It's not trends that matter; it's the traits marketers need!

By Thomas Oosthuizen

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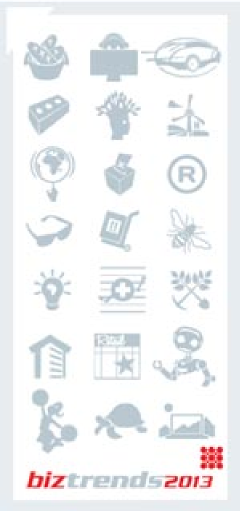
I like the number 13. Like with most other things, it is what we *do* with it that matters.



Great companies never use the excuse of prevailing trends as a reason for them not to perform. They just leverage the circumstances better than their rivals.

I remember a colleague of mine telling me many years ago about a conversation he had with Sol Kerzner (then of Sun International) about the negative impact of the pre-democracy conditions in South Africa. Sol told him, "This year, I will make a sh@thouse full of money."

So, while economists will contemplate economic and social conditions in 2013, it is what *we as marketers do* that matters.

It is clear the year will be turbulent and uncertain. This means markets in SA will grow slowly; companies will not invest in new ventures; and marketing and consumers will be cautious to spend - and they will be conscious of value for money. This means large brands will remain stable, while undefined and smaller brands will suffer.

Africa is growing fast

Despite this, *Africa is growing fast*, and when you travel into Africa, you will find little evidence of the global stagnation and uncertainty. So the companies that notice this will increase their presence into Africa, as they have done over the last years. This is appropriate and should accelerate: we still have companies that hesitate: for them, China and others will close the door on these opportunities.

Understanding Africa - and emerging markets in general - is a competitive advantage for SA marketers - but only if we use it. We must never forget that the average SA marketer is used to operating under far greater levels of resource constraints, diversity, adversity and uncertainty than most of our global counterparts.

So invest in Africa if you have not done so yet, and strengthen your presence if you are there already. Aim to dominate where you can.

"First-mover" advantage

A *"first-mover" advantage remains one of the most powerful strategic advantages in business.* In most markets around the world, in most industries, those that were "first" hold onto leadership, even against major odds. MTN is the strongest mobile network in Africa despite major challenges from developed nation brands such as Vodafone and Orange.

Invest in marketing

Never underestimate key global multinationals such as Unilever and Proctor & Gamble, which invest to build markets. There is a lot of academic evidence to show how marketing investment in a downturn retains the brand vibrancy and translates into superior growth in an upturn. Yet, time and time again, I hear CEOs and FDs believe they can grow by shrinking. Have the courage and build your company.

Sometimes we need to listen to those who "wrote" the textbooks on global business, such as the fast-moving consumer goods (FMCG) companies. They dominate for a reason - they do not dominate by default. Emerging market companies have demonstrated this over the last 10 years - Samsung, Emirates, Qatar Airways, MTN, Hyundai, Kia - all of these invested in their markets - and it worked for all of them!

'Keeping' and 'getting' customers

- *Marketing is about 'keeping' customers and 'getting' customers - it is as simple as that.* Know and understand what you need to do to keep your customers, grow their current franchise (the easiest thing to do) and acquire the customers you want. Understand why they defect if they do - and stop it - fast. Understand how they perceive the value your brand delivers to them. During turmoil, you need to consolidate and protect before you do anything else. To do that, understand your customers and become even more passionate about them. Make sure they love you even more!

- *Understand and use your own customer data.* Few companies really use their own data well - there is a growing global awareness of this. This is an area you can invest in without it costing your company a lot of money.

- *Ask whether what you do in marketing actually 'works'.* Marketing budgets mostly have "a life of their own": most companies I know add inflation to budget activities, without fundamentally questioning what works. Many activities in most marketing budgets do not have a clear, measurable objective that relates back to customer retention and growth directly (or, as important, brand-value growth). So, the first thing you do in 2013 is to start with a blank piece of paper and compile a task-driven budget.

- *DIFFERENTIATE.* If a market does not grow, you need to keep your current customers and acquire new ones - "parity promises" will not do that. One of my great passions - and frustrations with many marketers: **know what makes your brand unique, if nothing does, find it - or create it.**

  This sometimes requires hard work. The last thing you do during uncertain times is to be uncertain and ambivalent about what you offer the consumer that is different and better (partly why I believe Pick n Pay has had such ups and downs in fortunes over the last years: why should people buy from them instead of from Woolworths or Checkers?). I do not believe all consumers trade-down during tough times, but they all look for value, which are brand benefits supported by a "fair" price.

- So maybe it is *not good to hike prices in 2013. Rather add value* and keep your customers.

- Fundamentally, *give consumers a 'reason why' your brand is best.* Sunlight Liquid washes more dishes per rand spent. Mango 'is more often on-time'.

- *Deliver upon your brand promises:* when the chips are down, it is good to focus internally and see whether your people, systems, processes and the support base of the company is aligned to deliver the best customer experience possible. The telecommunications companies can save a packet on marketing if they focus on their own customers, rather than to keep on selling "cheap" SIM-cards through the latest promotion.

- *Learn how to really engage with customers in ways relevant to them through social media*, and integrate that strategically into how your company works. Companies now mostly use social media as an extension of other media - as something they can "manage" as a company.

  This is wrong; social media is about true engagement, in areas that matter to people, in ways that contribute to their lives: *it requires true reciprocity.* It is not about turning websites into Facebook pages or posting ads onto YouTube. True engagement requires an entire change in how the brand interfaces with its customers, minute-by-minute. It has ideological, strategic, people and systems implications for companies.

Marketers' responsibility

Lastly, never forget that *marketers are the eyes, ears, psychologists, psychiatrists and mentors of companies and brands*: if we become despondent and negative, our business will suffer. We have a particular responsibility to see what is possible - and to drag everyone with us, even when they are kicking and screaming.

This means *we also need to do our own homework* so that we are able to motivate and manage spend with the right insights and motivations.

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- Bizcommunity Special Section: Biz Trends 2013
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