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Sunday Times **TOP BRANDS**



■ Top Brands 2011

Nothing less than the *best*

Winning brands will need to add real value to the lives of consumers

Andrew Gillingham

The Sunday Times Top Brands Survey has evolved to become the most prestigious and influential milestone on each year's marketing calendar.

Now in its 13th year, Top Brands acknowledges winning brands in 45 business and consumer categories, and the coveted Grand Prix category. Conducted by TNS Research Surveys, Top Brands seeks out the views of South African consumers from all walks of life in terms of the brands they use and those they aspire to include in their baskets.

Enver Groenewald, general manager for advertising revenue at Avusa, says Top Brands emphasises the need for all product and service providers to keep their eyes firmly glued on their customers, and to ensure that they both understand and meet their needs.

While some brands appear to own the top spot in their categories, this year's results once again illustrate that a moment's complacency will soon see a hungry competitor threaten, if not take over, that position.

"Each year there is a shakeup in what is an increasingly demanding market. Today's consumers are very empowered, and they are no longer prepared to put up with anything less than the best.

"The digital age has put the ability to communicate with the world in the hands of the many, and not just a few individuals. As a result, consumers are more in touch than ever before and consumer activism has been given additional impetus.

"In this environment, brands have to sit up and take notice or face the consequences.

"Consumers no longer simply vote with their feet. They get up and shout about their experiences – good and bad – sharing them with other consumers and exerting an influence on brands around the globe," Groenewald says.

This more demanding and very



Pic: Jeremy Glyn

dynamic environment is creating better customer service and better consumer brand experiences, he adds. Not only does this raise the bar in terms of the minimum standards brands must achieve, but it also means winning brands can be rewarded more immediately.

He points out that there are many winning brands that illustrate the rewards that come with meeting and exceeding consumer

expectations. "The mobile-handset market is a good example. Despite competing in a market dominated by other players for many years, BlackBerry has been able to gain market share and become almost as ubiquitous as mobile handsets themselves.

"BlackBerry has become a badge of social acceptability, and the brand has given this status real support, by providing up-to-date

design coupled with desirable service, and application offerings have proved irresistible to demanding consumers."

Groenewald points out that, not only does Top Brands recognise the efforts of winning brands, but also excellence among those who build brands. The Robyn Putter Award is in its second year. The evaluation team looks at the agencies that represent the winning brands in

Consumers no longer simply vote with their feet – they get up and shout about their experiences

the Top Brands Survey, and then determines which agency holds, as clients, the most top-performing brands in South Africa.

Attaining this award takes a lot of investment by the winning agency, not only in creativity and client service, but also in developing its ability to think strategically.

"This year, the top brand agency award went to Ogilvy, which is doing some incredible work on the South African brand-building landscape, and it has increased the level of competition among the players in this market.

"Brands are not built in a day, and developing winning brands is often the result of long-term client/agency relationships and the trust that is earned between the two parties.

"There are some important lessons that other agencies can learn from the recipients of the Robyn Putter Top Brand Agency of the Year Award in terms of the way they go about establishing the brands on which they work," Groenewald says.

He believes that the shakeups that have taken place in the market are likely to become more profound in the future, and smart brands will need to become increasingly responsive to their customers.

Meeting customer needs in this very dynamic environment will call for effective, two-way communications between service and product providers and their customers, to ensure that they have a real understanding of customers' needs, and so that they do not simply seek to impose their views on consumers.

Further, while innovation has always played a key role in a brand's success, it is likely to become even more crucial in the years ahead.

However, innovation for innovation's sake is not likely to prove sustainable. "Consumers want real value that they see adding to their lives and lifestyles," Groenewald says.

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■ The Methodology

How it works

Only minor changes in 2011

Neil Higgs

This is the 13th annual Top Brands survey, and the third successful year in partnership with TNS Research Surveys. The study this year, across 45 business, consumer and the coveted Grand Prix categories, used essentially the same methodology as in 2010 which was, in itself, a slightly refined version of the new approach adopted in 2009.

The approach looks at a brand's or retailer's penetration in the market, while also examining its relative strength among its users and its relative attraction among non-users – the concept of relative advantage. This was accomplished by asking three questions:

1. Outlets/brands used within a defined time period;
2. Outlets/brands with which people were familiar enough to rate on a 10-point scale; and
3. The actual rating of all those brands/outlets on a 10-point scale

The index comes from three variables derived from the questions above: the actual usage of a brand or outlet in a specified time period, the rating it receives from its

users relative to others in the category, and the rating it receives from those non-users aware of it, also relative to competitors in the category. The non-user rating carries only half the weight of the user rating in the final algorithm.

The final index can be thought of as the brand's or outlet's standing in both the market and in people's heads. This is in line with the current thinking that brand equity is a function of both power in the mind and power in the market, coupled with the view that one must always take the attraction of competitors into account in any assessment of brand equity.

How a brand or retailer can win

A winner occurs in one of three situations:

1. If it is big AND rated above average by both its users and its non-users;
2. If it is truly big, but perhaps only rated as average by its users and non-users; or
3. It is smaller but very well-loved by its users and is strongly aspired to by its non-users.

The Consumer sample represents all South African adults

The B2C sample was 3 500 adults aged 18 years and over, and was skewed to metro dwellers and high-income people to allow

some smaller upper-end outlets to have a sufficient representation for analysis. However, the final results have been weighted to represent the population according to Stats-SA's 2010 mid-year population, estimates.

The study is representative of all adults across the country and is a relatively large sample. Interviews were conducted in home, face-to-face.

The Business sample represents businesses of all sizes

The B2B sample consists of 400 senior business people (CEOs, CFOs, COOs and the like) from organisations of all sizes. These interviews were conducted via TNS Research Surveys' CATI system.

Why is this approach more useful?

Most brands have a good sense of their relative size – publicising this is good for the ego, but not much else. The approach adopted by TNS Research Surveys allows more useful marketing insights to be gained: a brand or retailer can assess by how much more – or less – its users rate it compared with the average; this offers a heads-up for some, as well as an indication of the relative commitment people have to a brand.

Similarly, by looking at the non-user ratings, some idea of a brand's or retailer's relative "pull" among its non-users is gained – this is a good indication of its relative ability to attract new users. Comparing usership and these two ratings data tells marketers much about their relative power in the mind vs their power in the market.

What changed in the Top Brands B2C section?

This year, two categories were added:

- Electronic goods (TVs, DVD players, etc)
 - Large kitchen appliances (white goods).
- Three categories were dropped:
- Energy or sports drinks
 - Fashion clothing brands
 - Mouthcare.

In addition, two changes were made to the usage period:

- The usage period for cars in 2010 was "bought in the last two years"; this year this was changed to "cars currently driven".
- The usage period for petrol stations was changed from "used in the past month" to "filled up at in the past three months".

In addition, some changes were made to update the various brand lists presented to the 3 500 people.

What changed in the Top Brands B2B section?

This year, two categories were added:

- Courier companies
- Telecoms service providers.

Two categories were dropped:

- Computers and laptops
- Business media – TV.

In addition, after representations from the hotel industry, the brand list for this category was extensively revised, the qualifying criteria were changed to limit the ratings to businesses that had used hotels for at least four nights for business purposes in South Africa. In addition, these results were weighted by size of business as better representation of actual usage.

In addition, some other minor changes were made to update the various brand lists presented to the 400 business leaders.

Neil Higgs is director of Innovation and Development at TNS Research Surveys.

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■ Overall Favourite Brand

Home is where the heart is

KOO stands for good,
solid South Africa

Linda Doke

South Africans have spoken: KOO is the new top brand in the country, having just nipped past Coke in the ratings this year.

TNS Research Surveys managing executive, Karin Du Chenne, sees the achievement as a huge coup for KOO. "Globally Coke has always been a strong contender because of the big, bold way the company approaches its marketing; the advertising spend on the brand is high, and everywhere you go in the world you can expect to see Coca-Cola.

"KOO is a truly local, South African brand. It has a strong homegrown feel that stands for good, solid South Africa, and reflects a feeling of comfort and reliability that South Africans have come to love.

"Tinned food is an essential part of every home, and yet KOO takes nothing for granted – the brand is constantly striving to continue innovating to deliver on its quality promise to South African consumers," says Du Chenne.

Category executive of Tiger Brands culinary division, Gladys Amoah, says one of the things that make KOO such a great brand is that it has been part of South African homes, and hearts, for more than 70 years. It is not simply just another ingredient on the pantry shelf; instead, KOO "partners with mom".

"KOO has always prided itself on partnering with moms to deliver nourishing and mouthwatering meals. Every mother wants to feed her family the best meals that she can; she also strives to make mealtimes the heart of the family's time together, and a memorable experience. We see KOO as an integral part of creating these family memories."

Amoah says that, over the years, the KOO team has worked hard to try to understand how moms prepare their food, and to determine what's important to them. With an offering of more than 50 products, ranging from baked beans, spaghetti, meat balls, canned fruit and vegetables, to pickles, stews, samp and beans, tomato products and jams, KOO is able to meet all mom's needs in the kitchen.

If the much-loved KOO brand has been around for so long, and hovering in the top five best brands for the past few years, what has it been doing differently that has enabled it to finally scoop the most-prized spot?

Amoah says it's a combination of con-



Pic: Jeremy Glynn

tinuing to market KOO as "mom's partner in the kitchen", and understanding the platforms needed to communicate with her.

Historically, the KOO marketing platform was mainly focused on television and billboard advertising. Over the past five years, this has been extended to radio with the Mama KOO radio show, aired on Thursdays on key vernacular radio stations around the country.

Amoah says the show has been an integral step in getting closer to moms. "The Mama KOO show is a platform where mothers can share their stories and favourite recipes. We also give tips to KOO moms on

how to make their meals more interesting, varied and exciting.

"Importantly, we're careful not to dictate or take the lead with our consumers. Our role is to partner with moms, rather than present solutions. We believe we live up to our brand slogan by giving mom meal solutions that enable her to do what she does best," she says.

Over the past 18 months, the KOO brand has also introduced three new products to its stable, offering mom further variety to her repertoire. These include KOO samp and beans, KOO macaroni cheese and KOO bolognaise.

We see KOO as an integral part of creating family memories

"What is clear is that, by understanding the needs of moms and nurturers, KOO will continue to provide the solutions to ensure that mealtimes are always memorable. After all, KOO is the best that you can do," says Amoah.

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■ Cellphones

Bridging the digital divide

Business users stay loyal to BlackBerry as it gains ground in the consumer arena

Andrew Gillingham

Nokia has once again held on to its top position among South African mobile phone users; however, there has been a lot of change in the handset market, with BlackBerry climbing into second position and Samsung taking the third slot.

BlackBerry took top spot in the business category, with Apple iPhone continuing its rise, and is now in second position. Nokia retains third position as a business-relevant handset.

Craig Fleischer, regional director for Southern Africa at Research In Motion (RIM), says the company's BlackBerry smartphone brand has been on the world stage since 1999, and it was initially very much a business-to-business device.

However, the company recognised the opportunities presented by the large consumer market and deliberately created more awareness in the market of BlackBerry as a fashionable, must-have consumer device.

Not only did the company offer sleeker design and fashion colours, but it coupled smart appearance with great functionality, particularly through its now very popular BBM instant messaging service.

"In line with the broad adoption of information technology by consumers, we have crossed the barrier into the consumer market, and now around 80% of our new customers are consumers, not business people.

"As a brand, we have successfully crossed into the consumer arena, without losing our loyal business-to-business cus-

tomers," Fleischer says.

He notes that there has been a radical shift in technology adoption patterns. In the past, businesses tended to take on new technologies ahead of the rest of the market, but as technology has become more pervasive, so consumers have taken on the pioneering mantle.

In emerging markets, BlackBerry smartphones and other smartphone devices are democratising the internet, bridging the digital divide and making the web a ubiquitous environment that is open to all.

"Today's mobile device is really the internet in Africa. The penetration of the internet via landline-based services is in the low double digits across Africa, and even in South Africa.

"When people have landline access to the internet, they still have to buy an expensive device, namely a computer, to use the web. However, with a BlackBerry smartphone – particularly with our BlackBerry Curve 8520 – the internet is becoming more affordable to a broader spectrum of users.

"As a result, an increasing number of people who did not have access to the internet, email and social networks in the past are now getting access to these services because of the way we are marketing the devices in the consumer environment, especially with flat-rate data in South Africa at only R59 on prepaid or contract," Fleischer says.

He adds that a BlackBerry smartphone is really a social tool and a lifestyle device that keeps people in touch with everything that matters to them, including social networking, email, instant messaging, the internet and navigation. A BlackBerry smartphone does this all from a single device, where several might have been needed in the past.

"People have always aspired to own a BlackBerry smartphone, and it is perceived as very much a prestige brand. We have always been seen as different, and our cus-

tomers have always formed an emotional attachment to their BlackBerry smartphones," Fleischer says.

At the same time, from a cost perspective, while BlackBerry smartphones do offer cost-effective internet access devices, they are not necessarily for the mass market.

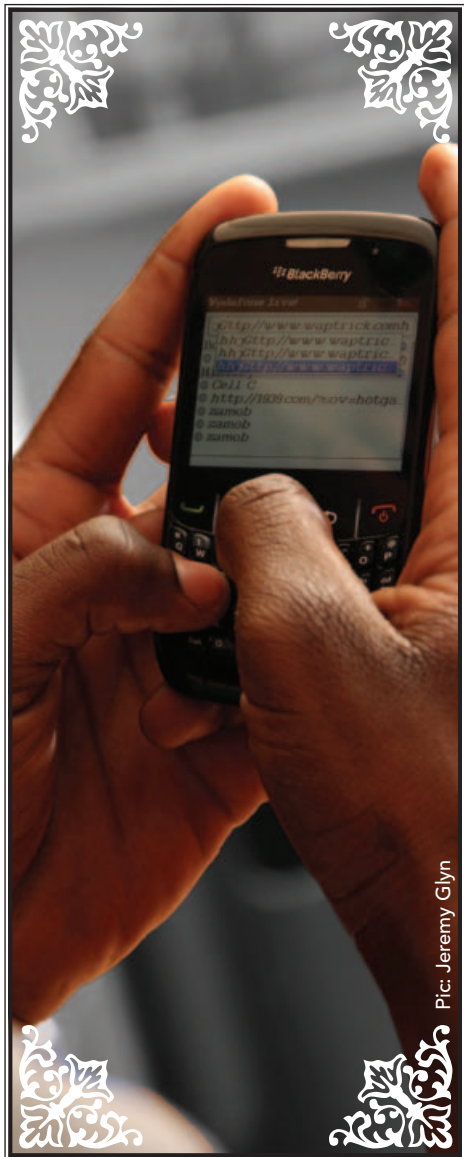
He says that young South Africans have very much helped to drive BlackBerry smartphone adoption, as they have taken to the BlackBerry messaging platform BBM. However, the use of BBM is not confined to the youth market. Adults have taken to using BBM in both a social and a business context.

"RIM has really pushed the adoption of instant messaging in this country. Worldwide, BBM has over 45 million users, and more than 70% of these registered users use BBM every single day.

"It is a massive social network, with over four billion messages being sent on the average day," Fleischer says. "Small and medium enterprises are doing deals, having conversations about budgets and other business matters via BBM. It makes sense, as BBM is secure and private."

He adds that the device is moving increasingly into the mobile computing arena, and upgrades are aimed at facilitating this process.

The use of BBM is not confined to the youth market; adults have taken to using BBM in both a social and a business context



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■ *Stewards of the brands*

When will we return to the *good times?*

Top marketers on the year that was...

 **Jeremy Sampson** 

Writing in 2008, I mentioned that it was the first year of recessionary times, and here we are, three years on, and business remains very tough. While in South Africa we seem content to think of GDP growth of around 3,5% this year and perhaps 4,0% next year, and this looks good against the UK's 1,4% and 2,2%, it pales in comparison with an average, up to 2015, of 9,5% for China, or 7,7%

for Mozambique, 7,0% for Ghana and 6,8% for Nigeria. We glibly talk of South Africa as the "Gateway to Africa", but if we don't look sharp, that will soon become a lie.

Government might argue that one of its main objectives is to create jobs, yet if we don't raise our GDP sharply, unemployment will increase, not decrease. By their very actions of allowing strikes to get out of hand, not snuffing out the nationalisation debate that has resulted in investors turning to other more favourable countries, and generally showing a total lack of leadership that is resulting in anarchy and the economy being dragged down, government is in urgent need of a reality check. Society will increasingly not put up with this.

Of the 50 or so top marketers we con-

tacted for comment on the state of play 12 months on, there were many changes in the people occupying the top marketing positions. To the 17 who responded – Bokomo Foods, Clover, Discovery, Edgars, Engen, KFC, Kulula, KWV, Liberty, MTN, Nando's, Nestlé, SABC, Sasol, Tsogo Sun Gaming, Telkom and Woolworths – many, many thanks.

These are the marketers who are the stewards of some of the top brands in the land, more likely to be female than male, average age early 40s and less than five years in the job. Since filling in this document, one has already moved on.

To the question "Are you registered on LinkedIn, Twitter, Facebook, other?", I was really surprised that six had no links at all, 11 were on LinkedIn, eight on Facebook and

only seven on Twitter. In the past 12 months, I have to admit to becoming totally addicted to Twitter. Whether you are a voyeur, want to keep your finger on the pulse of the views of some influential people, or simply want to keep up to date, it's a lot of fun and you remain in control.

From all the questions posed, a range of answers have emerged that in some cases are surprisingly varied, in others more consistent. Business has never been more challenging, nor the role of marketers so crucial and complex.

Jeremy Sampson is group chairman of Interbrand Sampson, and a visiting professor at the University of Cape Town Graduate School of Business.

This is some of the feedback:

What new trends are emerging?

- Everyone has been talking about digital as the new frontier for years – all of the latest reports seem to indicate that very few are really getting it right
- The power of a truly brand-centric corporate culture
- All the hype about social media/consciousness/the demand for value
- Entry of international competitors to market
- Truthsaying, not soothsaying
- The whole sustainability theme
- Consumers expecting more from brands, not only in being responsible and ethical in how they do business, but also how they impact society

What were the major changes in the past 12 months?

- Launch of mobile capability
- Back to basics
- Re-evaluation of current strategies and ensuring a more integrated approach
- More and more social media
- More emphasis on cross-functional, retention-based activities
- Need for more integrated marketing campaigns
- Demonstrating value to the customer at every communication touch-point
- Investment in customer insights and market data

What keeps you awake at night?

- The next opportunity
- Ability to attract top talent
- Ensuring that the main vision remains in focus
- Social media accelerating into the mainstream
- Non-traditional competition
- Keeping my team motivated; keeping my shareholders patient
- Turning every employee into a brand ambassador
- Thinking of ways to keep the customer at the core of every decision we make
- Sustainability – are we really driving towards a sustainable future?

What is your main challenge currently?

- Money, money, money – customer data to drive targeted campaigns
- Obtaining accurate and transparent data
- Prioritising the many challenges and opportunities that face business
- Turning a proudly South African brand into a global brand
- Keeping brands modern, always new and exciting
- Getting customers and consumers to shift their perception of the brand
- Consumer spending under considerable pressure
- Keeping abreast of the digital marketing evolution
- The challenge, and opportunity, is to keep innovating

Was there a 'most defining moment' in the past year?

- Between the first trip on the Gautrain, a trip on Rea Vaya to Orlando stadium to watch the Bulls play, or attending a World Cup match and the perfect execution of it all, and reminding myself I am in South Africa.
- Producing the Cell C Parody campaign
- The World Cup – the ability for South Africa to rally together (albeit last-minute)
- The optimising and unity displayed by South Africans during the World Cup 2010
- Our integrated FIFA2010 campaign, which wasn't a planned campaign, that got worldwide attention. Taught me about trusting my instincts, integrating my team (inside and out) and staying on brand

Did FIFA 2010 have a positive/negative/no impact on your business?

- No direct impact yet, but a lot of positive sentiment for future investment
- We turned lemonade into lemons
- None – provided buoyancy to the market in general
- Positive, but fairly small
- Positive through employment creation prior, neutral during the event, negative immediately post the event through lack of disposable income
- No real impact on the business
- The World Cup reaffirmed that if we put our energies around a common goal, we can achieve anything as a nation
- The landscape remains a challenging one – regulatory and consumer-choice pressures are increasing
- Our sponsorship definitely had a positive impact on how people perceived our brand and our company

How do you see the next 12 months?

- Incredibly exciting
- We are cautiously optimistic
- Tougher than last
- More campaigns focused on green issues
- Challenging, but full of opportunities
- Very exciting with the launch of Digital Free to Air TV
- With great energy and a sense of excitement
- Slow economic recovery will continue to put pressure on pricing
- Difficult, challenging and communication exceptionally difficult
- Will still be a damn hard struggle

What are you most passionate about?

- Consumer insight
- Finding new ways to surprise and delight every customer
- Human development and advancement through technology
- The impact of neuroscience on marketing
- The rise of citizens' journalism – the voice of the consumer being heard

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■ Electronic Goods

Round 1 to Korea

Samsung capitalises on an imaginative marketing campaign

David Jackson

Korean electronics giant Samsung won the new category of Electronic Goods in this year's Top Brands awards, capitalising on an imaginative and effective marketing campaign into Africa – with fellow Korean rival LG the close runner-up.

Electronic Goods and Large Kitchen Appliances are both new Top Brands categories this year, reflecting the fact that South Africa, along with the rest of Africa, has provided considerable growth opportunities for these expanding market segments.

Says Karin Du Chenne, managing executive of TNS Research Surveys: "Electronic Goods is a hugely competitive category. It's a tough sector, because the category itself is evolving so quickly. There has been an enormous amount of innovation with the launch of smart and HD (high-definition) TVs, to complement the LCD and LED products, in what is a constant evolution in this sector. So whoever is first to market is often the one who stands out."

She adds: "Samsung has been very active in Africa, which is a key growth market for it. In many respects, Samsung is really setting the direction and the image of the category," Du Chenne notes.

This Korean electronics pacesetter is also taking on a pioneering role in its use of outdoor media such as billboards, "by really allowing people to see what the product looks like and to visualise what it would be like in their homes", says Du Chenne. "It has been quite aggressive with its marketing in key sites, with large, colourful and future-focused images.

"But there is no room for complacency, as LG is also bringing a great deal of innovation into the market," she says, "and has been traditionally known to offer good value in the category. This category is going to be characterised by heavy competition for some time to come."

One of the strategies for category players, Du Chenne suggests, is often to develop other partnerships around their leading product lines, "so if you are promoting a smart (internet) TV, you partner with a successful internet provider to help it succeed".

Defy, winner in the Large Kitchen Appliances category, has been a strong brand in SA for many years, "and is traditionally known for reliability, with a very good service and parts backup network", Du Chenne says.

"Whether it's a washing machine, tumble dryer or fridge/freezer, they seem to get the equation right in packaging groups of appliances together to offer consumers a better value proposition.

"However, Korean appliance manufacturers are vigorously aiming to close the gap and are making sure that items such as kitchen appliances are manufactured in a way which is relevant to the local market. They make a great effort to understand how consumers use the products – such as in the use of freezer space, for example – and then develop their products around the local needs. So brands such as LG and Samsung are ones to look out for in this category. LG is also challenging strongly, once again, on the value dimension."

Brands from China, such as Hisense (ranked 8th this year), are also making inroads, says Du Chenne, and it is another to keep an eye on for the future.

Sean McCoy, CEO of strategic brand consultancy HKLM, notes that "value for money, matched by a great product experience", has been the hallmark of the main Korean electronics players in recent times, shrugging off previous perceptions of inconsistent quality among some Korean manufacturers a decade or more ago.

"The Koreans have done very well in adapting their technologies to this modern

digital era in a very compelling and price-attractive way, providing a state-of-the-art experience in electronic delivery, but in an affordable manner," says McCoy. "That's got to be a winning part of their formula."

He adds: "There is also an opportunity

for us, as a region, to mirror this element of learning from past experiences, something at which Korea has proved to be very adept."

S'bu Manqele, business director of branding and design consultancy the Switch Group, says that the electronic goods space has become a far more competitive one, especially with regard to smaller appliances like handheld devices and television sets.

"Here we've seen a range of Korean brands like Samsung and LG realise that technology goes hand-in-hand with these appliances – and position themselves accordingly.

From a product perspective, this appreciation of relevant, sophisticated technology and the rapid pace at which technology changes means that the lifespan of these small appliances is now very limited, and that they are sold as such.

"Consumers want the latest products – whether they're TVs or microwave ovens – and expect to invest in these every two to three years. These brands have consequently found a niche in this type of demand, and invested heavily in ensuring that they can deliver in this space," Manqele says.



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■ Household Cleaning and Laundry Care

Roots run deep

Unilever seeks to make a difference in the lives of its consumers

Alf James

Four of the top six brands in the Household Cleaning and Laundry Care categories belong to Unilever. The company's Handy Andy brand was first and Sunlight second in the Household Cleaning category, while Sunlight took top spot in Laundry Care and Omo came in third.

"Unilever seeks to meet the everyday needs of hygiene, personal care and nutrition by means of brands that help people feel good, look good and get more out of life," says a company spokesperson.

"With more than 400 brands globally focused on health and wellbeing, no other company touches so many people's lives in so many different ways. What makes Unilever's brands household names is the fact the company has deep roots in the communities in which it operates. Consumer research plays a vital role in this process.

"Our unrivalled global reach allows us to get closer to consumers in local markets, ensuring we understand their diverse needs

and priorities. While Unilever has global brands that are sold across the world, the brand offerings are tailored to meet the needs and aspirations of the consumers in the respective markets."

Sunlight, Unilever's oldest brand, is sold on four continents. The famous green Sunlight Soap bar was launched in South Africa in 1891 and has become a household name across the country.

"Across product categories, offerings and even continents, Sunlight's promise to the consumer does not change, and as a brand, Sunlight delivers on these commitments. It is the promise of consistent deliv-

ery through generations that makes Unilever's brands iconic," the company says.

Annually, Unilever invests about €891 million in research and development worldwide, which further enables the company to meet the discerning consumers' widely differentiated and specific needs.

"Through our Skip Intelligent range, for example, we can offer our consumers a product that is formulated especially to pro-

tect colours, and is therefore ideal for cleaning dark clothes. On the other hand, we also have a product that promises the whitest white for those consumers who take special pride in their whites.

"Our stable of laundry brands contains specialised offerings for consumers who wash their clothes by hand, as well as for those who use washing machines, those who prefer laundry bars and also those who have adopted liquid detergents. This range of choice is not limited to our laundry brands, but exists in all categories in which Unilever plays.

"Further, these offerings, available in different formats, pack sizes and at different price points, enable our consumers to get what they need at a price that suits their pocket."

Simply understanding the consumers' needs and formulating products, however, does not make the brand. It is the marketing, advertising and overall communication of brands and their proposition that can

the needs of the consumer. Unilever has embraced the digital channels of communication wholeheartedly, with most of our brands having an active presence on the internet through their own websites, as well as through active participation on Facebook and Twitter.

"From school contact programmes, outdoor billboards, rural activations, product demonstrations and glossy print ads to TV commercials, branded TV shows, mobile phones and social media, wherever our consumers are, our brands are prepared to engage with them," the company says.

Unilever's vision is to create a better future in which people can improve their quality of life without increasing their environmental footprint.

In fact, Unilever aims to double the size of its business while reducing its environmental footprint.

To this end, the company launched the Unilever Sustainable Living Plan in 2010. The Unilever Sustainable Living Plan seeks to implement ways of doing business by identifying areas where the company holds expertise and where it can make the most difference.

The plan has set three big goals for Unilever to achieve globally by 2020:

- Halve the environmental footprint of the making and use of its products;
- Help more than one billion people take action to improve their health and well-being; and
- Enhance the livelihoods of hundreds of thousands of people in Unilever's supply chain.

"In line with our corporate sustainability targets, our brands also have their social mission that seeks to make a difference in the lives of their consumers."

It is the promise of consistent delivery through generations that makes Unilever's brands iconic

make the significant difference. Unilever says it does not believe in 'one size fits all' when it comes to communication.

"Being a global company, Unilever has access to global best practices, which the company then tailors and customises to meet the needs of the local markets or target audience.

"The company's communication strategy differs from brand to brand, led by

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■ Marketing Personality of the Year

Living on the edge

Vodacom's Enzo Scarcella works hard at being definitive and decisive

David Jackson

Life in the fast lane is all in a day's work for Top Brands Marketing Personality of the Year, Enzo Scarcella of Vodacom.

"What is required to market any business effectively is, firstly, to have a clear understanding of the product you are selling," says Scarcella. "You need to have an appreciation of who your consumer is, and insights into what that consumer's needs, wants and desires are.

"Another key attribute is being able to work with people, because ultimately it's about galvanising a large group of people to produce effective communication – and, importantly, you need to be passionate about what you do."

Scarcella, Vodacom's managing executive: Marketing, describes his personal marketing style as "easygoing and inclusive", but with this proviso: "I gather opinion from a wide group of people, but I work hard at being definitive and decisive."

Scarcella (40) joined Vodacom three years ago. He has been engrossed in market-

ing for virtually all of his career, including a lengthy spell in beverage marketing with SABMiller; and time spent as marketing director of M-Net, as well as for Edgars and some of its flanking brands.

He brings a youthful and energetic image to the demanding marketing and branding world – and not a little humour either. "I heard a great quote about a racing driver the other day, that said: 'If I'm feeling completely in control, I know I'm not going fast enough'." And that just about sums up his working day at the helm of Vodacom's marketing team.

He says: "You have to live on the edge and you need to feel that you are pushing yourself. If you are not being challenged all of the time, it's not that exciting or rewarding. The job has to be challenging, and I believe the reward comes from being able to take on those challenges and winning.

"The working environment moves exceptionally fast, and I tell my team that decision-making is often based on gut-feel, guided by a number of facts that you have available at the time. The reality is that, whether you are right or wrong is something that will manifest itself in the future – and you need to appreciate that, when you make a decision, the possibility that you could be wrong is always there. How you deal with that adversity is more important than making the mistake itself.

"One of the key roles you play as a marketing person in a big organisation such as this is thought leadership: how do we become a part of setting the vision of what the

company aspires to be? Aligned to that is trying to devise creative solutions, but ultimately your success and your career depends on delivery.

"One of the things I pride myself on is that I do as I say – so when I say I will do something, I get it done. That has served me well."

A personal highlight for Scarcella has been the success of Vodacom's recent re-branding strategy, a proposal which he successfully took to the group board. "For me the biggest achievement around that was being able to galvanise a business employing 9 000 people behind a single idea – it's probably the biggest single achievement of my career, getting an entire business motivated and passionate about one single area of activity: the rebrand."

When he wants to chill out and take a break from work pressures, Scarcella spends time with his family, playing with his four-year-old son Matteo and daughter Gemma (7). He also finds time to spend at least one day a week with his personal friendship group.

Cycling is another stress-reliever. "Struggling up a hill takes your mind off everything else," he quips.

One of the things I pride myself on is that I do as I say – so when I say I will do something, I get it done



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Chocolate



Pic: Jeremy Glynn

The joy of a glass-and-a-half

South Africans have a lot of love for Cadbury Dairy Milk

Linda Doke

Cadbury Dairy Milk has proven once again that it's a glass-and-a-half of what everyone loves. With an overwhelming brand score of 71.4, it sweeps the podium clean of any contenders to the chocolate crown,

with Cadbury Lunch Bar taking a convincing second spot at 65.73.

Cadbury maintains that, every day, about 40 000 Dairy Milk slabs are enjoyed by South Africans. That's a lot of love for the chocolate, and the results of the Top Brands survey show it.

TNS Research Surveys managing executive Karin Du Chenne says people associate Cadbury Dairy Milk with simple joy, special moments and a feel-good factor.

"The brand doesn't have to pretend to be anything; people the world over love it for what it

is. Similarly, Lunch Bar, with its 'much, much more' offering, has always been perceived by South Africans as a big-eat when it comes to chocolate – it's tasty, solid and delivers on quality," she says.

Cadbury Dairy Milk has been providing joy to millions of South Africans for more than 100 years. Offering a glass-and-a-half of full-cream milk in every quarter pound of chocolate, it has defined the taste of chocolate for generations.

The brand has been synonymous with memorable and impactful advertising. In 2009 the brand

shifted communication strategies from the heart-warming girl-carrying-milk-pail advertisements to the more dynamic gorilla, then ostrich and, more recently, monk campaigns.

The move, says Mike Middleton, group marketing director for Kraft Foods SA, shot Dairy Milk to the next level.

"For years Cadbury Dairy Milk couldn't grow market share. We needed something to boost the brand and deliver significant revenue growth ahead of the market. The new campaign worked wonders, resulting in magnificent share gain for the past three years," he says.

Similarly, the Lunch Bar brand was given an overhaul with a new packaging design and communication campaign, as well as the launch of Lunch Bar Man Size and Lunch Bar Dream. "These changes literally doubled the size of the brand," says Middleton.

An interesting twist to this year's survey results shows how the luxury chocolate brands are gaining ground. Ferrero Rocher achieved an index score of just 0.51 below Lunch Bar, and Lindt a narrow 1.13 behind, putting it into fourth position. For the first time, Toblerone has achieved a top 10 rating.

"This year's survey is reflecting definite changes in chocolate trends in South Africa, with the luxury brands becoming more popular," says Du Chenne.

Known in retail trending as the "lipstick effect", this pattern is common in times of economic pressure – when people cannot afford to buy a new car or go out to expensive restaurants, they splash out on small luxuries to reward or indulge themselves.

"To have three of the premium brands in the top 10 is an achievement, as they are

competing with brands that have been in the country for decades."

Du Chenne says the Ferrero Rocher and Lindt brands have increased their market value by targeting the exclusive gift market of luxury chocolate.

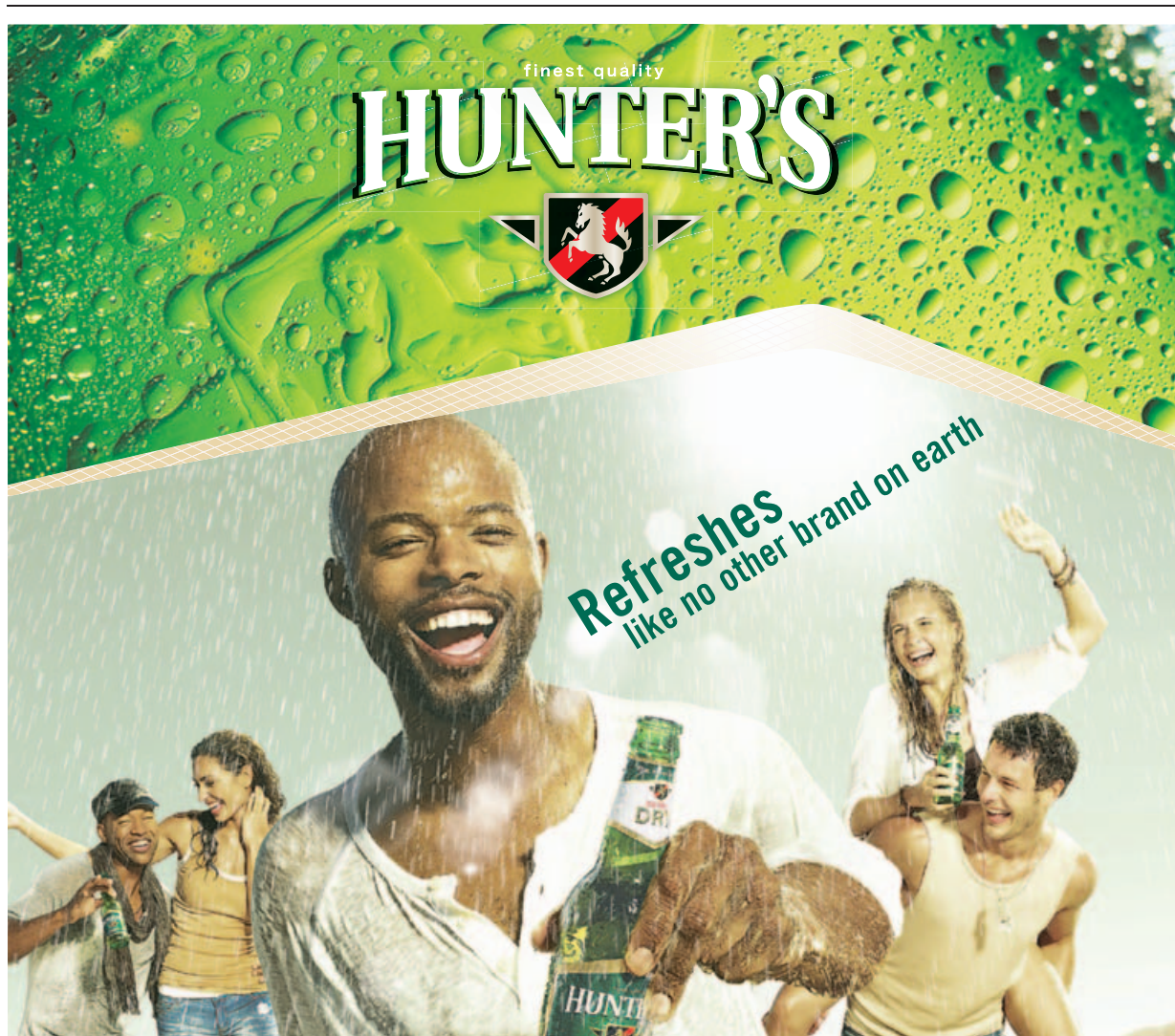
"Ferrero Rocher and Lindt are strong brands with heritage and European values, and are perceived by consumers as affordable indulgences. These brands have modelled their marketing programmes in South Africa to maximise key occasions on the calendar, and often adapt their packaging accordingly. Ferrero Rocher has heart-shaped chocolate gift boxes for Valentine's Day and festive-themed boxes for Christmas, while special Lindt chocolate bunnies of all sizes line the shelves before Easter."

Ever aware of current trends, Cadbury has hopped on the move towards small, quick chocolate indulgences with the introduction of Cadbury Perk to the South African market in May.

Launched in India as long ago as 1996, the two-fingered crispy wafer chocolate bar presents itself as two bars for twice the energy at an affordable price – just R2.

Du Chenne says it will be interesting to see how this category changes over the next few years, particularly considering South Africa's diverse consumer market.

To have three of the premium brands in the top 10 is an achievement, as they are competing with brands that have been in the country for decades



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■ Banks

The power of *red*

Absa holds the reins, as Investec does the out-of-the-ordinary



Andrew Gillingham



Absa has a long history as one of South Africa's top banking brands, with its roots in the merger of United, Allied, TrustBank, Bankfin and Volkskas back in 1991, and it has once again proved its status, taking first place in South Africa's retail banking ratings.

The retail banking category has always been hotly contested by the big three, and second place has again been a close race between Standard Bank and First National Bank, with Standard Bank having the edge with consumers this year.

However, fourth place shows that the traditional banking brands cannot afford to relax, as relative newcomer Capitec is marketing extensively and staging something of a shakeup in this category.

While Absa initially opted for a multibrand strategy, the banking giant later decided to rebrand all its operations under the single Absa brand.

Happy Ntshingila, chief marketing and communication officer at Absa, says the Absa brand is really only 13 years old, and

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Happy Ntshingila

We make sure that we are never out of the media spotlight.

it is amazing that it has become so well-known in such a relatively short space of time. "Absa has become a very well-respected brand in South Africa," Ntshingila says.

However, there were very real challenges caused by the multibrand format, such as identifying synergies and cross-selling to customers across the broad range of brands. "One brand meant we could unite all our people under one roof and made it possible for us to develop a strategy in which all our staff could bat together.

"In addition, the colour red is very powerful, and working with one colour and brand makes it a lot simpler for any marketing person to get the brand's message out to consumers," Ntshingila says.

"Further, when customers are under a single brand roof, it makes market segmentation easier and it allows us to migrate customers to new product sets as their lives evolve."

He says that keeping a brand out in front of the pack requires a mix of classical marketing, effective use of carefully se-

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lected sponsorships and adopting the same digital-media channels used by customers.

“We also make sure that we are never out of the media spotlight,” Ntshingila says.

In business banking this year, Investec qualified from a size perspective for the first time, and took first position in the category, although Raymond van Niekerk, global head of marketing at Investec, says Investec’s brand is one that encapsulates both its business and personal banking.

“We have a number of businesses within our group. The primary three areas are specialist banking, wealth and investment, and asset management, and they all fit under a single brand. We treat the brand the same across all our business units,” Van Niekerk says.

This poses some challenges on occasion, as there are times when the brand stretch is not appropriate and this means that all Investec’s brand and business decisions are intertwined, he adds.

However, the foundation of Investec’s brand is that it is out of the ordinary. “Our stance is that people must not just consider what we do, but rather how we do it.

“We always seek to deliver something that is out of the ordinary to our clients, whether through a complex corporate finance deal or for a personal banking client’s needs. It is a philosophical positioning,” Van Niekerk says.

The use of the zebra as Investec’s logo started with an advertising campaign when the bank was seeking to compete outside South Africa with other banking brands that had long-established presences and strong competitive positions.

“We had to break through the massive amount of noise and clutter, so we had to do something distinctive. The zebra is an icon that almost does not belong where we put it – namely in New York or London; it is a contrast to the environment,” Van Niekerk says.

While that may have been the starting point, the zebra’s place soon evolved to encapsulate the “out of the ordinary” Investec philosophy.

The zebra is a proud icon of Investec’s African heritage and one that visually represents Investec’s people, independent creative thinkers who are not afraid to take new approaches in search of solutions for their clients.

“The zebra is the core representation of the rainbow nation that South Africa has become,” Van Niekerk says.

Standard Bank has once again showed its strength in meeting the financial needs of small, medium and large businesses, and it takes second place in business banking this year, followed by First National Bank and Nedbank.



Raymond van Niekerk

The zebra is a proud icon of Investec’s African heritage and one that visually represents Investec’s people



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■ Telecommunications

Close call ...

MTN takes the consumer category, while Vodacom gets the business nod

David Jackson

The Telecommunications provider category – with Vodacom and MTN again vying for top honours – has been a particularly busy one.

It's been a year marked by changing industry dynamics and a jockeying for market positioning, says Karin Du Chenne, managing executive for TNS Research Surveys.

"There's been a lot of noise and activity in the market, with the likes of MTN and their World Cup sponsorship last year; Vodacom's and Cell-C's rebranding; and Telkom offering mobile through 8ta – all of which has happened since the last Top Brands survey.

"This is an evolving category, with competition heating up in the data space – most operators are driving adoption by providing data solutions in a more meaningful and cost-effective way. We've seen Cell C, although not an overall winner, really shake up the category this year in data, with the launch of woosh."

However, 2011 once again brought a

neck-and-neck battle between the two network giants, Vodacom and MTN, with MTN taking the consumer category by a whisker, arguably winning "the emotional space" on the back of the success of its World Cup promotion, and Vodacom getting the nod in the business category.

Says Serame Taukobong, chief marketing officer for MTN: "We are delighted to be recognised with a Sunday Times Top Brand Award. This accolade is especially important to us, as it is a reaffirmation from our customers of the great effort that our team has made to ensure that MTN is a preferred choice.

"As with the 2011 Sunday Times Generation Next award earlier in the year, this award is further recognition to the MTN team for raising the bar every year."

For the first time this year, the category of Network Service Provider was introduced (for business data services to small, medium and large businesses). It was won by Vodacom, with MTN second and Nashua Mobile in third place.

Says Vodacom's managing executive: Marketing, Enzo Scarcella: "What we try hard to do at Vodacom is to understand our customers' needs and deliver solutions to those needs. We are glad that, on the enterprise side of the business, our customers believe that we have done that, and have rewarded us by voting for us in this award.

"However, we understand that we are not perfect and we are always striving to do better," he says.

"Telkom has always been very strong from an enterprise perspective, as it understands how important telecommunications is to business. Telkom is now able to offer mobile solutions through 8ta – although still too new to make an impact this year, it has brought an energy and a different perspective to the category, and as it moves towards bundling the fixed and the mobile elements together, we could see some other creative ways in which people can get telecommunications from Telkom," Du Chenne adds.

Cellular telephony remains extremely personal, with one's telephone number as individual as one's ID number

S'bu Manqele, business director of branding and design consultancy the Switch Group, points out that cellular telephony remains extremely personal, with one's telephone number as individual as one's ID number.

"As such, the likelihood of changing one's number and, correspondingly, one's

service provider is usually very slight. Coverage cannot be used as a differentiator, because all networks cover the main cities and towns. An operator would thus need its subscribers to have an extremely bad experience in terms of the service it offers for a change to be considered. The process of changing is also 'too involved', which the consumer hates."

Manqele says that, based on this and the fact that Vodacom was the first service provider in South Africa, this brand will probably remain the leader from a market-share point of view well into the future. This has made it possible for it to be seen as a 'business network'.

"MTN, on the other hand, will undoubtedly continue to remain relevant and hold its own by virtue of its positioning as the 'cooler', 'trendier' and more up-to-date supplier of cellular telephony services and products.

"As such, MTN needs to retain the edge it has secured, thanks to its World Cup sponsorship, as the most relevant of the networks. This is something it has already started to do by strategically positioning its brand in areas and spaces where its target markets 'play' or are involved, whether these be music or soccer. In this way, MTN has come to be associated with some of these specific activities."

Sean McCoy, CEO of strategic brand and communication consultancy HKLM, says that MTN still appears to be gaining good mileage from the "amazing success story" during last year's FIFA World Cup with its "Ayoba" campaign. "Obviously it built a tremendous property around that, which has endeared it to a considerable number of established and new consumers, across the spectrum."



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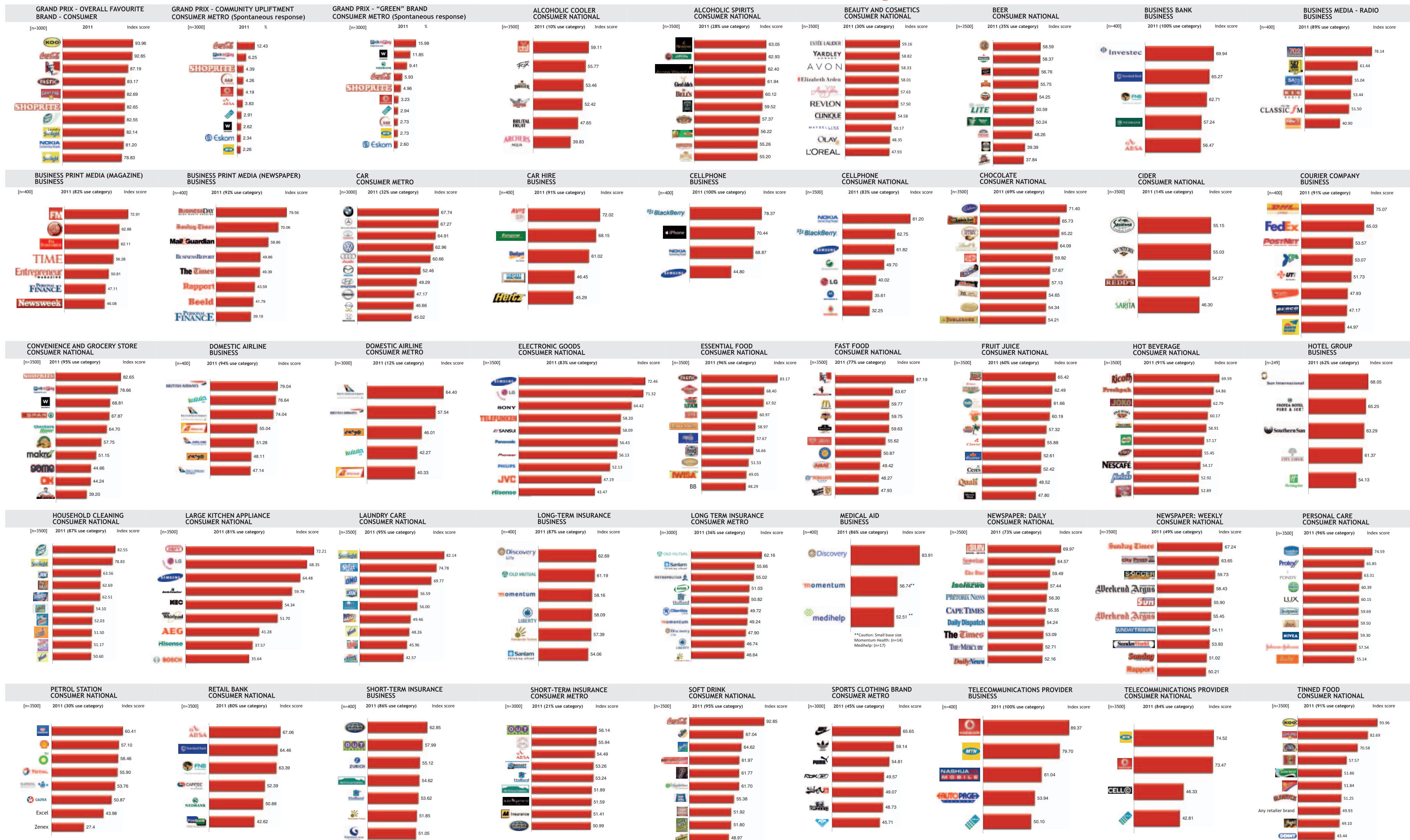


*Sunday Times Top Brands Survey – Best Telecoms Service Provider in the Business to Consumer Category.

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From supermarket to spaza shop



Pic: Jeremy Glyn

Lucky Star speaks to the emotional relationship people have with the brand

Linda Sparg

Always cast your net wide. That's the principle behind the success of Lucky Star, South Africa's favourite tinned fish brand.

Being available almost everywhere – from the tiniest spaza shop to the largest supermarket – has ensured that Lucky Star has kept its No 2 position in the Tinned Foods category for a second year (Koo remains at No 1). Also, Lucky Star has notched up its ranking from No 9 in the Grand Prix of South Africa's most popular brands last year to No 5 this year.

Andrew Plastow, the company's global sales and marketing chief, says: "A key strategy in keeping the brand foremost in people's minds is to make sure that it is available wherever they shop, no matter how small or remote the store, and to do our best to ensure that it is offering consistent value. We have paid a lot of attention to our distribution in recent years, focusing on reducing costs in the supply chain, to ensure that all stores – no matter where – can sell the brand at a competitive price."

Mark Molenaar, client service director at TNS Research Surveys, adds: "Lucky Star is highly consistent in maintaining brand presence. There were stock shortages of fish for a number of years, but the company maintained equal distribution, making sure everyone got something of the products. It maintained quality and kept doing brand communications, even when products were limited. So it gained traction against its competitors who weren't doing as much as it was."

Besides its prominent TV advertising campaign, Lucky Star has a significant outdoor presence via billboards and branded buses: not just an advert on a bus – the whole bus is wrapped, including the windows and the back.

The company also uses many in-store displays and promotions. The latest, which ran from July to December last year, offered millions of rands in prizes through lucky numbers under the lids of tins, plus a competition in wholesale stores, where winners were rewarded with bakkies.

Plastow says: "We ran our competition in the stores and spaza shops. We had wash-line bannering through the spaza shops, 'wobblers' on the shelves in supermarkets and wholesalers – massive displays. Besides that, throughout the year, we had point-of-sale material up in the shops. Many brands in South

Africa are quick to spend rands in supermarkets, not spazas."

Another lesson from Lucky Star is to never lose that loving feeling. A continuing thread through its television advertisements has been Brenda Fassie's hit song, *ing'shaya ngaphakathi*, which in Zulu means something like: it makes me warm inside or it's part of my DNA. The company's latest advertisement, which started screening from February this year, shows a trendy Bryanston man watching TV in his smart, but sterile, home. The aroma of his wife cooking a Lucky Star meal spurs a burst of nostalgia, and his home morphs into his childhood home, complete with a linoleum floor, bustling relatives and a beloved gogo.

Plastow says: "We have pulled these elements [from the advert] through to our billboard, bus and radio advertising, as well as our web, print, in-store and mobile conversations. We choose to spend disproportionately more on outdoor and in-store advertising than many other brands, because we have to reach all South Africans and keep building this iconic brand."

Molenaar remarks: "Lucky Star is effective at marketing and advertising the brand, not only from a commodity point of view, but it speaks to the emotional relationship people have with the brand. It's about good marketing and good support for the brand, in good times and bad."

In these tough economic times, everybody is looking for value – and we believe that is what we offer

Plastow says the company's research shows that about 80% of South Africans, in rural and urban areas, in all provinces, eat pilchards regularly, and that the vast majority choose Lucky Star. For those who don't eat pilchards, the brand also offers tuna and sardines.

In conclusion, he says: "In these tough economic times, everybody is looking for value – and we believe that is what we offer. Lucky Star is built on quality, consistency and trust, and no matter how much or how little you have to spend, I think these foundations ring true. We are proud to be growing share and driving one of the fastest-growing protein categories, and that is largely due to the value we offer, not just compared to other tins, but compared to other protein categories."

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The brand in South Africa is one of the strongest of all KFC businesses around the world

Pic: Jeremy Glyn

Doing chicken right

KFC is streets ahead, but Nando's and McDonald's fare well

Linda Doke

In the Fast Foods category, chicken reigns supreme, with KFC scoring an outright lead with a Top Brands index of 87,19, and Nando's in second, with 63,6.

Although this sector is becoming more and more competitive, with burgers, pizza, fish and health foods competing for a slice of the proverbial pie, fried chicken remains top of the fast-food stakes in South Africa.

"Competition is tight in the category, and to retain a position among the top five, brands need to ensure they remain relevant, get pricing right, and make sure in-store experience meets customers' needs," says TNS Research Surveys managing executive Karin Du Chenne.

That is where KFC is streets ahead of the game, says Du Chenne.

The brand's latest "so good" positioning is what the product is all about for the customer, which is why so many South Africans eat KFC.

"KFC seems to have ensured its price points are relevant, so that even customers who are financially stretched are still able to enjoy the KFC taste experience offerings, such as the Street-wise Meals."

David Timm, chief marketing officer at YRI Africa, holding company of the KFC brand, says consistent quality builds powerful brands. "As well as ensuring a quality experience for our customers, we have a robust new product-development process that keeps the brand innovative, current and interesting."

"The brand in South Africa is one of the strongest of all KFC businesses around the world, and is a benchmark within YRI," says Timm.

With 650 outlets around South Africa, a significant presence in Namibia, Botswana, Mozambique, Lesotho, Swaziland, Zambia and Nigeria, and outlets opening in Kenya, Ghana and Angola, the KFC brand is serious about its African footprint.

In second position, Nando's is a homegrown success story. Opening its first outlet in Rosettenville, southern Johannesburg, in 1987, the company now operates in 30

countries on five continents.

Apart from its product, the brand is well loved for the contemporary style of its marketing, providing social commentary on current South African news.

"Nando's has never been afraid to speak out, using humour to say what we're all thinking. Nando's brings a lightness and sense of fun to the market, and people relate well to that," says Du Chenne.

"McDonald's has fared well in 2011, and now continues its climb into third position in the ranking by continued focus on meeting the needs of the South African fast-food consumer," adds Du Chenne.

After 16 years in South Africa, the American fast-food giant has 148 restaurants across the country and enjoys a considerable chunk of the local fast-food market. Sechaba Motsieloa, marketing and communications director for McDonalds SA, says the brand's success is due to three factors: the exciting global feel of the brand; its iconic offering, like the Big Mac; and the restaurant experience and convenience of its drive-thru facility.

"The essence of the McDonald's brand is the same across 118 countries. It's then tweaked within that successful framework to suit local conditions and consumer expectations."

"Our South African advertisements use local music and local people, and we use humour that is relevant to the local market. Similarly, we tailor our product offering to suit local tastes – like offering a BBQ version of the McFeast in South Africa," says Motsieloa.

The brand is also driving competitiveness in the fast-foods category by opening for 24 hours at more than 70% of its outlets.

But the big space to watch on the horizon will be the impact on the brand of Cyril Ramaphosa's 20-year master franchise purchase of the local operation in March this year. Du Chenne says Ramaphosa's deal not only shows the perceived potential of the McDonald's brand by investors, but also the trust that has been put into South African business by such a global giant as McDonald's.

"With the South African acquisition of the brand, there are not likely to be many visible changes to the product itself. However, the growth will be driven by an increase in the number of restaurants, the training of our people, and a continued focus on customer rather than competition," says Motsieloa.

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■ Short-Term Insurance

Outwit, outlast, *outshine*

OUTsurance heads the pack, but there is no room for complacency

David Jackson

In the Short-Term Insurance arena, the same top three contenders in the consumer sector have again been jostling for pride of place in what is a hotly contested category.

It was won this year by OUTsurance, followed by First for Women and Absa iDirect.

Says Ernst Gouws, CEO of OUTsurance: "It's only 13 years since the company was started, but we have already managed to grow into a very large and trusted insurance brand, and into being the undisputed market leader among the direct insurers."

"We won't ever rest on our laurels. The market is getting more competitive by the day, and we know we need to work flat-out to ensure we continue to give our clients 'awesome service' (one of our internal company values). In the end, that's what our clients expect when we promise 'you'll always get something OUT'."

Adds Margarita Putter, CEO of TNS Research Surveys: "OUTsurance has been really successful in winning the hearts of South Africans by using some really great initiatives, such as the OUTsurance pointsmen. First for Women, last year's winner, actually raised its score, but the category is improving all round, which suggests there is no room for complacency."

"Absa iDirect, with its huge network, has also fared well, with Budget Insurance a brand on the up this year. This is perhaps a sign of the times, with people being more price-conscious when budgets are stretched," says Putter.

In the business category, Santam took top honours, with its new advertising campaign called "Good and Proper", featuring actor Ben Kingsley, attracting a fair degree of market attention. "The campaign builds on the trust that they already have, and it appears to have been well received by the market."

One of the companies to improve its position in the business market this year was Zurich. A feature of the business category in the short-term insurance sector, says Putter, is that there seems to be a lot more activity taking place in the small and medium sector, with players seeking to offer more relevant solutions for cash-strapped companies. "It's about still offering a good service at a value-for-money pricepoint."

Putter says that, overall, this year's Top Brands awards reflect a balance in attitudes – with a sizable number of consumers believing that life is getting better after the economic recession, but others taking an opposite and less optimistic view.

"So for companies, it's about staying relevant and not taking anything for granted, and trying to maximise their value proposition, so that if things do become tougher, they can retain their market share."

Sean McCoy, CEO of strategic brand and communication consultants HKLM, says the success of the First for Women campaign in the short-term insurance sector indicates what can result from "a customisation of a particular target market offering", with a price angle to it.

Typically in such a scenario, female motorists would be targeted with a niche marketing and pricing model based partly on the notion that women drivers are less aggressive, calmer and more responsible than men, with a resultant better claims record than men, in many instances. "The irony, though," McCoy notes, "is that they don't preclude men."

S'bu Manqele, business director of branding and design consultancy the Switch Group, says that while there is a definite pricing issue associated with this sector, consumer choice of specific aspects of car insurance (eg theft, third party) continues to influence how brands position themselves in this space.

"Brands have to prove themselves as being flexible and consumer-oriented: able to drill down into the nuts and bolts of their offering and almost tailor-make a package of components based on a client's specific needs."

"Because most offerings are virtually the same (the 'OUTbonus', for example, has

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Sunday Times
TOP BRANDS

25

become standard), more and more of these brands are looking to technology as a means of 'empowering' consumers and making them feel like they're in charge of their insurance spend. New products on the market are now able to track where you drive and how you drive, for instance. As a result, you pay only for 'what you use'."

Manqele says that differentiation therefore remains extremely difficult to achieve, with this being fuelled by the fickleness of consumers, who are seeing car insurance more and more as discretionary spend.

"First for Women has, however, managed to differentiate itself in the market by serving an exclusively female audience. While the brand has done a lot to try to isolate its market by creating a number of product benefits or features that speak to women in particular, whether this is enough to create a viable market on its own remains to be seen – especially as times become tougher.

"This is largely because the differentiation between it and other brands (as well as its product pricing, in many instances) remains slight. As a result, the brand still needs to prove its benefit. This is once again due to the fact that many of its distinctive benefits are becoming standard offerings from other brands."

Adds Manqele: "Going forward, we can thus expect to see pricing and consumer opportunities to reduce insurance spend remain drivers of this sector. We can also potentially anticipate more offerings like Hippo being created by insurance groups to try to keep consumer spend within a group. (While Hippo will source a variety of competitively priced quotes for consumers, these will come only from brands within a certain stable.)

"This creative, 'bigger picture' response is being taken by insurers because of such aggressive competition within the sector," Manqele says.

Differentiation remains extremely difficult to achieve, fuelled by the fickleness of consumers

Pic: Jeremy Glyn

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■ Convenience and Grocery Stores

A people's friend

Shoprite retains its hold, as Pick n Pay wins Green

David Jackson

The Convenience and Grocery Stores category in Top Brands 2011 was won by Shoprite, South Africa's largest food retailer, for the second consecutive year, with Pick n Pay retaining second spot.

Shoprite also came in at 8th in the Grand Prix category for the overall favourite brand of South Africa.

Says Neil Schreuder, marketing director for Shoprite: "We are delighted to have won this award for the 5th time. It is particularly gratifying to us, because this accolade is voted for by a significant number of our consumers, rather than a panel of judges, which makes the Top Brands award credible and something we cherish every year."

"Shoprite has built its business for 40 years by delivering consistently low prices to consumers on the things they buy and need every single day. It's a mantra that we take to the heart of the culture and philosophy of the business, cutting out costs wherever we can in order to keep saving customers money."

Adds Karin Du Chenne, managing executive of TNS Research Surveys: "Shoprite has had a strong and focused attention across Africa, and it has come to be regarded almost as a people's friend."

"Its strengths are built on factors such as wide distribution (it services a network of small towns), with sites often very convenient for the bulk of South African shoppers," she points out.

Category runner-up Pick n Pay took top spot this year in the Grand Prix Green Environmental award, and took second position, behind Coke, in the Grand Prix award for Community Upliftment.

In Du Chenne's view, Pick n Pay's focus on freshness and being consumer-led has helped it gain ground. "Pick n Pay has a very rounded image with its environmental and community upliftment focus, but Shoprite counters by offering a range of price points," she says.

Another notable feature in the category this year is that Woolworths narrowly managed to edge past Spar. Du Chenne says: "Woolworths emphasises freshness and has been pioneering in maintaining a premium positioning while giving its customers value for money – such as how to feed a family a luxury meal for R100, with starter, main course and dessert. This has been an approach successfully employed by UK supermarket giants such as Sainsbury or Tesco."

S'bu Manqe, business director of branding and design consultancy the Switch Group, says Shoprite has been known and

positioned as a bottom-end market brand. "The unfortunate stigma it previously carried was that of being a 'cheap Checkers'. This is perhaps the most obvious brand repositioning effort currently being made in this sector."

"In an effort to grow its business, Checkers has used the Shoprite brand to 'test' the market, while simultaneously elevating it to become a mainstream brand."

Adds Manqe: "This approach seems to be working, as it has allowed the overall Checkers brand to stretch both upwards and downwards, while retaining its typical clients. It has also helped the Checkers brand to begin to compete comfortably with Pick n Pay and Spar."

"Shoprite is also being used as an exploration brand, with new markets using it in the same space as Checkers. In Nigeria, for instance, Shoprite sits comfortably in a space that would traditionally have been occupied by Pick n Pay."

Manqe says there is no effort to position this brand against Woolworths, "which I think is the right strategy, as this would definitely be too far for some of its supporters, even in the new markets."

Sean McCoy, CEO of strategic brand and communication consultancy HKLM, adds: "There are indications from comments made in the media, for example, that some consumers are not entirely happy with the current Pick n Pay service experience, and that Shoprite may have a stolen a march on its competitors in this regard in recent months."

"Many consumers have traditionally visited Shoprite outlets when seeking value for money with a sort of 'cheap and cheerful', no frills-type level of expectation. But with Pick n Pay, consumers are paying more of a premium price to fill their shopping baskets, and their expectations of quality and good service are probably greater."

"The in-store experience is always a critical factor – and perhaps Pick n Pay, in the eyes of some consumers at any rate, may have slipped a notch here," says McCoy.

In an effort to grow its business, Checkers has used the Shoprite brand to 'test' the market, while simultaneously elevating it to become a mainstream brand.



Pic: Jeremy Glyn



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*SA's Top Brands Survey 2011



■ Cars

In the *fast* lane

BMW focuses on sheer driving pleasure

Alf James

The Top Brands Cars category is hotly contested year on year. This year, with 32% of the sample currently driving cars, BMW narrowly pips Mercedes-Benz to pole position. Toyota follows in third place.

While the top two brands are hardly separated in terms of brand ratings, what makes the BMW brand the winner?

According to Bodo Donauer, managing director of BMW South Africa, the BMW brand always stays true to a single promise, the absolute joy of driving, no matter the product, medium or audience being targeted.

"This consistency of communication and focus on sheer driving pleasure not only promotes strong brand equity, but a highly aspirational brand appeal across different generations.

"We don't just sell cars and motorcycles. Instead, we are the creators of emotions. We are the guardians of ecstasy, the thrills and chills, the laughs and smiles. We sell passion for the ultimate driving experience, joy and exhilaration, agility and speed, luxury and safety and, ultimately, passion in one of its purest forms," he says.

"And it all begins and ends with the driver in mind. As long as the driver's need for this passion is considered in the products we produce and how we communicate it, the

BMW brand is delivering on its promise of 'sheer driving pleasure'."

Donauer says the consistently excellent products which BMW delivers to customers, each of which represents dynamism, innovation and beautiful aesthetics, are also major components of the brand's overall success.

"When you add in the excellent service for which BMW is renowned, BMW's countrywide representation and the company's strong customer focus, the result is the most valuable automotive brand in the world, according to the latest Milward Brown survey."

Brand appeal, certainly in the premium segment, is an integral part of any company's success, he says.

"In our experience, customers first choose the brand to which they feel the most affinity and then purchase the product which best suits their budget and their lifestyle. In this regard, it's essential that we put every possible measure in place to safeguard our brand equity and values."

This includes internal processes that ensure the BMW brand, values and corporate identity are protected at all times, which is reflected in the brand's success in the market.

Since 2006, the South African vehicle market has been heavily affected by the worldwide economic downturn. However, Donauer says BMW has consistently maintained a premium-segment market share of more than 30% and has consistently outperformed the market in terms of growth.



In 2010, 22 622 new BMWs were registered in South Africa. This represented a 30,5% growth in sales when compared to 2009, and resulted in BMW being the best-selling premium-car brand in the country.

According to Donauer, brand-building is part of the BMW make-up, with the company being driven by a history of putting on some of the best experiential marketing events in the country, and it continues to do this with signature products.

"We recently launched the new BMW 6 Series to our customer base with an innovative event concept that saw a state-of-the-art technology imported from France to present the car in the best possible light.

"We are also significantly involved in a number of sponsorship activities, including the BMW International Polo Series, in which we have been involved for 22 years, the BMW Golf Cup International and various professional or charity golf events such as the Alfred Dunhill Championships, the Dimension Data Pro-Am and the MTN Supersport Shootout.

"Our most recent sponsorship engagement is one of the most significant in the history of BMW in South Africa, and we expect it to do great things for our brand going forward. BMW is the official vehicle sponsor of the Springboks, and the sponsorship will see the BMW brand mark adorning the left leg of the players' shorts in official Test matches until the end of 2015.

"It is BMW's first foray into international rugby sponsorship globally, but it's one that we are sure will allow us to not only expand our customer base, but also attract new supporters to rugby, and further assist in getting the country behind the team as they get ready to defend their Rugby World Cup title later this year.

"Of course, the spin-off for the BMW brand should be good as well, because the characteristics epitomised by the BMW brand, of precision and performance, are also hallmarks of the Springbok team, which makes for a winning combination," says Donauer.

Another ingredient of the successful building of the brand is BMW's loyalty and rewards programme.

The BMW Owner's Circle is an online community and loyalty programme which has been designed to offer BMW drivers access to information and services relating to them, their vehicles and their relationship with BMW.

Donauer says that, once a customer has registered their BMW on the Owner's Circle website, they are sent a loyalty card that gives them access to discounts on BMW merchandise at BMW dealerships, and access to future BMW events and experiences.

"The Owner's Circle website also allows customers to update their personal details online and subscribe to special partner offers, be they through jewellers, hotels or other premium service providers."

The sustainability of BMW's brand success, according to Donauer, is attributable

to the concept of sustainability itself.

He says BMW has tried to redefine the term "premium" by complementing its focus on product, quality, innovation, design and prestige with new aspects such as people, sophisticated and efficient solutions, independent approaches and, most importantly, sustainability.

"Sustainability is the most crucial element in this new understanding of 'premium', and we ensure that we generate added value for the company and society by making sustainability a permanent fixture in our business operations.

"For the past six years, BMW has been named as the World's Most Sustainable Car Company by the Dow Jones Sustainability Indexes. This is because we take a comprehensive approach towards sustainability and implement it along the entire value chain.



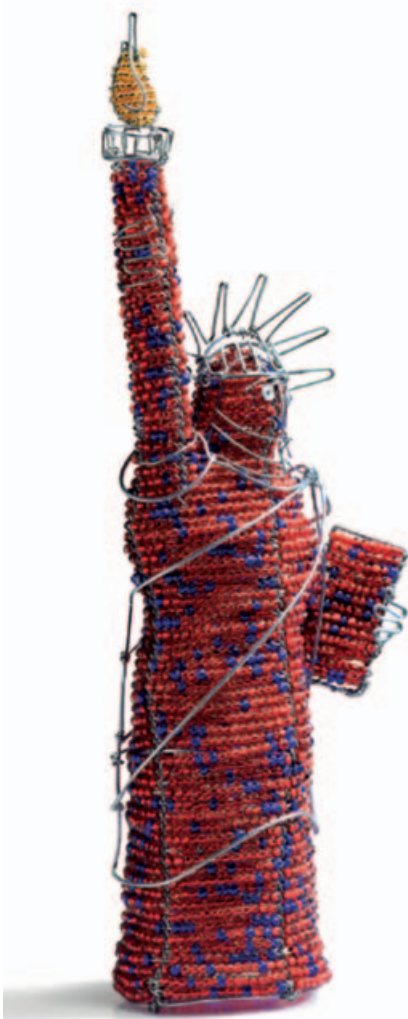
Bodo Donauer

*We don't just sell cars
and motorcycles;
we are the creators
of emotions*

"This means that almost 95% of every BMW is recyclable. Furthermore, we ensure that the production processes have the lowest possible impact on the environment. For example, the Rosslyn plant in Pretoria has almost halved its electricity consumption since 2006.

"We have just launched our first 'green' dealership, and we will making even further progress as far as sustainable mobility goes with the launch of our first hybrid vehicles in South Africa next year," concludes Donauer.

Aon05132_1_E



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Beauty and Cosmetics



Pic: Jeremy Glyn

In the *eyes* of the beholder

Premium categories are growing, but direct-marketing companies are proving popular too

Linda Sparg

One wonders if Estée Lauder ever imagined she would own a multibillion-dollar conglomerate when, as a schoolgirl in Queens, New York, she helped her uncle, a chemist, create beauty preparations.

Yet she was the first cosmetics entrepreneur to introduce the “gift system”, which is still a part of Estée Lauder’s sales strategy today, and has been adopted by a number of other beauty houses: you buy a product or two and receive a handbag or a selection of miniature products free.

“I have never worked a day in my life without selling. If I believe in something, I sell it, and I sell it hard,” Lauder once said, and this same absolute confidence in their products is characteristic of Estée Lauder staff across the board, from top management to counter sales assistants.

Estée Lauder tops the Beauty and Cosmetics list in the Top Brands this year, followed by Yardley, Avon and Elizabeth Arden. Last year the company came third after Yardley and Revlon. Estée Lauder also leapt up the Grand Prix ladder to 11th spot this year, from 26th place last year.

The company’s brand general manager, Kerry Evans, says: “Usually, when times are tough, people are more discerning with products. They demand quality and a whole lot more; there is a heightened expectation of good customer service. Estée Lauder is well known and has a legacy of quality products. This has stood us in good stead. In a recession, people go back to what is familiar, tried and tested.

“The global company has embraced the diversity of South African customers. We have a whole new, different landscape of consumers who want to experience beauty houses. We spend much time and energy understanding what women demand from products.”

Evans also points out that this premium brand caters for anyone’s needs, from a new fragrance, quality skincare for all ages and skin types, to sun protection and make-up.

For example, Estée Lauder foundations have a broad spectrum of colours and shades to suit all women, no matter their ethnicity.

“In New York they spent much time on product development and innovation to ensure we have the right make-up and pigment for South African skin types.”

According to Evans, the company takes a three-tiered approach to marketing. Firstly, it is consumer-inspired, with brand ambassadors and beauty advisers representing the business in stores. They are the first people the customer sees, and these staff take great pride in the products. Secondly, Estée Lauder invests heavily in innovation and product development. Thirdly, “we never compromise on quality”, says Evans.

“It’s about integrity, working for Estée Lauder – an incredible privilege and such a responsibility. It’s a remarkable global company with such agility for learning. It’s the top player in world: the No 1 premium cosmetics house in China and South Africa, and in many other markets. It’s about having a sense of humility and putting the customer at the heart of everything you do.”

New kids on the block in the Beauty and Cosmetics category top 10 this year are direct-marketing companies Avon (No 3) and Avroy Shlain (No 5).

Mark Molenaar, client service director at TNS Research Surveys, says: “There is apparent inconsistency in buying. Some premium categories are growing, while network-marketing companies are also becoming popular. It indicates that people are buying up and down.

“We are by no means out of the recession. People are under enormous pressure financially. Women might buy one special product at Estée Lauder that costs more, but compromise on the basics by purchasing less expensive brands. People on a budget are mixing and matching to maximise value.”

If Estée Lauder takes a three-tier approach, Avon takes a 30-tier approach to business. Besides good value and innovative products, it is the brand’s bells, lights, whistles and side shows that seem to be attracting customers.

Avon spokesperson Vicky Saunders says the company’s global team of scientists consistently delivers first-to-market products that marry beauty and innovation, such as light-adjusting make-up, more durable mascara and better-hydrating lipstick. This means there is always something new for customers to try.

Every four weeks, Avon brings out a handy, handbag-fitting brochure “which acts as our shop window”, with unbelievable discounts and special offers, and “how-to” hints and tips from professional make-up artists. In 2010, a jewellery range was launched.

In a recession, people go back to what is familiar, tried and tested

Handbags, purses and other accessories are also available.

Avon’s television advertising and endorsement by celebrities such as Reese Witherspoon and Fergie of the Black Eyed Peas also lend weight to the brand.

One of the attractive side shows is Avon Voices, an online singing competition. Avon has an anti-breast cancer drive, raising thousands of rands for cancer support group Bosom Buddies, and organising its iThemba Walkathons to raise awareness of the disease. Avon also fights violence against women, and fosters environmental protection and community development.

Saunders says: “Avon empowers women through its representatives’ earning opportunity and its dedication to corporate social responsibility causes.

“Consumers like to know they are giving back when they make a purchase with Avon. People are drawn to the personal relationship they will have with their representative. It is convenient for them to order their products and have them delivered to their home or office.”

Another intelligent strategy by Avon is

being part of the University of Johannesburg Direct Selling Association programme, aimed at sharing the success and benefits of direct sales with the younger generation. This year Avon embarked on a series of university rally drives to recruit the youth into the direct-selling industry.

Saunders also notes that the relaunch of the Avon website has broadened its appeal to the younger generation, which is looking for easily accessible information via the internet. Avon representatives can place their orders via the internet and monitor their business on a real-time basis.

Brian Mdluli, CEO of the Direct Marketing Association of SA, says: “We’re seeing that more brands are starting to interact with internal databases than in the past. They’re mining their own data and starting to put great effort into understanding who their consumers are.

“Companies are moving towards data analytics, trying to find out, in essence, what drives their own consumer to interact with their brands. Brands are starting to realise that, to stay in the market, they must open a conversation with consumer communities. Consumers do not want to be spoken at, but spoken with.

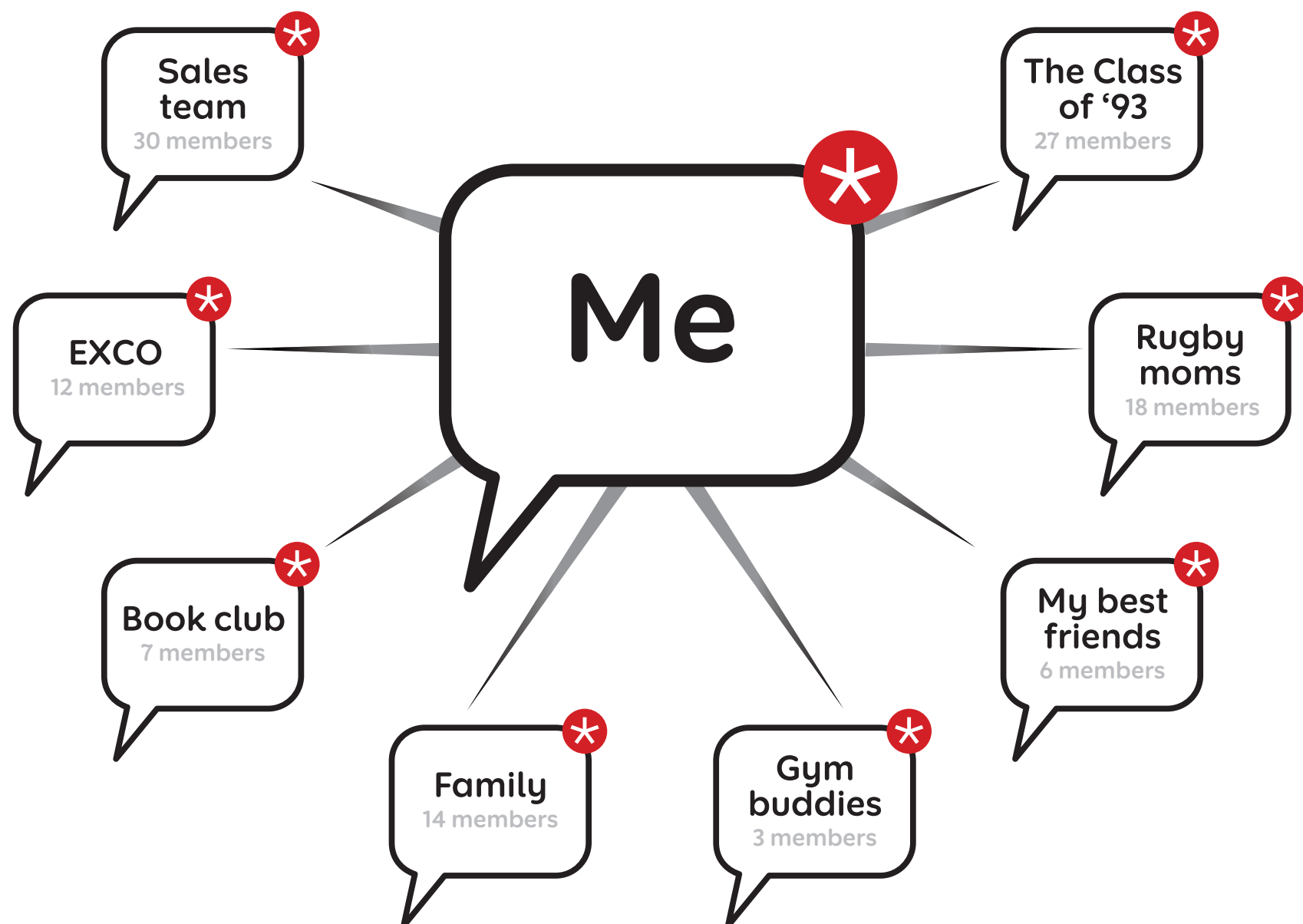
“Companies want to meet people and put a face and human being behind the email and phone number, and consumers are saying: ‘Suddenly somebody knows I exist’. It’s about making the brand available through peer-to-peer communication.”

Avroy Shlain Cosmetics MD Justin Hewett adds: “We have seen significant increases in sales over the past 12 months, which would correlate with the increased awareness of our brand.”

He says the main driver of this increased awareness is larger numbers of people selling Avroy Shlain products, spurred by the growing, broad-based appeal of the earnings opportunity and product range.

“Over the past few years, we have transformed from a skincare company serving the interests of the white minority to one supplying a full range of beauty products to every population group. With more people selling the products, we reach more consumers,” Hewett says.

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■ Newspapers

A century of news and views

Sunday Times remains relevant, week after week

Andrew Gillingham

In the weekly newspaper category, the Sunday Times was voted South Africa's most favoured weekly read, followed by City Press and Soccer Laduma.

In the business press category, Business Day has continued its dominance and retains its first place as the most favoured daily. Financial Mail was recognised as the weekly read for the discerning business market.

Enver Groenewald, general manager for advertising revenue at Avusa, says the Sunday Times brand is one of South Africa's oldest and most enduring brands. "The Sunday Times

brand manages to retain its relevance week after week as a consequence of the news it covers," he says.

"Week in and week out for over 100 years, the Sunday Times brand has managed to fulfil on its readers' expectations of factual reporting, interesting opinions and adept analysis. Very few brands can demonstrate such consistency over such a remarkable period of time. As a brand with more than a century behind it, the Sunday Times has evolved along with its market and its readers."

Groenewald adds: "The Sunday Times is a trusted advisor and knowledge provider. Furthermore, given the breadth of the brand, it also caters to individual members of the family and the community in different ways, so as to be relevant to each."

"The Sunday Times is not only about hard news and opinion; it is also about entertainment, and there is always something for everyone inside the pages of the paper."

He says the Sunday Times' value increases incrementally in line with the number of news sources people have available. While today's digital age has connected people and created a digital village, it has also resulted in an exponential increase in the amount of information being thrown at consumers, often without any way of validating the authenticity of that information.

As the mountain of information grows, so the Sunday Times' role as a trusted adviser becomes more important, and it acts as a credible touchstone so its readers can test the validity of information, helping people sort through the information at their disposal, and separate fact from fiction and urban myth from news. "The Sunday Times is known for objective and factual reporting, and for giving readers news and information they can count on. This is vital in today's sea of choice," Groenewald says.

Adding to the challenge of remaining a

credible and trusted source of information and views is the fact that the Sunday Times is a weekly publication. The newspaper has only one day a week on which it can bring news, events and entertainment to its readers, whereas other news sources are often daily or even hourly, and can report events before the Sunday Times.

"We have a 24-hour shelf life that only comes around once a week, on a Sunday. When an event occurs on a Thursday, all the other news sources have two to three days before us to get that news to the public. Therefore, we have to look into most stories in a more indepth fashion, adding substance to the story through our investigative journalists, and providing relevant analysis and opinion."

"This means that there is a lot of skill, experience and attention to detail that is required to enhance the substance in each story," Groenewald says.

■ Alcoholic Spirits



Avukile Mabombo with Maurice Hennessy, the eighth-generation member of the founding family and global ambassador

The art of blending

Hennessy causes a shake-up as premium brands make a comeback

Andrew Gillingham

Having become large enough as a brand to make it into the Top Brands rankings, Hennessy Cognac shook up the alcoholic spirits category rankings this year by taking top spot, followed by Jameson in second and Johnny Walker taking third place.

Hennessy's achievement is significant, given fact that whiskey brands have traditionally dominated this category.

Last year's Top Brands Survey showed premium brands taking a knock as consumers responded to economic conditions by tightening their belts. However, they are on the comeback.

Avukile Mabombo, Hennessy Cognac brand manager at The Really Great Brand

Company, which handles all the Moët Hennessy products in South Africa, says Hennessy is one of the key brands in the company's portfolio and has been available in South Africa for over 20 years.

"Over the past four to five years, we have been gradually increasing our marketing investment and activity, which has reflected in a significant step change in the brand's performance," Mabombo says.

While Hennessy has always been one of the top spirit brands internationally, over the past few years the South African consumer's gravitation to premium brands has sparked the brand's growth locally.

Mabombo says one of the keys to Hennessy's success has been staying true to its brand values while keeping in touch with consumer needs and remaining relevant to each individual market.

"Hennessy is particularly good at achieving this balance. For example, the manner in which Hennessy is consumed in China is very different from South Africa, but the brand values remain constant. We have been able to meet the South African market's needs

without diluting or changing what the brand stands for," Mabombo says.

The Hennessy brand message is all about luxury, and the goal is for consumers to see Hennessy as the most luxurious spirit in the country, and in the world. Since the company was founded in 1765, it has been at the forefront of master-craftsmanship, quality and innovation.

Hennessy's "flaunt your taste" positioning may appear, at first glance, to convey a shallow and superficial view of life but, on closer examination, it has a much deeper significance, and encapsulates the idea that people need to have the freedom to be themselves and express their individuality.

"There is no luxury if you cannot enjoy it and cannot be yourself – which is why the brand promotes the idea of hedonism and the art of living. Hennessy never dictates who its consumers are, how they drink Hennessy, what they are about, what they wear and where they go."

"We have broken traditional notions of cognac around the world and, as a result, a lot of different types of people consume Hennessy, and they do so in many different ways."

At the same time, Hennessy has recognised that loyal consumers want to know more about the brands they take into their hearts. Therefore, Hennessy provides a wealth of information on the product, its history and heritage, as well as information on cognac and the rituals that have been associ-

ated with the drink over the centuries.

"People take that knowledge and interpret it within their own environments. The key is education; if you know and understand the product, you open yourself up to a new world of mixability and blending," Mabombo says.

One of the benefits of this approach is that it allows the brand to develop its appeal among a broader range of luxury consumers.

"We take the quality of our product very seriously, but we do not have expectations that consumers will engage with the product in just one context. Hennessy has been taken on board by people who are aligned with our values and who appreciate luxury, but also do not take themselves too seriously. They interpret luxury in their own way."

"Hennessy drinkers embrace creativity, and blend ideas and experiences so as to bring more intensity into their lives," Mabombo says.

He emphasises that many people have a lot of fun using the traditional cognac ritual: consuming Hennessy in balloon glasses, sniffing its aroma as they gently warm the cognac with their hands and relax into deep leather armchairs.

However, Mabombo adds that Hennessy consumers are just as likely to break the mould and have their Hennessy on the rocks or with water, or even ginger ale (a spicy soft drink that complements cognac).

"It is the art of blending," he says.

■ Courier Companies

Success comes at 'the speed of yellow'

DHL is excited about Africa's economic potential

Alf James

The category Courier Companies was included in Top Brands for the first time this year, with both local and international operators eligible. The winner of the new category is DHL Express.

According to Charles Brewer, MD of DHL Express, Sub-Saharan Africa, the success of the brand is due to the company's "doing things" strategy.

"At the core of our strategy is a profitable network, extremely loyal customers, great service quality, highly motivated and engaged employees, and an entrepreneurial spirit," he says.

"At DHL, the united, co-operative atmosphere and friendly relationship between employee and customer, and the fact that each employee understands and buys into DHL's strategy, all contribute to the company's success.

"If the right people are engaged and motivated to do the right things, they will invariably provide a differentiated experience and service to the customer, and customer loyalty is what it is all about."

Brewer says DHL has developed an industry-unique position, with a dedicated air network and unparalleled infrastructure. The international company was established in South Africa in 1978, thereafter in Nigeria, expanding further in the 1990s to all 49 sub-Saharan African countries. It now has 3 100 employees, over 300 DHL facilities, five regional hubs, 1 250 vehicles and 17 dedicated DHL aircraft, with 780 commercial flights operated a day.

Brewer says the company's brand is at the heart of the success of the business. "DHL-it' has become synonymous with sending a parcel internationally," he says. "The brand signifies a promise to our customers that we will deliver, no matter what.

"Global sponsorships help strengthen the DHL brand and broaden brand awareness. DHL supports popular sporting teams and events, such as the DHL Stormers, Formula One Racing, Fashion Week, Volvo Ocean Race and the 2011 Rugby World Cup, that share our global values of teamwork, speed, passion and commitment, along with the strong desire to succeed."

The company recently launched a new global advertising campaign, "The Speed of Yellow".

"As the most international company on earth, the campaign demonstrates how DHL operates at 'The Speed of Yellow', and firmly establishes DHL as 'the international specialist in express shipping'. The Speed of Yellow is visualised as a powerful light, per-

forming express tasks across the globe with speed and efficiency."

Customer loyalty is a key strategic pillar. "We focus very heavily on the customer experience. For example, our customer service teams avoid using interactive voice response – when you call DHL, you speak to a person and not a machine, and all 110 000 employees are certified international specialists."

Brewer is excited about Africa's economic potential, and DHL's with it. "The sun is rising on Africa! With vast reserves of minerals, bountiful farms and a burgeoning population eager to join the world's workforce, Africa has begun to attract the attention it deserves from the rest of the world."

All this attention is generating much-needed investment in African infrastructure and business ventures, he says. In addition, the continent is now turning out more than three-quarters of a million university graduates annually, many of them eager to build businesses and participate in government.

He says African countries are also learning how to co-operate for mutual benefit, with the continent supporting three major trade blocs: ECOWAS (Economic Community of West African States), SADC (Southern African Development Community) and COMESA (Common Market for Eastern and Southern Africa).

There are also several smaller blocs that tie countries together for more specific purposes.

"The International Monetary Fund expects the GDP of sub-Saharan Africa to grow by more than 5% this year, making it the fastest-growing region in the world outside Asia, and seven of the 10 fastest-growing economies in the world are African.

"The GDP of Ghana, for example, is expected to grow by more than 13% this year, and Angola, Mozambique and Zimbabwe are each expected to grow by more than 7%," Brewer says.

"All of these factors, taken together, should represent the ingredients for sustained economic prosperity. However, there are difficult challenges that must be overcome before a prosperous future is assured.

"To begin with, Africa

is divided by language and culture. Only in the last decade have Africans begun to overcome local and regional ethnic tensions for mutual economic benefit.

"The World Bank estimates that more than 350 million people in sub-Saharan Africa live on less than US\$1,25 a day, which translates to more than 50% of the total population of some countries.

"Another issue is poor transport infrastructure. The road access rate is just 34%, and the roads that do exist are often primitive and unpaved.

"Similarly, the continent's rail system is limited in extent, inadequately managed and maintained, and lacking in interconnectivity.

"On top of this, complex and time-consuming customs procedures further slow transport times and raise shipping costs."

However, he says the recently signed Free Trade Agreement between 26 African countries, forming a free trade area from the Cape to Cairo, will certainly improve trade performance and competitiveness within the countries, boosting the region's economic profile.

"DHL is often referred to as a barometer of trade, and the sub-Saharan market is particularly buoyant, so exciting times are ahead," Brewer says.



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THANK YOU FOR VOTING US
SOUTH AFRICA'S FAVOURITE
BEER IN THE SUNDAY TIMES
TOP BRANDS SURVEY.

BREWED WITH THE KISS
OF THE SAAZ HOP.



At the core of our strategy is a
profitable network, loyal
customers, great service quality,
highly motivated employees and an
entrepreneurial spirit

Not for Sale to Persons Under the Age of 18.

It is often said that the art of understanding is in good listening. Listen, understand and reflect: that's Talk Radio 702's philosophy and it has paid off well – the talk radio station has once again scooped the honours in the electronic business media category, with sister

station Cape Talk following a close second.

The results show that Radio 702 dominates the category on all factors, with not only the highest number of listeners and the strongest ratings among its listeners, but also the most positive perceptions among those who do not

listen to the station.

Primedia Broadcasting CEO Terry Volkwyn says there is no closely guarded marketing strategy in place to ensure the success of Radio 702 or Cape Talk. “For us, marketing is a philosophy rather than a department. We don't run advertising campaigns. Instead, the very essence of what we are is genuinely geared to reflect the community we serve. Listening is the core strategic focus of our shows.”

The focus of both talk stations – Talk Radio 702 for Johannesburg and surrounds, and Cape Talk for Cape Town and surrounds – is simply to reflect back to the community. The community drives the content of the shows, and the stations' route to success is to keep a finger on the pulse by listening.

“Provided we're reflecting back to the community we serve the news of what is happening out there, we're doing our job well,” says Volkwyn.

The loyal listeners of the stations know this and make sure they're heard. Apart from live call-ins driving chat shows, thousands of emails and smses are received by the stations daily. These are collated and carefully analysed to map patterns and trends. Add to this the stations' websites and the social networking pages on Facebook and Twitter, and you have a flood of information directly from the listening public.

For both stations, 65%-70% of the content is driven this way. Another 10%-20% of content is dedicated to issues of national interest, and the remaining 10% to international happenings.

“Our listeners aren't ostriches with their heads in the sand. They're worldly wise, they're educated, they have an opinion and they like to be kept informed. Through us they're kept abreast of what's happening in their communities, the country and the world. We simply reflect back what people want to talk about, what's real out there,” says Volkwyn.

The radio cut its teeth in 1980 as Channel 702 – “the rainbow of sound” as a music station based between Johannesburg and Garankuwa, Bof77the



■ Interview


Jeremy Sampson

What's the secret to staying relevant all these years?

Since our beginnings in 1886, we have focused on creating magic. It goes beyond a beverage to an idea ... a feeling. It is a simple moment of refreshment that also represents happiness and optimism.

We connect with our consumers through the things that they are passionate about: family, friends, music and sport, to name a few. We bring people together and we celebrate with them. We have become part of the fabric of society and a trusted friend to many around the world.

How do you maintain this momentum, day in and day out?

While we are proud of the fact that we have four of the world's five top sparkling brands, the biggest juice and juice drinks business and ready-to-drink teas and coffees, this is not by accident. We know that it requires flawless execution to ensure that we maintain our leadership in the market.

It is not only through our excellence in marketing and innovation in beverages, equipment and packaging, but also in the operational aspects of our business. If you see a refreshing soft drink on an advert but can't find it on the shelves, we have done something wrong.

We maintain our top position because we work to provide our customers with superior service. We strive to enhance their business and create mutual value. Once our beverages get into the hands of consumers, we try to make sure their experience is positive and refreshing. We want them to continue to come back for more for the rest of their lives.

Does the company have a different strategy in emerging markets?

The Coca-Cola Company and its bottling partners (the "system") have one strategy. We call it our 2020 Vision. It sets out specific goals and objectives that the system aims to reach by the year 2020. There is not a different set of goals for emerging markets, but as leaders in these markets, we must put into place action steps that take into consideration the different levers that must be pulled to recruit new consumers, get our products to market and address evolving consumer needs.

For example, we have as a 2020 goal the doubling of our revenue globally. That in turn means our leadership in South Africa has the responsibility to double our revenue in this market. The way in which I generate that additional revenue may differ in South Africa from North America. Unlike North America, we have many consumers who have never even enjoyed one of the 30 still and sparkling brands that we own.

We have to answer questions of how to make products affordable and available, and how do we develop innovations that work best in our market? That is key to growing our business in South Africa. While we have per capita consumption of approximately 260 Coca-Cola products, which well exceeds the average of 89 worldwide, we are far from Mexico's 675 per capita.

And in emerging markets, we believe we have a special role to play in poverty alleviation and economic growth. The formal jobs created by our system include positions in areas such as sales, marketing, finance and distribution. The informal job network is extensive: everything from production and harvesting of sugar cane to the spaza and tuckshop owners who sell our products in rural areas all around the nation.

Our business takes on a local dynamic in South Africa, just as it does in the other 206 countries where we do business. We account for some 1.4% of GDP in South Africa, directly and indirectly; that is a significant contribution to the country's economy.

Is marketing in Africa different from that in other parts of the world?

Again, with every aspect of our business, it is local in nature. We often say that we are a local company on a global scale. While we work to take advantage of economies of scale in marketing, supply chain, finance, etc, in the end you must speak to consumers individually. There is no monolithic marketing strategy for even one country.

Our communication with our consumers varies from beverage to beverage and based on what is relevant in South Africa. What is essential is that we research and analyse

It's a kind of *magic*



Pic: Gosia Loots

The Coca Cola Company turned 125 this year. Jeremy Sampson talks to Bill Egbe, president of the Coca-Cola Africa Group Business Unit.

our markets on a continual basis so that we not only meet consumers' needs, but exceed them.

Often you will find, however, that what was developed in one market works well in another. I am reminded of our popular "Brrrrrr" campaign, which originated in South Africa but has taken flight in other markets, including Dubai and Turkey. The beauty of having a



*After 'okay',
Coca-Cola is the most
recognised word or
phrase on the planet*

global enterprise is the sharing of best practices. But there must always be the understanding that you must also customise and tailor to meet local needs.

What are the main metrics you use to determine return on marketing investment (ROMI)?

We use various metrics to measure our return on marketing investments, some of them the standard measures applied across a broad range of industries and others that we have developed within Coca-Cola. As many of our metrics and models are proprietary in nature, we do not discuss these externally.

What are the major changes you see, at the present time, of marketing in South Africa?

One of the most exciting changes that I see in South Africa is the explosion of multimedia channels for marketing and engaging with consumers. I believe we are just on the cusp of really beginning to understand how digital communications and marketing can help us communicate with our consumers.

And while the reach of the Internet is still not pervasive, mobile technology certainly is. I think that the digital platform offers immense possibilities that, as a company, we are just starting with in South Africa. The ability to keep in closer contact with our consumers based on their passion points is what we constantly seek to do, and we see digital as the next frontier.

What do you predict to be the main issues for brands in the immediate future?

Consumer brand companies and other types of companies are now beginning to understand the importance of sustainability in their brand propositions. As we often say at Coca-Cola, we know our consumers make decisions about our products based as much on the quality of our character as the quality of our beverages.

We never forget that consumers invite us into their lives every day. We do not take that for granted. Therefore, we work each day to maintain the trust that they have placed in us ... from our high-quality standards for our beverages to what we do to make a meaningful difference in communities.

What is the biggest thing misunderstood about the company?

With such an incredibly large company and system (company and bottling partners), there are bound to be some complexities in the way in which we do business. At approximately \$100 billion in revenue across the system, we understand that our consumers may not necessarily understand how our franchise system works.

What I think is always interesting for people and makes them think "wow" is the sheer scope of the geographic and beverage landscape that we occupy. Whenever I talk to people about the Coca-Cola business and tell them that we have operations in more than 206 countries, 900 bottling plants, more than 500 brands which include 3 500 beverage products, and sell 1.7 billion servings each day, there is always a great deal of surprise.

When I then add that we reach an estimated 98% of the world's population, that further drives home the point of scale. But they are generally the most impressed when I tell them that after "okay", Coca-Cola is the most recognised word or phrase on the planet.

'Green' and 'sustainability' are growing areas of importance and priority. How is the Coca-Cola Company addressing this in South Africa?

Helping to ensure the health of the communities where we live and where our business operates is not a "nice to do", but is integral to everything we do. It is just plain good business. We call our sustainability platform "Live for a Difference". There is what we do within our own operations to challenge ourselves to meet ambitious sustainability goals, and then there is what we do within communities.

On July 7 this year, we opened the greenest plant in Africa in Heidelberg, South Africa. This Valpré Spring Water plant is undergoing LEED certification and will be the first plant with that accreditation on the continent. From design to the operations of the plant – water balance, solar energy, sunlight optimisation, zero waste to landfill, etc – this is a world-class-facility, which incidentally is run by a team of black women operators.

In addition, we launched Coca-Cola's innovative PlantBottle packaging to the continent on that same day. PlantBottle is a beverage-industry first – it is the first container made from up to 30% plants that is still 100% recyclable. Since it uses plant material, it reduces our dependence on non-renewable sources such as petroleum. This in turn means it lightens our footprint on the planet by up to some 20% for this packaging.

Our RAIN (Replenishment Africa Initiative) is an example of how we are using our unique skills in the community. Our six-year, \$30 million investment in Africa aims to improve access to clean water and sanitation for some 2 million Africans.

And in South Africa, we have one of the highest rates of recycling cans in the world, at 70%. This is due to our partnership with Collect-A-Can.

One of the most important ways in which we positively impact communities is through our business itself. In South Africa, we have many large-scale retailers, but our business was built through – and continues to depend on – the small vendors on the streets, as well as spazas and tuckshops, who know each of their customers by name. It is our goal to make sure that, through our relationships with these small businesspeople, we maximise their profits and revenues, as Coca-Cola is a significant component of their daily sales. Economic empowerment, especially as it pertains to women, is specifically called out in our 2020 Vision.

And we know that if we are to sustain and grow our business for the next 125 years, we must find the intersection of "what is good for business and good for communities", and deliver against those intersecting points.

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