



**BMi**  
RESEARCH

## Media Feedback Report

2017 Sorghum Beer in South Africa

*July 2017*

# Definitions

---

Product	Definition
Dry-Based Sorghum Beer	Sorghum in grain form used as an ingredient when making traditional homebrew beer
Sorghum Malt Powder	Instant powdered sorghum beer which is mixed with water and left overnight to ferment
Wet-Based Sorghum Beer	Sorghum beer sold in ready-to-drink liquid form with very limited shelf life

# Market Trends

---

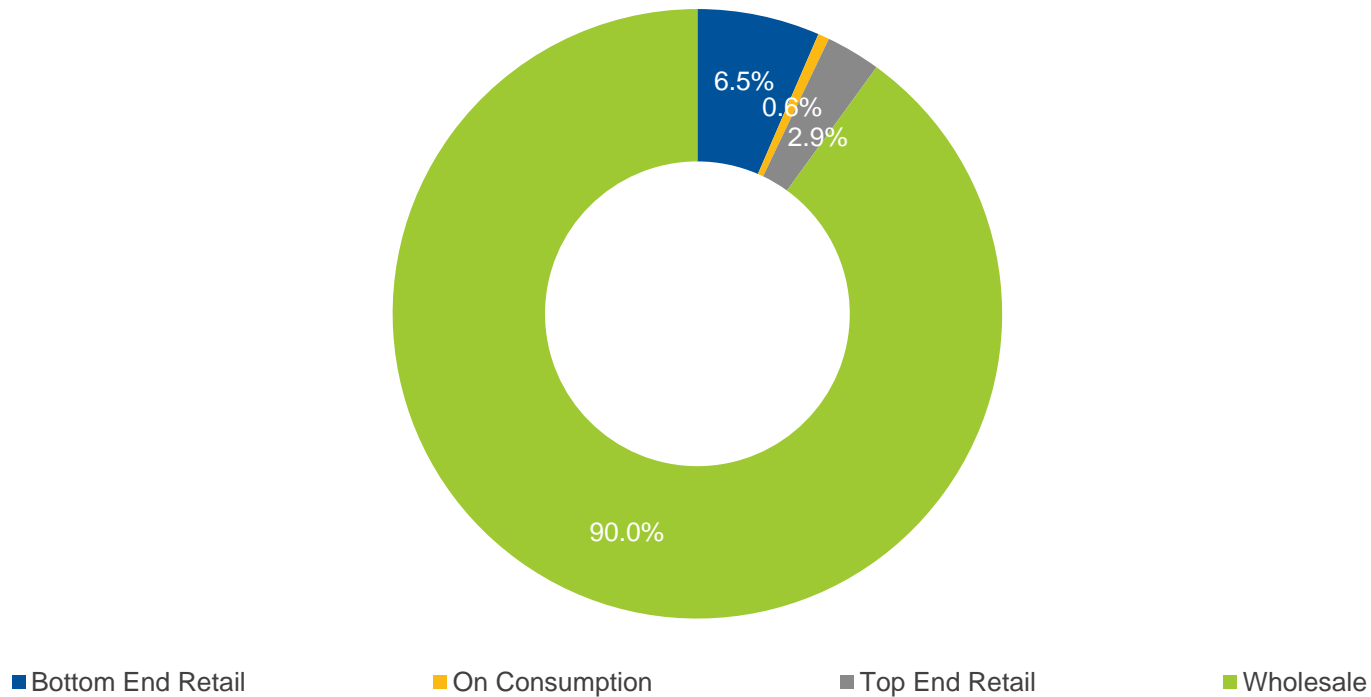
Sorghum beer has reached its maturity phase in the product life cycle, and the category has been recording negative volume growths for several years. The category volume decline in 2016, which may be attributed to the shift in volume to other alcoholic beverages, as it is a beverage mostly enjoyed by the mature consumer base.

The category yielded a positive value growth for the base year. The increase in the value growth rate was attributed to the increase in price despite the volume decline. The volatile Rand exchange rate experienced in 2016 may have had an impact on the increase in price of sorghum beer.

The **wet-based subcategory** of sorghum beer continued to show a decline. It is hypothesised that this subcategory is losing share to other alcoholic and non-alcoholic beverages. The 1 litre carton remains the most dominant packaging for wet-based sorghum beer. It is believed that due to carton's "breathing" capability, it allows the beverage to ferment when kept for longer periods.

Urbanisation and Westernisation have posed a threat to sorghum beer. The consumer base for the beverage is getting older and younger people are choosing not to drink it as their fathers did. Producers have recognised this trend and are diversifying into alternative sorghum products, such as porridge. The future outlook on the sorghum beer market is negative, the market is expected to decline in volume terms, losing share to other non-alcoholic and alcoholic beverages.

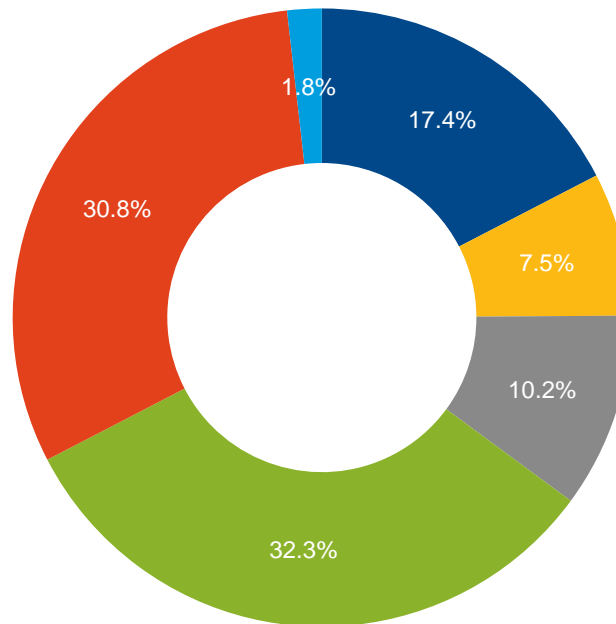
# Total Market - Channel Distribution 2016



*The wholesale market remains the most prominent channel in 2016 as the majority of the total sorghum beer volume is sold through this sector.*

*Exports has been absorbed into the remaining channels to keep player confidentiality*

# Total Market - Local Regional Distribution 2016



■ Eastern Cape ■ Free State/Northern Cape ■ Gauteng ■ KwaZulu-Natal ■ Limpopo/North West/ Mpumalanga ■ Western Cape

*KwaZulu-Natal and Limpopo/North West/Mpumalanga accounted for almost two thirds of the volume. A large part of these regions are rural based and sorghum beer is used particularly at traditional gatherings.*

Excludes exports

*BMi Solutions*



**BMi**  
RESEARCH

# BMi Solutions



# Copyright & Disclaimer

All rights reserved. No part of this publication may be reproduced, photocopied or transmitted in any form, nor may any part of this report be distributed to any person not a full-time employee of the subscriber, without the prior written consent of the consultants. The subscriber agrees to take all reasonable measures to safeguard this confidentiality.

Note:

Although great care has been taken to ensure accuracy and completeness in this project, no legal responsibility can be accepted by BMi for the information and opinions expressed in this report.

Copyright © 2017

BMi Research (Pty) Ltd

Reg No. 2008/004751/07

**BMi**  
RESEARCH





## Contact us:

t: +2711 615 7000  
f: +2711 615 4999  
cleide@bmi.co.za  
bmi.co.za  
@BMi\_Research



insights  
to  
grow