SEPTEMBER 2020 BAKERS FORUM

IN THIS ISSUE

Anchor Training goes Virtual | Anchor Yeast in the Time of Covid | SA Chamber of Baking: Chairperson's Report | 2020 Consumer Types: Who they are and how they live | Damian Vieira reflects on how COVID-19 has affected business

ANCHOR TRAINING GOES VIRTUAL



Anchor Yeast hosted its first virtual bakery training course in July, in collaboration with US Wheat. With delegates across Nigeria in attendance on Skype, the training offered the theory of bread making. The course will be followed up with face-to-face practical training. Although even faceto-face training is preferred for the theory component of training, a delegate had this to say about the experience: "It has helped me to know more about the bread baking process and taking precautions during baking," they said. "I learned how to avoid human, equipment and environmental error, and to maintain good hygiene in the office and at home, as well as avoiding the contamination of goods against pests through correct storage."





ANCHOR YEAST IN THE TIME OF COVID

The COVID-19 pandemic forced businesses to adapt overnight. Here is a rundown of how each department in Anchor Yeast handled the Lockdown.



Bakery Specialties

With categories of customers across the baking industry, different sectors of the Bakery Specialties Business Unit were affected in unique ways – restaurant bakeries might not have been operating, but independent and retail bakeries were. The inconsistent levels of demand affected supply, which required quick-thinking throughout the lockdown, and the team adapted quickly.

During the lockdown period, the technical sales managers have continued to call their key customers telephonically to keep in touch and understand the impact on their business, and since the easing of lockdown have become available for face-to-face meetings should the client feel comfortable. The product development team has been working on a rotational basis to ensure that they continue our projects, routine testing and offer support to their customers.



The Operations team started planning for the lockdown in advance. Following a risk assessment, a set of procedures and practical work instructions around cleaning, sanitizing, social distancing were put in place.

In addition, teams were trained into new roles to provide necessary backups. Their robust systems were also benchmarked







against chemical and food companies that they have collaborated with. The increase in demand for dry yeast in South Africa during the past 4 months has resulted in the Drying Plant running to capacity.

The consumer packaging lines were a constraint to servicing the insatiable demand. The dry yeast packing lines were extended to a 7-day 24 hour operation and two additional packing lines that had been used to pack powered soft drinks were reconfigured to pack yeast.

Call Centre & Logistics

During the lockdown, some members of the Call Centre team worked remotely, sourcing dongles and additional 3G cards, and topping up on personal cell phones ensured continuous contact with customers.

The call centre usually has an average rate of 1900 calls but since the lockdown it has averaged on 3100 calls per month. During level 3 it reduced to 2600 calls. They also noticed a significant increase in queries and demand for brewer's yeast!

The Warehouse and Distribution team adopted various new processes and procedures to ensure that the team and customers were safe. With deliveries happening as normal, this involved reducing staff to only 2 per vehicle and using the same vehicle daily. Stricter cleaning routine and schedules were implemented. Where necessary, weekend deliveries and early morning deliveries were made – all to meet our customer needs! There was a need for "out of the box thinking/planning" to adapt to changing consumer demands. This required minute by minute communication and co-ordination on Depot Replenishment across all business units as volumes increased due to the spike in sales during this time.









SA CHAMBER OF BAKING: Chairperson's report

While traditionally the Chairperson of the South African Chamber of Baking (SACOB) delivers their address at the AGM, thanks to the COVID-19 pandemic, this year was different and the address was made virtually. Here, we highlight sections of the speech from Chairperson Colin Hardy, which focuses on how the industry has reacted to COVID-19, and what the future might hold.

As with every participant in the food sector, the baking industry has had to surmount "never-faced-before challenges" since the arrival of COVID-19 in South Africa which speaks volumes for the resilience and agility of the leadership of the industry.

Despite many risks and difficulties, the employees in the industry have valiantly found a way to get to work and ensure that South Africans have had access to nutritious, fresh bread during the current pandemic and should be acknowledged as heroes, found in the frontline of providing food to the nation. Most employees in the industry travel to work using public transport and taxis, and the industry has incurred significant extra cost in hiring additional transport to minimize the risk of employees becoming infected. Distribution of bread at the start of the lockdown was made difficult by security forces misinterpreting the laws, closures of some retail outlets including the informal sector (temporarily), and changed buying patterns as consumer's stockpiled food, particularly at the commencement of the lockdown. Congestion at ports too, often meant delays in getting essential imported ingredients to the industry and in some instances ingredients had to be airfreighted to ingredient suppliers and bakers.

Despite applying the strictest of standards some bakeries responsibly shut down

and deep cleaned plants when it was found that employees had tested positive for the COVID virus. PPE, sanitizing, deep cleaning and temporary closures have all come at an immense cost to the industry. Yet the industry has responded positively to the call by government to keep the price of foodstuffs as affordable as possible despite the significant additional costs brought about by the pandemic.

"So, managing a bakery in turbulent times such as these is not easy. Thankfully, industry leadership has been resourceful and responsible, and has put people and nutrition before profits."

The industry has made donations of millions of loaves of bread to numerous projects supporting the fight against food insecurity since the beginning of the pandemic. It has also used its resources, vehicles and people to facilitate the distribution of food parcels to the needy, often in remote rural areas.

Looking to the future, the pandemic is going to make people poorer. Unemployment is going to increase. Our economy is going to take a long time to recover. What is uncertain is what effect this will all have on the consumption of staple foodstuffs such as bread. As consumption patterns change the population may switch from consuming more expensive food products to consuming more bread and other staples. Many of those already on the breadline, may switch to eating other staples, or sadly to just eating less.

The industry is extremely concerned that food insecurity is likely to increase as the effects of the pandemic deepen and support mechanisms in the form of food parcels and grants run out. What is likely to impact the consumption of bread is the bumper maize crop South Africa will have this year. This is likely to result in lower prices of maize meal over the next twelve months and a change in the pattern of staple food consumption.

So, managing a bakery in turbulent times such as these is not easy. Thankfully, industry leadership has been resourceful and responsible, and has put people and nutrition before profits. It has heeded the call by our President to keep price increases and layoffs to a minimum. The SA Chamber of Baking reassures consumers that the baking industry, which has survived many a crisis, will survive the corona virus pandemic. The Chamber acknowledges the strong, ethical leadership, resourceful managers and committed personnel working in the baking industry who will continue to provide the country with nutritious, highquality bread!







We launched a new specialty bread premix. With its bright yellow colour, Anchor Turmeric Bread will offer interesting options for in-store bakeries.



LINKEDIN PAGE anchor-yeast-bakeryspecialties-south-africa

The lockdown was the perfect timing to increase our social media presence with the launch of our Linkedin page. This will be a useful platform to keep in touch with our customers with pertinent information

2020 CONSUMER TYPES: WHO THEY ARE AND HOW THEY LIVE

The COVID-19 Pandemic has forced a lot of change, especially in how, when and where we shop. For those looking for insights into the 2020 consumer, Euromonitor International, a market research provider, recently released a webinar and report by Amrutha Shridhar, a Research Consultant into Consumer Insight. The report categorised consumers beyond demographics and by purchasing type. Euromonitor International's research found that there are 200 consumer types within 11 groups.

Here is an overview of today's consumer, sourced from **Euromonitor International's report**:

Impulsive Spender: This category makes up 16% of the global population, and is discount and bargain-oriented. 74% seek bespoke experiences from holidays to shopping services, and 89% use technology to improve their daily life.

Minimalist Seeker: 13% of the global population do not place importance on their image and are unlikely to buy non-essential products for their modest lifestyle.

Secure Traditionalist: Content with what they have, 12% of the global population actively avoid shopping and are likely to purchase the cheapest alternative.

Empowered Activist: Prioritising authenticity and concerned with global issues, 12% of the population fall within this group and ensure that their actions are in line with their beliefs.

Undaunted Striver: 11% of the global population highly prioritise experiences and leisure activities, name-brand and luxury products, in order to maintain their trendy status online and offline.

Conservative Homebody: 11% of the population is all about family relationships and personal matters, and are unlikely to follow the latest trends.

Digital Enthusiast: These consumers keep up to date with the latest technological trends and use online platforms for every day tasks. In fact, 74% say they would be lost without internet access.

Inspired Adventurer: 6% of the population are open to trying new things and have large personal, health or career goals that they are actively pursuing.

Cautious Planner: This consumer is careful with their money and rarely make impulse buys – 5% of the global population are unlikely to be swayed by the latest trends and will purchase tried and tested products.

Self-Care Aficionado: Making up 5% of the population, this consumer prioritises their own well-being and needs. 60% of these consumers participate in physical exercise and 44% take vitamins and supplements.

Balanced Optimist: 3% of the population seek a balanced lifestyle where they enjoy the present and plan for the future, with 73% are looking to simplify their lives.

To find out how each category's buying habits have been affected by COVID-19, and how your business can meet their needs, visit:

https://go.euromonitor.com/webinar-consumer-typesin-2020.html to watch the webinar.





DAMIAN VIEIRA REFLECTS ON HOW COVID-19 HAS AFFECTED BUSINESS

We chat with Damian Vieira, the owner of Vieira's Bakery in Western Cape about how the COVID-19 Pandemic and subsequent lockdown has affected his bakery. One of the bakery's main clients is the Spar. The Bakery offers a wide range of products such as semi long-life rolls, tarts, pizzas and brownies.







We chat with Damian Vieira, the owner of Vieira's Bakery in Western Cape about how the COVID-19 Pandemic and subsequent lockdown has affected his bakery. The Bakery offers a wide range of products such as semi long-life rolls, tarts, pizzas and brownies, and one of the bakery's main clients is the Spar.

"We closed for the first month of the hard lockdown and reopened at the beginning of May," says Damian. As there were no trains operating, schedules had to be adjusted to enable staff to travel home, which resulted in an earlier finish of the workday.

The staff are screened twice a day. They are first screened before they enter the facility, where they are issued with a deep cleaned and individually sealed face mask along with the rest of their



protective wear. Then, they are screened again at the end of the day before they go home. During the day staff are required to do their best to maintain social distancing. Operation procedures have been adapted to ensure this is adhered to, and staggered tea and lunch breaks are also observed.

"We've been doing a little less business than last year and our forecasts haven't been met," says Damian. "A contributing factor is that we've lost customers such as coffee shops and restaurants that were closed during lockdown."

However, the bakery staff are doing well. They have only had one COVID-19 positive case which resulted in a 24-hour shutdown, during which the bakery followed the necessary procedures with regards to risk assessment and sanitization.

"There's also been a move towards products that are pre-packed or sealed as customers move away from open product on the shelf," he says. "Store owners are buying pre-packed products that have been produced in GFSI hygiene certified environments."

When asked about some of the other changes he has noticed in retail, Damian says that he has observed that the smaller stores are taking more rolls and baking less in-store.

