

Montego upbeat about Africa's emerging market potential

By Lauren Hartzenberg

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Montego Pet Nutrition, the largest privately-owned pet food manufacturer, brand owner and distributor in Africa, has been knuckling down to put Africa on the global pet industry map.



A Montego factory. Source: Supplied

Having reported robust growth over the last four years, and viewing Africa as the biggest emerging market for the pet food industry globally, the company is in prime position to cater to demand for pet food on the continent. In 2020, Montego accounted for 11% of all exported pet food from South Africa, showing dominance in countries like Mozambique, Namibia and Botswana.

Montego boasts manufacturing capacity of almost 100,000 tons annually, with brands including Monty & Me, Karoo, Field + Forest and Montego Classic falling under its umbrella.

<u>Growing production capacity</u> and expanding exports to 20 countries - 13 of them in Africa - the company is working towards being present in all African countries, and recently announced its intention to expand into America.

represent the continent's pet care market and showcase the company's proudly African products.



Karlien Delport Botha, Montego international marketing manager. Source: Supplied

In light of <u>Africa Month</u>, we caught up with Montego's international marketing manager Karlien Delport Botha, who's currently on ground at the fair, to unpack Africa's emerging market potential and what's needed to be successful when expanding business across the continent.

III Montego <u>recently called</u> Africa "the next big growth market" for pet food manufacturers. Why is the continent being seen as the biggest emerging market for this category?

It's quite a a logical progression actually because it's an emerging market; it's not a mature market, so we're working from a low base. Africa has never really been a traditional pet nutrition or pet care market – countries like the US and Europe have always taken the lead in terms of innovation and manufacturing.

We haven't looked at Africa as a growth market before, but the pet industry has been such a big focus in the last two years, particularly due to the pandemic. We've looked into what's going on in all the continents and realised that the trends are very similar.

In a mature market like the US and in Europe growth is expected to be between 3% and 6% in the next five years, while in Africa it's expected to be much higher because we're working from a smaller base. Africa is in fact expected to grow in double figures over the next five years.



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Which African countries outside of SA has Montego seen the most growth in? And what do you credit this to?

We've realised positive growth figures because of the development that we've put into markets. Neighbouring countries have shown really great growth figures in the last two to three years and there's probably lots of reasons for it but mainly because of the focus and investments (time and resources and marketing) that we put into the markets.

The pandemic has definitely assisted this growth, as it did worldwide for the pet industry.

Any pertinent lessons learned as you've expanded distribution across the continent?

Yes, we've learned a lot. I think the big thing for most companies that work in Africa and that sell into Africa is that you realise very quickly that Africa is a continent with 54 countries. You can't approach all of them in the same manner. They all have their own challenges and opportunities, and they've got their own cultures.

Even if you wanted to, you couldn't do a one-size-fits-all approach. You must be in the field. You've got to have your feet on the ground to really understand what's going on in the market so that you can strategise.



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Could you share some insights into trends around product demand in Africa?

From my personal experience, there's a correlation between the development of technology and the evolution of a younger market, and the need for innovation. It's the younger people that we're talking to that are very well connected technologically. Big global trends like humanisation and pets in the home are evident in Africa as well.

However we still have a huge divide in the markets where education is still very necessary on aspects like good nutrition, and the benefits of feeding pets well. So there's a big market that's on par with trends, but the divide is still quite big in terms of education.

What are Montego's plans for further expansion on the continent and further abroad?

At the moment we all the largest independent pet food manufacturer on the continent and we want to be recognised as a proudly African company that supplies products that's appropriate to the African market. Our main goal is to be present in all African countries and to support the pet industry in all African countries.

As a pioneer of the industry and a steward of the industry, we really want to be the voice for the industry on the continent, and put Africa on the map for the pet industry.

Currently, our factory isn't registered to export products to the EU, so we can't sell our product there. Due to manufacturing processes, it will be a long while before we're able to produce dry food in South Africa and send it to Europe. However, our new treat factory will be registered for export, so that's very exciting for us because that's where a lot of our innovation lies as well.



Montego exhibits at the Interzoo Trade Fair in Germany. Source: Supplied

Any advice for South African companies seeking growth on the continent?

The best advice that I could give is to be present. Visit the markets and really get to know them so that you understand the challenges and the opportunities there. Don't just rely on data, but make the investment to be on the ground because it's the best way to learn.

And finally, what is your general outlook for consumer goods companies in Africa? Are you optimistic about the future?

I'm super optimistic. When I speak I can feel myself being emotionally overwhelmed by the wonderful opportunities that we have on our continent. The accessibility of technology is making such a big difference in making consumer goods accessible as well, so I am super excited. It's like going underneath the rainbow and there's there's a pot of gold on the other side.

ABOUT LAUREN HARTZENBERG

Managing editor and retail editor at Bizcommunity.com Cape Town apologist. Dog mom Get in touch: lauren@bizcommunity.com

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