

CHAI BORA



THE MARKET

Chai Bora Limited engages in the blending, packaging and marketing of quality tea products. The company is based in Dar es Salaam, Tanzania and has attained significant market leadership through its tea blends which have been awarded with international accreditation.

Chai Bora has a commanding presence in Tanzania where its factory is located in Mafinga at the heart of tea growing region of Tanzania.

Its broad target market spans the spectrum of consumers with each market category targeted by a specific brand. The middle to lower end of the range contributes about 80 percent of company's total business. The brand accounts for 60 percent of total tea consumption in Tanzania.

The various teas produced are black tea, green tea and herbal infusions. Black tea products are presented either as loose tea or in tea bag variants. The annual turnover for the company for the last complete financial year was 17 billion TZS.

Modern retailing trends are largely undeveloped in this market with few retail supermarkets in operation. Smaller retail shops, dukas and kiosks account for 90 percent of distribution outlets and due to their location and widespread coverage of the market their impact on turnover and delivery is significant.

Over the next two years Chai Bora is aiming to double their local turnover, both in volumes and revenue and are looking to further grow their regional market share through exports.

ACHIEVEMENTS

In 2010 Chai Bora became the first tea brand in East Africa to attain coveted ISO 22000 status and the awarding of this certification is testimony that the company believes their success is due to the supply of high quality products and services that meet or exceed customer expectations. Fundamental to this is the responsibility to ensure the food safety of all its products.

The company's African Infusions range is ECOCERT certified. This organic certification acts as for the consumer that the certified products



are organically produced. It is a food safety and quality standard which ensures that adherence to a standard remains a free and voluntary approach. In addition, ECOCERT ensures access to organic farming markets.

Chai Bora has also recently been awarded Superbrands status and this prestigious award is thanks to Tanzanian and East African tea consumers who have rated Chai Bora brand as a true superbrand in the region.

HISTORY

Chai Bora was started in 1994 . and in 2008 became a subsidiary of Trans Century group: a Kenyan based consortium that holds a portfolio of many African firms with interests in electrical, transport and financial industries in Africa.

THE PRODUCT

True to its name ('Chai bora' means 'best tea' in Swahili), products are selectively blended from the choicest tea to guarantee quality, taste, aroma and value for money. These parameters are maintained at all times.

Tea bags are tagged and enveloped to ensure freshness and hygiene. Special cellophane overwraps are applied on the loose tea packs to guard against moisture absorption and to ensure freshness.

Teas offered by the Company are:

- Nguvu - a blend of loose tea that offers a strong, refreshing cup for those seeking an instant kick. Made from choice teas sourced

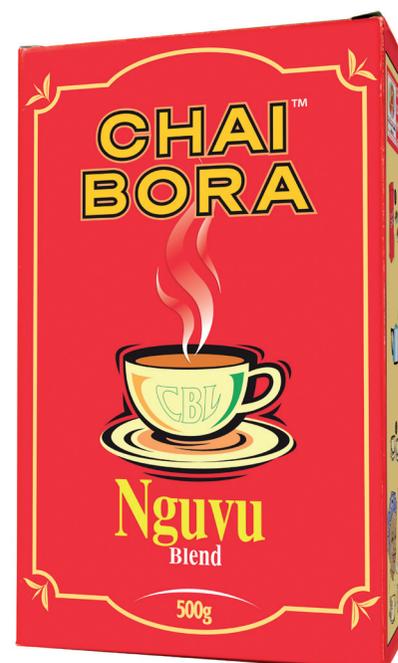
from the best of Tanzanian tea, it is available in a variety of packets and sachets

- Supreme - fine tea granules carefully selected to deliver good taste and fine aroma. It is available in loose tea packets and sachets of varying sizes
- Premium - specially selected teas are blended to deliver a smooth taste, rich colour and fine aroma. Available in both loose packages and tea bags
- Luxury - the best of Tanzanian teas is blended from the choicest garden teas and packed in enveloped tea bags to ensure freshness. Available in packs of tea bags. Due to great demand it will soon be available in plain and unenveloped tea bags

RECENT DEVELOPMENTS

In keeping with growing health consciousness, the company recently introduced the attractively packaged 'African Infusions' range of refreshing, organic herbal teas. These are available in enveloped tea bags to ensure quality and freshness. All the herbals are sourced from certified organic farms, contain no additives, flavourings or preservatives and are packed and stored under organically certified conditions.

- Pure Hibiscus is rich in vitamin C and caffeine free to give a refreshing healthy alternative
- Lemon Symphony contains lemon verbena and lemon grass to create a soothing drink that aids digestion
- Camomile is renowned for its relaxing properties and is particularly sought after as a soothing bed time drink





- Peppermint is popular for its refreshing taste and digestive properties. The fresh scent released from essential oils within the tea creates a wonderfully cooling, aromatic sensation
- Green Tea is made of carefully picked, pure organic green tea leaves. It is prized for its medicinal values and contains high concentration of antioxidants to help in the alleviation of arthritis, cholesterol and cardiovascular problems
- Tanzania Highlands Tea is a blend of organic black CTC tea (produced by the Cut, Twist, Curl method of processing black tea) from the southern Tanzanian Highlands

The company has also created a single serve pack format that can hang in dukas (kiosks) and allow low income consumers to buy one tea bag at a time.

New sales depots have been opened in Arusha, Dar es Salaam, Mbeya, Mafinga and Dodoma as well as dealerships in Tanga, Mwanza, Morogoro and Lindi.

PROMOTION

Brand communication is mainly via radio and print media. Key promotional activities have been by means of in store exciting events like tea making sessions, competitions and rewards to loyal consumers.

A biannual research survey is conducted to align market needs with product attributes.

A recent redesign of the brand has created new packaging that has a much stronger shelf impact.

ABS Boards, shop branding, bus shelter branding and point of sale materials used with

the slogan “chaguo la watanzania” - the choice of Tanzanians, which identifies the brand with Tanzanians, is proving popular.

The company’s website has a template that allows for enquiries on product purchase options and most retail outlets have point of sale materials communicating information on Chai Bora products.



BRAND VALUES

In order to fulfill the brand’s vision of being a market leader in supply of high quality beverages in Africa that surpass their customer’s expectations while still realizing excellent returns for shareholders, Chai Bora has embraced the core values of honesty and integrity.

The brand is dedicated to providing quality satisfaction and value for money and providing a healthy product for their customers.

In order to ensure consistency of its products samples of each grade of raw tea from suppliers have to be tested and approved prior to buying. Thereafter the blend formulation for each brand variant is tasted against stringent parameters to ensure quality before packing. Packed samples are also tested for consistency by a special tea

tasting expert who oversees the company’s quality control department.

THINGS YOU DIDN'T KNOW ABOUT CHAI BORA

- Chai Bora is a socially responsible organisation that interacts with and passes on accrued benefits to the society in which it does business
- In 2009 Chai Bora Ltd was recognized by the Tanzania Revenue Authority as the highest tax payer of the year in the Iringa Region. The recognition was a confirmation that the brands owes its business success to the nation as a whole, and that the nation is the company’s first and foremost corporate social responsibility recipient
- Chai Bora is a Member of the AIDS Business Coalition (Tanzania), a non-governmental organisation that offers services to facilitate the introduction of HIV workplace programmes
- Monthly training clinics are held at Chai Bora on HIV/AIDS
- Chai Bora has been a constant visitor to the Mafinga AIDS orphanage centre in Mufindi where staff socialise with the AIDS orphans and donate gifts