

Zim: Strong recovery for beverage consumption

By <u>Dumisani Ndlela</u> 20 May 2010

Zimbabweans are getting back to their guzzling habits, pushing beer and other beverage consumption volumes up in what beverages group Delta Corporation's chairman Robbie Mupawose described as a "strong" recovery.

Delta's total beverage sales for the year to 31 March 2010 doubled to 5.032 million hectolitres (hls), spurred by a 123% rise in larger volumes, an 86% jump in sorghum beer and a rise of 149% for soft drinks.

This indicates that despite low income levels since dollarisation in February 2009, imbibers are still finding the extra dollars to indulge their appetites.

Strong demand

So strong is the demand that beverage volumes are set to increase to 6m hls during the current financial year, with sorghum beer volumes accounting for 3.4m hls, larger beer 1.4m hls and soft drinks 1.2m hls.

"Delta has strong alliances with Coca-Cola and SABMiller. The strategic partnership allows it to leverage technical and other expertise," said a report from Kingdom Securities.

SABMiller is a majority shareholder in Delta.

Delta has a strong brand portfolio of lager beers, with Lion Lager dominating the share at 40%.

It also has a portfolio of sparkling beverages - Coca-Cola, Fanta, Sprite and Schweppes, among others, as well as traditional beer.

ABOUT DUMISANI NDLELA

Durrisani Ndlela is a Zimbabwean journalist specialising in business and financial reporting, with experience reporting on commodities, stock and financial markets, advertising, marketing and the media. He has previously reported from a number of regional countries as well as from the UK and Germany on commodities and regional integration. He can be contacted on dndlela@vahoo.co.uk.

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