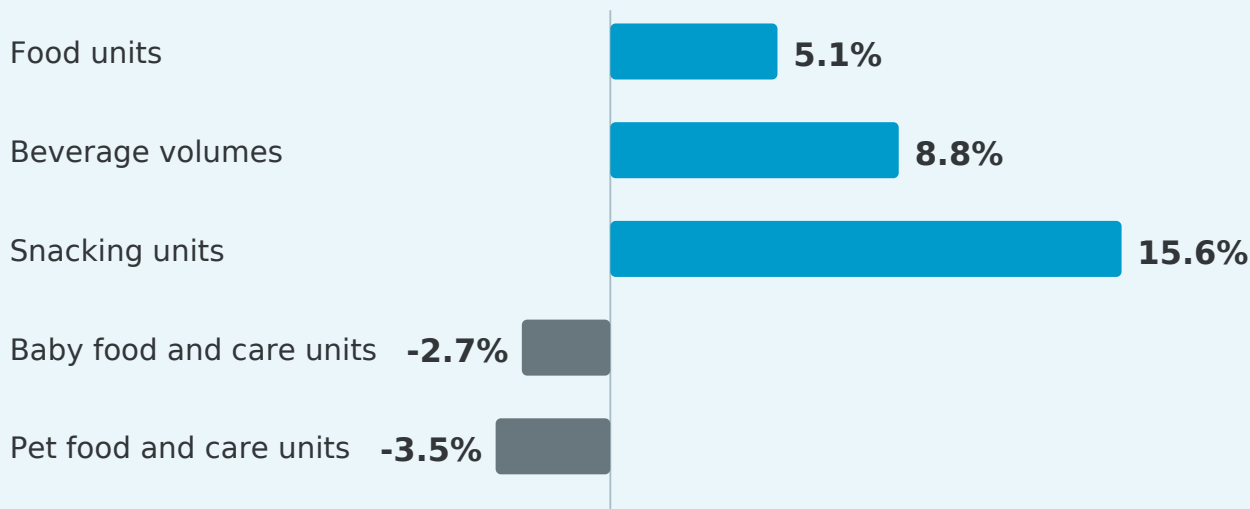
Retail growth is changing the work behind sales

Stats SA reported that total South African retail trade sales grew 3.7% in real terms in 2025, compared with 5.6% at current prices. The first measure removes inflation; the second records growth in rand value. Neither directly counts items processed in a warehouse. [\[3\]](#)

NIQ's FMCG measurement gives a more direct view of unit demand. It reported **R683.3 billion in sales during 2025**, with sales value up **5.7%** and unit sales up **6.7%**. [\[5\]](#) Its first-half 2026 results show that unit growth continued to exceed value growth, with significant differences between categories. [\[4\]](#)

FMCG category growth

First half 2026 against first half 2025 (%) [4]



Unit and volume measures follow NIQ category terminology.

FMCG measure

First half 2026 result against first half 2025

Total sales value **R347.7 billion; up 5.5%**

Total unit sales **Up 7.7%**

Food unit sales **Up 5.1%**

Beverage volumes **Up 8.8%**

Snacking unit sales **Up 15.6%**

Baby food and care unit sales **Down 2.7%**

Pet food and care unit sales **Down 3.5%**

Source: NIQ, published 2 September 2026. Category terminology follows the publisher. [\[4\]](#)

What this means for your business: Connect sales forecasts to quantities, stockholding periods, and preparation tasks. A higher unit count may require more [picking or labelling](#) even when revenue increases more slowly. Larger products, longer holding periods, or additional pack versions can change the requirement further.

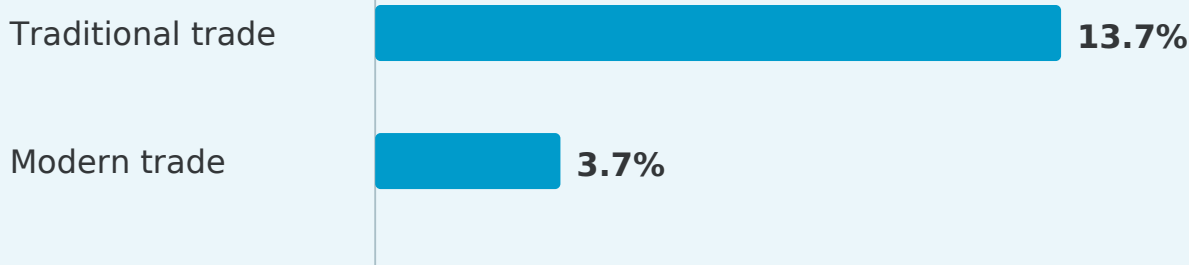
For Nexus, the relevant brief describes what will be handled as well as its value. That includes product and materials dimensions, expected quantities, pack contents, and any preparation needed before stock is ready for use.

Related: [What to Include in a 3PL RFP for a National Marketing Campaign](#)

Retail channels are growing at different speeds

Retail channel sales value growth

First half 2026 against first half 2025 (%) [4]



NIQ sales value growth; retail channels have different definitions.

NIQ's first-half 2026 release reported traditional trade sales value growth of 13.7%, compared with 3.7% for modern trade. Traditional trade includes independent stores such as spaza shops, taverns, and superettes; modern trade includes chains, franchised stores, and online retailers. [4]

Its 2025 results recorded **R513.2 billion through modern trade** and **R170.1 billion through traditional trade**. NIQ describes its measurement coverage as more than 11,000 branded outlets and 140,000 independent stores across South Africa's nine provinces, measuring more than 80% of retail grocery transactions. These describe the research coverage, rather than a count of outlets that any individual brand serves. [\[5\]](#)

Trade Intelligence's earlier modelling estimated **2024 FMCG growth of 6.9%**, including **13.9% for discounters**, **40% for online FMCG from a small base**, and **5.2% for informal retail**. [\[10\]](#) Its channel definitions and modelling differ from NIQ's. The figures provide historical context, rather than a directly comparable year-by-year channel series.

The implication for marketing materials is allocation. Retail formats can have different display space, quantities, and promotional requirements. More outlets in a particular channel can create additional pack configurations or smaller allocations, even where the national sales total changes modestly.

What this means for your business: Evaluate your own outlet coverage and channel requirements before approving materials quantities. For procurement, the service specification should identify the number of configurations, the preparation required for each, and how they will be distinguished during picking and packing.

Nexus prepares materials by retailer, region, store, or field team. [\[8\]](#)
That is relevant where your campaign needs different allocations rather than one identical pack for every participating outlet.

[Case Study: How HEINEKEN Beverages Streamlines National 3PL](#)

Year-end demand has two important trading windows

Stats SA's unadjusted retail sales at current prices show the scale of the 2025 year-end period. [\[3\]](#)

Year-end retail sales

South Africa, 2025 • Current prices (R billion) [3]



Monthly retail totals, not fulfilment volumes.

Month	South African retail sales
October 2025	R124.2 billion
November 2025	R148.4 billion
December 2025	R173.7 billion

Values rounded from Stats SA Table 11. These are monthly retail totals, not fulfilment volumes or sales attributable to a particular promotion. [\[3\]](#)

Stats SA's March 2026 analysis found that November accounted for 45.9% of combined November-December sales in 2025, compared with 42.5% in 2011. Hardware, paint, and glass was the only retail category whose busiest month was November. Other retail categories peaked in December. [\[6\]](#)

November has gained a larger share of year-end spending, but December remains important. That distinction matters when the same storage or packing resources support both periods. A November run can finish while preparation for December is still under way.

The monthly pattern also differs from underlying growth. After seasonal adjustment, real retail sales fell **0.4% in December 2025 compared with November.** [\[3\]](#) Large December spending should therefore not be presented as evidence of an accelerating market.

What this means for your business: Assess preparation capacity against the periods your business serves and its own campaign history. [Seasonal packaging, gifting, product bundles, and marketing materials](#) can require work ahead of the trading month. Retail data identify the demand context; your job specifications establish the actual assembly schedule.

Our [kitting and co-packing services](#) cover promotional assembly, seasonal packaging, labelling, and relabelling. [\[9\]](#)

Packaging deserves a place in the operational cost review

3.74 million

tonnes of packaging

57.4%

collected for recycling and other purposes

Packaging SA reports that South Africa consumed approximately 3.74 million tonnes of packaging in 2024, covering glass, paper, metal, and plastic. Approximately 57.4% was collected for recycling and other purposes. The latter is a collection measure and should not be described as a recycling rate. Detailed material breakdowns are not supplied on the public page. [\[11\]](#)

These figures establish the scale of packaging use, rather than the size of the co-packing industry. For packing operations, material selection has several consequences. It affects the finished pack dimensions, storage space, assembly steps, and what happens to surplus components. Reworking a label or changing a sleeve can also leave existing materials unsuitable for the next run.

Recent fuel and freight hikes have also put pressure on packaging costs. Wholesale diesel rose by R2.939/litre for 500ppm and R3.149/litre for 50ppm [\[14\]](#). Subsequently, several paper and packaging companies in South Africa have confirmed increases in certain paper grades.

What this means for your business: Review packaging use alongside the assembly specification. Record materials purchased, used, left over, damaged, or removed, with quantities and reasons. That gives procurement evidence to assess future orders and approved substitutions.

Nexus's [co-packing and rework services](#) can support changes to approved packaging or labels. [\[9\]](#)

Visibility and skills remain relevant to fulfilment

A 2024 South African FMCG study by Tazvivinga and Pooe identified skills shortages and challenges around automated distribution centres among its disruption themes. Its proposed response framework included planning, visibility, and knowledge management. The study was qualitative; it does not establish a national failure rate or prove the performance of a particular technology. [\[12\]](#)

Its findings are relevant to the information a business needs from stored stock. A total balance can conceal material reserved elsewhere, damaged assets, expired offers, or incomplete sets. More detailed records help the team understand what is available and what needs attention.

For reusable event assets, availability also depends on condition and bookings. A returned item may need repair or replacement components before it can be used again. Booking information and stock quantities answer different parts of that question.

Nexus's fulfilment reporting shows stock, allocations, and issues requiring attention. Our [event materials management system](#) supports bookings, future availability, and damage or repair tracking. [8][13] A useful assessment is whether these records provide the information your own team needs to make decisions.

What the findings mean for outsourcing decisions

The research describes growing unit demand, uneven channel performance, seasonal concentration, and a cost context for storage. It supports reviewing how your fulfilment arrangement responds to those conditions. It does not establish that every business needs to outsource or that outsourcing automatically lowers costs.

For procurement, the comparison should include the full work required: storage, receipt checks, stock records, picking, assembly, labelling, reporting, and exception handling. For operations, the important question is whether capacity and information match the workload. For marketing, it is whether usable materials and the right pack configurations are available for the activities being supported.

A provider's proposal becomes easier to assess when it distinguishes routine activity from variable preparation work. A storage rate alone will not describe the cost of a multi-component kit, a relabelling run, or event asset management. Equally, a technology demonstration needs to show how records connect with the physical stock.

Switch to Nexus Fulfilment today

At Nexus Fulfilment, we support businesses with professional warehousing, stock control, picking and packing, campaign allocation, kitting, co-packing, and reporting. We also manage marketing and reusable event materials. [\[8\]\[9\]\[13\]](#)

Whether your needs are changing or you simply want to explore your options, [let's talk about your storage and fulfilment needs](#). We can help you work out where Nexus could support your business.

Sources and research boundaries

Official retail statistics anchor the annual and seasonal comparisons. NIQ adds FMCG sales and channel evidence. Property and packaging data describe adjacent operating conditions. Commercial logistics estimates provide broad context; Nexus pages verify the services described. No global benchmark has been substituted for South African evidence.

The Trade Intelligence market analysis page supplied with the brief describes its research services but does not publish an additional quantitative dataset. It was not treated as independent confirmation of its market update. No separately verified national marketing materials market size or co-packing productivity dataset was available in the material reviewed.

References

- [1] Ken Research. South Africa Third-party Logistics 3PL Market. August 2025; base year 2024. Public summary and report scope. [Read source](#)
- [2] Ken Research. South Africa Logistics Outsourcing Market. August 2025; base year 2024. Public summary and report scope. [Read source](#)
- [3] Statistics South Africa. Retail trade sales December 2025. Published 18 February 2026. Summary and Tables 9 and 11. Estimates may be revised. [Read source](#)
- [4] NielsenIQ. State of the Retail Nation South Africans spend carefully as value takes centre stage. Issued by NIQ on 2 September 2026; first-half 2026 results. [Read source](#)
- [5] NielsenIQ. State of the Retail Nation South African FMCG retail lifted by economic tailwinds. Issued by NIQ on 6 March 2026; calendar 2025 results. [Read source](#)
- [6] Statistics South Africa. The Black Friday effect Exploring the latest data. Published 11 March 2026; analyses 2025 data. [Read source](#)
- [7] Rode Publications and Media. Commercial real estate trends for South Africa in 2026. Q3 2025 industrial indicators reported in publisher commentary. [Read source](#)
- [8] Nexus Fulfilment. Fulfilment services. [Read source](#)
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- [10] Trade Intelligence. SA FMCG Market Update Insights from the 2025 Market Size Report. Published 27 May 2025; reports 2024 performance. [Read source](#)
- [11] Packaging SA. Packaging industry stats. Reports 2024 consumption and collection. [Read source](#)
- [12] Tazvivinga K and Pooe D. Supply chain disruptions in the fast-moving consumer goods industry. Journal of Transport and Supply Chain Management 18 a1071. December 2024. [Read source](#)
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