

Brands they are a-changin'



By [Louise Marsland](#)

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The evolution of branding has been one of the most fascinating things to watch and be part of over the last decade or so. The fact that we are seriously talking about brands changing the world is a major mind shift in itself.

No more has that change been felt, than in South Africa.

Brand architects, Yellowwood, says strong brands both reflect and push society forward. And there is no doubt that South African society has changed in the past 20 years of democracy.

In Yellowwood's recently released report into 'Building Brands in A Rapidly Changing Market: Lessons for South Africa', the consultancy poses the question as to whether South African brands have kept up with a South African consumer that looks, behaves and thinks differently these days?

It posed some thought-provoking questions for South African marketers in the report, such as: whether marketers had made assumptions that democracy would lead to a more homogenous culture - it hasn't; that local automatically means more relevant - not so; and whether brands have really understood the social impact they can have and how that in turn can build brand loyalty?

Absolutely great questions and, while quite obvious, are some that haven't really been asked and answered up until now in one piece of research, released for market consumption and further comment.

These are some of the changes in South Africa's consumer profile as documented by Yellowwood - and it is at pains to point out that South Africa is a much better place to live in than 20 years ago, but that very few brands really understand how to connect with a new consumer mindset as change has spawned new consumer segments, subcultures and needs and expectations:

- **We're a bigger market:** South Africa's population has grown by more than 11 million people in the past 18 years, to about 52 million - making us the fifth most populous country on the continent.
- **We're more urban:** At 63%, we are the one of the most urbanised nations in Africa.
- **We're wealthier:** The World Bank now refers to us as an 'upper middle-income country', putting us in the same group as Brazil, China, Thailand and Venezuela.
- **Our inequality may look different, but it is worsening:** While our middle class is multiracial, 70% of South African households earn less than R5,000 a month and inequality between the rich and the poor has worsened.
- **Integration is very slow:** A full 56.6% of South Africans rarely or never interact with South Africans of a different race. But we do apparently still feel inspired by brands that help us to transcend historical differences, says Yellowwood, so

herein lays an opportunity for brands to capitalise on the rainbow nation sentiment.

- **We've become mainstream:** Our global integration back onto the world stage as a player was fast and while local brands have gone global, younger consumers are more open to international brands too.

Get serious

This is a very important statement from Yellowwood and should lead brand strategy in South Africa: "The improvements in quality of life for South Africans are only part of the picture. We continue to struggle with persistent joblessness, poor education and inequality - and brands would do well to get serious about helping to solve these problems. It is important for market stability, and because our research indicates that contributing to South Africa's success is an important driver of brand affinity for consumers."

Where the problem seems to lie is that brands are still relying on old South African stereotypes to sell products and services, when the market has moved on and a new consumer finds the old context uncomfortable, or doesn't even understand it.

Brands haven't evolved nearly as fast as the South African consumer has, seems to be the crux.

In nine key insights, Yellowwood concluded that:

1. **Value doesn't mean what you think it does:** The birth of the "hybrid consumer" as Yellowwood terms them, are consumers who shop across the price spectrum - from Woolies to Shoprite, from utility to luxury. For brands this means that quality or value has to "shine through" at every level. "The relationship between price and income is not linear, and works nothing like anyone thinks it does. We all love, want and increasingly demand value - it is not just something mass market shops need to offer less well-off consumers. We don't want to feel ripped off - South Africans all value, *value*."
2. **Respect is the ultimate customer service:** As Yellowwood explains: "South Africa has a dark, terrible history in which human rights were ignored and people were treated with utter disdain. Brands would earn enormous loyalty from simply treating their customers with a more 'human' respect."
3. **Women want more:** On the whole, SA brands still talk down to women, despite the fact that women have transcended traditional roles. There is a "relevance gap", says Yellowwood.
4. **Leading brands break down walls and broaden access:** In a country where so many were denied access for so long, brands that give access to new things to those who have never had it before generate huge levels of love and loyalty, adds Yellowwood.
5. **Community is not a social media term:** Consumers want brands which give back. They want to see their community, family and country succeed.
6. **We're becoming more diverse:** SA consumers are becoming more diverse, not more similar. Social and digital media have recently started to gain critical mass in South Africa, and their ability to democratise and diversify brand influence will continue to accelerate.
7. **Nostalgia is risky business:** Many established local brands are finding it hard to reinvent themselves given our country's history and many of the brands that resonate most with South Africans are new. This trend towards 'clean slate' brands (brands without baggage) is universal.
8. **Size doesn't matter:** As South Africa becomes more modern and sophisticated, consumers will come to value agility, relevance and responsiveness more and more.
9. **Local is lekker, but vulnerable:** A new generation of consumers are very aware of global brands, and while the majority of South Africans prefer local brands (75-94%), a lack of understanding about their market is putting local brands at risk. They need to start innovating to stay relevant.

The fact is, that the South African consumer has changed, traditional segmentation models do not tell the whole story and marketers need to understand their consumers better and dump the old stereotypes that still prevail in advertising, like the 'dumb, but pretty chick' or 'silly housewife' (pretty much most commercials featuring women) and the 'beer-swilling stupid bloke' (research showed most men also did not identify with that either).

ABOUT LOUISE MARSLAND

Louise Burgers (previously Marsland) is Founder/Content Director: SOURCE Content Marketing Agency. Louise is a Writer, Publisher, Editor, Content Strategist, Content/Media Trainer. She has written about consumer trends, brands, branding, media, marketing and the advertising communications industry in SA and across Africa, for over 20 years, notably, as previous Africa Editor: Bizcommunity.com; Editor: Bizcommunity Media/Marketing SA; Editor-in-Chief: AdVantage magazine; Editor: Marketing Mx magazine; Editor: Progressive Retailing magazine; Editor: BusinessBrief magazine; Editor: FMOG Files newsletter. Web: www.sourceagency.co.za.

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