

Sunday Times

TOP BRANDS

2014



RUBBING SHOULDERS WITH THE BEST...

TNS

AUGUST 2014

A TIMES MEDIA SUPPLEMENT

A brand of its own

- Advertisers place a high priority on the results of the Sunday Times Top Brands Awards study

ALF JAMES

WITH A 16-YEAR track record, the *Sunday Times* annual Top Brands survey has built a credible reputation in the market, says Trevor Ormerod, general manager: group sales for Times Media. While the study set out to determine South Africa's top brands, it has developed a strong brand of its own, with a number of winners using their success in the awards in their own advertising.

It has become a brand endorsement for successful brands, Ormerod says. "Many advertisers have key performance indicators linked to their success in the *Sunday Times* Top Brands Awards study, and place a high priority on the results," he adds. "Furthermore, the study allows advertisers to measure their performance and get a feel for what their competitors are doing."

According to Ormerod, advertisers are keen to participate in the study, especially as *Sunday Times* keeps abreast and informed of the additional information and feedback that advertisers



Trevor Ormerod,
general manager:
group sales for
Times Media

Pic: Jeremy Glyn

need. He explains that the study is limited to about 40 consumer and 10 business categories, to avoid the questionnaire being too lengthy. The awards have a policy of rotation which precludes every category being included every year.

"Although the *Sunday Times* annual Top Brands study has had a high standing in the market for a number of years, it continues to develop as the market evolves, to increase its relevance to brand managers," Ormerod adds.

A measure of the success of the awards is that each year the market keenly antic-

"IT IS OUR INVESTMENT BACK INTO THE ADVERTISING AND MARKETING COMMUNITY"

ipates the results of the study, the awards event, and the publication of the supplement. "The awards event has grown into an important and high-profile networking occasion in the branding and advertising sector," he says.

"The task of the *Sunday Times* annual Top Brands Awards is to continue to stay abreast of developments in the market and the challenges brand professionals face, which have to be included in the questionnaire.

"Nevertheless, *Sunday Times* is committed to the Top Brands study. It is our investment back into the advertising and marketing community, and an opportunity to give back to advertisers in the form of information that can be used from a brand strategy point of view," Ormerod says.

SO WHAT DO THE ADVERTISERS SAY?

Times Media conducted research to obtain feedback from advertisers on the credibility and efficacy of the *Sunday Times* Top Brand Awards.

Esmé Deken, group head: market intelligence at Times Media, says the research showed that the Top Brands study's customised survey is perceived to be credible, reliable and in keeping with the positioning of the company's newspaper titles.

"Every year we have increased requests from marketers to find out how their brands can be included in this most respected brand survey," says Deken.

According to the research, almost all respondents were aware of Top Brands: 60% had advertised in the supplement; one in three had used the Top Brands stamp of endorsement in their advertising campaigns; three in 10 had attended at least one of the functions; and nine in 10 were very or fairly likely to recommend others to advertise in the Top Brands supplement.

The research showed that using the Top Brands stamp of endorsement:

- Reinforces the brand's position as a market leader among nine in 10 marketers;
- Increased awareness of the brand among eight in 10 marketers; and
- Generated more sales among seven in 10 marketers.

Around six in 10 marketers strongly agree that Top Brands:

- Gives an overview of what's happening in the market;
- Gives a fair insight into their product/brand's performance;
- Is an important survey for their brand to perform well in; and
- Is reliable and usable research information for their company and brand.

THE RESEARCH

How it works

- The study is representative of all adults across the country and is a relatively large sample in consumer research terms



NEIL HIGGS AND
SHIRLEY JEOFFREYS

2014 MARKS the sixth year that *Sunday Times* has partnered with TNS South Africa in its Top Brands survey. The study has applied the same methodology since 2009. The approach looks at a brand's penetration in the marketplace, 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. Brands used within a defined time period (this period differed for each category);
2. Brands with which people were familiar enough to rate on a 10-point scale; and
3. The actual rating of all those brands on a 10-point scale.



From this, an index score for each brand is generated from three variables derived from the questions mentioned: the actual usage of a brand 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 standing in both the marketplace 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 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.
3. It is smaller but very well loved by its users and is strongly aspired to by its non-users.

Why this approach is 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 allows more useful marketing insights to be gained: a brand can assess by how much more – or less – its users rate it compared with average. This is 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 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.

The algorithm is not proprietary to either the *Sunday Times* or to TNS, but is in the public domain.

Representing all South African adults

The total sample remains constant at 3 500, with 2 500 interviews in metro SA and 1 000 interviews in non-metro areas of SA. Re-

searchers talked to adults aged 18 years and over, and the final results have been weighted to represent the population according to StatsSA's 2013 mid-year population estimates. The study is representative of all adults across the country and is a relatively large sample in consumer research terms. Interviews were conducted in home, face-to-face.

Businesses of all sizes

The business sample consisted of 300 C-level business decision-makers (CEOs, CFOs, COO, etc) from organisations of all sizes. These interviews were conducted via TNS's CATI system.

Category changes

This year, a spontaneous awareness question was once again included for each category, to gauge which brands are most top-of-mind for consumers and businesspeople.

Four categories were added to the consumer section:

- Frozen chicken
- Frozen sausages
- Milk
- Micro-lenders.

Two categories were taken out of the consumer section:

- Sweet biscuits
- Chocolates.

There were no category changes to the Top Brands Business section.

Neil Higgs is chief innovation partner, and Shirley Jeoffreys an innovation partner, at TNS South Africa.

Thank you for
sharing the love

© 2017 IHB 46817



Proud winner of the Sunday Times
Favourite Fast Food Category



TRENDS

- South Africans
- take the trusted
- value approach
- as they dig in for
- the long haul

ANDREW GILLINGHAM

TOUGH ECONOMIC conditions are once again coming into play in the South African market, as both consumers and businesses further tighten their belts.

Peter Storrar, director for clients at TNS, says many people thought the economy would improve more quickly than it has, and they based the way they engaged with brands on that view. However, South Africans appear now to believe that the present weak economic conditions are likely to last, and they are digging in for the long haul.

As a result, the *Sunday Times* Top Brands survey shows a move towards value on the part of consumers, and further cutbacks on the part of businesses.

"Use is down across most consumer categories; this means people are cutting out some products and buying fewer brands, as well as reducing their consumption of others," Storrar says.

"Businesses are also taking a longer-term view that they need to cut costs across a wide range of categories, and what little 'fat' may be left in their budgets is being trimmed. For example, Car Hire is down from 89% last year to 78% this year. Other categories that show the same pattern include Long and

Short-Term Insurance, Medical Schemes, Business Newspapers and TV Service Providers."

He adds that people want more for their money and they want to spend less. As a result, they are focusing increasingly on value brands. At the same time, they do not want to waste money buying products that fail to deliver, so there is a trend towards trusted brands.

Storrar says the Fruit-Based Drinks category is a good example of this trend, with consumers opting for well-established, trusted and lower-cost products. "There are a number of 'heritage' brands, in the sense that they are trusted. Oros has always been a popular brand in South Africa, and it has moved up from 7th to 5th in the Fruit-Based Drinks category; Wild Island has gone up from 5th to 4th.

"Trust is still a very important factor," he notes. "It's a fallacy that people will automatically go for the cheapest brand; instead, they tend to choose a brand they trust that can meet their ends most effectively with the limited cash they have available."

Retailers have been developing their ranges of house brands for some time, and their products tend also to fall into the basket of trusted brands, as retailers have, over

time, established the value and quality these brands deliver.

"Even when a new house brand product is released, if the retailer is trusted, the trust also vests in the new product, especially when money is tight," Storrar says.

Internationally, retailers have been aggressively building their ranges of house brands and this investment is certainly paying off during tough market conditions.

“THIS IS NOT THE TIME FOR EXTENSIVE REBRANDING EXERCISES, SIGNIFICANT PACKAGING CHANGES OR OTHER RADICAL SHIFTS”

"Globally, retailers focus on the leading brands in their respective markets and their own house brands, as opposed to simply stocking all of the brands on offer," Storrar adds.

In line with this trend, value-based retailers are also winning favour in the market, with U-Save and Boxer entering the Grocery

category in 9th and 10th respectively.

It seems the "trusted value" approach is also influencing higher-priced purchases, such as motor vehicles. While luxury brand Mercedes-Benz takes 1st place in the category, manufacturers with stronger entry-level ranges have proved popular, with Toyota moving from 3rd to 2nd, VW up one rank from 4th to 3rd, Chevrolet jumping from 11th to 5th, Hyundai moving up the ladder from 10th to 6th, Honda from 13th to take 8th place, while BMW and Audi have slipped down the rankings.

"Last year there were some premium brands that managed to retain their foothold despite the difficult circumstances, but now we are seeing a sustained period of low consumer confidence, and some consumers have not been able to justify continuing to buy into more costly brands," Storrar says.

Appropriately structured loyalty programmes are also benefiting from the value trend, and those which have a direct impact on consumer wallets are proving to be winners. "Programmes that offer benefits that consumers can translate straight to cash or points that can be easily assessed on a cash basis are tending to do the best. If the current economic environ-

ment continues, those loyalty programmes where people can see a clear benefit are likely to prove even more successful in the future."

Storrar says the present trusted value trend is likely to continue for the foreseeable future, and businesses need to adjust to this reality. "Manufacturers need to emphasise their trusted value brands. However, this is harder to do for companies that have not already established such brands. For these producers, cutting the price and thus margins may be the only option to maintain market share.

"Adding to the challenging environment and emphasising the approach that is needed is the fact that some fast-moving consumer goods manufacturers have found that retailers simply refuse to accept price increases.

"Established brands and brands that have had support and commitment from consumers for many years have been in a much better position to negotiate modest price increases."

He notes that marketers are placed under a lot of pressure to cut marketing budgets, but in many cases it is better to focus on consistency and visibility. "This is not the time for extensive rebranding exercises, significant packaging changes or other radical shifts that cannot be supported by effective marketing campaigns.

"However, making changes such as creating a slightly smaller, and thus more affordable, pack can be beneficial. Any significant change has the potential to undermine trust if brands cannot be supported through such changes with good marketing," Storrar says.



NOKIA

Windows Phone 8.1 brings more innovation to South Africa's most loved cell phone brand.

Nokia Lumia brings the magic of Windows Phone to life, syncing perfectly with other Windows devices and Microsoft services. This means the company's smartphone range – Lumia – is growing impressively in South Africa, and with Microsoft taking over as custodians of Nokia's phone business, the growth is set to continue.

Microsoft understands that people's lives are full. Full of people, events, music, photos, and videos. That is why we have reinvented the Windows experience across all of your screens – phone, tablets and PCs – so you can share, work, and play anywhere.

Windows devices are also beautifully integrated with the wide array of Microsoft services. These include **Skype**, the perfect companion to help you stay connected on the move. Now, you can upgrade a regular call to a Skype video call with a single tap. **OneDrive** offers you 15GB of free cloud storage, meaning you can access your files, video, photos from wherever you are, on whichever device you chose. This works perfectly with the **Office** experience, which means you can create, edit and share Word, Excel, and PowerPoint documents on your phone.



Gerard Brandjes, VP, Microsoft Mobile Devices

"With Windows Phone 8.1, Lumia smartphones are even more personal. The upgrade integrates beautifully with Windows Phone's signature features and brings new benefits like a reworked calendar, improved People Hub with direct app integration and the new Word Flow keyboard. This makes Windows Phone 8.1 the most personal mobile experience available."

While Windows Phone 8.1 is being made available to all existing Windows Phone 8 smartphones, the first device with the update is the **Lumia 630**. The Lumia 630 sets a new standard for affordable smartphones, combining great software with quad core processing and uncompromised cloud-connected experiences from Microsoft. The Lumia 630 retails in South Africa from just **R1999**.

For someone looking for a more premium offering, the **Lumia 930** brings South African consumers the very best of Microsoft and Lumia.

With a 20MP PureView camera, ZEISS optics and optical image stabilisation, the Lumia 930 boasts unparalleled HD video capabilities. The new device is LTE ready, which means the highest data speeds, and has integrated wireless charging allowing people to stop fussing around with clumsy cables.

One experience.
Windows on your phone.



OPINION

Shifting brands ... no guts, no glory

- The market's too competitive for business as usual, suggests
- Ivan Moroke, chairman of the Brand Council of South Africa

WHO CARES about brands? Consumers don't; at least, not in the same way brand professionals do. Brand marketing practitioners are passionate about brands. People are passionate about their kids, about family, life, work and play.

People are mostly too preoccupied with other things to be passionate about a brand. It takes something remarkable to divert people from their own passions.

Therein lies the challenge ... how to be remarkable and get people to focus on your brand.

This widens traditional parameters. It's not enough to stand out from other brands. You must stand out from everything. If you do conventional things, you can hardly be surprised by conventional results. Following the herd leads nowhere.

Having ideas takes courage.

In *Grow*, Jim Stengel's book on how to grow brands through higher purpose, he identifies five fields that successful brands play in: eliciting joy, enabling connection, inspiring exploration, evoking pride and impacting society.

All this is great, but it takes a brave executive to convince an organisation to go against the grain and follow a path that seems idealistic. It can be daunting trying to sell new ideas to hard-nosed boards of directors, CEOs and FDs.

“IT TAKES COURAGE TO LEAD. THESE DAYS, YOU NOT ONLY GO FIRST; YOU GO FAST”

But when it comes to brands, it's not all logic. Sometimes a leap of faith is required. Again, this takes courage.

Need this be a problem? For years, corporate leaders have voluntarily signed up for courses on bravery – metaphorically speaking. They do it every time they attend a Tom Peters seminar and every time they buy a book on business leadership, with the obligatory chapters on brave leaders and courageous decisions.

Senior businesspeople agree

that business as usual is no longer an option. The market's too competitive. Change is too rapid. Game-changing strategies, products and concepts are essential to sustained business growth.

But when it comes to game-changing brand-building, change is apt to be deliberate rather than daring. Our game has become “doing more with less”, not “doing entirely new things”. Marketers have become careful people with a near-term mindset.

The 2012-13 *Brand Marketing Barometer Survey*, published by the Brand Council of South Africa, showed that 67% of brand owners rely on sales data analysis to gauge return on investment, while only 35% go on brand equity considerations. The survey reported that even brand influencers (agency professionals) favour short-term mechanisms for assessing ROI. It seems we're becoming quick-fix technicians rather than forward-thinkers and risk-takers. Indeed, the survey noted that two-thirds of brand owners agree that SA's “brand marketing industry



lacks thought leaders who challenge and inspire professionals to raise the bar”.

Yet revolutionary new departures and disruptive innovation are the biggest global themes when brands and business growth are discussed by advertising networks such as Bains and academic institutions such as the Harvard Business School.

What's more, disruptive innovation really does work. Global icons such as Apple, Virgin, Amazon and Starbucks prove it, with South African confirmation from local innovators such as Discovery, kulula and Outsurance. They recognised that a conventional approach to brand management leads to conventional results. They exited the comfort zone and entered new markets they themselves created.

It takes courage to lead. These days, you not only go first; you go fast. To make the biggest market gains, you can't wait for absolute certainty. Going ahead today when you have it 80% right is better than waiting until tomorrow when you're 100% certain ... and a day behind your competition.

Collaboration is another form of risk-taking. It takes courage to share your best ideas with new partners and then cede partial control when the strategy rolls out.

This and other forms of risk-taking are hardly common practice in South African brand marketing. Brand-builders appear to be more used to taking budget cuts than risks. Yet South Africans are brave, resourceful people. Perhaps our marketers are brave enough. We're just not angry enough to do the brave, disruptive and innovative thing.

I'll let business guru Tom Peters make the point for me with a quote from his book *Re-imagine!* “Irritation. Anger. That's the source of serious innovation. Which must, of course, be coupled with spine – a willingness to take on the powers that be. And risk it all.”



THANK YOU SOUTH AFRICA FOR MAKING US YOUR NUMBER ONE SUPERMARKET, YET AGAIN.

Thank you to every one of our 22 million customers who vote with their feet every year.

We value your support and will continue to fight for lower prices for you, always.



SHOPRITE

LOWER PRICES YOU CAN TRUST *Always*

PERSONAL CARE

LINDA DOKE

IF EVER THERE was a David-and-Goliath scenario in South Africa's cosmetic and pharmaceutical industry, Bio-Oil is it.

South African-born, bred and carefully defined, Bio-Oil is a real example of how a small, simple beauty product grew from being barely noticed, and equally barely wanted, into a billion-rand global cosmeceutical phenomenon sold in more than 80 countries around the world.

A specialist skincare oil that helps to minimise scars, stretch marks and uneven skin tone, Bio-Oil is a combination of plant extracts and vitamins suspended in an oil base, balanced by its "magic" ingredient, Purcellin Oil™, which makes it absorbent and non-greasy.

Its story reads like a fairytale – and it even has a happy non-ending. It begins in 2000 when brothers Justin and David Letschert, who were running a merger and acquisitions firm specialising in pharmaceutical and personal care products, were asked to source a buyer for Union Swiss, a 50-year-old company with 120 products in its stable. The condition was that it be sold as a single entity, but as most of its products were not profitable, there were no takers.

So the Letschert brothers bought the company themselves. They did their homework, sold all of the products in the Union Swiss group bar the one they believed to be a winner, and focused all of their efforts on it.

Their instincts were well rewarded. Using customer testimo-

Skin deep

• Bio-Oil writes its own South African fairytale



Evolabs
managing director
Kim Lombard

Pic: Jeremy Glynn

nials to promote the Bio-Oil name, they repositioned the brand from a beauty product to one that overlapped the cosmetic and pharmaceutical industries, making it a cosmeceutical must-have.

Two years later, having established itself firmly on the South African market, Bio-Oil was launched internationally. That was 12 years ago, and today the product is not only the single most recommended name by the medical and cosmetic fraternity across 80 countries around the world, but has also won more than 183 skin-care awards globally.

The product is manufactured in South Africa by Union Swiss, and distributed locally by Evolabs.

Evolabs managing director Kim

“THE FACT THAT BIO-OIL DELIVERS ON ITS PROMISE IS ALL THE CONSUMER WANTS TO KNOW.”

Lombard describes the brand's success as iconic. Bio-Oil's simplicity is inherent not only in its presentation and packaging (available in only three volumes), its formulation (which has remained the same, unchanged, simple, unique), and its message (tissue oil for skin renewal), but also in its marketing.

“Rather than using traditional above-the-line advertising, Bio-Oil relies on consumer testimonials and recommendations within the medical fraternity to promote the brand. The tremendous growth the product has enjoyed has been predominantly through word of mouth and the strength of the product itself. The fact that Bio-Oil delivers on its promise is all the consumer wants to know,” says Lombard.

Scars and stretch marks, particularly if highly visible, can make people self-conscious, creating self-perceptions that can limit confidence and freedom of movement. Bio-Oil, says Lombard, is able to connect with people on a very private level, enabling them to change the way they see themselves physically.

What is the product's secret? It could well be the Purcellin Oil™ that is inherent in the formulation. Throughout history, oils have been used on the skin to moisturise and to help to reduce the effects of ageing. Even before Cleopatra's time, people had long recognised the benefits of oils for skin renewal.

It was at the turn of the 19th century, during industrialisation, that skin product manufacturers migrated from oils to creams and lotions. Oils were considered too thick and greasy for skin comfort,

and mass-produced, cream-based products soon dominated the skin-care market.

“Bio-Oil is an oil-based formulation that, through the use of Purcellin Oil™, is not over-greasy; instead, it is easily absorbed and facilitates the fast delivery of key ingredients into the skin. It's this, and the simple fact that it works, that drives the product's success,” says Lombard.

So where will this David-and-Goliath story end? Union Swiss's long-term plan is to make Bio-Oil available in every country in the world. Simple.

The product has taken a while to be rated among the top 10 brands in the Personal Care category, but now, having made it, there is no doubt it will work its way up the list each year.

“There were 19 brands that qualified in the Personal Care category, and many of them are well-established multinational brands offering wide ranges to compete with,” says TNS Global innovation partner Shirley Jeoffreys.

“User ratings of Bio-Oil (8.62 out of 10) and a usage of 6% of South Africans led to the product pipping brands such as Radox and Johnson & Johnson into the top 10.”

Rather predictably, the usage of Bio-Oil skews strongly to women (81% of the product's users are women).

“Most of these are under the age of 35; given that Bio-Oil is primarily used for the prevention and reduction of stretch marks, it makes sense that users would predominantly be women in a life stage when they are likely to be having children,” Jeoffreys says.



You drive us

Without your support, we'd never have made it as SA's leading and most loved car rental brand. Thank you for voting for us in the Sunday Times Top Brands Awards.

Avis. We Try Harder.

Visit avis.co.za or call 0861 021 111

Sunday Times
TOPBRANDS

AVIS

Sunday Times
TOPBRANDS
2014

Clover
Way Better™

Thank you
South Africa
for choosing us as your
Top Milk
Brand



Pic: Jeremy Glyn

Yum Foods MD Doug Smart

PARTNERSHIP

Winner, winner, chicken dinner

LINDA DOKE

COLLABORATIVE partnerships, whether in retail or business, are the most successful, reinforcing each other's drive for increased market share and continued growth through shared vision.

One such collaboration in South Africa's consumer industry is the alliance between global chicken fast-food giant KFC and KZN-based poultry supplier Rainbow. The companies started working together as supplier and buyer just five years after KFC opened its first outlet in South Africa in 1974, and the years since have simply strengthened their teamwork.

South Africans love chicken. Whether fresh, frozen or as fast food, South Africans are eating chicken, and it's one of our favourite dietary staples.

Research by TNS Global shows that 89% of South African adults have bought frozen chicken in the past month, and one in every two people choose Rainbow as their brand of choice.

- Together, KFC and Rainbow are finger-lickin' good

KFC is the third favourite of all brands in the country, narrowly pipped by KOO and by overall winner, Coca-Cola.

Having been in South Africa for 45 years and now boasting more than 730 outlets across the country, this global fast-food brand of southern American heritage is as "local" to South Africans as it can be, with Colonel Sanders' recipe enjoyed by families, friends, workers and wanderers countrywide.

Yum Foods MD Doug Smart believes the secret to KFC's success is consistent quality. Achieving this, says Smart, requires exceptionally high standards from product suppliers.

"Lovers of KFC know that wherever they are in the world, they can be sure KFC has the same delicious taste. To achieve this, top-quality product is critical – we demand extremely high

standards from our suppliers, regardless of where they are. Those standards have to be met, or supply to KFC is not possible," says Smart.

When setting up in a new market, KFC works with suppliers for about 18 months before opening a store. Smart says this is most true in emerging markets such as Nigeria, Ghana and in east Africa.

"While these countries may have well-established poultry businesses, they do not necessarily operate to the strict standards we require. It takes time, careful management and teamwork to establish adherence to those standards."

In South Africa, KFC's collaboration with Rainbow is not only long-established, but also epitomises the nature of true business partnership. Both companies care equally about the relationship and share a long-term view on its ongoing success.

Smart has worked for KFC in multiple geographies across three continents, and says, without hesitation, that the union the

company has in South Africa with Rainbow is the strongest poultry partnership he has seen.

"The alliance between the two companies goes back 40 years. KFC makes up more than 30% of Rainbow's volume, buying over one million chickens a week from the company," says Smart.

Of late, cheap imported chicken from countries such as Brazil being dumped on South African markets has plagued the local poultry industry, playing havoc with prices and threatening the stability of local suppliers. But even the promise of cheap chicken supplies cannot threaten the solid partnership KFC has with Rainbow.

"In the global poultry market, there are many players who export in bulk quantities, usually excess they cannot sell to their local market. There's no doubt that, from time to time over the past few years, we could have bought cheaper by buying imported product. But the reason we value a partnership approach is we need consistency and pre-

“ENTHUSIASM, APPETITE FOR GROWTH AND A WILLINGNESS TO WORK TOGETHER IN A SUSTAINABLE LONG-TERM PARTNERSHIP HAVE BEEN THE WINNING RECIPE FOR SUCCESS.”

dictability, not only in quality, but in supply," says Smart.

"Over the years we have worked closely with Rainbow to develop the specific cuts we require. For example, we need whole breasts in a butterfly cut with ends trimmed, and provided in massive volumes. Rainbow has put capital investment into machinery to provide that specific cut for us, and we know we can rely on Rainbow for the quality and the volumes we need. We would never be able to achieve those requirements if we were spot buyers of cheap poultry. We're very happy to partner with Rainbow for the long haul, rather than to buy imported containers full of chickens just because they're cheaper."

Steve Hughes, channel manager for Rainbow's quick service restaurants (QSR) division, puts the successful partnership down to a mutual importance placed on innovation, good business planning and efficient supply chain management.

"Rainbow's business is comprehensively geared to service the QSR channel, of which KFC is by far our biggest contractual customer. Rainbow has been with KFC from the start. As they've grown, so we have grown with them. Enthusiasm, appetite for growth and a willingness to work together in a sustainable long-term partnership have been the winning recipe for success," says Hughes.

TNS Global innovation partner Shirley Jeffreys says KFC's strength goes beyond simply being a well-known and widely distributed brand. The fact that the company has more outlets than any other fast-food chain in South Africa is not what impresses the consumer; it's that people simply love KFC.

"The research showed the company received not only the highest user ratings, but also the highest non-user ratings in the fast-food category. From this we see that people who use KFC love it, and people who have not used KFC have a good perception of the brand," Jeffreys says.

OUT S U R A N C E

You always get something out.

OUTsurance is an authorised financial services provider.

It's because we're not just another INSurance company, that Sunday Times readers have chosen OUTsurance as their favourite short-term insurance brand for the 9th time in 10 years.

SMS "ST" to 31495 for a quote.

Standard rates apply.

OUTP/1231/E

TECHNOLOGY

RODNEY WEIDEMANN

BEING RANKED in the top 10 most-loved brands in South Africa clearly demonstrates you're doing something right. Moreover, when your range of products encompasses everything from electronic devices to large household appliances, it shows you have broad, mass-market appeal. But just what has Samsung South Africa done to define its brand differently?

It's quite simple, really, says Michelle Potgieter, director of corporate marketing and communications at Samsung. She says the company considers new technology, innovative products and creative solu-

All that you want

- *Through an all-embracing consumer offering, Samsung sets out to deliver a holistic customer experience*

tions to be its three key strengths. By focusing on and valuing these strengths, the company has achieved success, although it has loftier goals, aiming to become one of the top three brands by 2020.

"I think the reason for

Samsung's extraordinary success in the past decade is that the company understands exactly what its customers are looking for: more innovation, in more product categories, and at a greater speed than any of our competitors can pro-

vide it," she says, adding that the business has a proud legacy of pioneering breakthrough technological innovations, from the first digital TV to the first MP3 phone.

"Moreover, Samsung sets itself apart from its competitors through an all-embracing consumer offering. This includes everything from washing machines to TVs, and from smartphones to digital ap-

pliances. In addition, our brand strength is increased by the fact that Samsung is the only local corporate electronics brand that offers consumers an end-to-end ecosystem of products that can all connect to each other."

This is certainly a large part of the value proposition that draws consumers to the brand and converts them to loyal ambassadors. It is undoubtedly also part of the reason why the company was proclaimed winner of the Electronic Goods category in both 2013 and 2014. The major difference this year is that both user and non-user ratings increased, which indicates the potential for a lot more growth for the business in years to come.

The company has also been quick to leverage the massive rise in applications and the increasing use of social media platforms by the consumer market. Potgieter explains that there is certainly a huge appetite for tailor-made benefits to accompany mobile devices.

"The growth in the Samsung mobile ecosystem is proof that millions of users believe in the brand promise, and the content and services that are being made available. This is evident in the fact that there has been a more than 400% year-on-year increase in application downloads from the Samsung App store, compared to the same time last year."

There are many other reasons for Samsung's high appeal in the consumer space, among which is the fact that the company appeals to the public through what it dubs 'passion marketing'. This is achieved through signing up key brand ambassadors, including celebrity chefs and Springbok rugby players, who proudly promote – and often embody – the brand's values of innovation and success.

"Environmental guardianship is also a key priority for Samsung. Through leading-edge design we offer fridges that stay cool, even when the power is interrupted, washing machines that use less electricity and less water, and LED televisions that are made without hazardous materials such as mercury or lead. Samsung was also the first consumer electronics brand to have taken Eskom's 49M pledge," adds Potgieter.

Furthermore, she indicates, the company is committed to social investment initiatives that have seen it build and deploy 15 mobile solar-powered internet schools, providing high-quality education to more than 30 000 students in rural South Africa. The organisation has also launched a solar-powered telemedicine centre that provides remote medical assistance through a centralised pool of medical expertise and experience.

The other reason for Samsung's success, according to Potgieter, lies in meet-

ing growing consumer expectations. With the opening of Samsung Experience stores, the company aims to provide a complete, holistic lifestyle consulting service and consumer-centric engagement offering in the retail environment.

"To really build brand loyalty," she says "a best-in-class product must be coupled with service excellence all the way through its life cycle."

This is all well and good, but it is not just in the consumer space that a top brand's success should be measured – the business market too is massive, and Samsung usage saw huge increases in this arena, mostly at the expense of BlackBerry. While BlackBerry dropped to just 24% from 46%, Samsung usage jumped from 29% up to 47%. The same happened in the computer tablet space; although traditionally dominated by Apple, Samsung usage increased here from 20% to 33%.

"Samsung's strength in the business arena is because the company does not believe in 'one-size-fits-all' solutions. Every industry, every vertical, every job needs its own specialist tools, both in terms of hardware and software. Within our organisation, there is a strong focus on understanding the needs of the organ-

“THE COMPANY UNDERSTANDS EXACTLY WHAT ITS CUSTOMERS ARE LOOKING FOR: MORE INNOVATION, IN MORE PRODUCT CATEGORIES, AND AT A GREATER SPEED THAN ANY OF OUR COMPETITORS CAN PROVIDE IT”

isation and on delivering a tailored offering which meets specific needs."

Potgieter points out that – whether aimed at consumers or the business market – Samsung designs its products with the same aim in mind: to create devices that fit more naturally into users' everyday lives, that provide a vehicle for self-expression, and that become a more natural extension of the user in a world where technology is all around us.

"Ultimately, Samsung's value proposition is the sum total of the products, services and experiences delivered to customers during their interactions with the brand. This holistic experience is clearly what modern consumers are demanding, and it is exactly what we aim to give them," she concludes.



Here's to Green Power

Eskom is proud to take the top spot in the much-contested Sunday Times Top Brands Awards 2014 'Green Company' category. This illustrious award is in recognition of our green power usage, exceptional leadership and how our company impacts the world we live in.

It's an honour to be one of the companies leading the way. We'd like to thank all those of you who nominated and voted for us in recognition of our efforts.



Eskom

Powering your world

www.eskom.co.za





It's time to celebrate!

We've come out on top again and we want to thank you for choosing us as your favourite petrol station for the 4th consecutive year. Your vote of confidence is the icing on our cake and it's your support and encouragement that motivates us to keep putting you first.

With us you are Number One



ROBYN PUTTER BRAND AGENCY AWARD

The ideas business

- There's no such thing as a creative recession for FCB South Africa

ALF JAMES

THE WINNER OF the Robyn Putter Brand Agency Award for 2014 is FCB South Africa. The agency is single-minded about building the country's favourite brands, according to group CEO Brett Morris.

He says the emphasis for FCB has always been on producing iconic work for clients' brands. "We love ideas that connect with ordinary South Africans, and it matters to us what they think because they are the ultimate judges. They are the ones who decide whether our campaigns are a success and whether they will ultimately buy the product."

Morris says building brands is determined by the power of creativity, which can help to solve business challenges and deliver

significant results. "As an agency we've always managed to find the sweet spot that marries creativity and results. According to Millward Brown's Adtrack, we've created more of South Africa's most-loved campaigns than any other agency in history."

"We've created the most-liked ad of the quarter century, the decade, and once again dominated the ranking in 2014 with four out of the Top 10 most-liked ads in South Africa. We also win creative awards, most notably the Loerie and Pendering Grand Prix in 2013, Creative Circle Ad of the Year 2013; and most recently six Cannes Lions, including gold," he says.

Morris emphasises that insight into methods of connecting with people is essential to FCB's quest to create the country's best-loved

brands. "A great message can be ineffective in the wrong context. It has to be the right message in the right place at the right time."

Morris admits the market is tough at the moment. He says if clients experience difficulties, FCB experiences them too. "Fortunately, though, there's no such thing as a creative recession, so when times are tough, it means we just have to be more creative and more resourceful."

FCB is focused on being geared to change with the market, he adds. "Not just in terms of winning new business, but also in making sure we have the capacity and diversity to change and grow with our existing clients. Change is a constant in our world, whether we're making change happen for our clients or changing our busi-

ness to adapt to their growing needs. We embrace change wholeheartedly. That's what our business is ultimately about."

The way FCB conducts its business is not about the individual, but about the cooperating as a collective. "We believe you have to be egoless in the pursuit of great work and generous in sharing credit. It's never about 'my' idea; it's always 'our' idea, because none of us is as good as all of us," Morris says.

“WE’VE ALWAYS MANAGED TO FIND THE SWEET SPOT THAT MARRIES CREATIVITY AND RESULTS”



Brett Morris, group CEO, FCB SA

ANALYSIS

In the house

- South African consumers give private-label brands the thumbs-up for quality too

ALF JAMES

GONE ARE THE DAYS when people mistrusted what they would get from house brands; results from the *Sunday Times* Top Brands Awards show that the quality of retailer brands is becoming more acceptable.

While private labels are not top three winners, they are in the top 10 in the Tinned Foods, Milk, Frozen Chicken and Sausages categories.

Gareth Pearson, CEO of BMi Research, says private labels are here to stay. And not just as in-the-background, budget-friendly brands aimed at cash-strapped consumers, but rather as significant players in the retail space.

In South Africa, BMi Research estimates that private labels account for around 18% of total value. This varies from category to category – the figures for private-label tuna, for example, are closer to the 50% mark.

It also applies to some sectors more than others; the most profitable private-label categories are refrigerated, dry and frozen foods, while categories such as personal care remain heavily manufacturer brand-biased. But generally speaking, South Africa's private-label market share is in line with that of the US and above the global average.

"This makes a strong case for the growth we expect from this sector – between 2% and 7% over the next five years," says Pearson.

While the recession has been a key growth driver, Pearson notes that it is important to realise that consumers aren't making their purchase decisions based solely on price, but on value too.

"They're 'value-conscious' shopping every time they step into a supermarket, and looking for quality products at an affordable price. If they believe they've found that, the perceived value is enough to encourage them to swap their favourite branded goods for private-label products."

"The upside for manufacturer brands, though, is that their significant research and development budgets – most often focused on product development, packaging, testing and consumer research – will continue to ensure their category leadership. Despite this, they too will need to look at adding greater value, possibly through their access to global experience, tested and proven packaging, and new product offerings," he says.

Pearson comments that in developed markets, more than 80% of consumers believe private-label brands provide a good alternative to manufacturer-branded products, with more than 30% of those

consumers believing that the quality of private-label products is better than that of manufacturer-branded goods.

"This paints a picture of where South African private labels could be headed, and presents a number of opportunities for retailers operating in this space," he says.

"Currently, all major South African retailers have private-label offerings, from the five major retailers to the more specialist retailers, and this trend is across the range of offerings."

He forecasts that this could also include further differentiation within a retailer's existing private-label range, as is the case with Pick n Pay, which currently offers an entry-level private label (No Name Brand), a midstream range (Pick n Pay Brand) and a new premium collection (Finest Brand).

Jeremy Sampson, executive chairman at Interbrand Sampson De Villiers, adds that South Africa is following the global trend in which retail brands have come more to the fore as retailers have created their own layers of branding. As all in things to do with brands, trust is crucial.

"Many people call a brand a 'trust mark', and often consumers do not want to go from shop to shop, but go to the store they trust and in which they can do all of their shopping, because of time constraints and transport challenges, which boosts consumers' likelihood of purchasing a retail brand that is attractively priced, as they trust the retailer," says Sampson.

"Price is a major consideration, and has become more crucial than ever before in the current recessionary environment, which creates an opportunity for the retailer. If the consumer tries the cheaper 'house brand' and finds it acceptable, they are unlikely to return to the more expensive option."

Pearson says there's been a fundamental shift in the way consumers perceive private-label products, which bodes well for the future of the sector, but the real challenge lies in how retailers take advantage of this opportunity to ensure sustained consumer support, especially post-recession.

“THIS MAKES A STRONG CASE FOR THE GROWTH WE EXPECT FROM THIS SECTOR – BETWEEN 2% AND 7% OVER THE NEXT FIVE YEARS”

WOULD YOU PUT YOUR LIFE IN HIS FURRY PAWS?

Day after day, you witness their tail-wagging devotion. They lend their big, brown eyes to safely show their owners the world. Once again proving that the things you trust most never stop working to earn it.

To find out how Coronation can earn your trust, speak to your financial advisor or visit www.coronation.com

CORONATION 
FUND MANAGERS
TRUST IS EARNED

Coronation Asset Management (Pty) Ltd is an authorised financial services provider. Trust is Earned™.

NETWORK BBDO 8017054/5/00

Thank You

**For voting us South Africa's
overall favourite brand in the
Sunday Times Top Brand Awards.**



Coca-Cola[®]

open happiness



WE ARE CONSISTENTLY WINNING BECAUSE OF OUR COMMITMENT TO YOU

PROUDLY VOTED **#1** IN THE SUNDAY TIMES TOP BRANDS AWARDS IN THE LONG-TERM INSURANCE CONSUMER CATEGORY

Thank you, South Africa, for acknowledging our commitment to you. We are proud to earn your trust because providing you with the very best investment advice and solutions is our greatest reward. We're more committed than ever to understanding your life goals and ensuring we help you achieve them.

For more information, please visit www.oldmutual.co.za/awards

Sunday Times
TOPBRANDS
2014



OLDMUTUAL

LAUNDRY CARE

Soap star

LINDA DOKE

WHO WOULD HAVE thought that, within just one year of entering a market, and one that would appear not to have room for any newcomer, a product could not only hit the top 10 favourite brands, but scoop 4th position?

That newcomer is Ariel, in South Africa's Laundry Care category. Young though it may be to the local market, this detergent is Procter & Gamble's flagship laundry brand, and over the past 46 years it has successfully soaped its way to the top of the list of laundry products globally; it is available in 85 countries around the world.

Launched in South Africa in June 2013, Ariel was up against tight competition in what one would consider to be an already saturated market. Yet within 12 months, the brand has achieved such a level of positive consumer awareness that it already ranks in the top four products in the category.

Procter & Gamble was smart – the company knew that in order to crack the category, Ariel would need to enter with a bang. Or, in laundry-care terms, with a big wash. The product's launch saw the biggest hand-wash event in history, with 1 000 South Africans washing thousands of articles of clothing with Ariel in one place, setting a Guinness World Record for the most people hand-washing clothes simultaneously.

Once dry, the clean clothing was donated to Ariel's choice of charity partner, the South African Red Cross Society. In keeping with Procter & Gamble's recognition of the International Federation of Red Cross and Red Crescent Societies as one of the company's global humanitarian partners, the brand also announced its commitment to wash all second-hand clothing donated to the charity.

Dr Carla Enslin, vice-chairperson of the Brand Council of South Africa, sees Ariel's energetic and enthusiastic approach to market entry as being intentionally disruptive, designed to shake up a market that is conventional and traditional in its buying patterns.

"With Ariel, Procter & Gamble is up against the Unilever brand, with its long-established Sunlight and Omo followers. These are long-trusted heritage brands that have built equity over time, through generations of consumers.

"It's obvious that Procter & Gamble analysed the visual and verbal norms and conventions in the category, as well as the classical points of connection with the market, and looked at how it could effectively disrupt these to reach consumers who would be less risk-averse – those willing to try a new product. The Guinness World Record method, together with Ariel's focus on product innovation, was a marketing tool to get the attention of consumers – and it worked," says Enslin.

In just 12 months, Ariel has indeed shaken up the market. While not yet enticing enough usage to threaten the top three brands that dominate the market – Sunlight, Sta-Soft and Omo, Ariel's user ratings are already the highest in the category (9.22 out of 10), with non-users also rating it very favourably (8.07 out of 10).

Still early days, current usage of Ariel skews strongly to people with higher living standards. It is also heavily skewed to Gauteng.

This, says TNS Global innovation partner Shirley Jeffreys, is likely to be a result of the product still being in the process of rollout beyond the major metropolitan areas.

"There is also a tendency for higher-income earners to be less risk-averse, so more likely to be willing to try out new products. They have more money available, so if they try something new and don't like it, simply returning to their favourite trusted brand is not a big deal.

"For lower-income earners, tried and tested brands will always trump over something that looks interesting or new – particularly when the tried and tested brand is delivering," Jeffreys says.

Ariel was not available for comment.

- Ariel washes its way into SA's
- laundry market



“SUNLIGHT AND OMO ARE LONG-TRUSTED HERITAGE BRANDS THAT HAVE BUILT EQUITY OVER TIME, THROUGH GENERATIONS OF CONSUMERS”

Thank you

for voting us the Sunday Times
Top Brands Best Loyalty
Programme in South Africa
for a second consecutive year.



A loyalty programme that rewards you for buying milk, bread and eggs and so much more.

smart shoppers get rewarded every time they shop for simply doing their shopping at Pick n Pay.

Sunday Times
TOPBRANDS
2014

Pick n Pay

www.picknpay.co.za. Customer Care 0800 11 22 88. Toll free landline only. Cellphone rates apply.

Y&R 1187931

Pic: ThinkStock



- SABC1 captures the hearts of South African viewers

TV SERVICE PROVIDERS

For the people

ANDREW GILLINGHAM

● CONTACT AN AVON REPRESENTATIVE. 0860 744 666. AVON.CO.ZA OR VISIT OUR MOBI-SITE B.AVON.CO.ZA ●

SABC1 IS THE WINNER of this year's TV wars, taking over 1st place in South African consumer hearts and pushing e.tv into 2nd.

SABC2 has also done well, taking 3rd place from DStv Premium, which slips into 4th, while DStv Compact holds on to 5th place, ahead of SABC3.

Shirley Jeffreys, innovation partner at TNS, says SABC is benefiting from consumers' expenditure cutback, and SABC1 has been able to leverage off this trend to build very high viewership, with 76% of people watching the channel, up from 74% last year.

"e.tv is also free-to-view, but its viewership has dropped from 68% to 64%, which is a significant figure. However, while e.tv has seen a drop in usage, this is not reflected in its brand ratings, which have remained stable.

"Moreover, e.tv's non-user ratings have increased slightly, so it is difficult to understand why the channel has experienced its drop in usage. Users appear to be happy with the channel, and non-users still consider it an aspirational brand," Jeffreys says.

The category as a whole has not changed much in size – dropping by around 1%.

Apart from economic realities, it appears SABC1 has been better at connecting with its viewership and broadcasts a very high number of South Africa's favourite shows. "SABC1's user ratings are good, at 8.3, which is above the category average, while its non-user ratings are below the average, indicating that it is not a brand aspired to by people who are not already watching it.

"SABC is very much for the people. The show that is watched the most in this country is *Generations*, and this is an SABC1 show. They appear to be paying very close attention to what viewers want, and this is boosting viewership," Jeffreys suggests.

SABC1 is also successful in appealing to the majority of South Africans, whereas other channels have more of a niche-market appeal in terms of ethnicity or income levels, she adds. For example, DStv Premium is popular among white higher-income earners, while DStv Compact is a lot more representative.

"Around 64% of TV viewers in this country fall into the living standards measure (LSM) 1-6, while only 14% of DStv Premium fall into this socio-economic band, and 38% for DStv Compact."

Pay-to-view or subscription-based television has seen a drop-off in usage as people make careful choices about where they will spend their money.

"DStv Premium user ratings are very high and non-user ratings are good. DStv is a well-liked brand and very much a brand to which people continue to aspire. However, only 11% of people are using the Premium brand, whereas last year it was 16%."

According to Jeffreys, DStv Compact, which is more affordable, has not seen the same fall in usage. Last year it had a 23% usage, and this fell to 20% this year. "The ratings of both Premium and Compact are better than those of their competitors," she notes.

“THE SHOW THAT IS WATCHED THE MOST IN THIS COUNTRY IS ‘GENERATIONS’, AND THIS IS AN SABC1 SHOW.”

AVON
**Sunday Times
TOP BRANDS
2014**

you make

AVON BEAUTIFUL

THANK YOU FOR VOTING AVON
YOUR FAVOURITE IN BEAUTY AND COSMETICS

We believe beauty goes beyond skin deep. It is in who you are and the people you inspire. With you, it's so much more than just beauty.

AVON | you make it
BEAUTIFUL



Perfect. Every time.

SA's no. 1

Rice Brand



Tastic has been voted South Africa's most loved rice brand in the Essential Foods Category* of the Sunday Times Top Brands Awards 2014. This is all thanks to your unwavering support. Thank you! Together we can expect more perfect meals. Every time.

Expect more... with Tastic

Sunday Times
TOPBRANDS
2014

*Sunday Times Top Brands - Essential Foods Category

Power to you for putting us first

For 20 years, we have endeavoured to bring you the best network in South Africa. Thanks for voting us SA's Telecom Provider of the year 2014.

vodacom.co.za/20years

Vodacom
Power to you

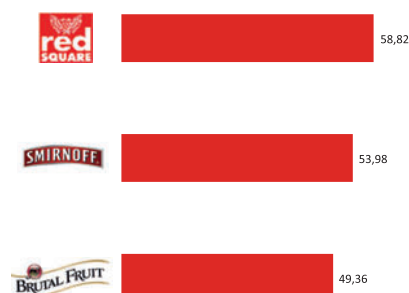


THESE ARE THE *Sunday Times* TOP BRANDS 2014

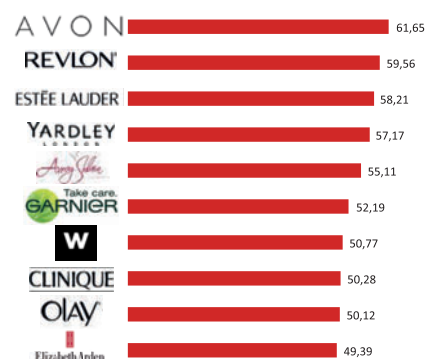
GRAND PRIX - SOCIAL INVESTMENT



ALCOHOLIC COOLERS



BEAUTY & COSMETICS



CARS



CIDERS



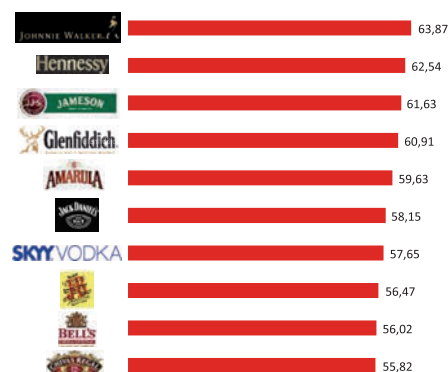
GRAND PRIX - OVERALL FAVOURITE BRAND



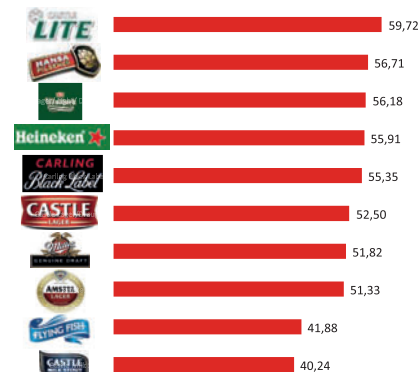
GRAND PRIX - THE GREEN AWARD



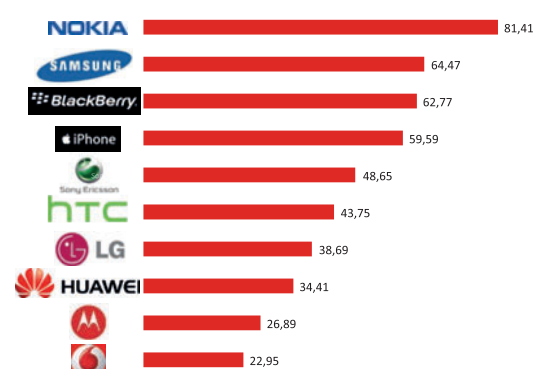
ALCOHOLIC SPIRITS



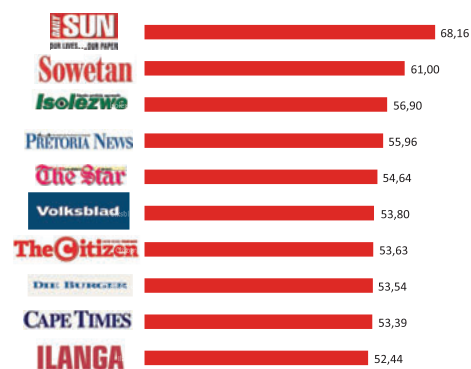
BEERS



CELLPHONES



DAILY NEWSPAPERS



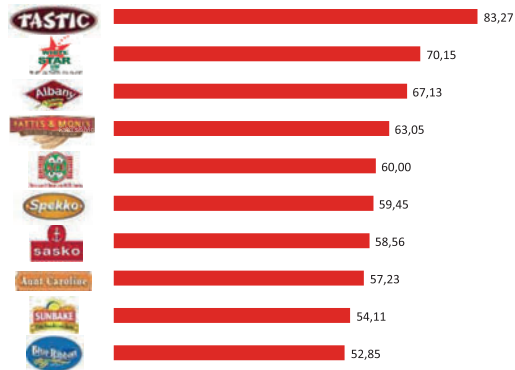
TNS

20 YEARS
OF EMPOWERING SOUTH AFRICA

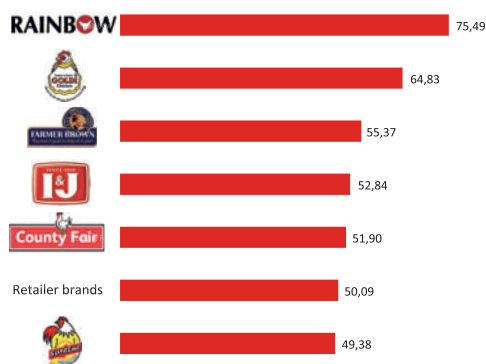
DOMESTIC AIRLINES



ESSENTIAL FOODS



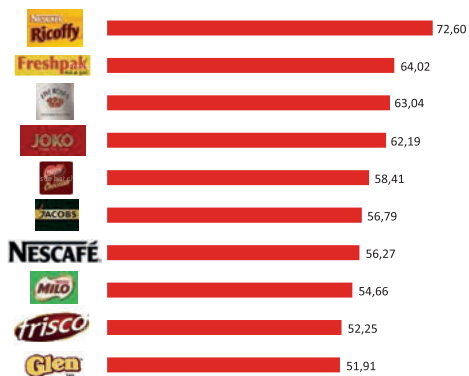
FROZEN CHICKEN



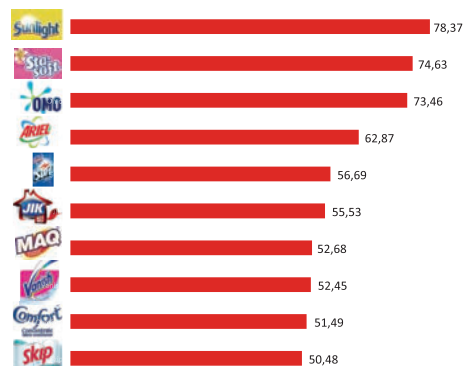
FRUIT-BASED DRINKS



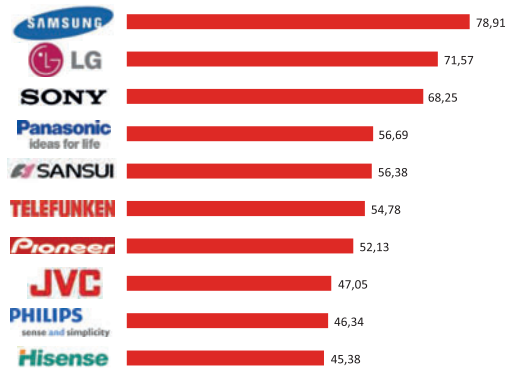
HOT BEVERAGES



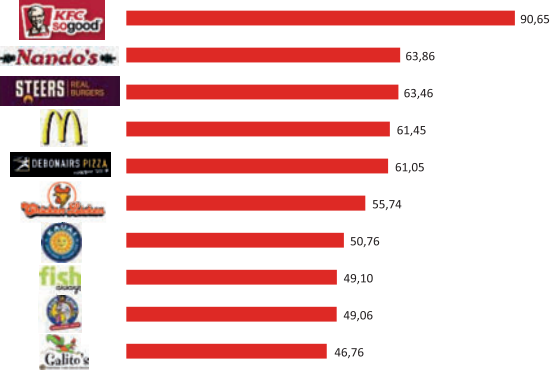
LAUNDRY CARE



ELECTRONIC GOODS



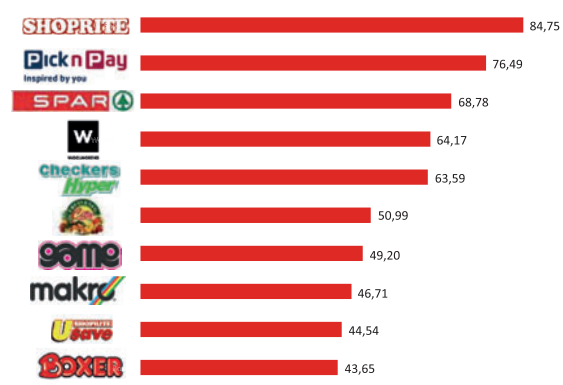
FAST-FOOD RESTAURANTS



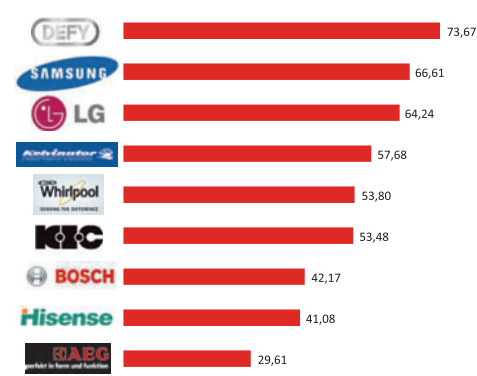
FROZEN SAUSAGES



GROCERY STORES



LARGE KITCHEN APPLIANCES



LONG-TERM INSURANCE

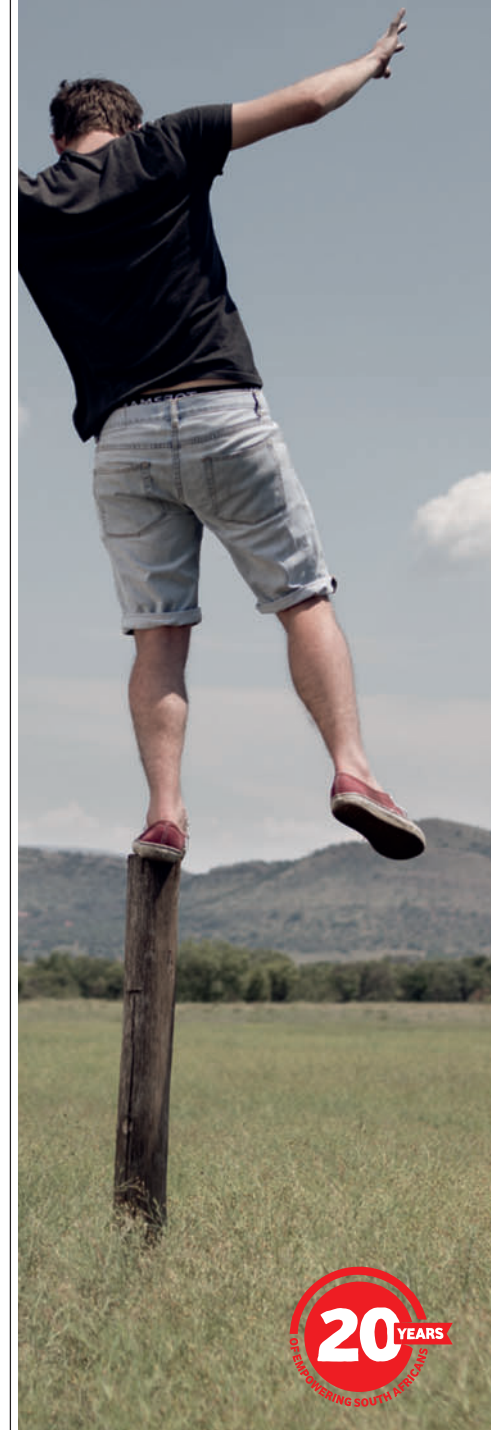


Power to connect wherever you are

With 99.8% population coverage, we're committed to keeping you connected, wherever you are. Thanks for voting us SA's Telecom Provider of the Year 2014.

vodacom.co.za/20years

Vodacom
Power to you

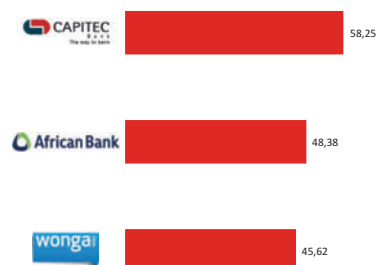


20 YEARS
INSPIRING SOUTH AFRICA

LOYALTY PROGRAMMES



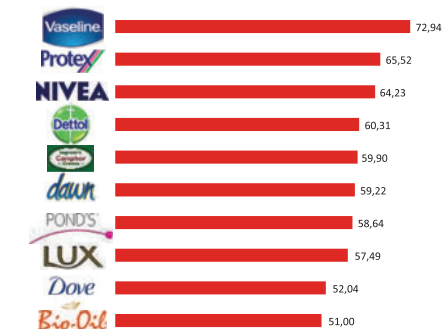
MICRO LENDERS



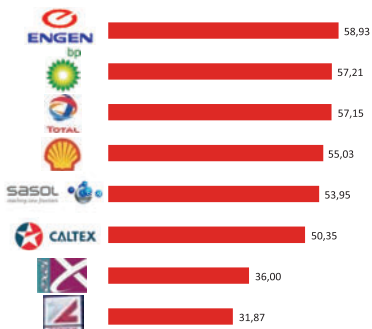
MILK



PERSONAL CARE



PETROL STATIONS



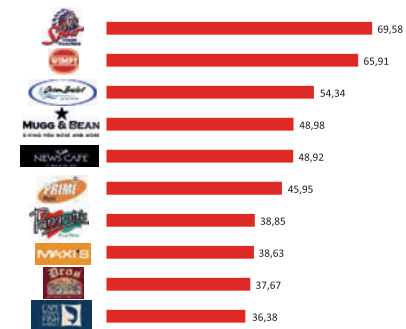
RETAIL BANKS



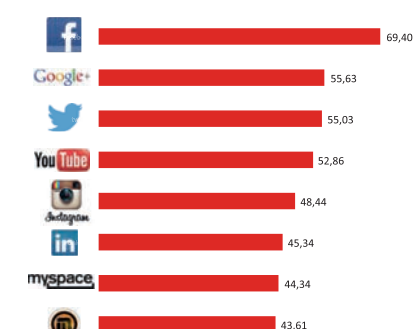
SHORT-TERM INSURANCE



SIT-DOWN RESTAURANTS



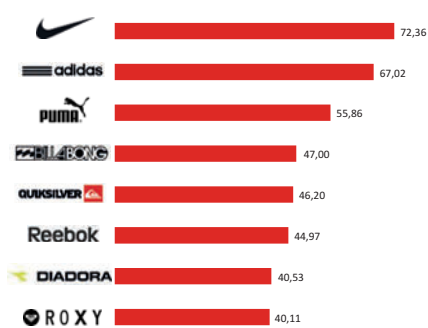
SOCIAL NETWORKS



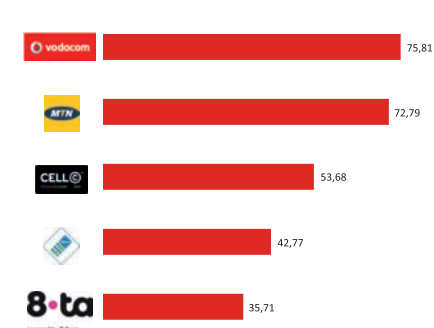
SOFT DRINKS



SPORTS CLOTHING



TELECOMMUNICATIONS PROVIDERS



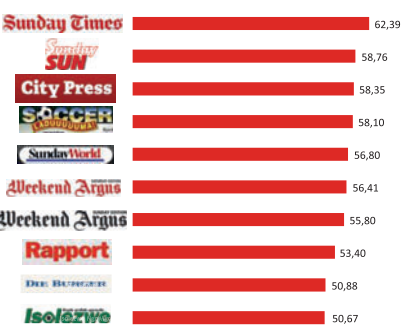
TINNED FOODS



TV SERVICE PROVIDERS



WEEKLY NEWSPAPERS



Power to the clev'a

For 20 years we've brought you, our valued customers, innovations that put you first – like uChoose, a Top Up contract with prepaid benefits. Thanks for voting us SA's Telecom Provider of the Year 2014.

vodacom.co.za/uchoose

Vodacom
Power to you

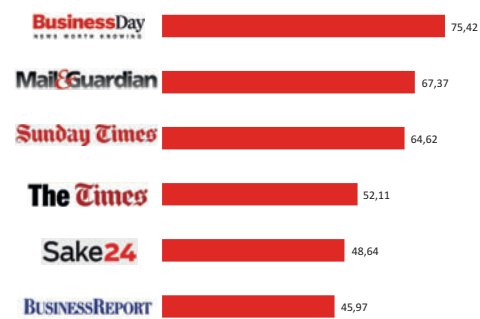


Sunday Times TOP BRANDS 2014

TNS

BUSINESS CATEGORIES

BUSINESS NEWSPAPERS



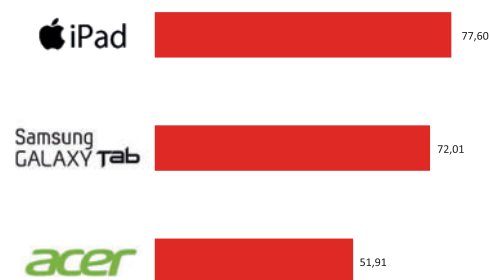
CORPORATE BANKS



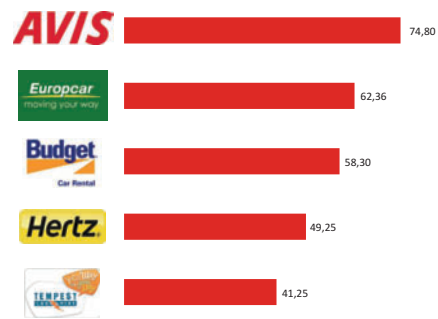
LONG-TERM INSURANCE



TABLETS AND E-READERS



CAR HIRE



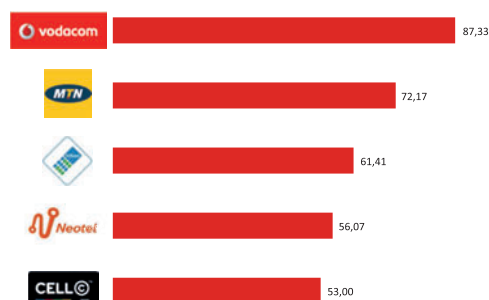
DOMESTIC AIRLINES



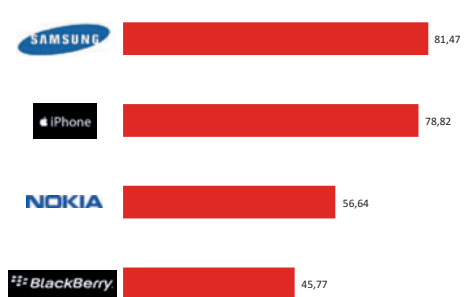
MEDICAL AID COMPANIES



TELECOMS SERVICE PROVIDERS



CELLPHONES



INVESTMENT COMPANIES



SHORT-TERM INSURANCE



TV SERVICE PROVIDERS



Power to the deal makers

Thanks to you, we are now the Business Telecom Provider of the Year 2014. Here's to 20 more years of keeping you and your business ready.

vodacombusiness.co.za

Vodacom
Power to you



IRELAND/DAVENTRY/76216

THE GREEN AWARD

True to nature

• Eskom's strong environmental strategy is reflected in public goodwill

RODNEY WEIDEMANN

AT FIRST GLANCE it may seem strange that a company best known for its coal-fired power plants could place first in a category such as Environment and Resources, but then one considers the massive green focus adopted by Eskom.

Eskom believes good public perception of its work in looking after SA's environment and natural resources is due to the simple fact that its environmental strategies are often played out in the public eye.

"Eskom has embraced social media as an important mechanism to share environmental information. Moreover, the organisation invites public comment on both the broad-ranging and specific strategies we have implemented," says Deidre Herbst, senior manager for environmental management at Eskom.

"Examples of these strategies include being participants in solutions that impact at a national scale, in terms of air quality, which resulted in a more than tenfold reduction in particulate emissions over the last 30 years, and water-related issues, which resulted in a

more efficient use of water per kW of electricity generated, as well as individual project-related impacts, focused on flora and fauna at specific site locations."

She adds that with the general public concerned about the danger of climate change, Eskom has also stepped up to the plate here. The organisation has developed an industry-leading adaptation strategy to respond to and prepare for the impact of climate change.

Of course, there still remains the thorny question of the coal-fired power stations, which are clearly not very environmentally friendly. Eskom's response has been to embark on an extensive retrofit programme to reduce emissions at the highest-emitting power stations. It is a long-term strategy, however, as the execution of this programme will require long outages and there is currently insufficient spare capacity in the grid to allow for extended shutdowns.

Herbst says Eskom remains committed to reducing its carbon footprint and helping the country to transition to a cleaner energy mix, by pursuing low-carbon sources of generation capacity. It also aims to ensure that renewable

energy production develops into a robust subsector of the emerging power industry, through its support for the government's Renewable Energy Independent Power Producer Procurement (REIPPP) programme.

"South Africa is rich in natural resources such as wind, sun and ocean energies, which – if efficiently harnessed – could help to meet the country's electricity needs, while reducing its absolute and relative carbon emissions. Eskom is already involved directly in two

increasing environmental focus?

Herbst suggests Eskom will continue to apply best practice in environmental management, and integrate the principles of sustainable development and zero harm through initiatives to reduce carbon dioxide, particulate and gaseous emissions, and the use of fresh water at its coal-fired power plants. The utility has initiated a R72 billion programme which will reduce particulate emissions substantially over the next 12 years, and Kusile will be the first power station in South Africa to be fitted with flue gas desulphurisation technology. This will reduce sulphur dioxide emissions by more than 90%.

Furthermore, together with its partners, Eskom is expanding its environmental influence to important initiatives relating to climate change, renewable technologies, ecosystem services and conservation. "The declaration of a nature reserve, which will be designed, established and secured at the site of the Ingula Pumped Storage Scheme, will be another significant milestone in contextualising Eskom's continual commitments to sustainable development," she concludes.

“KUSILE WILL BE THE FIRST POWER STATION IN SOUTH AFRICA TO BE FITTED WITH FLUE GAS DESULPHURISATION TECHNOLOGY.”

key renewable energy projects, namely the Sere wind farm and the concentrating solar thermal power station near Upington."

So what does the future hold for Eskom, in terms of its ever-



Pic: ThinkStock

GAYDONS
MOTOR SPARES

www.gaydonmotorspares.com



Bremskraft Germany
Premium Brake Pads



CNC
CLUTCHES



TOP DRIVE



Spitzën Technologie
Premium Shock Absorbers



HK
filter



PETROMIN

QUALITY YOU CAN TRUST



BEERS

MARK SAMPSON

THIS YEAR'S Beer category noted a slight reshuffle of last year's top five, with Castle Lite marginally leading the pack. According to Shirley Jeoffreys, innovation partner at TNS South Africa, brand communication and innovation with marketing through different platforms are what drove the winners to the top.

Castle Lite, Hansa and Windhoek Lager all moved up one position. This can be attributed to a 1% increase in usage of Castle Lite, while Heineken dropped by 1%, Jeoffreys says.

"The drop in standings by Heineken from 1st to 4th place may seem dramatic, but a 1% drop in usage from last year is not statistically significant, and most likely not something Heineken will be greatly concerned with," she points out.

The Beer category is very hotly contested, with Heineken and Windhoek Lager still maintaining a strong and stable following. Jeoffreys surmises that it is more about what SAB did correctly, as opposed to anything else.

What is interesting about the category, she says, is that the overall average ratings have gone up. While the average brand user rating in 2013 was 8.45, it is now slightly higher, at 8.57, but non-user ratings are up significantly from 5.55 to 6.04, showing that non-users have a better perception of a brand that they are not necessarily using.

Certain beers are driving the uplift in non-user perceptions, namely Castle Lite, Hansa, and

Fish will fly

"A 1% DROP IN USAGE FROM LAST YEAR IS NOT STATISTICALLY SIGNIFICANT, AND MOST LIKELY NOT SOMETHING HEINEKEN WILL BE GREATLY CONCERNED WITH."

then Windhoek Lager and Heineken, meaning the overall category is connecting with the beer-drinking market.

Jeoffreys comments that they have managed to do this through innovation and staying in touch with the market. The pack innovation by Hansa is an example, but it is Castle Lite that leads the category in terms of innovation over time. It has used the temperature indicator, which was updated as the extra-cold indicator, and then improved on packaging and pack size, and more recently it has brought screw-top bottles to the market.

"This talks about the Castle



Lite brand and the fact that SAB is continually innovating and trying to keep it exciting," Jeoffreys says.

In the results for break-out brands, Hansa shone as most "spontaneously aware". Jeoffreys attributes this to the new packaging Hansa rolled out prior to the start of the survey, which impacted on non-user ratings as

the communication created awareness in the market. "People are seeing something that makes them connect with the brand, even if they do not use it as such," she continues.

Connecting with people on an emotional level is one of the major ways a brand can grow in the market, and Hansa's "20 years of democracy" campaign had a

- SAB maintains a firm grip, as its new flavoured beer makes a splash

strong theme to which the market could relate, Jeoffreys says.

An important facet to the Beer category this year was the arrival of "new kid on the block" Flying Fish, a flavoured beer. Making its debut on the Top Brands list, the results showed it to be skewed towards the female market; in a male-dominated category (with three out of four users being male), this is certainly an innovative move by SAB. Having launched only in September 2013 and receiving an index score of 41.88, 9th position is a strong showing for such a new brand, and it's one to watch out for. However, as it is a niche product, it will likely impact on the Alcoholic Cooler and Cider category, meaning SAB can leverage how it positions it in the market, Jeoffreys points out.

With SAB showing seven out of the top 10, its marketing teams will need to maintain their relevance and excitement in the industry, while making sure they don't cannibalise their own brands, Jeoffreys adds. However, based on the profile of their users, they seem to be maintaining that balance well, by targeting different markets and demographics with different brands across the board.



The health of our brand is in good hands. Yours.

Thank you for voting us South Africa's No.1 Medical Aid Provider. We are humbled that so many South Africans have put their faith and trust in us to give them the very best care.

Discovery Health. Your health is everything.



www.discovery.co.za



DiscoveryHealthSA



@Discovery_SA

Discovery is an authorised financial services provider. Visit www.discovery.co.za

ALF JAMES

FOR THE FOURTH consecutive year, Engen Petroleum leads the Petrol Stations category. Engen began its reign at the top in 2011, after taking joint first place with BP in 2010. BP takes 2nd place for the third year in a row.

However, in a significant move this year, small increases across all key measures combined to push Total into 3rd place, at the expense of Shell. Total's usage went up from 7% to 8%; user ratings went up to 8.77 from 8.51, and non-user ratings up to 7.74 from 7.49.

Julia Gichuri, associate research manager at TNS, says the launch of a new-look Total service station has revitalised the brand in people's minds. In a category such as Petrol Stations, market factors are very strong, and factors such as distribution, availability and being conveniently situated for consumers are key, she says.

"Drivers are more likely to go to a petrol station brand that they are familiar with, but one which also looks good. This is reflected by Total's measurements having risen across both users and non-users."

"The perception by both users and non-users that the brand has improved implies that Total's efforts in marketing, advertising and brand-building are working positively for the brand. The brand's success in making an impression on people who are not using its petrol stations is a particularly good achievement."

Tasneem Sulaiman-Bray, general manager for corporate affairs at Engen, points to the push to add value to its customer's experience as being an important part of Engen's sustained success.



"We partner with many convenience brands as part of our Quickshop offering – the most famous being with Woolworths, which has Food Stops at a number of our service stations; and with Wimpy, which has sit-down restaurants in all of our Engen 1-Stops," she says.

"We also partner with a number of fast-food offerings, such as Corner Bakery, Steers and Debonairs, which form an important part of our convenience offerings to the customer."

PETROL STATIONS

All pumped up

“MANY PEOPLE VISIT PETROL STATIONS FOR REASONS OTHER THAN TO BUY FUEL, WHETHER IT IS FOR THE CAR-WASH OR THE CONVENIENCE STORE

agrees. He says the forecourt environment has changed substantially over the past decade, with the introduction of larger and more substantial convenience offerings. "We believe this will not only continue, but that this trend will increase," he says.

Sulaiman-Bray reports that current economic conditions are difficult for many businesses, and Engen is no exception. "This is why we continue to look at ways to improve our service and add positive value to customers' lives. This will ensure that customers continue to frequent our service stations, even though we know many are surviving on tight budgets," she adds.

According to Gichuri, the category has become more competitive, with the leaders not as far ahead of competitors as they were previously. "An indication of the increased competition in the category is the fact that although Shell dropped from 3rd to 4th, its score improved from 54.72 to 55.03," she notes.

"What is also interesting is that although Engen's market share is far bigger than Total's, people's perceptions of the brands are quite close, which demonstrates the power of having a strong brand."

"Another confirmation of the importance of brand perception is

that a small brand such as Sasol has overtaken a larger competitor such as Caltex, which speaks to success of marketing and the power of communication, even though a brand has a small footprint."

However, Gichuri says service-station footprint is also important, as the bigger the footprint, the more people are able to interact with the brand, and the bigger the opportunity is to make a positive impression.

"Proximity to users' homes and workplaces plays a big role in the success of a brand's footprint, as does its partnership with convenience stores. Petrol stations are becoming more than merely places to obtain fuel. Our research shows that many people visit petrol stations for reasons other than to buy fuel, whether it is for the car-wash or the convenience store."

"Although fuel may be the primary driver, it is certainly not the only driver of why people visit a petrol station," she says.

- Engen adds value to its customers' experience, while
- Total's new look revitalises the brand

THE #1 REPAIR SERUM* FOR EVERY WOMAN.

Advanced Night Repair

From the day we invented it, this powerful, multi-benefit Repair Serum revolutionised the world of skincare forever. With its patented formulation it works in a way no other serum can. Re-ignites youthful-looking skin—softer, smoother, radiant, hydrated and even toned. It's the one revolutionary Repair Serum beautiful skin can't live without.

Read the rave reviews on esteelauder.co.za.



Rated 4.8** out of 5

For Every Age, Every Ethnicity.

25+ Patents Worldwide.

*Footnote substantiating "#1" claim

**Customer rated at esteelauder.co.za as of September 2013

65
GLOBAL
AWARDS



ESTÉE LAUDER

TABLETS AND E-READERS

Come over to m(y) iPad

• Tablet war explodes, as Acer makes its presence felt

ALF JAMES

UNTIL THIS YEAR, the tablet category has been owned by Apple and Samsung, but in 2014 Acer joined the fray. While Apple retains its top spot in the category, Acer usage is up from 1% to 10%, while Samsung usage is up from 20% to 33%.

According to personal technology magazine *Gadget*, the tablet war has begun. The magazine reports court injunctions were recently granted to Apple against Samsung, barring the latter from selling its Galaxy Tab 10.1 in Australia and Germany. Apple accuses Samsung not of copying its technology, but its look, feel and intuitive interface.

Gadget says it is no coincidence that Apple went after Samsung before any other tablet brand: the Galaxy Tab offers the strongest challenge to the Apple iPad's domination of the tablet market.

According to the International Data Corporation (IDC) World-

wide Quarterly Tablet Tracker, the total tablet market, inclusive of both tablets and 2-in-1 devices, is forecast to grow by 19.4% in 2014, down from a growth rate of 51.6% in 2013. IDC reduced the 2014 forecast by 3.6% from its previous projection, to 260.9 million units worldwide. The reduction in the short-term forecast was due to slowing consumer purchases, and the installed base – particularly in mature markets – continuing to grow.

Over the course of the past two years, average selling prices (ASPs) have declined rapidly in the tablet market, according to IDC, but this too appears to be slowing. In 2012, ASPs declined by 18.3% from the previous year, and in 2013 prices dropped another 14.6%. Price erosion has started to bottom out slowly, with ASPs forecast to drop by a modest 3.6% in 2014.

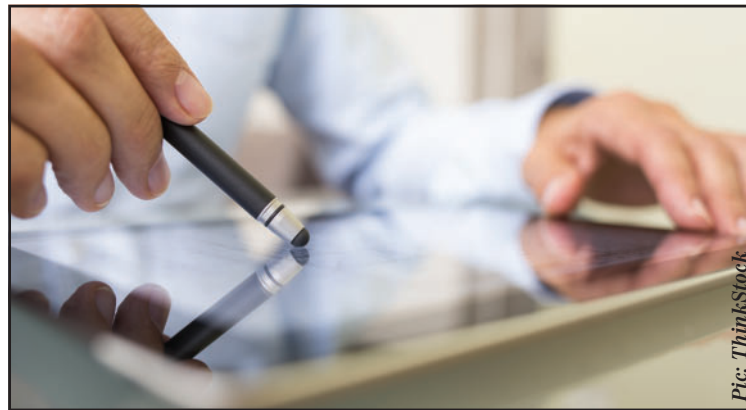
IDC believes ASP declines will slow for several reasons; chief among them are the growth of

higher-priced commercial shipments and a consumer movement away from ultra-low-cost products. As consumer shipments slow in many markets, commercial shipments will grow as a percentage of the overall mix. Much of the tablet growth in commercial to date has

“THE NEW HEALTH APP AND HOMEKIT ARE GOING TO CHANGE HOW WE MONITOR HEALTH AND FITNESS AND OUR HOMES

been in verticals such as education, but, going forward, IDC expects tablets to continue to infiltrate small, medium and large businesses around the world.

According to Taryn Hyam, communications executive at the



Pic: ThinkStock

Core Group, the authorised distributor of Apple in South Africa, the iPad created an entirely new mobile computing experience, and sets the gold standard in innovation in mobile computing, with over 200 million sold to June 2 2014. Furthermore, 98% of Fortune 500 companies are using iPad; there are nine million registered developers, with 500 000 apps made just for iPad.

She says iPad has transformed the way people work, play, connect, create and learn, by offering the best product experience, and access to endless content with a product that is not only secure and reliable, but also beautifully designed, easy to use, and beautiful to experience.

At the recent Apple Worldwide Developers Conference (WWDC) 2014, which took place during June in San Francisco, Apple announced two completely new features that will be part of the new iOS 8 operating system when it launches. Hyam says the new

Health app and HomeKit are going to change how we monitor health and fitness and our homes, using our iPads or other iOS products.

Leslie Smythe, divisional country head, consumer, at Acer Africa, and Rory Green, product business unit manager, agree that the tablet market has undergone radical advances over the last 12 months, as markets mature and users' demands change.

“Acer has needed to not only react, but drive this change,” says Smythe. She says comparing the current range of product in the market against a year ago, it is astounding how far the technology has come.

According to Green, Acer has been committed to getting costs in line, in order to be competitive in a cut-throat market. “We also made sure to manage our product life cycle well, as product life cycles on tablets are short, thus inventory management, as well as timing of the phase-out and phase-in of new models, is crucial.”

BHEKA MINA NGEDWA



Thank you South Africa for your continued support!
All Love Trevor Gumbi

Congrats to SABCA family!!
We are because of you!!
To EVERYONE who makes the best entertainment possible - the management, crew, talent and most of all YOU!! WE LOVE YOU!!
Love Love Love the viewer!! YOU ARE EVERYTHING.

All my love. Your Big Brother
Andre Steyn

Mzansi, THANK YOU SO much for your love + support. We appreciate your loyalty.
"Day 1s" for real.
Mad Love: LOOT LOVE aka KING LOOT.

Siyabonga kakhulu Emachayela ngothando
Nokhoso Wem. Singeze sapheza ukubonga
NGOKA NGAPHANDLE KWEMU ASICUTHU!!!

Much love
Khumbi Ekhaya

30 million eyes weekly. 10 excellence awards in one year and voted the Top Favourite TV Channel at the Sunday Times Top Brand Awards 2014. Just a few reasons to keep your eyes only on SABCA, Mzansi fo sho. So from all of us at SABCA, thank you South Africa for all your support.

sabc1.co.za

facebook.com/mzansifosho

youtube.com/sabc1

@official_sabc1

@mzansi_fosho

ESSENTIAL FOODS



ALF JAMES

THE ESSENTIAL FOODS category is topped with one brand from each of rice, maize meal and bread, for the second year running. Tastic wins again, as in 2013; White Star climbs to 2nd from 3rd, and Albany drops to 3rd from 2nd in 2013.

"Maize meal has been an integral part of African culture for countless years, and White Star is currently South Africa's No 1 choice of maize meal," says Mokhele Makhothi, marketing manager for maize at Pioneer Foods.

"Our brand positions the product as a 'food-solution', rather than a 'traditional' meal. Of the three main maize brands in the country, White Star is by far the youngest. However, according to AMPS data, White Star is the top 'most often purchased maize brand' and the 'best supported maize brand' with the highest

share of voice relative to its competitors."

Makhothi says the essential recipe for any great brand to prosper is a quality product, supported by physical and mental availability, and consistency over time. "We produce the best-quality product in the maize-meal category, and have supported the product consistently since we launched about 15 years ago. We have also made our products available to all and continue to deliver on our promises to our customers."

Albany also places a great deal of importance on the strength of its brand and meeting both its customers' needs and desires to achieve success.

"We are able to command a premium in the commodity market, largely due to the strength of the brand. Consumers choose Albany over many of the other brands due to our promise of freshness," says Mmaphuti

Dish of the day

• Tastic, White Star and Albany remain the country's favourite staples

Rankapole, marketing manager for Albany at Tiger Brands.

"We have recently grown our offerings to include new products such as buns and rolls. We have also expanded our bread varieties to include Albany's Ultima range. The greater offering has increased our popularity with the consumer, as well as our sales. This is largely because there are more choices and options available to suit different consumer needs and lifestyles."

Makhothi reports that the pedestrian growth of the South African economy is placing enor-

ple in the diet of most South Africans, competitive pricing helps performance. However, White Star is targeted at consumers who want the best quality.

"White Star was launched as a top-end super maize meal, competing with the established maize-meal brands in South Africa. Being the first to fortify maize meal with added vitamin A, the brand quickly became successful in its category.

"Because lifestyles are changing, White Star has to adapt and innovate to those changes, in order to keep maize meal relevant in people's day-to-day lives. We have several innovations in the pipeline – both from a product development and a packaging perspective – which we know will add value to our loyal customers' lives," Makhothi says.

Rankapole agrees that innovation is crucial in the staple food sector. She says Albany is constantly looking for innovative ways to meet consumer needs more efficiently and effectively.

"We will continue to grow the Albany brand by ensuring that we are relevant, by innovating in all areas, from product offerings to how we deliver to the end-user."

Innovation is particularly important in the current tough market conditions. "The bread market is very mature and growth is achieved by current market players taking share from one another.

"Fortunately, bread is still a staple product that is used in most South African homes daily. For consumers in lower-income groups, the challenge is for brands to offer better value for money, which can be achieved by finding a balance between the price one pays and the type of experience one has with the product. Albany provides great value for money and exceptional quality, and this resonates with our customers," Rankapole states.

"Among the higher-income groups, our challenge is to remain innovative in terms of our product offerings. For example, many consumers have become more health-conscious and we have catered for this healthier lifestyle by producing products such as Albany Ultima kilojoule-controlled bread.

"We need to continue to look for more opportunities and innovative ways to remain ahead of our competitors," she adds.

“OUR BRAND POSITIONS THE PRODUCT AS A ‘FOOD-SOLUTION’, RATHER THAN A ‘TRADITIONAL’ MEAL.”

mous pressure on brands' performance, which places more importance on the ability of White Star to respond to market demands and to be innovative.

"Because maize meal is a sta-

The people have spoken.

Thank you for voting us Best Weekly Newspaper once again in the Top Brands survey. It's your vote of confidence in us to deliver trustworthy, accurate reporting and storytelling that make us proud to be the paper for the people.



Turn the page
Start the conversation

Sunday Times THE PAPER FOR THE PEOPLE

SPORTS CLOTHING

- Adidas leverages
- off the World Cup to
- close in on Nike

Just doing it well

ANDREW GILLINGHAM

THE WORLD CUP has proved a very successful marketing tool for the top sportswear brands, with both Nike and Adidas sponsoring many participating teams and players. In this year's Top Brands Sports Clothing brands category, Nike continues to hold the lead, with Adidas in 2nd place and Puma in 3rd.

Shirley Jeffreys, innovation partner at TNS, says the gap between Nike and Adidas is narrowing sharply. "Adidas's brand ratings from both users and non-users have gone up, while Nike's have remained stable. Nike continues to do it right, but Adidas is doing better than it was and it is closing in," she says.

However, as with the rest of the market, sports clothing brands are being hit as consumers tighten their belts and cut back on their spending. "The size of the category as a whole has dropped, and most brands have seen about a 2 percentage point decline in usage," Jeffreys explains.

The Top Brands research was carried out in the lead-up to the World Cup, and this is likely to have influenced the results. Adidas has certainly leveraged off the tournament, with the company spending more than £50 million on



advertising for the event.

"Adidas is one of the official Fifa sponsors, so its branding is on all the soccer balls and its brand is prominently associated with the World Cup. Both of the teams that reached the finals, Germany and Argentina, are sponsored by Adidas," Jeffreys notes.

Serusecka Naidoo, communications manager for Nike Africa, says the brand continues to focus on innovation and bringing inspiration to the market. "First and foremost, we are a sports brand, and that is in our DNA. At the

same time, we take that sports innovation and inspiration, through our athletes, to inspire young consumers to live healthy lifestyles or to become competitive athletes in their own right. Nike also goes beyond being a sports brand, by connecting with our consumers through events and via digital social media," Naidoo says.

Tough economic conditions mean that Nike is a lot more focused in terms of its marketing and sponsorship strategies, she adds. As a futures business, it is also looking towards the latest

trends and the key sporting moments.

"We have seen amazing success come out of the World Cup in Brazil. We dominated on field as we sponsored the most number of football teams (10 altogether), and many of the individual players were also sponsored by Nike. The visibility that is generated for the brand through our sporting moments is paramount.

"However, there is a vested interest in what the brand is doing – not just in terms of what is available in retail, but rather in our connection with consumers locally and around the world. Our Nike+ Run Clubs are a very good example."

When Nike+ Run Club Rosebank started three years ago, it had 20 runners. Today, on any given day, there are around 400 South African runners on the road, and this number increases when club members are gearing up for a specific event.

Nike+ is built around the cell-phone-based Nike+ app, which has been developed especially for runners, to assist them with their training. There is a global community of over 30 million runners who are connected through the Nike+ app.

"It is a virtual running programme that helps people to train

smarter, and train for general fitness or gear up for their next marathon. Nike+ gives runners a personal coach in their back pockets, and it revolutionises the way they run."

Naidoo believes that while trends and future waves are important to consumers, it is innovation that forms the foundation on which they rely.

"We spend a lot of time connecting with our athletes, such as in our research laboratories, where we do our testing. What is good for the athletes is good for the consumers, as we treat our consumers as athletes," she says.

“THERE IS A VESTED INTEREST IN WHAT THE BRAND IS DOING – NOT JUST IN TERMS OF WHAT IS AVAILABLE IN RETAIL, BUT RATHER IN OUR CONNECTION WITH CONSUMERS LOCALLY AND AROUND THE WORLD.”

Thank you . Ngiyabonga. Dankie.



Thank you for voting us #1.

Samsung have won 1st place in the Sunday Times Survey Top Brands for the third year running, in the Consumer Electronics category. This wouldn't have been possible if it wasn't for those of you who voted Samsung as the most loved brand in this important category. We promise to continue developing innovative, quality products that you can trust and enjoy.



www.samsung.com 0860 726 7864

SAMSUNG

INTERVIEW

Some like it hot

- Seasoned marketer and business leader Geoff Whyte, now CEO of Nando's Southern Africa, talks to Jeremy Sampson about challenge, courage and his Scottish heritage

IN A WORLD where the top international brands are slowly but surely consuming the local brands, it is heartening to see a Johannesburg-born, South African brand stretching out around the globe. That brand, which really can claim to have fire in its belly, is Nando's.

With over 1 000 restaurants in 30 countries, walk into a Nando's anywhere in the world and you feel homesick. Ensuring the consistency of the brand offering and experience, wherever that may be, doesn't happen by magic. This is something many South African brands are struggling with as they grow their footprint in Africa and further afield. Something Nando's understands and has succeeded at. Yet South Africa remains the heartland of the brand.

Your roots go back to Scotland. What brought you to South Africa?

I was working in London for PepsiCo when I was offered the opportunity to become marketing director for Pizza Hut and KFC Southern Africa in 1997. Having only experienced the country through UK news reports over the last few years of apartheid, it was fascinating to actually live here, especially during a period of rapid change.

I returned to London in 1999, working there and in Holland for Unilever, before returning to South Africa towards the end of 2002. My first visit here had changed my perspective on life in many ways, so when SAB-Miller gave me the opportunity to come back, I was delighted to take it.

You have been involved with some very high-profile brands.

I began my career with Exxon-Mobil just after the Valdez disaster. That taught me a few valuable lessons about the importance of public relations – and that dumping thousands of gallons of crude

oil into the sea just off Alaska was something best avoided!

KFC was in a lot of trouble in South Africa in 1997. We went back to the core values of the brand (generosity, sharing and southern hospitality) to turn things around, while rebuilding both operating margins and relationships with our franchisees.

Taking on Budweiser in their home market was a highlight of my time with SAB. We pointed out that Miller was a better-tasting beer for individuals who didn't just follow the crowd, and quickly stole market share for the first time in many years. That was a lot of fun, as was the furious reaction from Budweiser that followed.

Managing Castle Lager was also a challenge. As Frank Zappa said, "You can't have a real country unless you have a beer and an airline – it helps if you have some kind of a football team, or some nuclear weapons, but at the very

least you need a beer." For South Africa, Castle Lager is that beer. During my time overseeing the brand, we made some major pack changes – modernising, while also adding a number of status cues. We also worked hard at positioning Castle as embodying South African values and aspiration in a fresh way.

Cadbury also has some exceptional brands, but Lunch Bar and Dairy Milk stand out. We had a great time on Dairy Milk, playing with drumming gorillas and parachuting ostriches, as well as creating some magical point-of-sale installations. The "Obvias" work for Lunch Bar was also a high point. When you change a successful, long-running campaign, you take on a lot of personal risk – which makes it all the more satisfying when it comes off.

Nando's is one of SA's few iconic brands. What was the appeal? What was the challenge?

They say talent is hitting the target few people can hit, but that genius is hitting the target no-one else can see. In creating Nando's, Robbie Brozin and Fernando Duarte hit a number of targets no-one else could see, to craft a brand that is powerful on many levels.

Nando's product isn't just unique and addictively delicious; it's also very healthy. Their approach to the dining experience, with beautiful Afro-Portuguese interiors and a unique service style with real crockery, cutlery and glassware, also sets the brand apart. Then you have their advertising – courageous, fresh, very South African and extremely funny. Who wouldn't want to work on a brand like that?

In terms of the challenge, holding onto the values and culture of an organisation always gets harder as it grows. I'm very aware of that and of continuing to move Nando's forward – building on the brand's many strengths.

Nando's is in 30 countries. How is the brand experience managed?

As a company we're only 27 years old, but we now have well over 1 000 restaurants across the world. Nando's was built in a very entrepreneurial way, so while our food is pretty consistent from country to country, some differences in the brand experience inevitably developed over time. For the last few years, a global team has been co-ordinating our operations, spreading best practice and creating greater alignment.

And how does South Africa fit into the global context?

South Africa is the spiritual home of Nando's, and, along with the UK and Australia, we remain one of the big three markets in terms of restaurant numbers. We also produce various products for our booming global grocery business in SA.

Trends and changing lifestyles – what are you seeing locally?

There's no doubt that South African consumers are under a lot of financial pressure at the moment. We can see clearly in our sales when people get paid – and when they run out of money. That window seems to be shrinking over time, though these things are usually cyclical. The growing black middle class is an ever more important driver of the economy, and con-

sumer behaviour is now much more informed by income than skin colour.

And globally, what do you hear from colleagues?

As a global brand, we continued to grow strongly through the recent recession. Our newest business in the United States is also doing very well. It was great to hear President Obama talk publicly about our restaurants in Washington DC, during his last visit to South Africa.

How do you measure success and failure at Nando's?

From the very beginning, Robbie's and Fernando's vision for Nando's was "to have fun and make money, while changing the world one chicken at a time".

We're passionate about making Nando's as successful as it can be, but believe it's equally important to enjoy the journey and, along the way, to do all we can to make the world a better place.

Success for us is pushing the business forward, knowing that not everything will work. Failure is not trying, or accepting mediocrity. We all know when something just isn't good enough.

Marketing at Nando's has always been a little cheeky. Will that continue?

One of our values is courage – and we've needed that many times over the years when it comes to our advertising. We believe one of the reasons why our customers feel so passionately about Nando's is that we've fearlessly raised the issues they wanted raised in our commercials. There's no doubt that we've ruffled some feathers, but that's not going to stop us giving the people a voice on what matters to them most.

How does corporate citizenship fit into your agenda?

Nando's is about much more than making money. We were the founding partners of an initiative called Harambee, which creates employment opportunities for matrics from disadvantaged communities. In just a couple of years, we've employed nearly 1 200 people through this programme. We also own the biggest collection of contemporary South African art in the world, showcasing it in our restaurants from Toronto to Kuala Lumpur, and everywhere in between.

Nando's also has strong links to Mozambique, where we are involved in malaria prevention and sustainable chilli farming. We are also committed to inner-city regeneration and have just made a significant investment, rebuilding our South African headquarters in Lorentzville, in the Johannesburg CBD.

Starbucks seems to be moving into tea, alcohol, etc. Where do you see Nando's?

I think it's very important that brands understand that they are loved for what they do best. Innovation that strengthens your brand is therefore good for business, but I think you need to stay focused and not go chasing every product line you don't currently sell.

Who are the people you admire?

When I was with Unilever in Holland, Niall Fitzgerald was the global CEO.

LUCKY STAR

MZANSI HAS VOTED TO BE MEGA

MZANSI, YOUR MEGA LOVE HAS PLACED LUCKY STAR IN THE TOP 10 OF THE 2013 TNS/SUNDAY TIMES TOP BRANDS AWARDS!

THANK YOU MZANSI, WITHOUT YOU IT WOULDN'T BE POSSIBLE!

HIGH IN OMEGA 3 FATTY ACIDS

Ing' Shaya Ngaphakathi

“THEY SAY TALENT IS HITTING THE TARGET FEW PEOPLE CAN HIT, BUT GENIUS IS HITTING THE TARGET NO-ONE ELSE CAN SEE. ROBBIE BROZIN & FERNANDO DUARTE HIT A NUMBER OF TARGETS NO-ONE ELSE COULD SEE”

He was both brilliant and inspiring, and taught me a lot. In South Africa, I've also been lucky to work for some great people. Lawrence MacDougall of Mondelez, Norman Adami of SAB and Gavin Varejes of Richmark are all exceptional leaders.

In the marketing world, in two short years, Doug Place has made South Africa rethink cinema at Ster Kinekor, and in design, Richard Seegers has established Berge Farrel as one of the top agencies in the country.

Rob Fleming, the marketing director of Blue Label Telecoms, is also one of the very best strategic thinkers I've come across.

Last, but not least, I count myself very lucky to have someone as accomplished as Mike Cathie as my CMO at Nando's. He's world-class.

What's your favourite way to relax?

I find spending time at home with my family is the best way to unwind, though I also try to play tennis at least once a week.

A brand you can't do without?

During my time with Unilever I worked on some great brands, but Marmite stands out. The "love it or hate it" campaign was a piece of brilliance (not mine, sadly), leveraging the polarising nature of the product to create brand advocates. I'm definitely on the "love it" side, although I import my own from the UK, because the SA version tastes different.

On a desert island, three brands you'd take with you?

Well, I wouldn't want to starve, so Nando's would have to be top of the list. I also think the work Scott Bedbury did on Nike with his "Just Do It!" campaign was exceptional, so maybe some sportswear and shoes from them. Then, putting aside the somewhat obvious choice of a Pershing 82 powerboat, I might also be tempted to choose an Apple product. Apple's "Think Different" campaign and product innovation have been brilliant over the last few years. I just hope they don't drift back into being ordinary now Steve Jobs is no longer around.

Do you think Scotland should declare independence?

Tough question for a Scot – have you seen *Braveheart*? Seriously, though, for hundreds of years Scotland was independent, and it already has separate structures in many areas, including the legal and educational systems.

I think there are sensible arguments for and against, but that overall, independence would probably be a good thing. Some of the best-run European countries have similar or lower populations to Scotland, so they could definitely go it alone. I think the vote will be very close, but will be happy either way.

Jeremy Sampson is the group executive chairman of Interbrand Sampson De Villiers.



Geoff Whyte, CEO of Nando's Southern Africa

Refreshes like nothing on Earth

HUNTER'S

FROM THE NO.1 BRAND TO OUR NO.1 FANS

THANKS FOR VOTING US NO.1 BRAND IN THE SUNDAY TIMES TOP BRANDS SURVEY CIDER CATEGORY, 3 YEARS IN A ROW.

HERE'S TO MANY MORE YEARS OF REFRESHMENT.

*Sunday Times Top Brands Survey

Not for Sale to Persons Under the Age of 18.

BANKS

And now we have five

JAMES VAN DEN HEEVER

STANDARD BANK hangs onto the top spot it gained last year, and FNB shoulders aside Absa to claim the No 2 spot, but the big story this year is the surge by Capitec into 4th place.

Capitec's growth from a score of 57.53 in 2013 to 60.55 this year is all the more impressive when one considers that the retail banking sector shrank, with 82% of respondents using brands in this sector in 2014, compared with 86% last year. The scores for all rankings, bar Capitec's, are lower this year than in the previous year.

And despite the overall decline in the sector, usage of Capitec grew from 16% in 2013 to 19% in 2014.

Capitec's brand strength has also propelled it to the No 1 spot in the new Micro-lending category. It's a very small user group, but Capitec's score of 58.25 places it well ahead of also-rans African Bank (48.38) and Wonga (45.62). (With its troubles mounting and its share price declining rapidly during August, African Bank was eventually placed under curatorship.)

In the corporate banking sector, however, Capitec doesn't feature. Last year's rankings remain unchanged, with FNB (1), Stan-

- *Simplicity and transparency catapult*
- *Capitec into 4th spot*

dard Bank (2), Nedbank (3) and Absa (4) retaining their places.

In banking terms, Capitec is a relative newcomer, having listed only in 2001, while the other Big Five have been around for much longer. In consumer terms, however, 14 years is a long time. It's perhaps a measure of the inherent conservatism of consumers in money matters that it has taken so long for the brand to break into the Big Four club.

The bank's executive for marketing and corporate affairs, Carl Fischer, says that from its inception, the Capitec brand has been built on simplicity and transparency. "The biggest complaint that people have about banking is that it's too complex and they are simply not in control," he says. "We set out to provide an alternative."

Ivan Motlogeloa, director for new business development and public sector at TNS, believes Capitec's rise is underpinned by its technology-intensive approach. "Its paperless model delivers great cost savings and efficiencies that its peers are struggling to attain – Capitec just doesn't have to deal with the added layers of complexity that

come with legacy systems," he says.

Fischer agrees, admitting that the opportunity to build the core banking system from the ground up was a "privilege" that allowed Capitec to embody the brand promise of simplicity, transparency and control in the experience offered to clients. The power of technology is most evident in the branch experience, which, says Fischer, aims to give a customer experience that compares with normal shopping. "We want the customer to leave the branch within 15 minutes, having obtained what he or she needed, just as they would do in a retailer," he says.

Capitec's brand persona has a revolutionary tinge. "We don't discriminate between clients based on age or income," Fischer says. "The question is, how do we empower the customer by providing options?"

The brand promise is delivered by a very simple product range: one transaction account, four savings accounts that can be customised on the spot, and credit.

The question of branches is one that banks are currently grappling with. Internationally,



Carl Fischer, executive for marketing and corporate affairs at Capitec

the drive has been to reduce the number of physical branches to save costs, with a tendency towards larger, fewer branches. Capitec, however, has been concentrating on expanding its branch network; its 2014 annual report puts the branch tally at 629 (compared to Standard Bank's 726 in South Africa).

Fischer says the need for human interaction is unending, and that branches are essential when things go wrong.

"Our strategy is to create small, local and convenient branches, rather than larger ones in central locations," he says. That said, he is clear that the brand's expansion will, to a large extent, be driven by

the convenience factor that digital channels – mobile especially – offer consumers, especially those who are pressed for time.

It's perhaps easy to see Capitec as a brand whose heartland is in the younger and lower-income demographic. To be sure, its advertising is targeted largely at the younger end of the market, the future of the country and brand. However, it's clear that this focus has not dulled the brand's appeal to other groups. "When it comes to our transactional and savings products, our customer-acquisition profile mirrors the country's demographic," Fischer confirms.

Jeremy Sampson, chairman of Interbrand Sampson De Villiers, adds that Capitec has done a fine job of building its brand. "A banking brand, first, has to be a mark of trust. Capitec has built a brand that stands for 'good, old-fashioned values', because it delivers on its promise."

“WE WANT THE CUSTOMER TO LEAVE THE BRANCH WITHIN 15 MINUTES, JUST AS THEY WOULD DO IN A RETAILER.”



Proudly South African

Eskom is proud for being nominated in the Sunday Times Top Brands Awards 2014's 'Done the Most for Community Upliftment' category. We believe this award recognises the men and women within Eskom who do all they can to change the lives of ordinary South Africans. As a company we'll always ensure that our contributions to this country continue to add real value now, and in the future.



IGNITING OUR NATION'S PRIDE FOR OVER 100 YEARS

Think about those moments you've experienced over the years – the ones that are so vivid and memorable that the mere sound of our ever-so-familiar matches being struck transports you straight back to that moment. Your first birthday, your first camping trip with dad, your family gathered around the braai or your first candlelit dinner with that someone special. For over 100 years, Lion Safety Matches have been your helping hand in creating a lifetime of unforgettable memories; a brand that has been synonymous with quality and pride.



The Lion Match Company adopted a tree-planting scheme across South Africa. The scheme began in 1922, which has evolved into the company's forestry and operations in Mpumalanga and KwaZulu-Natal. We explored other alternatives for match manufacture and by 1993 Pine had become a more sustainable option, which is still the company's choice today. Today, we run 3 400 hectares of pine plantations and use 120 tons of timber per day. We continue to plant, grow and care for our future.

We grow the future

Did you know that The Lion Match Company also has a dedicated Forestry division? In the past, The Lion Match Company opted to use poplar as its choice of timber in the manufacturing of Lion Safety Matches. During the early part of the 20th century the bulk of this vital raw material was imported from countries as diverse as Finland, Canada and Eastern Europe. To reduce its dependence on imported timber,

Offering you more

The Lion Match Company (Pty) Ltd has played a role in your lives through products that have always been there for you. It all started with a match – now this ICONIC South African brand brings you, LION Quality Shoe Polish; LION Firelighters; LION Strikers; LION Clearlite; LION Shave products and LION Iconic memorabilia.

"Welcome to the LION Pride – Ignite and Unite."



Tel: +27 (0)31 308 1711 | www.lionmatch.co.za



FAST FOOD

Swimming up the stream

MARK SAMPSON

THIS YEAR'S RESULTS for the Fast-Food category show fish making a strong move up the standings, while chicken remained the nation's favourite fast food of choice. Trends in the category indicate fish is becoming more popular, as it is a healthier option, with one franchise offering it as a value-for-money option to the lower end of the market.

According to Tarryn Gillmer, senior team leader at TNS, Fishaways targets a more affluent market that is increasingly looking for a healthier option. Offering a lighter protein source, as well as side dishes of rice and salad, makes for a better alternative for the health-conscious consumer.

Alternatively, The Fish & Chip Co has a very different strategy, targeting the lower end of the market, mentions Gillmer. Part of the brand's success comes from store locations, which target the major travel routes of commuters using taxis and trains.

Gillmer points out that portion sizes are very large, and menu variation has also played a role in its success; items such as Russian rolls and polony are some of the lower-price options.

The number of outlets has also influenced the results. Gillmer explains the results are about awareness and relevance to the

- Chicken rules the roost, but the arrival of perceived healthier options is no fishy tale

consumer, so the more outlets a franchise has and how accessible they are leads to increased brand awareness.

Chicken is undoubtedly South Africa's favourite fast food, indicated in the results by having four of the top 10 spots in the category. KFC and Nando's once again take the No 1 and No 2 positions.

KFC remained at the top of the ratings for a number of reasons, according to Gillmer.

Number of franchises and accessibility are major contributors. The distinct taste of the product, which is difficult to replicate, also adds to its appeal. Menu variation and side options such as pap or mash potato are a contributing factor, as well as affordable meals for lower-end users. Finally, a high media spend, particularly using above-the-line options, helps KFC to maintain its market presence, she notes.

Targeting the higher end-user, Nando's managed to maintain its No 2 spot on the ratings by positioning itself differently from competitors, says Gillmer. This is

indicated in slightly higher price points and offering hot peri-peri dishes, which very few other brands offer. A unique product with a variety of tastes, from lemon and herb through to a very spicy option, also plays a part in its success, she mentions. In addition, it offers a healthy Discovery meal option, which very few takeaways do.

Chicken Licken moved up one position in the results. According to Gillmer, its hot wings option is proving to be a very successful product and a primary driver for its market growth.

The results also revealed a relatively new trend in the category. Gillmer points out that breakfast is the new occasion, with many of the brands now offering a breakfast option. Even KFC has added items to its menu, such as a muesli cup, oats and toasted sandwiches.

All of the brands across the category are making a big push in terms of advertising to inform the market of their new breakfast options.

“NUMBER OF FRANCHISES AND ACCESSIBILITY ARE MAJOR CONTRIBUTORS.”

SOCIAL MEDIA

Chat, learn and play

- While Mxit takes a knock, there are still millions of active users across the globe

ANDREW GILLINGHAM

AS THE STRAIN on South African consumer pockets translates into people buying less data and airtime, results from the *Sunday Times* Top Brands study indicate that there is a slight decline in usage across all social network brands.

Facebook remains firmly in top spot among South African consumers, with Google Plus in 2nd and Twitter 3rd. YouTube bucked the trend, increasing its usage.

Africa's own Mxit took a significant hit in its level of usage, although its ratings are stable and very similar to those consumers gave the company last year, and its non-user ratings have increased.

According to Shirley Jeoffreys, innovation partner at TNS, there are still lots of people using Mxit and lots who want to use it. "However, as more people acquire smartphones, either as hand-me-downs, pre-owned or new, so they have access to more social network and instant messaging brands, and competition in this arena is strong," she says.

While usage is down across almost the entire category, non-user ratings are up, indicating that people want to make use of social networks. "They are not leaving the category because they do not like it; it is an affordability issue," Jeoffreys explains.

Ben-Carl Havemann, marketing and communications manager at Mxit, says that while Mxit has been the saviour of many African feature phone users, it is also working to take full advantage of the opportunities offered by the wave of smartphones that more users are acquiring.

"In the beginning of 2013, we re-engineered our strategy and product focus as smartphone adoption gained momentum in emerging markets such as South Africa and the rest of Africa. Towards the end of last year, we released new versions of Mxit for feature phones and iPhone, and Android and BlackBerry versions became available at the beginning of this year. At the end of April, in South Africa alone, we had 6.4 million downloads of the new versions of Mxit.

"The majority are still on feature phones, where we are on version 7 of our application, and smartphone is essentially on version one," Havemann says.

As Mxit accelerates delivery for smartphone users, the company is seeing good month-on-month compound growth in Mxit adoption, he adds.

Mxit has millions of monthly active users across the globe. The company has been around since 2005 and it is a proudly African innovation story.

Historically, Mxit has been a leader in the feature phone market, offering first-time mobile users a gateway on to the information superhighway because it has tailored features with market-



Ben-Carl Havemann, marketing and communications manager at Mxit

specific focus and original local content. While it is often better known for its highly successful instant messaging, it also has content distribution abilities, making it more of a mobile social network.

"Mxit is incredibly data-light, so our users can spend more time chatting, learning and playing," Havemann says. "Our unique compression algorithm helps to control data consumption – particularly important with data-rich applications such as photos and videos – to keep costs down and speed up response times."

Winning is not a sometime thing; it's an all time thing. You don't win once in a while, you don't do things right once in a while, you do them right all the time. Winning is a habit.

Vince Lombardi

TNS

Follow us:

www.tnsglobal.co.za

@tns_Says

TNS South Africa

**THANK YOU,
SOUTH AFRICA,
FOR MAKING
WHITE STAR
THE CLEVER CHOICE.**



White Star has been voted SA's #1
maize meal for the 5th consecutive year
in the Essential Foods Category of the
Sunday Times Top Brands Survey 2014.

THE CLEVER CHOICE™

Hennessy



Never Stop. Never Settle.

Since 1765



Enjoy Responsibly. Not for Sale to Persons Under the Age of 18.