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INVESTIGATING THE EFFECTS OF COVID-19 CORONA VIRUS IN
BOTSWANA: A CASE OF KGALAGADI BREWERIES LIMITED

By

GAONE TSHABELA

STUDENT NO. 1920927

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Supervisor: Dr. Douglas Svotwa

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STATEMENT OF ORIGINALITY

I, the undersigned, certify that this research is my own work and was carried out while a student at Botho University as partial fulfillment of the requirements of the Masters in Business Administration (MBA) Degree. I affirm that any ideas of other people used in this work have been fully acknowledged using the Harvard referencing style.

Name of student: Gaone Tshabela

Signature: -----

Date: 16 July 2021

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ACRONYMS

KBL:	Kgalagadi Breweries limited
VAT:	Value added tax
GoB:	Government of Botswana
SMEs:	Small and Medium enterprises

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ABSTRACT

This study focuses on investigating the effects of Covid-19 on the alcohol industry in Botswana. The research was carried out in Broadhurst Industrial, Gaborone (Botswana) where Kgalagadi Breweries Limited is located. The main aim of the research was to establish the perceptions of lower, middle and top managers regarding the effects of Covid-19 on KBL in Gaborone, Botswana. The researcher used positivism research philosophy because of its nature to accommodate large sample sizes. The researcher utilized a census strategy where all the elements of the population were taken in the study since the small population size did not warrant sampling. The researcher targeted a total population of 60 respondents. The researcher used a case study as a research design. The researcher selected a case study because of its nature of allowing the exploration and understanding of complex issues, thus expanding the reader's experiences. The outcome of the study revealed that the managers (lower, middle and top), were of the perspective that Covid-19 has resulted in stock expiry, loss of sales and profits. The findings of the study indicated that KBL had lost profits since the restrictions of alcohol sales were introduced to curb the spread of Covid-19. The study recommended that KBL could use online selling to increase sales and also reduce working hours hence reducing their wage bill while at the same time adhering to Covid-19 regulations of decongesting the offices. The researcher only had access to the financial reports published by KBL on their website hence the information was limited. The researcher could not access the current financial reports of KBL since they were not published hence the researcher had to source the current financial records from the newspapers. Due many regulations that were imposed by the government such as social distancing the researcher had to distribute questionnaires to the respondents in batches. At times the researcher had to go back and forth to collect the information since some respondents were not present in the office as they had tested positive for Covid-19 or on isolation. Future research could consider effects of Covid-19 on the alcohol industry since there are limited studies on this topic. The managerial implications on KBL include that there were changes in production process and methods, and standard operating procedures to maintain social distancing at the workplace. This led to a strain on the achievement of productivity target of employees as extra time was needed to follow the new regulations. This implied that a new optional and real inventory and work allocation was needed for various phases of the pandemic. The researcher recommends that KBL could refocus their product campaign strategies to attract and retain

customers during the pandemic hence making more profits. Based on the findings of the study, alcohol restrictions that were imposed by the government had by far affected the country's sole alcohol manufacturer. Therefore, the researcher recommended that the Government of Botswana can facilitate the recovery of KBL during times when alcohol restriction is lifted by offering loan and also reducing the alcohol levy.

Keywords: *Covid-19, lockdown, quarantine, Kgalagadi Breweries Limited, alcohol industry*

CHAPTER 1: INTRODUCTION AND BACKGROUND TO THE STUDY

1.1 Introduction

The purpose of this chapter is to introduce the study by outlining the assumptions, research objectives, research questions, study scope, emphasizing the significance of the investigation, and describing the words used in the study as suggested by (Kapeng, 2020). Moeti (2020) states that corona virus has altered our way of life, as well as that of the entire global village at large. All countries are combating the spread of corona virus in their own territories, while also dealing with increased unemployment, collapsing enterprises, food shortages and high fatality rates as a result of the corona pandemic (Tshipayagae,2020). With the pandemic outbreak in Asia in or around November 2019, officials around the world put in place precautions to prevent the disease from spreading too far. Nations eventually began canceling visa applications, restricting movement of persons from afflicted countries, and closing their borders (Mosinyi, 2020).

The Covid-19 pandemic has had a global impact on the alcohol business, and a drop in sales and earnings is expected to endure for a long time. The Covid-19 epidemic has impacted all businesses around the world Wang et al. (2020). Its consequences for Big Alcohol predict a drop in sales and earnings in the future. Despite the first reports of alcohol stockpiling in several countries when the Covid-19 lockdown began, it appears that people are drinking less alcohol globally. In several nations, alcohol off-trade sales spiked during the start of the Covid-19 lockdown period, although this trend has already subsided to normal levels Craven et al. (2020). The alcohol industry has also been hit by Covid-19 in the African continent. With government introducing lockdowns and alcohol sale restriction to curb the spread of the virus, profits and jobs have been lost gradually (Mosinyi, 2020). The increase in positive cases of Covid-19 has resulted in many governments in Africa being promoted to introduce strict regulations banning alcohol sale Botswana included. As a results alcohol manufactures such as KBL operating in Botswana have lost sales and faced profits decline Craven et al. (2020).

This study was prompted by a desire to learn more about how the corona virus has impacted financially Kgalagadi Breweries Limited (KBL) and the issues it has posed. The researcher focused on the financial impact of Covid-19 in KBL due to the alcohol sale restrictions which were rapidly implemented by the Government of Botswana. Many studies had been more focused on the health industry and its capacity to handle Covid-19 leaving little room for

research in how Covid-19 affected industries, alcohol included De Rose C, et al (2020). The alcohol industry was seemingly drowning with each alcohol sale restriction to curb the spread of Covid-19 (Mosinyi, 2020).

The researcher decided to unveil effects of Covid-19 on KBL reason being that since the outbreak of Covid-19 many Governments had restricted the alcohol sale, following statements by the World health organization that intoxication can lead one to be vulnerable to the virus Siebel (2020). The behavior of people under the influence of alcohol where people had no respect for social distancing seemed to have also prompted alcohol restrictions. Therefore, the researcher was compelled to unveil the effects of Covid-19 on KBL which is the country's sole manufacture. The former minister of Trade Ms Peggy Serame had also announced the statistics which showed that there was little revenue collected from alcohol levy since the outbreak of Covid-19 Pitso (2019).

1.2 Background to the Study

This research was carried out at KBL, which is located in Broadhurst Industrial, Gaborone, Botswana's capital city Mosinyi (2020). Gyum Gong founded KBL, which is Botswana's only clear and traditional beer maker Pitso (2019). Lager beer, traditional brews, bottled water, and soft drinks are all produced here. KBL is a privately held company with around 1000 employees spread over Botswana Sebeelo (2020). Botswana's sole beer producer is estimated to have made over P162 million in profits per month in 2019, totaling P1.9 billion at the end of the year.

It is a profit making organization whose mission is to improve the lives of citizens while also building communities Kapeng (2020). KBL's mission is to own and manage local and international brands that are the customers' first choice. Its vision is to become the most admired firm in the worldwide beer market, as well as a partner of choice, an investment of choice, and an employer of choice (Mosinyi, 2020). KBL has established social responsibility programs such as Kick Start and Project Tshelang, which attempt to mentor youth and train peer educators to prevent new HIV infections (Sebeelo, 2020).

Covid-19 has brought economic crisis across the globe in all industries Rahman et al. (2019). The healthcare industry has already been overburdened and understaffed in many countries; with the outbreak of Covid-19 many countries are not able for provide care for all patients Ogilvie

(2020). Most countries more especially in the African continent have given reports on the limited number of ICU beds that they have in hospitals, Botswana included (Tshipayagae, 2020). The healthcare market specialists have indicated that at least 85% of the pharmacy businesses are worried about the effects of Covid-19 in their performance (Mosinyi, 2020). The Asia- Pacific market has been estimated to show the highest level of (Pitso, 2019). The outbreak of Covid-19 has forced many businesses in the healthcare industry to stop operations. Covid-19 has also disturbed many ongoing drug trails as companies all now focus on running new drug tests to find the cure or prevention for Covid-19 (Kapeng, 2020).

Producers, wholesalers, and distributors of alcoholic beverages, as well as licensed and unlicensed point-of-sale operators and hospitality providers such as hotels and cafés that serve alcohol, make up the alcoholic beverage business (Craven et al. 2020). Agriculture, haulage, capital goods manufacture, and packaging industries are all closely associated with its production and distribution arms. Its marketing arm invests substantially in the advertising, sports, and entertainment industries (including films, television and music) (Daniel, 2020). Globally, informal or 'unrecorded' alcohol production, trade, and sale is significant, accounting for at least two-thirds of alcohol consumption on the Indian subcontinent, around half of consumption in Africa, and one-third of consumption in Eastern Europe and Latin America (Rahman et al., 2019). Branded alcoholic beverages account for 38% of global alcohol consumption, according to the alcohol industry-funded International Center on Alcohol Policies (ICAP). However, these globalized alcoholic beverages, brands with regional or worldwide marketing campaigns and associated identities, often lead national alcohol markets. In 2005, the top ten alcoholic beverage marketers accounted for 48 percent of international brand sales (by volume). All ten of these are breweries. They were also responsible for 66 percent of multinational beer production (Sun et al. 2020).

The worth of distilled spirits relative to beer on the worldwide market can be seen by ranking global alcohol firms by net revenue/turnover rather than by volume. Diageo plc. led the industry in net revenue/turnover in 2005, followed by Heineken NV, InBev, SABMiller, and Anheuser-Busch. Historically, the beverage industry has been one of the most recession-resistant industries on the planet (Sun et al. 2020). According to David Ozgo, Senior Vice President, Economic and Strategic Analysis of the Distilled Spirits Council of the United States (DISCUS), overall

alcoholic beverage consumption does not alter significantly during economic downturns: beer and wine sales climb while liquor sales fall (Holland). Budget and mid-priced (premium) spirits would see an increase in demand, while super-premium and ultra-premium spirits would see a decrease (Rahman et al. 2019). The distribution pattern, on the other hand, would vary dramatically (Milton, 2020) On-premise sales for consumption in a business such as a bar, restaurant, or vineyard tasting room would normally fall. While off-premise "to-go" sales of packaged goods for home consumption from grocery and liquor stores, as well as mail order companies, would rise (Milton, 2020). Off-premise liquor sales accounted for roughly \$113 billion in 2018, or around 47% of total alcohol sales. On-premise sales accounted for \$147 billion in sales, or nearly 53% of total sales. The impact of the Covid-19 epidemic on alcoholic beverage sales has so far been different from past recessions (Milton, 2020). Many enterprises, including KBL, have faced numerous obstacles as a result of the restrictions on alcohol sales that arose from the measures that were enacted by practically every country across the globe as a strategy of avoiding the spread of Covid-19 (Mosinyi, 2020).

Mrs. Masegonyana Madisa, the company's head of corporate affairs, stated that they have lost 100 days of sales, or 70% of revenue, since the first prohibition was imposed (Kapeng, 2020). As a result, the researcher decided to look into the effects of Covid-19 on KBL. Covid-19 has had significant economic effects for the countries affected, in addition to the significant burden on healthcare systems (Pitso, 2019). The Covid-19 pandemic has had a direct impact on income due to premature fatalities, workplace absenteeism, and productivity losses, as well as a negative supply shock, with manufacturing production dropping due to worldwide supply chain disruptions (Pitso, 2019).

1.3 Problem Statement

The Covid-19 pandemic has had a global impact on the alcohol business, and a drop in sales and earnings is expected to endure for a long time. The Covid-19 epidemic has impacted all businesses around the world. Its consequences for Big Alcohol predict a drop in sales and earnings in the future. Despite the first reports of alcohol stockpiling in several countries when the Covid-19 lockdown began, it appears that people are drinking less alcohol globally. In several nations, alcohol off-trade sales spiked during the start of the Covid-19 lockdown period, but this tendency is gradually subsiding to normal levels. According to new statistics from IWSR

Drinks Market Analysis, the alcohol market is experiencing a slump that is unlikely to be reversed until at least 2024. In 2020, global sales are predicted to drop by 12%. AB InBev, the world's largest beer company, announced an 11% reduction in revenue for its top three beer brands, Budweiser, Stella Artois, and Corona. This is double the drop in the brewer's 500 brand profile. In addition, AB InBev is saddled with a \$96 billion debt.

While scientists and doctors must find a solution for Covid-19, researchers have made little attempt to write about the disease (Mosinyi, 2020). As a result, there is a scarcity of accurate data on the effects of Covid-19 on the alcohol sector, and knowledge of the effects of Covid-19 on KBL is similarly restricted (Vandenberg, 2019). This study seeks to explore the effects of alcohol ban and restrictions on KBL and assess the effects of Covid-19 on KBL (Tshipayagae, 2020). This research will also look into how the Botswana government might help KBL recover from the losses caused by Covid-19, as no previous studies have provided recommendations on the subject (Kapeng, 2020). Governments have played a part in uplifting business prior to Covid-19 outbreak. There are certain laws that have been introduced by governments to reduce the spread of Covid-19 which had influenced effects on Covid-19 in KBL. The researcher was therefore keen to understand the impact of these restrictions on KBL. KBL is the sole alcohol manufacturer in Botswana; authorities had revealed statistical information that the manufacturer was contributing less revenue for the Government via alcohol levy. The researcher was therefore keen to reveal the depth in which KBL has been affected by Covid-19. KBL had limited control over these regulations hence the government needs to meet the manufacturer half way to facilitate it to recover from Covid-19. KBL announced to their customers to bring back all the alcohol that had expired while awaiting the lift on the alcohol sales restrictions. During alcohol sales restriction there were no sales therefore the researcher embarked on a mission to find out how that affected KBL with regards to its workforce or human resources. The researcher was compelled to research further in more detail if indeed stock expiry had affected KBL. This study also goes further to examine the strategies that can be implemented by KBL to recover from Covid-19 (Mosinyi, 2020). Studies have indicated that KBL called for the return of the expired stock but did not go into details of how stock expiry had affected KBL. Local newspapers had revealed that the former Minister of Trade had said that less revenue had been collected from the alcohol industry but a little was revealed about the effects of Covid-19 on the financial status of KBL.

1.4 Research Objectives

1.4.1 Main objective

To establish the perceptions of lower, middle and top managers regarding the effects of Covid-19 on KBL in Gaborone, Botswana.

1.4.2 Secondary Objectives

- 1) To determine how the ban on alcohol sale and restrictions have affected KBL in Gaborone, Botswana.
- 2) To assess the effects of Covid-19 on KBL's operations in Gaborone, Botswana.
- 3) To examine ways in which the Government of Botswana could assist KBL to recover from losses brought by covid-19.
- 4) To recommend strategies that could be implemented by KBL to survive during Covid-19 and beyond.

1.5 Research Questions

1. What are the effects of Covid-19 on KBL's operations in Gaborone, Botswana?
2. How has the banning of alcohol sale and restrictions affected KBL?
3. What are ways in which the government of Botswana can assist KBL recover from losses brought by Covid-19?
4. What strategies could be adopted by KBL to survive during Covid-19 and beyond?

1.6 Significance of the Study

This study seeks to create awareness to KBL management about the effects of Covid-19 virus on the company's operations in terms of the, workforce, sales and financial status of KBL Pitso (2019). Having learnt about the effects of Covid-19 this study would assist KBL management to implement strategies that could enable it to be profitable and survive during, and after the Covid-19 pandemic (Mosinyi, 2020). The study also informs the Botswana government about the rate at which covid-19 has impacted KBL's alcohol production and sales Vandenberg (2019). The study also advises KBL on how to recover from the losses caused by Covid-19, thereby increasing the country's GDP Kapeng (2020). Above all, this research contributes to the body of knowledge regarding how companies may remain financially viable and the strategies they may use in view of pandemics such as the Covid-19.

1.7 Delimitations

The study was carried out in Gaborone, Botswana, in Broadhurst industrial where KBL headquarters is located. Since they are largely involved in the implementation of strategy, the respondents will comprise KBL's lower, middle, and top management. As a result, they have complete information on the effects of Covid-19 on KBL. Since the former Minister of Trade in Botswana (Peggy Serame) gave information indicating that the country had been hit heavily by the alcohol business in terms of taxation, this study concentrated on KBL (Pitso, 2019). Minister Serame's admission implies that Covid-19 has harmed the local producer KBL as well.

1.8 Definition of Key Terms

- a) **Coronavirus disease 2019 (Covid-19)** is a contagious respiratory and vascular disease caused by the coronavirus that causes severe acute respiratory syndrome (Holland and Knight Alert, 2020).
- b) **A case study** is an in-depth, systematic investigation of an entity, group, community or some other unit of interest to the researcher, which examines in-depth data relating to specific variables (Easterby, 2020).

1.9 Dissertation Outline

The report on the study is arranged in five chapters as follows:

Chapter 1: Comprises general background, problem statement, and area of study, the objectives of the study, research question, and significance of study, delimitations, definition of key terms and organization of the study.

Chapter 2: The second chapter includes the review of literature relevant to the study which looks at the background of Covid-19 and its impact on businesses, KBL organization in details, the effects of Covid-19 on KBL, Strategies to recover and cope under the doom of Covid-19.

Chapter 3: Focuses on the methodology used to collect data for the research, the research philosophy, research design, research approach, data collection instruments, data collection procedures, data analysis and ethical considerations.

Chapter 4: Presents the findings of the research and discussions.

Chapter 5: Comprises the recommendations and conclusions of the study.

1.10 Chapter Summary

This chapter covered the introduction, study background, problem statement, research objectives, and research questions, as well as the researcher's assumptions, delimitations, and importance of the study, as well as clarifying the main terminology used by the researcher. Last year, KBL sold 153.5 million liters of alcoholic beverages, up 6% from the previous year, with St Louis beer accounting for the majority of sales (Pitso, 2019). Since March 2020, when the government limited the sale of alcohol as part of a slew of efforts to combat the spread of Covid-19, KBL has suffered a significant setback. Due to a lack of cash, the board of directors made a statement stating that they foresee a large loss, as do other companies, and that they will likely downsize their personnel or slash compensation (Moeti, 2020). In the year 2020, KBL attempted to leverage the St Louis product in its fight for survival. KBL has already been able to withstand the alcohol levy, which made their products more expensive and nearly decimated their profitability (Moeti, 2020).

Covid-19, on the other hand, has led the corporation in a new direction, with no alcohol sales at times. As a result, the researcher feels obliged to dig deeper into how Covid-19 has impacted KBL, referencing previous financial performance and sales and underlining the difference that has been observed in the year 2020(Kampong, 2020). This study is significant because it will add to the scarce knowledge on how Covid-19 has impacted the corporate sector, particularly the alcohol industry. This research will also provide KBL's middle management with an overview of what they can do to survive the Covid-19 pandemic, as well as suggestions for the Botswana government on how to help their sole alcohol manufacturer survive the pandemic (Moeti, 2020).

CHAPTER 2: LITERATURE REVIEW

2.1 Introduction

This chapter investigates the economic issues that have arisen as a result of Covid-19, as well as the emergency powers or Covid-19 laws that impact the selling of alcohol in Botswana (Kapeng, 2020). Furthermore, as part of the Covid-19 response, the chapter also provides an overview of alcohol policy measures in Southern African countries (Manyepedza, 2020). Botswana's commercial alcohol sector is well-established, with local clear beer production estimated at 600,000 hectoliters per year and a thriving alcohol trade involving both local and foreign beverages (Holland and Knight Alert, 2020). Chibuku, a traditional-style sorghum/maize opaque beer, is manufactured and marketed commercially every year in the amount of 130,000 hectoliters.

According to the World Health Organization's Global Status Report on Alcohol (2011), total alcohol consumption in Botswana was 7.96 liters' pure alcohol per capita per year among people aged 15 and over, including 3 liters from unrecorded sources. Home-brewed opaque beers, such as the sorghum- or millet-based bojalwa jwa Setswana, are the most popular noncommercial products in Botswana (Ranney, 2020). Khadi (a wine created from berries, fruits, roots, and/or honey) and different home-brewed or home-distilled beverages made from grains, fruits, berries, honey, roots, palm sap, and other components are examples of noncommercial beverages (Holland and Knight Alert, 2020). Many Tswana celebrations and rituals include the production and consumption of traditional sorghum- or millet-based beer, which is crucial to weddings, harvest festivals, and gatherings honoring ancestors, and bojalwa jwa Setswana is held with intense affection by many Batswana (Ranney, 2020).

In December 2011, restrictions affecting the manufacturing and sale of noncommercial alcohol went into effect, and in July 2012, regulations limiting the sale of Chibuku from home premises went into effect (after the study discussed below had concluded). Despite the fact that Chibuku is a commercial beverage, it has traditionally been marketed alongside nonprofit alcohol. Before the 2012 rules, between 80% to 85% of Botswana Breweries Limited's (BBL) Chibuku was sold in unlicensed taverns and shebeens operating out of private homes, which were excluded from the 2004 Liquor Act's licensing provisions (Milton, 2020).

2.2 Contextualizing Alcohol Drinking in Botswana

In the year 2008 the government of Botswana introduced a 30% tax levy which was mainly directed towards all the alcohol products as a way of reducing the high consumption of alcohol in Botswana (Hobbs, 2020). At first the levy was set at 70% but it was then reduced to 30%. In addition to the tax increase the operating hours for alcohol selling business were reduced and all those who were selling alcohol from their homesteads were forbidden to do so (Holland and Knight Alert ,2020). Thus anyone who was not regulated to sell alcohol was restricted by the new regulations which had been (Mosinyi, 2020). Even when these new regulations were implemented the government of Botswana had not carried out a research as to how these new changes will affect the livelihood of those who have been selling alcohol to earn a living (Mosinyi, 2020). Thus no plan was put in place to facilitate and guide them on how to survive without selling alcohol as their main stream of income. The government neither carried out a research to measure the effectiveness of the newly imposed alcohol levy hence most Batswana could not understand what fueled the decision at hand (Pitso, 2019)

Bars and entertainment areas have found out way of surviving under the new normal in which operating hours had been extremely reduced impossible (Mosinyi, 2020). Bars now only operated for 8 hours from 2pm to 10pm between Monday and Thursday instead of the normal 14 hours they were accustomed to, on weekends they only operated for 11 hours instead of 14 hours and on holidays and Sundays they only operated for 7 hours only instead of 12 hours they were used to (Holland and Knight Alert ,2020). The new revised operating hours meant that nightclubs and discotheques could only operating for 5 hours on week days and 7 hours from Friday to Saturdays. KBL was among those who did not welcome the new implementation of alcohol levy, as it posed as a threat to their earnings (Holland and Knight Alert ,2020). In support of KBL the local newspapers had their front pages headlining the government's "war" and "Jihad" on alcohol drinking in our country. Although these headlines fueled the perspective of many with regards to the new alcohol regulations, the government ignored all these and proceeded with the tax increase on alcohol (Pitso, 2019).

2.3 Theoretical Framework

This research is based on the Crisis Management Team Theory. A crisis is an unanticipated threat to an organization's core ideals, with a finite amount of time to respond (Pitso, 2019).

Mitroff proposed the Theory of Crisis Management in 1998, with the premise that firms confronted with unpredictable and uncontrollable occurrences should have permanent crisis management teams (Milton ,2020). That is, in the case of KBL, they are in charge of devising a sufficient yet adaptable reaction plan to Covid-19 (Ranney, 2020). The benefit of an interconnected organizational structure and diffused leadership is supported by the theory (Mosinyi, 2020). It also emphasizes the need of an up-and-coming leadership team, which serves as the nerve center for stress testing of various simulation-driven scenarios or situations (Ranney, 2020). Disasters are interpreted as political and organizational concerns in the management crisis theory. A well-organized leadership and tactical planning can help organizations overcome some of their limitations (Holland and Knight Alert, 2020). Using strategic planning, organizations can remove some of the hazards; alleviate outcomes of adverse pandemics such a Covid-19 (Tshipayagae ,2020).

Apart from creating several stages of crisis management like, detection, prevention learning, recovery and containment, management crisis have also given crisis response to strategies for sustainable development (Milton, 2020). Disasters and crises reveal turbulent situations and shows the various interrelations between humans and natural systems (Tshipayagae, 2020).The Covid-19 virus and its transmission across the globe marks the intricate link between humanity and the natural system (Holland and Knight Alert ,2020).Due to the spreading complexity, the interrelation between human activity and inactivity, including business operations and the appearance of a disaster phenomenon is getting gradually challenging to discern (Mosinyi, 2020). KBL can be one of the companies that continue to prosper during Covid-19 pandemic (Tshipayagae ,2020). Through employing the crisis management theory KBL can use the capacity of managers to influence the overall perspective and follow the guideline that will alleviate their worse situation (Mithun, 2020).

Through crisis management KBL would be able to respond and adapt quickly to Covid-19 through a networked structure, flexible and direct guidelines (Sebeelo, 2020). KBL can review its priorities, reevaluate the supply chain during the Covid-19 pandemic (Milton, 2020). KBL can move its focus from offline to e-trading and make more profits while adhering to the set Covid-19 guidelines such as social distancing (Mosinyi, 2020). KBL can also through employing the crisis management theory form a crisis task team which can meet weekly or monthly to view the Covid-19 guidelines and see how each can be responded to. In a nutshell KBL can manage the

Covid-19 crisis through shifting to selling its products online (Pitso ,2019). KBL can manage its crisis through having a networked and visual structure, with a shorter and diversified supply chain, flexible and adaptive culture, distributed leadership and workforce (Mosinyi, 2020). Advanced digitalization and internet technologies, and financial contingency plan can sustain their business during the pandemic crisis as well (Milton, 2020).

2.4 Background on Covid-19 and Its Impact on Business Globally and in Botswana

The global alcoholic beverage market is expected to grow at a steady rate of at least 3.1 percent for the period 2019-2025. However, many companies have yet to recover from the losses caused by the Covid-19 outbreak, which has afflicted alcoholic beverage companies all over the world (Mithun, 2020). When compared to on premise sales, several businesses are seeing an increase in off-premise sales. Constellations Brands is an excellent example, as they had a nearly 30% increase in off-premise channel sales in February 2020, as customers avoided on premise sales to avoid the spread of Covid-19 (Mithun, 2020). The alcohol industry's market size is examined in North America, Asia Pacific, Europe, and the rest of the world. The Asia Pacific region controls the majority of the global market for alcoholic beverages, with China accounting for one-third of the total, and economies such as India, Japan, and South Korea dominating the market (Holland and Knight Alert, 2020).

Historically, the beverage industry has been one of the most recession-resistant industries on the planet. According to David Ozgo, Senior Vice President, Economic and Strategic Analysis at the Distilled Spirits Council of the United States (DISCUS), overall alcoholic beverage consumption does not alter significantly during economic downturns: beer and wine sales climb while liquor sales fall, (Holland and Knight Alert, 2020). Budget and mid-priced (premium) spirits would see an increase in demand, while high-end super-premium and ultra-premium spirits would see a decrease in demand. The distribution pattern, on the other hand, would vary dramatically (Milton, 2020). On-premise sales for consumption in a location such as a bar, restaurant, or vineyard tasting room would normally decrease. While off-premise "to-go" sales of packaged goods for home consumption from grocery and liquor stores, as well as mail order companies, would rise (Milton, 2020). From the standpoint of a producer, they would sell nearly the same amount of spirits; the only difference would be the distribution route. Off-premise liquor sales accounted for roughly \$113 billion in 2018, or around 47% of total alcohol sales. On-premise

sales accounted for \$147 billion in sales, or nearly 53% of total sales. The impact of the Covid-19 epidemic on alcoholic beverage sales has so far been different from past recessions (Milton, 2020). The sale of alcoholic beverages has increased dramatically, although the effect has been uneven. Some producers' revenues have soared, while others have seen their sales plummet. Alcohol sales increased by roughly 50% for the week ending March 21, according to Republic National Distributing Company (RNDC), a significant wine and spirits distribution company with a \$20 billion revenue. According to Nielsen statistics, the overall gain for the week was a 55 percent jump in sales. However, according to the RNDC, the rate of increase in spirits sales fell in the last week of March, even if it continued to increase at a 20%+ rate. Not unexpectedly, the highest rise was seen in 1.75 liter bottles, while the smallest increase was shown in 375 ml bottles (Milton, 2020). By a factor of two, sales of economy and premium spirits outsold sales of luxury, super-premium, and ultra-premium spirits. Even while overall demand was high, the latter was in line with historical trends (Holland and Knight Alert Holland and Knight Alert 2020). Although the information provided by the RNDC is anecdotal, it is consistent with what other big beverage distributors are stating.

However, the proliferation of Covid-19 is expected to have a greater impact on the overall business, with several big breweries in China expected to lose at least one-third of their market share (Moeti, 2020). There were limits on the operation hours of liquor stores during the first week of a declared State of Emergency in South Africa (both on-consumption and off-consumption). The following week, a lockdown was declared, requiring all liquor establishments, both open and closed, to close completely, allowing no liquor to be purchased at all (Pitso, 2019).

With over 2 600 illnesses and 48 deaths as the Covid-19 hotspot in the region by April 16, 2020, the country enforced some of the strictest lockdown measures in the world (Milton, 2020). South Africa's original 21-day lockdown was prolonged for another 14 days, till the end of April. The alcohol business and others have called for the ban to be lifted in reaction to the extension, citing the economic hardship it is inflicting for booze retailers (Moeti ,2020). Zimbabwe had intended to broaden its first limitations to include a blanket prohibition on the sale of alcohol in order to control residents who were disregarding physical separation requirements, but was forced to backtrack within 24 hours due to alcohol industry interference (Mosinyi, 2020). While on-

premises establishments remain closed, the government continues to allow retail establishments to sell takeaway alcohol for consumption at home (Manyepedza, 2020).

In Zambia, the initial response to the new coronavirus was to cut bar operation hours to two hours per day (Moeti, 2020). Since the 14-day lockdown began, the President of Zambia issued a virtually complete ban on alcohol in the country (Daniel, 2020). The alcohol business is not doing any work, and bars are meant to be shuttered totally (Mosinyi, 2020). According to reports, the regulations do not directly prohibit supermarkets from selling alcohol if they are allowed to remain open to offer food and other necessities (Milton, 2020). As a result, consumers can purchase alcoholic beverages and consume them at home. Lesotho issued a notification restricting the operation hours of all businesses selling booze in their initial attempt to stem the spread of Covid-19. On March 27, however, the government proclaimed a State of Emergency and ordered that all liquor stores close. In order to comply, the alcohol sector sent a letter to its consumers alerting them that Maluti Mountain Brewery (MMB), the country's sole alcohol manufacturer and an AB InBev affiliate, would be closing (Sebeelo, 2020).

From March 21, Madagascar's government proclaimed a health emergency and imposed a partial lockdown in three regions. Alcoholic beverages were no longer sold at supermarkets (Daniel, 2020). People do obtain alcohol illegally from local taverns and consume it at home. Since March 28, Namibia has been on lockdown, with the sale of alcohol prohibited and all liquor establishments required to remain shuttered (Mosinyi, 2020). There are attempts to abuse the situation by using illegal outlets, as there are in every country in the region, but law enforcement agencies are responding successfully, confiscating alcohol and/or imposing a fine of \$5000. (Kapeng, 2020). Malawi implemented its lockdown significantly later than its neighbors, on April 18th. All non-essential services are prohibited under the lockdown proclamation. While on-premises alcohol establishments will be closed, the government will enable retail establishments to sell takeaway alcohol for consumption at home (Daniel ,2020) Consumer behavior changed as a result of the epidemic's impact on productive economic activity, as well as the fear and panic that accompanied it (Kapeng, 2020). This was mostly due to lower income and household finances, as well as the fear and panic that accompanied the epidemic. Because of the decrease in travel, service businesses such as tourism, hospitality, and transportation have incurred major losses (Mosinyi, 2020).

Larger economic issues are linked to existing and projected future oil demand, resulting in price swings as a result of diminished economic activity caused by the Covid-19 pandemic. Significant price reductions were also caused by anticipated excess supply (Pitso, 2019). If oil prices remain lower than predicted, many oil-dependent economies may decline as a result of trade deficits. Labor market shocks will be severe, especially in nations that rely on migration (Mosinyi, 2020). Migrant workers contribute significantly to global labor markets, addressing inequalities in both high- and low-skilled occupations (Holland and Knight Alert ,2020).

Covid-19 has a disproportionately negative impact on informal companies and small businesses in underdeveloped nations. Covid-19 has exacerbated an already awful position in African countries, according to (Milton, 2020), which are already dealing with weak infrastructure, a lack of financial access, and chaotic value chains (Milton, 2020). According to the International Trade Centre (ITC) in its special research on Covid-19 and SME implications, one out of every five SMEs is at risk of going bankrupt and shutting down altogether after three months due to supply chain interruptions and lockdowns (Holland and Knight Alert ,2020). Smaller businesses have weaker operating cash flows, poorer capacity utilization, and are more vulnerable to supply chain disruptions, according to the report (Milton, 2020). The research emphasizes the impact on small African businesses, with 75% reporting decreased sales and 54% reporting decreased access to inputs Holland and Knight Alert (2020). Export losses were also documented, as evidenced by the more than USD2,4 billion loss incurred by African exporters reliant on important markets in China, the United States, and the EU in the early part of 2020 (ITC, 2020).

2.5 Measures Instituted by Governments to Assist Businesses during Covid-19 Period and Lockdowns

Despite the fact that the majority of wealthy countries, namely those in Europe and North America, have robust real-time surveillance and health systems to combat infectious disease spread, improvements in public health capacity in low-income and high-risk countries are still needed (Holland and Knight Alert ,2020). Building and financing technological platforms to accelerate the research and development response to emerging viruses with epidemic potential has been recommended by governments, non-governmental organizations, and commercial firms on a global scale (Milton ,2020). Such collaboration is crucial in the case Covid-19, especially for the development and production of a vaccine (Holland and Knight Alert ,2020). The

Coalition for Epidemic Preparedness Innovations (CEPI), a global partnership launched in 2017, has been tracking global efforts in Covid-19 vaccine development activity and is advocating for strong international cooperation to ensure that, once developed, vaccines are manufactured in sufficient quantities and that all nations, regardless of their ability to pay, have equitable access to vaccines (Milton ,2020). Furthermore, to control the outbreak more efficiently, afflicted nations may benefit from exchanging technology breakthroughs in contact tracing, such as health Quick Response (QR) codes (Manyependa, 2020) In the instance of Covid-19, the global response and adoption of preventive measures to stem the disease's transmission came too late, after Covid-19 had already spread to other regions via international travel (Holland and Knight Alert , 2020).

Most governments are putting in place programs to address both health and environmental concerns. Covid-19 has monetary ramifications (Mosinyi, 2020). The size of the responses has fluctuated greatly. However, from nearly nothing to almost half of gross domestic product is a significant increase (GDP) (Pitso, 2019). The higher the level of Covid-19 measurements as a proportion of GDP, the higher the GDP per person. Simply, small firms in wealthier countries receive more government support than small enterprises in poorer countries (Kapeng, 2020) The government of Bangladesh with the aim to guarantee liquidity in the financial structure, in March 2020 the government of Bangladesh through the Bank of Bangladesh declared the acquisition of treasury bonds and bills from the bank (Mosinyi, 2020) The rate was reduced to 4.75 percent from 6 percent (Sebeelo, 2020). The government of Bangladesh formed quite a few refinancing schemes amounting to TK 390 billion which is equivalent to US\$ 4.6 Billion Kapeng (2020). A 360- day theme repo facility, a credit guarantee scheme meant for exporters, farmers, and SMEs to help achieve the execution of government stimulus packages was crafted to assist business during lockdown (Mosinyi, 2020). An agricultural subsidy program was also put in place to assist agri- business during lockdowns Milton (2020). The Government of Cameroon established measures that could help alleviate the socio- economic impact of Covid-19 during lockdown (Kapeng, 2020). It provided temporary tax accommodation for businesses via tax moratoria, exemptions in tourist tax in the hotel and catering sector and exempted withholding tax for taxis and motorbikes during lockdown. The Government of Egypt created quite a number of measures during lockdowns to facilitate businesses (Holland and Knight Alert, 2020). The Egyptian government introduced a compensation program of about 90 percent of labor costs for business

which faced a decline in profits with more than 20 percent. It also facilitated businesses by establishing tax deferral without penalties (Manyepedza, 2020). The government of South Africa facilitated businesses and workers facing distress during lockdown through Unemployment Insurance Fund and unique programs from the Industrial Development Corporation (Kampong, 2020). The South African government also ensured that SMEs more especially in the tourism industry and farming had access to funds during lockdown (Holland and Knight Alert ,2020). The revenue administration enhanced repayments and tax credits, permitting SMEs to concede certain tax liabilities, and allotted a list of essential goods for a full refund of customs duty and import VAT exemption (Kampong ,2020).

Botswana's government has launched a recovery strategy to combat the pandemic's economic impact (Mosinyi, 2020). It intends to compensate for the loss in wage incomes, assist firms affected by the crisis, and support public investment in agriculture, health, and transportation, with a budget of 2 billion pula's. The entire deficit increased to 3.1 percent of GDP, and the debt-to-GDP ratio hit 20 percent in 2020 as a result of this plan (Milton ,2020) The debt-to-GDP ratio is predicted to rise to 25.3 percent this year, while the overall deficit is expected to shrink to 2.3 percent (Holland and Knight Alert ,2020). In the medium run, the government's fiscal consolidation approach should contribute to decreasing the deficit and rebuilding buffers (Mosinyi, 2020). Despite these bright prospects, growth will remain insufficient to meet Botswana's development goals and provide enough jobs to absorb newcomers (Milton, 2020). The government's top objective is to diversify the economy away from the volatile mining sector and toward agriculture, services, and manufacturing (Holland and Knight Alert, 2020). Botswana is attempting to boost its services industry by establishing 'hubs' in the health, education, innovation, financial services, and tourism sectors, with the goal of bolstering regional integration (Holland and Knight Alert ,2020). Government spending will continue to rise at a quicker rate, with a focus on sectors identified in the National Development Plan 11 (NDP11), which has three key objectives: poverty reduction, inclusive growth, and job creation. Botswana has consistently ranked best in Africa in terms of governance and transparency (Milton, 2020). Its main assets are its strong regulatory structure and simple property registration procedures. (Mosinyi, 2020). Infectious disease outbreaks and epidemics have become global threats as a result of globalization, urbanization, and environmental change, necessitating a coordinated response (Manyepedza, 2020).

The government of Botswana ensured commercial banks guarantee loans to enterprises most affected by Covid-19 (Holland and Knight Alert, 2020). Gave qualifying Covid-19 -affected firms' access to loans to help them continue their operations when credit becomes more difficult to come by (Milton, 2020) Businesses in eligible sectors received tax breaks. Government Purchase Orders (GPOs) are to be paid within five (5) days by all government institutions and parastatals would be paid within 24 hours by parastatals.

Procurement processes were made more efficient (Holland and Knight Alert ,2020). To help with financial flow, the government promised to settle any outstanding invoice arrears within two (2) weeks and prolong the validity term for GPOs (Kampong, 2020). VAT refunds to enterprises were to be expedited (Milton, 2020). Regular payment responsibilities, such as life insurance premiums, retirement fund contributions, and loan installments, were modified and rescheduled to provide relief to Covid-19 impacted people who are subject to individual policies for at least three months (Kampong, 2020). Banks agreed to offer debt restructuring services, with each bank evaluating each case in accordance with its own credit policy and parameters (Milton, 2020). This encompassed mortgages on owner-occupied residential properties as well as auto loans (Holland and Knight Alert ,2020).

2.6 KBL's Product Lines

Four decades ago a group of stakeholders considered an idea to create the first brewery in Botswana, producing beverages that had been only known by fortunate few to ensure that they are accessed by citizens of Botswana (Kapeng, 2020). They immediately seized the opportunity that had presented its self and created a brewery and named it Prinz Brau. Prinz Brau produced by the time only two brands of beer known as Prinz Branuand and Prinz Deluxe which came in only two packs (Manyepedza, 2020). In 1970's SABMiller rescued the business from the challenges it was facing by investing in it as it saw a potential breakthrough that can be invested on to boost the economy of Botswana. The decision was simply derived by the idea of acquiring a promising business and developing it into a flourishing blue chip company that Batswana can be proud of (Manyepedza, 2020). This decision leads to more brands like lion, Castle Lager, Ohlsson's Hansa, and Castle Milk Stout which were produced in four packs (Holland and Knight Alert ,2020). The brewery later on introduced the first local beer St Louis Lager in the year 1989 before obtaining Segwana Liquor Distributors in 1991 and appointing the sparkling soft drink

unit in 1995 Prinz Brau was later on changed to Botswana Breweries Limited and the changed to KBL in 2013 (Sebeelo ,2020).

Their vision is to be the most admired company in the global beer industry. Their mission statement being “to own and nurture local and international brand that the customer’s first choice (Manyepedza, 2020). KBL has four plants in Lobatse, Francistown, Palapye and Gaborone (Kapeng, 2020). It now has a pool of beer brands which include St Louis (1989) 23.5% ABV, St Louis Export 904.7% ABV, Castle Lager 95% ABV, Castle Lite 455% ABV, Ohlsson's Lager, Lion Lager 50% ABV and Carling Black Label 5.5% ABV. KBL also produces traditional opaque beer Chibuku made from sorghum and maize, Phafana (opaque beer) and non-alcoholic beverage Keone Mooka Mageu. The alcohol products of KBL can be grouped into three, namely Traditional and African Beer which comprise of Chibuku, Alcoholic Fruit Beverages which entails of Flying Fish and Reds Vodka Lemon and Clear Beer Category which comprise of St Louis and Carling Black Label (Manyepedza, 2020).

2.7 The Organogram of Kgalagadi Breweries Limited

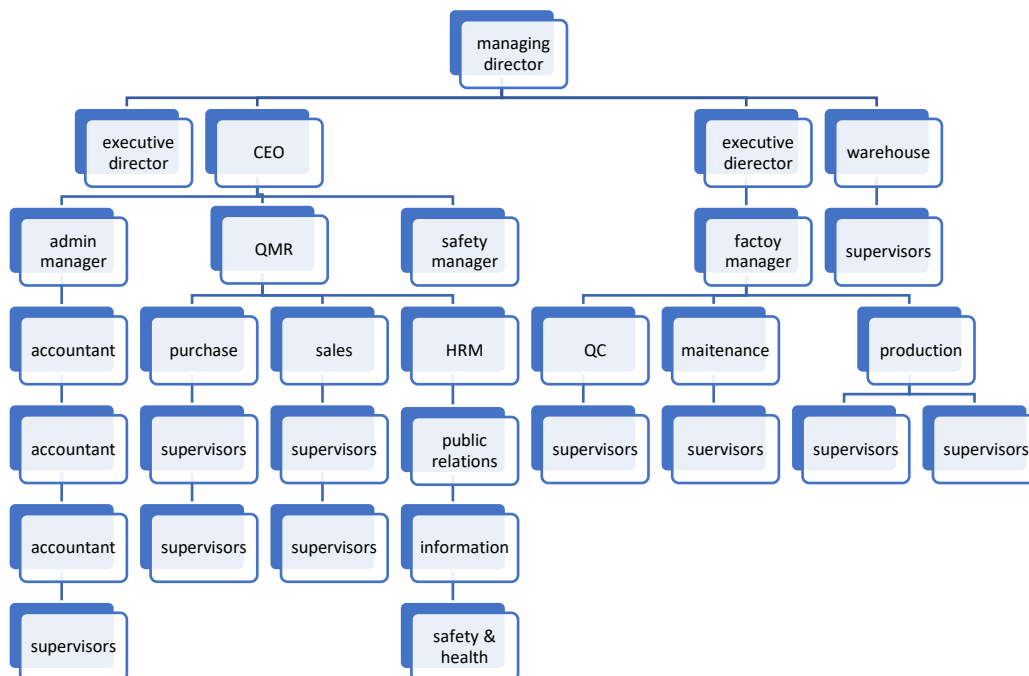


Figure 2. 1: The Organogram of KBL

Source: Tau (2019), KBL annual report,(pg16).

KBL employs 1842 employees in Gaborone of which 60 constitute the lower, middle and upper management (Manyepedza, 2020).

2.8 The Operating Environment for Kgalagadi Breweries Limited

The operational environment of an organization comprises the political, economic, social, technological and legal issue that influences its daily operations (Manyepedza, 2020). The political environment of KBL is a stable one since it operates in a democratic country which has free elections where citizens can easily vote for the political party they want without any interference of anyone Vandenberg (2019). KBL has never faced any challenges resulting from instability of the government of Botswana (Mosinyi, 2020). The economic environment of an organization comprises of economic fluctuations, unemployment rates, income levels, and interest's rates. Interest rates and taxes can change at any time in the cases were the government want to stimulate and restrict the level of economic activity (Mosinyi, 2020). KBL found itself challenged in the year 2008 as the government of Botswana introduced alcohol levy under the leadership of Sir Seretse Khama Ian Khama, (Manyepedza, 2020).

This year 2021 April 1st the government of Botswana (GoB) under the leadership of President Mokgweetsi Eric Masisi increased VAT from 12 % to 14%. This increase has resulted in many company's increasing their prices to accommodate the 2% percent increase on VAT. KBL Has been fortunate to operate in a country that believes that certain celebrations like wedding, parties and rituals have to be performed with alcohol present (Daniel, 2020). Batswana are known to celebrating wedding and traditional rituals drinking traditional beer as a way of thanking their ancestors. In the olden days the women would make home brewed traditional beer but these days since produces traditional beer "chibuku" Batswana have now normalized buy the product when they have those celebrations. The youth of Botswana also celebrates their birthdays, parties, holidays and weekends drinking alcohol. Therefore, KBL has all kinds of beer for all the age groups in Botswana (Manyepedza, 2020).

The technological environment of an organization refers to the level at which science; engineering skills and knowledge are used to solve organizational problems (Mosinyi, 2020). The level of using technological innovation in Botswana has improved gradually over the years. KBL has bought production machines over the years which they are using to produce their products in large quantities hence saving time (Manyepedza, 2020). The legal factors include the

regulations or laws that are passed by the parliament of certain regulatory bodies that affect the business's operations. KBL has found its self-having to shut down operations as the Covid-19 task force imposed alcohol sale restrictions last year and even this year as a way of reducing the spread of the virus (Sebeelo ,2020)

Ecological factors include the climate and environmental changes that can affect the business. Governments across the globe have put in place certain measures that restricted pollution of the environment, Botswana included. KBL has been abiding to the laws set by the government which prompts all companies more especially the ones in manufacturing industries to reduce pollution (Mosinyi, 2020). Through the recycling program and partnership with Somarela Tikologo the organization has been able to set record of environmental conservation that is admired and yet to be achieved by many (Daniel, 2020).

2.9 KBL'S Contribution towards the Entrepreneurial Development of Botswana

With the help of KBL, 15 young Batswana are privileged each year to win grants amounting to P1 750 Million, with each of them taking a share of P200 000. 00 and a 1-year mentorship under the kickstart programme. Since 2019 the programme has managed to train 350 people and financed 85 entrepreneurs. Kickstart programme is meant to assist the government with issues such as poverty eradication, unemployment and also facilitate in diversifying the economy (Mosinyi, 2020). This programme has been one of greatest development programmne coordinated by the private sector which aims to train a mindset of entrepreneurship and innovation in young Batswana aged between 18 and 35 years (Sebeelo, 2020).

KBL has also been helping small business to grow through a retailer development program that strives to develop and grow business skills to enhance trader viability and business sustainability (Mosinyi, 2020). Through this program retailer has been trained into better business people with benefits that have been enjoyed by the community at large. The program has enabled KBL to reduce the negative impact on the environment by minimizing the heaviness of waste that might have resulted in pollution of the environment (Manyepedza, 2020). Through a partnership with Somarelang Tikologo, KBL has been able to develop a waste collection program to create wealth from collecting solid waste via a post customer waste management scheme (Sebeelo, 2020).

KBL has also taken upon its self to promote smart drinking for its customers under a slogan, "Ikgalemele". The company has a dream for everyone to have a positive experience with their

beer. KBL believes that undue use of alcohol can harm the community at large. Through Ikgalemele, KBL aims to attain smart drinking and road safety, (Manyepedza, 2020). KBL has also cared for the environment through its waste collection and recycling program (Kapeng, 2020). The organization has made good steps in enhancing waste separating to pave way for smooth recycling of waste produced (Manyepedza, 2020).

Year after year, the Thusanang Pilot Project progresses and yields excellent results (Sebeelo, 2020). KBL hopes to empower local farmers while also finding more cost-effective ways to source raw materials for its operations, particularly bitter sorghum for opaque beer manufacturing, through this project (Sebeelo, 2020). The project has been expanded to include a new farming cluster at Leshibitse in the Kgatleng District, and it is still going strong in Botswana's Mmalore and Tswagare districts (Vandenberg ,2019).

2.10 The Financial Performance of Kgalagadi Breweries Limited

In 2017 KBL had faced an overall decline of -2.7% in clear beer category; this was escalated by the poor performance of Castle lite 660ml which had made a decline of -11% that year. Carling black Label had made a positive increase of about 3.5 %. The traditional alcoholic beverages declined at 7.6 %. In 2018 the Clear beer category had made a slight improvement of 2%, Carling black label also fought back with a positive increase of 3.8 % and the traditional alcoholic beverages recorded an improvement of 1% (Ogilvie2020).

In the year 2019 KBL achieved a strong growth of increasing growth volumes as compared to 2018. This growth was influenced by a growth in the sales of clear beer volumes by 16% which came after a renewed growth in the St Louis Lager was recorded (Manyepedza, 2020). KBL limited has marketed its beer through a saying “we are here for beer” which saw clear beer selling very well during the pick periods of Easters, President’s day, Independence holidays and December holidays which were also boosted by the 2019 elections (Sebeelo ,2020). As compared to 2018, in 2019 clear beer recorded growth of 16%, the homegrown St Louis recorded 56% while Carling black label improved sales by 13% (Sebeelo, 2020). At the time the traditional African beer chibuku was still sinking and only showed a decline at 2% (Mithun, 2020).

In 2020 alcohol only made sales for 183 days out of 286 days between March 21 2020 and December 31 2020 (Mosinyi , 2020).The year 2021 has found its self-having to face rapid

alcohol ban or restrictions which were imposed by the Covid-19 task force which are aimed at reducing the spread of Covid-19 (Buheji et al. 2020). The financial performance of KBL has declined each and every month as the Covid-19 task continued imposing alcohol ban on the country each time the numbers of Covid-19 cases increased in the country (Mosinyi, 2020). In January KBL found its self-having to send its workers on a three days' unpaid leave which was extended with two extra days and eventually met by the closure in January 27 2021 (Manyepedza, 2020). The closure had begun with the traditional beer "Chibuku" and later on Clear beer also follow-suit as the unit which had stayed behind to do stockpiling also closed. On June 30 2020 paid P6.9 Million in tax as compared to 2019 were it had paid P39.9 million meaning that P33 million less of tax had been collected due to the measures which had been put in place to control the spread of Covid-19 (Sebeelo ,2020).

2.11 Marketing Activities of Kgalagadi Breweries Limited

2019 was a remarkable year for KBL with its clear beer category making a mouthwatering growth. KBL has built a strong portfolio strategy which has facilitated its growth in the clear beer category. The organization has established a solid brand that has brought about the driving force behind its profit margins (Milton, 2020). The core product of KBL, carling black label has which constitutes 54% to the clear beer range had shown a significant growth of 13% in 2019(Holland and (Knight Alert ,2020). The carling black label Cup has worked magic in promoting the sales of carling black label. St Louis Lager also received a great boost of its sales from been named Botswana's refreshing brand as it reached a growth of 3.5% (Manyepedza, 2020) and (Daniel, 2020).

2.12 Impact on Covid-19 in Botswana

Prior to Covid-19, youth unemployment was a major concern, with almost one-third of young people aged 20 to 24 years unemployed, compared to a national unemployment rate of 20% (Holland and Knight Alert ,2020). Youth will be significantly more reliant on their parents and close family following the economic shock of Covid-19 and without extra prospects for money generating (Hellman ,2019). Children and youth's opportunities to achieve expected learning outcomes have been harmed as a result of the Covid-19 pandemic and the closure of schools and educational institutions, with a potential negative impact on their longer-term opportunities for income generation and realizing their true potential. In a setting of increased hazards, tension,

and stress in the home, teens and children, like women, remain particularly vulnerable to domestic violence and abuse (Mosinyi, 2020). Furthermore, the elimination of non-formal possibilities deprives young people of social interaction with their peers, which may lead to a rise in mental health and well-being difficulties (Craven et al. 2020).

As part of the campaign against Covid-19, the country originally restricted access to alcohol. However, following the deaths of three Covid-19 patients on April 2, Botswana's President declared a 28-day lockdown and an indefinite State of Emergency, with the provision that no alcohol be supplied during the lockdown (Holland and Knight Alert, 2020). Small Businesses and the Informal Sector (321,000 jobs)-With the impending shutdown, SMEs and the informal sector will be severely harmed in their ability to trade. Taxi and bus drivers, vehicle washes, hawkers and street vendors (vegetable, food, clothing, airtime merchants, and so on), salons and local retailers and service providers are among those affected. Many of these enterprises rely on foot traffic, and when people are locked up, they go out of business (Mosinyi, 2020). Businesses, on the other hand, rarely save, thus a loss of ability to work will result in instant job loss for persons employed in those industries (Manyepedza, 2020).

Agriculture: SeedCo's stock dropped 12.67 percent from BWP 3.00 to BWP 2.62 throughout the course of the year. SeedCo shares worth BWP 131,070 have changed hands so far. The Covid-19 pandemic could disrupt harvest season during a relatively favorable year when farmers were anticipating a bumper harvest of several crops such as maize seed, which accounts for roughly 70% of SeedCo's sales.

Telecommunications: BTCL's stock fell 7.37 percent to BWP 0.88 from BWP 0.95 at the start of the year 2020. The sector's market capitalization fell to BWP 924.0 million from BWP 997.5 million, representing for 2.46 percent of the total market capitalization of domestic businesses. BTCL was the fourth most liquid stock on the exchange year-to-date, with 6.4 million shares worth BWP 5.6 million moved.

Financial services, real estate, and property management (50,000 jobs)- Banks and insurance companies are suffering loan and policy defaults from individuals and businesses as a result of the impending increase in unemployment. Banks would exacerbate this by increasing their risk tolerance and refusing to lend to businesses that could require assistance during this period (Mosinyi, 2020). Property owners suffer as well, as both individuals and corporations fail to pay

their rent (Holland and Knight Alert, 2020). This also put banks at risk because properties may be financed with debt (Arthi, 2020). While retrenchments in these areas may not be imminent, the length of the epidemic would decide this a pandemic lasting three to twelve months may be devastating and necessitate retrenchments (Kapeng, 2020).

Mining (10,000 employment) - is Botswana's most valuable industry in terms of revenue and GDP contribution. The Botswana economy was sent into a tailspin in 2008-2009 as a result of a systemic shock brought on by the global financial crisis. Due to travel restrictions, DTCB's diamond sales have been postponed (Manyepedza, 2020). With the impending global credit market freeze, sales may be hampered as banks refuse to lend to potential buyers (Holland and Knight Alert 2020). Rough and polished diamond sales totaled P60 billion and P45 billion in 2018 and 2019, respectively, with around P4 billion in sales already completed in January 2020. (Mosinyi, 2020). Since then, diamond sightings have been impossible, and if this continues for another three months, the country could lose P15 billions in sales (Holland and Knight Alert, 2020). Mining also accounts for P20 billion of the government's P65 billion revenue budgets for 2020-2021, (34 percent). If mines were to be closed for three months, the government would lose P5 billion in revenue.

Another operational risk is the occurrence of Covid-19 cases in Jwaneng, Letlhakane, Orapa, or Toteng, which could result in mine closures (Holland and Knight Alert, 2020). While government-owned mines are likely to weather the storm without having to cut back, private players are likely to struggle (Arthi, 2020) Former Minister of Trade, Peggy Serame, has stated that the alcohol industry has dealt the government a severe tax blow. Botswana Unified Revenue Services collected P300, 000 in May, compared to P61 million in January, according to her (Mosinyi, 2020).

Covid-19 has had a significant impact on the world economic and financial markets, in addition to becoming a global pandemic and public health disaster (Holland and Knight Alert 2020). The disease mitigation measures that have been imposed in many nations have resulted in significant income reductions, increased unemployment, and disruptions in the transportation, service, and industrial industries, to name a few (Mosinyi, 2020). Most governments throughout the world appear to have misjudged the risks of rapid Covid-19 spread and have been primarily reactive in their crisis response (Holland and Knight Alert, 2020). Because disease outbreaks are unlikely to

go away very soon, aggressive international action is essential to save lives as well as defend economic prosperity (Holland and Knight Alert, 2020).

Botswana is influenced by a variety of factors, including possible local illnesses and a drop in worldwide demand for exports, as an open economy strongly integrated with regional and global markets (diamonds and tourism) (Holland and Knight Alert ,2020). Traveling and social gathering limitations hurting the tourism and hospitality sectors, as well as conferencing, sports, and entertainment activities; and global supply chain delays affecting local production and project implementation (Milton, 2020). The Ministry of Finance and Economic Development (MFED) and the International Monetary Fund (IMF) both forecast a substantial decline in Botswana's economic growth in 2020. The IMF predicted a 5.4 percent drop in GDP this year before rebounding to 6.8 percent in 2021 in its April 2020 World Economic Outlook, whereas the MFED predicts a 13.1 percent drop this year before rebounding to 3.9 percent growth in 2021 (Holland and Knight Alert ,2020). These different expectations show how difficult it is to make future projections when there is uncertainty regarding the length of the economic slowdown, the extent of damage to productive capacity, and the rate at which output and demand will recover (Milton, 2020).

Given that the full amount of the economic and financial disruption caused by Covid-19 has yet to be determined, domestic GDP growth in 2020 was projected to be substantially lower than the earlier prediction of 4.4 percent (Manyepedza, 2020). Various industries have adopted salary cuts as a result of the Covid-19 economic impact, and in certain cases, businesses have shut down. Reduced disposable income may result in reduced demand, lowering top-line growth for publicly traded companies, resulting in lower profits (Holland and Knight Alert, 2020).

2.13 The Effects of Covid-19 on Kgalagadi Breweries Limited

The trading limitations imposed by the Covid-19 Task Force on the alcohol business, in which KBL operates, are believed to have cost the company P 568 million. In the five months since the alcohol sale limit was implemented, 100 days of sales were lost, and 400 hectoliters of alcohol were anticipated to expire, compounding the losses. All of KBL's losses were recorded by the Botswana Alcohol Industry Association (BAIA), which predicted even more losses as more batches of alcohol expired (Mosinyi ,2020). In terms of profits, KBL makes close to P25 million, according to the most recent Sechaba Financial results available as of December 31, 2019.

(Holland and Knight Alert, 2020). However, due to the limits placed on the alcohol business, KBL has lost P17.5 million in profit per month. As a result, KBL's financial performance will suffer, as will its ability to meet its financial obligations to suppliers and every employee's compensation (Holland and Knight Alert, 2020). It's sad that the alcohol ban has had such a negative impact on KBL's operations that one of the country's largest companies has had to shut down. Due to the continuing alcohol limits enforced by the Covid-19 task committee, the brewery is likely to reduce or minimize its spending, negatively impacting the viability of suppliers (Mosinyi, 2020). In order to avoid retrenchments, KBL was also compelled to reduce employee salaries. The aforementioned retention metric was supposed to be evaluated once a month (Segal et al. 2020).

Due to a lack of steady sales since March 2020, KBL's biggest clients will be unable to pay, putting the company's cash flow under strain (Holland and Knight Alert 2020). To avoid crushing, KBL had to keep its facility running for two months despite little production (Milton, 2020). With the plant shut down and employees being paid full wages despite the fact that they are not working, the company is losing money. Briefly, the company's beer has a three-month shelf life, which implies that every time an alcohol sale restriction is enforced, KBL will have stock that will expire, necessitating the need to destroy the items (Sebeelo, 2020). Over the projected period 2019-2025, the worldwide alcoholic beverage industry is expected to increase at a constant rate of roughly 3.1 percent (Rahman et al. 2019). Some of the key essential reasons that are enhancing the market's growth are an increase in the pool of young adults, expanding disposable income around the world, and new product launches. Covid-19, on the other hand, has had an impact on alcoholic beverage companies all over the world. The spread of the virus has disrupted firms' supply chains, prompting them to rethink their business models and marketing strategies. Furthermore, the outbreak has begun to have an impact on company sales (Mosinyi, 2020). For example, Pernod Ricard amended its projection for the current fiscal year on March 24, 2020, predicting an almost 20% drop in profit margins, owing to the spread of Covid-19.

Furthermore, organizations are seeing a greater increase in off-premises sales than on premise sales. For example, in February 2020, Constellations Brands' beer volume increased by over 30% in the US off-premise channel as customers avoided on premise to prevent the spread of Covid-19 (Rahman et al. 2019). The market is divided into four regions: North America, Europe, Asia-

Pacific, and the Rest of the World. The Asia-Pacific region dominated the worldwide alcoholic beverage market, with China accounting for more than one-third of regional consumption. Apart from China, the expansion of the Asia-Pacific Alcoholic Beverage Industry is influenced by economies such as India, South Korea, and Japan. Large pools of people who consume alcohol in the region, bolstered by the presence of densely populated countries such as China and India, are driving market growth in the region (Sebeelo, 2020). The market's expansion has been aided by rising beer and spirit drink consumption in the region. However, the global expansion of Covid-19 is anticipated to have an impact on the sector. As the country's on-premises slowly reopen, sales of several large breweries in China are predicted to drop by roughly one-third (Wang et al. 2020).

2.14 Strategies That Could Be Employed by Alcohol Manufacturers during the Covid-19 Pandemic

It is clearly evident that until a vaccine is discovered, restrictions and lockdowns will continue to disturb the on trade consumption for the predictable future Holland and Knight Alert (2020). This situation is consequently leaving employees struggling financially, the most devastating case is that night clubs, bars and restaurants could close permanently (Sun et al. 2020). Alcohol manufactures can respond to this situation positively by using opportunities in the channels where demand is now heaving (Sebeelo, 2020). The alcohol manufactures could either collaborate of partner with on- premise outlets, retailers, wholesalers and delivery companies (Oglivie, 2020).

The alcohol manufactures should embrace a purpose driven tactic to nurture good relations with the hospitality industry by listening to them and filling in the gaps existing in direct-to-customer channels (Segal et al. 2020). Investing and being keen to enhance trust and brand authenticity it associates, clients and the community could benefit brands in the long run (Milton, 2020). Collaborating with hospitality business gives alcohol manufactures a chance creates influencers and brand promoters using social media platforms for brand building (Sebeelo, 2020). Alcohol manufacturers should utilize digital collaboration tools to support their customer's emotional needs and their physical or health safety in this era of Covid-19 (Vandanberg, 2020).

Attempt to increase the market share- alcohol manufactures can basically increase their market share through innovation, solidification of customer relationships and acquiring rivals. Increasing

the market share can be the biggest weapon that alcohol manufactures could implement during and beyond Covid-19 (Rahman et al. 2019). This will result in the alcohol manufactures enhancing a unique brand position. Thus capturing market, a market shares during a challenge time of decline brought by Covid-19 will produce lucrative revenue during and beyond Covid-19. Alcohol manufactures could use their best products to enhance the market share during Covid-19 (Ranney ,2020).

During lockdown and movement restriction periods most people spent time on social media hence using this platform will result in May reviewing marketing strategies posted in social media (Milton, 2020). There alcohol manufactures could use these opportunities to advertise on television, internet, social media applications and streaming services (Sebeelo, 2020). Alcohol manufactures can also employ the use of digital channels to craft smooth online shopping experiences- alcohol manufactures stand a chance of to attract and retain customers by developing memorable and engaging experiences online (Mosinyi ,2020). Live streaming could create a strong opportunity for alcohol manufacturers to reach more customers during the Covid-19 pandemic. This is so because it will be easy for them engage their target market in a compelling way during the Covid-19 pandemic where events like sports, games and music festivals are not allowed. This strategy can be coupled with digital commerce and influencer involvement (Ogilvie, 2020). This is very crucial since social distancing has now turned into a reality and gathering of people is not allowed (Mosinyi, 2020). In a nutshell alcohol manufactures in the global arena could promote their brands in live streamed concert series on YouTube which could result in them earning more media impressions (Vandenberg, 2020).

E-commerce shopping- it is very crucial for alcohol manufactures to provide a positive, helpful and supportive experience and service across the globe (Milton, 2020). E-commerce has a potential to make to boost profits of a business (Mosinyi, 2020). The alcohol manufactures can make use of new models under e-commerce such as voice, social and visual commerce (Vandenberg, 2020). A pleasant doorstep moment is a crucial attribute for alcohol manufactures to invest in (Pitso, 2019). As e-commerce develops each day, alcohol manufactures should ensure that they package their products in a way that attracts customers, through color, messaging, as well as design and material (Ogilvie, 2020).

Renew for a new era of growth- In the coming months, many firms will suffer serious financial challenges (Mithun, 2020). The reopening process for the alcohol sector will surely be complicated when lockdown restrictions begin to loosen in various regions (Vandenberg, 2020). Collaboration will be critical to ensure that the return goes as smoothly as possible. Finance will continue to play an important role in saving cash in the immediate term and establishing future protective buffers. Eventually, investments will have to be delayed, predictions will have to be rewritten, and costs will have to be reduced (Mosinyi, 2020).

However, as economies begin to recover, this is also an opportunity to evaluate investment priorities and rebalance portfolios in order to assist the business respond to changing customer patterns and acquire a competitive advantage (Vandenberg, 2020). Without a question, this will be the most difficult era many businesses have ever faced. The current crisis, however, will pass, and growth will resume (Mosinyi, 2020). As a result, leaders must balance present issues with a grasp of and anticipation of long-term ramifications for their business models. Increasing agility, reactivity, and resilience is the main goal. That is how businesses and the societies they serve can manage the crisis and emerge stronger (Mithun ,2020). For alcohol producers, the short-term commercial priority is to try to maximize chances in the channels where demand is currently soaring. They'll have to work together to do this (Mosinyi, 2020). Working with on premise outlets, wholesalers, and retailers, as well as delivery partners like Deliveroo, to fill any gaps in on-trade or direct-to-consumer channels, is part of this strategy. Longer ahead, thorough analysis will be required to predict how many of these new consumer behaviors will stay, and then the portfolio and financial models will need to be adjusted accordingly (Craven et al. 2020) Businesses may play a critical role in assisting societies in coping with the crisis.

This is an opportunity for alcohol firms to live true to their company principles and purpose (Vandenberg, 2020). Some companies have previously demonstrated this by considering how unused assets or manufacturing capacity might be repurposed to address medical and societal needs (Mosinyi 2020). The use of alcohol-based hygiene products is one apparent example. Many local distilleries and big firms have switched to producing branded hand sanitizers, which they subsequently donate to help with the coronavirus fight (Buheji et al. 2020). This type of effort can be used to initiate a bigger corporate responsibility or sustainability program, such as incorporating manufacturing waste into the circular economy. These elements were already

rising in importance in consumer preferences prior to the crisis, and they are expected to become even more so today.

Covid-19 also encourages alcohol companies to think about how they might effectively support their employees and customers as they adjust to these new, stressful, and financially difficult circumstances (Mosinyi, 2020). Manufacturers should be willing to defy business policies and stop non-essential work for personnel. Wherever possible, they should use digital collaboration tools to support people's emotional needs as well as their physical safety (Vandenberg, 2020). The brand purpose is vital here, since it inspires employees to feel a sense of belonging to something broader than their daily concerns (Daniel, 2020). Customers, too, require assistance, but of a different nature. Brands must be willing to extend payment terms in the short term, especially for on-trade clients whose entire companies may be temporarily shut down (Mosinyi, 2020).

Reset relationships and ways of working-In times like these, it's critical to put in the time, effort – and, when possible, money – to give a positive experience and service to suppliers, customers, and consumers across the entire ecosystem. People will remember firms that were kind and supportive in the aftermath of the pandemic positively (Hellman, 2019). Longer term, there is an opportunity to boost brand and staff loyalty, as well as the use of online tools and platforms, thus speeding up the already underway digital transformation (Vandenberg, 2020) In the face of physical separation, people are turning to internet channels to find new methods to connect with others from the comfort of their own homes. In addition, we are witnessing the rise of a new type of social occasion: the virtual (Vandenberg, 2020). As people adjust to their new reality, online happy hours, quizzes, and meetups have become more common. On the internet, a new cocktail called the "quarantini" is gaining popularity. Only a few minutes after the lockdown began, the hashtag #quarantini began trending on social media (Hobbs, 2020).

2.15 Chapter Summary

This chapter covered an overview of alcohol policy measures in Southern African countries as part of the Covid-19 reaction, as well as the effects of Covid-19 on Botswana's economy (Segal et al. 2020). This chapter also discusses how the Botswana government may aid the alcohol business in recovering from losses caused by Covid-19. It also emphasizes the alcohol industry's impact on Botswana's Emergency Powers (Covid-19) rules (Milton, 2020). Covid-19 has

impacted every country on the planet. Many governments found themselves slashing budgets and diverting cash intended for development initiatives to fight Covid-19 (Mosinyi, 2020).

Most industries have been impacted by the Covid-19 outbreak, which has resulted in the closure of some businesses and left others hanging by a thread, including mine (Segal et al. 2020). The introduction of the alcohol charge resulted in a significant increase in revenue for Botswana's economy, which had previously been relied on diamond sales (Rahman et al. 2019). The alcohol business, on the other hand, went days without selling its goods because to the Covid-19 measures put in place by the task force team (Seebelo, 2020). As Botswana's sole alcohol manufacturer, KBL found itself in the position of having to destroy outdated beer that had not been sold due to the country's alcohol ban. Even after the alcohol embargo is repealed, most establishments are unable to pay their suppliers due to a lack of finances. The loss of KBL has an impact on the community as well, as the corporation has established programs such as Kick Start, which assists aspiring entrepreneurs (Mosinyi, 2020).

CHAPTER 3: RESEARCH METHODOLOGY

3.1 Introduction

This section describes the methodology employed in achieving the objectives outlined in this research paper. The section provides a description of the sources of data and the methods employed in collecting the required data sources. It also provides a brief description of the analytical method (s) employed in analyzing the information gathered.

3.2 Research Philosophy

A research philosophy is a plan that directs how research should be carried out centered on ideas about reality and the nature of understanding (Teherani, 2015). The research philosophy that the researcher used is positivism (Rahman et al. 2019). In positivism reality is independent of people and the researchers can therefore observe reality objectively (Ranney, 2020). Positivism initiated from the natural sciences and emphasizes on scientific testing of the hypothesis and discovering logical mathematical proof that is spearheaded by statistical analysis (Teherani, 2015). The researcher chose to use the positivism philosophy because of its nature of using large sample sizes and to yield precise, objective and quantitative data (Hellman, 2019). The population of KBL is large hence the researcher opted for positivism philosophy since it uses large sample sizes (Rahman et al. 2019).

The study also adopted a minimal portion of phenomenological approach, focusing on the perceptions and opinions of respondents who were selected through purposive sampling to obtain the inputs of the people most affected and knowledgeable about the situation (Ranney, 2020). In simple terms, phenomenology is a study method that aims to describe the essence of an event by looking at it through the eyes of individuals who have experienced it (Teherani, 2015). Phenomenology's purpose is to define the significance of an experience in terms of both what was experienced and how it was experienced (Teherani, 2015). There are various types of phenomenology, each based on a different conception of the and how of human experience (Milton, 2020). In other words, each phenomenological approach is based on a particular philosophical school. In this scenario, positivism is applicable Buheji et al. (2020).

3.3 Research Design

Research design is defined as the deliberately, prepared and arranged settings for data analysis and collecting in a way that tries to combine the research purpose's relevance with methods (Buheji et al. 2020). A design is the plan with which the research project is executed (Ranney, 2020) Further suggested the use of triangulation in conducting research, (Segal et al. 2020). Similarly argued for the appropriateness of both quantitative and qualitative designs in social sciences research (Hobbs, 2020). All the arguments presented here suggested that the use of a combination of approaches is a plausible research design (Milton, 2020).

Case study design is the type of research design that the researcher used (Wang et al. 2020). A case study is a brief gathering and presentation of information about a specific group of people or small group of people, which usually includes participant accounts (Easterby, 2017). The case study was chosen by the researcher because it allowed for the exploration and understanding of complicated themes, therefore broadening the reader's experiences (Segal et al. 2020)

In addition, a case study technique selected a small geographic area or a small number of participants, (Wang et al. 2020). The researcher was able to comprehend the behaviors and conditions of the participants through the case study, which go beyond the statistical statistics. (Milton, 2020). A case study narrowed the scope of research from a large group to a single entity, allowing theories to be applied and observations or perceptions to be recorded (Easterly, 2017). Because this was a case study, the sample size was limited to a small number of people (Ranney, 2020).

3.4 Research Approach

Quantitative data is the kind whose worth is calculated in terms of numbers or counts, with each data set having a unique mathematical value (Easterby, 2017). It may also be defined as a set of quantifiable data that can be used for mathematical computations and statistical analysis to help people make better decisions in real life. (Sun et al. 2020). To stress statistical and mathematical analyses, the researcher employed quantitative methodologies (Craven et al. 2020). The researcher was able to acquire dependable and correct data, which was collected, analyzed, and displayed in numbers, resulting in highly accurate results (Rahman et al. 2019). Furthermore, quantitative data research enabled the researcher to acquire data quickly, analyzed data in a broader scope, and removed bias conclusions, as mentioned by (Rahman et al. 2019). Because

quantitative research employs a variety of statistical approaches, it allows for a more comprehensive investigation (Easterby, 2017). This is primarily owing to the fact that quantitative data is well-structured. This is owing to the fact that quantitative data pairs well with a variety of statistical methodologies (Arthi, 2020).

The researcher also chose to use quantitative data because of its ability to summarize data (Easterby, 2017). Quantitative data also has a numeric nature and as such encrypts qualitative data into numbers before exploration (Holland and Knight Alert, 2020). With quantitative data research duplication is also made easy, hence making evaluations across groups and over time (Ranney, 2020). This is resulting from the ability of quantitative research to use a standardized procedure. Encrypting quantitative data into unknown numbers, the researcher was able to get rid of personal bias that can come from handling information of participants known to them (Milton, 2020). Quantitative data also allows for rapid evaluation since the use of software removes the need for lengthy data analysis especially with large volumes of data involved (Easterby, 2017).

3.5 Population

The word "target population" refers to the process of defining a population in terms of element, unit, and time (Easterby, 2017). This study's population is restricted to KBL (Mithun, 2020). The study's population consisted of lower, medium, and senior management at Gaborone headquarters (Hobbs, 2020). KBL currently employs 60 people in management positions in Gaborone.

3.6 Census

Sink et al. (2018) defines a census technique as a statistical list process that evaluates every member of a population. A census can offer precise information on all or most aspects of a population, allowing totals for rare demographic groupings or limited geographic areas to be calculated (King et al 2018). Since there was adequate time to collect data, the researcher utilized a census strategy where all the elements of the population were taken in the study as supported by (Valnate et al 2013). The census was also used by the researcher because the data is more accurate (Hellman, 2019). The researcher additionally employed a census since data collection via census method allows the investigator to conduct an in-depth investigation into a study's topic (Easterby, 2017). The census provided the investigator with a wealth of information. It's handy when you need to do a lot of case study if the space is limited. Because KBL's

management consists of only 60 people, the researcher collected information from all of them (Craven et al. 2020).

3.7 Data Collection

Primary sources and secondary data sources formed the cornerstone of the data collection processes. The data collection was based upon a survey using questionnaire technique in gathering data from primary sources (Ranney, 2020). Available secondary data was also collected along (Easterby, 2017).

3.8 Data Sources

The following Primary data sources were used;

- **Questionnaire:** *KBL organisation*

Secondary data sources included a desk review of available information and documents on Covid-19 effects of businesses (Craven et al. 2020).

It can be elaborated further that data was collected through in-depth structured questionnaire. A questionnaire is a data collection instrument that asks a subject to answer a series of written or oral questions. A questionnaire is a low-cost and practical method of gathering information (Daniel, 2020). A questionnaire can be emailed or posted on a website and delivered to the target audience. In most quantitative studies, a structured questionnaire is used (Rahman et al. 2019). A structured questionnaire can be most effective where there are many respondents and limited number of researchers (Wang et al. 2020). A structured questionnaire includes specific and well-thought-out questions, as well as a formal inquiry that is introduced and prepared ahead of time in order to ask as many questions as possible and obtain more information from the respondent. A structured questionnaire is a document that has a set of consistent questions organized according to a set of rules (Sun et al. 2020).

Contingency is one of the questions included in a structured questionnaire. There are also matrix questions where the questions are given one under the other, forming a matrix with response categories on top and questions on down the side. In a questionnaire a single question or subject can be asked to many at the same time with no delay as compared to surveys (Easterby, 2017). A questionnaire can be described as a useful tool for gathering feedback from a wide group of people. A questionnaire allowed the researcher to include the results in a statistical survey; the

type of questionnaire and the issue on which it is focused are the decisive factors. Questionnaires offered respondents time to consider their responses before responding (Ranney, 2020).

A questionnaire is simple to administer and handle, as well as replicable and repeatable, and can be used as a comparison tool for future research and initiatives (Segal et al. 2020). Questionnaires are usually uncomplicated in their approach, which makes them simple to read and evaluate with their optimum responses (Easterby, 2017). A structured questionnaire's question line is based on closed questions. The researcher employed a structured questionnaire since it puts less strain on the respondent's mind (Sun et al. 2020). It reduces the amount of thinking required of the respondent to accomplish the task, resulting in a better response rate and more exact data. A structured questionnaire is also simple to code and examine for the researcher (Segal et al. 2020)

The researcher used a structured questionnaire because it has a direct association with quantitative analysis (Easterby, 2017). Questionnaire items can be either open-ended or closed-ended. The researcher used closed ended items in this study. Closed ended questions provide a set of response options for the participant to choose from. Since the researcher had a decent sense of the many responses that participants might give, closed-ended items will be employed. The researcher also used closed-ended items because they are relatively quick and easy for participants to complete. The researcher used a Likert scale which entails giving individuals a variety of remarks about a person, group, or idea, including both positive and negative statements. On a 5-point scale, respondents express their agreement or disagreement with each statement: 1=Strongly Disagree; 2=Disagree; 3=Neither Agree nor Disagree; 4=Agree; 5=Strongly Agree. Each response was assigned a number and then the total score for all items was calculated to represent the attitude toward the idea.

The questionnaire was structured as follows:

Section A: Demographic Information

Section B: Effects of alcohol restriction on Kgalagadi Breweries Limited

Section C: Recovery strategies by Kgalagadi Breweries Limited and the Government of Botswana

The first section of the questionnaire asked for respondents' personal information, such as their age range or educational background; this was done to see whether there were any patterns connected with a particular age group or educational background toward a specific topic (Sun et al. 2020).

3.9 Data Analysis

Data analysis refers to cleaning, converting, and modeling data to identify usable information for decision-making. Data analysis' goal is to extract usable information from data and make decisions based on that knowledge (Malhotra et al., 2017). The descriptive analysis approach is the foundation of any analytic process, and it seeks to answer the question, "What happened?" It accomplishes this by organizing, processing, and interpreting raw data from a variety of sources in order to transform it into useful business insights. The researcher used descriptive statistics because of its nature to help to present data in a more meaningful fashion, allowing for easier data interpretation, (Malhotra et al, 2017).

3.10 Data Analysis

As previously stated, both primary and secondary data were employed in this study (Milton, 2020). Primary sources of data are documents that are created during the research period, whereas secondary data are documents that have been finished by others (Hobbs,2020). For data analyses Microsoft excel was used, it is available within the university's IT center so it was easily accessed in time of need. For this software data is organized as cases and variables before it can be used in the software (Ranney, 2020). Data were then packaged and analyzed statistically through the excel package Hellman (2019). As always the output was being determined by the inputs entered (Daniel, 2020). Descriptive analysis was used because of its nature to take into account historical data, key performance indicators, and describes performance against a set of benchmarks. It considers previous trends and how they might affect future performance Hobbs (2020). The researcher used both previous financial records and current financial statements to analyze the financial performance of KBL before and during the outbreak of Covid-19.

3.11 Ethical Considerations

Methods, procedures, or perspectives for selecting how to act and assessing complicated problems and topics are referred to as ethical considerations (Buheji et al.2020) In this study, the

researcher obtained both a research approval from Botho University and permission from KBL to do the research legally (Easterby, 2017). There are three key ethical standards that apply to research that involves human participants or subjects. Respect for people, beneficence, and justice are all part of this. The researcher showed respect for people by keeping the information provided by the research participants confidential, as well as maintaining the anonymity of the responders (Ranney, 2020). The data gathered during the study were exclusively used for the study's stated aim. Simple random sampling will ensure that participants are chosen fairly, resulting in justice (Easterby, 2017).

Participation in the study, including the interview and questionnaire, was entirely voluntary, with no financial incentives offered (Bohemia et al. 2020). Assistance with completing the questionnaire was offered to those who were having difficulty filling out the forms to help speed up the process (Branney, 2020). Assistance was provided in the form of Setswana translation and, in certain cases, with the completion of the questionnaire as requested by the participants. Furthermore, the participants were informed that the comments they provided would be kept private and would only be utilized for academic study (Craven et al. 2020). Those interested in learning more about the study's findings may contact the researchers.

The researcher ensured that the information obtained from participants is correct in order to ensure that the research benefited potential KBL stakeholders.

3.12 Chapter Summary

The facts on how the consequences of Covid-19 have affected KBL's financial performance were presented through a case study. Quantitative research methodologies were utilized by the researcher to ensure speedy data gathering, a broad scope of data analysis, and the elimination of bias. The study's research population was KBL's middle managers, and purposive sampling was employed to select the participants.

CHAPTER 4: DATA PRESENTATION INTERPRETATION AND ANALYSIS

4.1 Introduction

This chapter presents the outcomes and analysis resulting from the questionnaire that was distributed at KBL headquarters in Gaborone. This chapter begins with providing a background of the respondents by assessing their demographic information. This chapter then gives a presentation of the findings and analysis the data and provides the summary. Tables and diagrams have been used to expedite a basic reader friendly presentation.

The information gathered in this study was aimed towards achieving the previously stated research objectives. The study's major objective was to find out what Gaborone's lower, medium, and senior managers thought about the impact of Covid-19 on KBL. Secondary objectives were:

- To determine how the ban on alcohol sale and restrictions have affected KBL in Gaborone, Botswana.
- To assess the effects of Covid-19 on KBL's operations in Gaborone, Botswana.
- To examine ways in which the Government of Botswana could assist KBL to recover from losses brought by covid-19.
- To determine strategies that could be implemented by KBL to survive during Covid-19 and beyond.

4.2 Analysis of Findings

The data were derived from the forty -seven participant responses in the questionnaires, out of the targeted sixty, resulting in a 78% response rate.

4.3 Demographic Data

The demographic characteristics of respondents such as age, gender, position, educational background and marital status are highlighted in Table 4.1.1.

Table 4. 1: Respondents' Demographic Data

Demographic Variables	
Sample size	47

		Frequency	Cumulative percentage (%)
Age: (in years)	25-30	8	17%
	31-35	9	19%
	36- 40	12	26%
	41-50	11	23%
	50+	7	15%
Gender:	Male	22	47%
	Female	25	53%
Position in the Company:	Lower manager	28	59%
	Middle manager	15	32%
	Top manager	4	9%
Educational level:	None	-	-
	Primary	5	11.2%
	Secondary	8	17.4 %
	Tertiary	34	71.4%

The KBL employees who partook in this project consisted of mostly lower management, they made up 59% of the respondents. The middle managers were the ones that had the lower number of respondents than the lower managers but a higher one than the top managers with 32% and the

top managers will be entitled to only 9% of the respondent's pie of perspective. The educational background of these respondents was found to be generally high. The majority of them have attained their University qualification, meaning 71.4% of the individuals who partake in the compensation processes were found to be Degree and associated qualification holders which made them qualified to respond to the questionnaire since they were knowledgeable about the topic of the study.

Regarding age, 17 % of the respondents were aged between 25to 30 years, and 19% were aged between 31-35 years. In addition, 19%, were aged between 36-40 years, while 26%, were aged between 41- 45 years. Those aged above 50 years constituted 15% of the respondents.

With this age range given by our demographic table we would by all means expect the educational background of the top management to be higher because it is at around this age range that a person is considered a youth. Considering every logistics, ceteris paribus at this time of era the youth are expected to have at least attained their secondary leaving certificates. According to the Statistics Botswana 2014 data portal Botswana youth literacy rate is approximately 88.6%, so it is not a surprise it was found out that 88.8% of respondents have secondary and above educational background.

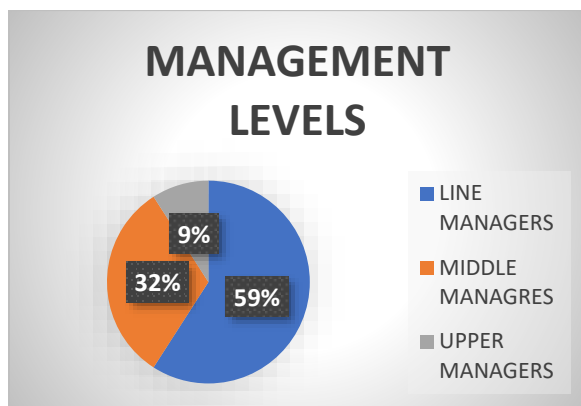


Figure 4. 1: Managerial Levels of the Respondents

The research formulated a question which required the respondents to specify their management levels to ensure that the information provided will be accurate. The above results show that 9% of the respondents were upper managers, 32% were middle managers and 59% were line managers.

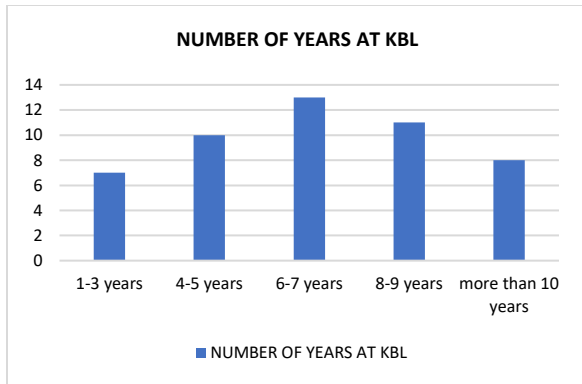


Figure 4. 2: The Duration of the Respondent at Kgalagardi Breweries Limited

To establish whether the respondents had enough experience of KBL before and during the outbreak of Covid-19, the research crafted a question that probed the respondents to give number of years that they have been working for the company. 15% of the respondents have work for KBL for 1 to 3 years which makes the frequency of 7 workers, 20 % of the respondents have worked for KBL for 4 to 5 years, 28% of respondents worked for 6 to 7 years 20% of the respondents have worked for KBL for 8 to 9 years giving the frequency of 10, 13 and 11 respectively. Only 17 % that is 8 worked for more than 10 years at KBL. The findings show that almost all the respondents are in the best position to provide the researcher with accurate information as they have been with KBL for more than five (5) years.

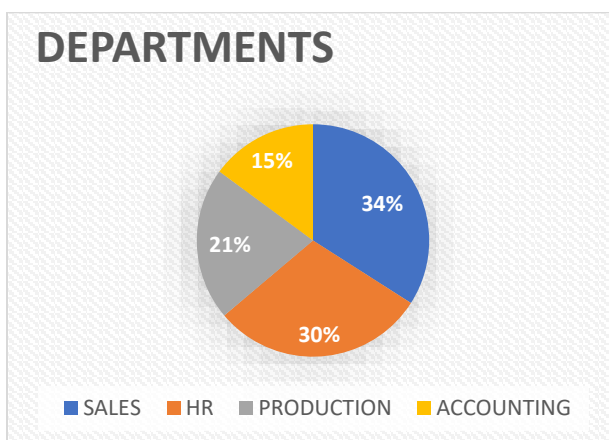


Figure 4. 3: Departmental Response Rate

To find out the about the department in which the respondent worked in the questionnaire prompted for specification of the departments worked in. 34% of the respondents were from the sales department, 30 % represented the human resources department, 15% of the respondents.

Table 4. 2: Item Statistics Analysis for the Effects of Restrictions on KBL Factor

	Mean	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
Loss of sales	2.0434	0	0	0	17	30
High staff turnover	2.0438	0	0		15	30
Expiry of stock	2.8883	5	0	30	5	7
Loss of income	3.6153	0	0		27	30
No production	2.0438	0	0	11	26	10

The researcher asked the respondents about the effects of alcohol restriction on KBL. The results show that 64% respondents strongly agreed that KBL has lost sales due to the restriction, 68% strongly agreed that there was no production during alcohol restriction period, 36% of the respondents were neutral in relation of staff turnover, all the respondents indicated that expiry of stock was a challenge resulting from alcohol restriction and 74% strongly agreed that alcohol restriction led to loss of income in KBL.

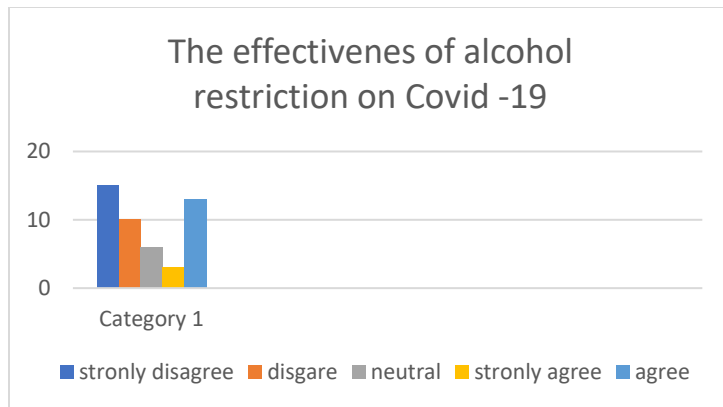


Figure 4. 4: The Effectiveness of Alcohol Sale Restriction to Curb the Spread of Covid-19

The above results show that out of the 47 respondents, 32% strongly disagreed that the spread of Covid-19 could be reduced by restricting the sale of alcohol, 21% disagreed, 13% were neutral, 6% strongly agreed while 28% agreed that alcohol sale ban help the nation to curb the spread of Covid-19.

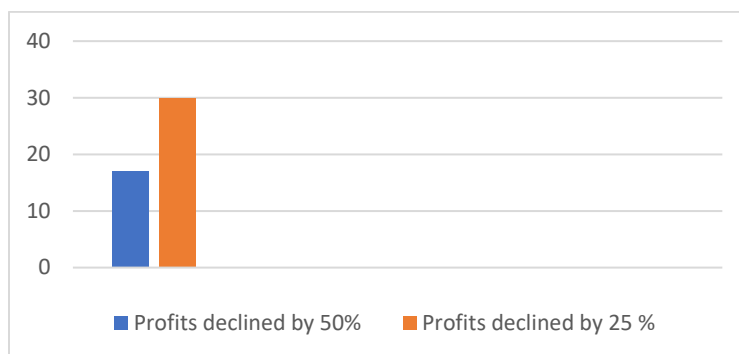


Figure 4. 5: Financial Performance of Kgalagadi Breweries Limited during Covid-19

The figure above shows profits decline according to respondents at KBL. The results indicate 36% of the respondents indicated profits declined by 50% while 64 % estimated that profits declined by 25%. With the above results that it can be assumed KBL profits have been going downhill.

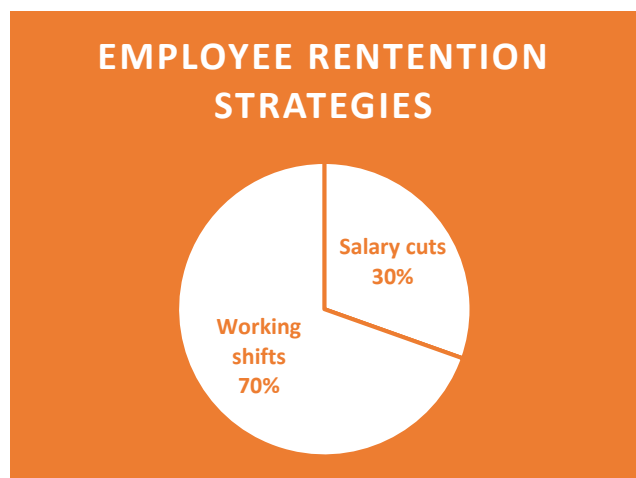


Figure 4. 6: Recovery Strategies by Kgalagadi Breweries Limited

The figure above shows that 70% of the respondents suggested that they should introduction of working shifts as their employee retention strategy, while 30 % supported the idea of cutting off employees' salaries as a way of recovering from Covid-19 and beyond. None of the respondents were in support of employees being laid off as a way of recovery by KBL. Many of the casual challenges that are brought by Covid-19 can be alleviated by supporting shift patterns instead of laying off employees or not paying the as employees will be working minimum hours.

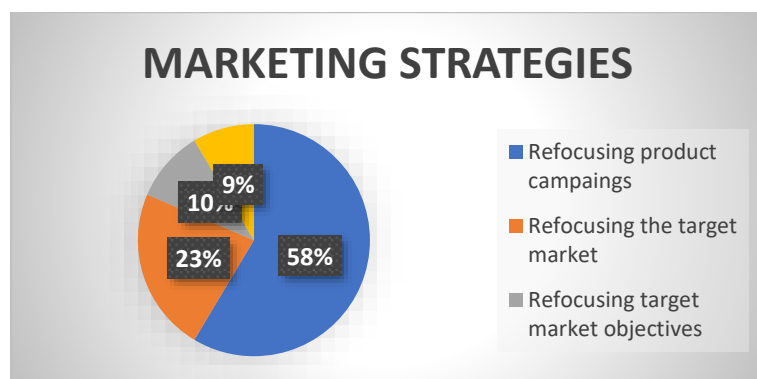


Figure 4. 7: Marketing Strategies

The researcher phrased a question which asked the respondents the likely marketing strategies that KBL will adopt to improve it sales during Covid-19 and beyond. The above results show that refocusing purchase points had the least numbers at 9% followed by refocusing target market objectives at 10%, refocusing target market at 23% while refocusing product campaigns was highly suggested by respondents at 53%. Alcohol manufactures should recognize the Covid-

19 pandemic while at the same time imitating positive values that will attract clients back. Organizations can enhance marketing campaign and arranged gratified timelines, assessing the language and imagery utilized in advertisements and marketing materials and attentiveness of clients.

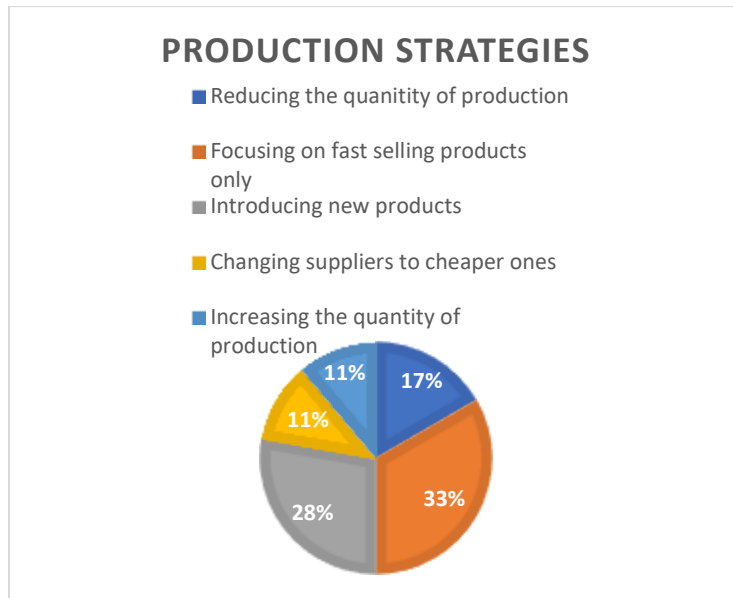


Figure 4. 8: Productions Strategies

The researcher also asked a question which required the respondents specify the best production strategy they thought could help KBL to gain more profits during Covid-19 and beyond. 11% of the respondents suggested that KBL should increase the quantity of production, 11% also suggested that the organization should change suppliers to cheaper ones, 17% were proposing that KBL should reduce the quantity of production, 28% were in favor of the idea that KBL should introduce new products while 33% suggested that the organization could just focus on giving priority to its fast selling products. During the times when an organization is facing challenges its best to focus its limited resources on the best-selling products in order to create more profits.

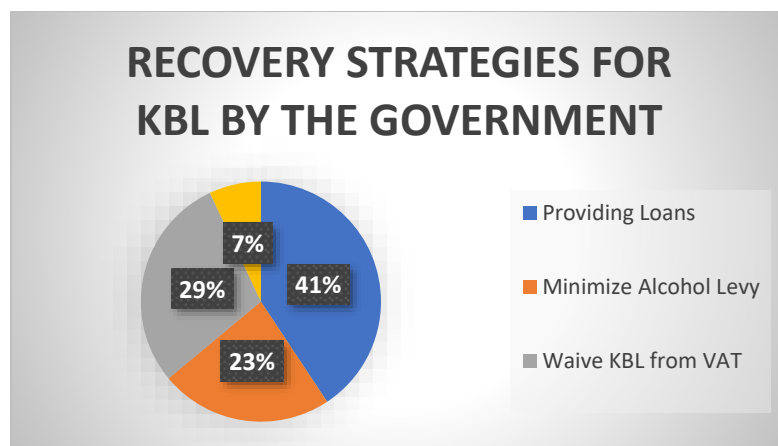


Figure 4. 9: Recovery Strategies for KBL

The researcher asked the respondents a likely most common strategy that they felt that the government of Botswana could use to facilitate KBL to recovery from the Covid-19 challenges. The above results show that 7% of the respondents suggested that the government could authorize KBL to increase prices of their products, 23% suggested that the government could minimize the alcohol levy, 29% were of the idea that the government could waive KBL from the VAT increment that just kicked off in the month of April. Governments can find ways to held challenge industries by waving them from certain levies that are imposed and controlled by the government.

4.4 Chapter Summary

This chapter consists of a quick overview of the research findings as well as an analysis of them. From the targeted population of 60 respondents, the researcher received 47 responses. The vast majority of responders answered all of the questions on the questionnaire that was given to them, with only a handful remaining neutral on a few.

In data analysis and interpretation, the researcher dealt with data obtained from KBL employees and took into account some of the literature review collected for the research proposal. The findings show that objectives of the study have been met and it shall be elaborated further in the next chapter. The researcher was able to determine how the ban on alcohol sale restriction had affected KBL by comparing the profits which were gained by Kgalagadi breweries limited before and during Covid-19. The assessment on the effects of Covid-19 was also achieved through asking the respondents how KBL has been affected by Covid-19. By citing from ways in

which government across the world are facilitating organizations to recover from Covid-19, the researcher was able to examine ways the government of Botswana could facilitate the recovery of KBL from Covid-19. The research also asked the respondents to suggest strategies that would be implemented by KBL to survive during Covid-19 and beyond.

CHAPTER 5: DISCUSSION AND INTERPRETATION OF THE RESULTS

5.1 Introduction

The following chapter discusses the purpose of the study, evaluating whether the aims and objectives of the study were achieved. The study draws conclusions from the data collected and analyzed and offers recommendations for further research. The major objective of the study was; to establish the perceptions of lower, middle and top managers regarding the effects of Covid-19 on KBL in Gaborone, Botswana.

5.2 Summary of Research Findings

Main research objective: To establish the perceptions of lower, middle and top managers regarding the effects of Covid-19 on KBL in Gaborone- the findings of the study indicates that the lower, middle and top managers at KBL are of the view that Covid-19 has brought so many challenges to their organization. 63% of the population strongly agreed that Covid-19 has led to a loss of income while 37% agreed that Covid-19 has led to loss of stock at KBL. 68% of the population strongly agreed that their outbreak of Covid-19 and the restriction imposed to curb its spread resulted in no production. 63% of the population anticipated that a continuous restriction of alcohol sale due to Covid-19 had led to high staff turnover. 70% of the population agreed that stock had expired at KBL during alcohol restriction. 55% agreed while 45% strongly agreed that there was a loss of income at KBL due to Covid-19.

This finding is confirmed in literature by (Pitso, 2019). The challenges included profits decline, loss of sales and stock expiry. Statistics as per the yearly reports that are published by KBL shows that in 2018 KBL's best-selling product line of clear beer had grown at only 2%. In 2019 there was an improvement of about 16% on the clear beer category (Tshipayagae, 2020). When the year 2019 ended with a positive improvement in profits most managers were enthusiastic that they will do their best to achieve better results in 2020 (Tshipayagae, 2020). To the manager's disappointment the year 2020 which was coupled by the fast spread of Covid-19 proved impossible to achieve the set targets. When the government of Botswana introduced the first lockdown in April 2020, there was an alcohol restriction associated with it as a way of curbing the spread of Covid-19, as confirmed in literature by (Pitso, 2019). Since the year 2020 when the entire economy started to drop in profits due to effects of Covid-19, KBL made losses with each phrase of alcohol restriction that was introduced as confirmed by (Tshipayagae, 2020).

Being influenced by the records that are presented the managers of KBL at all levels felt that Covid-19 has brought profit decline, loss of sales and lead to stock expiry in their organization. Before the outbreak of Covid-19 most managers anticipated the financial year of 2020/2021 to be the most lucrative one since their best selling product clear beer was doing well in the as confirmed in literature by (Pitso, 2019).

5.3 Secondary Objectives

Research objective 1: To determine how the ban on alcohol sale and restrictions have affected KBL –45% of the population strongly agreed while 70% agreed while 30% strongly agreed that Covid-19 has led to The findings of the study indicate that the restriction of alcohol sale imposed on alcohol industry by the Covid-19 task force has led to expiry of stock at KBL (Tshipayagae, 2020). Also there has been no production during the restriction of alcohol which was also written by (Vandenberg, 2020) . During the alcohol sale restriction KBL was faced with a challenge of loss of sales hence leading to no income for the brewery (Sebeelo, 2020). The outcomes of the study show that Covid-19 has resulted in the restriction of alcohol sale in Botswana which has being imposed on KBL and all other retailers in the alcohol industry (Pitso, 2019).

Though the restriction of alcohol sale is only imposed when the positive cases of Covid-19 are a pick and lifted when the cases have been reduced the, the rapid and unpredictable ban has affected the viability of KBL (Sebeelo, 2020). When sudden alcohol sale restriction is introduced in Botswana all the produce that is in the stored is not delivery to the distributors risking expiring in KBL's storage (Pitso, 2019). When the alcohol sale ban is lifted most of KBL's customers are not able to purchase the same units of stock they used to order. This is so because the customers spend the limited profits that they had made in paying rent and their wage bill though there are no sales (Tshipayagae, 2020). Hence when the alcohol sale ban is lifted they can only spend the little left to make orders (Pitso, 2019). This situation in turn results in KBL having low sales as a result of alcohol restriction hence the entire cash flow in the organization is disrupted as well (Sebeelo, 2020).

Research objective 2: 63% of the population strongly anticipated that Covid-19 has resulted in high staff turnover. To assess the effects of Covid-19 on KBL-All the Challenges that KBL find its self-facing are subsequent to the outbreak of Covid-19. It is without doubt that Covid-19 has had an unprecedented impact on KBL. This finding is confirmed in literature by

(Pitso, 2019). In an attempt to manage consumer behavior and ease the strain on the health system within the Covid-19 pandemic, the Government of Botswana imposed recurring bans on the consumption and distribution of alcohol within the country during the lockdown. The bans of consumptions and distribution of alcohol were also coupled with movement restrictions. This inexorably affected the KBL, exports, imports and the domestic sales of alcoholic beverages. There was concern from KBL about the harmful effects the ban would have on it in terms of job losses, revenue forfeited as well as loss of market share in international markets.

Research objective 3: To examine ways in which the Government of Botswana could assist KBL to recover from losses brought by covid-19-The results of the study show that 7% of the respondents suggested that the government could authorize KBL to increase prices of their products, 23% suggested that the government could minimize the alcohol levy, 29% were of the idea that the government could waive KBL from the VAT increment that just kicked off in the month of April. The results of the study show that the respondents at KBL were suggesting that the government could provide loans for KBL to facilitate and speedy up its recovery (Sebeelo, 2020). This finding is supported in literature by (Mosinyi, 2020).

The respondents also suggested that the government could waive KBL from alcohol levy and the increased 14% VAT to help it recover loses brought by Covid-19 also suggested by (Pitso, 2019). With a pandemic such as Covid-19 hitting the economies of many countries so hard, in the attempt to return the economy to a better state, governments could partner with companies to improve the economy Mosinyi (2020). This will not only boost the economy but also facilitate manufactures such as KBL to be back on their feet (Sebeelo, 2020). Waving KBL from tax for a certain period of time by the government of GoB could give it some time to gain more profits (Mosinyi, 2020).

Research objective 4: To determine strategies that could be implemented by KBL to survive during Covid-19 and beyond- The results of the study show that refocusing purchase points had the least numbers at 9% followed by refocusing target market objectives at 10%, refocusing target market at 23% while refocusing product campaigns was highly suggested by respondents at 53%. The findings of the research indicate that the respondents suggested KBL could focus on selling their bestselling product during Covid-19 to make more profits as their production strategy, supported by (Ogilvie, 2020). The respondents also suggested that KBL could refocus

their product campaigns as a marketing strategy that will boost their sales, this is a strategy seen worth using even by (Ogilvie, 2020). Introducing working shifts is also one of the suggestions made by the respondents at KBL for the company to recover their losses resulting from Covid-19 (Sebeelo, 2020).

Other studies which have been made on strategies that could be used by alcohol manufactures include advertising in social media (Mosinyi, 2020). Since the outbreak of Covid-19 most people spend most of the time on social media (Ogilvie, 2020). KBL could advertise their promotions on the social media platform where it will be easy to reach most of their target market while at the same time increasing their market share. Increasing a market share during trying times such as when there is a pandemic like Covid-19 will surely result in a smooth sailing even beyond Covid-19 (Ogilvie, 2020). Other study also suggests that alcohol manufactures such as KBL could introduce online sales (Mosinyi, 2020). By so doing KBL would not only abide by Covid-19 regulations of maintaining a limited number and distance in their premises that also reach their target sales (Sebeelo, 2020).

5.4 Conclusions

Based on the findings of the research it is without doubt that managers are of the perspective that Covid-19 has brought loss of sales, stock expiry and profits decline at KBL. Covid-19 has resulted in the restriction of alcohol sale and lockdowns in Botswana which has affected the financial position of KBL. The government of Botswana could facilitate the recovery of KBL by waving it from the tax increase which effected from April. KBL could focus on producing their bestselling product to make more profits, refocus their marketing strategies to increase sales. Introducing working shifts can also help KBL to reduce their wage bill hence being able to recover from Covid-19.

5.5 Recommendations

The recommendations made in this section are based on the research findings in Chapter 4.

Recommendation 1

The issue of alcohol sale restriction is one that is beyond the control of KBL, since it is imposed by the Covid-19 task force which has been vested by the parliament with the powers to do anything necessary to curb the spread of Covid-19 virus Mosinyi (2020). In as much as there are

limited ways to reduce or tackle the effects of the alcohol sale restriction, KBL can ensure that each time the ban is lifted they do their best to maximize sales in the limited and unpredictable time that they have, also suggested in (Pitso, 2019)'s paper. KBL could ensure that they introduce online sales where their customers can order beer online and drink at home upon receiving their orders as this is what the developed countries have been moving towards even before Covid-19 as seen in paper wrote by (Vandenberg, 2020).

Recommendation 2

The Covid-19 task force has encouraged the alcohol consumers to ensure that even when alcohol sale ban has been lifted they should avoid having gatherings at alcohol outlets and even congestions were the alcohol is sold, (Pitso, 2019). Therefore, since selling hours are also limited to only weekdays, KBL could ensure that they promote online selling which will not only facilitate in adhering to Covid-19 guidelines but also help boost their sales (Mosinyi, 2020). Most of the companies in Botswana and across the globe have now normalized selling their products online, therefore likewise KBL can also venture into selling their products online (Ogilvie, 2020).

Recommendation 3

KBL Should also avoid stock piling and only produce limited stock which will be out of their shelves well on time hence reducing high numbers of stock expiry, this is a sales strategy seen on (Holland and Knight Alert, 2020) work as well. Producing limited stock and introducing online sales could help improve their worsening level of income (Mosinyi, 2020).

Recommendation 4

The researcher recommends that; KBL should always be mindful of the number of people with confirmed Covid-19 virus in Botswana since it influences the alcohol sale restriction. The updates are televised every week and even broadcast on radios (Pitso, 2019). Therefore, in order to produce what will sell and be finished by the time alcohol sale restrictions are imposed, when the cases seem to be low the brewery can increase their produce and reduce production when the positive cases start increasing (Mosinyi, 2020).

Recommendation 5

The researcher recommends that the GoB could help KBL by giving it loans that will help it in financing the day to day activities which are now imposing to financing since the brewery has limited funds (Ogilvie, 2020). The government of Botswana can also ensure that it waives KBL from the recent VAT increment of 14% until it returns to its stable profitable state. The government could also waive KBL of the alcohol levy which was imposed in 2008 until it gains profit again (Mosinyi, 2020).

Recommendation 6

Many studies highlight that an income tax reduction is very vital for the economy as it adds more money to the people's pockets as suggested by (Hellman, 2020). Likewise, if the government of Botswana were to waive KBL of the 2% increase it would boost its sales since it will have more customers buying their products since it will be more affordable for them (Mosinyi, 2020). In this case KBL will have to create time to make changes to their internal accounting systems, make new prices and also change their billing systems to accommodate the new changes. This would result in the company making progress in terms of recovery its profits (Pitso, 2019).

Recommendation 7

In 2010 the World Health Organization supported the idea to minimize the harm brought alcohol in the life of human beings (Mosinyi, 2020). Imposing alcohol levy has also been proven to double the alcohol tax and at the same time making for revenues for governments thus confirmed by (Ogilvie, 2020). Since Covid-19 has stark the sales in the alcohol industry have diminished, the government of Botswana could waive KBL from alcohol levy for a certain period of time to give it time to recovery profits (Ogilvie, 2020).

Recommendation 8

The researcher recommends that KBL could refocus their product campaigns as highly suggested by respondents at 53% to make more profits and recover from the loss brought about by Covid-19 as suggested by (Hobbs, 2020). Giving priority to KBL most selling product the beer category instead of the traditional beverage category which contributes less sales could be its way to making more money (Mosinyi, 2020). In its annual reports KBL has recorded year after year that the clear beer category has been the best-selling category (Ogilvie, 2020). Therefore, prioritizing this category can result in KBL gaining more sales hence recovering from the losses brought by

Covid-19. As said by (Ogilvie, 2020) businesses could also formulate new product campaign strategies that will help it to boost sales and KBL should also consider this.

Recommendation 9

KBL could ensure that they reduce working hours per employee through introducing working shifts to enhance its profitability thus confirmed by (Sun et al. 2020). Thus reducing the way bill will also minimize the payroll taxes that KBL pay to Botswana Unifies Revenue Services on monthly basis. Introducing working shifts could also ensure that KBL manages their performance by giving more hours to the hard working and dedicated employees and allocate less time to the less productive employees, reinforced evidence of (Ogilvie, 2020).

5.6 Limitations of the Study

The study was carried out in the alcohol industry sector, which means that the findings may not be generalized to other sectors of the economy. Also, the researcher relied on the annual reports which were available on the internet to access the financial performance of KBL hence there was limited information with regards to the financial performance of the brewery in financial year of 2020/2021, which was also confirmed by (Pitso, 2019). The management of KBL expressed that the financial information of the recent year was confidential, and it was not yet time for it to be disclosed. Therefore, the researcher relied more on the newspapers and articles on the internet to analysis the financial performance of KBL. Due many regulations that were sent by the government such as social distance the researcher had to distribute questionnaires to the respondents in batches. This was so because have the entire population gathered in the same place to collect the questionnaires. At times the researcher had to go back and forth to collect the information since some respondents were not present in the office as they had tested positive for Covid-19 or on isolation.

5.7 Implications of the Study for both Theory and Practice

A research implication can be described as rational association between a situation and its outcome, the overall findings of the study indicates that indeed Covid-19 has negatively affected the alcohol industry in Botswana and led to a drastic fall in the profitability of KBL (Rahman et al. 2019). The outcomes of the study also show that the imposed alcohol sale restriction has led to stock expiry at KBL. The outcome of this study implies that the management of KBL in

collaboration with the government of Botswana must come up with ways that will help KBL to recover from losses brought Covid-19, also implied by (Wang et al. 2020).

The implication of the study in relation to the Theory of Crisis Management shows that the management of KBL should come up with ways in which they can navigate an increase of their profits margin. This is more so that the Theory of Crisis Management encourages organizations facing unstable and unforeseeable events to develop a plan of recovery of the challenges brought about by the crisis at hand (Holland and Knight Alert, 2020). Therefore, KBL management could implement adequate yet bendable response plan towards Covid-19 (Pitso, 2019). This study has contributed to the body of knowledge of Covid-19 response strategies by suggesting the strategies that could be adopted by KBL to survive during Covid-19.

5.8 Further Research Directions

It's also worth noting that the border between management and leadership appears to be frequently blurred. An organization like KBL would be an excellent place to investigate the link between leadership and project completion to figure out what leadership positions might result in successful recovery strategies from Covid-19. Other research could be conducted in other African countries or other continents to find out how they are coping in the view of the negative effects of Covid-19 pandemic.

5.9 Chapter Summary

The findings of the study have shown that Covid-19 has brought about restrictions on alcohol sale which has been imposed by the Covi-19 task force as a way of curbing the spread of Covid-19 across Botswana. The alcohol sale restriction has led to KBL experiencing loss of sales, stock expiry and loss of income (Pitso, 2019). KBL had been able to make profits before the spread of Covid-19 hit the nation of Botswana. The study suggests that ways in which KBL could recovery from loses made because of Covid-19 include, introducing working shifts, giving more priority to the best-selling product and also formulating new product campaigns (Arthi, 2020).

The government of Botswana could collaborate with KBL to find ways to facilitate its recovery from Covid-19. One of the ways in which the government can help KBL includes waiving the brewery from the new VAT increment and also waives it from alcohol levy.

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APPENDICES

Appendix 1: Research Permit



**KGALAGADI
BREWERIES
(PTY) LTD**

Company Reg. No. 18731501

10th May 2021

Gaone Tshabela
Faculty of Business and Accounting
Department of Graduate Studies in Business and Accounting

RE: REQUEST FOR KBL RESPONSE TO RESEARCH QUESTIONNAIRE

We refer to the above matter.

Please be informed that your request for assistance with your research on the topic of "The Effects of Covid-19 corona virus in Botswana: A case of Kgalagadi Breweries Limited" has been granted.

We thank you for your interest and wish you the best in this and other endeavours.

Yours Sincerely,

Masegonyana Madisa
Corporate Affairs Manager

P. O. Box 706, Gaborone, Botswana, Plot 20268 Kuba Road, Broadhurst Industrial Estate, Gaborone, Tel: +267(0)55810, Fax: +267 (0)01447

Board of Directors: J. Viljoen, B. Doo (Managing), T. Tso, M. Motone, D. Van Vuren

Appendix 2: Ethical Clearance

NOTES:

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001

LIBRARY:

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001

RESEARCH:

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001

STUDENT:

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001

STUDENT:

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001

STUDENT & DISTANCE

Botswana Campus:
P.O. Box 20779, Gaborone
Tel: +266 22 20 0000
Fax: +266 22 20 0001



18/LTR/G8E/PGL/2021

April 6, 2021

Gaone Tshabela
Faculty of Business and Accounting
Department of Graduate Studies in
Business and Accounting (MBA)

Dear Gaone

Project Title: The effects of Covid-19 corona virus in Botswana: A case of Kgalagadi Breweries Limited

Botho University Institutional Review Board (BU IRB) has approved your request to conduct a study with the aforementioned title. The approval is in line with the mandate given to the University by the Department of Research Science and Technology on 03 December 2019 (REF: DRST 7/2/13 XXIII (24)) to issue research permits.

This permit applies specifically to your topic and the research proposal that you provided together with your application. The permit is valid for 6 months from the date written at the top of this letter.

Please observe the following:

1. You need to request for consent from your study participants before collecting data from them
2. You need to ask for permission from the institution/ department/unit from where you intend to collect your data
3. You may not change any aspect of your research without permission from the BU IRB
4. You are required to notify the BU IRB in writing, of any unforeseen circumstances including an unintended termination of the study
5. You should allow the BU IRB access to the study at any time for purposes of auditing
6. At the end of the study, you are required to submit to the BU IRB, a hard and soft copy of your approved research report.

Please note that failure to fulfill any of the above requirements will lead to the immediate revocation of your research permit.

We wish you a pleasant research experience.

Sincerely yours

Dr. Anthony Masaka

Dr. Anthony Masaka
Chairperson, BU Institutional Review Board

Appendix 3: Questionnaire

Dear respondent

My name is Gaone Tshabela and I am a student at Botho University. I am studying Masters in Business Administration and my research topic is; “the effects of Covid-19 on Kgalagadi Breweries Limited (KBL). As part of my studies I am supposed to work on a research project. I kindly ask you to spare 15- 20 minutes of your time on this questionnaire by ticking in the appropriate box, bearing your response.

SECTION A: DEMOGRAPHIC DETAILS

The researcher seeks to find out more information about the respondent in this section.

Please mark the option which applies to you with an (X).

1. What is your gender?

Male		Female	
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2. What age group are you in?

25-30 years		31-35 years		36-40 years		41-45 years		Above 50 years	
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3. What is your management level?

Line manager		Middle manager		Upper manager	
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4. How long have you been working for Kgalagadi Breweries Limited?

1-3 years		4-5 years		6-7 years		8-9 years	
More than 10years							

5. Which department do you work in?

Accounting		Production		Human Resources		Sales	
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SECTION B: EFFECTS OF ALCOHOL RESTRICTION ON KGALAGADI BREWERIES LIMITED

6. Alcohol sale restrictions has affected my department in the following ways:

	Strongly disagree	Disagree	Neutral	Agree	Strongly Agree
1.Loss of sales	1	2	3	4	5
2. No production	1	2	3	4	5
3. High staff turnover	1	2	3	4	5
4.Expiry of stock	1	2	3	4	5
5.Loss of income	1	2	3	4	5

7. Did the alcohol production plants have to be run without production to avoid damage?

YES	1	NO	2
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8. The Covid-19 task force has restricted the sale of alcohol to reduce the spread of Covid-19.

Do you agree that this restriction can help Botswana to fight the spread of Covid-19?

Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	2	3	4	5
(SD)	(D)	(N)	(A)	(SA)

9. To what extent has the profits of Kgalagadi Breweries Limited affected since Covid-19 began?

Profits decline

	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
1.Profits have not declined since the outbreak of Covid-19	1	2	3	4	5
2. Profits declined by 25%	1	2	3	4	5
3. Profits only declined on average basis only	1	2	3	4	5
4. The profit decline was below 10%	1	2	3	4	5

SECTION C:

9. RECOVERY STRATEGIES BY KGALAGADI BREWERIES LIMITED AND THE GOVERNMENT OF BOTSWANA

Which strategies will Kgalagadi Breweries Limited adopt for recovery?					
Employee retention strategies					
1. Employees' salaries will be cut to minimize the wage bill	1	2	3	4	5
2. Half of the employees will be laid off to minimize the wage bill	1	2	3	4	5
3. Working shifts will be introduced to minimize the wage bill	1	2	3	4	5
4. Working will be minimized to minimize the wage bill	1	2	3	4	5
Marketing strategies					
5. Refocusing product campaigns	1	2	3	4	5
6. Refocusing the target market	1	2	3	4	5
7. Refocusing target market objectives	1	2	3	4	5
8. Refocusing points of purchase	1	2	3	4	5
9. Refocusing the voice on the brand	1	2	3	4	5
Production strategies					
10. Reducing the quantity of production	1	2	3	4	5
11. Focusing on fast-selling products only	1	2	3	4	5
12. Introducing new products	1	2	3	4	5
13. Changing suppliers to cheaper ones	1	2	3	4	5
14. Increasing the quantity of production	1	2	3	4	5

10. Strategies that can be implemented by the government to facilitate the recovery of Kgalagadi Breweries Limited:

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Disagree
1.The government of Botswana will provide loans to Kgalagadi Breweries	1	2	3	4	5
2.The government will minimize alcohol levy for Kgalagadi Breweries to facilitate its recovery	1	2	3	4	5
3. The government will waive Kgalagadi Breweries from the VAT increment scheduled to effect in April 2021.	1	2	3	4	5
4. Breweries will increase prices of the alcohol.	1	2	3	4	5

Thank you for taking time answering the questionnaire!