

# Value-added Services **LiquorShop**



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**Although the number of** LiquorShop outlets is still relatively small – there were 48 at the end of the reporting period – it is becoming an increasingly relevant part of the shopping mix that the Group offers to its customers. During the reporting period 16 new stores were opened due to the relatively slow rate and the basis on which new licences are approved.

Despite the depressed market, the chain managed to virtually double turnover

compared to the previous financial year, while growth on existing business reached 20%. In a highly competitive environment LiquorShops were able to benefit increasingly from consumers' low-price perception of the Group. Where at all possible, LiquorShop outlets are located at the entrance to or near a Shoprite or Checkers store. Presently three LiquorShop outlets are located in Namibia – the first country outside South Africa to which the brand has expanded. Each store is provisioned in the light of the preferences of the immediate community and carries a product range of about 1 000 items.

It has been found that despite their proximity, LiquorShop outlets do not cannibalise wine sales in supermarkets as it is a destination in its own right due to the addi-

tional product range and complementing products such as novelty gift items on offer. LiquorShops offer a wide selection of spirits, beers, ciders, ready-to-drink brands and mixers in addition to wine, thereby expanding the opportunities for consumers to satisfy all their needs in this consumer goods category under one roof.

Much effort is put into creating a strong, easily recognisable identity for LiquorShop outlets. They project a quality image while at the same time creating, through lighting and music, a friendly, relaxed and comfortable environment. The Group is positive that the chain has reached sufficient economies of scale to achieve the momentum it requires for growing at a faster rate in the year ahead.