 **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

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**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 |
| Access to government datasets |  |  |  |
| Resistance from foreign-owned shops |  |  |  |
| Users unfamiliar with digital platforms |  |  |  |
| Data breaches or security threats |  |  |  |
| Misinformation in reviews or complaints |  |  |  |

## 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.

# 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.

# 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](https://accountingacademy.co.za/news/read/cipc-processing-delays-in-various-services-due-to-spaza-shop-registrations?utm_source=chatgpt.com)

# 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](https://www.govchain.co.za/blog/how-to-register-a-spaza-shop-in-south-africa?utm_source=chatgpt.com)

# 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) |