Ambitious undertakings require commitment and self-belief.

The Brand Council of South Africa’s pledge to influence positive socio-economic change in this country is one such undertaking – and much ground has been covered since our launch in 2012.

Our inaugural Brand Barometer is clear evidence of our commitment to hallmark our activities with action and of our genuine belief that the professional purpose of branding can contribute sustainable value to the nation.

This research is an important and valuable tool for both the BCSA and the country. Perceptions and perspectives have been tested. Challenges and opportunities have been identified. We now have in-depth investigations into key topics and a definitive benchmark for measurement and future review. Crucially, we now have a comprehensive framework for prioritising our strategies and actions.

Our immediate plan of action is being shaped by several key findings. Brand Influencers and Brand Owners felt strongly that, if marketing were to be elevated to its rightful position in the boardroom, it could fulfil a far more meaningful role. The reasons for it not being taken sufficiently seriously were varied, but the BCSA’s immediate priority will be to focus on changing the status quo and raising awareness of the importance of measuring marketing ROI over the long-term. Also, the upgrading of industry skills was given primary status on the back of the research results which found that only 32% of Brand Owners agreed that the current skills level of young marketers was acceptable. There is clearly much work to be done.

Sincere thanks must go to the project’s major sponsor and international brand, Anglo American, as well as to all the survey respondents who demonstrated that brands truly do change lives. For every completed questionnaire, the BCSA contributed R100 towards a bursary which will be awarded to a disadvantaged student to complete a formal branding qualification.

BCSA board member, David Blyth, and his team at Yellowwood are also to be congratulated on their relentless efforts in driving this important initiative which we aim to make an annual event.

Everyone can be a catalyst for change. Increased membership of the BCSA across the spectrum of branding and communications from Brand Owners, agencies and clients, suppliers, service providers, research agencies and regulatory bodies to marketers and communications specialists will add impetus to our campaign to ensure that branding continues to play a critical role in bringing long-term economic, social and cultural value to the nation. Make your voice heard. We have.

Enjoy the report.

Dr Sean McCoy
CHAIRMAN
Brand Council South Africa
THE APPROACH

02 Objectives
03 Sampling
04 Sample achieved

THE HEADLINES

06 A. Balancing creativity & accountability
10 B. Skills and leadership in the industry
16 C. Doing what you should
21 D. Earning respect
25 Conclusion

FULL RESEARCH RESULTS

27 1. More for less
29 2. Digital set to score
30 3. Sales trumps equity measures
32 4. Tools are useless without the skills
34 5. Brand Marketing can contribute more
36 6. Brand Marketing needs to show more visible impact
38 7. We lack a common view
40 8. Procurement will play a far bigger role

SUMMARY & RECOMMENDATIONS

42 Skills upgrade & visible leadership are urgent priorities
43 Clear understanding of business, consumers & technology are critical success factors
44 Conclusion
THE Approach

Research objectives, methodology and sample achieved

This section details the research objectives that we aimed to address, the methodology we used to gather the information and the sample we achieved for the study.
THE APPROACH objectives

Overall objective of the Brand Barometer

Leading members of the Brand Marketing industry represent the industry as the Brand Council of South Africa (BCSA).

The BCSA has ratified a manifesto that aims to focus the council’s reason for being on a higher purpose.

Core to building an improved reputation for the industry, based on the defined BCSA positioning statement, is the ability to understand and measure the impact that the practice of Brand Marketing has on business and society.

The BCSA aims to ensure the above by:

• Enabling positive growth in our economy
• Supporting our ability to compete as a nation
• Defining the way we behave as good citizens
• Creating consistent expressions & experiences for our brands

With this in mind the BCSA undertook a survey in late 2012 / early 2013 to better understand the state of the Brand Marketing industry.

This study has two purposes; the main purpose being to monitor the climate within the Brand Marketing industry and the secondary purpose being to highlight issues within the industry. The intent is to enable the BCSA to have on-going conversations with key stakeholders within the industry to develop the overall practice of Brand Marketing as a profession.

Specific objectives of the Brand Barometer

PRIMARY OBJECTIVE

sentiment

Provide a regular view of the climate within the Brand Marketing industry.

SECONDARY OBJECTIVE

issues

Provide the BCSA with a source of direct market intelligence and enable on-going conversations.

The report is divided into four sections:

- The Approach
- The Headlines
- Research Findings
- Summary and Recommendations
THE APPROACH sampling

Approach

- An online survey methodology was utilised to gather the data from three Brand Marketing industry sub-segments – Brand Influencers, Brand Owners, Brand Measurement.
- Three online questionnaires were designed and scripted to facilitate this, ensuring that they captured a holistic understanding of the respondent’s knowledge, attitudes and perceptions about the current state of the Brand Marketing industry.
- Brand Influencers: include suppliers of all Brand Marketing related services from strategy, design, and advertising communication - it excludes research and measurement practitioners
- Brand Owners: include those that own or manage a brand on behalf of an organisation
- Brand Measurement: includes those that undertake research and measurement activities for Brand Owners

Sample sources

A total sample of more than 300 interviews was required for the survey to be representative of the industry.

The BCSA’s database was used to invite the panellists and later, a snowball sampling approach was utilised to boost the total sample.

The recruitment criteria were as follows:
- Respondents had to play an active role in the Brand Marketing industry
- Hold a mid-senior work position
- Reside in South Africa

Key to the charts and reporting

- Charts like this represent percentage agreement with a statement on a scale of Strongly Agree, Agree, Neutral, Disagree and Strongly Disagree.
- ‘Top Two Box’ refers to the combination of both Strongly Agree and Agree statements. Please note that some questions have been asked in the negative and should therefore be interpreted in the reverse.
- Please take caution in interpreting any of the Brand Measurement scores as the sample size is too small to be statistically valid.

- Charts like this represent aggregated post-coded answers to open-ended questions and multiple mentions are possible – numbers will therefore not add up to 100%.
- Please take caution in interpreting any of the Brand Measurement scores as the sample size is too small to be statistically valid.
THE APPROACH sample achieved

### Brand Influencers
- **n = 178**
- Advertising Agency
- Brand Design & Strategy Agency
- Marketing Strategy Consultancy
- Academic Institution – Management
- Academic Executive

### Brand Owners
- **n = 114**
- Brand/Product Manager
- Marketing Manager
- Marketing Director/CMO
- CEO

### Brand Measurement
- **n = 22*%
- Research Agency
- Research Regulatory Body
- Marketing & Comms Monitoring Body

#### Permanent Staff

<table>
<thead>
<tr>
<th>Category</th>
<th>1A</th>
<th>1B</th>
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<tbody>
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<td>10 – 19</td>
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<td>20 – 49</td>
<td>22</td>
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<td>500+</td>
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#### Office Location

<table>
<thead>
<tr>
<th>Location</th>
<th>1A</th>
<th>1B</th>
</tr>
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<tbody>
<tr>
<td>Johannesburg/Pretoria</td>
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<tr>
<td>Durban</td>
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<td>4</td>
</tr>
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<td>13</td>
</tr>
<tr>
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<td>4</td>
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*Sample size too small

#### Ranked C %

<table>
<thead>
<tr>
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<th>1B</th>
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</thead>
<tbody>
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<tr>
<td>CHIEF</td>
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<td>OWNER</td>
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<td>37</td>
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<td>HEAD</td>
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<tr>
<td>CHIEF</td>
<td>14</td>
<td>14</td>
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<td>DIRECTOR</td>
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<td>VICE PRESIDENT</td>
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<tr>
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<td>SPECIALIST</td>
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<td>3</td>
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<tr>
<td>CONSULTANT</td>
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<td>2</td>
</tr>
<tr>
<td>COORDINATOR</td>
<td>2</td>
<td>2</td>
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<tr>
<td>CATEGORY LEAD</td>
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<td>2</td>
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</table>

#### Ranked C %

<table>
<thead>
<tr>
<th>Role</th>
<th>1A</th>
<th>1B</th>
</tr>
</thead>
<tbody>
<tr>
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<td>CHIEF</td>
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<td>14</td>
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<tr>
<td>DIRECTOR</td>
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<tr>
<td>VICE PRESIDENT</td>
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</tr>
<tr>
<td>EXECUTIVE</td>
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<td>6</td>
</tr>
<tr>
<td>SPECIALIST</td>
<td>3</td>
<td>3</td>
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<tr>
<td>CONSULTANT</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>COORDINATOR</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>CATEGORY LEAD</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

The job descriptions of those included in the sample reflect the seniority of the respondents.
An executive summary of key findings

The full research results are available at the end of this report. The purpose of this executive summary is to highlight key observations and promote debate and conversation.
How do we balance creativity & accountability?

Great brands manage the balance effectively.

1886 - 1892
Coca-Cola is enjoyed in the USA
Coca-Cola made its debut in Atlanta, at Jacob’s Pharmacy.

1893 - 1904
Coca-Cola is enjoyed in the USA
Coca Cola hired first celebrity spokesperson, Music Hall performer, Hilda Clark, to appear in advertisements.

1915
The contour bottle is created to combat copycats and ensure consumers are getting the ‘real thing’.

1919-1940
Coca-Cola is enjoyed in 53 countries worldwide.
Coca-Cola introduces the six-pack.
Coca-Cola is an exemplar brand, balancing fresh, creative story telling with business results. CONSISTENT respect for the brand assets that make it uniquely recognisable is key.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca-Cola is enjoyed in 120 countries worldwide. The elf-like sprite is introduced to promote use of the word ‘Coke’.</td>
<td>Coca-Cola is enjoyed in 163 countries worldwide. The Dynamic Ribbon device – Commonly called the ‘Coca-Cola wave’ is introduced to the public as part of a new 1970s look for Coca-Cola - connected with fun, friends and good times.</td>
<td>Coca-Cola is enjoyed in 200 countries worldwide. Refreshing the world of sports with a long standing association with the Olympic Games and FIFA World Cup™.</td>
<td>Coca-Cola is enjoyed in 200 countries worldwide. 'Welcome to the Coke side of life'; the Coca-Cola global marketing platform makes its debut.</td>
</tr>
</tbody>
</table>
There is an imbalance between creativity and accountability

While we all acknowledge that we should be held accountable for Brand Marketing effectiveness, nearly half the Brand Owners agree that creativity is placed ahead of business results. Those that supply branding and research services are even more likely to concur with this statement.

Data reflects Top Two Box agreements

Source Q6; Brand Influencers (n=140); Brand Owners (n=93); Brand Measurement* (n=17)

* Note: Very small sample size

SA marketers are more concerned with creativity than business results

Demonstrable marketing effectiveness should be in the KPAs of every Marketing Director

What drives this?

Turnover in staff where new brand managers feel the need to ‘make their mark’.

The desire to win personal recognition as an innovator or progressive personality in the industry.

Being swept away by the latest trends without thinking about brand relevance or business impact.
Potential solution

1. meaningful creativity

Creativity is critical, but not at the expense of the brand. Creativity must reinforce in a relevant way.

2. know & respect assets

Anyone working on a brand must know which assets are core and which are transient.

3. apply brand governance

Ensure that the correct checks and balances are in place to prevent misuse of brand assets.

“The one thing I would change is to eliminate self-indulgent advertising for awards rather than providing brand solutions.”

- Brand Influencer
How do we ensure that we have the right skills and leadership?

There is a perceived lack of skills and leadership in the industry.

What do marketers say about the standard of skills in the industry?

QUALITY OF SKILLS IS UNACCEPTABLY LOW

Data reflects Top Two Box agreements

Source Q6; Brand Influencers (n=147); Brand Owners (n=95); Brand Measurement* (n=17)

* Note: Very small sample size

- Only 32% of Brand Owners agree that skills of young marketers are at an acceptable level, Brand Influencers are even more negative (24%)
- Only 55% of Brand Owners believe that the marketing profession in SA is of a high standard

"Most are worried about the quality of young marketers entering the profession - a dynamic that does not bode well for the future."

- Brand Owner

The quality of young marketers entering the profession is of an acceptable level

The SA marketing profession is of a high standard compared to the best in the world
**DRIVEN PRIMARILY BY POOR QUALITY TRAINING**

- Professional tools and resources are reasonably on par with international markets, but the quality of training is lacking
- Only 41% of Brand Owners agree that training quality is sufficient
- The rate of change in the industry is not a key factor in poor quality skills

**AS WELL AS LOWER QUALITY RECRUITS, AFFECTED BY A NEGATIVE INDUSTRY IMAGE**

*Note: Very small sample size*

**Source**
- Q6; Brand Influencers (n=147); Brand Owners (n=84); Brand Measurement* (n=14)

**Name one thing you would like to change about the marketing industry ?**

- "Young marketers should be properly trained before these titles are awarded and not given vast budgets without the wisdom to spend them effectively." - Brand Owner

**Data reflects Top Two Box agreements**

- Brand Influencers
- Brand Owners
- Brand Measurement

**Current negative perception of marketing profession**

- Lack of proper understanding of business, consumer and brand
- Professional (mandatory) accreditation
- Strategic collaboration (internally and externally)
- More accountability, transparency and responsible culture
- Improved training and development (talent pipeline, education, skill upgrading)

**Provide solutions to solve business problems - more strategic**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**Lack of proper understanding of business, consumer and brand**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**Provide solutions to solve business problems - more strategic**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**More accountability, transparency and responsible culture**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**Lack of proper understanding of business, consumer and brand**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**Strategic collaboration (internally and externally)**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

**Improved training and development (talent pipeline, education, skill upgrading)**

- Current negative perception of marketing profession
- Professional (mandatory) accreditation

"While we have access to great tools and resources and we keep up with trends we lack the skills to apply these and generally ensure the professional development of marketers in South Africa."

- Brand Owner

"There should be a high standard which serves as a barrier to entry for under achievers."

- Brand Owner

"Would like better training of marketing managers to be more commercially astute."

- Brand Owner

"There is a good range of professional tools and resources available to SA Marketers"

- 62%

"There is sufficient quality training available to ensure the professional development of marketers in SA"

- 66%

"Things change too fast for marketers to realistically stay up to date with the latest trends"

- 71%

"Professional tools and resources are reasonably on par with international markets, but the quality of training is lacking"

- 42%

"Only 41% of Brand Owners agree that training quality is sufficient"

- 41%

"The rate of change in the industry is not a key factor in poor quality skills"

- 53%
**THE HEADLINES**

**skills and leadership in the industry**

<table>
<thead>
<tr>
<th>Potential solution</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 position the industry</td>
<td>Create a clear definition, positioning and services structure for the Brand Marketing industry in its entirety.</td>
</tr>
<tr>
<td>2 consolidate our award systems</td>
<td>Consolidate industry awards programmes into fewer, more relevant measures of both creative excellence and business effectiveness.</td>
</tr>
<tr>
<td>3 profile our icons</td>
<td>Do more to profile key personalities and leaders in the Brand Marketing industry to inspire and attract new talent.</td>
</tr>
<tr>
<td>4 academic partnership</td>
<td>Formalise partnerships between Brand Owners, Influencers and academic institutions to ensure selection criteria and curricula are world-class and current and start the journey earlier at a school level.</td>
</tr>
</tbody>
</table>

“We should have a dedicated institution to track top marketers and professionals. It should be a must to be recognised by the Marketing Association before practising.”

- Brand Influencer

“We need to groom more thought leaders who will take over from the current crowd.”

- Brand Owner
1 Position the industry

The Brand Marketing industry is sending a very fragmented and confusing message to business executives, government and the general public. A variety of organisations represent the profession and there is no united front or clear definition of the industry’s role in society.

"Create a single industry or professional body representing brand marketers”

- Brand Owner

Creating a clear industry definition, positioning and architecture as well as presenting a united front will make it easier to communicate and assist others in navigating service offerings or evaluating Brand Marketing as a career path.

2 Consolidate our award system

A variety of award programmes and systems send the message that Brand Marketing effectiveness is poorly defined and difficult to measure.

Consolidate industry awards into one or two key awards programmes using measurement criteria that are easily understood and relevant to all stakeholders. This will help to demonstrate the effectiveness of the profession.

3 Profile our icons

The South African brand and marketing industry has had a number of high-profile figures over the years, but strong new icons have not emerged.

The South African Brand Marketing industry has produced a number of high-profile figures over the years, but strong new icons need to emerge. Make the marketing profession attractive to top young talent by profiling key leaders who make a difference to business and society. More visible, public domain, thought leadership platforms are required to raise the industry’s profile, push boundaries and inspire new young talent.

4 Academic partnership

Responsibility for turning out the best Brand Marketing skills should be shared between academic institutions, business and industry influencers.

High profile Brand Marketing-centred organisations should work more closely with academic organisations, starting at a school level, to run more orchestrated programmes designed to create interest and desire as well as identify the very best. These partnerships should be leveraged to improve the quality and work readiness of graduates.
Vega School of Brand Leadership is a brand within the education portfolio of the Independent Institute of Education (IIE). Vega believes that brands and innovation are two of the world’s greatest assets. It has positioned itself to graduate a new breed of thinker with the ability to generate brand ideas that build businesses and contribute to social, cultural and environmental development.

Vega Navigators (lecturers) are considered to be the most influential point of contact with the brand. The knowledge and experience of navigators in context of the Vega promise is what guides and supports student development in strategic thinking, creativity and innovation. At Vega this implies guidance rather than direction and mindful nurturing rather than trying to impart by decree. Navigation at Vega is bolstered by an internal mantra – ‘wisdomwithmagic’. It means that any compelling creative communication should have strategic intent and that strategic innovation depends on original thinking.

Vega Navigators strongly believe in guiding strategic creative work and in nurturing creative strategic thinking. When wisdom and magic connect students succeed to liberate, to challenge the status quo, to break norms and develop original and meaningful solutions to problems. ‘Wisdomwithmagic’ therefore guides the design and delivery of the Vega portfolio – from the higher certificate programmes to the Master of Arts in Creative Brand Leadership.

“Feel the things that haven’t been felt. Learn the things that haven’t been taught. Fight the fights that haven’t been fought. Think the things that haven’t been thought. And create things that will blow your ****ing mind.”

- Spike Lee
Creating great Brand Marketing talent

**INSPIRE**
- Inspire the best scholars to become students of marketing (e.g. school programs, bursaries).
- Inspire students to think creatively and commercially (e.g. involvement in wider course material and cross-functional apprenticeships).

**PRACTISE**
- As broad as possible – working experience on different brands, across categories, in different organisational roles to gain commercial astuteness
- As deep as possible – spend time in a role to learn it inside and out (serial job hopping should be discouraged since it creates breadth but no depth)

**WISDOM**
- As a student you gain knowledge, as a marketer you gain experience. You become a thought leader when this translates into good judgement leading to good decisions and sound actions.
- We need more mechanisms for experienced marketers to impart their wisdom to guide professional developments and career paths.
BUSINESSES NEED TO CREATE A BALANCE BETWEEN BUSINESS IMPERATIVES AND THEIR CONTRIBUTION TO SOCIETY

Data reflects Top Two Box agreements

Source: Q6; Brand Influencers (n=146); Brand Owner (n=93); Brand Measurement* (n=17)

* Note: Very small sample size

How do we ensure that Brand Marketing plays a bigger role in both business and society?

While we all believe that Brand Marketing has a broader role to play in society, Brand Influencers don’t believe that marketers are doing enough to sustain the future of our planet.

The industry believes that Brand Marketing should play a role in both the economic and social development of our country. It is therefore imperative that we aggregate and align corporate social investment initiatives to business imperatives so that they have a positive impact on social development.

- Brand Marketing can help business by aligning and linking marketing programmes in a way that delivers shared value.
Why shared value and how is it done...

IN DEVELOPING A SHARED VALUE STRATEGY, IT IS ESSENTIAL THAT WE UNDERSTAND THE DIFFERENCE BETWEEN IT AND CSI

<table>
<thead>
<tr>
<th>INDIRECT BUSINESS IMPACT</th>
<th>DIRECT BUSINESS IMPACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>CSI</td>
</tr>
<tr>
<td>Short-term focussed and usually addressing a particular need on a once-off basis. Positive impact on community translates in business seen in a positive light by the community. <em>e.g. Blanket donation</em></td>
<td>Medium to long-term focussed and usually addressing a high-level community issue <em>e.g. education</em>. It encompasses a contribution to communities in a particular area on an on-going basis or for a longer-term as needed. Greater positive impact and perceptions gained by the company compared to once-off donations. <em>e.g. Contribution towards bursaries</em></td>
</tr>
<tr>
<td>Shared Value</td>
<td>Independent Business Growth</td>
</tr>
</tbody>
</table>
| Long-term focus addressing both a business & community need. Direct positive impact for both parties over the long-term (financial impact) aiding community upliftment as well as positively impacting business profit. This also aids positive business perceptions in the community. *e.g. Enterprise development* | Short-term focussed - concentrating resources only on efforts that result in direct business growth. Community is usually not engaged in these activities, apart from buying and being exposed to products and services. *e.g. Selling sugar in communities*

Brand Influencers do not believe that marketers are investing enough in initiatives that sustain the future of our planet. Although the various players do agree that Brand Marketing has a role to play in building national pride and culture, this agreement is not as strong as the requirement for economic and social contribution.

Data reflects Top Two Box agreements

Source Q6; Brand Influencers (n=146); Brand Owner (n=93); Brand Measurement* (n=17)

* Note: Very small sample size

Marketers actively invest more in Brand Marketing initiatives that have a positive impact on a sustainable future for our planet

Marketers should actively invest more in Brand Marketing initiatives that have a positive impact on a sustainable future for the people of our country

Marketers have the responsibility to build the national culture and pride, through their brand initiatives
Anglo American recognises the importance of engaging and working in collaboration with the communities in which they operate.

**HOW THEY DO THIS**

- Zimele, Anglo American’s enterprise development initiative, was established in 1989 to provide funding and support to previously disadvantaged South Africans, with an aim to create and develop commercially viable and sustainable small and medium enterprises (SMEs). It consists of four funds (Community Fund, Anglo American Khula Mining Fund, Supply Chain Fund and Green Fund) each one providing funding and support to different types of businesses.

- Anglo American’s Chairman’s Fund is one of the dedicated instruments through which the companies in the Anglo American Group channel their social investment spend in South Africa. As the oldest professionally managed social investment programme in the country, the Chairman’s Fund dates back to the late 1950s and over the years has developed a reputation for being one of the most inclusive funders in South Africa and a partner of choice in development.

**IMPACT**

- By helping entrepreneurs through the provision of finance and training, Zimele promotes the success of start-up and expanding SME businesses. Anglo American further assists and works with a number of these businesses by including them in the supply chain. This in turn has significant and on-going benefit to the entrepreneurs’ communities and their families, through the creation of employment and income-generating opportunities.

- The vision of the Chairman’s Fund is to bring about real, sustainable and meaningful social change by adopting an inclusive approach to community development funding. Focus areas include early childhood development, maths, science, teacher development, infrastructure for rural schools, HIV/AIDS prevention, public healthcare, welfare support, livelihoods and community development.

**Source** Anglo American Online
The concept of shared value is an opportunity for Brand Marketing to make a credible and visible impact on both business and societal success. Through considered Brand Marketing, impact is more tangible and this could be the mechanism the Brand Marketing industry needs to highlight, beyond measurable sales results, in order to increase its importance within business.

“We must broaden the scope of thinking to embrace social and environmental challenges as core, rather than peripheral, to sustain success.”
- Brand Influencer

“Most businesses have CSI programs which do well but are run as separate from the business by a specified department. Often, because these initiatives do not impact on business results, they tend to be limited in nature...marketing should drive this.”
- Brand Owner
How can Brand Marketing earn respect?

Marketing must raise its leadership profile and deliver greater impact in order to earn respect.

Brand Influencers are more likely to agree that Brand Marketing is not taken seriously in the boardroom. Brand Owners agree with this but to a lesser extent. Less than half the Brand Measurement respondents agreed with this statement. This may be as a result of Brand Influencers presenting subjective ideas while Brand Measurement suppliers are presenting facts. The level of agreement from Brand Owners with this statement should be of great concern.

Data reflects Top Two Box agreements

Source: Q6; Brand Influencers (n=140); Brand Owner (n=93); Brand Measurement * (n=17)

* Note: Very small sample size

Hence, what is or should be the role of marketing in the boardroom?

- Brand Marketing should first and foremost understand its role in relation to the business strategy.
- Brand Marketing should ensure that all activities are clearly linked to business objectives and should show how they contribute to overall strategic intent.
Why not?

Brand Marketing needs to up its game in how it contributes to the business strategy conversation.

A LACK OF THOUGHT LEADERS, THE NECESSARY SKILLS AND A LACK OF STRATEGY-LED ADVICE HAVE A NEGATIVE IMPACT ON HOW BRAND MARKETING IS VIEWED

Data reflects Top Two Box agreements

Source Q6; Brand Influencers (n=140); Brand Owners (n=93); Brand Measurement* (n=17)

* Note: Very small sample size

- Brand Influencers
- Brand Owners
- Brand Measurement

QUALITY OF SKILLS IS UNACCEPTABLY LOW

Data reflects Top Two Box agreements

Source Q6; Brand Influencers (n=147); Brand Owners (n=95); Brand Measurement* (n=17)

* Note: Very small sample size

- Brand Influencers
- Brand Owners
- Brand Measurement

• All participants believe that there is a good range of tools available but we need to question whether, with limited incoming skills and training, they are being applied appropriately in a way that supports business.

• All disagree with the fact that the level of incoming skills is adequate and this is a big red flag for the industry.
MEASUREMENT OF BRAND MARKETING ROI IS LARGELY RELEGATED TO SHORT TERM IMPACT RATHER THAN LONG TERM EFFECT

"Marketers need the tools to demonstrate a large and measurable impact on business results."

Brand Owners rely on sales data analysis and KPI’s as the most effective measurements of ROI. We need to question current brand equity tracking and metrics used for long-term measurement of success. Perhaps there is a need for measurement models which link both short-term impact with long-term effect.

"This is the holy grail and something I do not believe we have cracked."
- Brand Influencer

Source Q 5a; Brand Owner (n=99)

Multiple mentions possible

How do we build a greater understanding of the role and potential impact of Brand Marketing in the boardroom?

Raise the thought leadership profile to strategic conversations
Attract talent and raise skill levels
Seat at the boardroom table
Link short and long-term measurement mechanisms.

"Get the boardroom to understand that marketing, not finance, is the function that can assist in saving a company and get it back onto a growth track."
“Ability to influence the organisation and think from a client perspective”

- Brand Owner

“Better training of marketing managers and brand managers to be more commercially astute with better business acumen”

- Brand Owner

“Would like to see it playing an important strategic role in business”

- Brand Owner
Conclusion

How do we balance creativity and accountability?

We must ensure that we use creativity in a relevant way. It should be carefully balanced with accountability by protecting and respecting core equity. Consistency is key.

How do we ensure that we have the right skills and leadership?

We have access to top class tools and resources and we keep up to date with trends. However, most agree that one of the biggest issues is a lack of skills with which to translate these resources into top class marketing.

How do we ensure that Brand Marketing plays a bigger role in both business and society?

While all believe that marketing should be making a greater contribution to society, it is questionable whether we have enough of an impact. The concept of shared value could help marketers to realise their ambition of making enough of an impact.

How can Brand Marketing earn respect?

Brand Marketing currently doesn’t have the influence it should at the top level of organisations. In order to achieve this we need to be able to demonstrate substantial contribution to business results, be seen as the providers of future business leadership and the curators of the business’ most valuable assets - brands.

BCSA thanks all the survey participants for their valuable contribution. Money raised from this survey will be used to provide a bursary for an underprivileged student.
FULL RESEARCH RESULTS
MORE FOR LESS

Spending patterns are static given the economic environment.

INVESTMENT

The Brand Owners interviewed in this study accounted for close to R8 billion in Brand Marketing spend. The majority of clients’ budgets are less than R50 million with 17% spending greater than R100 million per annum.

<table>
<thead>
<tr>
<th>Budget Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 50 million</td>
<td>64%</td>
</tr>
<tr>
<td>51-100 million</td>
<td>11%</td>
</tr>
<tr>
<td>101-250 million</td>
<td>10%</td>
</tr>
<tr>
<td>251-500 million</td>
<td>4%</td>
</tr>
<tr>
<td>501-750 million</td>
<td>2%</td>
</tr>
<tr>
<td>751+ million</td>
<td>1%</td>
</tr>
</tbody>
</table>

Source: Q2B; Brand Owners (n=99)

INVESTMENT OVER TIME

Just over half the respondents are not expecting significant changes to Brand Marketing investment over time.

- **NO** Not anticipating any significant change on the spending trend
- **YES** Anticipating a significant change on the spending trend

Source: Q4A; Brand Influencers (n=157); Brand Owners (n=101); Brand Measurement * (n=17)

* Note: Very small sample size

- **Brand Influencers**
- **Brand Owners**
- **Brand Measurement**

• Just over half the respondents are not expecting significant changes to Brand Marketing investment over time.
INVESTMENT REASON FOR NO CHANGE

The main reason for there being no change in investment is limited marketing budgets, the slow recovery of the economy and the view that brand strategies are solid and require no change. Given this Brand Marketing should focus on more cost-effective means to achieve desired results, solid maintenance strategies and value-adding opportunities.

Of the 54% that expect no change in the spending patterns, reasons are:

- Limited allocated marketing budget or investment (30%)
- Slow global/local economic recovery (30%)
- The rise of social and digital media—experiencing increased budget (15%)
- Unstable economic and political climate (10%)
- Cautious client requiring innovation (5%)
- Don't know/not sure/not answered (5%)

Of the 55% that expect no change in the spending patterns, reasons are:

- Limited allocated marketing budget or investment (37%)
- Solid and consistent brand’s future plan/strategy (37%)
- The rise of social and digital media—experiencing increased budget (10%)
- Unstable economic and political climate (10%)
- No visible practical change (large scale change will possibly happen in the text) (5%)
- Don’t know/not sure/not answered (5%)

Of the 65% that expect no change in the spending patterns, reasons are:

- Limited allocated marketing budget or investment (43%)
- Slow global/local economic recovery (43%)
- The rise of social and digital media—experiencing increased budget (43%)
- Unstable economic and political climate (43%)
- No visible practical change (large scale change will possibly happen in the text) (43%)
- Don’t know/not sure/not answered (43%)

Source: Q4c; Brand Influencers (n=70); Brand Owners (n=49); Brand Measurement* (n=9)
* Note: Very small sample size

INVESTMENT ALLOCATION OVER TIME

When asked to compare current spend with the previous year’s budget, both Brand Influencers and Brand Owners agree that the major shift has been toward Online/Digital and Social Media. Brand Owners are also spending a lot more on Research and Insights as well as Events & Activations. 50% of all Brand Owners had no spend allocated to Shopper Marketing in the current year.
## Digital Set to Score

Shift to on-line and the reconstitution of traditional media.

### Investment Reason for Change

- **Of the 46% that expect change on the spending trend, the following is expected**
  - Digital transition (social media; on-line)
  - Reinvestment on traditional media (ATL & BTL)
  - Digital transition (social media; on-line)

- **Of the 45% that expect change on the spending trend, the following is expected**
  - Experiential & shopper marketing (branding activations)
  - Insights & research
  - Strategic brand consulting - integrated marketing

- **Of the 35% that expect change on the spending trend, the following is expected**
  - Increased marketing spend levels
  - Don’t know/not sure/not answered
  - Increased work in Sub-Saharan Africa

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### Sentiment Media Type

- **Digital and social media is the biggest reason given by those who suggest that investment in Brand Marketing will change significantly in the future.**
- **Brand Owners are also of the opinion that they will re-evaluate the nature of their investment in traditional media.**

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**Source:** Q4b; Brand Influencers (n=75); Brand Owners (n=45); Brand Measurement* (n=6)

* Note: Very small sample size
Sales Trumps Equity Measures

Brand Influencers and Brand Owners agree that sales is the most effective way to measure return on Brand Marketing investment.

Brand Owners rely on sales data analysis, KPIs and advertising measurement as the most effective measurements of ROI.

Source: Q5a, Brand Owners (n=99)

"Currently this is sales driven."
Brand Influencers rely on a number of measurement mechanisms that are a combination of hard revenue and survey measures. There is no silver bullet when measuring the ROI of Brand Marketing but short-term mechanisms are favoured by both Brand Influencers and Owners. There is a clear need for a stronger link between short and long-term measurement mechanisms. Brand Influencers should be thinking about more immediate ways to connect recommended activities to both short and long-term return.

Source: Q5b; Brand Influencers (n=142); Brand Owners (n=90); Brand Measurement * (n=14)

* Note: Very small sample size

- Brand Marketing relies on a number of measurement mechanisms that are a combination of hard revenue and survey measures.
- There is no silver bullet when measuring the ROI of Brand Marketing but short-term mechanisms are favoured by both Brand Influencers and Owners.
- There is a clear need for a stronger link between short and long-term measurement mechanisms. Brand Influencers should be thinking about more immediate ways to connect recommended activities to both short and long-term return.
TOOLS ARE USELESS WITHOUT THE SKILLS

Early adoption of career path is required to ensure fit for purpose training and mindset.

There is a desperate need to improve the quality of young marketers entering the Brand Marketing industry. Brand Influencers do not agree that the industry is of a world class standard while the majority of Brand Owners and Brand Measurement suppliers are more likely to agree with this statement.

- While it is agreed that there is a good range of tools and resources available it is clear that these tools are not being utilised or applied effectively due to a lack of skills.
CONSUMER REGULATION & TRAINING

The increase in consumer driven regulation is, according to Brand Owners and about half of Brand Influencers and Brand Measurement participants, affecting the quality of local marketing.

- The majority of survey respondents feel that quality training for the industry is insufficient.
- Participants in the survey mostly disagree that things move too fast to keep up with trends. This suggests that there is no excuse for not keeping up with trends and amplifies the need for improved skills.
- If a shortage of skills is the symptom then training and skills development is the cause that requires immediate and urgent attention.

“"The profession is becoming too specialised in certain aspects and as such as a professional you have to be a super-specialist which is not what was predicted and told to us when studying marketing at university level."
- Brand Owner

“We need to be stricter about qualifications, at this point in time a receptionist/PA can easily be promoted to a marketing position without qualifications ...this dilutes the output of the marketing profession hence, anyone in the company thinks they can make marketing decisions.”
- Brand Owner

Data reflects Top Two Box agreements.

Source Q6, Brand Influencers (n=147); Brand Owners (n=95); Brand Measurement* (n=17)

* Note: Very small sample size

- Brand Owners
- Brand Influencers
- Brand Measurement

* *
BRAND MARKETING CAN CONTRIBUTE MORE

There is a strong belief that Brand Marketing can play an important role in the economy and society.

The industry realises that Brand Marketing has a vital role to play in the development of the economy and country and there is a belief that the importance of Brand Marketing’s role will grow – a positive outlook and an opportunity for the industry to make a significant impact within business and society.

- Brand Owners believe that marketing is the most important role within business today, but suppliers, while they agree, are on the whole less convinced.
Marketers actively invest more in Brand Marketing initiatives that have a positive impact on the sustainable future for our planet.

Marketers should actively invest more in Brand Marketing initiatives that have a positive impact on the sustainable future for the people of our country.

Marketers have the responsibility to build the national culture and pride, through their brand initiatives.

• There is overwhelming agreement that Brand Marketing should actively invest in initiatives that have a positive impact on the future of the South African people.

• It is also agreed, although to a lesser degree, that Brand Marketing has a role to play in building the national culture and pride.
BRAND MARKETING NEEDS TO SHOW MORE VISIBLE IMPACT

Brand Marketing needs to quickly address how it defines its role within business and should focus its efforts on more visibly showing tangible impact in order to build credibility and respect.

THOUGHT LEADERSHIP AND CREDIBILITY

The Brand Marketing industry in SA lacks thought leaders, who challenge and inspire professionals to raise the bar.

- Overall, survey participants feel that the quality of thought leaders in the industry is lacking and that Brand Marketing is not taken seriously at the boardroom table – Brand Influencers feel more strongly about the latter point than other respondents.
- Linking this need to the previous section, it is clear that there is great latent opportunity for the industry to be more vocal and opinionated about Brand Marketing’s role in the economic and social development of our businesses and our country.
MARKETING EFFECTIVENESS

While all believe that Brand Marketing leaders should be measured on demonstrable effectiveness we are not packaging our collective contribution clearly and consistently enough for business and society to feel and believe this impact.

This also affects the ability of the industry to attract and retain skills and talent and hence there is a virtuous negative cycle at play in the industry.

While all believe that Brand Marketing leaders should be measured on demonstrable effectiveness we are not packaging our collective contribution clearly and consistently enough for business and society to feel and believe this impact.

This also affects the ability of the industry to attract and retain skills and talent and hence there is a virtuous negative cycle at play in the industry.

SA marketers are more concerned with creativity than business results

Demonstrable marketing effectiveness should be in the KPAs of every Marketing Director

Source Q6; Brand Influencers (n=140); Brand Owners (n=93); Brand Measurement* (n=17)

* Note: Very small sample size

Data reflects Top Two Box agreements

Brand Marketing should be using creativity in relevant ways to break through and show impact, but needs to do this in a way that serves the business strategy more directly and in more measureable ways.
WE LACK A COMMON VIEW

Poor alignment: different views

Using statistical modeling we analysed participant responses across the previous sections in order to understand convergent and divergent opinions.

Disparate views exist depending on perspective. Brand Influencers are typically more cynical than supportive about the role Brand Marketing could play in SA, while Brand Owners are more proud, supportive and engaged. Those in Brand Measurement feel most strongly about the fact that Brand Marketing favours creativity over business results.
DIFFERENT VIEWS

-SA Marketing of a high standard
-Young SA marketers acceptable

-Not taken seriously at the boardroom table
-Marketing more concerned with creativity than business results

-Responsibility to build national pride and culture
-Should be more initiatives that build sustainable future for people
-Important role in social progress in SA
-Obligation to drive social change and progress
-Marketing is the most important function in business
-More initiatives happening for a sustainable planet

FULL RESEARCH RESULTS we lack a common view
PROCUREMENT WILL PLAY A FAR BIGGER ROLE

Currently the role of supply chain management is mostly administrative - focused on budgets and the process of supplier selection. However in the future this role will be more strategic.

All respondents believe that the role of procurement will evolve into a more strategic one, with increased input into the scope and deliverables of Brand Marketing requirements. Brand Influencers feel that procurement will play a lesser role in the choice of supplier as well as in decision-making on budgets, but that their administrative and compliance influence will remain high. Brand Owners agree on the first and third point regarding choice of supplier but differ in their view that the procurement influence on budget allocation will not change that much.
SUMMARY & RECOMMENDATIONS
When asked what ONE THING they would change, Brand Influencers and Brand Owners agreed that improved training and development as well as an improved perception of the industry are most important.

Brand Measurement respondents feel that the ability of Brand Marketing to solve business problems through better understanding of business and consumers is most important.

Separating the symptoms from the cause, it is clear that quality training, skills development and more visible thought leadership from the industry are pre-requisites for industry credibility and therefore success. Addressing skills development, training and mentorship should be focused on improving understanding of the business and consumer needs.
SUMMARY

CLEAR UNDERSTANDING OF BUSINESS, CONSUMERS & TECHNOLOGY ARE CRITICAL SUCCESS FACTORS

There is consensus from all participants that the greatest influence on the future success of the Brand Marketing industry is its ability to better understand business strategy, commercial requirements and consumers as well as use technology and social media advantageously to manage the cost vs effectiveness equation.

THINGS THAT CAN INFLUENCE THE SUCCESS OF MARKETING

- Better understanding of consumers through research and insights
- Advantageous use of tecology - social media
- Effective cost management - better business acumen/ROI

Source Q9: Brand Influencers (n=130), Brand Owners (n=86), Brand Measurement* (n=13)

* Note: Very small sample size

Brands to be national citizens - play part in nation building

Better understanding of consumers through research and insights
Advantageous use of tecology - social media
Effective cost management - better business acumen/ROI
Conclusion

While spending patterns remain static in the current economic environment, the Brand Marketing industry needs to do more with less. Understanding the shift to more consumer control suggests that Brand Owners expect Brand Influencers to better understand digital and social media in a way where they can provide credible, consumer-driven insight and strategic advice on how to realise real business return in both the short-term and the long-term.

Addressing the skills gap, the mix of skills and the visibility of share-shifting thinking should be the focus of the industry so that it can add both economic and social value through the business of brands. There is a latent window of opportunity for Brand Marketing to deliver on this given the changing dynamics that require business to play a broader role in society into the future.

Partnership between all industry players to address the above should start with a real and urgent push to address the talent gap, starting at a far earlier stage to create consideration for Brand Marketing as a professional career path at school.

Thank You

We hope you have enjoyed reading the first Brand Marketing Barometer report. We look forward to sharing this content with the broader industry to stimulate conversation and drive positive change.

We plan to undertake this survey once a year and if you would like to support this initiative or other initiatives undertaken by the BCSA please visit our website at www.brandcouncilisa.org or call Kim on 011 486 2072.

If you are interested in becoming a member, visit http://www.brandcouncilisa.org/membership/membership-application.aspx