

Marketing fundamentals with the 2019 BrandZ CMO panel

By Leigh Andrews

10 Sep 2019

The panel discussion at the Cape Town version of WPP and Kantar's Top 30 BrandZ Cape Town launch event for 2019 featured a panel of take-home marketing insights into the power of purpose and 'clicks and mortar' loyalty from some of the country's best-valued brands, namely Takealot, Capitec Bank and Pick n Pay.



Andrew catching up with Kantar's global bright minds.

Explaining the context of the morning, Charles Foster, CEO of Kantar's Insights Division for Africa and the Middle East, explained that BrandZ is the biggest, strongest association with brands and brand equity.



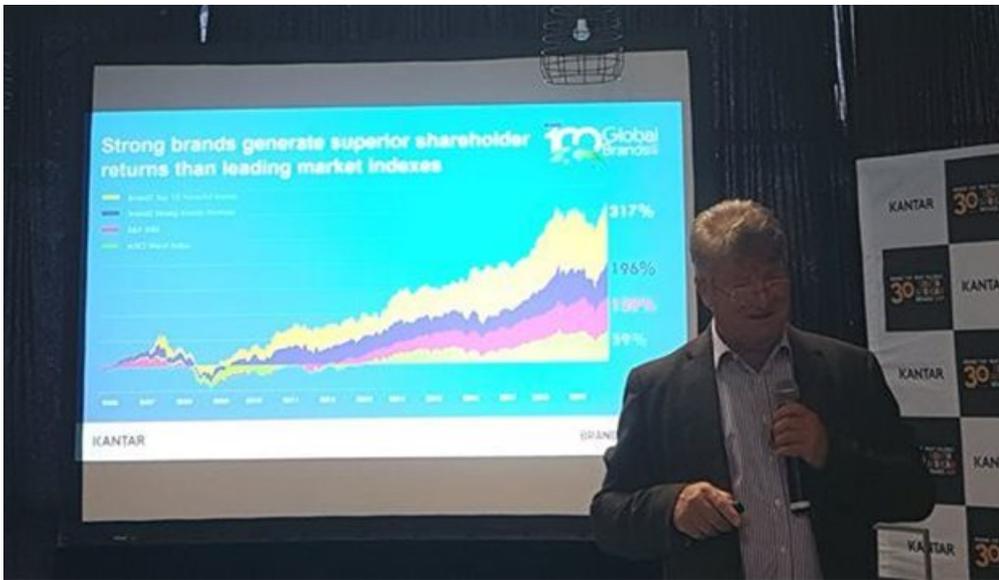
Resilient brands defy macroeconomic challenges in the 2019 BrandZ Top 30 Most Valuable SA Brands

Kantar 5 Sep 2019



We've seen time and again that it's a fundamental leverage of overall brand growth – with the total value of brands in the world currently standing at \$4.7tn.

Foster added that we can further justify the value of marketing if we look at the following graph of the stock market value of companies as scaled from 2006 to now...



Foster, explaining strong brand value.

As such, the study looks at not just the top 30 brands highlighted in the past two years' research, but at the 500+ brands that have been evaluated over the past 18 years.



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Karin Du Chenne, [now chief growth officer](#) at Kantar, handed out special awards following the main presentations and ran the morning's much-anticipated marketing panel.

This featured insights from Kantar CEO Eric Salama; as well as Julie-Anne Walsh, chief marketing officer (CMO) at eight-year-old e-commerce company, Takealot, which won on-brand experience with a score of 121 against the average of 100; as well as John Bradshaw, head of marketing at Pick n Pay; and Francois Viviers, executive: marketing and communications for the SA BrandZ overall purpose winner, Capitec Bank, who also featured on last year's panel – with Capitec one of only three brands to see an increase in value this year, according to the BrandZ study.



SA's first-ever BrandZ winners on the customer experience conversation

Leigh Andrews 6 Nov 2018



Viviers won the Marketer of the Year Award 2019 at this year's inaugural Marketing Achievement Awards (MAA), held at Sun City. I was part of the jury, led by Heidi Brauer, for the Marketer of the Year sub-committee, so Viviers's excellence in his role especially shines through when Brauer says,

“ Viviers is completely deserving of the Marketer of the Year award, for marketing leadership consistency, and a track record of solid business results. He is an inspirational marketer who really understands that marketing is both science and art by harmonising gut and experience with data. His role within Capitec is both wide and deep, but it is his meticulous attention to detail and understanding of people that really sets him apart. ”

But the entire panel proved its marketing worth in sharing insights into how marketing boosts brand value.



Panelists Bradshaw, Walsh and Viviers of Pck n Pay, Takealot and Capitec Bank respectively, with Kantar's Du Chenne.

Walsh demonstrated, this is explaining, that for Takealot, trust is essential, so the aim of 'making authentic communication' serves as a guiding light. To dial that up, she shared that humour is definitely coming in strong.

The human face of an increasingly automated process

The e-commerce brand is also running a shopper campaign at the moment, which shows it's not all automated – there's a human face to Takealot, and that they deliver on their promise of 'shop anything you can imagine', while making quick decisions to simplify, innovate and individualise the offering, all while having fun as the team has a passion for what they do.



M&C Saatchi Abel and Takealot.com change South Africans' perceptions around online shopping

M&C Saatchi Abel 24 Oct 2017



Bradshaw commented that he personally loves the way Takealot captures those human truths, adding that TV ads are just a small part of what marketers do, so scaling that overall experience relies on a clear understanding of how best to gain insights from the '13m customer experience moments' and what your customers really want.

Linked to this, Viviers said Capitec was surprised but pleased to have won on the aspect of purpose as it's something the bank has been working on behind the scenes.

Purpose is especially important as brands and corporates alike need to serve their customers and communities by making a difference.

Points on purpose and emotional connection

Capitec does this by focusing on issues of financial literacy and financial inclusion in particular.



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Ivan Moroke – CEO of Kantar’s Insights Division, South Africa – mentioned the importance of emotional cultural connection in this regard.

There’s so much of it for brands here to capitalise on, as a key point of difference in South Africa over other countries.



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Bradshaw agreed that purpose is fundamental to what brands do in 2019. It’s not something to only consider if you have leftover budget to ['wokewash'](#) your brand.

Instead, the brands that push through the clutter are those that consistently prove that ‘doing good’ is good business.



Loyalty cards surge as hard times bite

Wendy Knowler 2 Aug 2017



It’s most important for all brands to keep this in mind, as they strive to help customers solve their problems better than any other brand.

Making sense of middle-market moves

Salama commented that he’s noticed South African brands resonate when they rely on heritage in terms of salience and awareness, not just as a differentiating factor but rather as a way to further offer value through a sense of belonging.



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Drilling down into their thoughts of the middle market, in particular, the panel noted that big grocery retailers across the globe have been built on being the consumer champion in the middle market.

It’s an especially tough place to be in the UK – with discounters at the bottom building value, as well as the likes of Waitrose on top.



Learning lessons from online shopping in 2016

22 Dec 2016



But it's a similar situation elsewhere, such as in France, China and the USA. But the middle is a tough place to be when some segments are willing to pay premium prices and others skip the physical store entirely to shop online.

So how do you occupy middle without being boring or bland?

Bradshaw said the middle is a great place to be if your brand can deliver value. Pick n Pay does this with a focus on convenience, time-saving and in offering healthier options as ways to help their customers solve their problems.



The double-edged demand of the South African consumer

26 Aug 2019



Viviers actually started his career at Shoprite and pointed out that the lower end of the income scale isn't satisfied with a lower level of quality, either. You can't afford to give any customer a bad experience, as the expectation of 'value for money' has grown from simply meaning the cheapest price.

“ *Customers want the same experience, whether they visit your shop in Sandton or Alexandra.* ”

That's why it's dangerous to target customers purely on the basis of their income. Consumers of today are willing to spend money in the categories that are important to them, and luxury brands have increased in value as the middle-class becomes more aspirational. It's category dependent as well as need-state dependent.



Luxury beauty now available on Takealot and Superbalist

10 May 2019



Bradshaw and Salama shared that this means while you can expect more perks, you shouldn't necessarily be treated better as a first-class passenger than if you're seated in economy.

Viviers added that technology has become a reality in everyday life for shoppers, who see no reason for the same design and capability to not follow through at every store.

For Capitec, technology helps simplify the experience at front-end for the customer, while also centralising the experience – and driving processes at the back. But there's still a strong need for a human element.

Still on the topic of technology, Walsh said tech definitely enables much of the Takealot '[mall in your pocket](#)' offering – and feels the fact that consumers can now compare products and prices anywhere through their mobile phones has resulted in retailers becoming more honest.

Best of both worlds: Clicks and mortar

Pain points still include delivering to difficult-to-find areas and accommodating those without credit cards, but it has added an EFT or cash-on-delivery payment option.

Takealot has also opened up 'click and collect' pick-up points, where consumers can collect the goods they've ordered at a time that works for them – this despite not having a defined bricks-and-mortar presence.



Takealot's Pick-up Points a milestone for SA e-commerce

Lars Veul 24 May 2019



Speaking of another top talking point: The Pick n Pay Smart Shopper customer loyalty database, Bradshaw shared that it currently has 7.5 million active loyalty card-holders.

The supermarket chain is also working with its partners to promote what customers buy most often and offer 'Just for You' personalised discounts on that rather than in trying to convert customers to other brands.



New Smart Shopper benefits - points for petrol, cardless functionality and more

16 Oct 2018



This customer-first view has proven itself over any initial misgivings about 'auto-rewarding' customers through their purchase data.

Obviously, Takealot also has stacks of purchase data – and Walsh confirmed that any decision is made based on the data, though they do aim to cut through the clutter and not just add dashboards for sake of having them.

In-the-moment marketing, in action

Showing how this impacts on customers, Walsh said the *zeitgeist* of searches on Takealot guides the marketing.

For example, last week saw a rise in searches for pepper spray and tazers.



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Leigh Andrews 9 Sep 2019



Takealot uses that search data to offer exactly what customers are looking for in the moment.

Prompted by Du Chenne on how to get more consumers to shift to online shopping, Walsh said there are clearly clusters of early adopters who have been doing so for years, but it's those who have never shopped online that it's tougher to break into.

“ Again, this is that 'tough nut' middle market that needs social proof before taking anything new at face value, but Takealot is successfully busting friction factors that form common FAQs like 'where do you deliver if am not home at the time', 'will I receive what I order in the correct size and colour' and 'will my credit card info be safe?' ”

It's about constantly living the promise, which builds that all-important social proof.



Five tips for reducing friction in the e-commerce sales process

Boris Dzhangarov, ESBO 7 Aug 2017



Commending this year's winners, Salama added that many marketers flounder as they already own a wealth of data, and few are actually looking for more data.

Instead, they're struggling with too many dashboards, as well as in sorting out what's relevant and making the insights actionable in the company. That's where Pick n Pay, Capitec and Takealot are really winning.

Foster concluded the morning with further congratulations to the brands that featured this year, as statistically, "it's more difficult to appear in BrandZ than it is to win an Oscar!"

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ABOUT LEIGH ANDREWS

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