Five themes. Practical insights.

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This paper offers a summary of the key insights from the 2020 Nedbank IMC Conference presenters. The theme, ‘Marketing works. More than ever. Work it’ saw 18 influential speakers presenting their thoughts on the current state of marketing, the future of marketing and how brands can successfully navigate this difficult period. Five key themes were identified and are presented below.
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OLE!CONNECT is delighted to be a sponsor of this year’s Nedbank IMC, particularly since so many of the presentations during the conference were aligned with our own strategy and view of the marketing environment.

It’s clear that the COVID-19 pandemic and the subsequent nationwide lockdown have shifted the marketing landscape into a new era. Nandus du Plessis noted in his address on Marketing for Consumers that a predicted 90% of consumer behaviours established during lockdown will remain post lockdown. But COVID or not, change is inevitable, and while it challenges and brings uncertainty – it also creates opportunity.

OLE!Connect has been riding the wave of change for some time, shifting course, and adjusting where necessary. Just over a year ago, we relaunched our service offering as a single business unit with a three-pillar focus. A leading provider of data, technology, and content-driven digital marketing solutions – our mission is to help brands better understand and engage with their customers. Our approach utilises and integrates comprehensive data, cutting-edge technology, and compelling content in a way that connects the type of marketing to the message and the moment.

Another major characteristic of today’s marketing landscape is the increased personalisation of marketing. Understanding individual consumer behaviour enables far more targeted and relevant communication. Sophisticated attribution modelling technology delivers measurable ROI to brands and advertisers – not only from a brand awareness perspective, but also in terms of revenue generated from specific campaigns – even down to individual customer level.

One of our key takings from the 2020 Nedbank IMC is that the changing world that brands are currently facing presents a strong need for agility and creativity in all aspects of the industry. With this in mind, we’re excited to navigate the future of marketing and to “work it” to the best of our ability.
1. WHO ARE YOUR CUSTOMERS?

Who are your customers? It doesn’t seem like a very confrontational question, it’s one that we have all asked and answered many times. So why are we still talking about this in 2020? The answer is simple. 2020 is a year like no other, in the space of a few months everything has changed. Your customers have changed, the way we work has changed and the way you communicate with your customers has changed. Many presenters spoke about the importance of learning and understanding your customers better, so we’ve come up with 5 key rules to keep in mind.

1.1. Rule 1: Everything has changed, change with your customers

“The market has shifted, fundamentally everything about how customers work and behave has changed”. These were the words of Lee Naik, the CEO of TransUnion Africa, who discussed that now was not the time to be naïve to the tough conditions that South Africa is facing. In the midst of a global pandemic, TransUnion is forecasting unemployment to increase to 38.2% by the end of the year. Couple this unemployment with a shrinking GDP, and it becomes very apparent that marketers have a tough job ahead. He emphasised the importance of marketers needing to think differently, suggesting that the digital revolution has been significantly sped up in recent months.

As marketers, we need to make sure that we have digital first and physical second, with a clear understanding that a digital device is no longer just a channel to the customer, but rather it gives the customer control.

Key Insight
As marketers, we need to think differently and make sure we’re keeping ahead of our changing markets. We are all operating in an environment that’s fluid, uncertain and unfamiliar. You need to make sure that at a time like this, you’re taking the lead from your customers and that you’re adapting to their changing needs.
1. WHO ARE YOUR CUSTOMERS? (cont.)

1.2. Rule 2: Stop calling everybody Millennials

Over half of South Africa’s population is under the age of 24 and no, they are not Millennials! Generation Z, the successor to the Millennial, are individuals born between 1995 and 2009 making up nearly a quarter of South Africa’s population. This generation cannot be treated as the Millennial 2.0 as the differences are stark. Mpume Ngobese, Managing Director at Joe Public Connect, introduced us to some key themes that epitomise this new generation.

First, their distinction between offline and online is increasingly blurring. Second, these digital natives are the multitasking generation, spreading their attention between multiple devices at the same time. Third, collaboration, co-creation and convergence describe the innovative, cross-functional relationships that these consumers have with brands.

They expect brand authenticity and place a great importance on the future, expecting brands to do the same. So how should a brand looking to target this market be adapting their communication? “Be proSUMER, be more relatable, let go and let your audience do the talking”. These customers want purposeful and conscious brands, with tailored messages that speak in an authentic, local and human way.

Key Insight
Ultimately, this market segment will soon become a driving force in purchasing behaviour and it’s vital that we understand what makes them tick. It is key to have a team that is diverse and young enough to bridge the divide in talking to these consumers.
1.3. Rule 3: Customer experience is a differentiator

Nandus du Plessis, the founder of Crazy Ginger Consulting, spoke about using omnichannel marketing to drive customer experience and encouraged brands to prepare for the predicted growth in e-commerce. We have already seen how online behaviour has changed over the past several months due to government regulations guiding our purchase behaviour. “Multi-channel marketing is dead. We are done with the idea of having separate, siloed approaches to marketing”. While Nandus spoke about the importance of digital, he stressed that having a digital strategy was not the solution, the solution is, instead, to have a strategy that suits a digital world.

The trick to this is customer segmentation and making customer experience design central to that strategy. Effective and updated customer segmentation ensures personalised and meaningful content is reaching your customers on these digital platforms.

**Key Insight**

Gone are the days of ‘digital’ being a few pages in the strategy document that highlighted our siloed approach to digital platforms and channels. Digital needs to be first and foremost and your entire strategy needs to be suited for a digital environment. Effective segmentation is the key to understanding your customers and ensuring that the customer experience is central to everything that we do.
1.4. Rule 4: Treat your customers as humans

Suhana Gordhan, Executive Creative Director at FCB Joburg, spoke about the importance of having a real, human connection with customers. When brands are more concerned with numbers, short-term goals and delivery rather than persuasion, psychology and human insight, they forget that they’re speaking to humans. Humans with feelings, thoughts and opinions. Humans that want to be treated as a partner, not like a supplier.

It’s when we forget that we, as marketers, are trying to forge meaningful relationships with humans, that we begin to treat our customers as transactions and nothing more. So many of the successful campaigns that we’ve seen in the past were borne out of pure human truth and magic, with the realisation that humans “buy on emotion and justify with logic”. If we want to spark emotion within our customers, we need to tell stories that are powerful and moving to captivate them.

**Key Insight**
While we may find ourselves getting lost in the daily grind, making sure we’re ticking all the boxes and meeting all the deadlines, there’s one small thing that we need to remember. Our customers are human, and so are we, and that’s the best tool we’ve got. Speak to your customers as people, form emotional connections and you will earn their love.
1.5. Rule 5: Find and keep your loyal customers

Often board members may be negative towards loyalty programmes, not wanting to invest in a programme for fear of it not working. **Amanda Cromhout, the CEO at Truth & Emerce Commerce**, presented a very different view on the efficacy of loyalty programmes in South Africa. 72% of South Africans used loyalty programmes in 2019. Women tend to use more loyalty programmes than men and while cashback is king for all customers, women tend to prefer discount vouchers, double points offers, free samples and instant discounts.

Men, on the other hand, seem to prefer status-driven rewards, such as airport lounge access and the ability to move up reward tiers. While “retention is the new growth”, don’t be fooled into thinking that the loyalty programme can create loyalty, it is merely a mechanic. It’s a means through which to identify your most profitable customers and love them at all costs.

**Key Insight**
The promise of rewards associated with loyalty programmes has the ability to influence behaviour. Given that 20% of revenues come from 3% of customers, it’s vitally important to be able to identify those customers. A loyalty programme can help you identify those customers and keep them close, because if you don’t, your competitors will.
2. THE RISE OF THE CONSCIOUS CONSUMER

Just as we heard from Mpume Ngobese, the youth market expects conscious brands with values that mirror their own. This is no longer a nice to have, it’s become a basic expectation that brands stand for something greater than themselves. Pepe Marais, the Group CCO for Joe Public United and the Master of Ceremonies for the conference, shared a number of insights gained over the past several turbulent months. One of his insights related to conscious consumers, suggesting that “COVID-19 will make consciousness contagious.” Customers are becoming more conscious about their consumption behaviour, evaluating what they buy and why they buy, driving change throughout the industry. Customers want something that they can believe in and want brands that provide more than their product offering.

Bongani Chinkanda, MD of Bravado, discussed the importance of connecting with the youth through authentic and meaningful experiences. The youth market is looking for empowerment, guidance, access and inspiration. “Young people value empowerment, they want brands to empower them, they want to know that you’re there for them and that you’re backing them”. Bongani refers to COVID-19 as a generational disruption that is the ultimate equaliser, it’s taken away access to things that the youth love and the things that they used to find identity in. The role of brands during this uncertain time is to affirm to the youth that their dreams are still valid through practical solutions. One of the examples of creating a practical solution is the partnership between Vodacom and Microsoft that provided access to digital learning to South Africa’s educational institutions. By identifying a problem experienced by a youth segment, co-creating a solution and communicating the results you’re able to affirm the aspirations of these individuals and let them know that you’re backing them.

“Purpose led marketing helps you communicate meaningfully in times of uncertainty” which is a challenge facing marketers, both big and small, across the globe. Nthabiseng Matshekga, Executive Head: Group Marketing at Nedbank, says that purpose-led marketing is all about defining what you do beyond making money.
It’s not CSI nor is it cause marketing, but it’s rooted in cultivating deep relationships with customers. By allowing your marketing to be linked to a clear insight, to be intrinsically linked to your purpose and to act as a starting point to build relevant solutions, marketing becomes much more powerful. Nthabiseng also spoke about the importance of using data to allow marketers to dig deeper in order to make a real and significant impact in the lives of your customers.

“If you’re not clear on what your purpose is, you’re in trouble”. These were the words of Zumi Njongwe, Consumer Communication and Marketing Excellence Director at Nestlé. Zumi spoke about the changing role that business needs to play in society. “Business has been increasingly viewed as a major cause of social, environmental and economic problems. We are perceived to be prospering at the expense of our communities”. Marketing has long been centred on the notion of value creation and exchange, but “perhaps our view of creating value is outdated, a little bit short-termist and grounded in optimising our gains in a perceived bubble of indifference”.

As marketers, we must ensure that we have a positive and relevant role to play in society. For too long, marketers have been viewed as part of the problem, but as Zumi says, “today, more than ever, we must reconstruct our world and be part of the solution”. Zumi advocates for moving from focusing on shareholder value to the creation of shared value. Shared value requires that we put society, our community, and our environment at the centre of our strategies, linking our success with social progress.

**Key Insight**

Ultimately, customer expectations have shifted. Perceptions of a brand are no longer defined based on a product or service offering, but something far greater than that. Customers want brands that are a force for good, brands that are both talk and action, that focus on enhancing shared value. As marketers, we have an obligation to blaze the trail and to not be afraid of driving far more than just commercial value.
3. CHANGE IS INEVITABLE

“If the same thing is exciting you today, as what excited you five years ago, then you are in serious trouble. You need to move forward; you need to open your mind and you need to change”. These are the words of Lee den Hond, the CEO of Blue Platinum Events. The true currency that we must work with is time, which is why we need to ensure that we are making decisions now, not waiting for the future.

3.1. Marketing during a global crisis

Change was a strong theme that emerged throughout the conference. Understandably, COVID-19 has changed the game and left many marketers scrambling. Andrea Quaye, winner of the 2019 Loeries Marketing and Leadership Innovation Award, looked at how we should manage our marketing efforts during COVID-19, with 4 simple guidelines.

1. Read the room: “When the world changes almost overnight, the very first thing you must do is ask yourself, if we keep running our current copy, would that be stupid?” You need to ensure that you’re letting customers know that you’re in touch with what’s happening in their lives.

2. Resist the bandwagon: Brands need to empathise but jumping on the bandwagon of blind and meaningless empathy is just that.

3. Offer real value: Your customers are under financial pressure; they need a fair deal.

4. E-market: Online retail cannot just be treated as a distribution channel, it is a crucial brand building mechanism, which means that user experience is vital.
Fahmeeda Cassim-Surtee, CEO - DStv Media Sales, spoke about advanced TV and the capabilities that it offers marketers. Speaking about the need to modernise marketing and change along with our customers, Fahmeeda suggests that “winners are on the side that embraces change, rather than rejects it”. The entire industry requires new thinking, if it is fundamentally changing and customers are changing how they watch TV, it’s important for us to change too. Marketing needs to become more contextual and relevant to customers otherwise the same old thinking will simply garner the same old results.

Key Insight
Nobody said that marketing during a crisis would be easy. As marketers we need to keep abreast of how our customers are changing and the real struggles that they’re facing. Embracing the change and ensuring the relevance of your brand during the crisis will see you emerge a defiant and stronger brand.
3. CHANGE IS INEVITABLE (cont.)

3.2. Getting back to basics

Looking at how the lives of our customers have changed, Verusha Maharaj, Advertising and Marketing Lead for Deloitte, painted a picture of how the marketing landscape has changed and what customers are seeking from brands during times of uncertainty. Our customers’ working lives have changed and the way in which they spend leisure time has changed, with these changes likely to stay long after COVID-19.

Fear-based changes to purchasing behaviour have been identified in terms of how and where customers are buying, with a strong desire to support local businesses. “It’s time for us to get back to basics”, customers expect transparent communication, with many basing their purchasing decision on a brand’s response to the crisis. Brands are seen as advisors and customers expect brands to play a critical role in addressing current challenges.
3. CHANGE IS INEVITABLE (cont.)

Andy Rice, Strategist, Writer and Speaker, took us back to the basics of marketing with just 4 simple words, which he says will help brands overcome any challenges that 2020 brings.

1. **Profitable**: ultimately marketing is a commercial enterprise and needs to help meet business objectives.

2. **Fulfilment**: there is no point in getting customers excited about your brand if they aren’t able to get hold of it. Andy suggests that “strategy without implementation is a daydream, implementation without strategy is a nightmare”.

3. **Unmet**: this speaks to your ability to differentiate and to have a sound understanding of those that you are differentiating from.

4. Lastly, **needs**: this speaks to the relevance of your product offering.

**Key Insight**

Brands that stick to the core understanding of marketing as the profitable fulfilment of unmet needs, will understand that everything can change but the soul of the brand will endure. “By chasing the short-term changes, the brand finds itself unable to keep up, confusing agility with inconsistency”.

Andy Rice, Strategist, Writer and Speaker
3. CHANGE IS INEVITABLE (cont.)

3.3. The importance of purpose

Patrick Collister, Author and Speaker, discussed some new rules for making marketing work. These rules focused on being purposeful, personal, social and involving. “Purpose is all about brands doing stuff, prove to me that what you’re doing actually does have real value”. Being human was noted as a key focus for brands wanting to thrive during and beyond the uncertainty that COVID-19 has brought.

A nugget of wisdom from Pepe Marais related to the importance of purpose. “In the new world, purpose is no longer a differentiator”, because a brand’s purpose is just talk until it is actioned. Brands need to be purposeful in their work and focus on using the platforms that they have to make a difference. “Purpose is what truly sells, when it is authentic and when a brand can deliver on it”.

Key Insight

Being true to your brand’s purpose throughout times of uncertainty is vitally important to remain credible and authentic, key traits expected by customers.
4. THE POWER OF CREATIVITY IN THE MARKETING INDUSTRY

Creativity, that uniquely human skill that will hopefully keep the ‘bots’ from taking over the marketing industry, was discussed by a number of presenters. It was typically mentioned as a requirement for success in the industry but was often identified as being missing. A poll run during the conference asked delegates the reasons for creativity lacking in the industry, with a resounding 71% of responses suggesting that clients are too nervous to push for creativity.

As **Pepe Marais** explained, money is a negative pressure and creativity is a positive pressure. At a time where we are faced with uncertainty from every angle, Pepe suggests placing a far greater focus on what we can control at the moment as opposed to things like revenue, that are beyond our control. Focusing on what can be controlled such as the creative product, quality and excellence can make this turbulent period much easier to manage.

**Fernando Machado, the Global CMO for Restaurant Brands International**, is well-known for using creativity to drive business growth and views creativity as a source of competitive advantage. Creativity is a powerful tool that can be used to make your communications stand out from the clutter. Fernando discussed the Whopper Detour, Mouldy Whopper and the Traffic Jam Whopper as examples of creativity, rooted in data, that helped to make the Burger King brand stand-out. When Burger King began to push creativity in their campaigns, sales grew significantly – furthering the notion of creativity being a source of competitive advantage that drives business growth. Fernando shared five key learnings related to the use of creativity in marketing:

1. **Creativity has the power to bend reality** - It can make the impossible seem possible and you can find creative solutions to any problems that stand in the way of your success.

2. **If it looks like an ad, sounds like an ad and smells like an ad, then it probably isn’t a good ad** - Normally, customers are not excited to watch ads, creating more of the “plain vanilla” advertising that we see is not going to get your brand noticed.

3. **No money, no problem** - when you are producing exciting, creative ideas the earned media will often carry the idea forward on your behalf. Boring ideas are the most expensive ones, because you need to put a lot of money into the media plan for customers to even notice that they exist.

4. **Stretch and learn** - stretch yourself and your creative capabilities and the learnings will be able to be used in future creative work.

5. **First or nothing** - if it is something that has been done before, it is unlikely to get the same reaction the second time.

**Key Insight**
Creativity is a powerful tool that can be used to set your brand apart. Fernando described marketing as “logic and magic, you need both things to come together” and this epitomises the ingredients needed for a creative solution. You do not need to start big. Start small, test the boundaries of creativity, but start.
5.1. What can marketers do better?

Alistair King, the Co-founder and CCO of King James Group, knows that creativity adds value, but believes that most creative work produced is unengaging and safe. “Two thirds of all that we are collectively responsible for, I believe is rubbish, absolute wallpaper. It’s neither seen, heard, remembered or even taken note of, it’s simply ignored and therefore probably a waste of money”. But why and what are we going to do about it? Just as a child has a blankie for a sense of security, he believes that the industry, agency, and marketers alike, use ‘blankies’ for protection, offering a false sense of security and keeping us in our comfort zones.

These blankies included the due diligence blankie, which relies on the flawed belief that the more we do, the more we ask people and the more conversations we have, the smarter our decisions become. We crave absolute surety, and we continue to assemble our advertising like building blocks instead of believing in the magic of an unexpected idea. The sense check blankie, is one that can stop a creative idea in its tracks. Many iconic pieces of advertising throughout history have not made absolute rational sense, yet we still place far too much importance on pre-testing. Another blankie, time on my side, is the false sense of belief that we have time, when in all honesty, we don’t. “If you love an idea, act on it fast and urgently and make it happen or risk losing it, because fame and fortune most certainly favours the swift and decisive”.

Key Insight
While these blankies may be a source of comfort, they can also smother you when used to keep you from making tough, unpopular decisions. As marketers, we need to identify and acknowledge our ‘blankies’ so that we can be bold enough to take decisive action that leads to magnificent advertising.
5. THE FUTURE OF THE MARKETING INDUSTRY (cont.)

5.2. An industry that needs change

A resounding 47% of delegates suggested that the single biggest challenge facing marketing in South Africa was a lack of diversity in the industry. This issue was discussed by Mzamo Masito, CMO at Google Africa, who gave an impassioned plea for transformation within the industry. Mzamo's presentation focused on what stands in the way of marketing working, identifying three issues.

First, he identified the business model of agencies as being defunct. “There’s a money problem in this industry that we don’t want to talk about”. The model of selling time was described as a broken model that needs to be changed if brands are looking for great creative work.

The second issue related to the lack of transformation in an industry where only 29% of CEOs and creative leads are Black. In a country where 80% of decision making is done by women, there are only four Black females in a CEO or creative lead position. The industry is dominated by white males, in a country where they represent a minority. This lack of transformation, together with white fragility when it comes to discussions of privilege stand in the way of marketing being even more effective.

The third issue related to stereotypes of women and the additional struggles that women navigate in the workplace. Women are less liked when they are competent and the stereotypes of this likability seem to be reinforced by men and, surprisingly, other women. As Suhana Gordhan put it, if you want to speak to real South Africans, you need to ensure that your boardrooms are inclusive.

Key Insight
Ultimately, if we want to create great work that speaks to our customers, we need diversity of opinions throughout all levels in the industry. We need real change, change that enhances representation and diversity at a boardroom level. Change that improves gender equality in the workplace, encouraging and empowering women to take up leadership roles and empower other women.
5.3. What 2020 has taught us about the future of marketing

While marketers are battling to figure out how to communicate with customers during times of uncertainty, we need to look to the future to see how our marketing landscape will be changed. Andrea Quaye offered three key learnings from 2020 for the future of marketing:

1. **Meet real needs:** We need to think now, more than ever, what role our brand plays in the lives of our customers. We need to be offering both a functional role with an emotional connection if we are wanting to add real value.

2. **Always build:** “If you’re not building your brand at every moment, even in the face of adversity, then we’re simply postponing an inevitable unhappy ending”.

3. **Stay true:** Make sure that you are clear about what you stand for, because ultimately “if you have not already established who you are before the crisis comes, then the crisis will reveal who you are”.

**Key Insight**

It is apparent that 2020 will be the year that makes or breaks brands. Those that adapt to suit the changing needs of their customers, while staying true to their core brand values and purpose, will thrive. In times of uncertainty, customers want the brands that they engage with to be honest, authentic and to play a key role in something greater than themselves. One final thought shared by Verusha Maharaj to think about when planning your next marketing campaign, instead of asking yourself is it good or is it bad, rather ask yourself is it human?
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