

Keringet

THE MARKET

Water accounts for 70 percent of the earth's surface but despite its abundance, it is a very precious commodity especially in Africa. Access to clean drinking water is among one of the UN millennium development goals and the Keringet brand is making that a reality.

Keringet natural mineral water is bottled by Crown Foods Ltd and is one of the major players in the highly competitive bottled water industry in East Africa competing with multinational brands.

The growth of the bottled water industry in East Africa is a reflection of changing global trends as more people become more health conscious and opt for low calorie drinks.

East Africa enjoys a small percentage of this total global value of the industry with global sales approximated at 100 billion US dollars in 2006. With the increasing number of educational programs set out collectively by the public and private sector in the fight to stay healthy by drinking enough clean water, sales have shot up 20 percent annually over the last five years.

With underlying consumer trends showing an increasing demand for high quality products with features that suit the individuals needs, the focus in the future will be to incorporate key consumer attributes to ensure Keringet remains the perfect partner for all bottled water drinkers.

ACHIEVEMENTS

- Keringet has largely been at the forefront of introducing the concept of bottled water in East Africa. Educational initiatives started as early as 1995 - three years after Keringet was launched. Campaigns like 'your body consists of 70 percent water...make sure it's pure!' were aimed at sensitizing people about the effects of poor water supplies associating it with water borne diseases like Malaria and Cholera
- 1995 - Became the first bottled water brand in East Africa to enter an international competition for 'blind taste' organized by the British Bottlers Institute (BBI) England; The brand received a 'Diploma of Excellence' for taste
- 1999 - Won awards from the British Bottlers Association in 1999 for packaging in the 'best dressed' category



- 2002 - Crown Foods Ltd was the first bottled water company in Kenya to be issued the ISO 9001:2000 certificate
- 2005 - Awarded its first Silver Medal for taste
- 2007 - Achieved Superbrands status
- Today the company operates one of the most technologically advanced production facilities in East Africa. With over 11 million US dollars in total investment - Keringet products, packaging and promotional mix have been recognized by consumers and the industry alike

HISTORY

Keringet Natural Mineral water came into the market in 1992 after intense research. The company's founder Mr. Chandra Gohill, a graduate from Huddersfield University (UK) moved to Kenya in 1982 and joined a successfully run family business that manufactured soaps and detergents in Nakuru. However, with existing business structures in place he found it difficult to settle in or make constructive in-roads for the company and resigned in 1988. He went back to England in search of investment opportunities and met Ken Morrison, an ex-director of Bass Charrington Group (England). With his vast knowledge of the European soft drinks market, Morrison told him about the growing consumer trend of healthier drinks like bottled water.

With this in mind and his knowledge of the growing tourism industry in East Africa, Chandra returned to Kenya where he spent two years with geologists and consultants until they eventually stumbled upon and purchased a piece of land on the outskirts of Molo, a town 8,000 feet above sea level, in the Rift Valley province.

The first samples of Keringet were drawn in the early quarter of 1990 and sent to the Leicestershire County Council Regulatory Services in England for testing and fortunately, the water complied with both microbiological and chemical parameters. The next two years were dedicated to continual testing for consistency and the first Keringet bottle was sold in 1992. Since then the brand has grown to meet market needs.

THE PRODUCT

Over the years, the Keringet brand has evolved with the market needs and trends. To satisfy varying consumer needs, a variety of products have been developed since the product was first launched in 1992.



The original Keringet 'Still' was launched in 0.5litre, 1litre and 1.5litre bottles and was aimed at satisfying the needs of travellers and high net worth individuals. Its consistency in quality and supply has guaranteed the success enjoyed by the brand today.

Keringet water dispensers were introduced with the objective of addressing the demand for affordable clean water in homes and offices. The water is packaged in a returnable polycarbonate 18.9litre bottle. The Keringet 'water dispensers' have a safety mechanism on the hot tap which makes them child friendly.

To make bottled water more affordable, Keringet 'Value Packs' were introduced for supermarkets. The pack have six bottles of 0.5litre, 1litre or 1.5litre bottles bound together which has allowed the company to reduce the cost on bulk purchases.

Keringet 'Kids' was introduced with the growing demand by families for their children to have the same brand to take to school. The bottles come in a variety of coloured sports caps and innovative labels with interactive games.

The introduction of Keringet 'Sport' addressed a whole new demand, namely fashion. With more people joining gyms and leisure clubs there was a need to design a practical yet stylish new bottle for people to associate themselves with - hence Keringet 'Sport' which had the first high flow sports cap on the market and a bottle specially designed for better grip and squeezability.

Due to increasing demand for products associated with self-actualization, Keringet 'Sparkling' was added to the product portfolio. It has a distinctive flavour, balanced blend of minerals and eloquent packaging. Customer satisfaction was definitely a priority for the discerning diner.

RECENT DEVELOPMENTS

Crown Foods Ltd have produced a premium product - MAX concentrates and ready to drink flavoured drink. MAX is enhanced with extra vitamins and is currently available in Orange, Tropical, Pineapple and Lemon Lime flavours. As competition becomes cut throat, suppliers need to be innovative to ensure customer satisfaction.

The introduction of MAX not only brings to life a new product but a whole new character. MAX is a fun, young, lovable icon that has a warm and friendly personality allowing the young and young at heart to accept into their lives.

PROMOTION

Keringet's promotional activities take place on many fronts combined with key principles of advertising and marketing. The strategy ensures a full integration of the promotional mix. Press campaigns have been used regularly since the brand was launched. Utilization of prime spots has made communicating new product launches easier and enforced the brand awareness. Worth noting is the successful launch of Keringet water dispensers in 2000 when an average of 100 new units were installed per month.

Billboards have also played an important role in building the brands awareness. Another success story was the launch of the brands slogan 'Naturally perfect...' in 2004, which appeared on billboards countrywide and was supported by radio and print media.



Another promotion tool is extensive sampling activities which have played a major role in brand development. The brand has held road shows across the region, has sponsored prominent events such as the ICC (International Cricket Council) Knock-Out Trophy, the Nairobi Standard Chartered Marathon, Tusker Rugby Safari Sevens and concerts featuring international musicians like Sean Paul, Shaggy and Asha Bosly from India. This has helped the brand interact with consumers from all market segments.

The brand was recently appointed as the 'official water supplier' during the East African Rally, part of the IRC (motorsport) and the Kenya National Rally Championship, which is one of the longest standing sporting events in East Africa.

The brand is also involved in Corporate Social Responsibility programs (CSR). The Keringet team is involved in a tree planting project with the Ministry of Agriculture to develop arid fields and encourage the restoration of Kenya's countryside. With concerns over the levels of plastic waste in the region, the company is the first to offer its customers a recycling option. Green bins are placed in strategic locations around the customer's premises to remind individuals to recycle their empty Keringet bottles which are collected once a week for grinding into granules, before being exported to China for recycling into a variety of non-food related fast moving consumer goods.

The brand is also involved in sponsorship of the Mater Heart Run, a programme designed to help children with acute heart problems receive the correct diagnosis, treatment and aftercare. The program is run by Mater Hospital Nairobi.

BRAND VALUES

Throughout East Africa the Keringet brand has developed a reputation for quality and now - lifestyle. It has achieved this by developing the key fundamentals by guaranteeing top quality service and value for its customers whilst maintaining respect, understanding and appreciation for the environment it which it operates.

These values are summed up in the brand's core principle: to be 'Naturally perfect'.

THINGS YOU DIDN'T KNOW ABOUT KERINGET

- The original budget for starting the Keringet project was KShs 2,500,000 (364,285.7 US dollars)
- Keringet was originally going to be called Mau Hills Mineral Water
- Keringet means 'underground source of pure, clean water' in Kalenjin language. This was discovered long after the brand had been christened
- One litre of Keringet is sold every second
- Keringets fastest selling line is the 0.5litre 'still'