Journal of the African Marketing Confederation

Issue 3 2022

STRATEGIC MARKETING for AFRICA

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2022 AMC CONFERENCE

THE METAVERSE
Should Africa's Marketers Care?

SPECIAL FEATURE:
Our retail revolution

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PLUS: • CHARTERED MARKETER (AFRICA) UNVEILED • MARKETING ETHICS • THE RISE OF THE VIRTUAL INFLUENCER • KENYA'S MEDIA LANDSCAPE

AFRICAN MARKETING CONFEDERATION

THE INAUGURAL MARKETING CONFERENCE 2022

THEME:

The Astute Marketer: Reshaping the future of Business in Africa

Date: 19-22October2022

Venue: Elephant Hills Hotel
Victoria Falls, Zimbabwe

Hosted by the Marketers Association of Zimbabwe

For Registration contact:

International: info@africanmarketingconfederation.org Zimbabwe: events@mazim.co.zw

FROM THE PRESIDENT OF THE AFRICAN MARKETING CONFEDERATION

Our conference for astute marketers

GOOD DAY MARKETING COLLEAGUES! ONCE again, it's been a busy period for the AMC, which will get even busier as we prepare for our Inaugural AMC Conference on 19–22 October 2022.

This year our host is the Marketers Association of Zimbabwe (MAZ) and the conference is being convened at the breath-taking Victoria Falls. Expert speakers will provide insights and lead thought-provoking discussions around the theme of ***'The Astute Marketer – reshaping the future of business in Africa'***.

This is a tremendous opportunity to share stories and network with other African marketers. To book your space, see our website for details.

In August, the AMC Secretariat held fruitful meetings with both CIMG (Ghana) and NIMN (Nigeria), where we discussed our shared goals for uplifting the profession on the continent. Over the next few months, we will be visiting all our members as we progress with launching our new initiatives – watch this space!

ANOTHER FINE MARKETING READ

And, of course, welcome to our new issue of *Strategic Marketing for Africa*. I'm sure you will again find it a compelling read.

Amongst my favourite reads are the articles on retailing in Africa, specifically the digitisation revolution that is about to take hold among traditional (mom-and-pop) retailers. As they form the bulk of Africa's retail sector, this is a trend that marketers cannot ignore.

Another noteworthy article, on pg 8, deals with the rise of the Metaverse and what it means for Africa. It's hard to believe that, a mere two years ago, hardly anyone had heard of the Metaverse – now Kenya has a judge in the brand-new *Metaverse Category* of the London International Advertising Awards. Africa once again proves itself on the global stage!

Enjoy your read and see you at the conference.

Helen McIntee
BA MBA (Wits) CM (SA)
President: African Marketing Confederation

LE MESSAGE DU PRÉSIDENTE DE LA CONFÉDÉRATION AFRICAINE DU MARKETING

Notre conférence pour les marketeurs avisés

BONJOUR CHERS COLLÈGUES DU MARKETING! Une fois de plus, l'AMC a été très occupée et le sera encore plus alors que nous nous préparons pour notre Conférence Inaugurale AMC du 19 au 22 octobre 2022.

Cette année, notre hôte est l'association des Marketers de Zimbabwe (MAZ) et la conférence se déroulera aux chutes Victoria à couper le souffle. Des orateurs experts fourniront des informations et mèneront des discussions stimulantes autour du thème ***"The Astute Marketer – reshaping the future of business in Africa"***.

C'est une opportunité formidable de partager des histoires avec d'autres spécialistes en marketing. Pour réserver votre place, consultez notre site Web pour plus de détails.

En août, le secrétariat de l'AMC a tenu des réunions fructueuses avec le CIMG (Ghana) et le NIMN (Nigeria), où nous avons discuté de nos objectifs communs pour améliorer la profession sur le continent. Au cours des prochains mois, nous rendrons visite à tous nos membres pour lancer nos nouvelles initiatives – observer cet espace!

UNE AUTRE BONNE LECTURE EN MARKETING

Bien sûr, bienvenue dans notre nouveau numéro de *Strategic Marketing for Africa*. Je suis sûr que vous le trouverez encore une fois très intéressant à lire.

Parmi mes lectures préférées, je citerai les articles sur la vente au détail en Afrique, et plus particulièrement sur la révolution de la numérisation qui est sur le point de se produire.

La révolution de la numérisation qui est sur le point de s'installer chez les détaillants traditionnels (mom-and-pop) et les détaillants traditionnels. Comme ils constituent l'essentiel du secteur de la vente au détail en Afrique, c'est une tendance que les spécialistes du marketing ne peuvent ignorer.

Un autre article remarquable, à la page 8, traite de l'essor du Metaverse et de ce qu'il signifie pour l'Afrique. Il est difficile de croire qu'il y a deux ans à peine, personne n'avait entendu parler du Metaverse. Aujourd'hui, le Kenya a un juge dans la nouvelle *catégorie Metaverse* de « London International Advertising Awards ». Une fois de plus, l'Afrique fait ses preuves sur la scène mondiale!

Bonne lecture et rendez-vous à la conférence.

Helen McIntee
BA MBA (Wits) CM (SA)
Présidente de: African Marketing Confederation

STRATEGIC MARKETING for AFRICA
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Institute of Marketing & Management, Mauritius
Institute of Marketing Management, South Africa
Uganda Marketers Society
Zambia Institute of Marketing

Modern marketing is about change, change and more change

WELCOME TO THE THIRD issue of *Strategic Marketing for Africa* for 2022 and the fifth issue of our new-look magazine since the renaissance of the African Marketing Confederation. As the saying goes… time flies when you're having fun!

Marketing is nothing if not dynamic. As the world changes around us at an ever-increasing pace, marketing must adapt and, where possible, foresee the changes almost before they happen. By the time a trend has become established, it's too late to gain first-mover advantage.

As an editor, one of the challenges is to decide whether a fringe fad or technology is going to stay just that and quickly fade away, or whether it's about to enter the marketing mainstream and is therefore worthy of extensive editorial coverage.

The Metaverse is one such example. Before Facebook founder Mark Zuckerberg changed his holding company's name to Meta and started talking about how the Metaverse would change our lives and be the future of the internet, it seemed a fringe concept for tech-heads and perhaps gamers. Now it looks to be going mainstream at a rapid rate.

A YEAR IS A LONG TIME

How rapid? Well, consider that Zuckerberg made his Meta announcement in October 2021 – less than a year ago as I write this. Now brands are piling in, Metaverse consultancies are proliferating, and international creativity awards have established specialist Metaverse categories.

When I was editing our cover story on the Metaverse (see pages 8-12), I was astonished to find that writer Fiona Zerbst had uncovered an example of someone spending US$4 115 to buy a premium-brand digital shoulder bag for their avatar!

When I explained this to a schoolteacher friend, she was incredulous: "They paid a fortune in real money for a bag that doesn't exist… in a place that doesn't exist!" she exclaimed. The Metaverse converts may beg to differ, but the comment does encapsulate how many consumers and marketers – except perhaps the Gen Zeders – are struggling to come to terms with the Metaverse and what it could mean to our profession going forward.

We hope our cover story proves enlightening and alleviates at least some of your head-scratching around this new world.

OUR VERY FIRST CONFERENCE

Lastly, you may have noticed the very colourful 'splash' on the right-hand corner of this issue's cover. It promotes our inaugural AMC Conference in October and reflects how we feel about it … it's going to shine brightly and make a big splash on the African marketing landscape!

To find out more, see our Conference ad on the inside front cover, President Helen McIntee's column on pg 2 and our article on pg 32. Hope to see you there!

Mike Simpson
Editor

MSK | MARKETING SOCIETY OF KENYA
60 Years

Save the Date

MSK GALA & AWARDS

Friday, 2nd December 2022

ISSUE 3 2022

Contents

COVERSTORIES

THEFEATURES

36

REGULARS

NEXT ISSUE:
- The rise of podcasting in Africa
- Brand study: Nigeria's Indomie Noodles
- Is traditional advertising making a comeback?
- Supply Chain: Are drones the answer?

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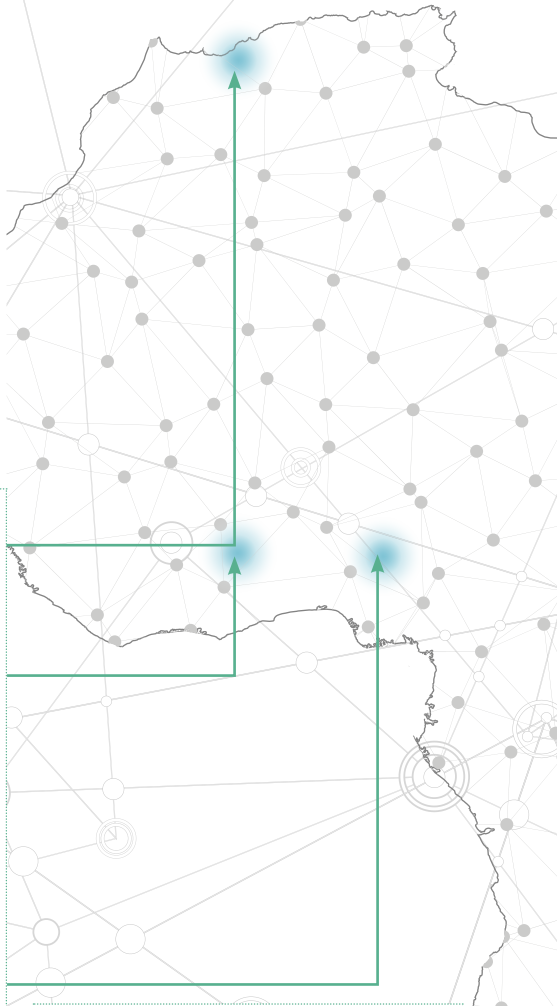
Introducing the African Marketing Confederation

THE AFRICAN MARKETING Confederation is the ground-breaking pan-African body of marketing professionals spearheading the ongoing development of the highest possible standards of marketing across Africa.

Founded in 2011, the AMC is a collaboration between the various national marketing bodies and associations to exchange expertise and information, as well as to promote the marketing profession as a whole.

By unifying the bodies in the various countries, the AMC is positioned to exchange expertise and information, provide intellectual capital and to ensure that the continent has a platform for like-minded marketing professionals at the highest level. The AMC aims to grow and support Leaders in Marketing in Africa, through this platform.

The AMC founding members are also fully committed to observing each country's unique and varying cultures, languages, standards of education and levels of development which require home-grown marketing approaches designed and nurtured by Africans themselves.



THE MOROCCAN ASSOCIATION OF MARKETING AND COMMUNICATIONS

The Moroccan Association of Marketing and Communications (AMMC) was created in late 2013 as a dedicated platform to the country's marketing and communication communities – including managers, directors and officers from large, medium and small companies operating in the private and public sectors. AMMC members contribute to strategic thinking related to topics and themes of common interest and organise networking and experience-sharing events. AMMC's vision is to become the Moroccan reference for marketing and communication. Its defined mission is to promote the marketing and communication professions, to develop the skills and knowledge of professionals and to participate actively in the economic welfare of Morocco. https://www.facebook.com/AMMC.Maroc/

CHARTERED INSTITUTE OF MARKETING, GHANA

The Chartered Institute of Marketing, Ghana (CIMG) was founded in July 1981 with the vision to be the voice of marketing practice in Ghana under the Professional Bodies Registration Act 1973 (NRCD143). The Institute aims at seeing organizations (both private and public) embrace the marketing concept, and be marketing oriented in their operations. In 2020, the CIMG received a Presidential Charter by the passage of the CIMG Act 2020 (Act 1021) with the main objects to set standards for the practice of marketing and to regulate the practice of the marketing profession in the country.

Visit Website

NATIONAL INSTITUTE OF MARKETING OF NIGERIA

The National Institute of Marketing of Nigeria is the body of professionals engaged in marketing and related fields as marketing practitioners: sales and marketing directors, commercial directors, customers' managers, media planners, channel developers, creative directors, value builders, brand directors, corporate and institutional governors, transformers, communication experts, general managers, and chief executives.

Visit Website

IMM SOUTH AFRICA

The Institute of Marketing Management South Africa (IMM) has for decades been the pre-eminent marketing institute in Southern Africa, bringing together like-minded individuals to share thoughts and experiences within the rapidly changing marketing environment. The IMM offers a wide range of value-added products and services for marketing professionals who are Associates in either an individual or corporate capacity. The IMM is a proud founding member of the AMC, providing you with the added benefit of developing a larger network across the African continent.

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UGANDA MARKETERS SOCIETY

The Uganda Marketers Society (UMS) is the leading community and voice of marketing professionals in Uganda. The society brings together diverse professionals across different backgrounds, experiences and levels of seniority to network, learn and grow together. UMS is affiliated with the Chartered Institute of Marketing CIM-UK, the world's leading professional marketing body. It is led by a diverse Board and Secretariat that serve to ensure the society meets its goals. UMS started in 2015 with a vision to be the leading body of marketing practitioners and professionals inspired towards the development, promotion of professional ethics and standards, and application of world-class marketing leadership in Uganda. Its mission is to remain the most relevant influence informing Marketing in Uganda as a virtual community for professional marketers.

Visit Website

MARKETING SOCIETY OF KENYA

The Marketing Society of Kenya started as the Advertising Society of Kenya in 1962. It became the Marketing Society of Kenya in 1968. The first chairperson was Nigel Crouch, the then MD of Cadbury Schweppes. The Society's main objectives are to develop, acknowledge and practice the profession of marketing, to provide services to members, and to offer a platform for self-regulation for practicing marketers.

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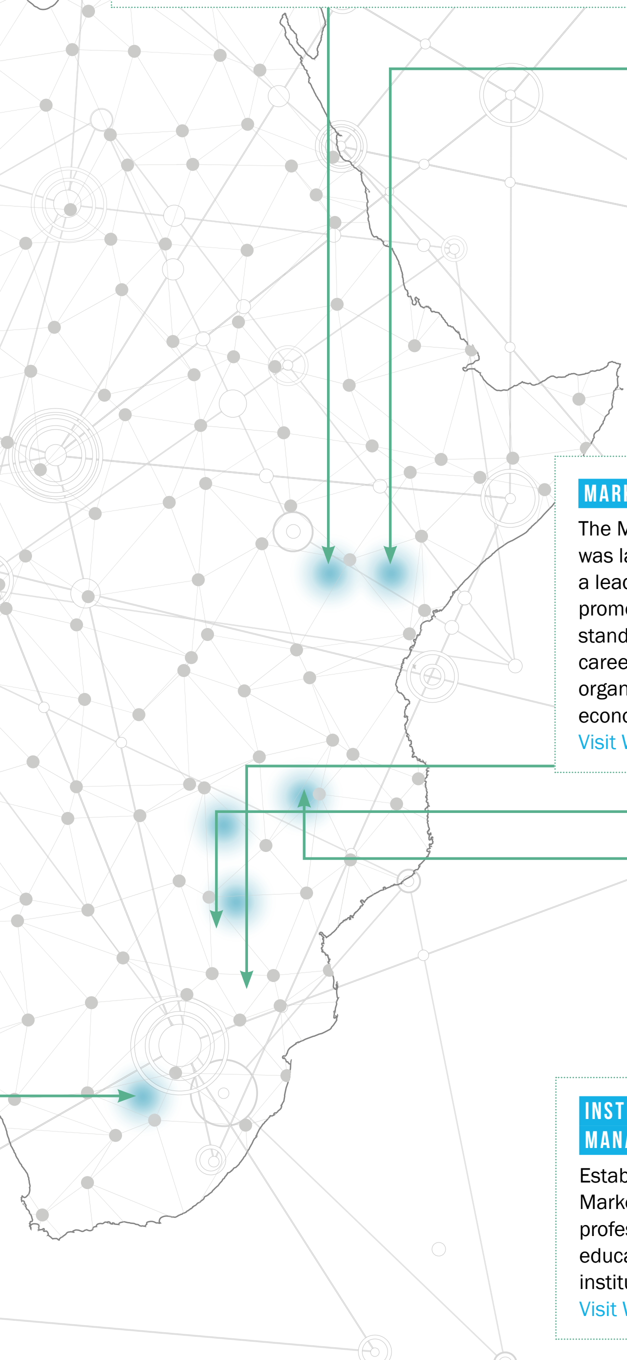


THE ZAMBIA INSTITUTE OF MARKETING

The Zambia Institute of Marketing is a membership organisation regulating the practice of marketing in Zambia as provided for in the Zambia Institute of Marketing Act No. 14 of 2003.The Institute is affiliated to the Ministry of Commerce, Trade and Industry. The broad operating moralities of the Institute include: apolitical stance; impartiality and common good; capacity building; networking; and effective communication.

Visit Website

MARKETERS ASSOCIATION OF ZIMBABWE

The Marketers Association of Zimbabwe was launched in 2007 with a vision to be a leading body of marketing professionals promoting professionalism of the highest standards and establishing channels of career development for the benefit of organisations and the economy at large.

Visit Website

INSTITUTE OF MARKETING IN MALAWI

Institute of Marketing in Malawi (IMM) was formed in 2020 after transitioning from what was CIM Malawi Members Group which was formed in 2010. IMM is committed to ensuring that interests and needs of its members and stakeholders are understood and catered for throughout the organisation and the wider industry. Currently, IMM is the largest community of professional marketers in Malawi involved in several marketing activities such as networking of marketers in Malawi, organizing marketing events and training courses, setting best marketing practice standards in Malawi, promoting professional development of Marketers, study and education guidance to marketing students among others. IMM has become the face of Marketing in Malawi with the organization now referred to as the benchmark of marketing standards in the country.

INSTITUTE OF MARKETING AND MANAGEMENT, MAURITIUS

Established in 1991, the Institute of Marketing & Management is the leading professional marketing education and training institution of Mauritius.

Visit Website

Metaverse in Africa: Separating the hype from the reality

Fiona Zerbst charts the dramatic rise of the Metaverse and what it is likely to mean for African marketing going forward.

IT'S HARD TO IGNORE THE allure of the Metaverse, a new technology segment attracting significant – some might say startling – investment in time and money. But what is its relevance to African marketers and how can they identify the opportunities – and pitfalls – associated with it?

For video gamers, it has long been possible to choose an outfit for your avatar in immersive video games such as *Roblox* or *Fortnite*. But what if your avatar could show up for the next virtual office meeting in a digitally rendered fashion creation from the renowned (and expensive) designer, Carolina Herrera?

'Contactless cyber fashion' is a whole new market waiting to be explored – one that will be worth US$55-billion by 2030, according to some experts – and brands are already coming to the party.

High-end fashion brand Gucci, for example, ran an advertising campaign on the *Roblox* gaming platform called the 'Gucci Garden Experience', which allowed players to try (and buy) some high-fashion items for their avatars. One player forked out $4 115 for a digital shoulder bag – more than the physical bag is worth!

These are a few examples of how prestige brands are bringing their products into our new 'phygital' reality, where the 'physical' and 'digital' worlds merge. They are testing the waters in the immersive next generation of the internet known as the Metaverse, which will change the way in which we live, shop, engage and entertain ourselves.

EXPLAINING VERSION 0.1 OF THE METAVERSE

Ever since Mark Zuckerberg announced that Facebook would rebrand as Meta, the somewhat arcane realm of the Metaverse has become part of mainstream consciousness. But although the Metaverse economy could be worth anything from $8-trillion to $13-trillion by 2030, according to a Citibank report, it will take up to 10 years before investments in building these immersive worlds start to pay off for brands.

Hussein Hashish, founder of Blockchain Hub Egypt and Chief Metaverse Officer at Athens DAO, a community of experienced crypto-investors, points out that the upgrade from screens, two-dimensional 2D video chats and tabs on a website – to an internet you can jump into or have come out to you – is happening in fits and starts. "The Metaverse is still plagued by unsteady and choppy service – it's in its 'PlayStation 1' phase from a user interface and hardware perspective," he says.

However, this hasn't deterred Mic Mann, the founder of the platform Ubuntuland, which claims to be Africa's first Metaverse marketplace. He believes that early forays into the Metaverse allow investors to explore the tools available and to try out new business models before the thundering herd arrives in full force a few years from now.

"As with any new industry, if you get your hands dirty, you get ahead," he says. "The first brands to enter the Metaverse will be leaders and they can leverage the marketing benefits of discovering new frontiers."

Mann's Africa-centric platform, which is built on the Ethereum blockchain, is intended to create jobs for the future and connect Africa to the global digital economy. Telecoms giant MTN has already bought plots in Ubuntuland, while a debut non-fungible token (NFT) collection by South African artist Norman Catherine fetched $53 000 in digital currency.

"Content creation in the Metaverse will provide new ways to make money as many conventional jobs are replaced by artificial intelligence and robotics," says Dr Mark van Rijmenam, author of the book *Step into the Metaverse* and the first-ever speaker to deliver a TEDx talk in virtual reality. "This will usher in the Imagination Age, where creativity and the imagination drive economic value," he states.

Editor's note: TED is a non-profit devoted to spreading ideas, usually in the form of short, powerful talks in more than 100 languages. Independently run TEDx events help share ideas in particular communities.

IS AFRICA READY FOR THIS?

So, what does the Metaverse mean to African brands and how can they tap into this new and potentially lucrative market?

Unfortunately, it may take the continent a decade or more to catch up to the true potential the Metaverse is said to hold. For Melissa Govender, Senior Manager Client Relations/Africa at Access Partnership, a public policy consultancy focusing on technology, access to the Metaverse depends on a few factors.

"From a connectivity perspective, significant advancements in network latency, symmetrical bandwidth and the overall speed of networks will be critical," she says.

In sub-Saharan Africa, internet penetration remains low at 18%, well below the global average of 30%, according to GSMA (the organisation that represents mobile network operators worldwide). Although people will eventually be able to access the Metaverse using their smartphones, smartphone penetration remains limited on the continent, largely due to cost.

"Africa lags behind due to poor infrastructure and low awareness, but a handful of countries – like Nigeria, Kenya and South Africa – are getting ahead," Hashish explains. "Education is the biggest barrier to unlocking opportunities, and smart regulation will be needed because governments can't approach this renaissance with guidelines that apply where physical borders exist." Hussein, who lives in Egypt, says his country still criminalises cryptocurrencies and the Metaverse is not yet on policymakers' radar.

STANDING OUT IN THE METAVERSE

Global insights company Gartner has estimated that around 30% of the world's organisations will offer Metaverse products and services by

Metaverse definitions

"The metaverse is a virtual world where humans, as avatars, interact with each other in a three-dimensional space that mimics reality." Cambridge Dictionary.

"A virtual-reality space in which users can interact with a computer-generated environment and other users." Lexico (powered by Oxford English Dictionary).

"A network of 3D virtual worlds focused on social connection." Wikipedia.

Mic Mann … the first brands can leverage the marketing benefits of discovering new frontiers

Melissa Govender emphasises that bandwidth and network speed will be critical

Hussein Hashish says the Metaverse is still in its 'PlayStation 1' phase

around 2026, so brands need to think about their strategy and how they'd like to implement it.

"The internet has made borders redundant, so African merchandisers should think globally," advises Govender.

Mann says that, thanks to the exponential growth of virtual and augmented reality, as well as blockchain technology, there are many new ways in which marketers can create immersive, bespoke campaigns that will drive customer loyalty, retention and new sales.

"Developments and experiences can be personalised by marketers, as in the physical world, but the possibilities are endless in the virtual world," he asserts.

Coca-Cola has already tested the waters in *Fortnite*, a free-to-play online game, where it launched the limited-edition flavour Zero Sugar Byte on a custom-built neon-bedecked island. It rolled out collaborative puzzles and mini games for players in an effort to create sentimental bonds with the product.

This is far more effective than a physical or virtual billboard. But, says Van Rijmenam, it means more work for marketers.

"Generations Z and Alpha don't want to be harassed – they want creative experiences in an immersive environment [such as online games], so brands must find authentic, unique ways to reach their customers," he explains.

For African brands that want to stand out in the Metaverse, they should not only focus on virtual reality; they should focus on augmented reality, which Van Rijmenam says will surpass virtual reality because lightweight AR glasses or smart contact lenses are less onerous than bulky VR headsets. They should also develop direct-to-avatar strategies and consider co-creating products digitally with their customers.

"The Metaverse is not an additional marketing opportunity, but an entirely new distribution channel with its own rules and requirements," he points out.

Impact on Africa

Though the Metaverse is still in its infancy in Africa, growth projections released by the Analysis Group, a research company contracted by Meta, indicate that the Metaverse will pump an additional US$40-billion into sub-Saharan Africa's gross domestic product (GDP) in a decade's time.

The report says there is, however, one major caveat: the need for Metaverse uptake to be similar to that of mobile technology. "If the Metaverse were to be adopted and grow in a similar way as mobile technology, then we would expect it to be associated with a 2.8% contribution to global GDP after 10 years," the Analysis Group states.

MITIGATING THE BRAND RISKS

The Metaverse is an unregulated space, which comes with significant perils – from crypto scams to the digital 'gold rush' on finite parcels of land in an infinite digital world. It's a fine line to create an open but regulated Metaverse – but we should all think about the type of Metaverse we would like to create.

"It's a blank canvas for society as a whole," notes Van Rijmenam, who says the current model is more about value destruction than value creation.

For Hashish, the ideal Metaverse would be underpinned by open blockchains, resistant to censorship and enabling seamless interactions, with the ability to exchange value in endless types of digital assets. But until we get there, it's worth proceeding with caution and managing our expectations.

The sky could well be the limit for African marketers. But, for now, it's wise to observe what brands like Nike, Adidas, Lamborghini, Louis Vuitton, McDonald's and Samsung are achieving, and learn from their successes – or failures. ■

Fiona Zerbst has worked as a journalist and editor for more than 20 years. She writes primarily about business and finance, and has worked for publications and clients in South Africa, Botswana, Zambia, Nigeria, Canada, Finland and the UK.

Additional reporting by Mike Simpson.

PHOTOS: SUPPLIED, ADOBE STOCK BY ROBY

Rapid tech gains make Metaverse very relevant to Africa

Waithera Kabiru, Head of Media Futures at EABL in Nairobi, is Africa's only judge in the newly created Metaverse category at the London International Awards. We asked her some key questions:

IN AFRICA, WHERE MARKETERS still face so many bottom-of-the-pyramid challenges, is the Metaverse relevant at this moment in time?
Africa in general is booming and the appetite for digital is growing, making the Metaverse very relevant as the lines between digital and physical become blurred.

Internet and smartphone access is growing at an accelerated rate in Africa. As an example, Kenya is a mobile-first economy with 65-million mobile subscriptions and 44.8-million mobile data subscriptions. Internet penetration is at an amazingly high 80% via mobile data and fixed broadband. Smartphone penetration is at 53% due to a focused effort to partner with mobile-device manufacturers who can deliver handsets costing under US$100.

How can African brands best leverage what the Metaverse has to offer?
The pandemic has increased the appetite for online brand-led experiences such as live concerts, which will accelerate the opportunity in the Metaverse for brands to do the same. In addition, the growth of fintech, which has been accelerated by the development of mobile money, will enable a seamless path to purchase in the Metaverse – enhancing convenience for consumers.

In Kenya, East African Breweries Limited (EABL) launched *ke.thebar.com*, a D2C platform that it owns, to enhance convenience in alcohol delivery for the at-home occasion. This presents an amazing opportunity to scale this through the Metaverse and provide end-to-end experiences for consumers.

Through the Metaverse, brands can support the growing community of digital creators who are dominating the creative industry. In Africa, Guinness's '*Black Shines Brightest*' campaign is working with real culture-makers from across the continent who embody the spirit of 'Black Shines Brightest' in a range of different ways.

These campaigns celebrate African creativity and ingenuity. There is an opportunity to extend this experience in the Metaverse and further amplify the impact of these creators globally.

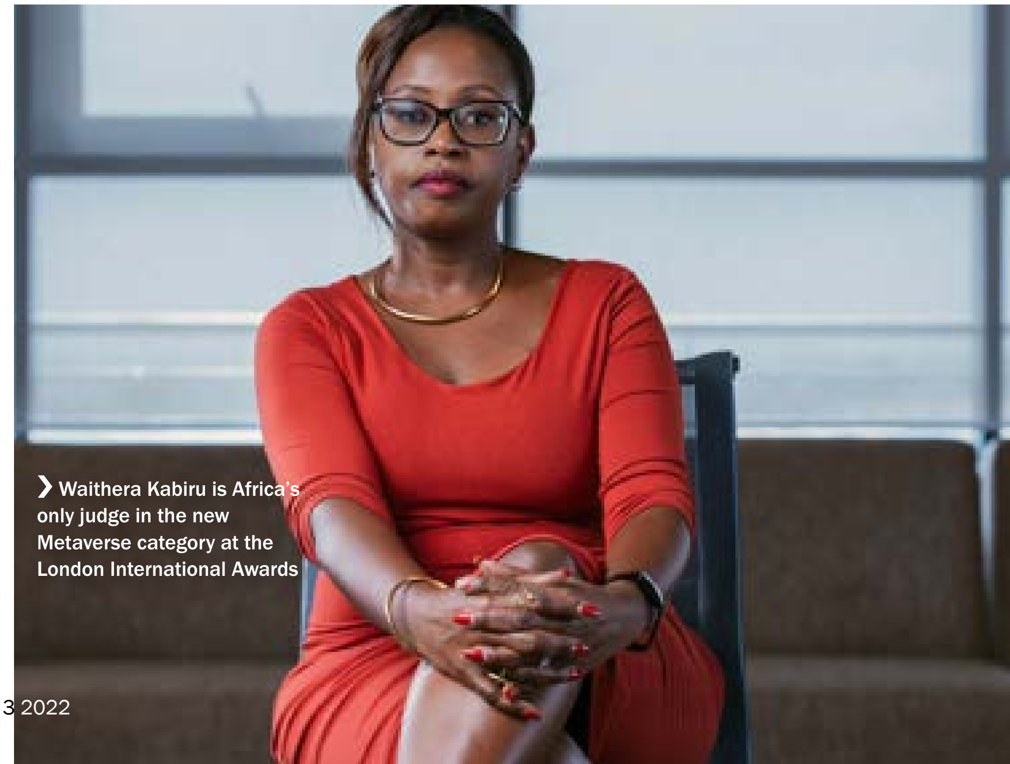
Long term, what is going to be the best thing and worst thing about the Metaverse for brands and consumers?
The best thing to look forward to with the Metaverse is experiences that could probably live in perpetuity. For instance, a branded world could grow on the strength of user input, providing brands with contextual audience data like never before.

Long-term risk is largely around governance. The Metaverse has grown rapidly. Cybersecurity laws have not captured the human element adequately and this has led to abuse.

The Metaverse is the next version of the internet, and we use technology like augmented (AR) and virtual reality (VR) to immerse ourselves in the digital world. With all this digitisation comes privacy challenges. Local and global data-protection laws need to ensure the consumer comes first and they share information at their discretion.

Is there anything else that you would like to mention in the context of the Metaverse and Africa?
Brands and creators in Africa need to collaborate early through Decentralised Social Environments (DeSo) to deliver audience-led experiences. First-mover advantage is critical. ■

PHOTO: SUPPLIED



❯ Waithera Kabiru is Africa's only judge in the new Metaverse category at the London International Awards

Gen Z is the key to rebuilding organisational trust in Africa

In a divisive world where Africans have low trust in business and public institutions, PR can play a key role in re-establishing confidence.

FOR THE PAN-AFRICAN public relations community, there is an urgent need to help rebuild trust in institutions and businesses, as well as take a leading role in the ongoing battle against misinformation.

This is according to Karena Crerar, CEO of PR company Edelman Africa, who took over her continent-wide role in May this year after leading the South African arm of the business since January 2021.

"Rebuilding trust is our duty as public relations practitioners. Especially in a world where governments and media are seen as increasingly divisive," says Crerar. She adds that the generation of people who are going to be the catalyst for this trust rehabilitation on the continent are the Gen Z consumers born between 1997 and 2012.

NEW GENERATION OF ACTIVISM AND SOCIETAL ACTION AT SCALE

This is a core audience – one which is often ignored – that is likely going to unlock societal action and activism at scale – even among their older peers.

"Gen Z is at the centre of Edelman's latest Trust Barometer Special Report research: ***The New Cascade of Influence***. These global findings – with key insights into Southern Africa – are revealing how Gen Z is changing the way organisations and brands communicate," Crerar notes.

She believes that content creators in this age group are shifting behaviours as the new dominators of the infrastructure of influence. The consultancy's research shows that 60% of South Africans are influenced by Gen Z in what they buy, and 49% are influenced in how they actively create change – in other words, the ways in which they commit to social activism.

"We must tap into this and make sure these influential voices are heard. The youth aren't paralysed by fear, they're powered by it. In South Africa, our ***data*** shows that young people are more concerned about the development of the country than their own personal futures. They're also influencing other generations to think differently," says Crerar.

> *CEOs must lead on these changes and be very visible*

AFRICAN BUSINESS HAS TO PLAY A BIGGER ROLE

It is this Gen Z-led activistic intent that should be central to the advice Africa's PR practitioners bring to their corporate clients, she explains, helping these clients to build more purposeful platforms and campaigns.

This expectation for business to play a broader societal role is putting pressure on CEOs to personally lead on change and be visible. Eight in 10 people believe CEOs should be visibly discussing public policy with external stakeholders, as well as the work their company does for society.

"Chief marketing officers and PR agencies have to work together to facilitate such conversations, especially with stakeholders such as the next generation of influencers or marginalised groups that are normally ignored," Crerar says.

Gen Zers are going to be the catalyst for trust rehabilitation on the continent

"Business must recognise that its societal role is here to stay; people want more business leadership, not less. [Consumers] need to see tangible progress – a reason to believe that the system can work to build a better future – and PR must help inspire this change and, of course, communicate it."

Edelman operates globally through a network of more than 60 offices, including in Nairobi and Johannesburg. ■

PHOTO: COTTONBRO FROM PEXELS

From Front Page to Front of Mind:

Evolving the PR Process in Post-Pandemic Africa

In the last decade, and more so over the past two years, there have been seismic shifts in the global public relations environment. With companies having to reevaluate their purpose and role in society, effective communications have become more closely intertwined with overall business strategies.

However, burgeoning companies now looking to leverage public relations as a tool for reaching audiences post-pandemic often don't quite understand the distinction between communications and traditional marketing, and the drive for media coverage, whether earned or paid, remains top-of-mind for what constitutes an effective campaign.

Managing Director for Edelman Kenya, Corazon Sefu Wandimi, said agencies have the responsibility to guide their clients – current and prospective - through structured propositions that focus on value-based PR models.

"The pandemic has shown us that agility, trust, and versatility are key components of promoting impactful work and sustaining meaningful relationships between our clients and their stakeholders. Traditional one-way, mass communication involving infrequent and disjointed press announcements and superficial activations are being swopped out for purpose-based public relations models with credibility and trust at the centre," said Wandimi.

Being at the helm of the pan-African communications consultancy's Nairobi office since November 2021, Wandimi has often come across companies in the region that are only now realizing the importance of effective public relations to the overall management of the business.

"With marketing and communications budgets often being the first victim of COVID-related budgetary cutbacks, companies are starting to explore new ways of reaching their audience. We have often come across prospective clients who value a campaign solely on seeing their products in the media, but effective strategies are no longer just about being on the front page; it's about your brand being top-of-mind in positive conversations that directly affect the lives of your audiences and customers," said Wandimi.

Edelman's annual 'Trust and credibility survey for 2022 showed that the majority of respondents will advocate for a brand, choose an employer, or invest based on that company's beliefs and values – and further hold business accountable for not doing enough to address societal problems.

"This is especially relatable in the African context, where consumers increasingly hold companies accountable on matters of the environment, social responsibility, and governance.

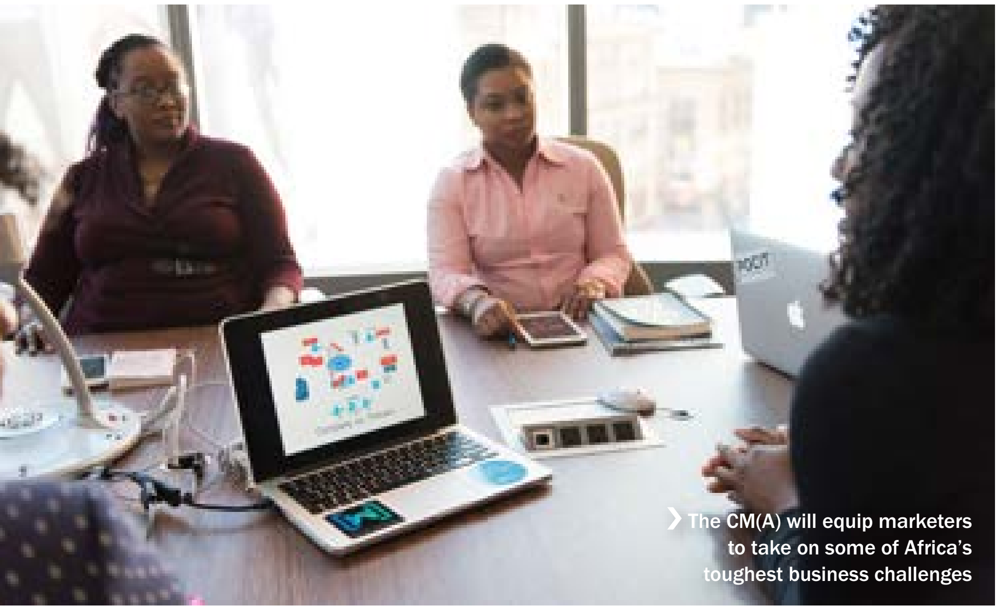
Consumers want a brand to identify with societal ills and make a tangible difference in their lives. That is why a beautiful advert alone no longer suffices; campaigns based off advocacy and actions are key to sustaining relationships now and into the future," said Wandimi.

Corazon Sefu Wandimi
Managing Director Edelman Kenya

From a lingering pandemic to growing geopolitical tension, increasing socio-economic challenges and an accelerating climate crisis, corporates are being faced with a range of complexities for which they are forced to confront. While there is no set playbook on how to navigate this environment from a communications perspective, it certainly helps having an experienced agency to act as a change agent in guiding a brand through ever-shifting agendas and landscapes.

Premier professional marketing qualification unveiled by AMC

High-level Chartered Marketer (Africa) programme will equip senior marketers to operate successfully in the continent's highly complex and diverse markets.



The CM(A) will equip marketers to take on some of Africa's toughest business challenges

THE AFRICAN MARKETING Confederation is excited to launch the much-anticipated Chartered Marketer (Africa), our continent's highest professional marketing qualification.

This CM(A) designation is awarded in recognition of an individual's professional status as one of Africa's distinguished marketing practitioners. It also validates a commitment to best marketing practices, continued self-development and a dedication to excellence in practical and/or academic marketing applications in Africa.

"It is the first pan-African professional marketing qualification awarded to senior marketers in recognition of their marketing experiences and skills," enthuses AMC President, Helen McIntee. "The programme is unique; the application process is rigorous and is high level, peer-reviewed and culminates in the submission of a white paper or case study at the highest level."

To be admitted to the CM(A) programme, African marketers must meet strict qualifying criteria, including:

- 10 years broad marketing experience, of which three years has been completed at a senior level.
- A recognised marketing degree that is also recognised by the relevant AMC member country's national marketing body.
- Applicants must hold the highest industry / professional accreditation in their own country.
- Submission of a full PQE (Portfolio of qualifications and experience).

In addition, applicants who can show cross-border marketing experience will receive extra qualifying points and their applications will be elevated above those without cross-border experience.

Applications for the first intake close on 15 November 2022 and orientation days for that intake are scheduled for February 2023. Participants can attend in person or online. The venue for the orientation is the IMM Parktown Campus in Johannesburg.

"The CM(A) is a unique programme, with an emphasis on achieving excellence in diversified markets," says McIntee. "It will equip marketers to successfully operate within complicated and varying political and social systems, each with its own levels of economic development and marketing and advertising opportunities." ■

Further information: Helen McIntee, AMC President helen@africanmarketingconfederation.org

BENEFITS OF BEING A CM(A)

Professionalism: Status as a CM(A) indicates that the individual has been recognised and has accomplished the highest level of professional marketing on the African continent.

Branding: You will be permitted to use the CM(A) designation logo on all personal branding materials, indicating your level of expertise.

Networking: All CM(A) qualified members will have access to the exclusive AMC CM(A) Alumni Club.

AMC Database: You will be listed on the AMC Directory as a preferred supplier of marketing services, and get exclusive access to the AMC's job pages.

PHOTO: CHRISTINA MORILLO FROM PEXELS

African marketers calm in the face of cookie demise

Aurelia Mbokazi-Kashe chats to industry players from around the continent as they prepare for the eventual loss of third-party data on Google Chrome.

ARE AFRICAN MARKETERS ready for a digital world without cookies? By late 2024 – about a year later than previously intended, but still not too far off – Google's primary search engine should be free of third-party cookies, cutting off what has been a very useful supply of data for marketers and businesses in general.

Credible international research conducted earlier this year indicated that, perhaps surprisingly given the very long lead-in time to Google's intention to phase out third-party cookies from its popular Chrome browser, many marketers are still not properly prepared.

The decision to delay the implementation date (yet again) was a clear acceptance that the business world has not yet got its cookie-free house in order. Indeed, there is still much discussion in digital marketing circles as to how to best fill this coming data void *(Editor's note: See First-Party Data article on pg 22).*

But what is the situation in Africa? Are marketers aware and are they planning accordingly? If so, what are their views on the situation and what are their plans to mitigate the lack of cookies going forward? Is our situation here on the continent perhaps different to how marketers in developed countries will likely be impacted?

Strategic Marketing for Africa spoke to marketers in various countries to find out their perspectives.

CONCERN, BUT RESPECT FOR RIGHT TO ONLINE PRIVACY

"The cancellation of cookies will hurt businesses in Africa. Without them, we will likely see a decrease in web traffic and online sales," laments Hephzibah Emefa Ohene, a marketing professional and Project Manager for V.A.O.B., an Africa-focused advisory firm in Accra, Ghana.

This happens at a time when consumers are more connected and engaged than ever before, a great advantage for marketers, says Ohene. But there is already an increased awareness of online privacy issues among Africans, and many people block or limit their exposure to cookies, she explains.

Maha Jouini, a Tunisian-born communicator and Executive Director of the African Centre for Artificial Intelligence and Digital Technology based in Mauritania, is a proponent of data privacy laws. She views the eventual demise of cookies as a window of opportunity for African governments to develop and implement privacy policies that protect users and improve online infrastructure.

While she sympathises with businesses that will suffer from the phasing out of data-gathering cookies, she says this decision will benefit all the continent's consumers.

Failing to factor in African nuances

"The major problem facing Africa is that we do not have our own digital infrastructure that factors in nuances unique to the continent. We still have many countries that have poor internet connectivity and are lagging behind the rest of the world. Over and above this, we need to ensure that personal-information protection policies are put into place to protect online users," states Jouini.

She believes the dilution of cookie-based data could also lead to Africans coming up with their own African-developed digital solutions as they try to close the data gap that will be left by Google's decision.

A PREFERENCE FOR SOCIAL MEDIA OVER WEBSITES

Uganda's Emmanuel Wabwire, a marketing entrepreneur and Executive Director of the Faraja Africa Foundation in Kampala, adds that online data privacy is a growing concern among internet users in Uganda. It has resulted in wary e-commerce website customers opting to use PayPal when transacting online, in an effort to safeguard their information, he says.

However, Wabwire doubts that brands from his region will be devastated by Google's move on third-party data. Owing to privacy concerns and unstable internet accessibility, many Ugandans have a preference for social media rather than the web, he observes.

"In Uganda, and some parts of East Africa, I don't think the removal of cookies will have much impact. Facebook and Twitter are mostly used for targeted marketing over Google." He adds that in Uganda 'being *Googlable*' does not trump having a strong social media presence.

Wabwire explains that when the pandemic hit, many Ugandan businesses migrated online. But they struggled with search engine optimisation and instead opted to redirect their budgets to social media marketing.

"Customers expect to find your business on Facebook, Twitter or Instagram. This is because most people access the internet from mobile phones. They also believe that social media uses less data compared to websites," he explains.

Like Wabwire, V.A.O.B's Ohene emphasises that the move to targeted social media marketing is a growing trend among African digital marketers as they prepare for life without cookies.

"Social media marketing is a developing trend. With many people using social media sites such as

PHOTOS: MATI MANGO FROM PEXELS; NICOLE-KOENIG78 FROM PIXABAY

Why Google delayed the removal of cookies

Many African marketers and their digital agencies breathed a sigh of relief following the announcement from Google at the end of July that it would again be delaying the phasing out of cookies on Google Chrome.

This means the phasing-out deadline has now been delayed twice. Initially it was intended for late 2023 to be the final deadline. Now the deadline moves to the second half of 2024.

Once cookies are removed from Google Chrome, companies will be heavily restricted as to how they can gather user data and then target ads according to user preferences. Google has given improved consumer privacy as the main reason for the move.

As a replacement, Google has been working on a project known as Privacy Sandbox. However, the company wants more time to refine this and to get feedback from relevant partners such as industry regulators, marketers and publishers.

COMPANY EXPLAINS DELAY

In a **blog post**, Google explained that it wanted to give these partners more time to test its tools.

"The most consistent feedback we've received is the need for more time to evaluate and test the new Privacy Sandbox technologies before deprecating third-party cookies in Chrome," Anthony Chavez, Vice President at Google, said. "We now intend to begin phasing out third-party cookies in Chrome in the second half of 2024."

Also quoted in the blog post was Townsend Feehan, Chief Executive Officer at the Interactive Advertising Bureau Europe, who said: "Google's decision to extend the timeline before phasing out third-party cookies is a welcome development for the industry that should ensure a range of alternatives to third-party cookies that are technically robust and whose implementation has been thoroughly tested from a privacy compliance and commercial perspective."

Facebook and Twitter, companies are starting to realise that these platforms can be used to reach a wider audience," she asserts.

"There has also been a move to invest in mobile marketing, which allows brands to grow their audiences directly. Many companies are already making the switch to mobile," adds Ohene.

SOCIAL MEDIA MARKETING ALSO HAS ITS CHALLENGES

Wabwire says the prolonged Facebook shutdown by the Ugandan government – free access was only restored in May this year after a long period of restrictions – has been a major setback to marketers.

"Due to the shutdown, many Ugandans accessed Facebook through Virtual Private Networks (VPNs), making it nearly impossible for brands to target national customers through Facebook digital campaigns since a VPN changes geographical location," he explains.

According to Wabwire, this shutdown did not lead to an upsurge in Google-based marketing, as many may have anticipated. Instead, businesses strengthened their marketing on mainstream media such as TV and radio platforms, as well as returning to live promotional events, post the Covid-19 restrictions.

Ohene maintains that there are a number of tech-driven solutions that can be explored by African marketers as they prepare for the largely cookie-less world in the second half of 2024.

One of them, she explains, is the use of first-party data that is collected directly from consumers either through surveys or other forms of direct feedback. This data helps to create detailed profiles of individuals, which can then be used to target them with relevant and personalised advertising.

"Another way would be through the use of contextual data that is collected from the user's environment – such as their location, the time of day, and the type of device they are using. This data can be used to provide a more relevant and targeted user experience," adds Ohene.

Rockline Gideon, Media Manager at Vodacom Tanzania, acknowledges that the death of Chrome cookies will mark the end of the near-100% accurate targeting that has come to define digital marketing.

However, he holds an optimistic view that African marketers have an opportunity to implement strategies that will help them foster a direct and intimate relationship with their customers; a relationship based on mutual trust that will lead to personalisation of marketing communication.

Gideon strongly believes influencer marketing is a great opportunity for brands on the continent.

"Influencers have a soft voice to consumers, compared with that of a brand. If we adapt influencer marketing initiatives to ensure that the brand is still [promoted] by relevant third-party voices in the respective markets, then we are ready for successful targeted campaigns post-cookies," explains Gideon.

Editor's note: These interviews were conducted prior to Google's decision to postpone the deadline for phasing out of third-party cookies to the second half of 2024. Nevertheless, the information and sentiments expressed remain relevant.

Aurelia Mbokazi-Kashe is a freelance journalist, editor and development communications specialist with 23 years' experience in telling impactful stories across Africa on various platforms, including print and the digital space. She has occupied leading roles in national newspapers, magazines and digital platforms.

Additional reporting by Mike Simpson

Hephzibah Emefa Ohene of V.A.O.B. in Ghana

Emmanuel Wabwire of the Faraja Africa Foundation in Kampala

Before accelerating customer-data collection, first evaluate your data and analytics organisational structure and capabilities

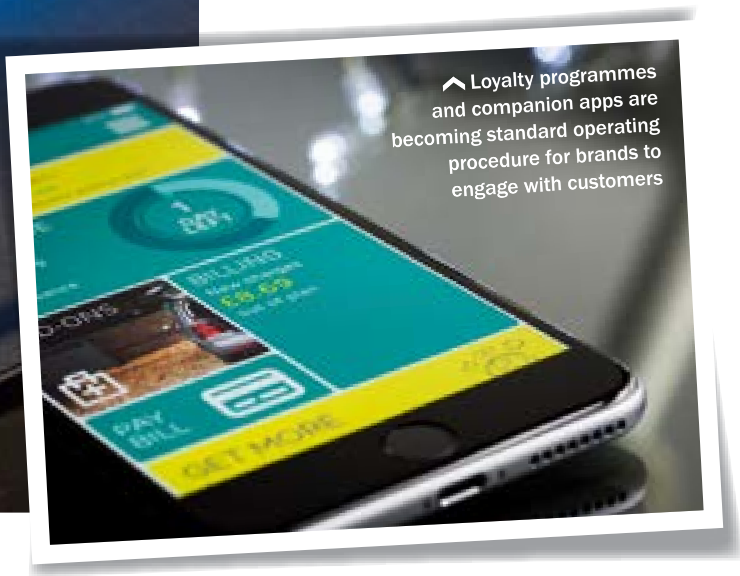
Use your company's loyalty apps to gather useful customer data

With the increasingly urgent need to find ways to obtain first-party client data, loyalty apps and tailored data collection offer solutions.

AS AFRICAN MARKETERS ponder the eventual arrival of a digital world where the cookie is no longer king, one piece of advice from a US-based expert is to utilise loyalty apps to gather useful customer data.

Lawrence Edmonson, Chief Technology Officer of Barbarian, an advertising agency that is part of the Cheil Worldwide network of 55 agencies, wrote in the industry publication *Ad Age* that loyalty programmes and companion apps are becoming standard operating procedure for brands to engage with customers.

"As we enter the golden age of first-party data – mined with consumers' consent – loyalty apps can capture actionable intelligence, not just piles of data," Edmonson noted.



Loyalty programmes and companion apps are becoming standard operating procedure for brands to engage with customers

He gave several key strategies for optimising loyalty apps to provide useful marketing data. Among them:

- **Make it personal.** Customers will identify themselves because they are attracted to the possibility of accruing points for redemptions and special offers. Make the app feel like a personal profile, with easily accessible preferences, tailored communications and an interface that prioritises the functions a consumer uses.
- **Be clear about privacy policies.** One might think that consumers would choose the most restrictive privacy settings when downloading an app. But that is not the case. So, with loyalty apps, brands should be very clear about what they're offering without worrying about scaring people off.
- **Drive seamless experiences.** A well-built loyalty app allows for seamless commerce, including shopping, payment and redemption. The user experience should be well thought out and feel 'contactless' and intuitive, with a combination of transactional (commerce) and non-transactional (unexpected) benefits.
- **Incentivise frequent use.** The more a customer returns to the app, the more benefits they should see. To further reward loyal users, brands should create special categories within apps that increase rewards for staying on the platform.
- **Keep it consistent.** Some brands make the mistake of keeping loyalty programmes separate from their credit cards and other rewards programmes, which makes them harder to navigate. Other brands confuse customers with rewards points that just don't add up.

GARTNER OFFERS DATA-GATHERING OPTIONS

Meanwhile, global insights agency Gartner has its own suggestions as to how to capture first-party data.

"Ultimately, digital marketing leaders need to get customers to willingly share their preferences by building compelling touchpoints for data capture as consumers make their way to a purchase on owned channels," Gartner says.

"Done right, first-party data can strengthen customer relationships, as it enables organisations to provide more personalised, relevant experiences. But how marketers gather and manage first-party data will be key."

Here are three things digital marketers should be focused on right now, Gartner believes:

No. 1: Establish a foundation

Before accelerating customer-data collection, first evaluate your data and analytics (D&A) organisational structure and capabilities – and look to identify efficiencies and close gaps.

In the '*Gartner 2020 Marketing Data and Analytics Survey*', which polled both producers and consumers of marketing analytics, 64% of respondents said that data management, data integration and data formatting were among their top three most time-consuming activities.

"The challenge of effectively integrating and utilising customer data will only become more pressing as regulations on third-party sources increase," the company said.

Marketers will need to tackle technologies and capabilities, including the best use of customer data platforms vs. other technologies and the most effective processes for data acquisition, organisation and storage. They'll also need to benchmark the maturity of their advanced analytics teams and learn what best practices are and how to follow them.

No. 2: Tailor data collection

Consumers are increasingly concerned about who is collecting their data, how much of their behaviour is being tracked and what companies are doing with their information, so be prepared to tailor your approaches to data collection to ensure consumers are willing to share it.

"You'll need to follow data privacy best practices and plot a strategy – perhaps using lessons learned by peers – to incentivise account signup and leverage first-party data to improve the customer experience across sites, apps and email," Gartner advises.

No. 3: Create compelling touchpoints

Getting consumers to volunteer information about themselves requires a compelling value proposition. Loyalty programmes that solicit data in exchange for transactional and experiential rewards are popular models, but opportunities exist for incentivising account creation or data capture outside of traditional loyalty programmes as well.

For instance, if you ask a customer why they want to return an item, you may be able to act upon that decision and improve the marketing communications, or even the product itself, over time. Retargeting efforts and 1:1 communication through email and social media continue to capture information that is valuable for marketers.

Stresses the company: "All marketers will need to get more sophisticated about how to use data from loyalty programmes to deepen engagement on owned channels in a way that strengthens customer retention efforts – and turn points of churn or friction within the post-purchase experience into an opportunity to collect valuable data and feedback." ■

Editor's Note: While there has been much focus on the removal of third-party cookies on Google Chrome, it is also worth noting that Apple's blocking of tracking cookies across its approximately two-billion devices has already had an adverse impact on social media companies relying on this data for their advertisers. Apple's decision to block ad-tracking by default on iPhones – rather than have users purposely opt-out – has downgraded growth expectations for social media adspend in 2022 and 2023.

PHOTOS: CHRISTINA MORILLO AND TORSTEN DETTLAFF FROM PEXELS

Fun and healthy competition as Uganda's marketers abandon their desks

'Meet and Greet' social day in Kampala as UMS members let their hair down and let loose their competitive spirit.

MARKETERS ARE outgoing, yet they spend most of their time behind desks – more so, as online meetings become increasingly common in the post-pandemic world.

This year, the Uganda Marketers Society (UMS) organised a 'Marketers Meet and Greet' at the Panamera Sports Ground in Kampala to bring all marketers to a social day packed with fun, games and team-building activities.

It was a fantastic way to reward marketers for all their hard work and enable them to meet more faces in the local marketing industry. Attendees teamed up according to the colours of their entry wristbands – blue, green or purple – to participate in challenges and win gift hampers from the sponsors of the event.

Plenty of fun and new friendships

With a bit of warm-up help from a fitness coach, the marketers participated in games ranging from football to caterpillar racing and tug of war. Later, board games provided relaxing moments for marketers to enjoy drinks while having evening chats.

"It was a day full of fun – thanks to our sponsors for providing enjoyment, eats and drinks. Everyone came to have fun and at least find marketing friends. A huge thank you goes to our sponsors for making this day a success for marketers," UMS said in a press release.

The sponsors were: Uganda Breweries Limited; Pepsi; Absa Bank Uganda; AntFeet LTD; Hedge Marketing; Optimus Events Limited; Diwala; KEIPhone; Capital One Group; Utalii Creative Puzzles and Imara concepts Ltd. ■

PHOTOS: COURTESY OF UMS

Get ready: The next wave of influencer marketing has arrived

The emergence of virtual influencers is an exciting new development in influencer marketing. With it, the opportunities to innovate are endless, writes **Natasha Miller**.

I RECENTLY ATTENDED A TikTok for Business summit which focused on helping brands and businesses thrive in Africa using this platform. It's certain that social networks continue to establish themselves as a great way for businesses on the continent to attract clients, get their feedback and build customer loyalty.

It is estimated that, this year, social networking sites will reach 3.96-billion users worldwide. This figure is expected to grow as mobile device usage and social networks gain increased traction in previously underserved markets – including Africa. Countries in the north and south of the continent currently have the largest share of social media users, but some regions in Africa still have great potential to grow.

So how are we, as brands and marketers in Africa, leveraging these platforms? We all want to build our brands and increase market share using data that we mine from the social networks.

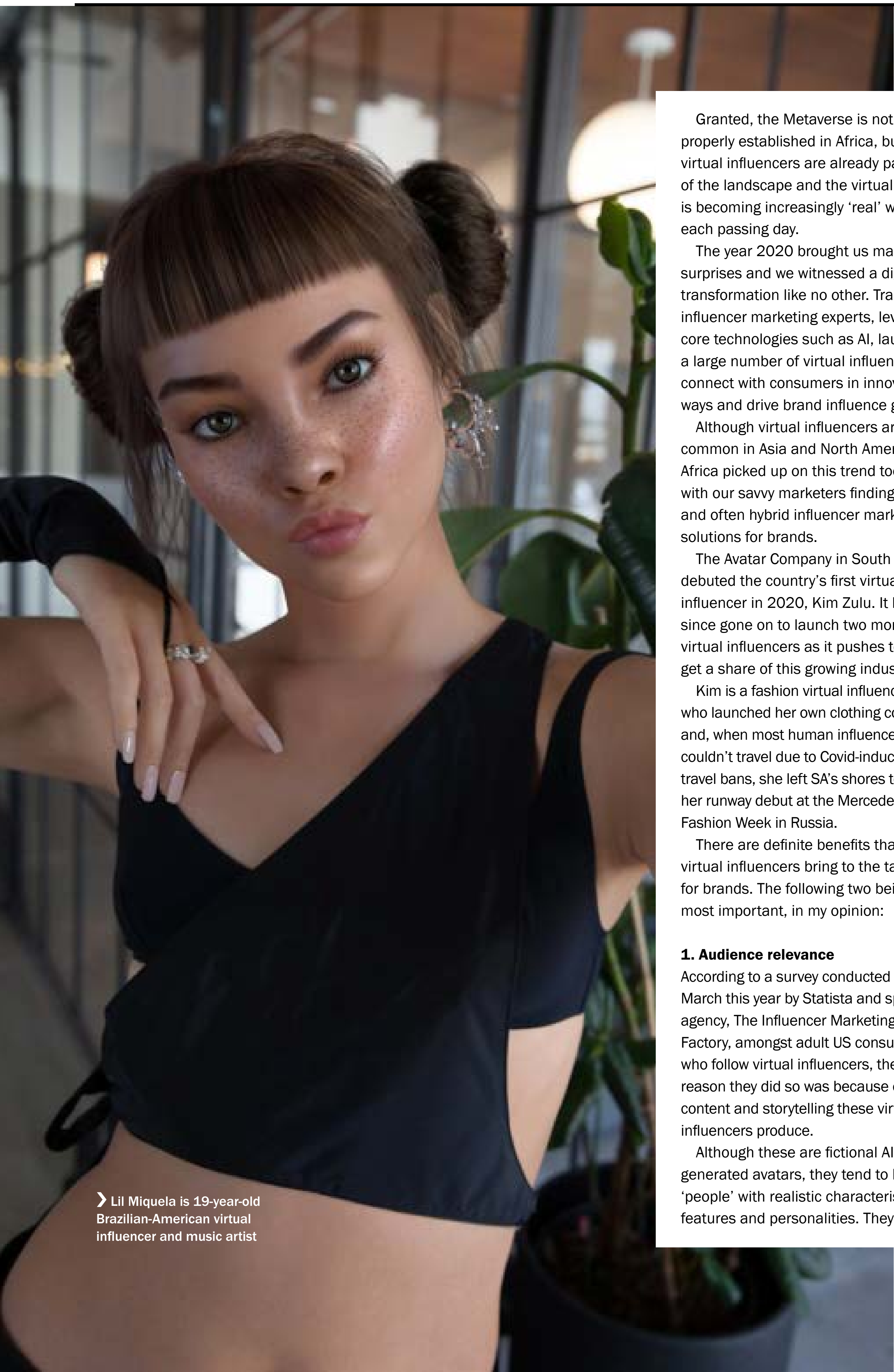
Data helps us to predict trends, identify opportunities and perfect our marketing campaigns. The dawn of the Metaverse and the rise of virtual influencers have both sparked many interesting conversations in the marketing sphere. But, with much more yet to learn, how do we prepare for the emergence of these influencers?

AN EXPLANATION OF VIRTUAL INFLUENCERS

Also sometimes known as CGI influencers or computer-generated influencers, virtual influencers are fictional computer-generated 'people' who have realistic characteristics, features and personalities that mimic those of humans. Behind them are clever creators, be it brands or individuals, with a keen eye for technology and the way that human beings think and act. They are responsible for moulding these simulated figures into the internationally recognised social media personalities and influencers that we are seeing emerge in this sphere.

›

Becoming part of the local landscape



❯ Lil Miquela is 19-year-old Brazilian-American virtual influencer and music artist

Granted, the Metaverse is not yet properly established in Africa, but virtual influencers are already part of the landscape and the virtual world is becoming increasingly 'real' with each passing day.

The year 2020 brought us many surprises and we witnessed a digital transformation like no other. Traditional influencer marketing experts, leveraging core technologies such as AI, launched a large number of virtual influencers to connect with consumers in innovative ways and drive brand influence globally.

Although virtual influencers are most common in Asia and North America, Africa picked up on this trend too, with our savvy marketers finding new and often hybrid influencer marketing solutions for brands.

The Avatar Company in South Africa debuted the country's first virtual influencer in 2020, Kim Zulu. It has since gone on to launch two more virtual influencers as it pushes to get a share of this growing industry.

Kim is a fashion virtual influencer who launched her own clothing collection and, when most human influencers couldn't travel due to Covid-induced travel bans, she left SA's shores to make her runway debut at the Mercedes Benz Fashion Week in Russia.

There are definite benefits that virtual influencers bring to the table for brands. The following two being the most important, in my opinion:

1. Audience relevance

According to a survey conducted in March this year by Statista and specialist agency, The Influencer Marketing Factory, amongst adult US consumers who follow virtual influencers, the key reason they did so was because of the content and storytelling these virtual influencers produce.

Although these are fictional AI-generated avatars, they tend to be 'people' with realistic characteristics, features and personalities. They behave just like real-life influencers. They speak to the camera, share emotions, selfies, experiences, creativity, opinions, feelings and thoughts. These appeal to their followers and create relevance.

2. Inspiration and storytelling

The same survey also indicated that more than 35% of respondents follow virtual influencers for their storytelling style and because they inspire their followers.

Miquela Sousa, aka Lil Miquela, was among the first AI social media influencers. A multi-hyphenate (very versatile) 19-year-old Brazilian-American influencer and music artist, 'she' sings, entertains and hangs out with real-life musicians, artists and influencers in trendy (also real-life) restaurants in New York and Los Angeles, where she 'lives'.

Lil Miquela acknowledges that she is a robot, even though you can spot some very human-like freckles on her. She speaks her own truths and, some might say, even questions what is 'real' within our parameters of reality as she brings society's ills and conversations to the forefront in her world.

She has more than 3-million followers on Instagram, 3.6-million on TikTok and has even been one of *Time* magazine's 'Most Influential People on the Internet'.

Miquela has partnered with major global brands such as Prada, Nike, Calvin Klein, Samsung and Mini.

Other reasons given by social media users for following these virtual influencers include 'interaction' and 'avatar aesthetics'.

While the survey revealed that 50% of adult Americans are not interested in following them and 25% preferred real influencers over virtual ones, 25% revealed that they were not even aware of virtual influencers' existence. I would think these stats are similar for Africa.

So how can brands in Africa prepare for the inevitable rise of the virtual influencer?

Natasha Miller, Business Unit Manager at marketing agency The MediaShop

IS YOUR AUDIENCE AMENABLE TO VIRTUAL INFLUENCERS?

Find out if your target audience is also following virtual influencers. In the United States, a survey conducted this year by the marketing industry publication, *The Drum*, amongst adults showed that 28.7% of the respondents who follow at least one virtual influencer said they do so on YouTube, Instagram and TikTok.

Virtual influencers are a new channel and part of the evolving social media ecosystem that clearly impacts purchasing decisions. But there are some brands that have used the concept for years – although their avatars would have been called something else, caricatures or cartoon characters, for example.

In 2003, Brazilian retailer magazine *Luiza* created Lu Do Magalu to become the face of the brand and, in 2009, its primary endorser on YouTube. Lu has done what any human YouTuber would do: produce unboxing videos, share product reviews and post updates on her other social media platforms.

PHOTOS: COURTESY OF BARBIE LAM; © KIZUNA AI, SCP FOUNDATION VIA WIKIMEDIA COMMONS); COURTESY OF THE AVATAR COMPANY; VIA @LILMIQUELA TWITTER ACCOUNT

As of May this year, she had amassed over 31-million followers across all platforms, according to marketing industry website *Little Black Book* (*lbbonline*). She has even been on the cover of *Vogue Brasil* magazine and partners with some of the biggest brands in the world, among them Adidas, McDonald's and Red Bull,

TEST THE WATERS

If you determine that your audience is following virtual influencers, connect and engage with them in this new environment in a dynamic immersive manner. Don't be shy to ask the experts for help. This is new territory for most marketers on the continent. Get going with research in your category whilst learning from global and local experts who are ahead of you in this field.

CREATE YOUR OWN AVATAR

As marketers, our goal is to reach and discover new customers in order to increase product consideration and drive sales.

We also look at the trends shaping consumer mindsets and media consumption habits to gain further understanding of our consumers. One human truth we can never escape from, is that people won't buy your product off the shelf if they can't find it in their hearts and minds first. Virtual influencers can help our brands to connect with the hearts of their followers.

> *Followers look for inspiring content*

As noted earlier, relevant content and inspiration is what most followers identify with in virtual influencers. When it comes to physical looks and preferences for virtual influencers targeted at African consumers, we can tap into insights from Southeast Asia. Here, research has revealed that up to 60% of people prefer virtual influencers who look like them and are ethically relatable.

Kim Zulu is 23-year-old female virtual influencer from South Africa

However, you can dare to be different. This is a creative space where both marketers and creative agencies can co-create and test the avatar design that best reflects their brand's personality and intent.

AUTHENTIC CONTENT CAN UNLOCK PEOPLE'S HEARTS

In the digital age we live in, content marketing is arguably the only marketing that is authentic, useful and perfectly suited to our era. Content is king. Authentic content has the power to unlock hearts of consumers.

According to *Fusion 2020* (the 23rd International Conference on Information Fusion) survey results, 90% of Millennial consumers surveyed noted that they prefer brands which reflect their values and offer value. Eighty percent of Gen Zers buy an item because of influencer marketing.

The next wave of influencer marketing is here. Therefore, expect more virtual influencer strategies when planning future-forward brand experiences and communication.

Collaborations with both real and virtual influencers can offer brands the seamless integration essential for wider extension of the brand and its story. Organisations can insert themselves into each part of a virtual influencer's story in a compelling, authentic and inspiring manner – just like one would with a real influencer.

In the virtual world, the creative possibilities are endless as fewer restrictions apply when working with a robot versus a human. Because they are purpose-built, virtual influencers offer brands more control over messaging. They can be given specific looks or imbued with particular values to give a more accurate representation of the brand. They are also cheaper to work with and less unpredictable.

Africa is diverse and we have a unique and passionate way of communicating. I'm sure, as this trend picks up across the continent, we'll get to meet even more exciting and exuberant virtual influencers who will bring an exciting flavour and expression to this exciting new dawn of influencer marketing. ■

Natasha Miller is a Business Unit Manager at marketing agency The MediaShop. She is passionate about brand strategy and communications. With more than 20 years' experience in marketing, she remains committed to helping clients and brands achieve their goals and become an integral part of society.

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Inaugural AMC Conference discusses reshaping Africa's business future

Spectacular Victoria Falls is the backdrop for this historic conference, which is being hosted in its initial year by the Marketers Association of Zimbabwe.

THE AFRICAN MARKETING Confederation (AMC) holds its Inaugural Marketing Conference 2022 in the town of Victoria Falls in Zimbabwe from the 19th to the 22nd of October. The Conference is being hosted by the Marketers Association of Zimbabwe (MAZ), one of the AMC's founding members, at the majestic Elephant Hills Hotel.

The AMC is a ground-breaking initiative established in 2011 (and relaunched just last year) which unifies marketing professionals on the African continent. As a pan-African umbrella body for marketing associations, institutes and organisations, the AMC's vision is to promote and maintain high standards of marketing professional skills, ability, ethics and integrity whilst being fully committed to observing each member country's unique and varying cultures languages, standards of education and level of development.

Starting small with four Founder member associations, the AMC has grown to 10 member associations to date and is now growing rapidly.

This AMC annual conference (hosted by MAZ) is the first of its kind for the marketing profession. The conference aims are:

1. To equip African marketers with practical tools to use in their diverse cultures.
2. To promote an exchange of ideas and networking opportunities for marketing professionals across Africa.
3. To assist marketers to develop home-grown marketing approaches and solutions to address unique African challenges.

The conference theme is '*The Astute Marketer: Reshaping the Future of Business in Africa*'. At the backbone of this topic is the recognition that African marketers, like those globally, are needing to adapt to the many changes resulting from the Covid-19 pandemic and this AMC Conference is an ideal platform for like-minded professionals to meet and share expertise and knowledge.

"Our chosen theme also recognises this bright new era as it reflects the growing importance of the African

Experienced and knowledgeable speakers

The conference will boast a lineup of highly experienced and knowledgeable speakers. Among them:

- **Dr Lance Shingai Mambondiani (Zimbabwe).** Keynote Speaker and Managing Director & CEO of BancABC Zimbabwe. Dr Mambondiani is a renowned digital banking thought leader and seasoned banker. He is a much sought-after speaker at international conferences as a **global expert on fintech, digitisation and the transformation of banks.**
- **Matthew van der Valk (South Africa).** Executive Creative Director of VMLY&R South Africa. He will be focusing on the **Emergence of Dark Marketing.**
- **Alex Goma (Nigeria).** Senior Adviser to Grand Cereals Limited, Nigeria and the company's former Managing Director. His topic is **Creativity Thinking: Bringing the Sizzle Back in Marketing Campaigns.**
- **Matongo Matamwandi (Zambia).** Interim Vice Chancellor of Kenneth Kaunda Metropolitan University and Past President of the Zambia Institute of Marketing. This presentation will focus on **Culture as the New Marketing Currency.**
- **Robert Ebo Hinson (Ghana).** Pro-Vice Chancellor of the Ghana Communication Technology University. He will be discussing **The Route to Market in Emerging Markets: Designs and Enablers of Developing a Supply Chain Route-to-Market Strategy.**
- **Lucia Musau (Kenya).** Communications consultant and CEO of African Elite Group Ltd. Her topic is **Integration of e-Commerce Activities in Marketing Strategy: Key Success Factors in Africa.**

For more information

To be a part of this conference, or to find out more about sponsorship packages and speaker updates, please follow this link: **https://amcmarketingconference22.com/**

OR CONTACT:

- **events@mazim.co.zw**
- **info@africanmarketingconfederation.org**

Venue and activities

The conference venue is the well-known Elephant Hills Hotel, located on the Zimbabwe side of the iconic Victoria Falls. Apart from offering high-quality accommodation and excellent conference facilities, the hotel and the nearby town of Victoria Falls provide delegates with a range of optional activities in which they can participate at their own cost.

The hotel boasts of an 18-hole championship golf course designed by the legendary Gary Player, while other optional pursuits include a Boma Dinner at the Victoria Falls Safari Lodge, a sunset cruise on the mighty Zambezi River, bungee jumping and helicopter rides.

continent on the international economic stage and the urgent need to review and reshape the pre-Covid dynamic," says AMC President, Helen McIntee.

"This conference is about reconnecting, garnering insights and changing the narrative. It is a not-to-be-missed event for all marketers who wish to network, upskill and share with like-minded marketing professionals."

AMC Secretary General and MAZ Executive Secretary, Gillian Rusike, says this gathering is an important development in the history of Zimbabwe and he encourages all stakeholders to ensure their marketing personnel are part of the conference.

He is confident that this pan-African gathering will also be a feather in the cap of 'Brand Zimbabwe'.

The conference will be officially opened on the 20th of October by the Honourable Monica Mutsvangwa, Zimbabwe's Minister of Information, Publicity and Broadcasting Services, who is also the Patron of MAZ. In a pre-conference statement, she said the government was delighted that bringing the Inaugural AMC Marketing Conference 2022 to Zimbabwe would support the Meetings, Incentives, Conferences and Exhibitions (MICE) Industry initiative being driven by the Zimbabwe Tourism Authority (ZTA).

Finally, and on behalf of the government of Zimbabwe, the Minister congratulated MAZ for hosting this AMC event in Zimbabwe, thus uplifting the marketing profession as a major driver and backbone of any organisation's success.

The conference, which includes an AMC Awards Dinner to be held on the 21st of October, is expected to attract around 300 delegates, most of whom will attend physically, whilst others will participate virtually. ■

PHOTOS: PAVEL DANILYUK FROM PEXELS; COURTESY OF AFRICAN SUN LIMITED

Ghana institute unveils banking customer satisfaction index for 2021

CIMG also discusses ambitious strategy for additional customer satisfaction and branding studies taking place during 2022.

THE CHARTERED INSTITUTE of Marketing, Ghana (CIMG) recently unveiled the Ghana Customer Satisfaction Index (CIMG-CSI Report, 2021), dubbed *"The Coffee-Table Publication"*.

A launch event was held at the Coconut Grove Hotel in Accra and attracted a live audience and around 100 virtual attendees.

The Coffee-Table Publication of the CIMG-CSI Report, 2021 is the culmination of a well-researched customer satisfaction survey which was conducted last year. It involved 23 universal banks in Ghana, under the auspices of the Bank of Ghana and Ghana Association of Banks.

In his opening address the National President of the CIMG, Dr Daniel Kasser Tee said, "As we launch this report, I urge the banks to study it seriously and tighten up on all the areas where their performances fell short of the expectations of their customers. We are available, as an institute, to provide the needed hand-holding to enable all of you to bring up the quality of services you render to customers."

INFORMATION TO SHAPE LOCAL BUSINESSES

The Chief Executive Officer of the McDan Group of Companies and Chairman for the occasion, Dr Daniel McKorley, expressed his interest in the research projects, indicating that they are "customer-centric and a viable source of information to help shape businesses". Dr McKorley announced support of GHS250,000 (US$31,000) from the McDan Group of Companies, which will go towards the CIMG's next round of research projects.

Launching the CIMG-CSI report, 2021 was Ms Sandra Thompson, Secretary of the Bank of Ghana, who represented the central bank Governor.

She indicated that the management of the central bank was very pleased with the maiden research work initiated by the CIMG last year. She was hopeful that banks would see the report as a useful tool to help them improve service quality across all their operations.

ADDITIONAL CIMG RESEARCH PROJECTS COMMISSIONED

The event also witnessed the commissioning of two research projects for 2022. The first being the Ghana Customer Satisfaction Index (CIMG-CSI, 2022), which has been expanded to cover four other sectors: Insurance, Private Healthcare, Hotels and Business Schools.

The other is the Ghana Regional Brand Index (CIMG-RBI, 2022). Another first in Ghana and West Africa, it is aimed at unearthing and highlighting the business and tourism potential of each of the 16 regions of Ghana.

Commissioning the new research projects was Professor Stephen Adei, a Fellow, Patron and one-time President of CIMG. He expressed excitement about the feats being attained by the Institute on the research front. Prof Adei said he was hopeful that CIMG would soon establish itself as the go-to place for marketing research data in Africa. ■

PHOTO: COURTESY OF CIMG

Present at the event were (from left): Mrs Hannah Nyarko – Coordinating Director, Political & Economic, Ministry of Foreign Affairs & Regional Integration; Professor Stephen Adei – Fellow and Patron, CIMG; Dr Daniel McKorley – Founder and Chief Executive Officer, McDan Group of Companies; and Ms Sandra Thompson – Secretary of the Bank of Ghana


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The rapid digitisation of the traditional retailer in Africa

Modern technology is bringing important and far-reaching changes to the traditional retail sector across the continent. **Tielman Nieuwoudt** explains.

› Traditional retailers in Bahir Dar, Ethiopia

THE HUMBLE MOM-AND-POP shop, more formally known as a 'traditional' (as opposed to 'modern') retailer, has been getting a lot of attention of late. It seems like not a month goes by without another announcement of a technology start-up or big tech giant looking to partner with, or target, this sector in Africa.

What was previously viewed as a relic of a disorganised and unstructured retail past is now, ironically, being seen as a massive business opportunity by many.

In African markets – whether you are in Lagos, Nairobi, Cairo or Casablanca – traditional retailers remain a big part of your shopping experience and the numerous traditional trade outlets endure as the biggest segment in most retail markets on the continent.

WHAT IS TRADITIONAL TRADE?

Traditional trade in emerging markets is often a complex distribution network of micro-retailers, kiosks, hawkers, stockists, open-market traders, wholesalers and distributors. For shoppers, their local neighbourhood grocery is often at the heart of their daily shopping ritual. These small groceries are known by many names on the continent: 'duka' in East Africa, 'spaza' in South Africa, 'souk' in Ethiopia, 'hanout' in Morocco and 'bakkal' in Egypt.

Stores are mostly a single outlet run by an entrepreneur or employee, and shops are generally small, ranging from 25 to 50 square metres with limited shelf space to stock and display products and point-of-sale material.

Why technology companies are eyeing the sector

SIZE MAKES IT VERY ATTRACTIVE

Traditional trade's size and large retail contribution makes it an attractive segment for tech giants and start-ups. Sub-Saharan Africa's consumer spending is expected to reach US$2.1-trillion by 2025, according to consulting company McKinsey. More than 70% of consumer goods pass through the hands of traditional retailers in Africa, reports the Boston Consulting Group (BCG). These figures speak for themselves.

In most African countries, traditional retailers contribute more than 85% of total retail sales, even in key markets such as Nigeria. South Africa remains an exception, with a large and developed modern retail sector that contributes more than 65% of consumer goods sales.

Estimates about the number of traditional retail outlets on the continent vary wildly; from 2.5-million (BCG estimate) to more than 20-million by other estimates. Wasoko, an East African-based e-commerce platform, estimates there are 10-million traditional retailers in sub-Saharan Africa. There are 1.2-million in Nigeria alone, according to market research company Nielsen.

SECTOR PRIME FOR DISRUPTION

Emerging market supply chains have numerous intermediaries and the market, as it stands now, is prime for disruption. Supply chains are long and there are numerous middlemen driving up prices. In many African countries, traditional retailers are typically in contact with a handful of suppliers per category. There is little price visibility in the market and shops are often unsure if they pay a fair price for a product, or not.

Traditional traders frequently make use of intermediaries, such as wholesalers, to 'break bulk' into smaller, more affordable, quantities and to provide credit when required. Smaller quantities are better for preserving cash flow, but the local retailer normally ends up paying higher prices per item because there is no economy of scale. They are also often stuck in a credit-trap with one or two wholesale partners – making shopping around for the best deals difficult.

Working with numerous players in a long supply chain that stores, handles and transports goods also creates wastage and additional cost in the system. Often farmers and suppliers transport fresh produce without boxes and with limited or no refrigeration. Products are therefore exposed to the elements and quality suffers due to increased handling and limited cold-chain storage.

DIGITISATION REMAINS IN THE VERY EARLY STAGES

Africa's informal retailers are in the very early stages of the digitisation process. Many have yet to digitise their businesses and a great many remain untouched by technology. In markets such as Egypt and Nigeria, most traders lack any accounting and inventory management software. They still rely on large notebooks or pieces of paper to log transactions and keep track of short-term customer credit.

However, changes are taking place in traditional trade in many countries, with the pandemic accelerating the adoption of e-commerce and digital retail services in these markets. BCG found that in Kenya, for example, the portion of retailers offering remote ordering rose from 27% in early 2019 to 39% in late 2021. As the informal retail sector is adopting more technology solutions, tech companies can play an important role in digitising traditional retailers – especially in big urban centres.

AFRICA'S SMARTPHONE EXPLOSION IS PROVING THE GAME-CHANGER

The explosion of mobile technology and internet-enabled smartphones is at the root of the shift to digitisation.

In most African markets, fixed line connectivity remains low and e-commerce is still in its infancy. The continent accounts for only 2 percent of the world's e-commerce sales and lags other parts of the world. Half of e-commerce shoppers in SSA are concentrated in just three countries: Nigeria, South Africa and Kenya.

However, increased mobile penetration and internet-enabled smartphones are changing the landscape and lower data cost is making online shopping more accessible. According to the Mobile *Economy Report Series* published by the GSMA (the organisation that represents mobile network operators worldwide), 84% of the African population will have access to a SIM connection by 2025. But, says a BCG report, smartphone penetration is still lower than 40% in most African countries – but above 70% in the informal retail sector.

CONTINENT'S INFORMAL RETAILERS ARE UNBANKED

Informal retailers lack funding and remain largely unbanked or underbanked, providing an opportunity for growth. Banks don't typically work with small traditional retailers, as they tend to trade in cash and have no financial footprint to determine their creditworthiness. Assigning credit scores is difficult and extending loans is risky.

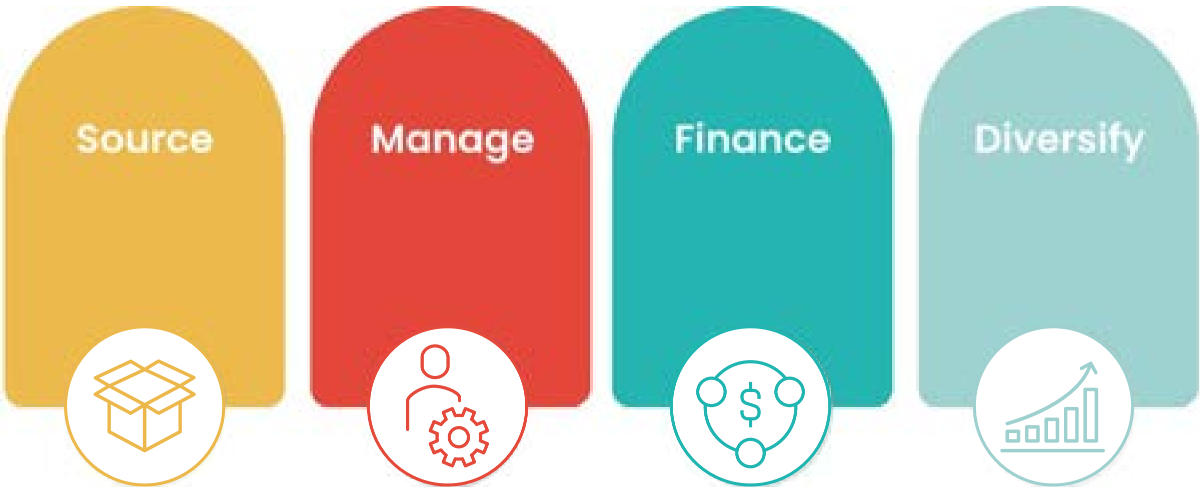
Often banks require collateral for loans – a challenge for asset-poor traditional traders. For traders who typically require quick small loans, credit terms are mostly too long and high in value, resulting in unmanageable repayment terms.

Micro, small and medium enterprises (MSMEs) face a $5.2-trillion funding gap, according to the International Finance Corporation (IFC), which is part of the World Bank. Cash-strapped traditional traders struggle to stock sufficient inventory to meet demand. These 'stockouts' create many unhappy customers, missed sales and often lost clients. This may leave traditional retailers at the mercy of informal lenders or loan sharks, who charge above-market interest rates that further eat into their already slim profit margins.

The importance of technology start-ups

Start-ups and larger investors are focused on four areas of informal retail (see illustration below): providing technology solutions to **source** products such as e-commerce platforms; assisting owners to **manage** their businesses by providing tools like inventory and accounting management software; providing **finance** and short-term loans; and helping informal retailers to **diversify** their businesses by providing support services such as digital products, and by giving them the opportunity to become online-to-offline agents.

How are tech start-ups impacting informal markets?



SOURCE: THE SUPPLY CHAIN LAB

Source - Affordable goods and wider range of products

In Egypt, for example, goods often pass through six to seven layers of intermediaries. Sometimes deliveries can take more than a week to arrive, if they arrive at all. The numerous players and long supply chains are not only a hassle for shopkeepers; the process is inefficient and makes a big dent in razor-thin profit margins.

By aggregating orders from informal retailers, e-commerce players such as MaxAB in Egypt, TradeDepot in Nigeria, and MarketForce in Kenya, can negotiate bulk purchases and provide traditional retailers with better prices.

E-commerce platforms typically provide a range of options for informal retailers to order products. Informal retailers can order goods via mobile app, USSD or, in some cases, even SMS and WhatsApp. The platforms increase price visibility in the market and reduce complexity by

> ❯
> *E-commerce platforms reduce the complexity*

removing the middlemen and the large number of wholesalers that traditional traders have to deal with.

Source - Enormous impact made by social e-commerce

In China, social e-commerce platforms such as Pinduoduo have had a big impact on the country's e-commerce sector — lowering the acquisition cost for tech companies and bringing affordable goods to more Chinese consumers. This is particularly true in lower-tier cities, where prices have traditionally been higher because of distance and logistics inefficiencies, and where customers are price conscious and have tended to settle for lower-quality products.

❯ Trader at a street market in Fez, Morocco

In many social e-commerce models in Asia, the community leader is central to the success of the model and is responsible for placing the order, receiving the goods, and for last-mile delivery to the end user. These community leaders are often stay-at-home moms or local traditional retailers, who act as influencers and community marketers, and earn an average commission of around 10 percent.

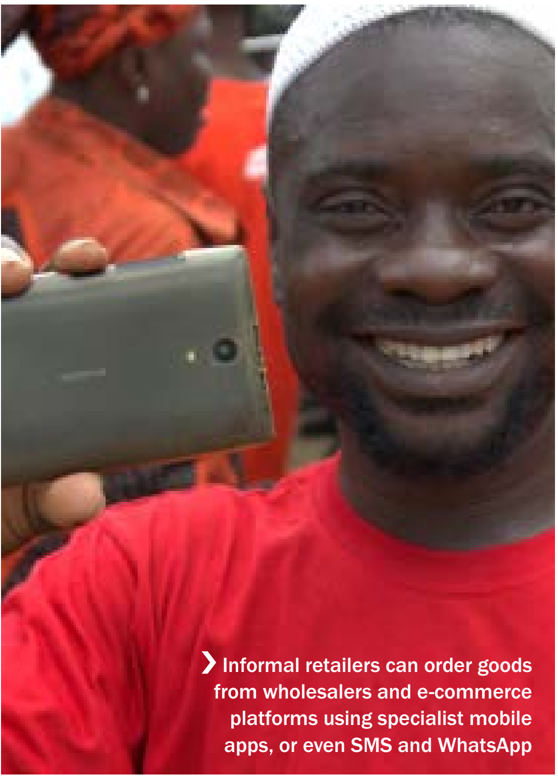
Each community leader handles their own small network of approximately 100 customers and uses social media apps such as WeChat to share deals and the latest product information. The involvement of these leaders creates significant cost savings for last-mile delivery and, in general, reduces prices for customers living in lower-tier cities.

Social e-commerce platforms also hold potential for the African continent, with players such as Kenya's Tushop set for expansion.

Source - Creating innovative product distribution strategies

Small traditional traders buy limited quantities of goods and often require frequent delivery services. They may be in hard-to-reach areas, where delivery teams need to search for hard-to-find parking spots in congested commercial districts, or perhaps travel on foot or by bicycle to reach outlets in neighbourhoods where delivery vehicles can't enter. This creates delays and inefficiencies, further driving up delivery costs.

In East Africa, tuk-tuks are an important part of Wasoko's last-mile strategy to service more than 50,000 informal retailers. This start-up business has a fleet of tuk-tuks that function as mobile warehouses to service outlets on demand.



Informal retailers can order goods from wholesalers and e-commerce platforms using specialist mobile apps, or even SMS and WhatsApp

Wasoko uses data analytics to predict what shoppers will order and preloads tuk-tuks stationed in designated neighbourhoods. This enables quick deliveries and shopkeepers don't have to leave their shop to collect the stock they need. The Wasoko start-up has also introduced a geo-tagging and mapping system to ensure improved delivery to outlets that don't have formal street addresses.

Copia Global, an East African e-commerce platform, aggregates multiple consumer orders and delivers the orders to pick-up points – such as traditional traders – for collection by consumers, rather than providing a costly one-on-one delivery system. This allows Copia to provide products to customers without formal addresses and limited internet connectivity, and the company can deliver a package at one-sixth the cost of other best-in-class e-commerce businesses in the world.

Manage - Modern inventory management technology

Traditional retailers need assistance to manage their businesses. Many have yet to digitise their operation and inventory management is typically limited and paper-based. Shopkeepers often lack insight into the frequency of stockouts, which products are moving faster than others, and which items should be reduced or eliminated to free up cash flow.

In South Africa, A2Pay provides point-of-sale terminals to empower and grow small-to-medium grocery outlets or spaza shops. A2Pay's services include a stock- management platform and a vending platform for virtual prepaid products such as electricity and airtime.

Many inventory management systems in Asian markets are mobile solutions capable of providing full business intelligence and stock management records. They can help traditional traders to log transactions and establish transaction history – enabling them to better manage inventory, measure performance, analyse costs, track payments and make better decisions overall. Data is often backed up in the cloud to safeguard against power cuts and loadshedding.

Manage - Accounting apps

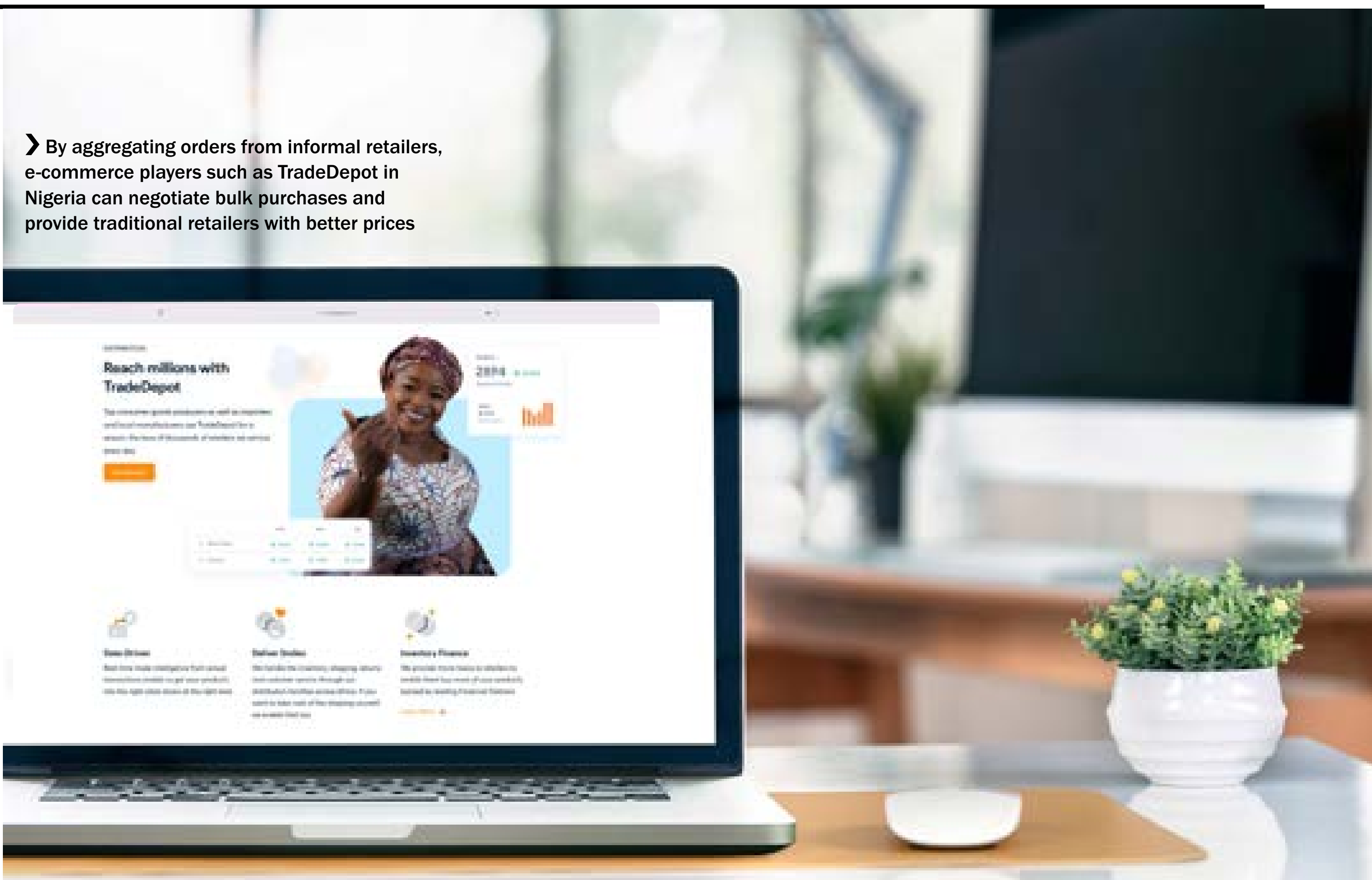
Informal retailers' record keeping and accounting processes remain mostly paper-based and may be very poor, providing limited insights for shopkeepers. With the significant growth of mobile phones, and the greater affordability of smartphones, many traditional retailers are mobile-first, opening the door for mobile accounting apps.

In markets such as India, mobile accounting applications have made major inroads in traditional trade. Accounting applications are in their infancy for traditional traders in Africa, but in countries like India a large number of players such as Khatabook, OkCredit, Vyapar and GimBooks are all active in the space. Khatabook, the market leader, claims to have more than 10-million active users in 4,000 towns and cities.

Accounting apps can track clients' credit

Accounting apps manage online financial transactions and accept online payments, helping store owners save time, and improve transparency and efficiency in their businesses. They also help keep track of short-term credit provided to customers and send out periodic reminders to debtors via SMS and WhatsApp.

There is also pressure on traditional retailers from tax authorities to be tax compliant, which is increasing the adoption rate of accounting apps. African traditional retailers will be



› By aggregating orders from informal retailers, e-commerce players such as TradeDepot in Nigeria can negotiate bulk purchases and provide traditional retailers with better prices

no exception, as the long arm of the taxman is looking to expand the tax base in most countries.

Finance - Provide short-term credit to store customers

Credit remains a major challenge for most traditional retailers. Cash-strapped shopkeepers sometimes struggle to stock sufficient inventory and stockouts create many unhappy customers and lost sales.

Point-of-sale data gives e-commerce platforms an insight into retailers' buying patterns, so they can extend a credit line to qualifying customers, irrespective of size. Credit given to buyers and sellers is financed by e-commerce platforms and financial institutions.

Wasoko provides short-term working capital to help traditional retailers to fund inventory purchases and run their businesses more efficiently. Often tech start-ups work closely with major fast-moving consumer goods (FMCG) companies, which share data. Credit provided is only used for inventory purchases from these companies and credit lines are managed by mobile phone.

› *Credit is managed via mobile phone*

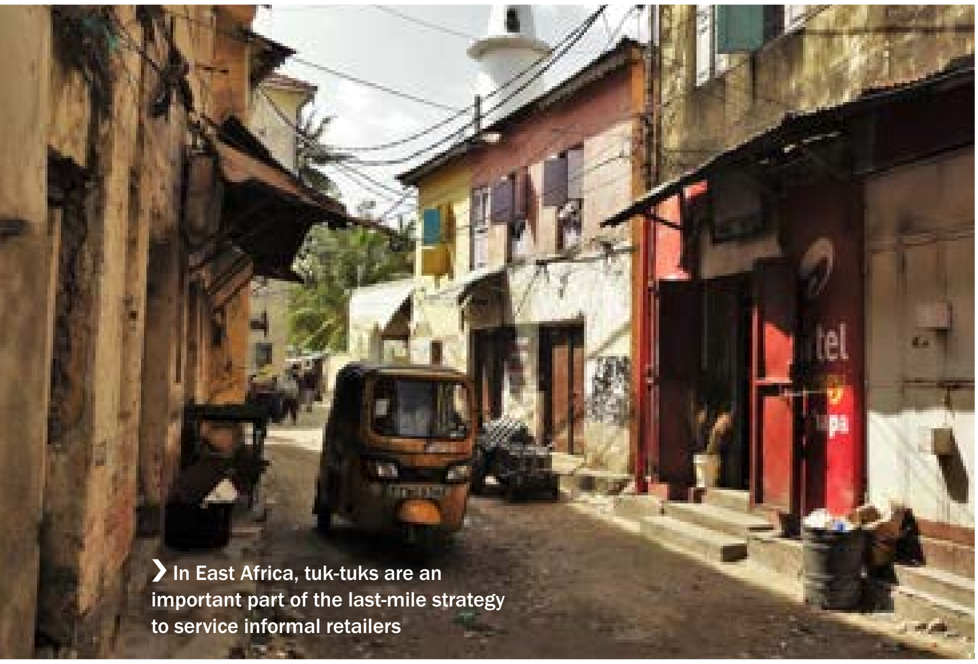
In South Africa, the Nomanini fintech platform collects data with retail point-of-sale devices from prepaid services, or from bill payments such as airtime and electricity. It analyses transactions and unlocks credit flows from financial institutions. Similar to FMCG data and accounting data collected, Nomanini can calculate the risk and connect traditional retailers with financial service providers for loans and credit.

Diversify - Online-to-offline (O2O) retail strategy

E-commerce start-ups are also helping traders diversify their income by helping them grow their business with a range of services. In Asia, e-commerce platforms are seeing the traditional trader and the offline space as an important channel – and trust traditional traders' large footprints and close relationships with customers to help connect more shoppers to the online world, even if they can't make online payments or have never taken part in e-commerce before.

E-commerce platforms can sign up traditional traders to become online-to-offline (O2O) agents. Shoppers without internet access – or who don't feel comfortable making purchases online – visit their local traditional trader, place an order and pay for it in cash. Stores earn a commission for each order.

PHOTOS: ADAM JONES FROM KELOWNA, BC, CANADA; ESIN ÜSTÜN FROM ISTANBUL, TURKEY; RAFFAEL BEIER VIA WIKIMEDIA COMMONS; COTTONBRO FROM PEXELS; TRADEDEPOT WEBSITE



❯ In East Africa, tuk-tuks are an important part of the last-mile strategy to service informal retailers

In India, the giant Reliance conglomerate plans to create the world's largest online-to-offline e-commerce platform in the country, called New Commerce, and is connecting traditional traders, known as 'kirana' stores, to its network. The platform is digitising retail stores and wants to expand its retail presence to over five million outlets in India by 2023.

Reliance's JioMart – a daily needs online supermarket that is a joint venture between Reliance and Jio Platforms – has already launched in more than 200 cities and is leveraging Reliance Retail's store network and its partnerships with kirana stores across 20 cities.

Still in India, Amazon is expanding its local delivery system with its 'I Have Space' (IHS) programme – including more than 28,000 kirana stores in close to 350 cities. Amazon partners with traditional retailers to deliver products to customers within a 2-4km radius of their store. On average, Amazon India's store partners deliver between 30 to 40 packages a day, earning a fixed amount per delivery.

Africa is also looking to partner with traditional traders. In Kenya, Copia Global operates a network of over 5,000 agents – in many cases traditional retailers – who earn commissions by aggregating orders and serving as pick-up points for remote, unbanked and often unconnected customers in the rural areas of central Kenya.

Diversify – Support services

Selling digital goods such as airtime and providing financial services also creates additional sources of income and increases foot traffic and profits.

❯

Extra sources of in-store revenue

Egypt's Fawry, a digital transformation and e-payments platform, provides customers with utility and other bill payments services using terminals located at service points – such as traditional traders. In South Africa, Flash and Nomanini offer digital services and payment services.

Kenyan fintech start-up, Tanda, is connecting traditional retailers, called 'dukas', to financial services through its digital platform. The start-up provides access to digital financial services such as airtime, utility payments, banking and insurance services for their customers.

Tanda allows traditional retailers to sign up as banking agents – providing 'cash in' and 'cash out' services – and extends unsecured credit to these agents. With only 3,500 ATMs across Kenya for a population of 50-million people, the East African nation clearly lacks access to the cash services traditionally offered by banks in other countries.

Summarising traditional retail's future in Africa

With structural and infrastructure issues such as the lack of modern malls, transport challenges, currency fluctuations and poor electricity supply, the traditional retailer is here to stay on the continent and will not be replaced by modern retail anytime soon.

Traditional retailers are still the lifeblood of a typical African city and a day is sometimes not complete without a stop at your local trader or open market. These retailers' close social relationships, trust within the community and large footprint make them attractive to many big retail-industry players looking to increase their market share in Africa.

Growing efforts by technology start-ups and the big tech giants to help finance, modernise and digitise the continent's thousands of traditional traders will not only benefit these small retailers, but the community at large. ■

Tielman Nieuwoudt is a consultant focused on supply chain, last-mile logistics, and informal retail service models in emerging markets. He has more than two decades of personal and professional experience in Africa, the Middle East and elsewhere.
He is currently working on a book entitled* 'Neighbourhood Grocery: How technology is changing traditional retailers in emerging markets*'.

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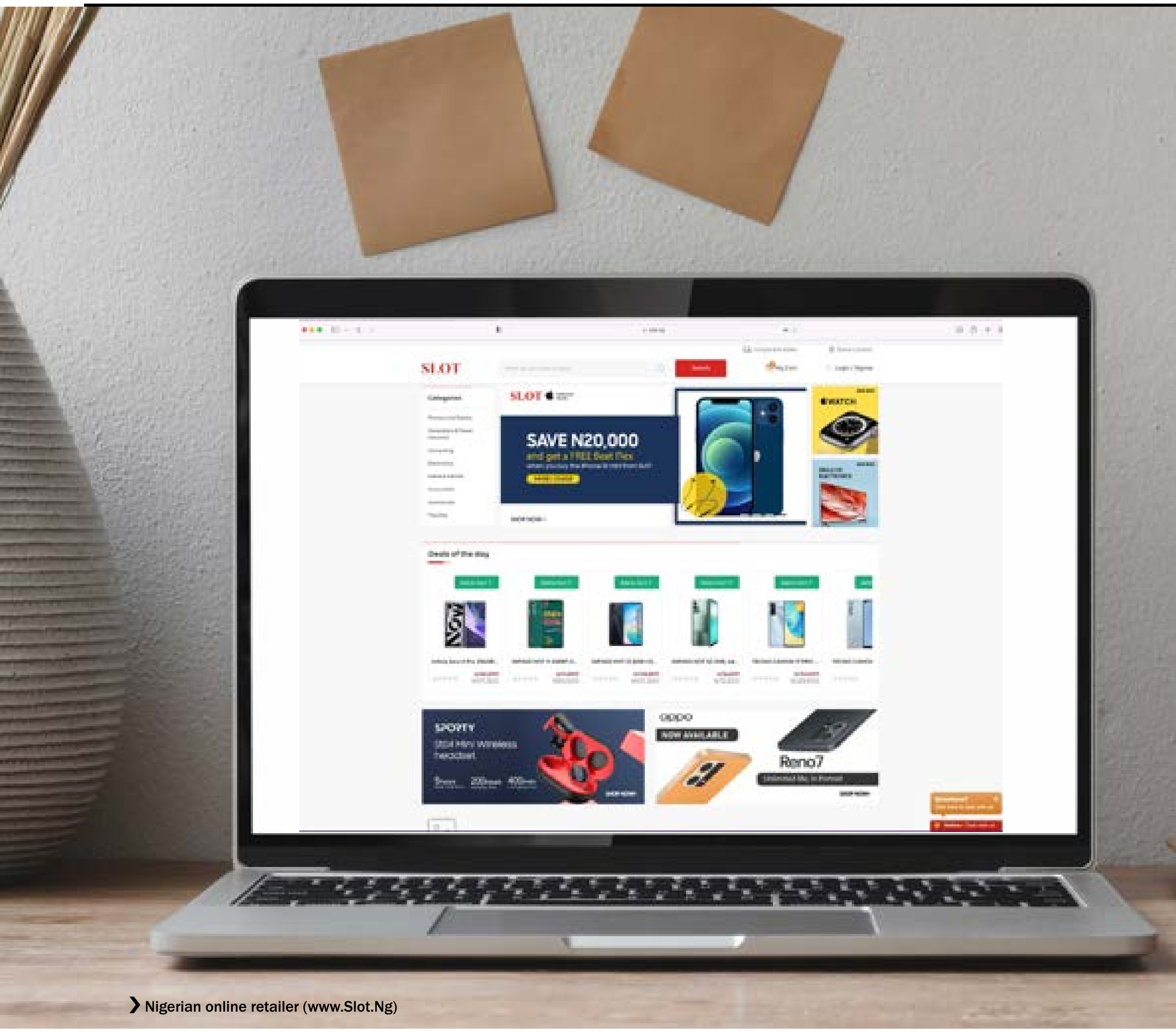


❯ Nigerian online retailer (www.Slot.Ng)

Lagos conference spotlights Africa's coming omni-channel retail revolution

Businesses that successfully integrate brick-and-mortar stores with online retail channels will position themselves for success on the continent. By **Cara Bouwer**.

WHEN IT COMES TO growing retail businesses on the continent, the Lagos Business School's Africa Retail Academy aims to develop the next generation of practitioners and entrepreneurs using mentorship, thought-leadership insights, certificate courses and research that merges academic understanding with practical guidance.

This hybrid approach was evident during a recent conference during which the integration of Africa's offline and online retail channels came under the spotlight.

The event, held virtually, featured a number of academics from the business school, as well as successful retail entrepreneurs such as Nnamdi Ezeigbo, founder and CEO of Nigerian mobile phone and technology services retail chain SLOT Systems. Joining Ezeigbo for a series of frank discussions were Angela Ambitho, Director of Kenya-based Infotrack Research and Consulting; Samuel Ejeh, founder of Nigerian supermarket chain Grocery Bazaar; Dr Ismail Badjie, CEO: Innovarx Global Health in The Gambia; and Dave Omoregie, Vice President: Technology Operations and Supply Chain, at Konga, Nigeria's largest online mall.

In a conference that embraced themes such as the impact of internet penetration in Africa, ensuring quality is built into operations, using fintech as an enabler, and finding ever more creative ways to get closer to customers, a core overriding theme dominated the conversation: how to approach the integration of online platforms into Africa's established offline retail sector.

SLOT: A PRACTICAL EXAMPLE

During an informative presentation, Ezeigbo discussed the two-year process of integrating SLOT's physical stores with the online offering the company had launched in 2015.

Ezeigbo said there were definite advantages to pursuing a multi-channel approach – for both the retailer and the consumer – but noted that the integration process was not without its challenges. Therefore, it should be approached from the vantage point of understanding the business's processes and architecture, as well as assets and financial strength. "It all depends on where your strengths are and what the strategies are. If properly implemented, omni-channel is the best option. But be prepared to face the challenges," he warned.

Advocating for a pragmatic approach, Ezeigbo suggested retailers look to achieve an 80/20 breakdown between the channels, favouring the area in which the business is stronger in order to keep a seamless customer journey alive and maintain customer intimacy.

Choosing the right technology is vital

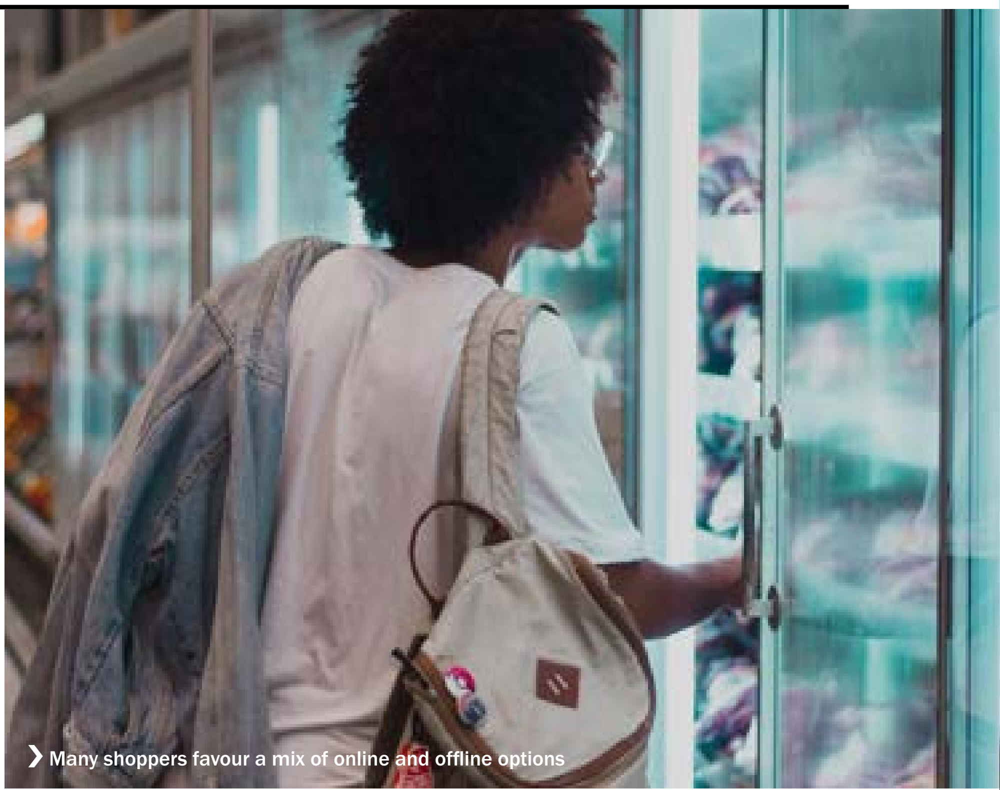
"The most important investment any retailer should make is that of a customer experience manager; this is key," he added, noting that finding human talent in a globally competitive environment was also a challenge, alongside finding the right technology fit.

"This is very serious," Ezeigbo said of the maze of technology offerings available. "You need the right ERP [enterprise resource planning] software to drive management and financials. It must be easily integrated and able to speak to other applications.... So, you have to understand its functionality and components. And you need to train your people as to how this ERP works. You also have to decide which website application is the most suitable."

He warned that customising the front end of an e-commerce offering was another consideration facing many online retailers – a process replete with bugs and issues around integration. But, if customer trust was to be secured and maintained, it was critical to ensure that issues around cybersecurity, online payments and protection of personal information were adequately addressed.

Customer trust was a persistent point raised by a number of panellists and speakers, alongside the need to cater for customer preferences.

Right now, noted Chidi Okoro, the Africa Retail Academy's Alternate Academic Director, "African retail is still traditional". So, while digital growth is inevitable on a young continent, it was still necessary to cater to a consumer base that was more comfortable using physical outlets.



❯ Many shoppers favour a mix of online and offline options

IT'S NOT ONE-SIZE-FITS-ALL

Drilling down into this consumer trends focus, Infotrack's Angela Ambitho touched on the growing and vibrant e-commerce ecosystem in regions such as East Africa, and the positive growth trajectory which had been accelerated by increased internet usage and the impact of Covid-19.

"We have a very vibrant e-commerce sector but also a very vibrant offline retail sector," she noted, adding that 25% of retail trade was moving towards e-commerce and was expected to increase to about 30%-40% in Kenya by 2024. Kenya's online market "is expected to grow to US$2-billion in the next two years, largely driven by the youth population," said Ambitho.

However, with many shoppers – like herself – favouring a mixture of online and offline options, the balancing act for retailers was a delicate one. "A young person in the office asked me why I still waste my time going to the supermarket," related Ambitho, who said she liked to pick out her own groceries and meat, unlike her 18-year-old son who recently "spent about US$500 buying items online from all over the globe and then got a logistics company to gather all those things and deliver them here".

The paradigm shift caused by Covid cannot be overestimated, stressed Ambitho. She noted that the past two years had been a lesson to retailers – from big stores to small kiosk owners using *boda* men (motorcycle taxies in East Africa) for their deliveries – that they had to integrate digital into their way of connecting and servicing the consumer.

LOOK, LISTEN AND DO

Talking specifically from the perspective of the growing digital healthcare space, Innovarx CEO Badjie echoed how future success hinged on meeting consumer needs. "There is a choice revolution playing out around the world. Consumers are choosing how they [want] their experience to be," he said, adding that African retailers must either adapt or die.

In the healthcare sector, Badjie added that moving into an online space had the potential to democratise wellness – a mindset shift that was already in play globally and around which companies should position themselves. Innovarx offers not only a delivery service for healthcare products and mobile point-of-care diagnostic testing, but also a cloud-based electronic health-record management system.

Whether in the evolving healthcare space or in the transitional space between offline retail stores and online offerings, retailers like Konga's Dave Omoregie were firm in their belief that the interaction between physical and digital channels created key opportunities in the omni-channel experience. For some, like Grocery Bazaar founder Ejeh, the inner workings of an omni-channel business model were still unfolding, but the potential for online was increasingly attractive.

"Any person with a brick-and-mortar store needs to consider how to integrate them," said Ejeh. "If you have a [physical] store you can leverage that for trust. That works for someone like me. In the next 10 years we should have 20%-30% of our sales from the online channel, but it depends on how the cost structure plays out. Right now, the biggest problem is to get a model that makes it work."

Ultimately, there was accord between participants at the conference that the face of African retail was evolving, and that online shopping and digital connections were a force to be reckoned with. Any business, large or small, needed an integrated strategy, said Lagos Business School marketing faculty's Vanessa Burgal. "We see that customers – our consumers – are really online today... we talk about the omni-channel consumer. But it's not just about shopping online, they are connected digitally."

For marketers and modern retailers, the opportunity to connect with consumers via digital channels is perhaps as enticing as the evolution of retail channels. After all, getting close to African consumers and forging deeper connections is the lifeblood of any effective marketing effort. ■

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PHOTOS: DAVID GOMES VIA PEXELS

Study shows online shopping revolution in SA's townships

Consumers place high value on brand trust and authenticity, while businesses must tailor products and messages for this unique retail ecosystem.

IN SOUTH AFRICA'S SPRAWLING, densely populated and typically vibrant townships, consumers have been turning to online shopping in surprisingly high numbers, a study published in June 2022 found. Last year, the percentage of people who purchased online stood at 28 percent – this year it is at 70 percent.

The information is contained in the 2022 South African Township Customer Experience (CX) Report, released by digital marketing agency Rogerwilco and research company Survey54. Their report analysed the saving, spending and shopping behaviour of over 1 400 township residents across the country.

"Township e-commerce usage has grown exponentially," said Survey54 CEO, Stephan Eyeson, during a virtual launch of the report.

"Take-outs and food delivery are popular choices. Many [people] still complain there is limited delivery in townships; companies mentioned this is due to [low] demand. We are aiming to see much more growth in the next year."

Added the report: "This year, 70% of our audience are making purchases online. The younger the audience, the higher the propensity is for online purchases.

LOCAL BUSINESSES NOW SERVE THE UNDERSERVED

"Spaza shops (an informal convenience shop typically run from home), eateries and delivery services are capitalising on this trust, taking advantage of opportunities in communities historically underserved by large brands. For example, 29% of the respondents report having ordered online from small independent food outlets – the majority of which evolved out of the Covid crisis."

Among the other key retail insights:

- South African fashion brands are increasingly seen as premium and desirable, with three-quarters of respondents choosing local over international when using their store accounts.
- New delivery services are springing up around traditional township food.
- Cash remains king in these townships, with trust in mobile payments and banks from a transactional perspective being low. Education around smartphones and mobile payments is essential to growing this market, the researchers said.

PHOTOS: FREDDIEA & VGRIGAS VIA WIKIMEDIA COMMONS

- For grocery shopping, convenience is key. Transport costs and proximity to South African Social Security Agency offices (where social grant payments are made) make large supermarkets a strategic monthly venture, while spaza shops are used for daily items.
- Township retail loyalty programmes remain an untapped opportunity.
- Word of mouth remains the most trusted recommendation source for purchases, while social media, particularly Facebook and WhatsApp, has overtaken TV. Trust in influencers and community leaders has declined substantially.

Noted the researchers: “One message is clear from the report – brands need to recognise the importance of tailoring their products and messages for the unique ecosystem developing in townships. It is becoming increasingly clear that trust and authenticity have a high premium in this environment.”

SECOND STUDY ECHOES FINDINGS OF THE FIRST

Meanwhile, in another township-focused study published in August by research company Ask Afrika – the annual Kasi Star Brands benchmarking survey – the researchers noted that (similar to the Rogerwilco and Survey54 report) common themes which emerged were the need for trust and purpose, the requirement for a brand to do/stand for ‘good’, and the importance of convenience and emotional connections.

The researchers also commented that another interesting theme to gain traction among township shoppers is the importance of local brands.

“Interestingly, lower income consumers regard corporate social responsibility as twice as significant compared to other income segments and [this is] a critical area for improved perceptions on ethics, trust and reputation,” the survey noted.

“Looking at the differences that exist, both demographically and in terms of attitudes, not all township consumers are the same.

“For example, Alexandra (a township close to Sandton in Gauteng province) residents are interested in financial services advertising and don’t like the idea of being in debt. Umlazi (a township close to Durban in KwaZulu-Natal) residents say they are more aware of their personal finances than they used to be, and like to pay cash for everything they buy. Soweto (a township near Johannesburg) residents consider themselves good at managing money.”

Explained Ask Afrika’s executive, Maria Petousis: “What this year’s benchmark study reveals is that different communities have developed unique personalities. The key take-out for marketers is that they need to walk in the shoes of the ‘kasi’ (meaning ‘township’ in local slang) consumer to better understand them.

“To succeed with township consumers requires more granular messaging which sends the right message to a defined audience, on the right medium and at the right time, if they plan to succeed with this consumer sector.”

Township consumers in South Africa represent an important market for brands given that 50% of the country’s urban population live in townships or informal settlements. This large and diverse informal economy has often proved to be more buoyant than the formal economy. ■

❯ Ipsos in Kenya Managing Director, Chris Githaiga, speaking at the launch event

Rapid evolution of Kenyan media environment detailed in new study

Mobile phones remain the biggest disruptor and provide the greatest opportunity, while radio shows an increase in station numbers and listenership.

IPSOS IN KENYA RECENTLY launched a media landscape study that it says will help organisations keep pace with the changing consumer needs and habits in the country.

The *Kenya Media Establishment Survey 2022* examines the lifestyles, demographics and psychographics of Kenyans in relation to how they perceive and consume media. The study was conducted between April and May this year with a national sample of 10,000 people from across all counties.

A media establishment survey was last conducted in Kenya in 2015, as broadcasting moved from analogue to digital transmission. Since then, the population, has increased from 45-million to 52-million, while urbanisation has grown from 26%

Kenyan print media has been slowly transitioning to the digital space, but growth in readership has remained stagnant

PHOTOS: IPSOS; LILIANA DREW FROM PEXELS

to 28%, creating fertile ground for the many changes that have been witnessed in the local media industry.

The new study by global research company Ipsos aims to offer fresh audience insights and credible data for media owners, advertisers, the government, corporates, non-government organisations and other agencies.

Speaking at the launch in Nairobi, Ipsos in Kenya Managing Director, Chris Githaiga, noted that the country has witnessed accelerated growth and diversity in media touchpoints since the outbreak of the pandemic.

There is emergence of more media channels and more fragmentation – especially driven by vernacular, community and niche stations. Radio, for example, has gone from 109 to 250+ stations and TV from 45 to 250+ stations. There has also been growth in video on demand (VOD) and free or paid own-content creation.

TV set ownership has increased from 32% to 53%, while digital TV adaptation has pushed Pay STB ownership from 10% to 28%. Radio is growing at par with TV, with 27.3-million and 25.5 million-listeners and viewers, respectively. Internet enjoys an audience of 6.1-million, while print media ratings stand at 6.2-million.

The study shows that the mobile device has been the major disruptor in the local media landscape, with an increase in ownership from 79% to 95%, and growth of smartphones from 19% to 51%.

"This is why, despite the fact that there is a decrease in radio set ownership, the medium is towering as 'The King' as it is becoming more personalised through the mobile device," Githaiga said in a post-launch blog post published in early August on the Ipsos in Kenya website.

INTERNET USAGE HAS MORE THAN TRIPLED

"We found out that internet use has more than tripled – from 13% to 46% – mainly driven by social media. We also discovered that social applications such as Facebook, Twitter and Google are debasing more quickly as newer applications like Betting, TikTok, Telegram and Opera become more attractive to the youth," Githaiga observed.

Indeed, social media is witnessing an explosion in Kenya and is growing in prominence as a perceived authoritative voice, and more and more online platforms are breaking news as it happens.

Local print media, on the other hand, has been slowly transitioning to the digital space, but growth in readership has remained stagnant at 8% per week.

Advertising spend has continued to grow since 2015, with 2021 data estimating adspend at KES 7-billion a month (US$59,3-million) as many organisations seek to maximise return on their marketing budgets.

"Knowing your audience, understanding the issues they face, and being aware of what they think about society – and your media organisation in particular – are important factors for fine-tuning what you offer in order to better inform the public debate," said the Ipsos in Kenya boss.

He added that the purpose of the *Media Establishment Survey* is to help the media and other organisations to produce better content that is more focused on audience need and generate new ideas for producing audience-related programmes and material.

"It also offers sales and marketing teams the information they need to try to monetise the content [they] produce and highlights new business development opportunities which can help ensure you are more accessible to more people," Githaiga stated.

He continued: "But the 2022 *Media Establishment Survey* should not be an end in itself – as an industry we need to restart the conversation on what next?

"We need to reopen the conversation on passive audience tracking. This remains the most ideal approach, the gold standard, in measuring and tracking audience consumption behaviour in real time – [the] industry will then have access to granular and accurate data.

"I don't see why Kenya should be left out." ■

Nigerian marketers discuss business sustainability in a tech-driven world

Nigerian institute's 2022 marketing conference examines how to embrace data and technology to design an outstanding customer journey.

THE NATIONAL INSTITUTE of Marketing of Nigeria (NIMN) recently held its 2022 Marketing Conference at the Eko Hotels and Suites, Lagos. The hybrid event attracted over 200 marketing professionals, entrepreneurs and business leaders who listened to a number of industry experts sharing their experience, insights and perspectives.

This year's conference theme was '*Driving Business Sustainability in the Age of Data and Technology*' and featured a keynote speaker and two panel sessions.

The keynote speaker was Mr Kolawole Oyeyemi, Chief Executive Officer of Axiom Intel Limited – a technology-led commercial strategy and solutions company. The panel sessions focused on Disruptive Marketing and The Future of Marketing in a Tech-Driven World.

MUST FOCUS ON CUSTOMER JOURNEY BEFORE PRODUCT AND SOLUTION DESIGN

Mr Oyeyemi said organisations should embrace data and technology to enhance business-performance fundamentals and asserted that one of the most powerful strategies for achieving this is to deliver an excellent customer experience. This, he noted, is a deliberate strategy that focuses on customer-journey design ahead of product, service or solution design.

According to the NIMN, the rationale for this year's conference theme was based on the belief that the customer is a critical factor in driving business sustainability and, therefore, it was appropriate for the Institute to gather high-achieving industry players to share with the audience how they have leveraged data and technology to drive meaningful customer engagement and deliver outstanding customer experience.

> *Participants gained new knowledge on marketing issues*

"The conference afforded participants the opportunity to gain new knowledge on contemporary marketing issues, network and exchange ideas," the NIMN said in a media statement.

The institute's Annual General Meeting was held concurrently with the conference. Two new office bearers were elected to VP positions: Professor Micheal Ikupolati emerged as the 1st Vice President and Mrs Ebisan Onyema emerged as the newly elected 2nd Vice President. ■

PHOTOS: COURTESY OF NIMN

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Junk food brands turn to TikTok to further exploit children – study

Research by Australian academics shows how companies are using the growing TikTok platform to push unhealthy eating amongst kids.

NEW RESEARCH BY AN Australian university has shed light on what it calls "the highly exploitative actions" of junk food companies using TikTok – a social media platform hugely popular with children – to recruit users as virtual brand ambassadors to market their products online.

In an analysis of content posted on the TikTok accounts of 16 of the world's top-selling food and non-alcoholic beverage brands, researchers from Deakin University's Global Obesity Centre found that companies are using a range of marketing strategies that directly appeal to children, including promoting hashtag challenges that encourage users to create and share videos featuring their branding and products.

For example Doritos, a brand of flavoured tortilla chips, created a hashtag challenge calling for users to create and share videos of themselves eating one of their products, while McDonald's asked users to record themselves singing alongside a video featuring images of McDonald's products.

The research found that the videos created and shared by TikTok users in response to such challenges overwhelmingly featured the companies' branding and products, portrayed a positive sentiment and were viewed billions of times.

Videos related to a single hashtag challenge started by Pepsi, for example, collectively received 107.9-billion views.

TURNING TIKTOK USERS INTO MARKETERS OF JUNK FOOD

Associate Professor Kathryn Backholer said that by encouraging TikTok users to respond to hashtag challenges and create and share content featuring companies' branding and products, TikTok has turned users into active participants in the marketing of junk food.

"This is an incredibly insidious strategy by TikTok and junk food marketing companies," Backholer stated. "TikTok's own website describes these challenges as an opportunity for companies to turn TikTok users into their 'unofficial brand ambassadors' and we know that many TikTok users are children."

The **study** is claimed to be the first to look at the way junk food companies market their products using TikTok, a platform that currently has more than a billion monthly users.

SOCIAL MEDIA USERS GET LITTLE TO NO REWARD

Lead author, Ruby Brooks, an Associate Research Fellow at GLOBE, said while junk food companies benefit from this marketing, users receive little to no reward and expose other users to even more junk food marketing.

"We know that food marketing influences kids' food preferences, purchasing, requests and consumption," Brooks noted.

Other marketing strategies used by junk food companies on TikTok included the use of celebrities or influencers and sportspeople.

McDonald's, for example, used the K-pop band BTS to promote the 'BTS Meal' (which included a sauce with packaging that could be used to 'unlock' a branded effect featuring the band on TikTok) and to promote 'BTS McDonald's Collaboration Merch'. Similarly, Pepsi featured multiple professional soccer players, including Lionel Messi and Paul Pogba, drinking its products.

"Strong government-led policies to protect children from the harmful impact of unhealthy food marketing are urgently needed. This is about putting our children's health before industry profits," Backholer said.

The GLOBE research team, working with Deakin University's Institute for Intelligent Systems Research and Innovation, have been looking at other concerning tactics used by food companies, including their use of artificial intelligence to influence customers' behaviour.

HOW BRANDS ARE USING FACIAL RECOGNITION

"By looking at company documents, we found that companies are using facial recognition to estimate customers' age, sex and mood to tailor foods that are shown back to customers on menu boards," Brooks explained.

"These companies predominantly sell unhealthy foods and the use of tactics like these is likely to drive increased selection and consumption of these foods."

Added Backholer: "Our **study** highlights the need for greater scrutiny of the actions of big food companies, but also of the big technology companies that work with food companies."

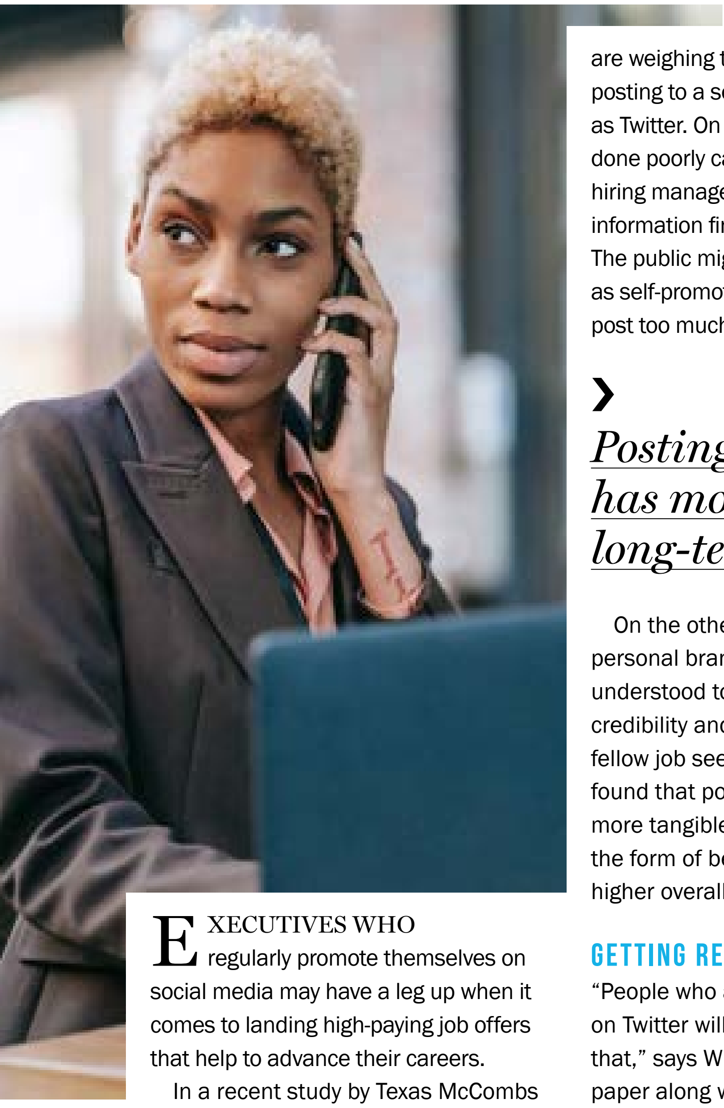
In another research-based article by Deakin University, published in June as part of the *#DigitalYouth* project, the author noted: "Our rapidly changing digital world means that every day young audiences are bombarded with marketing as they go about their online lives.

"Quite often, these ads feature products known to be harmful to long-term health such as junk food, alcohol, tobacco, e-cigarettes and gambling. All are known risk factors for a range of chronic diseases, including obesity, cardiovascular disease, cancer and mental ill-health. Sadly, the regulation of advertising in the digital space is virtually non-existent, leaving the door open to potential harmful messaging reaching our most vulnerable audiences." ■

PHOTOS: COTTONBRO AND KATERINA HOLMES FROM PEXELS

Twitter leads when it comes to building your executive brand

Want to be CMO? Prudent building of your personal brand on social media – especially Twitter – could get you there, researchers find.



EXECUTIVES WHO regularly promote themselves on social media may have a leg up when it comes to landing high-paying job offers that help to advance their careers.

In a recent study by Texas McCombs University in the US, Professor of Information, Risk and Operations Management, Andrew Whinston, found that savvy executive candidates such as CEOs and CMOs who modestly – but frequently – tout their knowledge, expertise and skills on Twitter were 32% more likely to attract higher-paying job offers after interviews.

The finding offers compelling evidence for executive job seekers who are weighing the risks and benefits of posting to a social media platform such as Twitter. On the one hand, posting done poorly can backfire on candidates if hiring managers scouring the internet for information find details they don't like. The public might also perceive executives as self-promoting or conceited if they post too much about themselves.

> *Posting to Twitter has more tangible long-term effects*

On the other hand, this type of personal branding, done well, has been understood to help elevate candidates' credibility and set them apart from their fellow job seekers. But the researchers found that posting to Twitter also has more tangible, longer-term effects in the form of better job opportunities and higher overall earnings.

GETTING RETURNS FOR THEIR TIME

"People who are actively self-promoting on Twitter will benefit from doing that," says Whinston, who wrote the paper along with Yanzhen Chen of the Hong Kong University of Science and Technology and Huaxia Rui of the University of Rochester in the US. "They're getting returns for their time."

Whinston and colleagues reached this conclusion after they examined compensation data on chief executive officers, chief marketing officers, chief information officers and chief product and innovation officers employed by Standard & Poor's 500 constituent companies from 2010 to 2013, a database of executive compensation, plus posts made to executives' personal Twitter accounts.

The researchers chose Twitter because of its social-broadcasting feature, which lets users cast their messages to a much wider audience than does Facebook, which people tend to use mainly for targeted communication with friends and family.

On Twitter, the researchers measured how many posts executives made and the size of their audiences. They also tallied how many were personal branding tweets by analysing how closely tweet content matched an executive's company and job position.

TAKEAWAYS FOR WOULD-BE EXECS

Whinston and his colleagues discovered that posting to Twitter did matter for these executives. C-level job candidates who posted to Twitter more often, touting their personal brands, were more likely to be offered jobs at high salaries than executives who had not been promoting their personal brands online.

"Self-promotion worked in this class of people," Whinston says. "We found that the idea of self-promotion is indeed a valid concept, and that it's worth some time and effort to promote yourself on Twitter."

The findings have real-world applications for lower-level workers, too. People who are seeking to become executives, or executives who want to boost their careers, might get further faster if they take the time to post high-quality, relevant content that promotes their personal brands. ■

PHOTO: ONO KOSUKI FROM PEXELS

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