The Genesis

"Power to new beginnings"

Software Product Management Plan

Product Name: Spaza Shop Regulatory & Management System (SSRMS)

Prepared for: The Genesis Project

Prepared by: Project Manager   **Date**: 16/04/2025

Edited & corrected by: Project Tester   **Date**: 22/04/2025

1. Executive Summary

The Spaza Shop Regulatory & Management System (SSRMS) is a digital platform developed to modernize the registration, regulation, and monitoring of spaza shops in South Africa. Targeting government bodies, municipalities, and the public, SSRMS facilitates ownership verification, enforces fair market practices, and enables consumer protection through an integrated complaint and review system. The system addresses inefficiencies in the current manual registration processes and enhances transparency, legal compliance, and economic inclusivity.

2. Product Vision

For: Government regulatory bodies, local municipalities, native entrepreneurs, spaza shop customers.

Who: Require regulation of spaza shop ownership, enforce business compliance, need complaints and review tracking systems, and desire platforms to ensure fair competition

The Product: Spaza Shop Regulatory & Management System (SSRMS)

It is a: Web and mobile-based business registration and regulation platform

That: Registers and verifies spaza shops, limits foreign ownership concentrations, enables consumer complaints, allows regulatory oversight and public visibility, facilitates ratings and shop reviews

Unlike: Manual systems that are slow, corruptible, and untraceable; generic platforms that lack context-specific controls. Our Product: Offers automated verification and ownership restrictions, provides integrated complaint and review features, enables public access and real-time oversight

3. Problem Statement

Spaza shops play a vital role in South Africa's informal economy, yet they suffer from limited regulation, lack of transparency, and inefficient manual registration processes. Unchecked foreign ownership creates tensions, and customers lack proper avenues to report unethical practices. This undermines government oversight, public trust, and the potential for local entrepreneurship. A digital platform is urgently needed to promote fairness, transparency, and regulatory control.

4. Development Roadmap

The development process will follow sequential phases as each phase represents a milestone of logical progress:

- Planning: What problems are we solving and how?
- Researching and understanding the product
- Design: Creating types of prototypes e.g. paper prototype, demo prototype etc.
  How the system will look like, the UI mockups, database design
- Core Development: Registration, login, dashboard, API integration
- Module Integration: Complaints, reviews, verification, ownership module
- Testing: Unit, Integration, System, and User Acceptance Testing with users
- Deployment: Final deployment, documentation, project presentation

5. Stakeholder Analysis

Stakeholder	Role/Interest
Government Regulatory Bodies	Monitor and enforce shop compliance and ownership laws
Municipalities	Coordinate local shop licensing and enforcement
Native Entrepreneurs	Benefit from fair competition and verified ownership
Customers	Need transparency, service quality, and reporting tools
Foreign-Owned Shops	Must comply with local ownership regulations
Developers & Designers	Implement and maintain the system

6. Product Scope and Requirements

6.1 Functional Requirements
- Shop registration and verification workflows
- User login and role-based access control
- Shop ownership categorization (native vs. foreign)
- Complaint submission and tracking system
- Business rating and review functionality
- Admin dashboards for monitoring and approval
- Public portal for verified shop listing

6.2 Non-Functional Requirements
- Data encryption and secure access
- Scalable backend for growing user base
- Mobile and desktop responsiveness
- Multilingual UI support
- High availability and minimal downtime

6. Features and Benefits Overview

Feature	Benefit
Registration & Verification	Ensures only legitimate businesses are listed
Ownership Control Module	Prevents over-concentration of foreign-owned shops
Complaint Reporting System	Empowers customers to voice concerns
Business Review System	Build trust through community feedback
Government Oversight Dashboard	Enables real-time regulation and tracking
Public Directory of Verified Shops	Enhance transparency and customer confidence

7. Technology Stack

Component	Technology
Frontend	
Backend	
Database	
Hosting	
Authentication	
Version Control	

8. Team Roles & Responsibilities

Role	Responsibility
Project Manager	Coordinate team, manage deadlines and vision and documentation
Frontend Developer	Build UI/UX for web and mobile platforms
Backend Developer	Build APIs, manage business logic and data handling
Project Tester	Conduct functional and user acceptance testing
System Designer	Design user-friendly, accessible Interfaces of the systems

9. Risk Management

9.1 Risk Assessment

The development and implementation of the *Spaza Shop Regulatory & Management System (SSRMS)* may face several risks that could impact its success. These risks are assessed based on likelihood, impact, and severity, with defined mitigation strategies to reduce their effects.

Risk	Likelihood out of 10	Impact out of 10	Severity out of 10	Explanation
Access to government datasets	7	8	8	Critical for verification; delays or lack of access can stall implementation.
Resistance from foreign-owned shops	7	7	7	Potential pushback from affected groups; requires legal and awareness measures
Users unfamiliar with digital platforms	6	6	7	High likelihood due to low digital literacy; could hinder adoption.
Data breaches or security threats	5	9	8	Less frequent but potentially devastating; security is essential.
Misinformation in reviews or complaints	6	6	6	May harm trust and credibility if not moderated or flagged properly.

10.2 Mitigation Strategies

Risk	Mitigation Strategy
Access to government datasets	Use simulated data; seek municipal cooperation
Resistance from foreign shop owners	Ensure inclusiveness in system; legal framework awareness campaigns
Low digital literacy	Simplified UI, visual guides, community training
Security threats	Use encrypted protocols, multi-factor authentication
Misinformation	Add moderation features and verified user flags.

The success of the *Spaza Shop Regulatory & Management System (SSRMS)* will be evaluated based on measurable criteria once the prototype is developed and tested. The following metrics will serve as indicators of system effectiveness and readiness for potential deployment as These success metrics will guide post-development evaluation and inform improvements before full deployment or pilot testing.

Success Metric	Description
Core Module Completion	All key features (registration, verification, complaints, reviews) will be developed and integrated into the prototype.
System Performance Benchmark	The system will be expected to maintain uptime of 95% or higher, with a response time under 2 seconds under test conditions.
Stakeholder and User Feedback	Positive responses will be collected through surveys or focus groups involving target users such as shop owners and regulators.
Data Security and Privacy	The prototype will be designed to prevent unauthorized access to sensitive information in line with POPIA.
Scalability and Load Readiness	The system will be tested under simulated high user loads to assess its performance and scalability.

11. Legal, Ethical & Compliance Considerations

These considerations are critical not only for legal compliance but also for fostering public trust, social impact, and system integrity.

- POPIA compliance for user data protection
- Neutral platform that does not discriminate against ownership types
- Public access to verified business information to ensure transparency
- Multilingual support and accessibility for all user types

12. Market Research: Spaza Shop Management System (SSMS)

1. Market Overview

A. Sector Valuation: South Africa's informal retail sector, including spaza shops, is valued at approximately R184 billion annually.Prevalence: Over 150,000 spaza shops operate nationwide, serving as essential access points for daily necessities in townships and rural areas.Consumer Reach: More than 70% of South African households rely on township outlets, including spaza shops, for their grocery needs.

B. The CIPC is South Africa's statutory regulator for formal businesses (e.g., companies, co-operatives) and intellectual property. It mandates registration, compliance (annual returns, filings), and governance for formal entities. However, informal businesses (e.g., spaza shops, street vendors) operate outside CIPC's scope, relying instead on municipal permits or informal licenses.

Key Insights: Formal vs. Informal:

- Formal requires CIPC registration (costs: R125–R475), annual compliance. **WHILE** informal needs No CIPC registration needed; governed by municipal bylaws.

    1. Challenges for Informal Sector:

- Complexity/Cost: CIPC processes are costly and bureaucratic for informal traders. Awareness Gaps is 60% of informal businesses are unaware of CIPC. Dual Compliance created confusion between municipal permits and CIPC requirements.

    2. CIPC Initiatives:

- BizPortal: Streamlines formal business registration but excludes informal traders. Policy Gaps: Focuses on formal SMEs; minimal support for informal sector despite contributing 18% to GDP.

2.Regulatory Landscape

- Mandatory Registration: As of November 15, 2024, spaza shops are required to register with both their local municipalities and the CIPC to ensure compliance with South African law.

- Municipal Registration: Involves submitting identification, proof of address, and business details to the local municipality.

• CIPC Registration: Requires online submission through the CIPC e-Services portal, including name reservation (R50) and company registration (R125) Processing Delays: Due to high volumes of applications, processing times have increased, with new company registrations taking 5 to 10 working days.

3. Competitive Landscape

a. Companies and Intellectual Property Commission (CIPC).
Government body responsible for the registration of companies and intellectual property rights in South Africa.

- Services: Company name reservation and registration. Maintenance of company records and compliance monitoring.

- **Limitations:** Primarily focuses on formal business registration without providing operational support or consumer engagement tools.

Processing delays due to increased application volumes, especially from spaza shop registrations. Accounting Academy

b. Municipal Registration Systems

- Function: Local government offices responsible for issuing trading permits and ensuring compliance with local bylaws.

- Limitations: Processes vary between municipalities, leading to inconsistencies.

Limited digital infrastructure, often requiring in-person submissions. govchain.co.za

c. Private Registration Services (e.g., InfoDocs, Govchain)

- Function: Offer assistance with business registration processes, including documentation and submission to CIPC.

- Limitations: Focus solely on the registration process without offering tools for ongoing business management or customer engagement.

Tester's Functional Requirements Checklist:

Feature	Test Planned	Test Completed	Notes
Shop Registration Flow	Yes	No	Awaiting backend completion
Role-Based Access Control	Yes	No	Roles to be finalized by devs
Complaint Submission & Tracking	Yes	No	Basic form UI available
Business Rating & Review System	Yes	No	Needs user input validation checks
Admin Dashboard (Monitoring & Approval)	Yes	No	UI components in progress
Public Portal for Verified Shop Listings	Yes	No	Requires database connection setup
Shop Ownership Categorization	Yes	No	Native vs. foreign classification

Tester's Non-Functional Requirements Checklist:

Non-Functional Requirement	Test Planned	Test Completed	Notes
Data Encryption & Secure Access	Yes	No	Will test HTTPS usage & login security
Scalable Backend for Growing Users	Yes	No	Needs load testing simulation
Mobile and Desktop Responsiveness	Yes	No	UI tests planned for various screen sizes
Multilingual UI Support	Yes	No	Test plan includes UI language switch
High Availability & Minimal Downtime	Yes	No	Test metrics based on system uptime (95% goal)