

Unpacking SA's marketing economy

Twice a year the Worldwide AdForum Summit brings together search and agency management consultants. In April 2023 this select group will be meeting in New York for AdForum's NYC Summit. AdForum's managing director Carol Mason is taking the opportunity to hear from these key influencers about the marketing economy in their countries and chatted to Johanna McDowell, founder and CEO of the Agency Search and Selection company about the marketing economy in South Africa.



Source © The Citizen [the Citizen](#) While South Africans love overseas brands, they also love local brands such as Nando's

What are the biggest challenges and, therefore opportunities, for brands in South Africa?

1. Keeping up with global trends and needs so that brands remain competitive.
2. Aligning spend with marketing objectives – often those objectives are in excess of what the budget that is allocated can deliver. This results in pressure on the agency partners to cut corners to deliver results.
3. Fragmentation of marketing channels – reaching consumers in a way that will drive purchase and repeat purchase. Brands are not certain where to spend their money first.
4. Building brand value v driving sales – a continuous dilemma for brands during tough economic times.

Looking at media consumption, what formats or channels would you say are most prevalent in the country?

1. Television is still dominant but the way in which consumers access their programmes has changed.
2. Tracking of the way in which television advertising is consumed is a big pre-occupation currently as consumers are accessing via different devices. Streaming of various channels has posed new challenges – this is particularly important when managing ad spend on TV.
3. Outdoor advertising is big in South Africa due to our rural communities and size of the country.
4. Radio is a vital medium for consumers here as there are many different languages and the country is geographically spread out.
5. Printed magazines and newspapers are dying or have died. Digital media is thriving.
6. Digital experiential spend is also a new frontier for advertisers.

Getting a feel for African brand heritage, new entrants and customer loyalty, how difficult is it for a non-South African brand to enter the country and win market share?

1. South Africans love global brands and are always very excited when a new global brand enters the market.
2. Global brands are often able to spend more than their local counterparts due to the currency differences e.g. the dollar stronger is stronger than the rand – buys more media space etc.
3. South Africans generally are very brand conscious and will spend more on a well-known brand in preference to cheap counterfeit varieties.
4. Local South African brands are very successful too of course, such as Nando's which is now a global brand and whose brand marketing is managed from South Africa.
5. South African food brands are also very popular and successful locally.

What is your best advice to an agency shortlisted for a pitch? What makes for a winning proposition in South Africa?

1. Understanding the different cultures in South Africa is an essential ingredient for an agency to be successful in a pitch.
2. Reading the room – understanding the diversity within a client marketing team and ensuring that the agency team is even more diverse both from a racial and gender perspective is essential.
3. Demonstrating successful delivery among existing clients through strong case studies is very important as CMOs need to know that an agency can and will deliver.
4. Then there are the obvious tips:
 - The team presenting must be the team that will be on the business should the agency win. (Clients absolutely hate it when agencies do not do this.)
 - Read the brief, present what is requested then show the client prospect what else is possible.
 - Respect the budget provided but again show what else could be possible once you have delivered on the brief.

Which campaign / activation / promotion caught your eye in 2022 and why?

1. Fast delivery campaigns have been very eyeeye-catching and novel here and the large stores – mainly food chains – continue to develop and deliver these.
2. These are fully integrated campaigns that focus on the app for ordering and delivery and then on the ways in which delivery can be done. It's been a huge growth area in the e-commerce space in South Africa in the past 12 months.

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