



THE MARKET

Premium Serengeti Lager is a premium lager beer brand that comes in 500ml returnable and customised 330ml bottles. The brand targets ambitious, educated, informed and confident consumers who enjoy socialising and having a good time. These consumers fall in the A, B and C income groups. Most of the sales come from this mainstream segment, which comprises 85 percent of the Tanzania market.

The brand enjoys a 15 percent market share across Tanzania. There is room for growth; however, capacity constraints have limited the distribution of the brand to all parts of Tanzania. The brand has therefore focused on major towns where it enjoys a 22 to 30 percent market share.

Almost 90 percent of the beer business turnover comes from bars, which have unfortunately not adopted modern retailing trends but continue serving customers in the traditional (beer bottle) manner.

Premium Serengeti Lager has had phenomenal growth since it was launched in July 2003, with demand continuing to exceed supply. In the next five years, it is believed that the brand will be the number one selling beer brand in Tanzania. It is currently one of the top three beer brands in Tanzania.

ACHIEVEMENTS

Premium Serengeti Lager was launched as “100 percent malt, 100 percent Tanzanian”, with no added sugar or additives. The brand won a silver medal in the Monde Selection Institute for Quality Selections in Belgium in 2006/7. In 2006, the beer won a bronze medal at the prestigious DLG Awards, an honour from the German Agricultural Society.

Premium Serengeti Lager has been a trendsetter in many regards. It was the first beer brand to provide premium, custom-branded beer glasses, imported from Sahm in Germany - one of the world's largest glass suppliers. The glasses enhanced the drinking experience, created huge excitement in the market and positioned the beer as a premium brand.

Premium Serengeti Lager was also the first beer brand to come packaged in a 330ml pack with its logo embossed on the bottle. It is also the first beer brand in Tanzania to enhance packaging by adding a back label on the bottle. Other brands have since followed suit.

Premium Serengeti Lager is the main sponsor of the Tanzania national football team having pumped in 700 million Tanzanian Shillings a year for three years (2007-2009). This changed

the fortunes of the national team, and has created a huge buzz around football in Tanzania.

The beer brand was also the first in the country to send key customers abroad under a trade scheme, thus tremendously enhancing customer loyalty.

HISTORY

The brand grew from humble beginnings. In 2002, a small, struggling brewery called Associated Breweries Ltd in Dar es Salaam was taken over by

the current management, and renamed Serengeti Breweries Limited. The strategic plan involved installing new factory equipment, creating a new management structure, and launching a brand aimed specifically at the locals.

Premium Serengeti Lager, which was previously produced by Associated Breweries Ltd under the same name, was completely reformulated and the packaging re-designed. The beer was re-launched under the name Premium Serengeti Lager in July 2003. The initial response was slow as consumers understood the packaging to mean a strong, sharp beer - which it is not.

The company embarked on a sampling and visibility campaign to educate consumers, followed by advertising in various media. The objective was to communicate the brand's intrinsic worth and position the brand. These efforts were complemented by a continuous distribution drive to ensure the brand was widely available.

The company started with a workforce of 50, which has since grown to the current 350. As the brand grew, an attractive 330ml bottle, was introduced which proved very popular. Premium Serengeti Lager's German brew master maintains stringent quality controls and follows German brewing standards, thereby maintaining consistent quality.

The brand faced a myriad of problems when it came into the market. The bottle label - which is black and gold with a Leopard image - led consumers to perceive the beer as strong, sharp and bitter, as the black colour and Leopard image convey these properties. The beer is, in fact, exactly the opposite - but this false perception was a major barrier to impulse trials.

Another hurdle the company had to overcome was the critical issue of distribution. Competitors used unorthodox methods of persuading the trade not to stock the brand, forcing Premium Serengeti Lager to find other ways to reach consumers. The company sold the beer directly to bars, put a delivery system in place, launched a sampling campaign to educate consumers directly, enhanced bar visibility and ran media campaigns to attract consumers.

The other major hurdle was convincing consumers that the beer is easy drinking, which was solved through the sampling campaigns. As the brand's reputation spread through active advertising, marketing activities and word of mouth, it had a positive influence on distribution, acceptability and loyalty, leading to high demand. This forced the company to boost capacity, plan and forecast better; as well as widen distribution networks while continuing to build the brand. As



the brand's popularity grew, export orders were received from Australia, the UK, Kenya, Japan and other countries.

To test Premium Serengeti Lager in developed beer markets, the company started by exporting to the UK and Australia where the brand was well received. Premium Serengeti Lager is today the fastest growing beer brand in Tanzania, with enquiries from various countries for export.

THE PRODUCT

Premium Serengeti Lager is a beer brand that "makes the good times last longer". This goes down well with the lifestyle of consumers in Tanzania and other African countries.

Special innovations in packaging and presentation include the embossing of the Leopard logo on the 330ml bottle, unique product display stands to gain visibility in bars, and custom branded premium beer glasses to enhance consumer experience.

RECENT DEVELOPMENTS

In January 2007, the company began operations in its new Greenfield brewery in Mwanza with the objective of meeting demand in the lake zone and addressing the logistics problem of shipping beer from Dar es Salaam.

In 2006, Premium Serengeti Lager signed a licence agreement with Royal Unibrew Denmark - Scandinavia's second largest beer company - to brew and sell Vitamalt Plus, a non-alcoholic malt health drink. Three years prior to that, the company had signed a licence agreement with InBev, the world's largest beer company, to brew and sell Stella Artois in Tanzania.

With such strategic tie-ups, the company's product portfolio is ideally balanced to cater to each market segment, and each of its brands is a leading player in its category.

PROMOTION

Premium Serengeti Lager enjoys 360-degree marketing support, as it is the flagship brand. Promotions run on all major television and radio stations. Brand visibility is maintained at points of consumption and the company has dedicated a

massive amount of money to corporate social responsibility activities. As the main sponsor of the Tanzanian national football team from 2007-2009, Premium Serengeti Lager is dedicated to improving the standards of football in Tanzania which generates a lot of attention and goodwill.

The company has also conducted very successful trade promotion activities where prizes included overseas trips, computers, travel bags, mobile phones and other sought-after items. This gave the Premium Serengeti Lager brand a huge boost in terms of trade, goodwill and loyalty.

BRAND VALUES

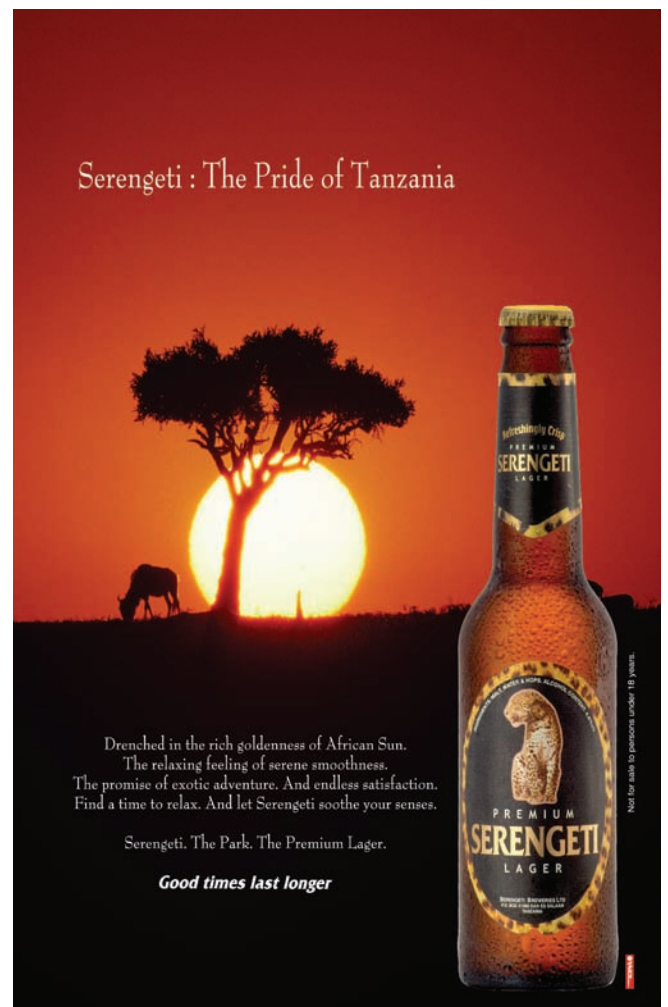
Consumers are proud of the fact that Premium Serengeti Lager is brewed by a 100 percent Tanzanian company and is associated with the world famous Serengeti National Park. It is also a good quality beer with Tanzanian values.

The brand promise is that with Premium Serengeti Lager, "Good Times Last Longer", hence the brand's commitment to providing consumers with a top quality beer that fulfils their expectations, while still executing its social responsibilities.

The brand logo says the brand is typically Tanzanian and that it is a premium quality beer. The leopard image denotes grace, smoothness, agility and a sense of mystery, which invites unravelling. The image of a leopard on an acacia tree is symbolic of the Serengeti National Park to which the brand is associated with.

Since Serengeti Breweries Ltd is a licensed partner of two European breweries, the company has access to source the best raw materials from world renowned suppliers. The company further benefits from the transfer of technology and knowledge transfer on the best manufacturing practices carried out in the world.

Laboratory, quality control and quality



analysis systems are in place and the company has invested in an electronic bottle inspector (EBI), a first of its kind in Tanzania. This machine checks each and every bottle electronically for impurities, chipped necks and cracks and automatically rejects them on-line. This ensures that every filled bottle is 100 percent safe for human consumption.

Premium Serengeti Lager is a smooth, high quality and enjoyable drink: A thirst-quencher on a hot day and an extension of friendship for all occasions.

THINGS YOU DIDN'T KNOW ABOUT PREMIUM SERENGETI LAGER

- When Premium Serengeti Lager was launched, the beer was perceived as "high in alcohol content and sharp"
- Beer sales picked up through a sampling and education campaign
- The beer is nicknamed Chui, the Swahili word for leopard
- The initial television commercials showed Premium Serengeti Lager drinkers playing a draught game. Consumers responded by saying that since draughts requires concentration and cannot be played by drunk people, it meant Premium Serengeti Lager drinkers could continue drinking for longer periods without any side effects, thus denoting that it is a good beer which does not elicit a hangover

