

# Sunday Times

# TOP BRANDS

## 2015

A TIMES MEDIA SUPPLEMENT  
AUGUST 2015

GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND

HOMEGROWN  
FAVOURITES

6

THE GREEN  
AWARD

10

YOUR TOP  
BRANDS

18

TNS

ALF JAMES

Each year marketers, advertisers and consumers eagerly await the results of the *Sunday Times* annual Top Brands Awards study. With a 17-year track record and reservoir of market research, the survey has not only developed a credible reputation and interest among South African shoppers, but also provides vital market information.

"The Top Brands study is *Sunday Times*' 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," says Trevor Ormerod, general manager: group sales and marketing for Times Media.

"From year to year, the *Sunday Times* Top Brands Awards study stays abreast of consumer perceptions, what differentiates one brand from another in both users' and non-users' eyes, developments in the marketplace, and the challenges brand professionals are faced with," he explains.

Ormerod says this information is particularly relevant in today's tough economic environment, where consumers have less disposable income and analyse their options carefully before making a purchase. "In such an environment, the perceptions that the buying public have of a brand can be a determining factor in the decisions they make around which product to purchase.

"The way brands are viewed in the market and how consumers perceive the brand changing from one year to the next can be critical to the performance of a business."

For example, Ormerod reports that, according to the UK's Design Council, in only a few years the digital communications revolution has completely transformed the balance of control in the market, with the consumer's voice becoming louder, more public and more powerful.

## INTRODUCTION

# Power of perception

*The Sunday Times Top Brands Awards study offers marketers and advertisers critical brand insights*



TREVOR ORMEROD

Pic: Russell Roberts

"The Design Council points out that consumers can publish their experience of a brand and compare it with the experience of others. The ability of a brand to respond can have

a profound effect on the way they are perceived in the market, which is affecting the types of brand that achieve prominence.

"In today's consumer-driven market, the *Sunday Times* annual Top Brands Awards study is becoming an ever-more-useful indicator, as the study allows advertisers to measure their performance relative to their competitors'. This is the reason why our advertisers are keen to participate in the study, as we keep up-to-date and informed with consumers' opinions and provide the feedback that advertisers need.

"The study has continued to develop as the market evolves, to increase its relevance to brand managers. For example, the study has developed from simply measuring a brand's size and penetration in the marketplace to examining its relative power among users and its relative attraction among non-users," says Ormerod.

He points out that knowledge of how an organisation's brand is perceived by users and non-users is essential, whether the organisation is in the retail sector, public sector or operates in the business-to-business environment. "Brand identity management is a key issue for any organisation, from users' and non-users' perspectives," says Ormerod.

"The *Sunday Times* annual Top Brands Awards study offers marketers and advertisers useful brand insights with which they are able to

assess by how much more – or less – its users rate it compared with the average, and gives an indication of the relative commitment people have to a brand. By looking at the non-user ratings, some idea of a brand's relative 'pull' among its non-users is gained, which 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 compared to their power in the market. Marketers and advertisers are able to gain an understanding of how people, both users and non-users, relate to their brand, which has a profound impact on their business."

He adds: "The way the broader consumer public relates to and perceives the brand can even influence the behaviour and attitudes of individual customers, which impacts on the performance of the brand. Every consumer is a potential brand advocate, conveying what's good or not about the brand to many other consumers every day."

Ormerod argues that in today's market, if an organisation wants to remain successful, it has to manage both its corporate brand and product or service brands carefully, taking into account the values, actions and communication that it extends to the market.

In a more mature, competitive market, the strength and personality of the brand are becoming ever more important to business success, he says.

*Brand identity management is a key issue for any organisation, from users' and non-users' perspectives*

## VIEW

## We're people. With emotions

*Consumers make buying decisions based on memories and previous experiences, write Shana Holidis and Jannie Hofmeyr of TNS*

Forget about trends and focus on growth by learning to talk to people. It can be said that we are in the "human" era of brands, in that more and more brands are learning to talk to consumers. However, this is not enough; brands need to connect with people and truly relate to them in their individual contexts in order to make true progress and create sustainable growth.

To say this is one thing; to do it is the difficult part. We are going to demonstrate the impact memories can have on the choices that people make, the neural processes that shape them, and how advertising can tap into these activities. Understanding this in a holistic way will help to decode our decisions and the place that brands could hold in our memories.

To make an impact, a brand must understand what really matters to people, not customers. This requires a huge shift in approach, as people then become individuals and not a statistic. After all, statistics don't buy your brands; individual people do – and each one is unique in important ways. By taking this into account we can better understand the level of loyalty of a brand's "people", their ten-

dency to shift from one brand to another, and the circumstances that compel them to make choices.

Let's first consider how people make decisions on a daily basis. While you may think the decision to buy a certain brand of soap or toothpaste is based on rational thought, you would be mistaken. In reality, our brains use shortcuts to make decisions based on previous experiences.

Therefore, people's choices are underpinned by two main drivers: physical availability and mental availability (or memories). The physical is what they can see: the product available to them on shelf, the price and the information available then and there. Memories create the environment for mental availability that is more likely to trigger choice, as it is linked to emotions, and this is the true key to success.

Our brains are dynamic, as they are consistently modified whenever information passes through them. If a brand wants to grow, it needs to leverage this dynamism, by understanding the mechanics of the brain. There are three neural components to branding, and, if these are understood, they may lead to mental availability. These are our likes/dislikes, emotive memories (which are the feelings we associate with each brand) and, lastly, the brand's relevance, to our personal needs, goals and values.



By leveraging these triggers, a brand can embed itself as "the natural or first choice" when a person has to decide what to use. This kind of mental availability drives usage by increasing consideration among non-users or reinforcing the next purchase among users.

Creative advertising can help to tap into these human contexts, making the brand a positive part of the mix. A recent article on campaigns that are admired by marketers themselves shows that this admiration is due to the ability of the campaigns to tap into the emotions of people.

Coca-Cola has continued its legacy of connecting with the emotions of people. The Happiness campaign, personalised names on Coke cans, as well as the ability to use the bottle cap as a token to phone a friend, tap into our personal contexts and make what is relevant to us part of the brand. Nando's adverts have always been successful, as they tap into our South African-ness, and we are a nation proudly South African.

All of these examples illustrate one significant characteristic: the ability of a brand to be transcendent.

Robert Heath of the University of Bath has written about the power of advertising that doesn't set out to persuade, but rather works through the implicit association of the brand with emotionally engaging imagery. All of the above campaigns seek to extend their railways in our brains by leaving deep neural tracks.

The success of Coca-Cola cannot be overlooked; the company, since its 1929 "pause that refreshes" campaign, has understood that the best way to influence people's decisions is to co-opt pre-existing memories and contexts, and shape the brand to them. In addition to this is how well they excel at physical availability – no matter where in the world you might be, you will inevitably see a Coke sign or bottle.

To sum up, each person is the sum total of their experiences and the memories generated by those experiences, both good and bad. But at the end of the day, these memories shape our choices on a daily basis (such as the choice of washing powder based on the memory of mom using it).

All of these individual contexts impact on our decisions, and that is why it is so important to focus on people when looking at brand growth and strategy. Understanding them and how their brains function to retain and process information, and in turn make decisions, is integral to growth. Rather than being persuasive, embed your brand into people's lives by connecting with them on an emotional level. What's the worst that could happen?



# Winning feels So Good

Proud winner of the Sunday Times Favourite Fast Food Category.



# Try going back to square one



IVAN MOROKE

*We need data, but we also need insight, writes Ivan Moroke*

New technology has a habit of repackaging old truths. This certainly seems to be the case with social media, digital platforms and big data. It's easy to be dazzled by the power of technology and watch in amazement as a single open letter from Taylor Swift overturns the strategy of Apple, the world's biggest company.

The irony of social media amplifying an issue against one of the most tech-savvy companies in the world demonstrated old values of brand-building such as active listening and responsiveness.

In this new world, the sheer scale of developments can be awe-inspiring (and perhaps terrifying) for brands. However, a sense of perspective is necessary. The potential of big data to tell us everything and then some is mind-blowing. In my view, however, information that is mind-clearing would be even more helpful.

When considering mobile media, cloud computing and the rest, it rapidly becomes apparent that within the newness there is also a sense of déjà vu.

Online marketing strategists frequently tell us that with new technology there's no place to hide. The truth is there never was. It just took longer for the facts to come out. Consumers have always had a knack of sussing out a flawed product. Decades ago we knew the quickest way to kill a bad product was to advertise it. Why? Because more shoppers could then see the defects.

In the new digital age we're told

it's essential to build consumer relationships by creating trust. But wasn't that always the case? Successful brands have always behaved like trusted friends in their interaction with consumers. It did not require the threat of social media defriending to prompt conduct such as this. Experience has long shown that you build brand value by build-

*Today, the most valuable expert is the one who can interrogate and manipulate data while getting up close and personal with people – not only getting up close and personal with the numbers.*

ing trust. This requires a little humility and good listening skills.

The idea of using data to create a consumer connection and higher sales massively predates current more advanced forms of CRM programmes. Years ago, I posed as a cool dude, drove a fancy left-hand-drive Chevy Camaro and built my own database of smokers while working as a tobacco company rep. You could go into an office building to find out who the smokers were, introduce yourself and in 1-2-1 sessions prompt product trial. Yes, it was that long ago!

I regaled prospects with the brand "story", secured conversions

by those who previously smoked another brand, and rewarded the loyalty of those who smoked my employer's product. My database was developed from personal contacts and jotted down by hand.

The power of digital tools is that they multiply the possibilities, but the techniques were in place long before online systems came along.

Personal contact helped to combat arrogance. You were building a picture of the consumer, but you were not building a sense of your own superiority.

Two generations ago David Ogilvy warned against marketing arrogance by underlining a simple truth: "The consumer isn't a moron. She is your wife." It's important to keep this in mind.

Today, the most valuable expert is the one who can interrogate and manipulate data while getting up close and personal with people – not only getting up close and personal with the numbers. Clearly, the customer is not always right. But he is king, and respect is shown by anticipating fresh needs, as well as responding to existing ones.

We need data. But we also need insight. The new technology revolution does not showcase the power of data. It spotlights the power of *and*. We need more information *and* more imaginative interpretations. We need new media *and* traditional options.

For proof look no further than the Cell C customer who went public with complaints about service levels. This provoked a huge response on social media, but the controversy was sparked by an old-fashioned banner at the side of the road.

We work with new platforms and established principles. To get the best out of them requires perspective. By going back to square one, that perspective becomes a lot clearer.

*Ivan Moroke is chairperson of the Brand Council South Africa and CEO of the marketing strategy consultancy Co-Currency.*

THE RESEARCH: TNS SOUTH AFRICA

## Methodological note

### METHODOLOGICAL APPROACH:

A consistent methodology that comprises two components:

- The brand's presence in the market.
- The concept of relative advantage (a brand's relative strength among its users and its relative attraction among non-users)

### DETERMINING RELATIVE ADVANTAGE:

- Brands used within a defined time period (this period differs per category).
- Brands with which people were familiar enough to rate on a 10-point scale.
- The actual rating of all those brands on a 10-point scale.

### AN INDEX SCORE IS GENERATED TAKING INTO CONSIDERATION:

- User and non-user ratings are always relative to others in the category.
- The non-user rating carries only half the weight of the user rating in the final calculation.

### WHAT DOES THE INDEX MEAN?

The brand's standing in both the marketplace and in people's heads. This standing is called brand equity, which, in line with TNS thinking, is a combination of power in the mind and power in the market, but always keeping in mind the attraction of competitors in the equation.

### HOW A BRAND CAN WIN:

- If it is big AND rated above average by both its users and its non-users.
- If it is truly big but perhaps only rated as average by its users and non-users.

- It is smaller but very well loved by its users and is strongly aspired to by its non-users.

### WHAT MAKES THIS APPROACH USEFUL?

- As most brands have a good sense of their relative size, this approach allows more useful marketing insights.
- A brand can assess by how much more – or less – its users rate it compared with the average.
- They can get an indication of the relative commitment or loyalty people have to a brand.
- By looking at non-user ratings, a brand can see its relative "pull" among non-users, giving an indication of its relative ability to attract new users.
- Comparing usership and ratings from both users and non-users tells marketers much about their relative power in the mind vs their power in the market.

### THE SAMPLE:

- The consumer sample is representative of all South African adults, 18 years and older.
- The total sample for 2015 comprises 2 500 interviews in metro SA and 993 interviews in non-metro areas of SA.
- The final results are weighted to represent the population, according to StatsSA 2014 mid-year population estimates.
- It is a relatively large sample in consumer research terms.
- Interviews were conducted in home, face-to-face.
- The business sample consists of 300 C-level business decision-makers (CEOs, CFOs, COOs) from organisations of all sizes.
- These interviews were conducted telephonically, using TNS's call centre.

BUDGET AND GO BECAUSE...

**MOST OF SA THINKS YOU SHOULD!**

Because we're Budget, we don't believe in grand statements and excessive showiness when a simple thanks will do. So "thanks" for voting for us in the 2015 Sunday Times Top Brands Awards. We really appreciate it.

Book now on [budget.co.za](http://budget.co.za) or call 086 101 6622

**Sunday Times**  
**TOPBRANDS**

**Budget**

YOU VOTED AND  
CHOSE US AS YOUR  
FAVOURITE  
PETROL BRAND.  
KNOWING THAT WE'VE  
COME OUT ON TOP  
FOR THE 5<sup>TH</sup> YEAR IN A ROW  
INSPIRES US TO KEEP  
PUTTING YOU FIRST.

With us you are Number One



# Brands of the century

South Africans put their trust in homegrown products – for the best part of 100 years



OVERALL FAVOURITE BRAND

**KOO** gets the thumbs-up  
for sealed-in freshness

LINDA DOKE

**H**eritage brands are the cornerstone of any country's consumer marketing, and in South Africa KOO tops the list. It's not only much-loved for the products themselves, but has a place in the hearts of South Africans as a homegrown, local brand.

Pipping global giant Coca-Cola this year to achieve the Top Brands Grand Prix Overall Favourite Brand, KOO has scooped the double win of also being the country's favourite tinned food for the second consecutive year.

The heritage theme runs deep at KOO – not only has the brand been around for three-quarters of a century, but, as the Tiger Brands team proudly states, its roots lie in every South African's ability to "make a plan" in times of hardship. The story dates back to the late 1930s, when South Africa was still reeling from the economic repercussions of the Great Depression, and a group of peach farmers, struggling with the dismal price of peaches, joined forces to survive economically. Together they formed a single entity known as the Ko-operasie, and gathered sufficient capital to build a peach-canning plant.

The canning process enabled the farmers to provide consumers with a guarantee of sealed-in freshness that

could be enjoyed all year round, with stable pricing, the off-take of which enabled the Ko-operasie's expansion, including feeding thousands of Allied troops during World War II.

"The message of sealed-in freshness still resonates with consumers today. People can confidently know the peaches are packed straight from the farm to the can," says KOO marketing manager Lee-Anne Govender.

And it's this legacy of goodness and quality that sparks such an emotional connection between South Africans and KOO, with the brand's tag line being "only the best will do".

"KOO consumers know they're getting the best ingredients. But with that comes the warm feeling they get from the brand – at some time or other every family has shared an occasion with KOO around the dinner table, be it to celebrate, commemorate or simply enjoy being together. For 75 years we've been a part of South African society, at birthdays, funerals, parties, holidays, dinners and dessert indulgences. It's those family peaches-and-cream memories that makes the emotional connection with KOO," says Govender.

And it is indeed that emotive association that's all-valuable for a brand. The fact that KOO cuts across all ages and all income levels counts for a lot.

As the biggest name in the Tiger Brands stable, the KOO label boasts an offering of more than 100 different products, including the iconic baked beans, canned fruit, an array of vegetables, pickles, beetroot, samp and beans, spaghetti and other meals.

Research conducted by Tiger Brands shows KOO baked beans ranks top of the list of loved products, closely followed by the brand's vegetable range (creamed sweetcorn, curried vegetables and peas), and then the legacy stalwart, sliced peaches.

*The fact that KOO  
cuts across all ages  
and all income levels  
counts for a lot*

As any marketing guru will agree, there can be no room for complacency, even when a brand is at the top of its game. Constant monitoring of consumer needs is critical, with action taken to keep the brand well aligned with economic and market trends.

"The consumer is all-important – there is nothing we do without the consumer in mind. Our marketing campaigns need to keep the brand relevant across the board, without alienating any segment of our target market," says Govender.

In an effort to keep the brand alive and growing, the current marketing team has tweaked the KOO message from one that focused on the mother of the household to one that's more inclusive – covering student to pensioner.

"Our consumers' stories remain at the heart of the KOO message, with focus on dialogue rather than a one-day monologue."

To celebrate KOO's 75th anniversary, the brand has been relaunched with a 360-degree makeover – new packaging that uses texture and high-quality visuals to reflect the KOO story and the brand's premium quality, and a digital platform that has been completely refreshed, giving a dynamic feel to the website, with a wide selection of recipes, all linked to various social platforms to engage consumers and encourage dialogue. The recipes demonstrate the versatility of the KOO range across all meal occasions, and include topical issues such as tips for student meals, gluten-free dishes and what meals to prepare during load-shedding.

"As an intrinsic part of South Africa, KOO has been part of great memories and looks forward to 75 years of even greater things to come as South Africa's trusted partner," says Govender.

**Proudly Great South African Chicken**  
Every Day, *as voted by you!*



**County Fair**



www.astralpoultry.com Johannesburg 011 206 0600 Cape Town 021 505 8000

# It just takes the bacon

98  
YEARS

*Eskort is SA's best-loved pork banger*

LINDA DOKE

For 98 years the delicious smoky smell of bacon sizzling at breakfast-time has wafted through homes, eateries and camping sites across South Africa. Ninety-eight years ago a group of pig farmers established the Farmer's Co-operative Bacon Factory on the banks of the Bushman's River in Estcourt, KwaZulu-Natal. The bacon-curing factory was officially opened in 1918 by General Louis Botha.

The product was a massive hit from the start, and Messrs Thrupps and Co of Johannesburg became one of the first large clients selling the co-operative's bacon. It was on the strength of bacon's mouthwatering taste that, in 1920, South Africa's oldest bacon brand launched the country's most-loved pork sausages: Eskort Gold Medal pork sausages.

And so was born one of South Africa's best-loved heritage brands. The traditional English-style pork sausage became enormously popular, and during World War II more than one million tons of the product were supplied to the Allied forces around the world.

Almost a century later, Eskort Gold Medal pork sausage has won numerous awards, and ranks as South Africa's favourite banger. Now, for the first time in the 17-year history of the *Sunday Times* Top Brands survey, Eskort rates among the top 10 of South Africa's favourite brands.

Today, together with its Wiltshire cured and wood-smoked bacon and Gold Medal pork sausages, Eskort produces a premium select range of gammons, spare ribs, bacon cherry sticks, kassler rolls, pork chops, smoked eisbein, rib burgers, marinated ribs, pulled pork and frikkadels, and employs more than 1 000 people in the two operating units.

"Offering a range of quality products has long been our core business and the cornerstone of Eskort's philosophy – we're careful not to stray from that. Our strategy is to ensure a range of products suitable for any eating occasion," explains Eskort marketing and sales director Martin Lancefield.

"Eskort's pay-off line is 'Life's Delicious', and we're obsessed by making sure the consumer has varied and appealing options of how to cook and eat pork products."



Pic: ThinkStock.com

But it's never a smooth ride being king of the pork game. Reputation alone is no guarantee to ongoing success, and effective managing of stock levels at all distribution points remains a constant challenge.

The market is extremely competitive, and being reliant on a live, raw material presents regular obstacles. Being an agriculture-based industry, there's the inevitable juggling of supply and demand, hampered from time to time by pig shortages and surpluses.

Rather than farming its own pigs, Eskort has a select number of farmer suppliers, some of whom have been supplying Eskort for more than seven decades.

"Our requirements, particularly on

the quality side, are strict. Suppliers have to comply with certain health and hygiene protocols stipulated by the South African Pork Producers Organisation (SAPPO). The farms are audited independently by vets twice a year, to ensure they're compliant, and we ensure that, from an animal-welfare and best-farming-practices perspective, the farms not only keep their standards to the very highest level, but align themselves to the quality we apply to our production units," says Lancefield.

Providing what the market wants is equally important for the brand. Lancefield says Eskort makes a lot of effort to communicate with the consumer, creating a two-way relationship with interaction and feedback.

GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND



# Get more bank. Do more business.

Transact | Lend | Invest | Insure

SEARCH



FNB Business

**FNB**  
First National Bank

Terms, conditions and qualifying criteria apply.  
First National Bank – a division of FirstRand Bank Limited. An Authorised Financial Services and Credit Provider (NCRCP20).

how can we help you?



zoom-zoom  
zoom-zoom

**WE WERE VOTED  
ONE OF THE TOP 10  
CAR BRANDS IN SA.**

SIYABONGA. DANKIE. ARIGATOU.



Mazda was reintroduced into the South African market in October 2014.  
We are grateful that our spirit of defying convention is continuing  
to win the hearts of many South Africans.

**THE IMPOSSIBLE MADE POSSIBLE.**

mazda.co.za    

*Castle has been tapping into the psyche of the nation for over a century*

ALF JAMES

**T**he strength of the Castle brand among beers is reflected in Castle Lite and Castle Lager placing first and third in the beer category respectively, with Heineken between them in second place.

American musician, songwriter, composer, and record and film producer Frank Zappa once said: "You can't be a real country unless you have a beer and an airline. It helps to have some kind of a football team or nuclear weapons, but at the very least you need a beer."

If Zappa's assertion is accurate, the measure of South Africa's status as a nation comes by virtue of the Castle brand, which Nic Scheijde, general manager of Castle Lager, says is part of the fabric of South African life. As one of the biggest beer brands in the South African market, Castle Lager has almost 100% awareness among South Africans over the age of 18, Scheijde says.

"Castle Lager is a big brand with broad appeal across cultures and races within South Africa, so a lot of effort goes into ensuring that the brand resonates with most South Africans. Everything from our theme TV commercials to packaging and our sponsorship properties are leveraged in a way that ensures that the brand resonates with our consumers in a relevant way."

"Castle Lager is the beer that brings all South African friends together behind the things they love and enjoy, from soccer to braai, rugby, cricket and brand social responsibility. Our experience has shown that these are big passion points

that most of our consumers find very appealing."

He adds: "Castle has stood the test of time like no other beer brand in South Africa; its homegrown ingredients satisfy a South African thirst like no other and no other beer brand in South Africa can bring the 'boys' together behind the things they love most than Castle can. Sunny skies, great mates, the smell of worts thick in the air and Bafana Bafana scoring the winning goal in extra time – it truly does all come together with a Castle!"

Castle Lager was first brewed by founder brewer Charles Glass in 1884, to "specifically quench a uniquely South African thirst".

"The dark European ales of the time were not suited for the warm South African climate on the Reef, resulting in the unique taste of Castle Lager becoming an instant hit with many miners and other South Africans at the time," says Scheijde.

He contends that quality is critical to the success of Castle Lager. The brand has always been positioned around its uniquely balanced taste, with pay-off lines such as "Somewhat dry, somewhat bitter, never sweet" and "The taste that stood the test of time".

Castle Lager won its first award for quality and taste at the 1907 Rand Show, walking away with a gold medal and beginning a tradition of winning awards, which continues today. Other

# Welcome to our world

120  
YEARS

Sunday Times  
TOP BRANDS  
2015

NIC SCHEIJDE



recognitions include the prestigious Burton-Upon-Trend award and a gold medal in the Australian International Beer Awards (AIBA) in 1997.

According to Scheijde, 2009 was a critical turnaround point for Castle Lager, especially in the lead-up to the 2010 Soccer World Cup in South Africa. The brand had undergone a slight adjustment in positioning from "South Africa's Finest" to "It all comes together with a Castle".

"With the 2010 FIFA World Cup approaching, the brand was set to play host to millions of local and international soccer supporters who would no doubt be looking for refreshment in pubs and taverns around the country. The highly successful 'Bula Boot' TV commercial was developed, which literally welcomed the world to South Africa," he says.

"This was further supported by the successful activation of the 'Superfan' concept, which was brought to life with in the Bafana Bafana sponsorship."

"The entire 2010 Soccer World Cup campaign resonated really well with our broad base of consumers, and started a period of sustained volume growth for the brand."

Scheijde mentions that Castle Lager's growth and success over the years have also been fuelled by sponsorships. Castle has been a benefactor of sponsorship in South Africa for more than 55 years, and over the past 22 years has been behind the three national sporting codes of football, cricket and rugby. Its current sponsorship properties include team sponsor of the Proteas, event sponsor of the Springboks, and premier sponsor of Bafana Bafana.

May 2015 saw the brand celebrate its 120-year milestone. In celebration of this, it launched the Big 120 promo that saw loyal Castle Lager drinkers win prizes, all with a uniquely South African twist. As 2015 is also a Rugby World Cup year, Scheijde says the brand will launch a massive national promotion aimed at uniting South African friends behind the Springbok team.

"Castle Lager's success has been sustained by the brand's ability to successfully tap into the psyche of the nation in a relevant way, whether it is welcoming the world to South Africa (2010), welcoming Africa to South Africa (AFCON 2013) or hosting the biggest braai in the world (September 2013).

"All of these campaigns talk to passion points that resonate very strongly with South Africans from all walks of life," he adds.



Discovery  
Health Medical Scheme

Thank you for showing us such love.

Thank you for voting us South Africa's Best Medical Aid in the 2015 Top Brand Survey. And thank you to the millions of members that trust us with their healthcare needs every day.

 www.discovery.co.za

Discovery Health Medical Scheme; Registration number 1125.

+27\_TB\_DIS073



# SA'S LEADING LONG TERM INSURER

Your financial wellbeing is our **Number 1 priority**. For 12 years in a row we've been voted the **Number 1 brand** in the Long Term Insurance 'Business to Consumer' category.

Coincidence? We don't think so.

**That's why your financial wellbeing will continue to be our Number 1 priority.**

Old Mutual was also ranked Number 2 in the 'Business to Business' category and Number 3 in the 'Investment' category.

**[www.oldmutual.co.za/awards](http://www.oldmutual.co.za/awards)**

orims 08.2015 18340



DO GREAT THINGS



**OLDMUTUAL**

RODNEY WEIDEMANN

Going green has never been more important. After all, every day we hear new clarification calls for us to do more about climate change, to be more sustainable and to take better care of Mother Earth. While individuals can all play their part in being environmentally conscious, it should be obvious that the real impact will only come when the big corporations are seen to be playing the same game.

So if you were looking for effective examples of environmentally friendly approaches to business, whom should you call? Look no further than our own telecoms providers. Although these entities have a relatively small footprint compared to some other industries, players such as Vodacom, MTN and Telkom are all knuckling down and doing their bit to be environmentally friendly.

Vodacom, for instance, not only closely manages its own environmental footprint, but also does everything in its power to reduce its impact on the environment. Suraya Hamdulay, executive head: Group Sustainability, says this is achieved by reducing energy consumption, water, and by proactively taking steps to do things in a more environmentally conscious manner. "In addition, our technology has the potential to help customers to reduce their footprints too, through innovative solutions and apps that can help them manage their environmental impacts," she states.

Some examples of the company's environmental initiatives include the deploying of solar panels on its Century City building, resulting in 90% of the building's energy needs coming from the sun. "We have also deployed solar

# Call of the environment

*South Africa's telcos are leading the way in green business strategies*

panels on off-grid sites that do not have access to electricity, make use of hybrid fuel cells as an alternative to diesel generators in areas of the network that are more feasible, deploy recycled plastic bags in our various stores, and always dispose of our e-waste responsibly," adds Hamdulay.

Telkom, meanwhile, has chosen to focus on three particular areas. The first is clean energy, since Telkom acknowledges the negative long-term impact of carbon emissions.

"We have developed our own gas tri-generation technology and photovoltaic systems at our head office campus in Centurion (Telkom Park)," says Jacqui O'Sullivan, Telkom's managing executive for Group Communication. This energy plant is expected to allow the campus, which incorporates four independent buildings and approximately 4 000 employees, an opportunity to function independently of the Eskom national grid, while generating 7MW of off-grid electricity.

Secondly, Telkom focuses on fuel consumption reduction, implementing the latest vehicle technology on all technical vehicles, aimed at reducing fuel consumption, idling and maintenance. Furthermore, the conversion from petrol to diesel vehicles only is currently in progress.

"Finally, there is our commitment to

THE GREEN AWARD

biodiversity conservation. Among these projects are the management of red-billed buffalo weaver occupancy on mast infrastructure in the Mpumalanga area; the prevention of blue crane collisions on telephone routes in the Free State; the successful relocation of Angolan free-tailed bats from Telkom network facilities in Mpumalanga; and the rescue and relocation of black eagle chicks from towers in the Northern Cape."

MTN, for its part, has undertaken a number of initiatives to lessen its carbon footprint. The company has built a 2MW tri-generation plant at its head of-

fice in Fairlands, Johannesburg, which uses methane gas to power its facilities, investing R28 million in a project which is the first of its kind in Africa.

"MTN has also partnered with local and German companies and institutions to design and install an environmentally friendly and solar-driven cooling solution for the data centre. This solution uses heat generated from the sun, replacing electricity as the driving energy source," according to Larry Annetts, MTN sales and marketing executive.

It is clear that South Africa's telcos understand the importance of being "green", which is why they have adopted a strategy that is underpinned by sustainable ethos and good corporate citizenship.

Or as Annetts puts it: "We believe that a good return on investment and sustainability are not mutually exclusive – sustainability makes commercial sense."

## WHAT OTHERS ARE DOING

### ESKOM:

- Large-scale renewable energy project, the 100MW Sere wind facility, near Vredendal in the Western Cape.
- Constructed pilot solar photovoltaic plants for its own consumption at Kendal and Lethabo power stations.
- Developing a diversified energy mix, including wind, solar, hydro, pumped storage schemes, a nuclear power station and coal-fired power stations.

### COCA-COLA:

- Implemented a number of projects to reduce water use, recycle water in its plant operations and replenish communities where it operates.
- Working to prevent all forms of waste over the life of its packaging.
- Working to use the best possible mix of energy sources, while improving the energy efficiency of its manufacturing and distribution processes.

COMMENT

# Are we living in cloud cuckoo land?

*Alarm bells should be ringing – not least of which around Brand South Africa, writes Jeremy Sampson*

Someone to whom I gave her first job in marketing and branding based her MBA thesis at USB on the book *Alice in Wonderland*. Going on to become one of SA's top marketers on the world stage, I wonder how she feels about business today.

The Mad Hatter's Tea Party is in full swing. So many things in politics, labour and business are going on that beggar belief. Internationally people look at South Africa and say: surely that cannot be happening. Why do we have the secretary-general of a political party lecturing the Springbok rugby coach on how to do his job?

In what has been termed by brand consultancy Interbrand "The Age of You", we all have an opinion; not all opinions may be relevant. Clint Eastwood has a pithy view on opinions.

Recent M&A activity saw a 75-year-old Brazilian living in Switzerland, Jorge Paulo Lemann, and an 84-year-old American, Warren Buffett, stitching together two household names with a trolley full of brands Heinz and Kraft, a deal worth around \$100 billion; the world's second-largest oil and gas company, Shell, has just laid out nearly \$70 billion to acquire BG, taking advantage of the depressed price of oil stocks but still paying a 50% premium; and General Electric is to refocus on its industrial roots, selling off its financial arm, GE Capital, a company that represented three-quarters of its capital assets. We know that brands are often the major assets of companies, can be bought and sold, can generate huge premiums, create jobs, ensure consistency through building a loyal consumer base, don't we?

Obviously not. Last month a local think tank launched a book focusing on the workings of South Africa, with

great fanfare, at business schools and universities around the land. While very learned and heavily endorsed, it claims to plot the way to growth and job creation. Yet it totally ignores the impact brands and marketing can make on a country and its economy, an impact relating to revenues, taxes, jobs and national pride.

Consider Nokia, only a decade ago the leading mobile phone global brand, the pride and joy of Finland: today a subsidiary of Microsoft, no longer in production, the over-20 000 jobs they provided at the beginning of the century in Finland alone now number under 1 000. And then we have BlackBerry in Canada and HTC in Taiwan, both brands on death row.

In a recent McKinsey Quarterly, the American consultancy argues that we are entering "The dawn of marketing's new golden age", as with the greater adoption of technology, "marketers are boosting their precision, broadening their scope, moving more quickly and telling better stories". There is a need for the greater use of analytics. It is acknowledged that a positive reputation, strong energetic brands and a marketing effort in sync with the business plan are all critical levers in building top-line growth and shareholder value.

Another thought: globally, on average, the market capitalisation of companies is made up of one-third tangible assets, one-third brand value and one-third other intangible assets such as patents, copyrights etc, figures established by US banking giant JP Morgan over a decade ago, and confirmed by others. Figures will vary according to market sector, but we know that, with IT sector-related companies, invariably the tangible percentage is much lower than one-third.

Arguably, therefore, only one-third of the total value of the JSE is of tangible value. People can squabble and

write copious op-eds about the BEE component at the JSE, totally ignoring the sum of the parts, and the real drivers of value, the intangible. All the more surprising that many companies have little or no idea of the value and potential value of their IP. Worse, some don't seem to understand the concept.

In most countries, their economy is a major priority, as it should be. In the UK it is estimated by consultancy BrandFinance that 64% of the total value of listed companies is intangible, ranking the UK 8th out of the World's Most Intangible Economies Index. To drive up shareholder value, it therefore becomes a priority to focus on the intangible element (reputation, brands, patents and other intellectual property).

The other weekend saw the annual adfest known as the Loeries, where the average age of those joining the fun was 35 going on 25. Interesting, then, to note that the combined age of the three males heading up the three biggest groups in the world – WPP, Omnicom and Publicis – is nearly 69.

Talking of age, it is fascinating how many people of considerable influence are over the age of 60, even 70, yet 60 remains the mandatory age of retirement in many companies. A good friend who has been a top marketer for top companies for many years has just reached that point in his career.

To be sure, there are some just marking time until they are retired, but that figure is decreasing as we live longer. 70 is the new 50. Remember the words of Dr Anton Rupert, to many the father of branding in South Africa: "It takes 10 years to become a good financial expert, 20 years to become a good engineer, but an entire lifetime to become a brand expert – and when such experts finally understand... they retire and their expertise is lost."

Then we have the anti-branders and those in government who seem to think

business is a charity, there for their benefit: providing jobs, sweetheart deals for minority shareholders, hand-outs for junkets, all to curry favour. A national plan not activated. Legislation not enforced. Now the idea is to promulgate yet more legislation, firstly banning alcohol advertising and, secondly, introducing plain packaging for tobacco.

Has no one spelt out the law of unintended consequences? They have – oh well, that means no one is listening! Just some of those consequences: destroying intellectual property worth millions of rands and driving it offshore, playing into the hands of the fakesters, counterfeiters and smugglers, and destroying private-sector jobs, when the No 1 objective should be to create them.

Lastly, we come to Brand South Africa. Locally the international ratings agencies have reduced much of South Africa to junk status, yet the government does nothing to change this perception – if anything, adding fuel to the fire. Eskom can't keep the lights on. The South African economy is now classified as one of the "Fragile Five".

Alarm bells should be ringing. The rand is in dramatic decline, making all of the items we have to import to stay relevant that much more expensive. This, of course, provides mouthwatering opportunities to global giants looking to expand into Africa. The main deterrent to inward investment and job creation is a ruling government that bumbles along, in another world.

However, we have an organisation named Brand SA, with a budget of R173 million, employing 57 people, whose first job, I would suggest, is to persuade its bosses to be brand ambassadors and not brand saboteurs. A copy of *Alice in Wonderland* to all members of the cabinet.

# Learn to say it (wah-way)

GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND

RODNEY WEIDEMANN

**H**uawei Technologies may be an easily recognisable name in certain sectors, with the company having established a strong following in markets such as China, but the brand's popularity has been growing slowly in Africa.

Now this is set to change with the announcement earlier this year that Huawei Technologies' Europe, Middle East and Africa (EMEA) region has become the second-highest contributor to the company's overall revenue. EMEA contributed 35% to the company's overall revenue in the 2014 financial year, and in African terms, South Africa is the single largest part of Huawei's African market business, contributing close to 50% of the total business revenue.

The South African market is certainly an important one within Huawei's global network, according to Hawa Hyatt, ESA marketing director for Huawei Consumer Business Group. Hyatt says this should be evident in all of the marketing efforts that have recently been put into getting the overall Huawei brand "out there", both from a local and a global point of view.

"In doing this, we have adopted a multichannel approach, choosing not to focus on only one specific medium as the best way to get our message out into the market. We believe the best approach is to use as many channels as possible, although this must obviously be done in a calculated and

## Huawei goes all out to Make it Possible in SA

measured way," she says.

To this end, Hyatt suggests that Huawei is using a focused and integrated communication approach to effectively deliver the brand's message.

"This has clearly been successful; a recent consumer survey report from IPSOS, which covered 32 countries, found that Huawei's brand awareness in South Africa rose from 26% in 2013 to 84% in 2014. Clearly this demonstrates massive growth in recognition in a short space of time. The simple fact that the Huawei brand is recognised by nearly two-thirds of the respondents in South Africa is not only a great achievement for us, but also true testimony to our marketing objectives."

To build on this recent success, Huawei realises that it must pay close attention to new methods of communicating to the market, as branding and brand strategies are constantly evolving. "For this reason, social media plays a vital role for us, as it does for all kinds of different brands. If used correctly and effectively, social media can lead to the growth of a brand both from an awareness and sales point of view. It's very important to be able to interact with the daily consumer in a timely and appropriate manner. Social media offers that and a lot more," adds Hyatt.

One of the best – and most rapid – ways to build brand recognition in sports-mad South Africa, of course, is



HAWA HYATT

to get involved in some form of sports sponsorship. Huawei has been quick to recognise this fact, and there can be little doubt the company's move into this field has played a role in its improved public recognition in this year's survey.

Hyatt says one of the key aspects of the company's branding is the concept of "moments of celebration".

"Sport offers Huawei the perfect opportunity to realise this with our consumers, and is one of the key reasons we now sponsor local PSL team Ajax Cape Town." Ajax Cape Town's image is that of a young, dynamic team that challenges the status quo and fearlessly tackles obstacles. This is perfectly aligned with Huawei's own core brand values.

"The investment in young players and a desire to establish strong role models in the local communities are also values that we appreciate and

pursue. Thus we believe we have the perfect partner to demonstrate the Huawei 'Make it Possible' slogan."

Recently, the organisation chose to diversify and add to its existing sports marketing portfolio – and it didn't think small in this respect either. The company has chosen to align itself with the country's big five rugby unions – the Emirates Lions, Vodacom Bulls, DHL Western Province, Cell C Sharks and Toyota Cheetahs – becoming their official smartphone, tablet and talkband supplier.

"We believe that this partnership we allow us to showcase Huawei's latest technology, which will assist the players in tracking and monitoring their performances. Not only does this sponsorship assist the players with their on-field performances, but it also highlights the increasing role that technology plays in the lives of sports stars and their supporters."

Hyatt points out that, ultimately, all of the company's sponsorship considerations tie in with its consumers and their lifestyles.

"We aim to build our brand portfolio across fashion, music, entertainment, sport and technology. Specifically within the technology sector, we also sponsor the *Techbusters* show on CNBC Africa. In addition, we have the Huawei Culture Club, which has hosted some of the biggest music events and festivals this year, so we are highly focused on building our brand through a multitude of different sponsorships outside of the sports arena as well," she concludes.



**TOYOTA**

LEAD THE WAY

FREEDOM  
NEVER LOOKED  
THIS GOOD

**FORTUNER**

#TellBetterStories

100178351B/FCBJHB/E

2.5 D-4D Raised Body – Manual or Auto, 3.0 D-4D Raised Body – Manual or Auto, 3.0 D-4D 4x4 – Manual or Auto, 4.0 V6 Raised Body – Auto, 4.0 V6 4x4 – Auto. Go to [www.toyota.co.za](http://www.toyota.co.za) for more details.

\*Leather available on request on the 2.5 D-4D Raised Body models.

**FORTUNER**

**A**von is one of those brands you have probably heard of but never used; you have a vague idea of what it does but have had little or no contact with it – and have little appreciation of its scale.

Delving into my library – or was it Google – I find out about a young American lad trying to eke out a living selling books door-to-door in the grimy, unforgiving streets of Manhattan in the mid-1880s. As many of those who opened the door to him were ladies, and business was slow, he came up with the idea of giving away small phials of perfume as an incentive to his prospective buyers. Soon he had given up the books as demand for his modest fragrances grew.

The young lad was David H McConnell, and the grandly named California Perfume Company was born. He had started a business of selling direct to people's homes, so creating personal contact with his consumer. Soon ladies were employed to go door-to-door, as business grew. Unusually in those days, he was starting to provide the chance of financial independence for women. We would call it "empowerment" today. And another innovation, unheard of in those days, was a pledge: if you were not satisfied with your purchase, monies would be refunded.

The rest is history.

The company moved out of Manhattan to Suffern in New York State in the mid-1930s as the US emerged from the Great Depression. Product ranges were developed across the cosmetics and perfumes categories, and one of the most successful ranges, Avon, became the corporate brand.

Avon is one of those US brands that makes up over half of the Interbrand Best 100 Global Brands by value, hovering around the 100 mark alongside other iconic brands such as Ralph Lauren, Kleenex and Jack Daniel's. Its value in 2013 was \$4 610 million, or in today's money, over R50 billion. That's a lot of lipstick.

#### **The business model of direct selling: how does that work?**

Simply put, direct selling is the marketing and selling of products directly to consumers by independent sales representatives without using a fixed retail location. This includes sales made through party planning, one-on-one demonstrations and other personal contact arrangements. Direct selling is a multi-level marketing approach which should not be confused with a pyramid scheme.

Globally, direct selling provides an income to nearly 100 million people, whose sales were over \$182 million in 2014.

In South Africa, the direct-selling industry provides an earning opportunity to some 1.2 million people (79% of whom are women), in a country that is faced with challenges such as high unemployment, gaps in skills development, gender inequality and poverty, as well as income disparities.

#### **Give us a sense of the scale of your business in South Africa, and the global group.**

Due to the fact that Avon Products Inc is listed on the New York Stock Exchange, we can only give global figures on our representatives and consultants.

Avon employs approximately 36 000 people across its markets, with approximately 650 permanent staff in South Africa. More significantly, we have approximately 6 million independent representatives worldwide, mostly women, who not only make an income through our earning opportunity, but also enable us to empower millions more women globally by raising funds for our breast cancer education and awareness programme, as well as a campaign to ensure a significant reduction in violence against women across the markets we operate in, including South Africa.

# One Avon lipstick sold every four seconds

*Mafahle Maraletse, who heads up Avon in South Africa, talks to Jeremy Sampson about the global and local scale of the business – and the significant contribution Avon makes to South African society*



#### **What would be the average profile of a representative?**

Our business in South Africa comprises two strong brands in Avon and Justine.

Research available in the public domain indicates that Avon has 90% brand recognition across the world, and we have seen a similar trend in South Africa. Our Avon independent representatives are from all social economic classes, owing mainly to the variety and quality of our products. After interviewing over 300 independent Avon representatives, a 2012 Oxford University study concluded the following:

- Independent representatives with 16 months or more in the system earned enough to cover a typical household's expenditure for food, non-alcoholic beverages, clothing, shoes and healthcare.
- The representatives' income placed them in the top half of black females in their community and brought them in line with what a black South African man earns.
- 75% of the representatives reported that Avon had helped them to achieve financial autonomy, and nearly 90% said they had learned skills from Avon that could be transferred into other employment.

#### **The Avon model seems particularly relevant in South Africa – and perhaps other emerging countries. To what do you ascribe this?**

Poverty and unemployment are some of the major challenges facing our country. The Avon earning opportunity can provide a sustainable income with significantly lower barriers to entry.

Pieter Steenkamp, an academic at the Cape Peninsula University of Technology, believes direct selling is the key to solving the unemployment problem in South Africa. Citing Avon as an example, he argues that network marketing, or direct selling, is a proven solution to the rising unemployment and

persistent poverty the country is faced with. Steenkamp observes that most people are forced into entrepreneurship as a means to survive, and, while franchises offer an excellent earning opportunity for such people, they are expensive and not easy to obtain. Direct selling, in comparison, offers no such barriers, with most requiring a nominal start-up fee, while also offering free training. Avon's sign-up fee, for example, is only R85.

The DSA recently announced that the industry grew by over 5% in the past year. In the same report, the organisation indicated that there were at least 1.2 million independent resellers in South Africa who shared earnings of over R4.3 billion in 2014, which not only demonstrates our relevance in this market, but alludes to the need for direct-selling companies such as Avon in many other African markets.

#### **What are your main product areas?**

Our products are developed at a state-of-the-art research facility in New York. We have a very diverse range of quality products in every category, with a strong innovation pipeline. Our categories range from fragrance, skincare, colour and haircare to personal care, fashion and home, as well as jewellery and accessories. Within each of these categories we have different brands at different price points, catering for all South African consumers.

#### **Has this changed much over the last few years, and how do you adjust to changing styles, fashions, age groups and local culture?**

Our product range is constantly evolving to satisfy the widest range of consumers possible. Our marketing team is always in tune with current and future trends, in order to ensure our products are perfectly aligned to our customer's changing needs.

So we have a very good balance in our range of products for all South African consumers.

#### **Is there still a 'lipstick barometer' or equivalent, and what do you see as the next big thing?**

We are not in a position to comment on the lipstick or foundation barometer, but we are very proud of the fact that during hard times and even in good times, we are able to empower women through our products. An Avon lipstick is sold every four seconds, with one in every five women buying Avon products.

#### **As you say 'Avon: the company for women'. Is that still relevant today?**

Yes, without a doubt. In 1886, Avon gave women the opportunity to make a living before they had the right to vote in the US. Today in South Africa, 79% of our industry is still made up of women. Our local staff complement has a similar breakdown.

When you look at poverty, unemployment and education in South Africa, you see that women are most marginalised. Yet research indicates that when you empower a woman, you are likely empowering a family. And we firmly believe that if we arm any woman with the right lipstick, she can conquer the world. So when we empower one woman, this touches the lives of many more people. This was again highlighted in the 2012 Oxford University study by Prof Linda Scott.

This is very much in line with our mission statement, Beauty for a Purpose. Beauty for a Purpose is Avon's global brand statement focused on the company's commitment to empowering independent Avon representatives and women around the world through beauty and financial independence. Beauty for a Purpose provides a framework for the company to champion three defining areas: Avon's beauty products of demonstrable quality and value; Avon's earning opportunity, which allows millions of women around the world to build self-reliance and a better life for themselves and their families; and empowering women through corporate social responsibility.

In South Africa, Avon Justine's corporate social responsibility programme is focused on helping to end violence against women, as well as breast cancer education and awareness.

#### **Avon is very active in local society.**

Globally, Avon is the largest philanthropic supporter of women's causes, with over \$950 million being raised and donated to strategic NGO partners. Our local corporate social responsibility strategy also focuses on issues affecting women most.

Our main programme is aimed at significantly reducing gender-based violence in South Africa. We work with seven NGO partners: People Opposing Women Abuse (POWA) in Gauteng, the Saartjie Baartman Centre for Women & Children in the Western Cape, Yokhuselo Haven in the Eastern Cape, as well as the Transform Education About Rape And Sexual abuse (TEARS) Foundation, Empowering People In Crisis (EPIC) Foundation, the WHEAT Trust and Women Against Rape Everyone Against Rape (WARear), which all have nationwide reach. We support these organisations through monetary and product contributions that help to run their shelters and programmes more effectively, while also assisting as many women as possible in the process. With the TEARS Foundation, for example, we have funded an SMS-based database, a first in the country, that enables women to get immediate assistance anywhere and at any time by dialling \*134\*7355# from any mobile phone.

In July we held the 4th annual Avon Light Up to Speak Out candle-lighting ceremony in Soweto to raise funds for POWA and to mobilise the community against gender-based violence. Over 700 attended, with our NGO partners available for them to engage with and receive help from.

Also in July, Avon and Vital Voices held a media breakfast to launch the Justice Institute for Gender Based Violence in South Africa. The Justice Institute represents one component of an initiative launched in March 2014 by the Global Partnership to End Violence Against Women, a collaboration between Vital Voices, the Avon Foundation for Women, and the US Department of State. This initiative also includes special funding for victims of extreme forms of gender-based violence through the Gender-Based Violence Emergency Response and Protection Initiative. Vital Voices spent a week with a number of South African NGOs, providing multidisciplinary training on effectively partnering up with the police, understanding the justice system, knowing the law as well as government service, and working with other NGOs.

We also have the iThemba Crusade of Hope breast cancer education and awareness programme, through which we have raised and donated over R18 million towards several NGO partners, including the Breast Health Foundation/Bosom Buddies, Look Good...Feel Better (LGFB), Cancer Association of South Africa (CANSA) and, more recently, the Childhood Cancer Foundation (CHOC), Reach4Recovery and Campaigning for Cancer. A large part of this programme is the Avon Justine iThemba Walkathon, which the company hosts during Breast Cancer Month every year. In 2014 over 21 500 people participated, making it the largest single-day breast cancer awareness event in South Africa, and also among Avon's markets at the time.

**On a personal note, what is your background and what is the major thing you would like to achieve at Avon?**

Five months ago I joined Avon Justine

and embarked on a journey. What I didn't realise then was that beauty was the journey, empowerment the destination. It is truly an honour and a privilege for us at Avon Justine to be able to get up each morning knowing that we are going to make a difference in a practical way and empower women.

To know that we give so many people the opportunity to change their lives. Meeting the women who sell our products, hearing their stories and knowing the impact we have made. Inspiring work. Empowering women. In essence, this is what we do, and we are genuinely proud that our work has a purpose, that we contribute, that we add value, that we are part of something bigger than ourselves. We believe in the beauty of possibilities, innovation and reinvention, and that our rewarding careers can transform lives. Beauty for a Purpose.

I want to make sure that we can empower many more women over the next few years!

Prior to joining Avon Justine, I was the group executive director at Food-Corp. I've also held leadership positions in a number of companies, including Duracell Eveready, the Airports Company of South Africa (ACSA) and Cell C. My first job was at a beauty company, so I feel as if I have come full circle at Avon Justine.

**Your favourite brand and why (other than Avon)?**

Outside of Avon Justine, my favourite brand is BMW. I love the driving experience, but I'm also a big fan of how the German brand balances luxury and performance in its cars.

**How about a free piece of beauty advice?**

The best beauty advice I can give is "live a healthy lifestyle".



Pic: ThinkStock.com



**Voted Top Electronic Goods and Business Cellphone Brand.**

Thank you South Africa for voting us No. 1 Electronic Goods Brand for the 5th consecutive year and No. 1 Business Cellphone Brand for the 2nd consecutive year.

We're especially proud when our technology makes more possible, by creating inspiring experiences.

Samsung - A way of life.



© www.samsung.com © 0860 726 7864

**SAMSUNG**

# Put a little sparkle in it

*It may not catch Coke, but Fanta makes a strong showing*



KATE SIDLEY

**T**ake a look around your regular South African Sunday braai and it would be unusual not to see a 2l Coke or Fanta on the table. Sweet sparkling cooldrinks are very much part of South African eating and entertaining, with Coca-Cola top of the list.

This year, Coca-Cola came second in the Overall Favourite Brands category, and once again topped the Soft Drinks category by a long way.

With a huge and diverse portfolio, Coca-Cola South Africa pretty much owns the sparkling soft drinks market. While its ratings have declined somewhat in this year's rankings, it's off a very high base (91.19 to 89.85). Given this dominance, it's not surprising to see so many of its brands in the top 10.

## Fizzy facts

- It would take you nine years to try every drink that the Coca-Cola owns internationally, if you drank one a day.
- Stoney Ginger Beer – a South African favourite – doesn't exist outside of Africa.

Fanta, in particular, has had a strong showing, moving from No 5 last year to No 2 in this year's rankings.

Globally, flavours are on the rise. According to Sandya Leckram, head of Sparkling Flavours, South Africans traditionally have a love for flavours. "Through consumer research, we know that Fanta's fruity flavour tastes of Orange, Pineapple and Grape are truly loved by all South Africans."

Fanta's through-the-line campaign includes TV, digital, OOH, experiential and sampling. "We launched our 'What's Your #FantaTastesLike' Campaign in Q2. Consumers were encouraged, through on-pack communication, to tell us what their Fanta tastes like. They engaged wholeheartedly, and sent through hundreds of thousands of expressions through various social platforms," says Leckram.

At the other end of the spectrum, the adult-focused Appletiser performed well. "The brand sits between carbonated drinks and fruit juices, and brings the categories together in a unique place, with premium appeal and an indulgence proposition," says marketing executive Andrea Shuttleworth.

The brand was well supported during the period with a new creative platform centred around the slogan Crown the Moment. Harking back to the brand's successful and long-running line "The Champagne of Fruit Juices", it emphasised the brand's suitability to celebrate special occasions, or to enjoy as a treat or a reward.

"What worked for the brand was having a clear creative platform and having everything aligned with that," says Shuttleworth. In addition to more traditional media, Appletiser pushed into the digital space, using augmented reality to create interactive 3D animated characters which customers could see and interact with using their smartphones. Another successful element was the on-pack Game of Crowns promotion, a loyalty campaign to encourage repeat purchase.

In 2014 Appletiser Colours added a twist to the ever-popular apple base by combining with strawberry and peach. These additions are in line with a worldwide trend towards more diverse "adult" fruit flavours in the juice and the sparkling categories.

Sparkling drinks remain hugely popular locally, and have the lion's share of the market. But they are starting to face competition, in particular from still drinks such as iced teas.

Fruit drinks are seen as a healthier, more "natural" alternative to soft drinks, and the category has shown a

4% increase this year. There is a wide diversity of offerings in this market category.

The sector is usually divided into ready-to-drink and non-ready-to-drink. In the former, you'll find a broad range of fruit-based drinks, ranging from the pure fruit juices to heavily sugared juices with a lower percentage of real fruit juice. There is usually a significant price premium for the pure fruit juices.

The 4% increase in the fruit-based drinks category has been largely driven by squashes, concentrates and syrups. This is a thriving sector in South Africa, with affordability being a big driver. Oros, historically a big name in this category, has jumped from fifth to third place, with usage up by 1%. Another mover and shaker in this category is Halls, with usage up by 2%, and high ratings from both users and non-users.

The top two remained unchanged from last year, with Clover Krush at No 1, followed by LiquiFruit.

## Sugar, sugar

Globally, health concerns around sugar and the obesity epidemic, as well as the effect on children's teeth, have led to the development of alternative sources of sweetness. However, artificial sweeteners are a source of concern for some consumers, so healthier, or more "natural", alternatives, such as stevia, are being sought.

Industry insiders say they are not seeing the same level of concern here in South Africa, where for most of the market, associations with sugar as a source of energy remain quite positive. Only at the very top end of the market are consumers looking for alternatives. "Lite" or sugar-free drinks make up a very small part of the local sparkling market.

## LOYALTY PROGRAMMES

# If you want loyalty, get a card

PUSELETSO MOMPEI

**I**n today's competitive market, you'd be hard-pressed to find a company without a loyalty programme, or at least toying with the idea of one. From the big banks to small coffee shops, businesses are trying to beat out their competition by offering perks that keep customers coming back. This is because loyal customers represent between 55% and 70% of most businesses' total sales, according to the Centre for Retail Management.

This year the two most-loved Consumer Loyalty contenders have kept a grip on their lead from last year, with Pick n Pay Smart Shopper holding first position and Clicks Club Card remaining in second spot. Launched in 2011, Smart Shopper, the country's first major grocery store loyalty programme, has kept strong momentum, with an estimated 10% of South Africans having a Smart Shopper card.

While the top two positions have remained stable, the rest of category has seen fierce competition, with FNB fighting its corner. The bank has made substantial gains within this category, occupying two spots in the Top 10. FNB Fuel rewards edged out Nedbank Greenbacks for fourth place and FNB Airtime rewards took seventh.

Jolandé Duvenage, CEO of eBucks Rewards, says there is growing evidence that savvy consumers are using their rewards to extend

## FNB customers are adapting their shopping and banking behaviour, and reaping the rewards

their purchasing power. "The most successful rewards programmes are, therefore, the ones that offer real value to the consumer by truly helping them to save even more, while at the same time providing the widest range of spend choices and channels," Duvenage explains.

FNB works hard to keep its products and offerings compelling year after year. Duvenage believes the best rewards programmes are those that customise their offerings to their members' profiles and reward them for positive behaviour. "For a consumer to truly benefit from a rewards programme, it is crucial that they are rewarded for doing the things they do every day, such as shopping, banking, filling up with fuel and using their cellphones. It needs to be clear which behaviours they need to show in order to earn rewards."

A study by ClickFox revealed that 62% of consumers don't believe the brands they're most loyal to are doing enough to reward them, so merely having a loyalty programme is no longer enough; it has to be compelling and relevant to stick. Duvenage asserts that eBucks Rewards offers South Africa's widest selection of rewards spend opportunities, allowing members to spend their eBucks across a variety of channels, including the eBucks Shop; through eBucks Travel; with eBucks online partners

such as Takealot.com and Yuppiefchef; and at eBucks' in-store partners using the eBucks card, such as Dis-Chem Pharmacies and Makro.

"Members have numerous opportunities to earn by being rewarded for buying and doing the types of things they require in their day-to-day lives. Beyond earning for positive banking behaviour, members can earn up to 15% on buying groceries from various supermarkets, fuel from any service station, prepaid electricity for certain accounts, as well as prepaid airtime through the bank's electronic channels," Duvenage says.

Members can also spend their eBucks on the same everyday activities, as well as more luxury items such as travel, gadgets and others. Some members view eBucks Rewards as putting cash back into their wallets, with many members including their eBucks spend in their monthly budget. Other members are using their eBucks to stretch their wallets, and to get more "bang" for their bucks, especially in the current tough economic climate, she adds.

"Essentially, eBucks Rewards has become a way of life, with a substantial number of members adapting their shopping and banking behaviour to earn as many eBucks as possible, whether it is to buy necessities like fuel or groceries when they are strapped for cash, or to spoil their

family and friends with special treats and gifts."

FNB is known for its innovation, with digital channels forming a key part of the bank's strategy in recent years. Therefore it is no surprise that FNB has included eBucks Rewards into its mobile app, which was launched three years ago and has an estimated 1.5 million users. The app comes with features such as geo-locating eBucks Rewards partners for consumer convenience. With its pulse on what today's consumer wants, eBucks Rewards recently announced a partnership with Uber, which, despite being new to the scene, has caused huge disruption in the transport industry.

Category leader Pick n Pay has also gone digital with its mobile app, allowing customers to do all of the things they usually do at an in-store Smart Shopper kiosk on their phones. Steve Hoban, general manager for Smart Shopper, says their analytics are used extensively to enable the company to match customer needs and desires very accurately, and to provide them with rewards that are timely, relevant and easy to use.

*The most successful rewards programmes are the ones that offer real value to the consumer by truly helping them to save even more*

The deadline for enrolment  
in 2016 Honours & Masters degrees  
in Astrophysics and Space Science  
is 30 September.

Visit [star.ac.za](http://star.ac.za) to find out more.

**NASSP** NATIONAL ASTROPHYSICS AND  
SPACE SCIENCE PROGRAMME



## WHAT IF\_ A NISSAN AD ALSO PROMOTED A NATIONAL SCIENCE PROGRAMME?

Innovation. It's what helped us bring you the Nissan LEAF – South Africa's first 100% electric car. It's also why an ordinary thank you isn't enough to show our gratitude for being voted one of the country's top car brands. That's why we gave most of our ad space to the NASSP. They also work to pioneer South African innovation. Which is good for everyone, right? And that's what innovation is all about.

[nissan.co.za](http://nissan.co.za)



**Innovation  
that excites**

# Sky's the limit

*Mango is in the groove as far as South African travellers are concerned*

**ANDREW GILLINGHAM**

**M**ango's popularity among South African travellers continues to grow. Once again the local airline has moved up the rankings in the *Sunday Times* Top Brands survey's Domestic Airline category, taking over second position from British Airways and closing in on first-placed South African Airways (SAA).

Melissa Webb, senior research manager at TNS, says Mango's performance in the Top Brands survey is one of consistency and building its brand over the years. "It has pushed itself up the ranks from third in both 2013 and 2014, increasing its user and non-user ratings. In other words, Mango is perceived to be good by non-users who aspire to use the airline, and users who have flown with Mango love the airline more each year," Webb says.

In 2014 Mango scored 8.06 among users, and this has increased to 8.53 this year.

"That is a high jump, and it is taking the airline ever closer to SAA, whose user rating is 8.83 this year. If Mango keeps up the good work, it is even possible it could take top spot in the future," she suggests.

The news for British Airways is not as positive. While the airline scored well last year among its users, with 8.54, this year its rating slipped to 8.35.

Webb says Mango's marketing and advertising is both pervasive and has a high frequency, ensuring that the airline has a consistently high public profile; it is constantly pushing its brand in the marketplace and promoting the value of its offering.

"Mango is always around. It makes good use of advertising and it has grasped the reality of social media as a good promotional vehicle. In addition,

DOMESTIC AIRLINES



tion, it has made its offering available through non-traditional sources such as Edgars account holders, who are told they can pay for flights on Mango via the retailer."

Hein Kaiser, Mango spokesman, says Mango's brand archetype is



*The payoff line 'Why Not Today' encapsulates the energy and underlying innovative aspects of the brand that are also inherent in our culture as a business*

based on the notion of the "explorer brand". "The payoff line 'Why Not Today' encapsulates the energy and underlying innovative aspects of the brand that are also inherent in our culture as a business," Kaiser says.

He adds that the brand promise is largely impacted by the airline's industry position as a low-cost airline, but, in a universe where all low-cost carriers compete on price, Mango's promise extends to quality of product set against affordability.

"Differentiation against peers relies on aspects such as the pursuit of on-time performance, our new seats that offer the best LCC economy-class legroom in domestic skies, on-board wi-fi on several of our aircraft, favourable baggage policies versus those of competitors, as well as innovation in distribution and payment method options. Mango is the most accessible airline in the country," Kaiser says.

Messaging is driven through above-the-line and below-the-line campaigns, and high visibility with highly targeted media buying. Mango also makes extensive use of public relations and social media to drive its messaging and value proposition consistently and in a high-impact manner.

Kaiser points out that the domestic aviation industry is extremely competitive, and capacity continues to outstrip demand in the market. Therefore, it continues to be critically important for an airline brand to remain highly visible, while simultane-

ously remaining competitive and commercially sustainable.

"Mango's message has been consistent over the past nine years and the business continues to focus on the entire marketing communication mix; this includes constant innovation, product development and improvement, public relations and communication, marketing and advertising, as well as a focus on guest service.

"The success of the airline really comes down to effective communication, competitive pricing, as well as service and the entrepreneurial culture of our business; each employee has a vested interest in the success of the company," he says.

"Price remains a constant consideration in any decision matrix, particularly in a market where recently two start-up carriers have introduced excess capacity into the market that may not be sustainable given current economic conditions. Thus, beyond price, other considerations are aspects such as on-time performance, product such as legroom, ancillary services such as on-board wi-fi, accessibility through distribution and payment method options.

"Furthermore, in a world of commoditised air travel and price parity, where a seat is a seat and transport from point A to B is the objective, medium to long-term reputational build through public relations, along with the sales job that advertising provides as part of a sound marketing strategy, remains critical," Kaiser says.

Stop marketing to consumers.

Start mattering to people.

To make an impact a brand must understand what really matters to people- not customers. This requires a huge shift in approach as people then become individuals and not a statistic. After all, statistics don't buy your brands, individual people do.



**TNS**

Follow us:

[www.tnsglobal.co.za](http://www.tnsglobal.co.za)

**t** @tns\_SAYS

**in** TNS South Africa

# Vorsprung is the name of the game

*Audi rightly takes its place among the German luxury brands*

**RODNEY WEIDEMANN**

To some people, a car is just a means of getting from point A to point B; to others, it's a status symbol, representing their wealth, taste or simply their motoring knowledge. The pinnacle of the latter three, by common consensus, is found in German luxury vehicles. Of course, mention the German luxury car market and, in all likelihood, two brands spring immediately to mind.

However, there is a third player in this space, one whose brand ratings continue to grow, both with users and non-users, and whose key brand message is "progress through technology" – *vor-sprung durch technik*.

Audi's recent brand success is ascribed by marketing communications manager Esther Francis as being the sum of many complementary parts. Most notably, she says, the product itself remains one of the best forms of brand-building, which is why Audi's design language continues to move in a progressive direction, thereby constantly making the car more attractive to a wider audience.

"Audi also understands just how important customer service is to the brand, which is why we are determined to excel at this, and it is no surprise that Audi is rated at No 1 in terms of customer service in the automotive industry."

Brand campaigns can always be tricky – particularly, says Francis, when the brand needs to be seen as both "globally aspirational and locally attainable".

"When it comes to promoting Audi to the masses, we took a calculated stance on outdoor some four years ago through the acquisition of iconic mega-sites on both the N1 and N3 highways. We have also enjoyed great success in television, which remains strong in terms of brand influence and purchase decisions, despite the massive surge in online and the 'zero moment of truth'."

Furthermore, the booming e-commerce space is one that is currently a largely untapped opportunity, relative to its potential, and is one that Audi will certainly be exploring. "Social media is also an interesting aspect," adds Francis, "as there is no doubt it plays an important role in terms of brand perception. This does not, however, always translate into sales return on investment from a 'time and energy' point of view."

"Nonetheless, from a customer satisfaction perspective, it will only keep growing. Success here is reliant on authenticity and social listening. After all, customers use social media as a two-way channel to communicate with and challenge a brand, so it is imperative that Audi is ready to reciprocate with the same immediacy with which customers alert us to their needs."

In a country as crazy about sport as SA, any good brand would like to be associated with a strong sporting brand. For Audi, this has meant signing on to be the official vehicle partner of South Africa's national cricket team, the Proteas.

"This is Audi South Africa's first serious and significant sponsorship, and there is an incredible synergy between Audi and the Proteas, symbolised by their shared traits of courage, spirit, resilience and passion," explains Francis.

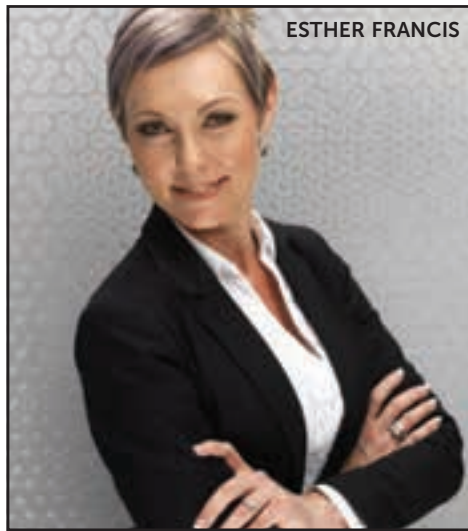
"Being a part of this amazing sport and national pride has been an incredible platform for the Audi brand, and we believe that our customers and prospective customers can see this synergy. It has opened the Audi brand up to a very broad, multicultural audience, and we

have seen the benefits of the sponsorship in our brand rating scores in a very short space of time.

"Ultimately, though, while sponsorships and advertising channels are important to developing the Audi brand in the minds of the people, our cus-

tomers remain our greatest advocates. Word-of-mouth is still one of the strongest influencers in our brand's perception and goes a long way in authenticating the Audi brand, even to the point of significantly influencing non-users," concludes Francis.

CARS



ESTHER FRANCIS

17

GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND



**THANK YOU FOR  
YOUR VOTE AND  
FOR ENJOYING  
EVERY MOMENT  
WITH US.**

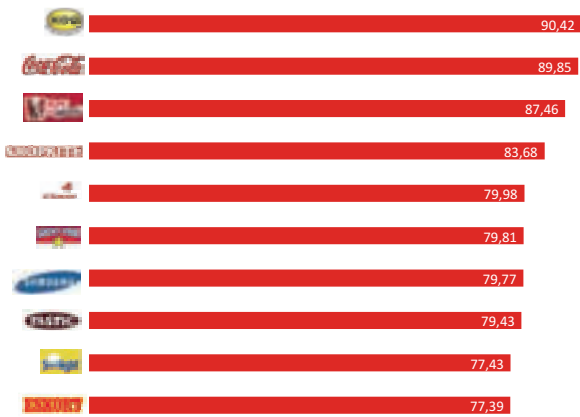
*Enjoy every moment*



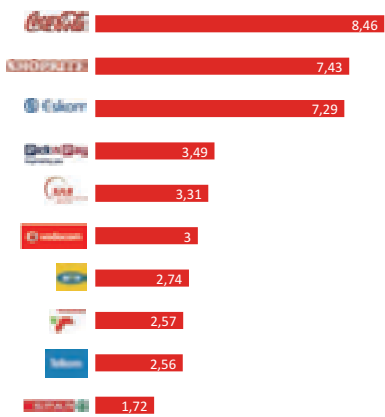
FCB10017688JB/E

# YOUR FAVOURITE BRANDS 2015

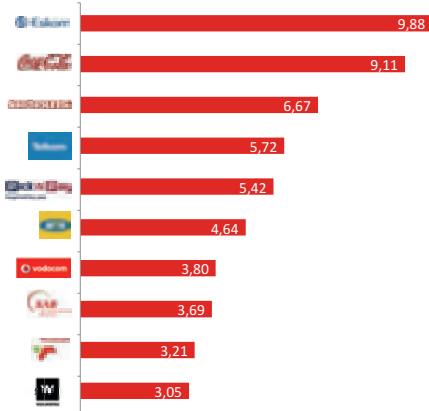
## GRAND PRIX - OVERALL FAVOURITE BRAND



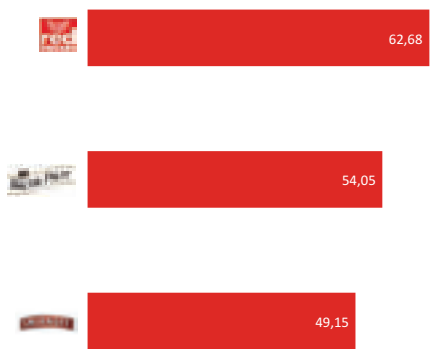
## GRAND PRIX - SOCIAL INVESTMENT



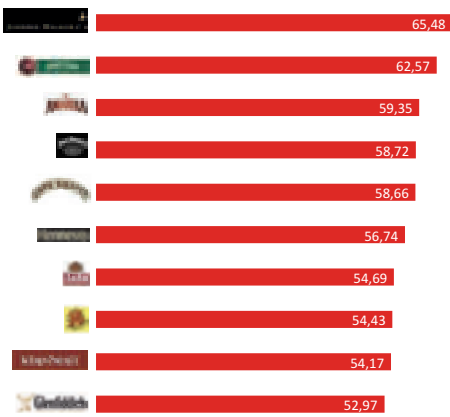
## GRAND PRIX - THE GREEN AWARD



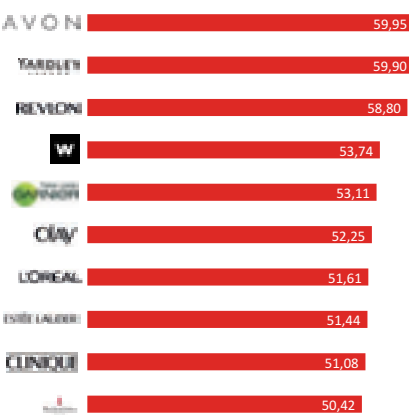
## ALCOHOLIC COOLERS



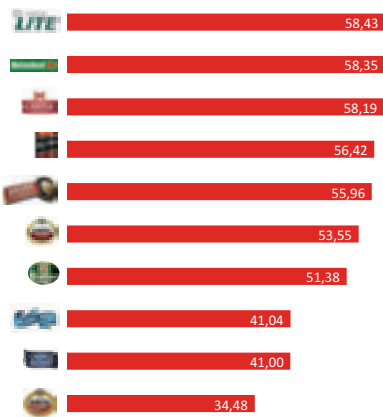
## ALCOHOLIC SPIRITS



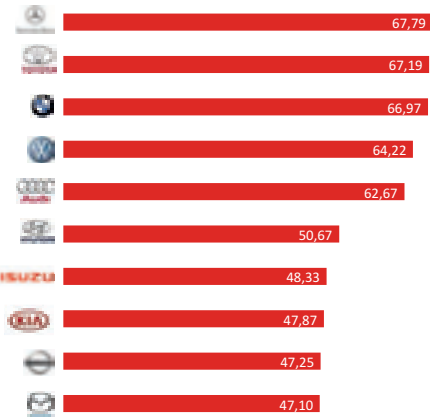
## BEAUTY & COSMETICS



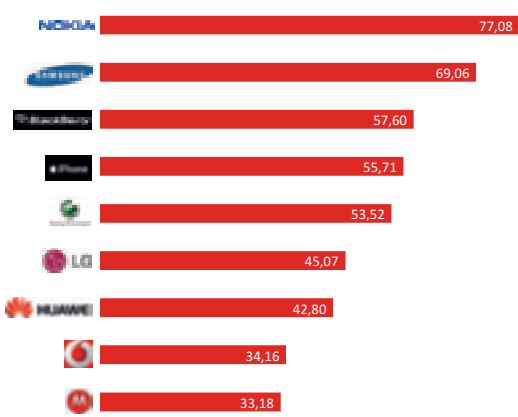
## BEERS



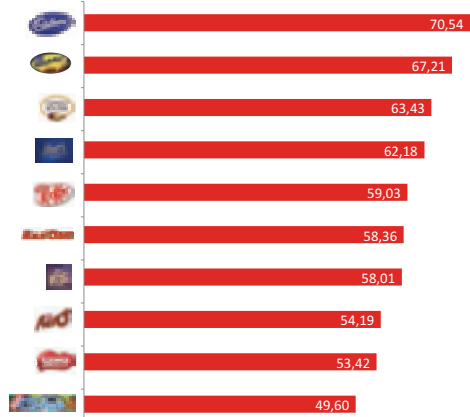
## CARS



## CELLPHONES

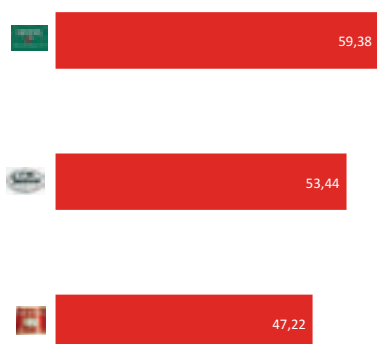


## CHOCOLATES

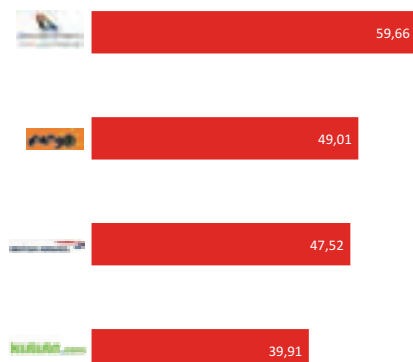


# GIVE US THIS DAY OUR DAILY BRAND

## CIDERS



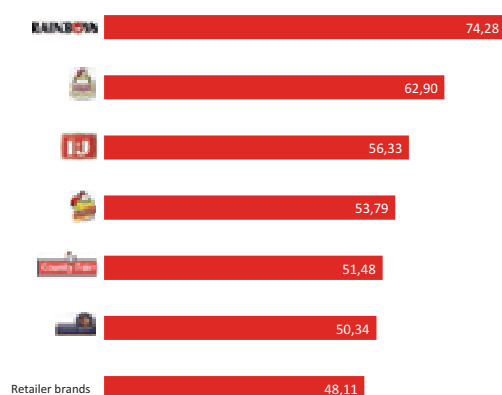
## DOMESTIC AIRLINES



## ESSENTIAL FOODS



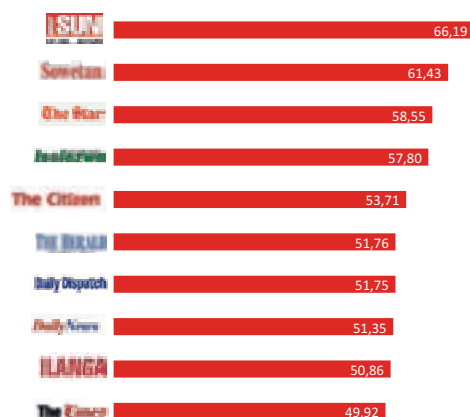
## FROZEN CHICKEN



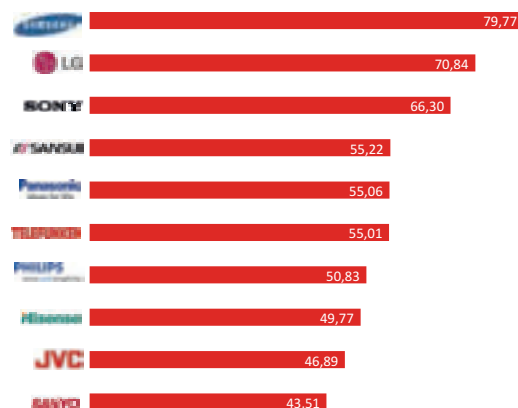
## FRUIT-BASED DRINKS



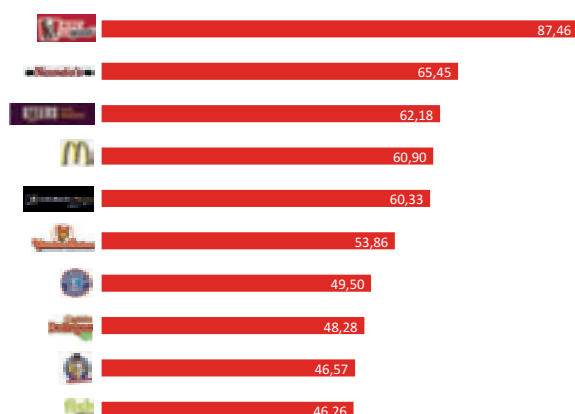
## DAILY NEWSPAPERS



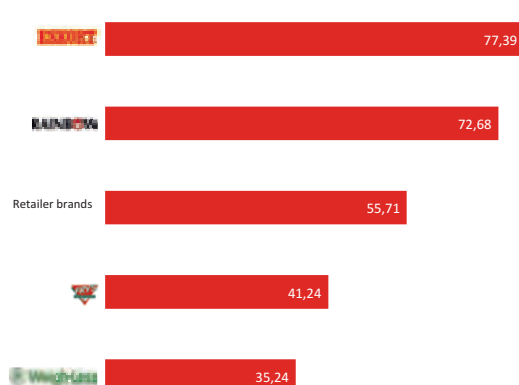
## ELECTRONIC GOODS



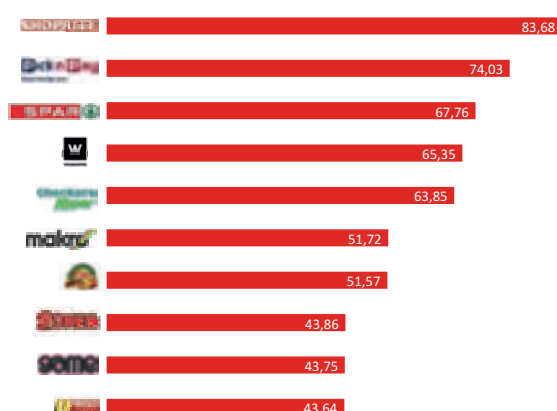
## FAST-FOOD RESTAURANTS



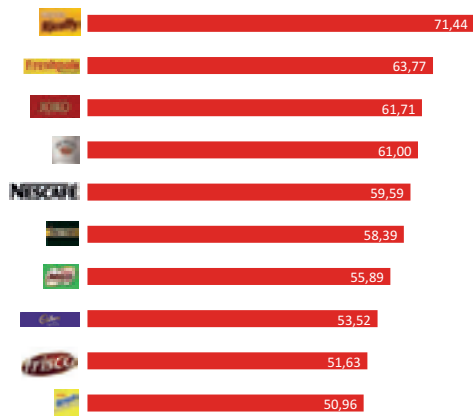
## FROZEN SAUSAGES



## GROCERY STORES



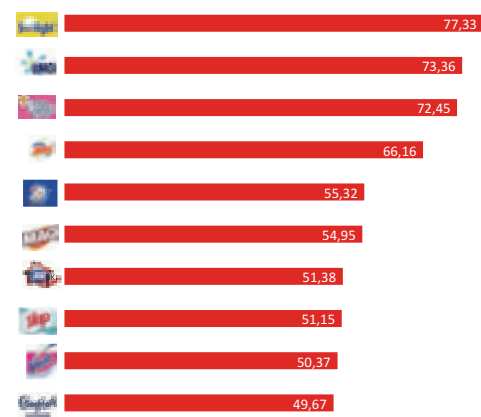
HOT BEVERAGES



LARGE KITCHEN APPLIANCES



LAUNDRY CARE



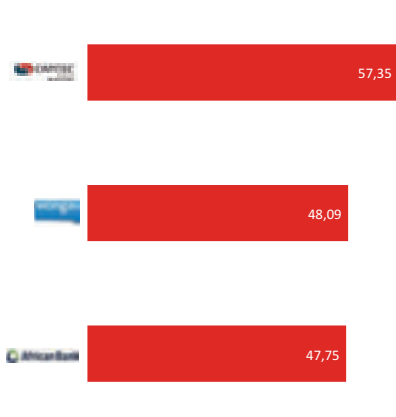
LONG-TERM INSURANCE



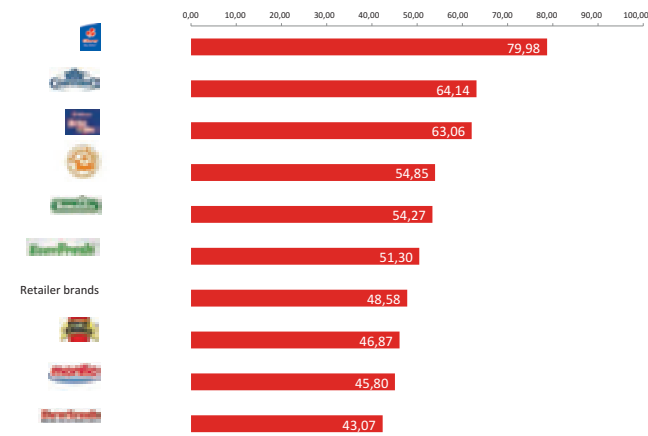
LOYALTY PROGRAMMES



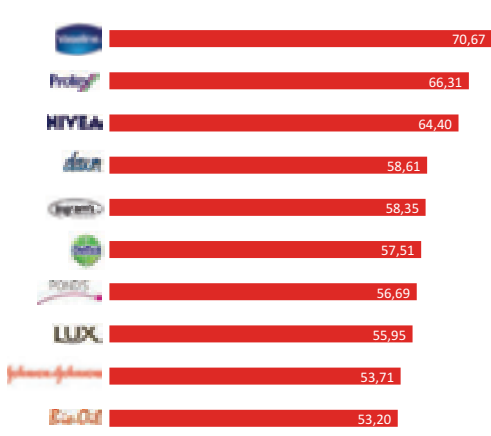
MICRO-LENDERS



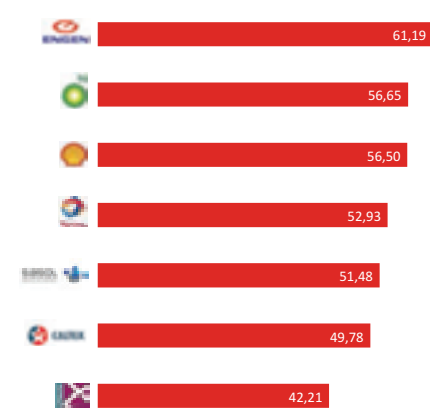
MILK



PERSONAL CARE



PETROL STATIONS



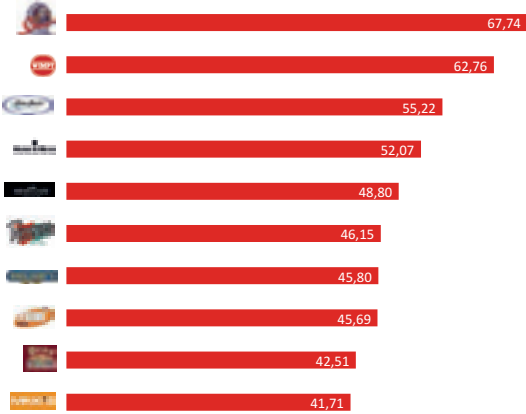
RETAIL BANKS



SHORT-TERM INSURANCE

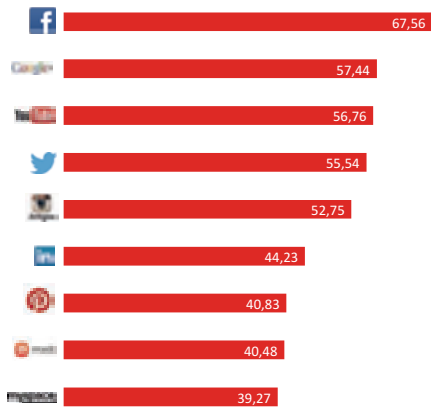


SIT-DOWN RESTAURANTS

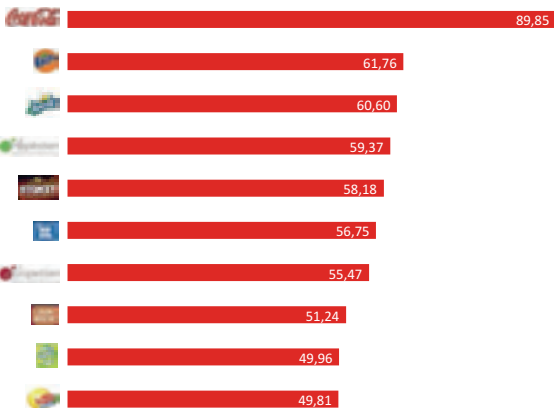


GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND

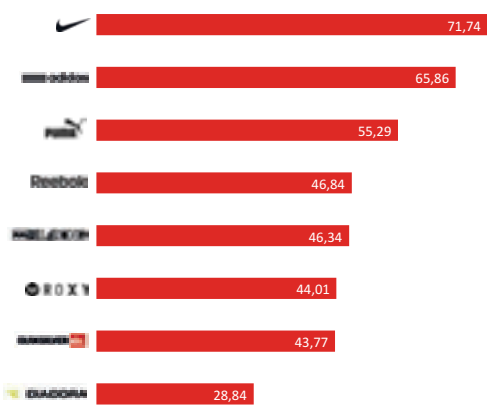
SOCIAL NETWORKS



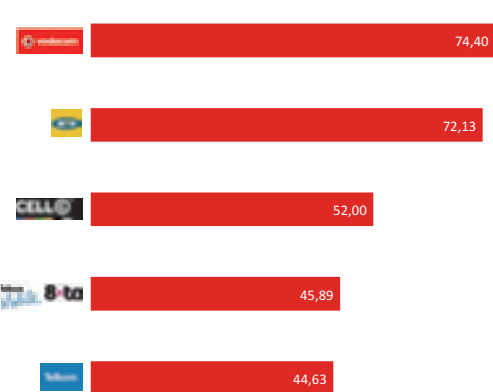
SOFT DRINKS



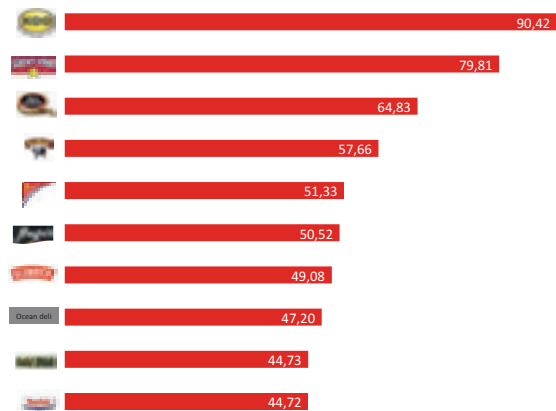
SPORTS CLOTHING BRANDS



TELECOMS PROVIDERS



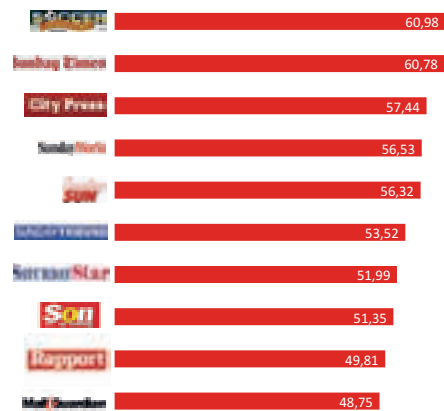
TINNED FOODS



TV SERVICE PROVIDERS



WEEKLY NEWSPAPERS

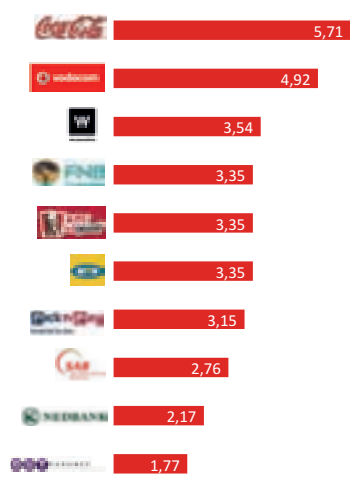


Sunday Times  
TOP BRANDS  
2015

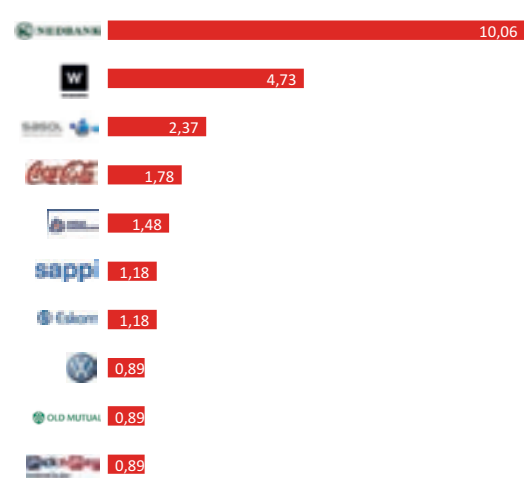
# Sunday Times TOP BRANDS 2015

## BUSINESS CATEGORIES

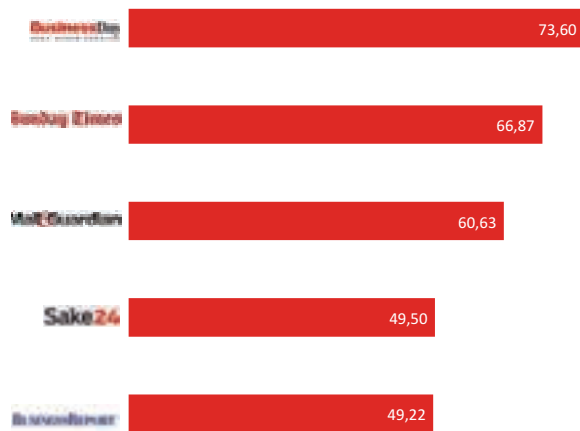
### GRAND PRIX - SOCIAL INVESTMENT



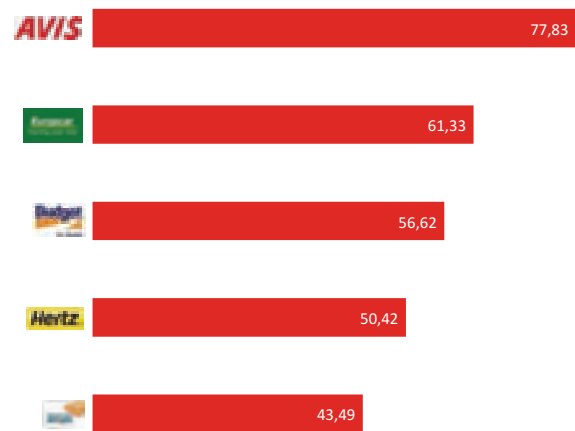
### GRAND PRIX - THE GREEN AWARD



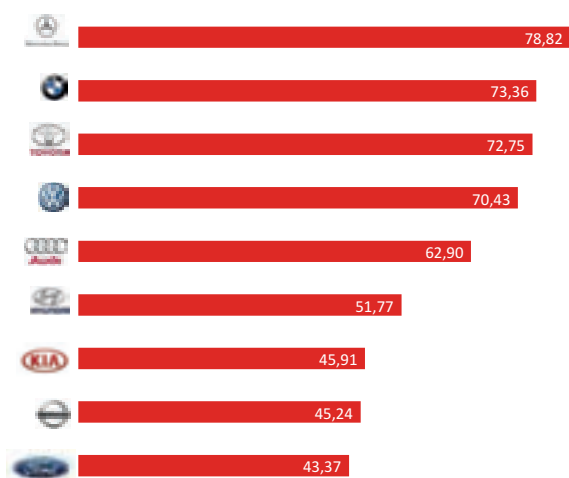
### BUSINESS NEWSPAPERS



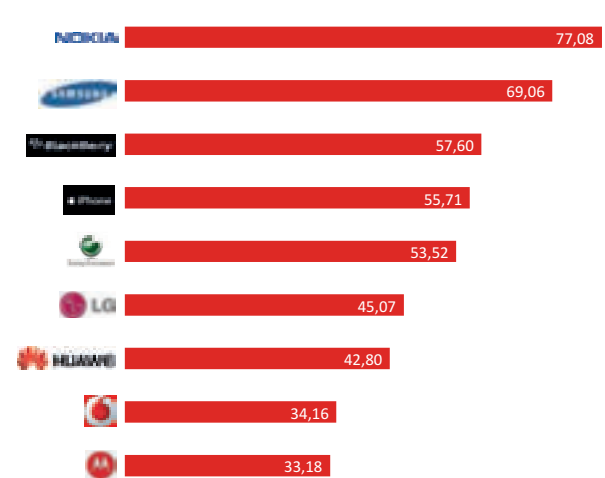
### CAR HIRE



### CARS



### CELLPHONES



CORPORATE BANKS



DOMESTIC AIRLINES



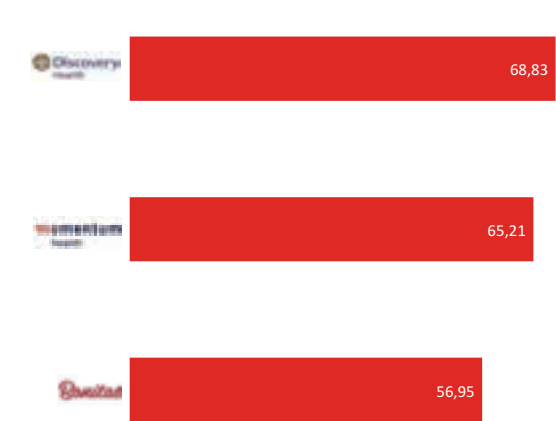
INVESTMENT COMPANIES



LONG-TERM INSURANCE



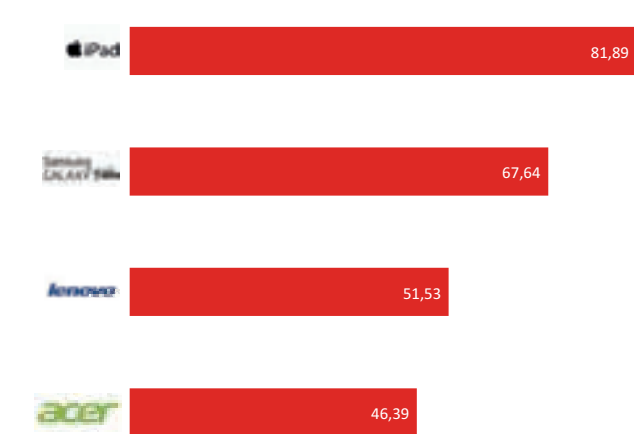
MEDICAL AID COMPANIES



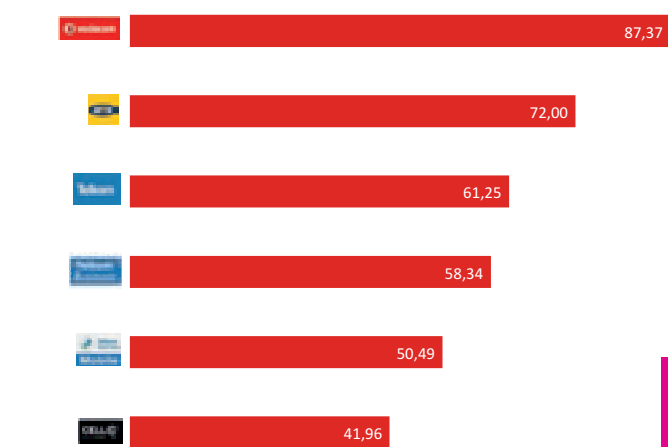
SHORT-TERM INSURANCE



TABLETS AND E-READERS



TELECOMS PROVIDERS



# A smile-and-a-half on consumers' faces

*It's been a great year, on many levels, for Cadbury*

ALF JAMES

**C**adbury has had a good year, winning the chocolate category (which was reintroduced as it was not included last year), and placing eighth in the hot drinks category after not placing last year.

The Cadbury brand also achieved success with its pop-up store in Sandton, and the launch of two new chocolate slabs.

Sales of Cadbury Lunch Bar echoed its parent-brand success, with more than 100 million Lunch Bars sold in 2014, which equates to a phenomenal 300 000 Lunch Bars sold every day. Cadbury also celebrated the Golden Anniversary of Lunch Bar this year. To commemorate the occasion, Lunch Bar ran a six-month integrated campaign, rewarding both consumers and the trade for their loyal support over the past 50 years.

Furthermore, Fairtrade certified Cadbury Drinking Chocolate as the most iconic brand within the Cadbury beverage range. "As a definite contender in the hot drinks category, this product has shown consistent growth and demand with South African consumers," says Meredith Kelly, Mon-



delez SA category lead for Impulse.

"While innovation is key to the success and growth of our company, we are acutely aware that South African consumers expect consistent delivery of the quality of chocolates they have come to know and love over the years. For this reason all innovation is built on the foundation of Cadbury's time-honoured recipes," says Kelly.

"Cadbury products are well researched and tested before introducing them into the marketplace," she adds.

Cadbury remains committed to delivering South Africa's best-loved chocolate, while offering consumers product innovation and quality, every step of the way, according to Kelly. "In addition, we continuously strive to remain relevant to our consumers in an ever-changing world.

"Simply said, consumers trust the quality and consistency Cadbury stands for, and the company honours this through every facet of the business.

"At Cadbury we take putting a smile on our consumers' faces very seriously. For this reason we constantly review the consumer landscape to ensure that we fully understand what makes our brands different and special. This insight enables us to deliver

brands and campaigns that are relevant, while remaining true to the two key pillars of our marketing philosophy: persuasion and engagement," she says.

Cadbury Dairy Milk offered chocolate fans the opportunity to enjoy an experiential journey of fun and flavours at *The World of Marvellous Creations* Pop-Up Store in Sandton City, Johannesburg, during June and July.

"This magical world of joy was designed around the brand traits of spontaneity, surprise and playfulness, with the objective of creating fun family sharing moments of irrepressible joy. More so, it did an excellent job of strengthening the Cadbury Dairy Milk brand, while also introducing its newest additions, Marvellous Creations Jelly Popping Candy and Cookie Gummy Crunch."

Another recent Cadbury success was Cadbury Dairy Milk's award-winning campaign featuring a trio of animated triplets, which had South Africans feeling the joy in 2014. The campaign successfully grew brand affinity in a new market segment and evoked the distinctiveness of the brand in the context of South African culture.

"Sentiment for this campaign spilled into 2015, perpetually echoing the Cadbury Dairy Milk proposition of 'irrepressible joy,'" says Kelly.

She adds that the basics of great brands remain true, no matter the increasing choices available; consumers are drawn toward brands with an original story, an engaging identity and a sincere commitment to deliver what they promise.

"We believe Cadbury's 'Glass and a Half' promise, unwavering quality and generous spirit will stand the test of time for consumers.

"The brand does, however, continue to evolve and reflect a changing consumer, with examples such as a more digitally connected consumer who uses our Facebook page to interact with the brand, or the more socially conscious consumer who appreciates the Fairtrade association that the Cadbury brand has developed," says Kelly.



## Leading in service is who we are

Thank you for making us your number 1 in the 2015 Sunday Times Top Brands Business to Business Car Hire category for the 12th year running. Once again, we've been voted SA's leading and most-loved car rental brand.

**Avis. We Try Harder.**

Visit [avis.co.za](http://avis.co.za) or call 0861 021 111

**Sunday Times**  
**TOPBRANDS**

**AVIS**

### Fact:

#### CADBURY POP-UP STORE

- *The World of Marvellous Creations* was experienced by 48 000 consumers over eight weeks, an average of 800 per day.
- This was 100% over the expected target engagement.
- Over 2 000 fans visited on the record day.
- Situated next to one of the busiest entrances in Sandton City, the shop functioned as a "live billboard" that was seen by over 2 million shoppers over the period.
- During busy periods, the queue outside the store contained up to 100 people at a time.
- The store was a talkable, sharable experience that generated significant user-generated content (Twitter and Instagram), gaining 55 million Twitter impressions and reaching 1.5 million accounts in the first month.
- 40% of posts contained images, which assisted in driving high levels of engagement.

# Do you take it with cream?

**Amarula and Cape Velvet are charting their own courses**

**JAMES VAN DEN HEEVER**

The Alcoholic Spirits category has long been ruled by Johnnie Walker, and this year is no exception. But the real story is the emergence of a second cream-based brand, Cape Velvet, which has leapt into the top 10 at fifth place.

Amarula has dominated the cream liqueur segment since its launch in 1989, and this year moves up to third in the rankings, testifying to its broad appeal. It has also done well in international markets. Amarula's branding as the "spirit of Africa" has built its popularity with locals and tourists alike, and created momentum in the rest of the continent. A big marketing push during the 2010 World Cup has been credited with cementing the brand's association with Africa in the minds of football fans.

General manager for Amarula at Distell, Dino d'Araujo, says the secret behind the brand's success is its consistent positioning as a way to savour the mystery of Africa, and also its taste. "Our taste is our great strength," he says. Increased ratings for taste this year bear this out.

Amarula's success, of course, has spawned many competitors. D'Araujo says more than 70 brands have entered the cream segment in South Africa over the past four years alone, many of them attempting to cash in on Amarula's African positioning and broad appeal. But what's interesting is the distinctively different positioning adopted by Cape Velvet, this year's shooting star.

Claudia Mills, head of innovation at Brandhouse, explains: "We deliberately set out to strike our own course. Cape Velvet is unashamedly directed towards female consumers, and pure indulgence," she says. "Put the two together, and you have women sharing an indulgent moment with friends."

Understandably thrilled about Cape Velvet's performance in this year's rankings, Mills is quick to point out that the brand is no flash in the pan, having been around for some 20 years. Over time, its original flavour has been supplemented with toffee and strawberry.

Cape Velvet has built up a market share of around 10% without much marketing spend – in other words, the brand has been built largely on its own merits, by word of mouth. "We began to ask ourselves what we could achieve if we reached out to our target demographic, acknowledging their taste requirements and needs. This triggered additional investment in the brand," she says.

Well, we shall see. Cape Velvet was relaunched on 1 July this year (after the research for the Top Brands survey was completed). The relaunch will see the brand narrowing its focus onto a slightly younger demographic, and replacing its toffee variant with chocolate. Mills emphasises that this is the first time chocolate has been introduced to this market. Like Amarula, Cape Velvet scores high on taste, with its score jumping from 7.94 to 9.25 this year.

Mills believes that, with marketing power behind it, the relaunched Cape Velvet has what it takes to grow its market share. "There's a big white space for brands targeted at women – and it's only a matter of time before other brands wake up to the potential," she says.

As noted above, the Alcoholic Spirits category extends well beyond the cream

liqueur segment. Comfortably ensconced on the peak remains Johnnie Walker, also in the Brandhouse stable. It's an extremely strong brand with a long pedigree, having been founded in 1820. Heritage is part of its strength, as is surely the idea of progress and sheer humanity represented by the iconic walking man. But most of all, speculates Zumi Njongwe, portfolio manager: Whisky at Brandhouse, the brand's power is reinforced by the way it speaks to those who are set on achieving new heights – something that's particularly important in an emerging

market such as South Africa.

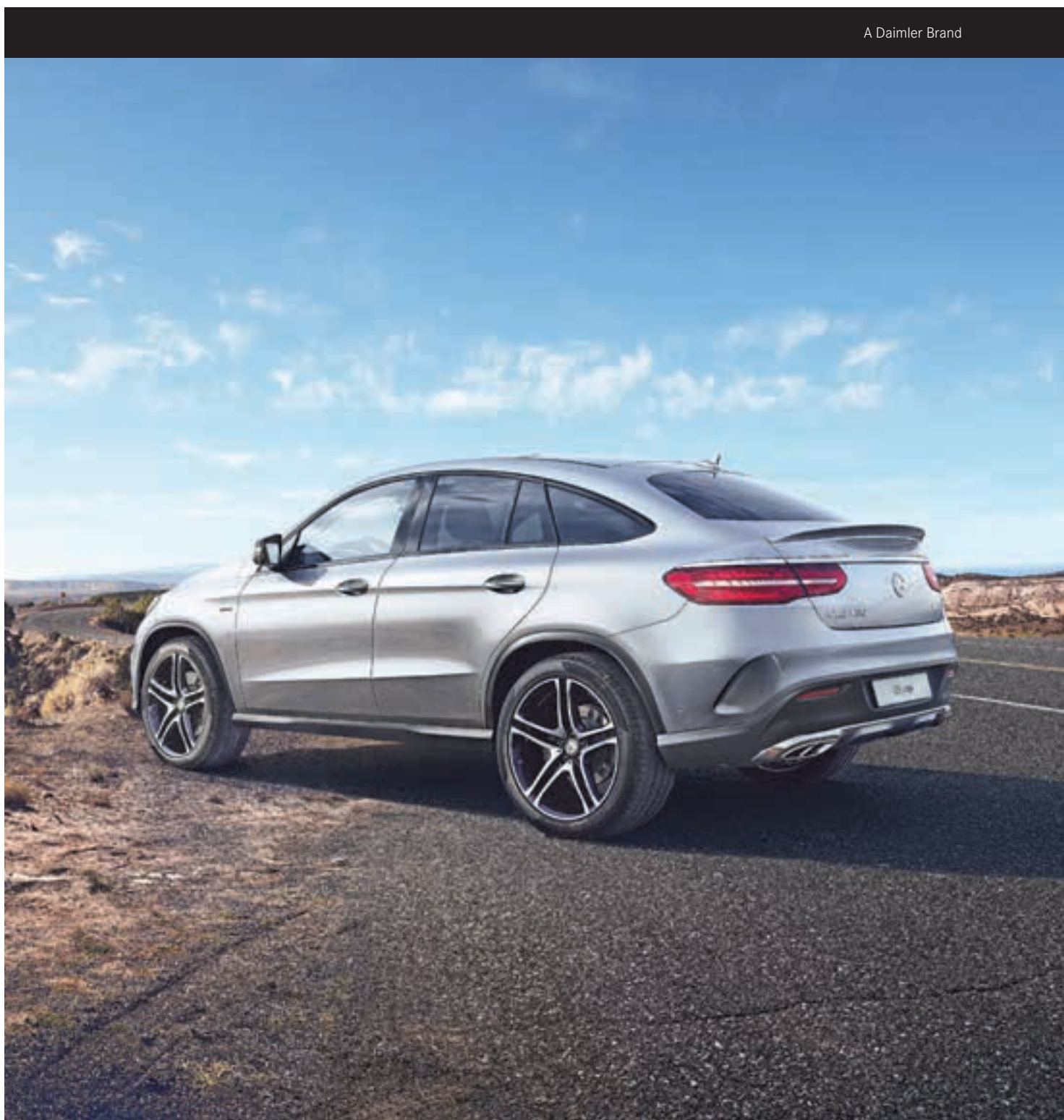
Johnnie Walker has been particularly shrewd in the way in which it has extended its brand, supplementing the original Johnnie Walker Red with variants such as the super-premium Johnnie Walker Blue Label. That innovation continued with the recent relaunch of Double Black in March this year; the proposed launch of more super-deluxe variants in 2016 testifies to the ongoing demand from high-end consumers.

"Whisky as a category has an allure that no others have," Njongwe says.



**GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND**

A Daimler Brand



## The Best. Our winning team has a new member, the GLE Coupé.

**Make the best of every ground.**

Mercedes-Benz has retained the crown of top car brand in the Sunday Times Top Brands survey. Now, we've added a new jewel to that crown – the GLE Coupé. The newest in a range of all-rounders that are as ruggedly capable off-road as they are luxuriously comfortable on-road, it only seems fitting that Mercedes-Benz was voted top yet again. To experience the best, visit [thebesttimeisnow.co.za](http://thebesttimeisnow.co.za) to book a test drive.



### Mercedes-Benz

The best or nothing.

Vehicle specifications may vary for the South African market.

*There's a big white space for brands targeted at women – and it's only a matter of time before other brands wake up to the potential*

# A reason for being

**Nedbank sets out to help people to Make Things Happen**

**RODNEY WEIDEMANN**

In a market where there are less than half a dozen organisations competing for the same share of pie, it can be very difficult to make your organisation stand out. Yet this is exactly what Nedbank

managed to do in the Corporate Banking segment, overtaking Standard Bank to take second place in the category.

Asked how his company differentiates its brand from the key competitors in the so-called "Big Four" – including FNB, Absa and Standard Bank – Sydney Nhlanhla Mbhele, executive: Group Marketing at Nedbank, says he feels the organisation's positioning territory is distinct and identifiable.

"Our brand is built on an authentic reason for being, that of helping people achieve their dreams and aspirations, hence our pay-off line of 'Make Things Happen'. This is about reminding people every day that things do not happen on their own. Nedbank has built a brand that has a rich history and evidence in the betterment of life and the environment. We live in a world where our people are looking for hope and inspiration,

**Sunday Times  
TOPBRANDS  
2015**

*Taking the lead  
in community  
development and caring  
for our environment  
is both the right thing  
to do and good  
for business*

and, as such, we seek to be at the heart of enabling a better life, by making better financial decisions through our products, services and advice."

He explains that in order to keep the brand top of mind, the financial services entity has adopted some key marketing and sponsorship focuses.

"We execute our brand across all relevant platforms as necessary. We employ the principles of integrated marketing, which are channel-agnostic. We may also use a number of channels in a campaign, depending on their relevance, and we like exploring the channel mix in a scientific way."

Alongside that, says Mbhele, being a bank and a category that is traditionally seen to be humble in its approach, Nedbank's sponsorships have played a role in bringing a human face to the organisation, through real brand experiences.

"While we aspire to be a bank for all, our advertising messages are tailored to have resonance for each of our client segments. These include individuals in different life stages, as well as small businesses and large corporates. In line with these client segments, our sponsorship portfolio spans football, road-running, cycling and golf."

Nonetheless, every sponsorship or marketing campaign is aimed at a specific market demographic or segment. After all, adds Mbhele, while the perception may be that everyone is a target audience for the bank, the fact is that, like every business, Nedbank has priority customer segments.

"These segments are based on the potential sources of growth, or where we see the biggest gaps to empower people financially. These may include emerging markets or opportunities to grow revenues, and we have different marketing campaign activities for different segments, based on our strategic imperatives. We do the same with our sponsorships, where some are targeted at particular segments for strategic reasons."

Beyond marketing and sponsorships, there are always other means for an organisation to distinguish itself from its rivals. One of these is through corporate social investment (CSI) projects.

"As a business that is highly involved in South African communities, taking the lead in community development and caring for our environment is both the right thing to do and good for business. Nedbank has a reputation for being 'the green and caring bank', and this shines through in our CSI initiatives. It also clearly resonates with clients and staff alike."

So, with the financial services company clearly on the up, after achieving second place in the brand recognition stakes, what does the short to medium-term future hold for Nedbank in respect of brand growth and market share?

"We want to institutionalise ourselves as a bank for all that understands our clients well enough to provide relevant products and services for the empowerment of their future. And we want to do this in a way that demonstrates our connectedness to their daily lives, trials and opportunities," Mbhele says.

**Pick n Pay**

# THANK YOU

to our 10 million Smart Shoppers.

Thank you to each and every one of you, who voted Pick n Pay Smart Shopper as the **Best Loyalty Programme in the Sunday Times Top Brands 2015** for the 3rd consecutive year. Together, we've grown to 10 million Smart Shoppers and we'll continue to reward you every time you shop, because that's our way of saying thank you.

**Sunday Times  
TOPBRANDS**



# Eyes on the future

ALF JAMES

**S**amsung is an across-the-board winner in the 2015 Top Brands Awards. It placed first in Electronic Goods, first in Business Cellphones, second in Consumer Cellphones and second in Computer Tablets, and it jumped from 10th to seventh place as an Overall Favourite Brand.

Samsung's success is due to the increase of its users across all categories (except for Tablets). For example, while the Electronic Goods category increased by 1%, Samsung users in this category increased by 3%; likewise, while the Consumer Cellphones category increased by 2%, Samsung users grew by 6%; and although the Business Cellphones category increased by 2%, Samsung users grew by 7%.

"New technology, innovative products and creative solutions all work together to realise our vision of becoming one of the global top three brands by 2020," says Michelle Potgieter, director: corporate marketing and communications at Samsung.

She says Samsung Electronics currently holds seventh position in Interbrand's annual Best Global Brands report, released in October 2014. The report recognised the global growth of Samsung's brand value through creative marketing initiatives and continued market leadership across many product categories, including smartphones, televisions, digital appliances and memory devices.

Samsung's creative marketing was reflected in Samsung Electronics set-



MICHELLE POTGIETER

*Samsung innovates today to create a better tomorrow, based on a deep understanding of what people want*

ting a new company record by winning 27 awards in 20 categories at the world's largest advertising festival, the Cannes Lions, in 2015. It is the second record-setting year for the company, after winning 16 awards in 2014.

"Samsung innovates today to create a better tomorrow, based on a deep understanding of what people want. This is certainly a competitive advantage for the brand," says Potgieter.

"Technology plays a greater role in consumers' lives now than ever before, because there is an increased demand for cutting-edge technology and design. The only constant is change, which is

why innovation is critical to any company's success. Samsung has set its sights on the future for long-term success. The relentless pursuit of customer excellence to create an aspirational brand leads to innovative ideas and technologies to empower consumers to discover new experiences and enhance their lives."

Potgieter believes 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 its competitors.

"Samsung Electronics is recognised as one of the world's leading innovators, producing cutting-edge, high-quality products," she adds. "It sets itself apart from its competitors through an all-embracing consumer offering, from washing machines, TVs and smartphones to digital appliances, while operating in a fiercely competitive marketplace."

"Samsung is the only local electronics brand that offers consumers an end-to-end ecosystem of products that can connect to one another. It's this value proposition that draws consumers to the brand and converts them to loyal brand ambassadors."

Potgieter says staying relevant in a competitive marketplace means Samsung has had to work hard to fully understand current trends and consumer mindsets.

"We conduct research into the purchasing behaviour of different South African consumer segments, and this

*With a vision of becoming a global top three brand by 2020, Samsung wins big across the board*

**GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND**

enables us to innovate in a wider range of product categories and at greater speed than any of our competitors.

"Samsung's vast product and technology track record helps to ensure its ongoing success by bringing the latest technology to consumers and supplying a consistent brand experience. Buying a product is no longer about simply making a purchase; consumers need an intrinsic benefit and a reason why a particular purchase would improve their lives."

Furthermore, Potgieter says, Samsung is perfectly positioned to deliver solutions to the business-to-business and enterprise markets. A worldwide goal for growth in the B2B sector is a significant part of Samsung's vision for 2020, and the company is approaching the B2B market with the same passion it has brought to the consumer electronics industry.

"Samsung is poised to help companies turn the challenge of disruptive technologies into opportunities. We are able to provide specialised applications for enterprise needs across several market verticals, such as the hospitality, education, financial, government and healthcare industries.

"There is a strong focus on understanding the needs of organisations and providing a tailored offering that meets specific needs," says Potgieter.

*What's better  
than winning  
top beauty brand  
of the year?*

Winning more than just once, that's what.  
And because you voted for us, we think  
that makes Avon fans amazing too.

*Beauty for a Purpose*

AVON

Sunday Times



# Starting from scratch

ANDREW GILLINGHAM

**W**hen Capitec Bank launched into the local retail banking market, it did so in the face of four very well-trenched and successful banks. However, it saw opportunities to deliver a different service that was more aligned to people's lifestyle needs.

By taking a different approach to banking, Capitec has been able to generate a real buzz in the market, and it is gaining customers across all income bands and demographic groupings.

Moreover, its innovative, no-nonsense approach has taken it ahead two positions, from fourth in the *Sunday Times* Top Brands survey's Retail Banking category in 2014 to second this year, overtaking both Absa (fourth) and FNB (third), with Standard Bank retaining first place.

Says Carl Fischer, executive: Marketing and Corporate Affairs at Capitec Bank: "While there were several market segments that existing banks were serving well, there were other customers that were not happy.

"Banking deals with financial needs that can be quite complex, but it also has a typical retail profile, with thousands of people streaming into branches at the end of the month, and this creates some logistical challenges. This combination of factors started putting pressure on the quality of service delivered to clients," he states.

"We realised that there was a huge gap in the market, and we decided to simplify and structure the banking of-



fering in such a way that it really addresses consumer needs. We eliminated unnecessary and outdated products, such as cheque books, and pitched banking logistically so that it was quick, easy and aggressively priced."

For the middle end of the market, banking had become too expensive and banking hours were no longer aligned to people's lifestyles. Historically, banking hours came into being due to a need to have an end-of-day close-off so inter-bank money movements could be confirmed.

"Many years ago this process made sense. However, when everything was computerised it was no longer a necessity, and the fact that Capitec had the opportunity to 'design banking from scratch' meant we could question traditional approaches," Fischer says.

"We simplified the product range and removed a lot of the complexity. Moreover, by configuring most of the processes so that they are online, live and immediate, we were able to re-

## Capitec's no-nonsense approach is gaining it customers across the board

move an immense amount of decision-making, administration, paperwork and time-consuming procedures out of the process flow.

"We designed bank products from the consumer needs side. We questioned the approach in which products were predefined and customers had to accept what was offered. For example, in a fixed deposit there are preset periods such as six months, a year, 18 months, 24 months. Why can the customer not decide what term suits them, such as 14 months? Or have a transaction account that also earns interest?"

"We looked at all of the traditional banking offerings and found the simplest ways of packaging them to suit clients' needs, defined the lowest possible price structures, and minimised the administration burden."

According to Fischer, decision-making was largely systemised in this new approach so that bank personnel could focus more on serving clients than "ticking boxes".

When a new Capitec client enters his or her branch for the first time to open an account, they are, by default, provided with the full product offering, and they decide which products they want to switch off. "We took the paper out of the process and used biometrics, such as fingerprints and photo recognition, and card and PIN in-branch-initiated transactions, to confirm the customer's identity."

This approach had a triple effect, he says. The process and offering is client-initiated, it minimises security requirements, and radically improves the efficiency of the service flow. "This enabled us to cut the costs and pitch our prices so they were pretty much the best in the market," he adds.

Capitec also took its retail mindset and opted for 8-5 opening hours. In addition, the bank took a very open and accessible stance so that clients were not confronted with screens of armoured glass. Instead, security was done in such a way that tellers did not have more than the cash needed for a specific, individual transaction with them at any one time.

Price is never a sustainable long-term differential and, therefore, in the long term the focus is on delivering service, Fischer believes. Therefore, the Capitec brand was launched on the basis of offering top-notch banking at a lower price, and messaging focused on the fact the bank was achieving this by streamlining processes and by getting rid of antiquated products.

"The other part of the message was to address the elements about banking that irritate people the most, such as queues; complexity of the offering and its functionality; hidden costs; and waiting for services and transactions to become active. We created an advertising campaign that said Capitec does not do those things, and that, as a Capitec customer, people know what they get, know what they pay, and they get what they need immediately," Fischer explains.

**THANK YOU  
SOUTH AFRICA**

FOR BELIEVING IN US.

It was over 40 years ago, that we first promised lower prices.  
And today, we're still keeping that promise, and always will.  
We're honoured and humbled to be voted your  
favourite supermarket again.

**SHOPRITE**  
LOWER PRICES YOU CAN TRUST *Always*

# Where the smart money is

*Entry-level smartphones are changing the dynamics of the consumer cellphone market*

**JAMES VAN DEN HEEVER**

Unchanged rankings in the top five in this sector mask a revolution that is changing the consumer cellphone market. Entry-level smartphones are opening up the world of apps and the Internet to a much wider audience, bridging the digital divide.

Most commentators saw the \$50 smartphone as the tipping point that would make the smartphone into a mass-market product. And despite the difficulties posed by volatile and unfavourable exchange rates, that barrier has been breached.

Growth in the smartphone market is being driven by entry-level phones, says industry analyst and MD of World Wide Worx, Arthur Goldstuck. He predicts that South Africa will have around 24 million smartphones by the end of 2015, 13 million of which will be using the Android operating system.

The first signs of change are evident in the reduction of Nokia's score from 81.41 to 77.08, something that could be attributed to uncertainty about its future after its devices unit was purchased by Microsoft in 2013. That future is a lot clearer now, says Shaun Durandt, general manager: Mobile Devices at Microsoft South Africa. Basically, the Nokia name will be used only for feature phones, while smartphones will bear the Microsoft Lumia brand.

Consequently, the move to smartphones is likely to displace Nokia at the head of the brand rankings. What will be interesting is the extent to which the Microsoft Lumia brand makes it onto the rankings.

A key contributor to that potential success would be how effectively Lumia is able to penetrate the growing market for entry-level smartphones, especially given the slow take-up of the Windows operating system at the higher end of the smartphone market, where Apple's iOS and Android hold the high ground. Similarly, Samsung's future success is likely to hinge on how well it can cover both the high and low ends of the market. "We are looking at every possible way to play in the entry-level space," Durandt says.

More signs of the impact of entry-level smartphones can be seen in the rise of brands such as Huawei (42.80 this year, up from 34.41), and the truly spectacular jump of Vodacom from 22.95 to 34.16 – by far the biggest movement within the top performers.

Vodacom launched its own branded smartphone, the Smart Kicka, in August 2014, in response to the gap it saw in the market for a truly affordable handset. The Smart Kicka was followed in October by a 7-inch tablet, the Smart Tab 3G. The Smart Kicka starts at R499, while the Smart Tab 3G is R999.

"We like to describe what we are doing as 'technology trend democratisation'," says Davide Tacchino, managing executive: Terminals at Vodacom.

A huge incentive for the company was, of course, the need to replace declining voice revenues with data. Vodacom's strategy, in line with that of parent Vodafone, is to bundle the handset with data.

"These devices are intended to stimulate the prepaid market, which contributes up to 90% of operator revenues," observes Ofentse Mopedi, telecoms analyst at Africa Analysis. "They offer operators some protection against churn, and also enable them to build brand equity in the mass market by providing a product that they want and find useful."

Vodacom has been highly successful in extending its communications brand into the handset world. Astute design of

data bundles is one success factor, but, equally important, says Tacchino, is the quality and specifications of the devices. Although they are manufactured in China, they are designed in Europe. In addition, batteries are sourced from either Korea or Japan, to ensure better quality. "We're not just selling hardware, but rather a complete proposition that includes data, educational content, entertainment and music," he says.

In Goldstuck's estimation, Vodacom has got it right, citing its atten-

tion to detail, quality and its supply chain. He says Huawei, with its Y220, and MTN, with its Steppa, initially dominated the entry-level market, but that MTN was let down by poor supply-chain planning and, apparently, the use of cookie-cutter manufacturing. "By contrast, Vodacom went out to tender. Using Alcatel as its manufacturer has paid off, because Alcatel makes excellent entry-level phones in its own right," he says.

The figures confirm Vodacom's success, with 1.4 million Vodacom-

branded devices sold in the first year, roughly 60% of them smartphones. Tacchino says while Vodacom has the mid-tier market in its sights, it will expand deliberately, especially as the entry-level market is far from saturated: of the 18-19 million devices sold annually, around 45% are basic cellphones with no access to the Internet.

"That's still a big opportunity, and we have to expand the Vodacom way, with the right quality, specs and data offering," he concludes.

GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND



MAKE  
THINGS  
HAPPEN



NEDBANK

## MAKING 25 YEARS OF GREEN INITIATIVES HAPPEN

**Celebrating 25 years of doing good for the environment.**

Since 1990, with the support of Nedbank Green Affinity clients, the WWF Nedbank Green Trust has donated more than R180 million towards funding conservation projects across South Africa.

Over the last 25 years, more than 200 environmental projects nationwide have benefited from the Trust, which aims to educate our youth on environmental and sustainability issues, conserve endangered species and freshwater ecosystems, and fight against climate change.

Thank you, South Africa, for 25 years of your continued support.

Visit your nearest Nedbank branch, call us on 0860 555 111 or go to [nedbank.co.za](http://nedbank.co.za).






Nedbank Limited Reg No 1951/000009/06. Authorised financial services and registered credit provider (NCRCP16).

A Member of the  OLD MUTUAL Group



*We like to describe  
what we are doing as  
'technology trend  
democratisation'*



Pic: ThinkStock.com

# With a taste for chicory

ALF JAMES

Nescafé Ricoffy is a clear winner in the Hot Beverages category for the third year running, this time followed by a three-way tea war between Freshpak, Joko and Five

Roses teas. Nescafé climbed into fifth, leap-frogging Jacobs this year.

Nescafé Ricoffy's strength in the category is not surprising, given that it has been part of the South African tapestry since the early 1950s, according to Rudo Nhaca, marketing manag-

*The coffee category – and Nescafé Ricoffy – has proved resilient in tough economic conditions*

er for coffee at Nestlé South Africa.

"The brand remains an important part of South African mornings and days," says Nhaca.

"Nescafé Ricoffy was the first chicory-based coffee to be introduced in South Africa, and, as such, has an inherent heritage and resonance which is delivered through consistently high-quality product, and brand and consumer communication. Nescafé is the world's first soluble coffee and an iconic coffee brand. The success of Nescafé and Nescafé Ricoffy are intertwined and mutually beneficial," she adds.

"The continued investment in our brands, production facilities and communities drives the sustainability of not only Nescafé Ricoffy, but other brands within the Nestlé stable."

Nhaca notes: "Nescafé Ricoffy continues to hold the leadership position in coffee; Ricoffy has majority market share and the strongest brand equity within the targeted consumer audience."

"More recently the coffee market has started to grow again, with Nescafé Ricoffy also enjoying increased sales compared to previous years."

"As a company we have had to be agile and flexible in this dynamic and changing environment, while tapping into our history, expertise and heritage. We continuously strive for relevance and adapt to changing market conditions, a changing consumer landscape and consumer needs, while managing a different type of employee."

Nhaca says Nescafé Ricoffy operates in exciting times for brands, which presents both challenges and opportunities. "We need to cater for a dynamic South African consumer, which means that our marketing has had to be insightful, relevant and appealing. Nescafé Ricoffy has remained relevant through an evolution of the brand essence over time, and innovations such as MILD, DECAF, 3in1 and 2in1."

Nescafé Ricoffy 3in1, which is a mix of Ricoffy, Cremora and sugar conveniently packaged in a single-dose sachet, was launched into the market last year. "Ricoffy 3in1 delivers a tasty perfect cup for various consumption occasions, whether at home, on the go or at work. The affordable price point ensures Nescafé Ricoffy 3in1 is accessible to more people every day."

The Nescafé Ricoffy Brand has received much in-store consumer promotional activity, according to Nhaca. Most recently the brand was part of a Nestlé multibrand promotion to reward loyal consumers.

Furthermore, Nescafé Ricoffy has recently been flying a series of advertisements that form part of the "yellow couch" campaign on TV and commuter media, and an integrated radio, sampling and press campaign supported the launch of Nescafé Ricoffy 3in1.

Nhaca says the premiumisation across LSMs is an interesting trend, with new households entering the coffee category and existing consumers up-trading to pure soluble coffees, mixes (mostly cappuccino) and in-home coffee machines, such as Nescafé Dolce Gusto, which is now driving growth within this segment.

"Despite the muted economic growth of the country, the coffee category and Nescafé Ricoffy have proved resilient and continued to grow over the last two years," she adds.

THIS IS A  
STORY ABOUT

**SAA**

**AND HOW WE'RE WINNING  
HEARTS AND MINDS,  
ONE AWARD AT A TIME**



HAVASWW/2628/E

When it comes to airline service and innovation, awards aren't everything. But they are a vote of confidence that inspires us to keep pushing, continuously improving the SAA experience. So on behalf of all of us at SAA, we'd like to thank our most important judges, our customers and fellow citizens, for once again voting us "Top Domestic Airline" in the Sunday Times Top Brands Awards, and the Skytrax "Best Airline in Africa" for the 13th year in a row.



**SOUTH AFRICAN AIRWAYS**

A STAR ALLIANCE MEMBER

There's a story in every seat. Book yours at [flysaa.com](http://flysaa.com)

# How to be #1 too

*Quality service and innovation fuel success for Engen*

**LINDA DOKE**

**F**ive years at the top of the podium is quite some achievement in any field, particularly amid stiff competition, and Engen has achieved just that. With an even bigger margin than in previous years, the petrol station has been voted South Africa's favourite for the fifth consecutive year.

Pipping global giants such as BP, Shell and Total, Engen achieved a clear margin in this year's Top Brands survey, living true to its promise to South African drivers that "With us you are Number One".

Joe Mahlo, GM Engen sales and marketing, maintains the reason for the brand's success hinges mainly on the company's delivery on its promise to customers of consistent quality and excellent service.

"The Engen network comprises more than 1 000 petrol stations around the country. Wherever South Africans travel by road, even in remote rural areas, they know they're never far from an Engen. They also know the service they'll get will be consistently the best, that the products we market are of the

highest quality, and that our innovative convenience offerings try to make life better for them," says Mahlo.

With its roots dating back to South Africa's early automobile days in the early 1900s, as the Mobil Petroleum Company, the company's heritage as an African brand runs deep. When Mobil disinvested from South Africa in 1989 and sold to Gencor, it required that the name Mobil be dropped within a five-year period.

This saw the birth of the Engen brand in 1990, listing on the JSE that same year. Over the next two years Gencor's Trek and Sonap were fully incorporated into Engen Limited, and in 1993 the full-scale rebranding of Mobil to Engen was launched. The project, which turned out to be the biggest marketing exercise of its kind undertaken in South Africa, included the conversion of more than 1 000 service stations, together with the rebranding of some 2 000 categories within the business, from buildings, depots, promotional products and packaging to 600 000 liquid petroleum gas cylinders and community-based foundations.

Today Engen has grown into a household name – its network of fuel stations not only spans South Africa, but is now also present in 17 other countries across sub-Saharan Africa and the Indian Ocean islands. The com-

## PETROL STATIONS



### Numbers:

- 1 050 – the number of Engen service stations
- 11.2m – the number of cars that fill up at Engen each month (average)
- 50% – the percentage of previously disadvantaged franchisees
- 10% – the number of female service station franchisees

pany has more than 60 million customers monthly.

More than 50 flagship Engen 1-Stop and Vacation Stations around the coun-

try have been developed with the long-distance traveller and family in mind. At selected sites, brands such as Woolworths Foods, Corner Bakery, Nando's, Steers and Wimpy provide customers with a rounded retail offering.

Mahlo says the company takes pains to ensure it keeps abreast of forecourt trends around the world. Every two years an Engen team visits two or three countries in Europe to assess market and consumer trends in the first world.

"From what we saw in a recent visit to the UK and Norway, forecourt convenience stores are increasingly moving towards ready foods rather than mini-supermarkets. There is a definite call from consumers for food that can be consumed immediately and easily prepared at home. There's also a strong emphasis on quality food over fast foods," he says.

On the future for the brand, Mahlo believes continuous improvement is essential. The company invests enormously each year in petrol station upgrades, and in the ongoing training of its staff.

But he is well aware that the company's success is not all about increasing profits. "We also do a lot outside of business – we invest in communities and in educational programmes, whether to do with safety, with our paraffin campaign, or the maths and science programme we've been running for the past 30 years. We will continue on the path of encouraging growth and upliftment, because we believe it adds value to the communities in which we operate, and of course to our business."

31

**GIVE US  
THIS DAY  
OUR  
DAILY  
BRAND**



**Thank you South Africa  
for trusting us with your stories.**



**Free your imagination**

# TASTIC



For over 50 years you have made  
Tastic your No.1 rice brand.  
**Thank you South Africa!**

**Perfect. Every time.**

\*No. 1 rice brand in the Essential Foods Category of the Sunday Times Brands Awards 2015.

**Sunday Times**  
**TOPBRANDS**  
2015

# Catching the imagination

Enduring relationships sustain success for FCB South Africa

ALF JAMES

The past year has been highly successful for the winner of the Robyn Putter Brand Agency Award for 2015, FCB South Africa. The company also won the award in 2014. The *Sunday Times* Top Brands award follows on from its one gold and four silvers at the 2014 Pendergast Advertising Awards, two TVCs on Millward Brown's Top 20 Best Liked Ads of 2014, and success with many campaigns. Although FCB South Africa group CEO Brett Morris says it is difficult to single out the most successful campaign, highlights are the Coca-Cola "Share A Coke" and Toyota Hilux "Legend" campaigns.

"To launch the Hilux Legend 45, the culmination of 45 years of South Africa's most iconic bakkie, we chose to pay homage to the trucks that made the Hilux such a legend," says Morris.

"Sourcing vehicles from far and wide, we put together a heritage who's who and shot them in action, moving all the way from 1969 to now. As a soundtrack to complement this manly visual feast, we rewrote the lyrics to The Proclaimers' iconic hit song, *500 Miles*, to a more fitting *1 000 Hills*.

"The commercial has been well received by the public and is loved by the fans, reminding them of days gone by and the tough bakkies that have dominated an era.

"Within the first week of the ad going live on Facebook, it had over 90 000 hits, with thousands more likes and shares, and more than 100 000 views on

YouTube. People have been heard singing along to the ad's lyrics in cinemas, and the advert made top 10 in the fourth quarter of Millward Brown's Best Liked Ads of 2014."

For the "Share a Coke" campaign, FCB was tasked by Coca-Cola South Africa's marketing team to leverage on the original and highly successful "Share a Coke" execution, and create a new campaign, as refreshing and engaging as the first.

"When researching that 'Share a Coke' sensation, we noticed that Coca-Cola fans who were able to make personalised cans at the various activations around the country used the opportunity to compose mini-sentences on the product. Making the most of this in-

*The more media becomes increasingly fragmented, and at the same time cluttered, brands are more and more seeing the importance of cutting through more creatively*

sight, we opted to keep names on the cans as per the original campaign, but also introduced phrases that would allow people to create messages for one another. Thus 'Share a Coke and a Smile' was born.

"In this commercial, we brought back the beloved Bobby, a handsome and street-smart Border Collie who is

on the quest for love. As he navigates through the bustling city and South Africa's coolest teens, he carries a mysterious can in his mouth – revealed at the end of the commercial – generating reactions and causing a stir wherever he goes. "The commercial was very well received by the public and loved by Bobby fans everywhere, being the most-liked advert in quarter four and the fourth most-liked ad of the year in Millward Brown's Best Liked Ads of 2014," says Morris.

The biggest contributing factor to FCB's ability to create highly successful campaigns and build clients' brands, according to Morris, is the long-term relationships and strong partnerships the agency has with clients. "This allows us to have a long-term view of working together to solve challenges and take advantage of opportunities. It's much more difficult to have sustained success if you have a short-term view and a weak partnership," he says.

Morris adds that FCB is lucky enough to work with clients that believe in the power of branding, and the marketing teams have direct access to the CEO; in some cases the CEO is directly involved with marketing. He contends that, today, branding has to be part of a company's DNA, and can't just be the domain of the "marketing department".

"The more media becomes increasingly fragmented, and at the same time cluttered, brands are more and more seeing the importance of cutting through more creatively."

Morris says: "We are a proudly



BRETT MORRIS

South African company and we're very proud of the fact that our brands have strong local roots, but we also have a strong link to our global network. This allows us to have access to the best minds across the globe, giving us insights into global trends and best practice, and we often collaborate with some of our other offices around the world."

While market conditions are difficult at the moment, with very low GDP growth, and it's fair to say that brands have to work harder for their share of the market, Morris says there is strong evidence to support the fact that brands that spend more in tough economic conditions will see more return, both during those tough times and beyond them. "Of course it also depends on whether the primary driver is sales or brand-building and there should be a good mix of both," he suggests.

"Our vision is to continue to help build South Africa's favourite brands, and, in doing so, help our clients adapt to changing market conditions by offering them integrated marketing solutions that travel broadly and deeply across all their consumer touch-points."

## More power to the people

Eskom is honoured to have been nominated for the 2015 Green Award in the Sunday Times Annual Top Brand Survey - Consumer Category: 'BRAND OR COMPANIES THAT ARE DOING THE MOST TO LOOK AFTER SOUTH AFRICA'S ENVIRONMENT AND NATURAL RESOURCES'. As Eskom, we are proud of the work we have done to complete our first commercial scale wind energy project - the Sere Wind Farm. We are grateful to those who made this project possible and to those who nominated us for the award.

 Eskom | Powering your world

[www.eskom.co.za](http://www.eskom.co.za)

# Power of a billion

*Facebook makes it easy to be a mobile marketer*

**PUSELETSO MOMPEI**

**S**ocial media increasingly dominates modern life; these networks are the hubs where new relationships are created and old ones are kept alive – and they're becoming the cornerstone of many marketing and brand communications strategies.

This year Facebook led the pack as the most loved brand, maintaining its lead from last year, with Google Plus in second spot. Newcomer Pinterest inched out Mxit and Myspace. Twitter drops to fourth, as YouTube leapfrogs into third place.

Arthur Goldstuck, leading expert on Internet and mobile technology trends, says the biggest driver of social networking until two years ago was the sheer attraction of getting in touch, being in touch and keeping in touch in a simple, entertaining environment that gave people the semblance of maintaining, extending and expanding their social lives. "With the smartphone revolution of the past three years, that attraction has gone mobile, and drawing millions more who otherwise would not have had access, into this same social honeypot."

According to Aidan Baigrie, global marketing solutions for Facebook, millions of people on the continent are already using Facebook to connect and share. Baigrie asserts that what makes Africa really interesting is that often access is mobile only. "We are currently seeing a historic shift

in media consumption, with mobile being the new, preferred screen of choice for consumers, particular in Africa. According to ITU data, about 685 million Africans have mobile cellu-

lar subscriptions and some 200 million are on the Internet. Of those users, 120 million are on Facebook."

As a result, Facebook considers itself a mobile-first company, with 80% of the people using Facebook in Africa accessing the platform through a mobile device of some kind.

Facebook opened its first office in Africa in July 2015. As Google did a few years ago, it chose Johannesburg as its head office, to tap into the potential of the rest of the continent. Facebook states that setting up a local office is a key part of its strategy to expand its investment and presence across Europe, the Middle East and Africa.

Goldstuck explains that these local bureaus tend to be sales offices, which suggests that advertising revenue for social networks is rising rapidly in South Africa, to the extent that it justifies a dedicated team working with the bigger advertisers, and marketing the options and opportunities to other potential advertisers.

"Facebook is already a central part of people's lives in Africa, and with more than a billion people on the continent, we want to do more to help people and businesses connect. A one-size-fits-all approach won't work when it comes to building products and solutions that address diverse needs on the continent, which is why we are com-

mitted to creating solutions tailored to people, businesses and specifically for African economies," says Baigrie.

Technology is playing a massive role in the rapid rise of consumption, and is democratising the mobile opportunity by bringing many of the same tools and solutions large companies and brands are using to advertisers of all sizes. Facebook makes it easy to be a mobile marketer, which is key in emerging markets where SMEs are driving the lion's share of economic growth and job creation. Facebook

*We are committed to creating solutions tailored to people, businesses and specifically for African economies*

provides extensive tools to help SMEs to build their business and reach their customers.

Baigrie explains: "We believe in building localised solutions that help brands connect with people in meaningful ways. We aim to help advertisers reach anyone, across any level of connectivity and on any device, based on how and when people want to connect. For example, Facebook has enabled ads on feature phones, and continues to optimise

the experience for both brands and people, enabling one mobile strategy across devices." The company is working closely with advertisers and agency partners to develop solutions that work for mobile devices of all kinds.

According to Baigrie, Facebook's main commercial priority for the next few months is to continue to work with clients in the region. The company also wants to develop a deeper understanding of the real business challenges of clients and agencies, so that it can provide more flexible and less fragmented tools and means to reach users with solutions that will help businesses to grow.

Social networking is a dynamic, fast-moving sector where trends and behaviours can be fluid. For instance, video increasingly plays a central role in creating and consuming content. YouTube and Instagram are the fastest-growing social platforms in South Africa, showing the immense appeal of visual content.

Goldstuck believes the growth we've seen up to now represents, in a sense, the birth of social media in South Africa. "It can still be expected to grow substantially, and then mature in the way both businesses and individuals use it. We've only begun to see the impact it makes on our lives, and can expect it to evolve dramatically in the next five to 10 years."



Infographic courtesy Facebook



# UNDISPUTED FAVOURITE!



**VOTED #1  
MAIZE MEAL**  
6 YEARS IN A ROW

# Thanks for making us SA's Best Network\*



Because of you, our customers, Vodacom has been voted as Top Telecoms Provider and Top Overall Business Brand. Thank you for your commitment to Changing the Game.

**Vodacom**  
Power to you



*Change  
the Game*

\*Based on June 2015 Ookla Data, Vodacom offers the fastest mobile internet Data speed in South Africa.