

MASTER

The design and implementation of a model for a Sources of Growth project for Heineken in Nigeria : a roadmap to growth

van den Berg, Marloes

Award date:
2001

[Link to publication](#)

Disclaimer

This document contains a student thesis (bachelor's or master's), as authored by a student at Eindhoven University of Technology. Student theses are made available in the TU/e repository upon obtaining the required degree. The grade received is not published on the document as presented in the repository. The required complexity or quality of research of student theses may vary by program, and the required minimum study period may vary in duration.

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

- Users may download and print one copy of any publication from the public portal for the purpose of private study or research.
- You may not further distribute the material or use it for any profit-making activity or commercial gain

Management Summary

"The design and implementation of a model
for a Sources of Growth project for Heineken
in Nigeria"



A roadmap to growth

**NIET
UITLEENBAAR**

Marloes van den Berg

Management Summary

“The design and implementation of a model for a
Sources of Growth project for Heineken in
Nigeria”

A roadmap to growth

Eindhoven University of Technology
Faculty of Technology Management
Industrial Engineering and Management Science

Student: Marloes van den Berg
Id-number: 430413

Primary Supervisor: Drs. J.C. Heine
Department of Business Economics and Marketing

Secondary Supervisor: Dr. J.A. Keizer
Department of Organisation Science

Tertiary Supervisor: Prof.dr. J.A.M. Theeuwes
Department of Business Economics and Marketing

Company: Heineken Export Group /Nigerian Breweries PLC
Department: Marketing
WTC D tower
Schipholboulevard 177
1118 BG
Schiphol

Company Supervisors: J. Hlavac
Heineken Export Group
B. Akingbade
Nigerian Breweries PLC

©Heineken Export Group 2001

Management Summary

Introduction

Heineken Export Group (HEG) exports Heineken to Nigeria through its distributor Nigerian Breweries PLC (NB PLC) in which Heineken NV has the majority. Heineken was reintroduced in Nigeria in 1998 after its compelled disappearance from the market in 1975. The sales grew instantly from 31.000 hl in 1998 to 63.000 hl in 2000. Heineken has a current market share of 1,5%. The expected sales for Heineken for 2001 are around 65.000 hl, which basically means no growth compared with 2000. HEG supposes that they can increase the volume much more. The problem HEG faces is that they do not know what the sources of growth are. Their focal question is how to grow the sales of the Heineken brand in the Nigerian market. For this reason a so-called "Sources of Growth project" was initiated.

The objective of the master thesis research is to design a model for the Sources of Growth project for Heineken in Nigeria, to implement this model, and to give recommendations for a generic model for future projects.

This objective results in the following research questions:

1. Which model should be implemented for the Sources of Growth project in Nigeria?
2. What are the sources of growth for Heineken in Nigeria and which actions are essential in order to grow the sales of Heineken?
3. Which model should be implemented for future Sources of Growth projects?

The research model for the project is illustrated in Figure 1. The model encompasses the whole project.

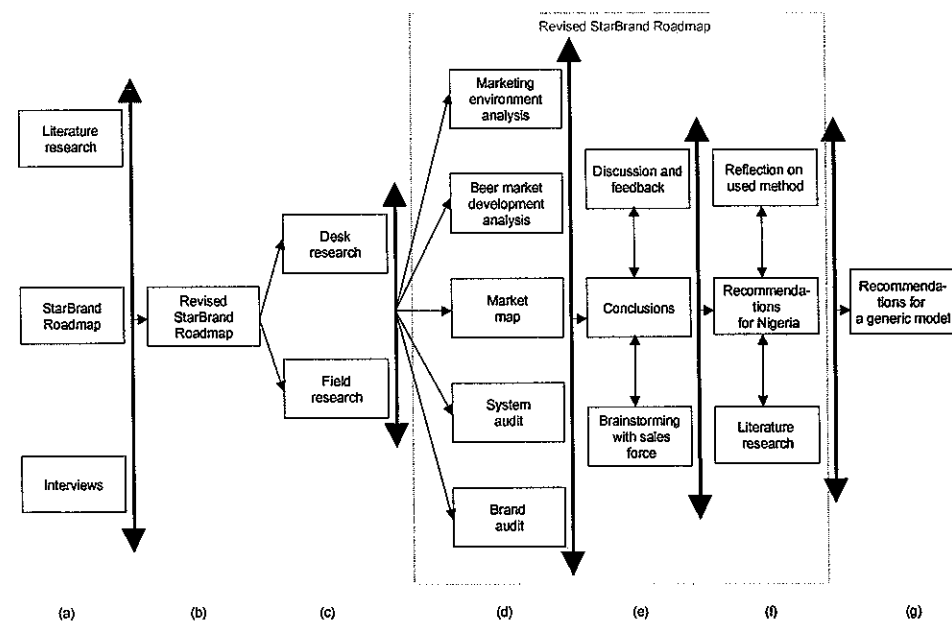


Figure 1: The research model based on Verschuren and Doorewaard (1998)

These conclusions resulted in fundamental recommendations for HEG about how to grow the sales of the Heineken brand in the Nigerian market. These recommendations are:

- ◆ revision of the Heineken distribution structure by increasing the sales through Key Distributors. To achieve this, it should be more attractive for them and less attractive for non-Key Distributors to sell Heineken. Tools to accomplish this are:
 - ◆ forecasting;
 - ◆ determination of best stock levels and ordering system;
 - ◆ price equalisation;
 - ◆ price re-orientation;
 - ◆ incentive programs.
- ◆ above the line communication, that is advertisement on television supplemented by billboards;
- ◆ promotions for modern off trade, special accounts, other retailers, and party service;
- ◆ launch of Heineken six-pack;
- ◆ relationship deal with mini marts in gas stations;
- ◆ introduction of draft beer.

An generic model for future Sources of Growth projects

After the implementation of the revised StarBrand Roadmap, a reflection on the whole project resulted in an improved model that HEG can use in future Sources of Growth projects. This model is depicted in Figure 4.

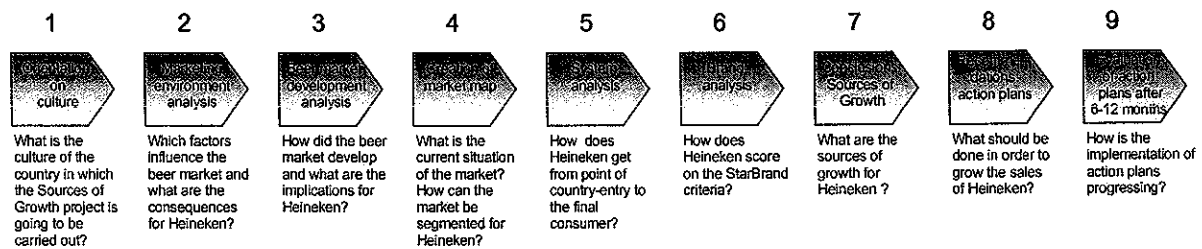


Figure 4: A generic model for future Sources of Growth projects: A Roadmap to growth

