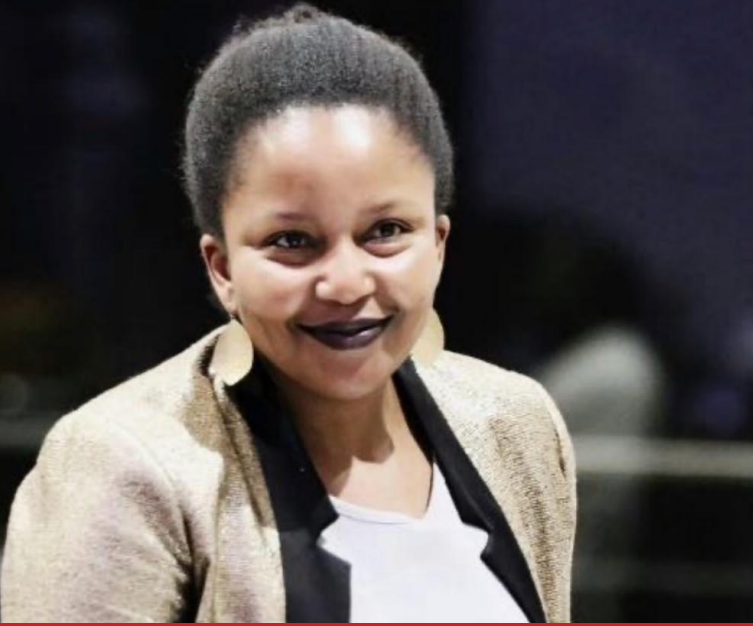




Brewing innovation and success

Asmara Coffee is an artisanal micro-roastery in Centurion, Pretoria, founded with the vision to make quality, artisanal coffee, which appeals not only to the palates of coffee connoisseurs but also to those starting out on the exciting journey of exploring coffee. A collaboration between food and beverage expert Nobuhle Magwentshu and the TriBeCa Coffee group, Asmara aims to supply superior coffee at all retail levels. Asmara supplies more than 40 Woolworths stores nationwide, Big Five duty-free shops, corporates, independent cafés, and hotels.

*Meet Nobuhle Magwentshu,
managing director of
Asmara Coffee:*



What's in a name?

The origins of the name “Asmara Coffee” are interesting. Asmara is the capital of Eritrea, a country bordering Ethiopia, which is known as the birthplace of coffee. Asmara is a fascinating city referred to as “Little Rome”, because it is infused with Italian culture and architecture. It also had a vibrant café culture at one stage. Today, Asmara’s Italian-African fusion is a unique characteristic of the city.

In Indonesia, a major global coffee producer and consumer, the word “asmara” means “love”. Nobuhle explains: “The name pays homage to our African roots and important coffee producers, celebrates our cultural diversity and our place in the world. It’s also about spreading love through coffee – our love for the hard-working coffee farmers throughout the continent, our love for our customers, and the love spread by our coffee through friends meeting for cosy chats, celebrations and exchanging ideas.”

“I’d like to create a new breed of coffee entrepreneurs, empowered to run a business in their own spaces, without having to go into malls and rent space, even if they’re just a one-man or one-woman show.”

Nobuhle Magwentshu grew up in Gamalakhe outside Port Shepstone, KwaZulu-Natal. A budding entrepreneur from an early age, she launched her first business while still in school. “At the age of 14, I was baking cakes and selling them. That’s until my mother saw the electricity bill, after which my business went south very quickly!” she laughs. In Grade 10, Nobuhle identified who she wanted to work for. “We had a career day and were given brochures about various career choices, and when I saw one could work for Woolworths through studying towards a Food Science qualification, I was sold!”

After matriculating, Nobuhle went to Pretoria Technikon (now the Tshwane University of Technology) where she studied food and nutrition. On weekends she did food demonstrations at the Woolworths in Sunnyside and later, as part of her in-service training, worked in quality assurance at Gull Foods, a Woolworths supplier. “After graduating, I called the Woolworths head office explaining that I’d been working as a casual in their stores and was now in need of permanent employment,” she says.

Nobuhle was placed as a quality assurance officer at the Woolworths meat processing plant in City Deep, Johannesburg. A stint at Pick n Pay followed, first as a food technologist and later as a product developer for their delis. When a position

was advertised at Sasol for a fresh foods manager at their convenience stores, she applied and got the job. “And that’s where my coffee journey began,” she says. “Until then, I’d been working in the food industry on the technical side, in manufacturing and in product development, but I’d never worked with coffee. This role entailed looking after Sasol’s food offering, as well as their beverages, where coffee was the driver.”

The coffee journey begins

Back then, in 2009, the coffee leader in the forecourt market was BP, with their Wild Bean Café brand, and then the likes of Seattle and Vida e Café entered this arena, explains Nobuhle. Sasol wanted to become a player and so, she went on a journey of discovery to truly understand the product.

“The coffee bug bit! It’s not just about the end-user; the entire value chain is so intricate and interesting. Six years later, I ended up working for BP in a similar role. I looked after their Wild Bean brand, and I got to visit a farm in Tanzania to see how their coffee is grown and learn about the entire process from bean to cup.”

Nobuhle mentions her interest in Woolworths again. “Working there was my big career goal mainly because of their brand value – ‘The Woolworths Difference’ – which inspired me,” she says. “When I wanted to improve the coffee at Sasol, I started researching who supplies Woolworths. I came across a magazine article profiling Dale Mazon, one of the founders of TriBeCa Coffee, and they happened to be a coffee supplier to Woolworths.”

She got hold of the contact details of the

other co-founder, Martin Fitzgerald, and wrote to him. “He was receptive, and so we met and started having conversations around coffee.”

Conversations with TriBeCa

Nobuhle, at the time, was keen to launch a café where the coffee stood out for quality and uniqueness. “The market at the time was changing; the South African palate was becoming more discerning. There was a shift away from a milk-based beverage towards a desire to appreciate good coffee. And I wanted to provide this market with an exceptional product and experience.

“I was still employed full-time, and in the conversations with Martin, came to understand how difficult it can be to start your own business. I realised that I’d have to have the whole supply chain sorted out to create a sustainable business before I could even consider servicing customers. So, I said to Martin that I needed him to partner with me and hold my hand.

“Even talking about it now, it seems pretty unbelievable. We come from different worlds – a Zulu woman and an Afrikaans man. We are not the same age group, and we would have never met, except that I’d picked up the phone, and on the other end, I got someone willing to listen. And for years, we were talking about how we could make this work. Would we open a business jointly or would I go on my own?”

Eventually, Martin told Nobuhle he had an idea. He felt South Africa was ready for artisanal coffee with broad palate appeal. “With his ability to secure volumes of green beans at a competitive price, I could immerse myself in building a sustainable, competitive brand,” explains Nobuhle. “So,

we launched a micro-roastery in Centurion and that's how Asmara Coffee was born.”

The company was structured as a partnership-ownership between Nobuhle and the TriBeCa Coffee group. This collaboration pools expertise from both sides – Nobuhle’s extensive food and beverage experience and TriBeCa’s long-standing foothold in the coffee sector, and its strong relationships with farmers. Nobuhle is the full-time managing director, with Martin providing input and support as director.

A challenging beginning

While founded in 2014, Asmara officially kicked off in 2018. They landed their first account – Woolworths retail – and began supplying them in 2019. “For me it was a real leap of faith, coming from a safe corporate background with a guaranteed salary into an environment where I needed to start something from scratch,” Nobuhle says. “The plan was for us to plough everything into Asmara and as we grew, we could look at how to structure salaries.”

Next came the challenge of navigating business barriers. Nobuhle explains that the coffee market is saturated with a few big players and many small roasters, making it difficult for a new entrant to entrench and differentiate themselves. Asmara Coffee also did not have a retail footprint where people could taste the product and as such, lacked brand visibility, despite its quality offering.

“We launched in retail, and while this is great, it's not the same as people consuming and experiencing your product daily, such as in a coffee shop. So, one of my big challenges was to get people to try the

product. Also, South Africans are not yet brewing coffee at home in their numbers. It was a case of people saying, ‘I bought your beans, what must I do now?’ I would explain that a small plunger and grinder will get one brewing at home, and they were like, ‘Really? Must I buy all of that?’ But from this experience, we've been able to start the conversation around brewing coffee at home.”

A year in, Nobuhle decided to write to Lindiwe Sangweni-Siddo, COO of City Lodge Hotel Group, to ask what coffee the hotels were serving their guests. “I've got this habit of writing to people! I also wrote to a couple of other hotel groups, but it was Lindiwe who said, ‘Come and see me and present your business. I would like to hear more about it.’”

A meeting with Lindiwe and Tony Balabanoff, Divisional Director: Operations, soon followed, and they loved the Asmara Coffee offering. “But the problem was, how to make it work? Hotels want an end-to-end solution with coffee machines and coffee. This is a barrier to entry for a small operator that doesn’t have the capital to buy a lot of equipment. So, I put together a presentation outlining various ways to make this work with the end-goal being to improve the coffee experience for guests,” Nobuhle says.

Some time passed until post-COVID, when City Lodge Hotel Group restarted a project they had put on hold. It was at Waterfall City in Midrand – a flagship Courtyard Hotel with 168 rooms. “Tony phoned me saying they wanted me to come on board as their coffee partner for this project. Two years after our initial meeting, we kicked off the partnership – a massive opportunity for my company.”

This project resulted in premium coffee being offered at the Courtyard Hotel's two restaurants – Protea and Highline. In another development, the City Lodge Hotel Group joined forces with Sigma International, becoming a sponsor for the SATSA-Sigma business incubator initiative. This would prove a game-changer for Asmara Coffee.

Becoming an incubatee

Nobuhle was brought into the SATSA Tourism Business Incubator, implemented by Sigma International, in October 2022, for a year. As a medium-sized business, she falls under the supplier development programme with City Lodge Hotel Group as the sponsor. The intention is to grow the Asmara business into a standalone brand and give Nobuhle the mentorship to achieve this.

"I've been assigned an executive business mentor, who looks at Asmara Coffee from a global perspective, also in terms of short-, medium- and long-term goals and how to structure it for long-term growth," she explains. "Then there's a marketing specialist identifying the customers I should be approaching, while Sigma is leveraging their other stakeholders. They're always looking to improve our business and expose us to new markets."

Adds Sigma International's General Manager of Operations, Shamantha Moodley: "Asmara Coffee now has a strong digital marketing strategy, including brand positioning, and a business strategy that aims for some customer diversification. We're also investing in more in-house competencies, efficiencies, and capacity to allow it to evolve into a fully-fledged, independent operation on par with leading

roasteries you'll find anywhere in the world."

Nobuhle says her years of experience, combined with the support she's received so far, have been instrumental in creating and nurturing a business that is well-positioned to scale up and take advantage of new opportunities. This year, Asmara Coffee started rolling out a coffee blend specially developed for the City Lodge Hotel Group to all City Lodges and Courtyard Hotels. They now supply 23 hotels and employ five full-time employees. "City Lodge Hotel Group has afforded Asmara Coffee the physical market presence we were lacking. To wake up one day and be in 23 hotels, with maybe close to a thousand rooms, and have all those feet coming through the doors experiencing our coffee, is a dream come true!" Nobuhle says.

"Being part of the SATSA Tourism Business Incubator programme has given the business a new lease on life in terms of positioning it. The business is now able to hire good candidates, and I feel comfortable that we'll meet our overhead costs and that we can plan for future growth prospects as a result of this contract."

Asmara Coffee is now also supplying 27 Southern Sun hotels with in-room aluminium coffee capsules. "The hotel industry is demonstrating how corporates can enable small businesses to gain entry into markets that in the conventional way of doing business, would prove impossible," says Nobuhle.

Paying it forward

Her immediate goal is to grow her

business, make sure it's sustainable, and then she wants to focus on making a difference. She is particularly concerned about the youth unemployment rate and is already working on a project to empower young people to grow sustainable enterprises based on the foundation that she and Martin laid.

"I'd like to create a new breed of coffee entrepreneurs, empowered to run a business in their own spaces, without having to go into malls and rent space, even if they're just a one-man or one-woman show. That's what TriBeCa has given me, and that's what I'd like to pay forward. I'm also inspired to help people learn transferable skills such as business acumen. This is really needed in our country."

She explains that the coffee industry offers scope for job creation. "There are so many aspects to it – someone could go into farming or if they have an engineering degree, they could become a roaster. In the long-term, I'd like to create a vehicle from coffee to build sustainable jobs and careers."

Nobuhle says she's excited about the huge coffee culture that's now firmly embedded in South Africa. "I believe coffee makes people happy, and going forward, I would love to see South Africans drink more coffee!"

Nobuhle's two top tips for new entrepreneurs

1. Build a support base

I can't emphasise enough how important this is. Being an entrepreneur can be lonely. I'm fortunate to have a family that offers me emotional support – my husband and my children are my sanity. I also have support in business with Martin. I can text him and say, "You know, I was thinking of this or that," and he'll give me advice. He's walked this road for over 25 years. To have someone like that as a sounding board is a blessing.

Surround yourself with people who support you and understand your vision, whether your spouse, family or a business associate; people who can replenish you in some form or another. Having an idea for a business is great, but 100 other people could have the same idea. What will set you apart is a strong foundation to sustain your vision.

2. Take stock

Make sure to take stock of where you are, where you've come from and where you're going. This is crucial to keeping you focused. You're going to meet many obstacles along the way but give yourself the time to reflect and revisit why you started your venture in the first place. Then note where you currently are, and you'll realise how far you've come. This will uplift you and keep you motivated. The exercise of taking stock will also guide your next steps.