

TV ads and the 'Super Bowl' effect

Oresti Patricios, CEO of Ornico urges local markets not to be blinded by the US hype, but to remember that Africa should feature foremost as a source of the local industry's inspiration, research and advertising insights.

"Don't be fooled by the 'Super Bowl' effect," Oresti Patricios, CEO of Ornico, warned creative, brand owners and marketing insiders at an Ad Forum discussion at Vega School of Advertising in Johannesburg, South Africa recently. "Rather than letting our marketing discourse be dominated by Americans and US-centric advertising, we need to look to Africa for insights," he said.

Advertising during the Super Bowl

Grandstand global events like the Super Bowl, which this year had an audience of 111.3 million, had turned television advertising into prime-time entertainment and influenced global discussion on advertising, but the hype distracted from African insights, Patricios said.

He urged local marketers to remember that diverse African markets offered far more relevant epiphanies and brand intelligence.

"Yes, advertising during the Super Bowl has taken a life of its own, and by end of November 2011, all advertising slots were sold out at a staggering average of US\$3.5million (R26 976 000) per 30 second slot - well over US\$100 000 (R770 768.00) per second!" Patricios said adding, "Quite a price to pay despite the fact the sporting event pulls more eyeballs than the biggest audiences for any other regular broadcast on TV around the globe."

"Contrary to popular belief, the audiences of the Super Bowl are not traditional sport-loving men, but spread across wide segments of the market, and this is what most advertisers want to tap into. However, let us not be blinded by the 'Super Bowl' effect which is created by a global marketing media that is predominantly influenced by the West and is mostly ignorant about what happens in Africa and other emerging markets," Patricios said.

Patricios of Ornico, which sponsored the Vega discussion on Super Bowl advertising, said that US and European media largely ignored case studies, brand analysis and marketing research from Africa. This was despite the fact that international companies were rapidly populating the continent.

"What we see is that US marketing journals and brand journalists suffer from parochialism and don't appreciate that brands are global and will be seeing big growth in emerging markets in what is America's wintery recession."

Understand your consumer market

Patricios said advertisers would get better value from understanding the Nigerian consumer market, than from analysing Super Bowl advertising.

"One of the biggest current demands from global and local brands is to understand the diverse and massive market that is Africa," he said. "The genetic code of marketing is consumer insight, and research is the DNA of all marketing campaigns that seek to integrate into new markets, and offer consumers visibility, thereby generating consumer loyalty. The industry needs to grow insights and research from Africa, rather than always looking to the US."

Ornico had set up office in Nigeria two years back in collaboration with a local business in the country, and the learnings from West Africa had been profound, he said. "Did you know that some sectors of the market in Nigeria spend more money on airtime than they do on food?" Patricios asked.

Marketing insights from West Africa

Sharing marketing insights from West Africa, Patricios said the biggest difference between emerging markets and developed markets were in consumer demographics, spending patterns and attitudes. "Developed markets like those in the Europe and the US tend to have older demographics, while consumer markets in Africa - generally speaking - are very young."

Patricios said, "Older markets generally spend less, and view the world with a more cynical, glass half empty perspective. We are finding a greater optimism in younger African markets where people are spending more because they're creating businesses, sending kids to school and setting up home."

"Chinese and Korean brands feature incredibly strongly in the Nigerian market so whilst South Africans or Americans might turn their noses up at these brands, in Lagos they're common place and well entrenched," he said.

"If you have a mass market product and are not advertising to the Nigerian elite or affluent classes, you need to look at share of wallet rather than to dominate in a marketing sector," said Patricios, adding: "Often mobile usage can compete with staples like food, groceries or personal products when it comes to how much money consumers in that market spend on items."

The Ornico CEO said even the way people bought fridges in emerging and developed markets are different. "In West Africa when people buy a fridge, often they're doing so for the first time, which means there's a lot of excitement about the purchase. However in the US buying a fridge is commonplace, and a routine purchase. It's crucial to show these differences in attitude when doing advertising or else you'll miss connecting with your target market completely," he said.

Patricios said that the informal sector in Nigerian cities was massive, and that for the most part Nigerians bought food and drinks at informal vendors and street shops. "It is very normal for even more affluent consumers to buy food from street vendors during the day, although they might buy groceries at a supermarket on the way home in the evening."

"SA marketers will be flummoxed to find out how much Nigerians spend on airtime. On average one person will have about four phones to cover all the networks and will only call you with the phone that matches your network, that way the call is cheaper," Patricios said.

Patricios said mobile or food brands would be dead in the water if they wanted to establish themselves in Nigeria without marketing research. "The biggest lesson we're learning from the Nigerian market is how critical it is to have real, relevant and authentic consumer context when marketing in Africa."