



National University of Science and Technology

Faculty of Commerce

Graduate School of Business

LIBRARY NATIONAL UNIVERSITY OF SCIENCE AND TECHNOLOGY P.O. BOX 246 BULAWAYO ZIMBABWE		
DATE	ACCESSION	CLASS No
23/01/18	SC 18/1986	

To investigate into the nature and intensity of competition in the bottled  
market in Bulawayo

Sinini Pedzisai

N01523835X

A thesis submitted in fulfilment for the degree of Master of Business Administration

AUGUST 2017



NUST Library

## ABSTRACT

This research was carried out to investigate the nature and intensity of competition in the bottled water market in Bulawayo. The study was exploratory in nature and the target respondents were consumers of bottled water, trade customers and employees from four bottled water companies in the Bulawayo market. The questionnaire response rate for both consumers and trade customers was 94.41%. The interview response rate was 61%. The results of the study indicated that the bottled water market in Bulawayo is made up of eight companies represented by nine different brands which are Bonaqua, Schweppes, Aqualite, Vivon, Zlg, Oasis, Aquelle, Shopper's Choice and Wellpure. The leading brand is Bonaqua followed by Schweppes Still Water, with an average sales market share of 56 % and 17 % respectively. Aqualite by Dairiboard and Zlg by Autotrade investments each hold 7.5% and 5.9% respectively. The rest of the competitors have a sales volume market share of 0.5% to 3% per month. The results of the study indicated that the major reasons why consumers drink bottled water is because they believe it is cleaner and safer than tap water and provides convenience since it is readily available when on the go. The factor analysis showed that the factors that influence the choice of a brand of bottled water are price, packaging, availability taste, and Standards Association of Zimbabwe certification, with availability being the dominant of all factors. Retailers have a larger effect on bottled water competition than other channels as they sell more volumes owing to their convenient location to consumers. Import competition is existent but seems to have taken a downturn in this market owing to the introduction of Statutory Instrument 64 import regulation in 2016. The dominating competitors are leveraging on consistency of supply and ensuring their brands are available for consumers at all channels. The companies were recommended to consider setting up bottled water plants in Bulawayo so as to minimise distribution costs and avoid inconsistency in supply as consumers' choices of bottled water are predominantly biased towards the availability of a brand. The other recommendation was for a regulatory body to be established for the bottled water industry in the country so as to minimise illicit vendors from infiltrating the market with counterfeit and substandard bottled water. The research was inspired by that there is very few published information on the bottled water industry in this country and the researcher desires to close this gap of knowledge. Future research can probe into the threats of new entrants in the bottled water industry in Zimbabwe.

**Key words:** bottled water, market, brands, competitors, consumers, availability, volume, retailers.