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Pride and Profit: Leveraging LGBTQI+ data to unlock South Africa's economy



"Globally, the consumer power of the LGBTQIA+ community was estimated at \$3.6 trillion (approximately R55.8 trillion) in 2018, and more recently, the 2024 'Size Matters' study valued the South African LGBTQIA+ community's spending power at R250 billion."

The Other Foundation: Regional NGO

South Africa consistently champions equality, equity and economic inclusion, and yet despite progressive laws, the journey toward full liberation seems unending. As we commemorated International Pride Month in June, we honoured pivotal moments like the 1969 Stonewall Riots and acknowledge the LGBTQIA+ community's enduring fight for realisation of their rights.

These protests paved the way for several nations taking the bold leap to make these rights a reality: from constitutional reforms prohibiting discrimination based on sexual orientation, to recognition of same-sex marriages,

LGBTQIA+ individuals can now enjoy equal social, political and economic rights as well as live in dignity

With a globally lauded Constitution, underpinned by a progressive Bill of Rights, South Africa has made significant strides in recognising the rights of the LGBTQIA+ community. However, we still confront a blind spot in fully recognising the economic contributions of the LGBTQIA+ community to the national economy.

Coined "**The Pink Rand**" Report (2018), The Other Foundation, a regional African NGO, conducted pioneering research into the economic contribution of the LGBTQIA+ community to the economy. This study quantified the purchasing and commercial power of LGBTQIA+ individuals by utilising global and local economic data. The report was groundbreaking in underscoring the economic potential of the community.

Having an acute understanding of such data enables companies to effectively establish a solid business case for placing value on integrating and including the LGBTQIA+ community into corporate strategy.



Aimed at fostering LGBTI economic empowerment in South Africa, The Other Foundation's 2019 paper titled, "**Get-Real**", explored the likelihood of whether a compliance-based approach to LGBTQIA+ economic empowerment can work in South Africa, (similar to South Africa's B-BBEE programme). In 2024, they further expanded on this knowledge base with their report titled, "**Size Matters**".

All these foundational reports are underpinned by robust empirical data. It allows for greater visibility of the economic power of the LGBTQIA+ community to society. The studies also provide a crucial knowledge base on spending trends, consumer behaviours and the contributions of LGBTQIA+ owned and led businesses, collectively known as the "Pink Economy".

Leveraging the "Pink Economy": A Call to Action for the Private Sector

The private sector can significantly leverage these findings and contribute to both social impact and economic growth through the following initiatives:

- **Recognising and valuing the contribution of the "Pink Rand" to the national economy:** Companies must acknowledge the significant economic power of the LGBTI community as consumers and entrepreneurs. This understanding can drive targeted marketing, product development and service offerings that cater to this demographic. As evidence shows, it is a significant driver of the 'pink economy'.
- **Embracing Bold Leadership and Solidarity:** Companies are increasingly challenged to take a stance on social issues, especially those affecting their employees and business. Taking a progressive position on social justice, as exemplified by **Woolworths'** 2023 Pride Campaign, demonstrates a commitment to making a deeper social impact. Despite facing backlash, Woolworths remained steadfast in

- **Fostering Inclusive Workplaces:** Creating a culture of belonging is paramount for attracting and retaining LGBTI talent, which directly correlates with productivity. Companies need to actively engage with the nuances of belonging in the workplace, addressing stereotypes, microaggressions and restrictive policies that negatively impact LGBTQIA+ employees. The **National Business Initiative (NBI)** has conducted research into the experiences of LGBTQIA+ employees in the workplace and based on these findings, developed the "**Pride in Belonging Edu-Series**" that raises awareness on inclusion and belonging.

their commitment to social justice, highlighting the ongoing journey towards shifting cultural attitudes. Such allyship is crucial for driving widespread organisational culture change that benefits everyone.

- **Addressing Systemic Discrimination in SMMEs:** SMMEs in South Africa face high failure rates, often due to deeply entrenched systemic issues rooted in discrimination and bias. LGBTQIA+ business leaders are acutely aware of these realities. By actively working to dismantle these biases, the private sector can support the growth and sustainability of LGBTQIA+-led businesses, contributing to overall economic stability.

Corporate leaders have a pivotal role to play in ensuring that the human rights of the LGBTQIA+ community are fully realised, both within the workplace and in society at large. By strategically leveraging data and insights from the Pink Economy, forward-thinking businesses can unlock new growth opportunities, strengthen their ESG performance, enhance brand reputation and deliver long-term value to stakeholders while actively shaping a more inclusive and equitable South Africa in a rapidly evolving market.



For more information contact: **Mathashwane Juls Matabane** (Economic Inclusion) and **Thevan Naidoo** (Social Transformation)

The National Business Initiative (NBI) is an independent and voluntary coalition of South African and multinational businesses launched in 1995 by the then President, Nelson Mandela.

NBI Website: www.nbi.org.za

Email: info@nbi.org.za

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