

MARKET PLACE

Purity Wanjohi

For today's producers, the importance of retail marketing cannot be downplayed. Retail stores play an important part in exposing companies to larger audiences and wide distribution of goods. Since inception, Sasini has largely focused on the export market. However, several years ago, the company dipped its feet into the retail market, to offer its top-quality export standard products to the local market.

Several factors led to the adoption of this venture. Entry into the retail business was primarily to help cushion the company against the fluctuation in exchange rates that affects their main line of business. Both tea and coffee are traded in hard currency (mainly the US Dollar).

"A stronger Kenya shilling had the effect of adversely impacting the company's income arising from exports of the two commodities, whereas the pricing of retail brands remained more stable as they are denominated in Kenya shillings thus remained insulated from extraneous factors such as fluctuation of the exchange rate," explains Mr. Ben Omolo, General Manager for Sasini Retail.

The other reason was to support the value addition initiatives championed at the national level by the government through the Tea Board of Kenya in a bid to increase local tea consumption, which has for a very long time been at a low of just four percent of the country's production. Additionally, it was also to angle for potential export opportunities of Kenyan value-added teas and coffees to attract premium earnings for the Country for both commodities.

Currently, there are six retail products available to the Kenyan consumer from Sasini. Three tea variants and

**THROUGH THE RETAIL BUSINESS THE COMPANY HAS ENGAGED PROACTIVELY WITH SOME OF THE FIRM'S MAJOR STAKEHOLDERS**

three coffee variants, namely, Sasini Gold (loose & tea bags), Sasini Classic, (loose & tea bags), Sasini Premium (loose only), Sasini Kahawa Kamili (Ground coffee), Sasini Instant Coffee and Sasini Kahawa No. 1 which completes the compliment.

# Why Sasini opted to venture into retail business in Kenya



Sasini retail product range. Photo: POOL

"We have noted good uptake of the products and a widening of the revenue stream even as we seek to increase our footprint locally and in the expanded EAC region to tap the large customer base before venturing into the international markets," Mr Omolo says.

Moreover, through the retail business the company has engaged proactively with some of the firm's major stakeholders. The society is key because it informs the changes made concerning the retail products and drives our consumer base. As a result of inclusive and interactive stakeholder

participation and feedback, Sasini PLC has learnt firsthand how its activities impact the community's social lives and how they can co-exist to ensure a harmonious relationship. For example, the firm sponsors social events involving the communities, leveraging that customer base to create product awareness. Such deliberate approaches have contributed to strengthening the communities in which they serve and creates a long-term growth and competitive advantage for the business.

The call for sustainable business practices is exemplified in the company's Retail Division. Since the retail business interacts with the local market, suppliers, and the environment, it is aligned to the global sustainability agenda addressing several

to ensure at least 30 percent of the suppliers are women owned businesses and that most of their suppliers' employees comprise of women, while emphasizing to them, the imperative to observe human rights, have no forced or child labour, among other aspects espoused under this SDG.

Furthermore, the expansion has contributed to economic growth by opening a window for additional employment. The opportunities created have enabled people to have jobs that earn them income to support themselves and their families.

Being an agricultural company, Sasini PLC is acutely aware that the environment is their major stakeholder, thereby impacting decisions made on the production and consumption front. In the production processes for the retail products, natural resources are prudently consumed, and waste carefully disposed in a manner that preserves the resources for posterity.

Keen attention is given to ensure the firm's activities have a minimal environmental impact on land. Conservation and restoration of the used terrestrial ecosystems are some of their hallmark activities within the areas in which they grow their crops.

This meticulous attention is also extended to the distribution of produced goods. The distribution fleet is geared towards minimizing carbon emissions and zero fuel spillages. To adhere to the country's environmental laws on recycling, products are packaged in environmentally friendly packs.

"Where the packs cannot be recycled for their smaller size and type, we have expressly required that the customer return the same to us to be disposed under our waste management programme," adds Ms. Faith Njonjo, the Company's Head of Procurement.

of the 17 Sustainable Development Goals: Good Health and Well-being, Gender Equality, Decent Work and Economic Growth, Responsible Consumption and Production, and Life on Land.

"Good health is important as the status of one's health has a great impact on their quality of life. With tea generally perceived as a healthier drink than many other beverages and soft drinks, it is important for Sasini to keep playing a strong role in advancing the local consumption of this beverage," shares Mr. Godfrey Otieno, the Head of Sustainability at Sasini.

To uphold gender equality, Sasini has in place a mechanism that ensures products are largely managed by women as a way of recognizing and appreciating their potential as able salespersons and merchandisers. The organization conducts supplier verification