STRATEGIC MARKETING for AFRICA
COHERENT. CREDIBLE. COURAGEOUS.
AMC AFRICAN MARKETING CONFEDERATION
Journal of the African Marketing Confederation
Issue 2 2024

IT'S THE WILD WEST!

Influencer Marketing

IT'S COMING!
2024 AMC CONFERENCE

USING VODCASTS
The flexible friend

CONSUMER TRENDS
Unpacking Tanzania

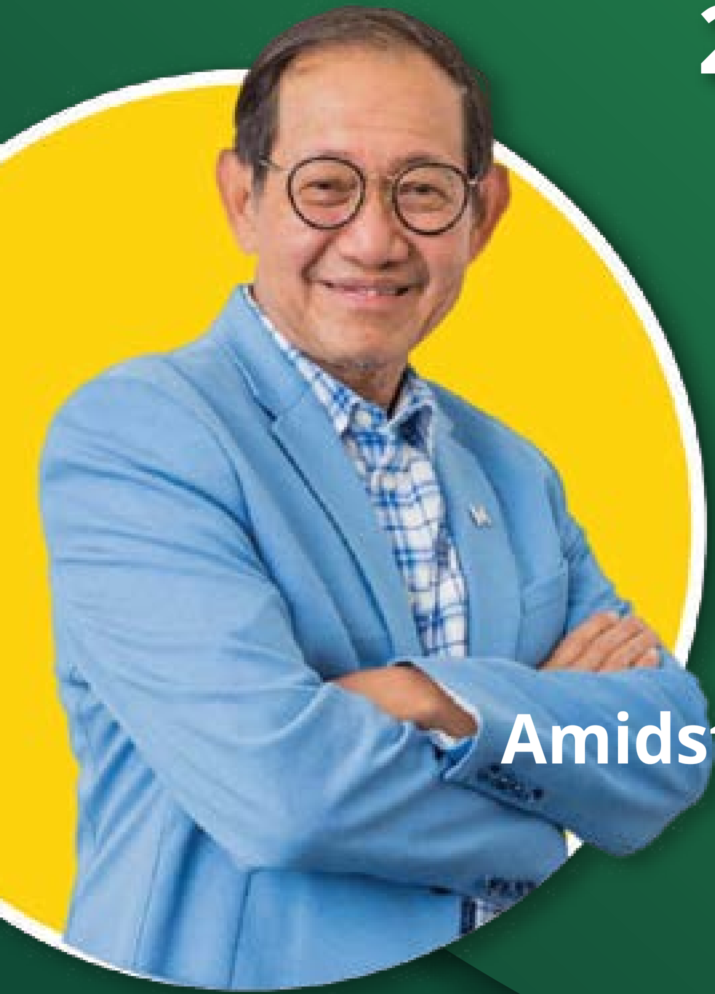
PLUS: • CHARTERED MARKETER (AFRICA) • MEDIA RESEARCH IN THE D.R.C. • BEING AN EFFECTIVE MARKETER • MISCALCULATION OF THE MULTINATIONALS

AFRICAN MARKETING
CONFEDERATION

See you in Mombasa, Kenya

AMC CONFERENCE 2024

25-27 September



Keynote Speaker
Hermawan Kartajaya

Discover the Secret to
Brand Resilience
Amidst Economic Uncertainty

IN COLLABORATION WITH

MSK MARKETING SOCIETY OF KENYA

FROM THE PRESIDENT OF THE AFRICAN MARKETING CONFEDERATION

New Asian horizons and exciting times in Kenya

GOOD DAY MARKETING COLLEAGUES! AS you read this, I am either welcoming you to our second magazine issue of 2024 as you sit in your office or home, or I'm enjoying your company at our 3rd Annual AMC Conference in Mombasa (more about this exciting event later!)

Since the last issue there have been exciting developments within the AMC. Firstly, we attended the Asian Marketing Federation's (AMF) Board of Management Meeting held in the beautiful cultural city of Yogyakarta, Indonesia, where we signed a historic Memorandum of Understanding (MOU) between the AMC and AMF.

This collaboration enables us to expand our networking, educational and knowledge-sharing opportunities to include marketing member associations from 18 Asian countries – among them Japan, Indonesia, China and Singapore. We are also looking forward to welcoming AMF speakers and delegates at the AMC Conference in September.

Following the signing of the MOU, we were guests of the Marketing Institute of Singapore (MIS), with whom we held fruitful discussions, specifically around partnering with the MIS Academy to offer internationally recognised AMC/MIS-accredited diplomas and degrees. More about this exciting development soon.

BEACHES OF MOMBASA

Preparation for our 3rd AMC Annual Conference, hosted by our member association MSK, is in full swing and the event promises to be the best ever. I hope to see you all at the magnificent Sarova Whitesands Beach Resort on the gleaming coast of Mombasa, Kenya. This year's theme of *Brand Resilience: Marketing Strategies for Thriving Amidst Economic Uncertainty* will facilitate insightful conversations and presentations.

In the meantime, enjoy this issue.

Helen McIntee
BA MBA (Wits) CM (SA)
Co-founder and President:
African Marketing Confederation

MESSAGE DE LA PRÉSIDENTE DE LA CONFÉDÉRATION AFRICAINE DU MARKETING

Nouveaux horizons asiatiques et perspectives fascinantes au Kenya

BONJOUR CHERS COLLÈGUES DU MARKETING ! Je vous souhaite la bienvenue dans le deuxième numéro de notre magazine 2024, que ce soit au bureau ou à la maison, ou en votre compagnie à la troisième conférence annuelle du CMA à Mombasa (nous reviendrons sur cet événement passionnant plus tard !).

Plusieurs avancées majeures ont eu lieu au sein de l'AMC depuis la parution du dernier numéro. Tout d'abord, nous avons assisté à la réunion du conseil d'administration de la Fédération asiatique du marketing (AMF) qui s'est tenue dans la magnifique ville culturelle de Yogyakarta, en Indonésie, où nous avons signé un protocole d'accord historique entre l'AMC et l'AMF.

Grâce à cette collaboration, nous pourrons consolider notre réseau et étendre nos opportunités de formation et de partage des connaissances en intégrant les associations de marketing de 18 pays asiatiques, tels que le Japon, l'Indonésie, la Chine et Singapour. Nous attendons aussi avec impatience l'arrivée des intervenants et des délégués de l'AMF à la conférence de l'AMC en septembre.

Après la conclusion du protocole d'accord, nous avons été conviés par le Marketing Institute of Singapore (MIS), avec qui nous avons eu des échanges fructueux, notamment sur la possibilité de développer un partenariat avec la MIS Academy afin de proposer des diplômes et des titres reconnus à l'échelle internationale par l'AMC/MIS. Nous reviendrons prochainement sur ce partenariat ambitieux et tres prometteur.

LES PLAGES DE MOMBASA

Les préparatifs de la 3e conférence annuelle de l'AMC, organisée par notre association membre MSK, battent leur plein et l'événement promet d'être le meilleur jamais organisé. J'espère vous voir tous au magnifique Sarova Whitesands Beach Resort sur la côte scintillante de Mombasa, au Kenya. Le thème de cette année est : *Résilience des marques : Stratégies marketing à adopter en periode d'incertitude économique*, suscitera des discussions et des présentations captivantes.

En attendant, nous vous souhaitons une bonne lecture de ce numéro.

Helen McIntee
BA MBA (Wits) CM (SA)
Cofondatrice et présidente de la Confédération
Africaine du Marketing

STRATEGIC MARKETING for AFRICA
COHERENT. CREDIBLE. COURAGEOUS

PUBLISHER
African Marketing Confederation
https://africanmarketingconfederation.org
info@africanmarketingconfederation.org

PUBLISHING COMMITTEE
Kwabena Agyekum (Chair)
Helen McIntee
Nigel Tattersall
Mike Simpson

A.M.C. PRESIDENT
Helen McIntee

A.M.C. SECRETARY GENERAL
David Balikuddembe

EDITORIAL
Simpson Media
Editor: Mike Simpson
mike@media-simpson.com

ADVERTISING SALES & COORDINATION
Avenue Advertising
Managing Director: Barbara Spence
Landline: +27 11 463 7940
Mobile: +27 82 881 3454
barbara@avenue.co.za

DESIGN & LAYOUT
Tamlin Lockhart Design
tamlin@tamlinlockhart.co.za

PRODUCTION
Reproduction: Tamlin Lockhart Design
Digital magazine: Belgium Campus
Print magazine: Business Print

IN ASSOCIATION WITH
Chartered Institute of Marketing, Ghana
Ethiopian Marketing Professionals' Association
Institute of Marketing in Malawi
Institute of Marketing & Management, Mauritius
Institute of Marketing Management, South Africa
L'Association Marocaine de Marketing et de la Communication
L'association Tunisienne des Professionnels de Marketing et de la Communication
Marketers Association of Zimbabwe
Marketing Society of Kenya
National Institute of Marketing of Nigeria
Tanzania Marketing Science Association
Uganda Marketers Society
Zambia Institute of Marketing

Much achieved – and plenty more to come!

WELCOME TO THE LATEST issue of *Strategic Marketing for Africa*, the thought-leadership magazine for well-informed marketing professionals on the continent.

Every time I sit down to write this column – the last piece of editorial content before final publication – I am enthused all over again by what we have achieved as a magazine editorial team, as well as what the AMC has achieved as an organisation in the past quarter.

This time is no different. Since I last put pen to paper for this column (...or, more accurately, fingers to keyboard) the AMC has signed an MOU with the dynamic Asia Marketing Federation, a powerful collaboration between two emerging-market marketing bodies. More about this in President Helen McIntee's column on pg 1 and our article on pg 8.

Since our last edition, the AMC has also proudly seen its first group of candidates achieve their Chartered Marketer (Africa) designation. You can read about their journey, and what the CM(A) has brought to their businesses, on pages 26-27.

And, of course, the third annual AMC Conference is very much on the horizon and taking shape – with venue, dates, keynote speaker and other important details now firmed up. You can read our preview article on pages 6-7. Also keep an eye on our AMC website (https://africanmarketingconfederation.org/) for timely updates as the conference draws closer. It's going to be an event not to be missed!

ELSEWHERE IN THIS ISSUE

If you read any of the international marketing publications or marketing news websites, it's clear that influencer-based marketing is a big talking point, although not always for the right reasons. CMOs, understandably, like certainty, stability, ROI and marketing messages that stick to script. Influencers may ... or may not ... deliver on these.

Which makes it something of a Wild West out there, with rules, regulations and industry best practice seemingly trailing far behind the industry boom. It's a global problem rather than just an African one. But it appears the Sheriffs are slowly riding into town to bring order and stability. Read all about it on pages 10-14.

There's this, and much more, in your latest read, courtesy of the African Marketing Confederation. Enjoy.

Mike Simpson
Editor

IT'S YOUR MAGAZINE

A reminder that this is your African Marketing Confederation magazine. We are always keen to showcase what our AMC member countries are doing to advance the profession, so please keep the information coming.

As our aim is to include the best marketing insights from across Africa, we also welcome content ideas, article pitches and press releases from the wider marketing community.

Please note that the AMC supports ethical journalism, and all content is published solely at our discretion. We do not trade editorial content in exchange for paid advertising.

This publication is not your only source of marketing news. Our AMC website is updated daily with interesting marketing snippets and content. You can find us here: https://africanmarketingconfederation.org/news-articles/

ISSUE 2 2024

Contents

NEXT ISSUE:
■ Report on the 2024 African Marketing Confederation Conference ■ Book extract: *Bottled. How Coca-Cola Became African* ■ Will AI enhance or destroy the common African marketer?

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 exchanges expertise and information, provides intellectual capital, and ensures that the continent has a platform for like-minded marketing professionals.

L'ASSOCIATION MAROCAINE DE MARKETING ET DE LA COMMUNICATION

The AMMC (English name: Moroccan Association of Marketing and Communications) was created in 2013 as a platform for the country's marketing and communication communities. Its aim is to promote the professions, develop the skills and knowledge of members, and promote the economy of Morocco.

Visit Facebook page

L'ASSOCIATION TUNISIENNE DES PROFESSIONNELLES DU MARKETING ET DE LA COMMUNICATION

Established in 2012, the aim of the ATPMC (English name: Tunisian Association of Marketing and Communications Professionals) is to offer the country's marketing and communications professionals privileged access to a network of colleagues and high-level industry experts. It also promotes the image of marketing and communications in Tunisia. Visit website

CHARTERED INSTITUTE OF MARKETING, GHANA

The Chartered Institute of Marketing, Ghana was founded in July 1981 with the vision to be the voice of marketing practice in Ghana. The Chartered Institute of Marketing, Ghana (CIMG) ultimately aims to see organisations (both private and public) embrace the marketing concept, and be marketing-oriented in their operations.

Visit Website

NATIONAL INSTITUTE OF MARKETING OF NIGERIA

NIMN was established by Act of the National Assembly no. 25 of 2003 with a chartered status conferred on it, the responsibility to regulate and standardise marketing professional practice through the conduct of professional examinations and certifications, training, retraining and consultancy services geared towards ensuring that members adopt a professional approach to marketing.

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 and organisations to share thoughts and experiences within the rapidly changing marketing environment. The IMM South Africa offers a range of activities and services for marketing professionals.

Visit Website

UGANDA MARKETERS SOCIETY

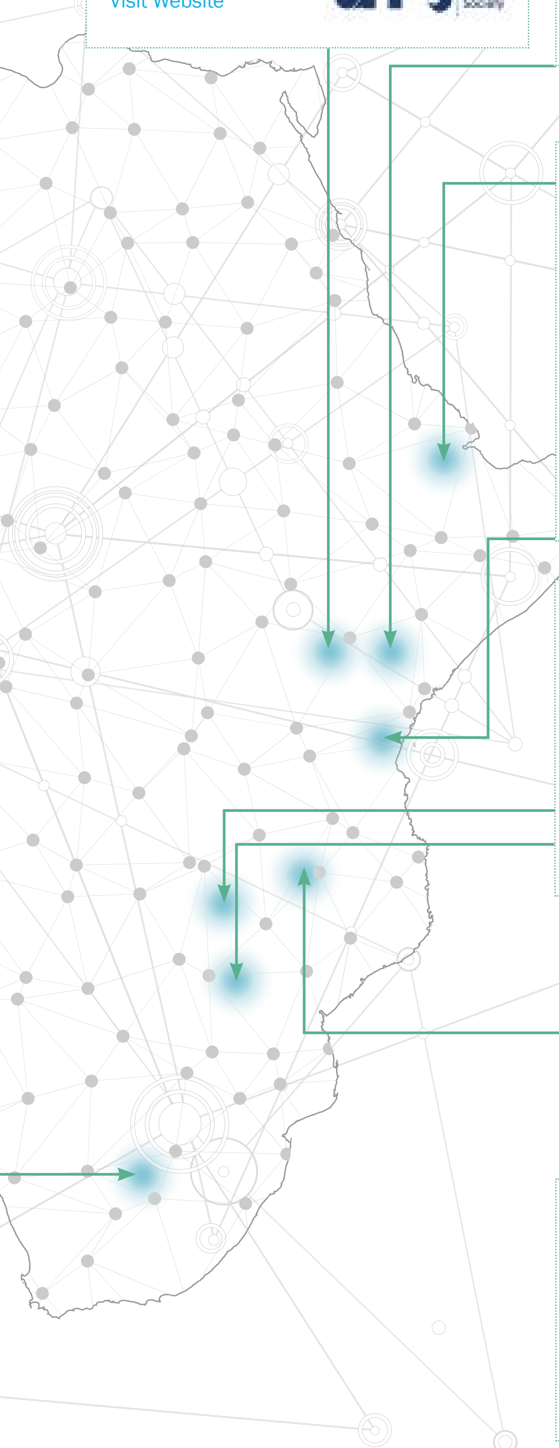
Uganda Marketers Society is the premier organisation for marketers in the country, dedicated to promoting excellence in the field. UMS provides a range of resources and opportunities for skill-building, so members can stay up-to-date with the latest trends and best practices in marketing. We help members become the best marketer they can be.

Visit Website

MARKETING SOCIETY OF KENYA

MSK is the national umbrella body for all marketers in Kenya. Its key mandate is to empower and regulate the marketing industry by creating policy that governs the Marketing Industry (self-regulated), education and training of professionals, corporates and entrepreneurs, marketing and business mentorship, and arbitration through the Advertising Standards Board.

Visit Website



TANZANIA MARKETING SCIENCE ASSOCIATION

The Tanzania Marketing Science Association is a one-voice platform which harmonises the knowledge and practice of marketing in Tanzania. TMSA's aim is to achieve a strong marketing professional ecosystem in Tanzania by driving collaboration between industry and marketing experts. Its services include professional training programmes, ranging from certified to professional marketer.

Visit website

ETHIOPIAN MARKETING PROFESSIONALS' ASSOCIATION

The Ethiopian Marketing Professionals' Association is a beacon of marketing excellence, officially recognised and licensed by the Ministry of Justice under Proclamation No. 621/2009. The EMPA's goal is ambitious but tangible: To emerge as Africa's leading marketing association and catalyse engagement, education, inspiration, and the training of exceptional marketing professionals.

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 Zimbabwean economy at large. Visit Website

ZAMBIA INSTITUTE OF MARKETING

The Zambia Institute of Marketing is a professional marketing institution that was established by an Act of Parliament No. 2 of 2022 to regulate, promote, uphold and improve the standards of training, practice and professional competence of persons and organisations engaged in marketing and advertising in Zambia.

Visit Website

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.

No Website

INSTITUTE OF MARKETING IN MALAWI

IMM Malawi is a locally recognised and registered marketing body, whose agenda is to promote, enhance, and regulate the marketing profession in Malawi, with the aim of developing marketers into positions of influence. IMM Malawi started in January 2021, transitioning from the Chartered Institute of Marketing (CIM) Malawi.

Visit Website

Brand resilience and other critical marketing issues on the agenda

Africa's marketers look forward to magic in Mombasa as Kenya prepares to host the third annual African Marketing Confederation conference.

EXCITEMENT IS building in the African marketing community as the continent's marketers gear up for the biggest and best-informed marketing thought-leadership event of the year – the 2024 African Marketing Confederation Conference.

This year's gathering, being held in the Kenyan seaside city of Mombasa and hosted by the Marketing Society of Kenya (MSK), takes place from 25-27 September and promises to deliver networking opportunities, top-level insights, and a touch of fun as well.

The theme for the 3rd annual AMC Conference is '*Brand Resilience Amidst Economic Uncertainty*'. Speakers and panellists will tackle head-on the critical issues facing Africa's marketers today.

"In such tumultuous times across Africa and the rest of the world, brand resilience is both more important and challenging than ever," says AMC President, Helen McIntee. "This year's theme offers detailed explorations into various brand-resilience strategies that are sure to leave all in attendance with the knowledge and confidence they need to successfully spearhead their marketing efforts across the continent."

TOP-LEVEL SPEAKERS

Delegates will enjoy thought-provoking addresses delivered by some of the top marketing professionals from Africa and elsewhere, as well as panel sessions that aim to explain contemporary and often-challenging marketing concepts, plus informal discussions that shed light on the latest industry standards and expectations.

Heading the 2024 speaker lineup is Hermawan Kartajaya, founder of the Asia Marketing Federation and co-founder of the World Marketing Forum. He is also a long-time collaborator on multiple books with the legendary Philip Kotler.

As keynote speaker, Kartajaya is sharing his knowledge, expertise and his experiences of working with Kotler – who continues to co-author marketing books at age 93 – with conference delegates. Kartajaya's topic is '*Reimagining Operational Excellence – Inspirations from Asia*', which draws from his upcoming book collaboration with Kotler and Jacky Mussry, an Indonesian-based marketing executive, academic and author.

OUR KENYAN HOSTS

The first AMC Conference was held at Victoria Falls, Zimbabwe in 2022 and was hosted by the Marketers Association of Zimbabwe (MAZ). Last year's event took place at Entebbe, Uganda under the auspices of the Uganda Marketers Society. This year it is the turn of Kenya – with the Marketing Society of Kenya (MSK) playing host to the third annual conference in the beautiful seaside city of Mombasa.

The Chairperson of MSK, Zuhura Odhiambo, speaking at the media event in Nairobi that launched the 2024 conference

Speaking at the media launch for the 2024 conference, held in Nairobi in June before a live and remote audience from across Africa, the Chairperson of MSK, Zuhura Odhiambo, warmly welcomed all stakeholders and expressed her excitement, saying the conference is destined to be a landmark event for Kenya.

MSK's mantra is to be "the force behind business" in Kenya. The conference, in bringing together the continent's top marketers, as well as IT professionals for the TICON Africa technology conference to run concurrently, will help to drive business in Kenya and across Africa, she said.

BOOST YOUR BRAND WITH A SPONSORSHIP PACKAGE

Sponsor Africa's premier marketing conference and gain access to an exclusive platform to showcase your brand to the largest network of professional decision-makers on the continent!

Choose from our range of sponsorship packages designed to suit each organisation's goals and budget, with benefits including branding opportunities, speaking slots, exhibition space, and complimentary registrations for team members.

Readers of our Digital Edition can find out more about our sponsorship opportunities **here**. Readers of our Print Edition can visit the African Marketing Confederation website (**http://www.africanmarketingconfederation.org**) for more details.

A scene from the 2023 AMC conference held in Entebbe, Uganda

PHOTOS: MSK, AMC AND SAROVA HOTELS & RESORTS

"We need to own our own narrative," the MSK Chairperson emphasised.

In his address, the Secretary General of the AMC, David Balikuddembe, thanked MSK for undertaking to host the 2024 conference. From his own experience of hosting the 2023 conference while President of the Uganda Marketers Society, he knew the sacrifices and commitment required.

Readers of our Digital Edition can find out more about the AMC Conference here.

Readers of our Print Edition can visit the AMC website (www.africanmarketingconfederation.org) for more details. ■

MARKETING AND TECHNOLOGY CONVERGE AT KENYA CONFERENCE

The evolution of technology is fundamentally changing the marketing landscape across Africa. To address this critical shift, the second annual Technology Information Confederation Africa (TICON Africa) Conference convenes in Mombasa from 25-27 September.

This year's event takes on added significance as it is being held in conjunction with the third African Marketing Confederation Conference – thereby bringing together the continent's top ICT and marketing professionals for a landmark event focused on collaboration and navigating the convergence of these two powerful forces.

TICON Africa is the umbrella body for African ICT professional associations. Readers of our Digital Edition can find out more about the TICON Africa Conference **here**. Readers of our Print Edition can visit the TICON Africa website (**www.ticonafrica.org**) for more details.

SEE YOU SOON IN MAGICAL, MARVELLOUS MOMBASA

We are hosting this year's conference in the vibrant city of Mombasa. Known as the 'white-and-blue city' and the gateway to East Africa, it offers accessibility, modern facilities, a rich history and culture, pristine beaches, outstanding leisure opportunities, exceptional wildlife and safaris, and a vibrant culinary scene.

The impeccable Sarova Whitesands Beach Resort is the venue for the conference. Nestled along the pristine shores of the Indian Ocean and surrounded by lush palms, it is a convenient short drive from the city centre and Moi International Airport.

Renowned for its luxury amenities and warm hospitality, this award-winning beach resort will serve as a truly memorable location for all in attendance.

African Marketing Confederation joins forces with Asian marketing body

AMC and Asia Marketing Federation sign memorandum of understanding to foster collaboration, growth and knowledge sharing.

The legendary Philip Kotler (second from left) pictured during an AMF event

The AMC and AMF delegations sign the MOU. Our photo shows Helen McIntee (front, right) after signing the MOU with AMF President, Professor Syed Ferhat Anwar (Bangladesh). Back row (from left): General Secretary Ashraf Bin Taj; Second Vice President of the AMF, Mr Roger Wang (Singapore); First Vice President of the AMF, Mr Jack Yao (China); and the AMC's Nigel Tattersall

THE AFRICAN MARKETING Confederation (AMC) has reached a new milestone as it seeks to connect with marketers not only across Africa, but around the world.

A delegation comprising AMC President, Helen McIntee, and AMC CEO, Nigel Tattersall, recently signed a memorandum of understanding with the Asia Marketing Federation (AMF) that will foster collaboration, growth and knowledge sharing between the two continents. Among the planned projects is an Asia-Africa Marketing Conference.

The AMF membership comprises 19 national marketing associations from across the Asian region. These include China, Japan, Singapore, Indonesia, Thailand, South Korea and Malaysia.

It was originally founded as the Asia Pacific Marketing Federation in 1991 and evolved into the AMF in 2007.

The first clear sign of the collaboration between the two marketing bodies will be in September at the third African Marketing Confederation Conference being held in Mombasa, where Hermawan Kartajaya is the keynote speaker. He is the founder of the Asia Marketing Federation, co-founder of the World Marketing Forum, and a long-time collaborator on multiple marketing books with the legendary Philip Kotler.

Several other members of the AMF are also expected to make the trip to Kenya to join their African-based marketing colleagues.

INITIAL BONDS BETWEEN THE TWO BODIES WERE FORMED IN 2023

Initial bonds between the AMC and AMF were formed last year, when President McIntee was an invited guest at the World Marketing Forum 2023 held in Bangkok, Thailand and hosted by the AMF in conjunction with the Marketing Association of Thailand.

At the forum, McIntee introduced delegates to the African Marketing Confederation and gave a presentation titled '*This Continent of Africa*'.

"There was an amazing response," she said at the time. "I met marketers from across Asia, and all of them were very interested in seeking synergies with African marketers."

At the World Marketing Forum 2023 awards dinner, the President of the Asia Marketing Federation, Professor Syed Ferhat Anwar, specifically mentioned that his federation looked forward to collaborating with the AMC and suggested the idea of holding a joint Africa-Asia marketing conference in 2024.

You can find out more about the Asia Marketing Federation here.

PHOTOS: ASIA MARKETING FEDERATION

Influencers: Is the sheriff about to tame the 'Wild West'?

As the influencer industry grows, limited transparency and misleading claims have led to calls for stricter regulation. Is a 'sheriff' needed? **Fiona Zerbst** finds out.

Popular Nigerian musician and influencer Davido in concert. In Nigeria, ARCON sanctions and fines influencers and brands that advertise without obtaining pre-exposure approval

THE INFLUENCER marketing industry appears glamorous to many. Who wouldn't want a lifestyle that allows you to promote the products and services you love – and perhaps become famous and wealthy in the process?

American business intelligence company Morning Consult recently found that 53% of Generation Z survey respondents would give up their jobs to become influencers, indicating it's a legitimate career aspiration.

PHOTOS: ISTOCK PHOTO

Nigeria's influencer industry is booming

Most influencers don't reach Olympian heights of wealth and fame, but a successful influencer can earn a good living, including in Africa, where influencer marketing is growing rapidly as digital marketing and social media become more mainstream and attract bigger shares of advertising and marketing budgets.

Bobai Balat, founder and CEO of TIMA Influencer Marketing Agency in Nigeria, says the digital creator economy currently contributes more than 1.45% to the GDP of Nigeria alone.

"Nigeria's influencer marketing industry is booming due to our large population, high internet penetration, and widespread use of social media platforms such as Instagram, TikTok, X and YouTube," Balat points out. Other thriving influencer markets in Africa include South Africa, Kenya and Ghana.

"Although influencer marketing currently makes up only around 1% of total advertising spend in South Africa – a smaller percentage than in countries such as Turkey, Israel or Brazil – it is set to increase, particularly with the expansion of e-commerce," notes Pierre Cassuto, Chief Marketing Officer at influencer marketing platform Humanz, and head of the Digital Influencer Marketing Committee at the Interactive Advertising Bureau (IAB SA).

Influencer marketing isn't without controversy, however. In fact, the industry seems to be frequently mired in some or other public storm, and several brands have been burnt by associations with social media personalities that didn't quite go according to plan.

In the US, YouTuber Marques Brownlee was lent a new electric vehicle by an auto dealer and he promptly labelled it the worst car he had ever reviewed – with the result that the company's stock dropped by 50%. In this instance, it must be pointed out that Brownlee was not being paid to promote – or denigrate – the brand. But is does emphasise the potential power of top-level influencers to enhance or damage a business in a very short space of time.

In South Africa, hair and skincare brand Native Child sued social media influencer Mary Akinwale when she accused brand owner Sonto Pooe of "exploitation and unethical business practices" Although Akinwale later admitted she had misunderstood the terms of her contract with Pooe, the damage was done – Native Child's revenue declined by 80% over the Black Friday period, while a major retail client cut back on orders.

The lesson here is that brands and influencers must have very clear, well understood and watertight legal agreements in place before they embark on projects together. Expected inputs and outcomes must be unambiguous.

"There are real risks for brand owners and influencers to think of – reputation, goodwill, and commercial interests are involved from all sides," says Megan Campher, an attorney at law firm DML Incorporated. "This means if the marketing effort fails in any material way, there could be legal consequences, such as patrimonial loss (financial loss) and hefty damages following a case of, for example, defamation."

Other concerns include the reality that influencers purchase fake followers on social media – a Shopify survey found that one in four influencers does so – and some commit outright fraud, such as the African content creator who posed as a medical doctor to sell 'medication' on TikTok.[1]

Fortunately, influencer fraud has been waning since 2019 with the advent of tools that can detect this. But 64% of companies remain worried about it, according to Influencer Marketing Hub's '*The State of Influencer Marketing 2024: Benchmark Report*'.[2]

DISCUSSIONS ON REGULATION

The perception of an unregulated free-for-all on social media platforms has understandably made brands nervous, leading to ongoing discussions about effectively regulating the industry.

Some regulation already exists, but influencers often flout it. A 2024 European Union study says although influencers are legally obliged to disclose commercial content in terms of EU and UK law, a remarkable 80% of them don't do so.[3]

This raises concerns about fair advertising practices and consumer protection, among other issues.

> *Most influencers flout EU-UK laws*

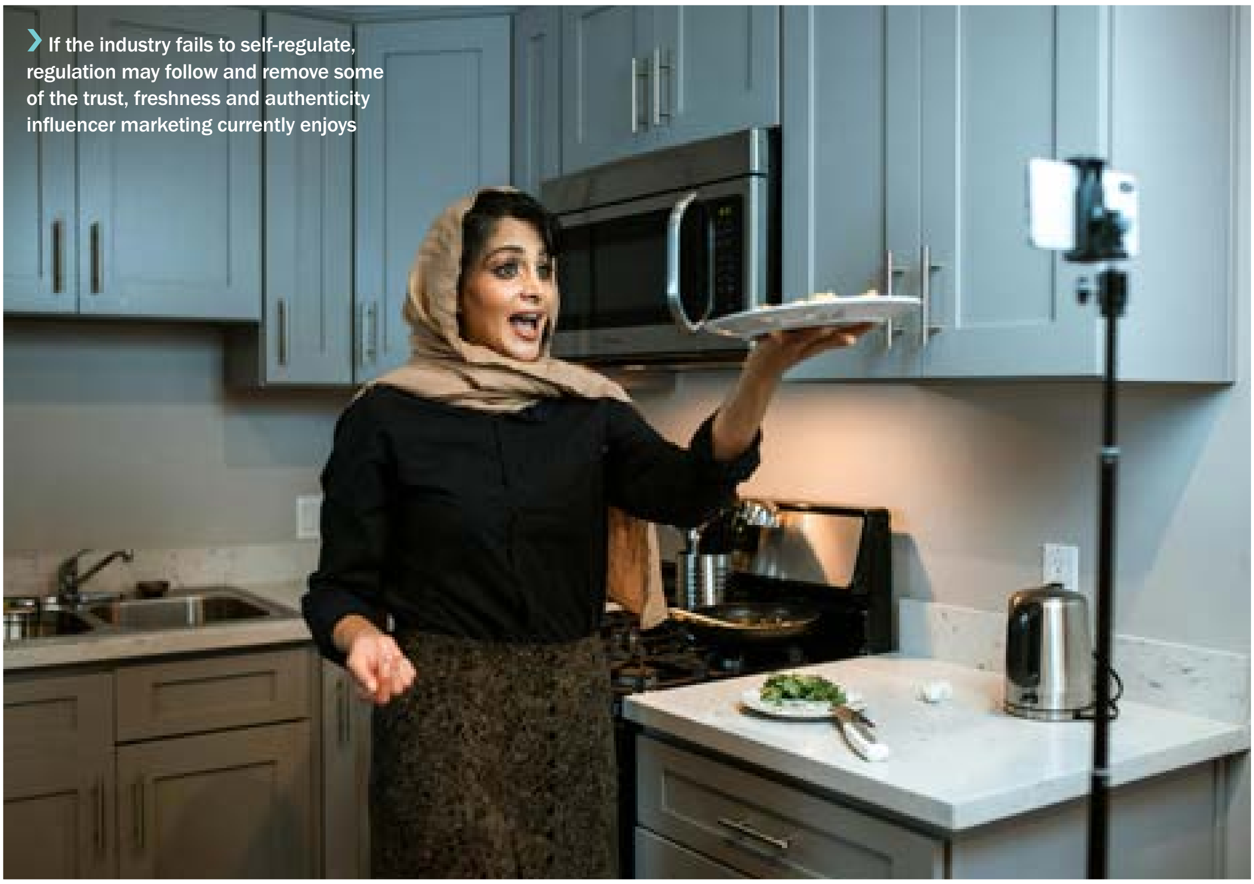
"The need for influencer regulation stems from concerns around transparency, fair remuneration, authenticity and ethical practices," says Nyiko Baloyi, founder of Influencer Agency, which claims to be South Africa's largest influencer and content creator community. "As the industry has grown, so have concerns about misleading or unethical practices, such as undisclosed sponsorship or fake followers, which can undermine the trust and credibility of the entire industry."

TO REGULATE OR SELF-REGULATE?

The big question is whether the industry is capable of self-regulating, or whether governments and regulatory bodies will need a heavy hand.

In Nigeria, the Advertising Regulatory Council of Nigeria (ARCON) sanctions and fines influencers and brands that advertise without obtaining pre-exposure approval, to counteract unethical advertising and misinformation distributed on social media platforms.

Although this is an unpopular move, Balat says imposing standards and guidelines for influencer marketing



If the industry fails to self-regulate, regulation may follow and remove some of the trust, freshness and authenticity influencer marketing currently enjoys ensures messages are truthful, accurate, and ethical.

"Regulation aims to level the playing field for both influencers and brands by establishing clear rules and standards that apply to all parties. This helps to prevent unfair competition, promote transparency, and ensure compliance with advertising laws and regulations."

And while self-regulation is possible, he believes external oversight can provide a standardised framework and greater accountability, which will benefit all stakeholders.

In South Africa, the Advertising Regulatory Board (ARB) and the IAB SA have both published regulatory codes for influencer marketing.

"The ARB doesn't regard influencer marketing as different from any other sort of advertising," explains Gail Schimmel, CEO of the ARB in South Africa. "If an influencer is paid in cash or kind for communication, it is considered advertising and must comply with the rules thereof. For example, they should use the hashtags *#ads* or *#sponsored* when posting paid-for content."

However, those influencers and brands who are not ARB or IAB SA members may escape sanction for not adhering to advertising rules or making false claims online, says Cassuto – and social media platforms are not members of regulatory bodies, so they are not obliged to remove problematic content.

Campher's view is that current advertising and marketing regulation is not conducive to protecting parties involved in modern influencer marketing relationships.

"The existence of a mere contract or agreement between the brand owner and influencer isn't sufficient to protect their interests, let alone those of third parties," Campher explains. She says regulation will help to establish clear standards and expectations for all stakeholders, promoting ethical behaviour. "This will lead to increased trust among consumers and more sustainable, reputable marketing practices," she states.

Kenyan actress and content creator, Azziad Nasenya, has collaborated with cosmetics brand Garnier

Pieter Groenewald, CEO of influencer marketing agency The Salt (known as 'theSalt') isn't convinced that regulation works as it's difficult to enforce. He is, however, in favour of industry players managing compliance among themselves and calling out questionable ethics.

"I don't see regulation keeping up with the changes in the industry, and it could affect the effectiveness of the channel and add an additional layer of costs, which could ultimately hurt growth," he explains.

Groenewald says best-practice guidelines are a good first step, with the next being influencer buy-in.

"Perhaps badges or other forms of identification could indicate those influencers who have committed to self-regulation," he suggests.

Schimmel says the ARB is currently working on a Responsible Influencer Course with the Red & Yellow Creative School of Business, and influencers who take the course and sign an undertaking to be bound by ARB decisions will be able to register as a responsible influencer on the ARB website.

"Regulatory bodies act as watchdogs, monitoring unfair marketing practices with an increased focus on social media marketing," notes Campher. "Their authority and regulatory tools

PHOTOS: PETER VERWIMP VIA WIKIMEDIA COMMONS; AZZIAD NASENYA VIA X; SUPPLIED; RDNE STOCK PROJECT FROM PEXELS

Gail Schimmel, CEO of the ARB in South Africa

stimulate the development of collective international standards and co-operation, which might apply to the African marketing industry and audiences."

She adds that decisions handed down by authoritative disciplinary forums set precedents for industry players against which their own conduct can be measured and for the promotion of good industry practice, whether they are bound by those decisions or not.

In Kenya, for example, the promotion of alcoholic beverages is tightly regulated and brands typically enter into long-term agreements with reputable influencers, says Francis Karugah, Vice-President in Kenya of influencer marketing platform IndaHash.

Regulation may entail an investment in resources to ensure campaigns adhere to industry standards. However, Baloyi feels this cost can be justified if it enhances trust and credibility. "I would say an unregulated industry poses a greater risk to brands than regulating it well," he notes.

THE WAY FORWARD

A combination of regulation and self-regulation may drive industry best practice in the future. However, one thing is clear: the industry needs to professionalise, and compliance can be achieved through education, training and monitoring, says Baloyi.

There will be positives for both brands and influencers. Brands may be more likely to forge long-term partnerships with top-rated influencers, instead of engaging in once-off promotional campaigns. This may encourage these influencers to 'be themselves' and create authentic content, rather than paying lip service to a brand they may not know well, or even especially like.

Karugah cites the successful partnership between Garnier and internet personalities Joy Kendi and Azziad Nasenya as a case in point. "It was an instant hit because the influencers were authentic about their personal struggles with skincare, and the efficiency of the product was never in question as they took their followers deep into their journey with the brand," he says.

Working with influencers who have a track record of compliance will also allow brands to focus on quality rather than quantity. "This could lead to a shift away from simply choosing influencers based on their reach and follower counts, and towards a more qualitative assessment of their credibility, engagement, and alignment with brand values," notes Balat.

However, brands and influencers should each know exactly what is expected of them in order to protect themselves, Campher says.

"If it is not clear what each party is expected to do, how it should be done, and by when it should be done, a dispute is imminent, and that relationship is sure to fall apart – with consumers getting hurt along the way," she points out.

Agreements should be clear on issues like compensation, disclosure requirements, confidentiality provisions, ownership of intellectual property, dispute resolution options, exclusivity, and mechanisms for breach of contract, such as the right to terminate the agreement under certain circumstances.

Karugah says a code of ethics has been baked into influencers' contracts at IndaHash, ensuring their content aligns with the brand's policies. He says enforcement remains a challenge, but many brands and influencers are already self-regulating and adapting to challenges around copyright and use of artificial intelligence.

HubSpot's '*2024 Global Social Media Trends Report*' indicates that 82% of social media marketers believed influencer marketing was effective for their brands in 2023. This looks likely to continue. But if the industry fails to self-regulate, heavy-handed regulation may follow, which may remove some of the trust, freshness and authenticity influencer marketing currently enjoys. ■

Fiona Zerbst has been a journalist and editor for over 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.

[1] https://www.shopify.com/za/blog/influencer-marketing-statistics
[2] https://influencermarketinghub.com/influencer-marketing-benchmark-report/
[3] https://www.designrush.com/news/eu-commission-busts-influencers-for-undisclosed-ads#:~:text=Key%20Findings,promote%20a%20product%20or%20service.

Bobai Balat, founder and CEO of TIMA Influencer Marketing Agency in Nigeria

Zambia Institute of Marketing

BECOME A FULL MEMBER OF THE ZAMBIA INSTITUTE OF MARKETING BY ENROLLING AND COMPLETING THE ZIM POSTGRADUATE DIPLOMA IN MARKETING

Entry Requirements:

1. Grade 12 full certificate or its equivalent
2. Degree certificate in any field or its equivalent

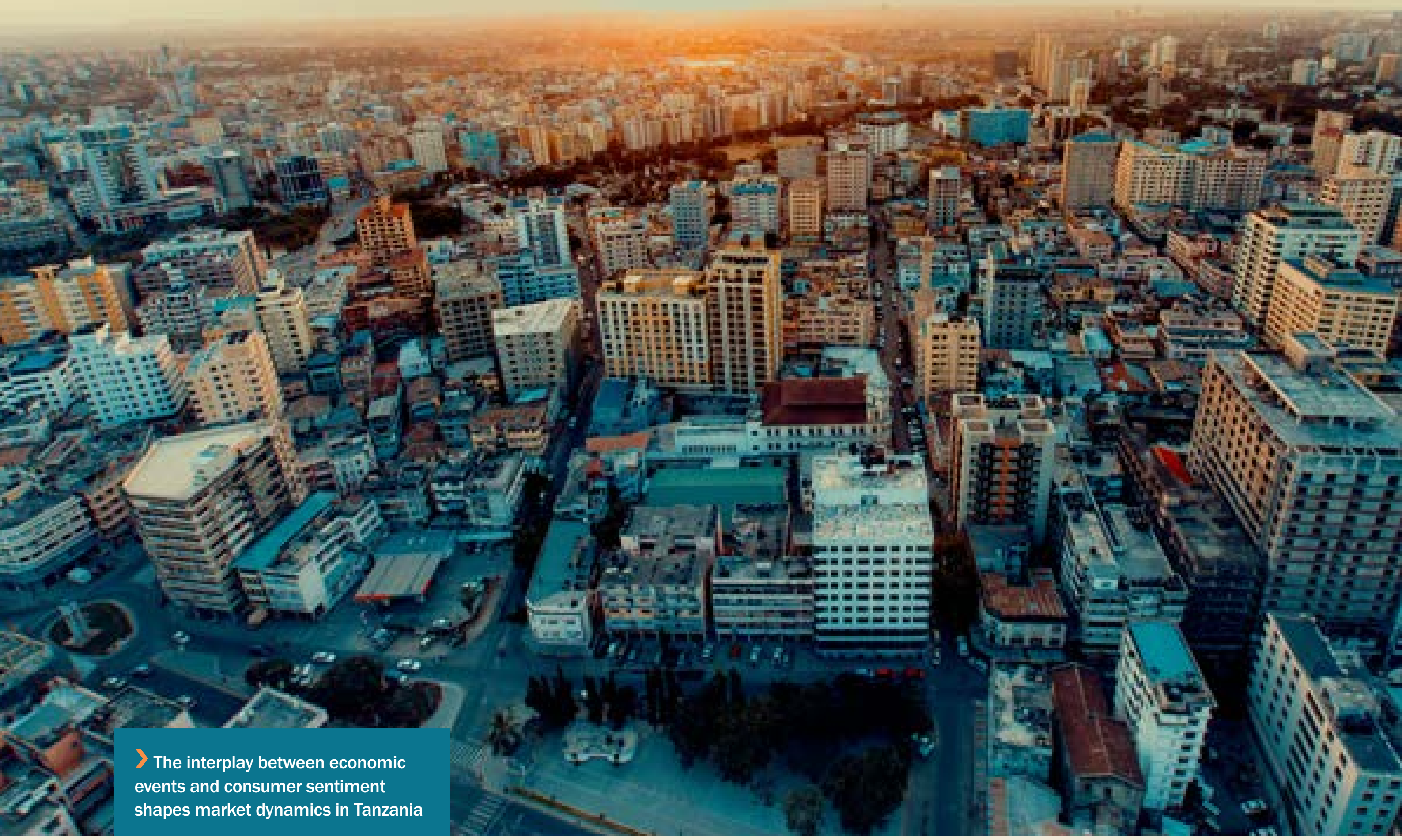
For more details contact us on: education@zimmarketing.org.zm or Call

+260 97 8600520 / 0977227656

Marketing: Key to Prosperity

Key consumer trends that Tanzanian CMOs need to align their strategy with

Yannick Lefang unpacks the dynamics of the evolving Tanzanian consumer landscape, examining the latest trends, demographics, and purchasing behaviours.



› The interplay between economic events and consumer sentiment shapes market dynamics in Tanzania

IN TANZANIA, THE interplay between economic events and consumer sentiment shapes market dynamics significantly.

The latest *State of Consumer Report – Tanzania* analysis from Kasi Insight identifies four key trends that are currently shaping consumer behaviour: 'Prudent Prosperity', 'Comfy Wellbeing', 'Phygital Reality', and 'Eco Vibe'.

These trends not only reflect the evolving consumer priorities, but also present unique opportunities for brands to engage effectively. Understanding and leveraging these trends is crucial for marketers aiming to foster meaningful connections in a rapidly changing economic climate.

Let's look at each trend in detail:

1. Prudent Prosperity

The trend of Prudent Prosperity embodies a strategic and cautious approach to financial management, deeply resonating with consumer sentiment that balances optimism with practicality amid economic uncertainties.

The *Index of Consumer Sentiment (ICS)* (see Fig. 1 opposite) from 2017 through to January 2024 reveals considerable volatility, largely driven by political changes, global events and economic policies. These factors often trigger substantial shifts in consumer confidence, with political events like elections and leadership transitions typically resulting in temporary surges.

Despite a modest year-over-year increase of four points in the sentiment index by December 2023, our research team notes that 66% of consumers continue to struggle with making money. This enduring economic pressure is subtly steering consumer behaviour toward more thoughtful and deliberate spending decisions.

However, in November 2023 there was a noticeable uptick in the willingness of consumers to make non-essential purchases. This indicates that moments of economic optimism, though fleeting, have the power to stimulate spending.

Consumers are not simply tightening their belts; they are making strategic choices about when and where to spend, opting for products that provide both functionality and long-term value. This discerning spending behaviour emphasises the critical importance of timing and product relevance in capturing consumer interest during these brief windows of improved economic perception.

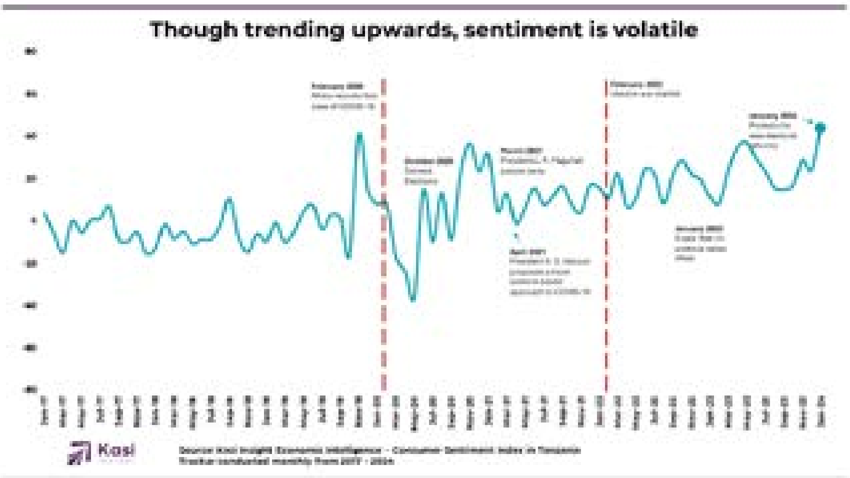


Fig. 1

Kariakoo market in Dar es Salaam. Almost two-thirds of consumers are struggling to make ends meet

2. Comfy Wellbeing

Following the Covid-19 pandemic, the Comfy Wellbeing trend has taken a strong foothold, steering consumer behaviour towards a balance of health awareness and financial mindfulness, while also incorporating elements of indulgence. This shift in consumer priorities reflects a sophisticated approach to wellness that includes both traditional health products and indulgent goods.

In 2023, 93% of consumers reported their health as being 'good' or 'excellent', highlighting a growing emphasis on health and wellness. However, financial challenges continue to impact lifestyle choices, blending the desire for health with the need for affordable solutions.

This trend underscores a nuanced understanding of wellbeing, where consumers align their health aspirations with economic realities, particularly in their purchasing decisions.

Approximately 36% of individuals have observed improvements in their physical health, largely due to better health practices such as maintaining a diet rich in fruits and vegetables. This commitment extends beyond basic health measures to include a proactive approach to overall wellness, which encompasses the consumption of health-related products like medicines and beauty items.

Importantly, this broad definition of wellbeing also embraces moments of indulgence, reflecting a holistic approach to life that includes pleasures like alcohol consumption. The inclusion

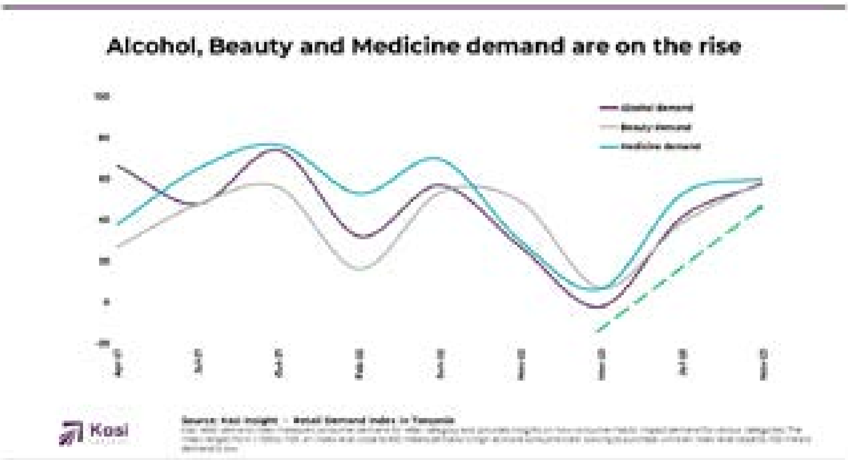


Fig. 2

of indulgences such as alcoholic beverages alongside health and beauty products (see Fig. 2 above) indicates a balanced lifestyle strategy, where enjoyment and self-care coexist.

This trend shows that while consumers are keen on products that offer health benefits and economic value, they also seek experiences that provide comfort and a sense of luxury. By investing in a diverse range of products – from health supplements to beauty aids and indulgent treats – consumers demonstrate a complex understanding of wellbeing that integrates physical, mental, and financial health with the pleasures of indulgence.

3. Phygital Reality

The evolving interplay between digital and physical realms is significantly reshaping consumer interactions with technology and traditional experiences. This trend is highlighted by the substantial integration of digital technologies into daily routines, with 64% of adults now using mobile devices for financial transactions.

This widespread adoption underscores a significant cultural shift toward digital convenience, facilitated by platforms such as Tigo Pesa, which enable transactions via SMS and mobile applications. These platforms exemplify the seamless fusion of accessibility and practicality, making digital tools a staple in everyday life.

Despite the surge in digital integration, the allure of physical experiences remains robust, particularly among older demographics.

For instance, 69% of Gen X consumers continue to prefer traditional shopping environments (see Fig. 3 below), emphasising the enduring appeal of in-person interactions. This preference speaks to a deeper, ingrained value placed on tangible experiences, which offer a sense of reality and personal connection that digital interactions often lack.

The challenge lies in creating hybrid experiences that not only speed up processes but also enhance consumer engagement through personal touches. For example, in-store technologies can streamline shopping while also providing personalised recommendations, blending the quickness of digital with the personal service traditionally found in physical stores.

4. Eco Vibe

The Eco Vibe trend is significantly reshaping consumer behaviour, emphasising sustainability and transparency in purchasing decisions. This movement toward conscious consumption is evident as an overwhelming 89% of consumers now consider sustainability factors before making purchases. This shift reflects a robust demand for products that are eco-friendly, authentic, and ethically sourced.

Further, 80% of consumers prefer products with natural ingredients, indicating a strong demand for environmental stewardship and authenticity.

This choice extends beyond simple product selection, as consumers seek a

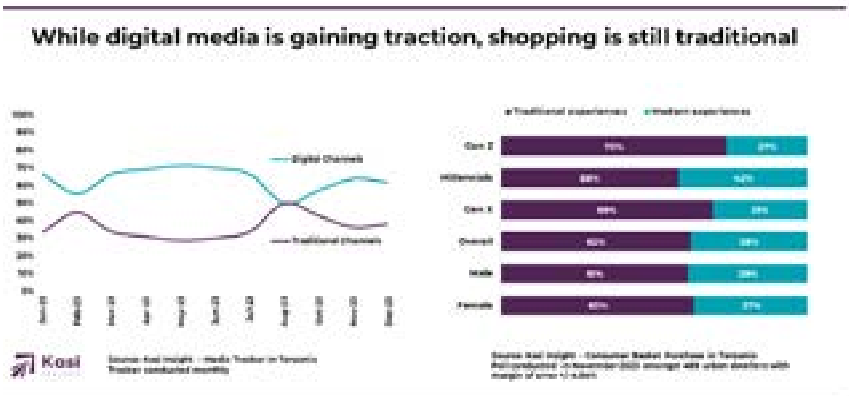


Fig. 3

This scenario presents a unique opportunity for brands to innovate within the Phygital Reality space, developing experiences that harness both the efficiency of digital tools and the authenticity of physical engagements.

deeper understanding of manufacturing processes, favouring items made with recyclable materials or produced through energy efficient methods. This growing preference underscores a commitment to environmental responsibility and

Kasi INSIGHT

AFRICA'S LEADING DECISION INTELLIGENCE PLATFORM

We envision an African market where you can win and inspire with confidence

Kasi Insight provides real-time, aggregated and trended primary data on and across Africa at a speed and ease not matched by traditional market research

Decision Intelligence Platform

- Unlock Growth with Real-Time Market Insights
- Optimize Your Strategy with Consumer Data
- Stay Ahead with Predictive Analytics

Research Intelligence Solution

- Agile and Rapid Insights
- Pan-African Expertise
- Customizable Solutions

Powered by **12,000 consumer interviews** conducted every month across **21+ markets**

Get our latest report by scanning our QR Code

TALK TO US TODAY:
hello@kasiinsight.com

VISIT US:
www.kasiinsight.com

WIN WITH CONFIDENCE

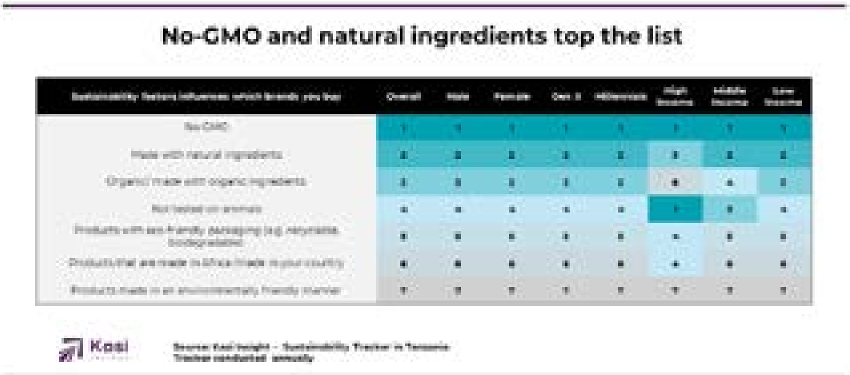


Fig. 4

aligns with personal values around sustainability (see Fig. 4 above).

Moreover, the trend highlights the importance of product purity, with a marked preference for GMO-free and organic options. This shows an increased consumer awareness of the health and environmental impacts of synthetic additives and intensive-farming practices.

As the Eco Vibe trend evolves, it is shaping a market where the environmental and ethical implications of products are as crucial as their functionality and design. Brands that embrace these sustainable practices are likely to resonate with consumers increasingly focused on the origins and impacts of their purchases.

This represents not just a trend but a fundamental shift towards a more sustainable and transparent consumer marketplace.

KEY TAKEWAYS FOR CHIEF MARKETING OFFICERS

- **Adapt to Economic Sensitivities:** In light of economic sensitivities, it's crucial to optimise the value proposition of products. This includes employing tiered pricing strategies to cater to different consumer segments and emphasising features that offer genuine long-term benefits.
- **Embed Health and Wellness into Company Culture and Consumer Engagement:** As health and wellness become increasingly important to consumers, CMOs should ensure these values are deeply integrated into the company's culture and consumer engagement strategies. This could involve initiating wellness programmes internally and extending this ethos to product development and marketing.
- **Optimise Phygital Integration:** With the blending of digital and physical spaces becoming more prevalent, there is a significant opportunity to innovate consumers' interactions. Investing in technology that enhances the physical retail experience, such as streamlined mobile payment systems, can significantly boost consumer engagement.
- **Champion sustainable practices:** Sustainability is no longer just a niche market preference but a broad consumer demand. Developing products and practices that prioritise environmental responsibility can profoundly impact brand perception and consumer loyalty. This involves more than just using eco-friendly materials; it includes adopting a transparent approach in marketing, showing consumers the behind-the-scenes efforts of production and the lifecycle impact of their purchases.

CONCLUSION

As Tanzanian consumer behaviours continue to evolve under the influence of economic, technological and social changes, understanding these trends is crucial for marketers aiming to succeed in this vibrant market.

Creating a strategic alignment with the consumer trends highlighted here will not only foster brand loyalty, but also position companies as leaders in a consumer-centric future. ■

Yannick Lefang is the founder & CEO of Kasi Insight, a leading African decision-intelligence company based in Nairobi, Kenya and Toronto, Canada. It aims to empower business leaders and entrepreneurs to make crucial decisions with confidence. The company pairs its proprietary high-frequency survey capability with advancements in statistics, data analytics and storytelling to inform better decisions on what Africans think and do – and why.

The Arusha food market. Healthy lifestyle choices are increasingly important to Tanzanians

A core characteristic of Gen Z is self-reliance

Realigning your brand's marketing strategies for the youth prosumer

Youth research consultant **Andrea Kraushaar** explores the world of the youth prosumer and the importance of customer service and brand experience to this audience.

BEFORE WE GET TO THE heart of this article, it's important to understand what a 'prosumer' is, given that there are various understandings of the term given in dictionaries and marketing literature.

DEFINITION OF A YOUTH PROSUMER

A young person who is not only a new and different consumer, but also one who recognises their responsibility as a promoter (and critic) of brands, products and services.

The fundamental shifts in consumerism are being led by younger audiences – youth prosumers – who constantly question the status quo, don't believe in the mentality of 'doing things just because we have always done them like this' and challenge brands to embrace the new world they are actively carving out for the rest of society to follow. At our SA research agency, we have termed them 'ProSumers'.

There are several key characteristics that define youth prosumers – 27 to be exact! One of the key traits unique to younger generations, and defining the evolution of the consumer journey, is that of 'self-reliance'.

HOW MANY YOUTH PROSUMERS ARE THERE IN SOUTH AFRICA?

Approximately 20.4-million, or 34.4% of South Africa's population, comprise individuals in the 15-34 age category – Gen Zs and Millennials. They are our prosumers.

Gen Zs are born in the mid-1990's to around 2010, including young people in their teens and 20s (approximately between the ages of 12 and 27), whilst Millennials are born in the 1980s to mid-1990s, and include individuals in their late 20s and into their early '40s.

WHY PROSUMERS REQUIRE A VERY DIFFERENT MARKETING APPROACH

Growing up in a world that is fast-paced, uncertain and drowning in content, Gen Zs and Millennials are displaying shorter, yet sharper attention spans (1.3 seconds before they lose attention), adept multi-tasking skills (doing at least 5-6 tasks simultaneously), and heightened adaptive abilities for search, analysis and critical thinking.

The biggest contributor to their changed cognitive functioning, as well as their expectations of brands and how they are prepared to engage with them, has predominantly been influenced by technology, which to Gen Z, in particular, is an intuitive process rather than a tool. This has produced a hyper-cognitive generation very comfortable with collecting and cross-referencing many sources of information and integrating both virtual and offline experiences.

The findings from the recent research conducted by specialist agency Youth Dynamix (YDx) in *The SA ProSumer Report* encourages brands in South Africa to realign their marketing and advertising efforts to successfully address the evolution in the consumer journey for younger generations, having evolved from a traditional linear approach to an infinite loop of inspiration, exploration, community and loyalty.

SELF-RELIANCE DEFINES THEM

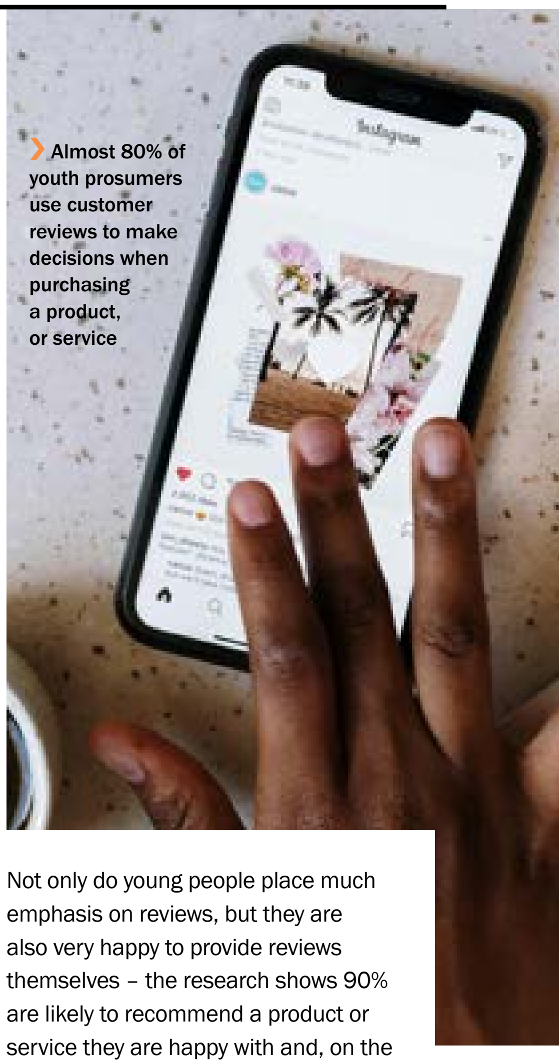
Having grown up in a hyper-connected, uncertain, complex world plagued by harsh realities, and let down by authority figures and corporations, younger generations are depending on themselves to 'make things happen' and encouraged to 'fix' things themselves, having an innate need to 'self-soothe'.

The research shows 91% of young adults are most likely to trust themselves for information – a core characteristic of self-reliance, extremely strong among especially Gen Zs. It is also evident that young adults will support brands that share their values – with 90% agreeing[1].

When in the consumer journey, youth prosumers use their pragmatic approach and ability to search, following a spiderweb process of self-discovery; researching, cross-checking, and investigating all options, starting with online searches and social media – sources they have infinite control over, and the natural ability to navigate with adept skill.

This is then followed by them turning to their 'inner circle' (close friends and family) to get their views, opinions, and experiences. High trust factors include parents (75%), siblings (62%), their best friend (56%) and their significant other (51%)[2].

The next step is closely followed by them scouring customer reviews on a product, brand, or service to gain in-depth insights from previous customers who they believe provide their honest, objective and unbiased views on their own experiences. The research shows 78% of youth prosumers use customer reviews to decide when purchasing a brand, product, or service.



Almost 80% of youth prosumers use customer reviews to make decisions when purchasing a product, or service

Not only do young people place much emphasis on reviews, but they are also very happy to provide reviews themselves – the research shows 90% are likely to recommend a product or service they are happy with and, on the flipside, 64% will cancel or leave a bad review on a product or service that they are unhappy with[3].

This self-reliance trait is evident in how young people approach life, their decision-making process, and the level of trust they place on themselves, rather than the 'outside world' (organisations, institutions and advertising).

Interestingly, the research shows that the lowest trust factors for young adults are advertising (19%), social media (14%), influencers (12%) and celebrities (11%)[4]. These sources are seen as "paid for" and are easily considered inauthentic, staged and dishonest when viewed through the lens of a youth prosumer.

According to this youth cohort, the main purpose of advertising is for information and awareness. Fifty-nine percent say advertising creates awareness of a product, brand or service, while 62% say advertising provides information about a product, brand or service they knew nothing about.

PHOTOS: COTTONBRO STUDIO FROM PEXELS; HELENA LOPES FROM PEXELS

Prosumers' expectations of brands, and how they are prepared to engage with them, has predominantly been influenced by technology

HOW LIKELY ARE YOU TO TRUST THE FOLLOWING INFO SOURCES?

	– EXTREMELY LIKELY
Myself	90.91%
Parents	75.12%
Sibling	62.20%
Best Friend	55.50%
Significant Other/partner	50.72%
Advertising	18.66%
Social Media	13.88%
Influencers	12.44%
Celebrities:	11.00%

The research also shows the importance of customer service and brand experience for younger generations, with 97% saying customer service is important to them, and 78% of young people being likely pay a premium price for good customer service.

When young people were asked what a company or organisation could do to improve their overall experience with them, the most prominent mention was good customer service (34%), followed by being proactive and interactive with the reviews and/or suggestions that customer's leave for the company. Young prosumers enjoy leaving reviews as they feel empowered to provide others with insights to their purchasing journey.

TAKEAWAYS FOR MARKETERS AND THEIR ADVERTISING AGENCIES

Offer breadth and depth of information: Gen Zs and Millennials expect brands to be transparent in sharing information about themselves, their offerings and their operations. Younger generations want to know 'the good and the bad' and expect to easily navigate an intuitive and personalised website experience.

Openly and authentically share your values: To younger generations, brands that resonate are those that share their values – why they are in business and how they aim to make a difference in the world. They expect brands to share this openly, honestly, and authentically through a wide range of channels, and be visibly displayed through their actions.

Provide inspirational, informative and supportive content: Content on social media is valued by younger people when it can make a tangible difference in their lives and supports their goals and individual life journeys. Content should be adapted for different social media channels, and the purpose that these younger generations are using the different platforms. A "cut and paste" strategy no longer works.

Don't underestimate the importance of human engagement: Despite their digital intuitive nature, these younger generations do expect human engagement, so the importance of customer service should not be underestimated. They expect the opportunity to connect with a competent, empathetic human who can honestly and authentically answer their questions and provide advice on a product or service. This level of interaction often is a 'make or break' in their final decision-making process.

Encourage reviews: Younger generations expect brands to encourage reviews throughout the consumer journey, at every touch point. Not only will they give customer reviews, they will actively use reviews on your brand to make decisions for themselves.

CONCLUSION

The power is now in the hands of the youth prosumer, rather than organisations, institutions, and brands. The challenge to brands, marketers and advertisers is to look past their own experiences and perceptions of life, and be open to having deep conversations with especially Gen Zs – get their views on your brand and business challenges, how they would approach things, and their thoughts on the future – you may just be humbled, exhilarated, and inspired!

Andrea Kraushaar is Research & Insights Director at Youth Dynamix (YDx), and one of the leading youth research consultants in Africa. She has a wealth of knowledge on the youth (Gen Z, Millennials, and most recently the Alpha Generation) markets, as well as the family market segments. She has worked extensively in market research and consumer insight for over 20 years.

[1] Gen RE Youth Lifestyle & Spend Report, 2022/23
[2] The SA ProSumer Report, 2023/24
[3] The SA ProSumer Report, 2023/24
[4] The SA ProSumer Report, 2023/24

IMM Institute
Established in 1948

Reach the Pinnacle of

Your Professional Development

Become an IMM Institute Associate

Scan QR code

Associateship Categories Include:

- Corporate Associateship
- Professional Associateship
- Professional Development Associateship

Enjoy These Benefits as an Associate:

Professional Development
- Up to 30% off IMM Online Short Courses
- Industry Workshops and Seminars

Free Subscriptions
- The IMM Quarterly
- Strategic Marketing for Africa

Exclusive Events
- IMM Fridays
- Executive Think Tank
- Annual Conference

Awards
- Marketing Excellence Awards

Recruitment Opportunities
- IMM Job Market Platform

Partnerships
- Financial Benefits and Added Value

Your Window to the African Market

First marketers achieve AMC's prestigious Chartered Marketer (Africa) designation

The prestigious pin presented to recipients of the CM(A) designation

Two high-achieving professionals complete the groundbreaking and rigorous process to achieve their Certificate of Chartered Marketer (Africa) status

IT WAS A PROUD MOMENT for the African Marketing Confederation when its first group of candidates recently achieved their Chartered Marketer (Africa) designation.

Two high-achieving marketing professionals – Kugandrie Govender and Tanya James – completed the rigorous process to attain the Certificate of Chartered Marketer (Africa) status. Both operate their own marketing consultancies.

They received their certificates and prestigious CM(A) pins at an Awards Breakfast hosted by the President of the AMC, Helen McIntee. Also present were family, senior AMC office bearers, and members of faculty who helped guide and mentor Govender and James through the inaugural CM(A) certification process.

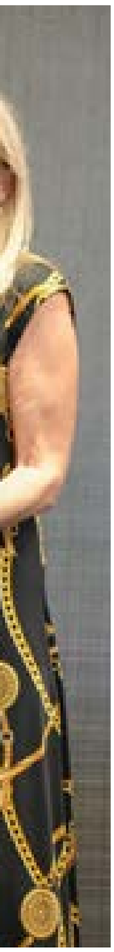
Speaking during the Awards Breakfast, McIntee commended and congratulated the pair on achieving their CM(A) status, which is the pinnacle of the AMC's education offering to its members.

"The CM(A) credential is only awarded to top marketers who prove that they are among the most knowledgeable, highly qualified and accomplished professionals on the continent. I have no doubt that the Chartered Marketer (Africa) status will assist you going forward. It is up to us to emphasise the diversity of Africa to the outside world," McIntee said.

Helen McIntee congratulates Kugandrie Govender on her achievement

› At the Chartered Marketer (Africa) breakfast. From left: Claudine Botha (AMC academic team); Tanya James; Helen McIntee; Kugandrie Govender; Irene Gregory (IMM Institute, South Africa)

PHOTOS: COURTESY OF AFRICAN MARKETING CONFEDERATION



"I also thank the AMC team for their support in making our dream of the CM(A) a reality".

SUPPORT AND GUIDANCE

In response, both recipients paid tribute to the AMC team for the encouragement and guidance they received, and pledged to support future candidates in their quests to achieve CM(A) status. They had also been able to learn from each other and became firm friends in the process, they said.

Govender, who works extensively with sports brands, thinks achieving the CM(A) designation will open up new opportunities for her business on the African continent. "It has helped me to understand the intricacies of African markets and makes me feel more confident. I can now speak to clients about all of Africa as a potential destination for their brands.

"For example, one of my clients looking to come into Africa is an Asian brand. Often brands based outside the continent look at it as a whole, and do not understand the intricacies of each of the 54 countries and how they may differ vastly from each other in their marketing requirements.

"This designation allows me to convey to brands the various idiosyncrasies of each territory and how to deal with that. It has always been a problem; that brands from overseas see Africa as a destination in one."

Govender believes the CM(A) adds gravitas and puts a solid designation behind her conversations. "It enables me to speak for Africa, which is an incredible honour and something that I don't take lightly. I highly recommend it to other marketers," she told *Strategic Marketing for Africa*.

› *CM(A) puts a solid designation behind African conversations*

CM(A) EXPANDS HORIZONS

According to James, the Chartered Marketer (Africa) process has assisted in her professional development and expanded her horizons about opportunities on the continent, notably in Zambia, the country which was the focus of her CM(A) case study.

She chose an Africa-focused designation because there is a real need to do more marketing research about Africa. "Marketing knowledge about developed economies is available in abundance, but in emerging markets like Africa there is a real need for high-quality research and information," she told *Strategic Marketing for Africa*.

"I have learned so much already. Getting a degree is one thing, but going through this process really got my creative juices going. The CM(A) journey was exciting and we received amazing support," she said.

James believes there is a dynamism and optimism around opportunities in Africa. Zimbabwe is an example. Although there have been economic challenges, there is definite future potential.

The Chartered Marketer (Africa) is the first Pan-African professional marketing designation awarded to senior marketers in recognition of their marketing experiences and skills. The programme is unique, the application process is rigorous and of the highest quality, and culminates in the submission of a high-level white paper or case study. This is peer-reviewed by the AMC academic team.

Readers of our Digital Edition can find out more about the CM(A) process and entry requirements here. ■

Anatomy of a media landscape survey: Be resourceful and flexible

The inside story of GeoPoll's *Democratic Republic of Congo Media Landscape Surveys 2023* won Best Paper at last year's Pamro conference. **Mike Simpson** speaks to its presenter, Matt Angus-Hammond.

Rainforest canopy at Ituri in the DRC. The rainforest is a boon to the country, but a challenge for researchers

MEDIA RESEARCH field work in Africa is, at the best of times, for the resourceful and resilient. But some research projects require an extra quantity of ingenuity and flexibility.

For Matt Angus-Hammond, Media Audience Measurement Director at global research company GeoPoll, and his team, their *Democratic Republic of Congo Media Landscape Surveys 2023* was the most difficult they've undertaken. Which is a big assertion, given that Angus-Hammond is an Africa research veteran with around 18 years of experience.

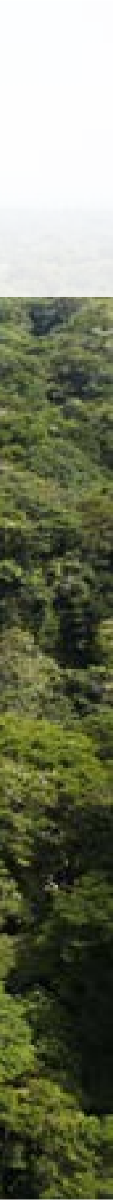
GeoPoll – which pioneered the first mass survey in the DRC via text message in 2012 and then went on to spread its research wings across Africa, Asia and Latin America – decided to run an audience measurement survey last year, on the back of other research projects its teams were doing at the time.

The country was then – as indeed it still is now – in varying degrees of stability, partial stability, instability, and armed conflict.

Against this backdrop, GeoPoll set out to undertake on-the-ground, face-to-face scientific sampling using local researcher teams remotely managed by GeoPoll's managers in Kinshasa, Kenya and by Angus-Hammond himself.

"We wanted to do scientific sampling [and] follow a proper approach, which was something that hadn't been done in the DRC before," he says. "We wanted to represent as much of the population as we could by using a statistically sound approach.

"When we talked (to our clients) about how many people were listening to a particular radio station or watching a particular TV channel, it was something we wanted to be fairly confident in. We wanted some sort of best-practice element to it."



But Angus-Hammond stresses that this was more of an idealistic goal than something the team was confident of fully achieving, given the difficult realities on the ground.

DIRECTING THE INTERVIEWERS

As the research got underway, the main focus of the GeoPoll managers was ensuring that the on-the-ground interviewers were not simply moving about at random and trying to find any populated area where they could do their interviews.

"All the sampling was directed by GPS," Angus-Hammond explains. "The information system behind it and the mapping our partners used was really impressive in terms of locating the settlements and providing a representative sample for our teams to interview."

But satellite imagery and GPS-based directions prepared in advance of the field research were not always equal to on-the-ground reality a short time later. Pedestrian footpaths that were usable when the satellite images were taken had subsequently become impassable; roads that looked good from space had now washed away.

"There was lots of that," he recalls. "It's an iterative process of sending the interviewers to places, finding out that for various reasons we couldn't go there, then redefining where we could go, while keeping the sample representative of the Congolese population. This also meant constantly re-evaluating how far into the rural areas we could afford to go in practical terms. That was all part of the process."

The thick forests of the DRC – the Congo Basin is the world's second-largest rainforest after the Amazon – are also not user-friendly to media researchers. Locating buildings and villages under the tree canopy was difficult from above, causing problems for GPS-based sampling. But, as Angus-Hammond points out: "These are just things you have to work through."

Was it dangerous? Given the enormous size of the DRC – around two-thirds the size of Western Europe – it's possible to operate in areas that are far from any war zone. But there's never room for complacency.

"It just required a lot of monitoring on the ground and checking what the situation was," he recalls. "But once you're talking to the people, it's very straightforward and they're happy to participate."

PHOTOS: MONUSCO & TANNOGLOU VIA WIKIMEDIA COMMONS

A cyclist transporting plants near Lubumbashi in the DRC. GeoPoll set out to represent as much of the population as possible by using a statistically sound approach

THE GEOPOLL APP

A key piece of equipment that was worth its proverbial weight in gold was the GeoPoll Mobile Interviewer App. Among other things, it enables GPS tracking of interviewers, recording of interviewee responses, and real-time synchronisation of data.

"Probably the most important advantage in the context of this project in such an isolated area was that the app works offline. Also, that it works with a wide range of mobile devices," Angus-Hammond explains. "Yes, smartphones are booming in Africa, but the devices used on the ground here were the simpler, entry-level ones. So, it's vital that the app is designed to work with those devices as well."

THE SURVEY RESULTS

So much for the practicalities – and challenges – of the research. What were the results?

Traditional media is still strong in the DRC, Angus-Hammond observes. "Traditional TV is hanging in there, as is

> *The forest canopy creates challenges*

traditional radio. What was interesting is the relatively strong following of print among young people – more so than older people. It almost seems to be becoming more popular. I think it's something that has a low price-access point. And there is a lot of trust with newspapers as well."

But this doesn't mean that new media hasn't found its way into the DRC. Streaming is happening and social media is increasingly popular, subject to the limitations of internet connectivity and data affordability.

"There is this idea that maybe urban areas like Kinshasa are okay in terms of media consumption, but the rest of the country is sort of just trying to stay alive. But, actually, they are spending time on social media and surfing the web. It's on a limited scale, but it's playing an increasing role in the lives of people in the DRC," observes Angus-Hammond.

'The Democratic Republic of Congo Media Landscape Surveys 2023. Context, Execution and Insights' ***won Best Paper at the 2023 Pan-African Media Research Organisation (Pamro) annual conference held in Casablanca, Morocco.*** **Digital Edition readers can access the full survey here.** ■

A mosque and market in the older part of Tripoli

Does new-found stability and growth in Libya present opportunity?

Improved stability and economic growth are enhancing Libya's potential as an export market. Egypt, in particular, sees the possibilities.

THE OVERTHROW OF Libyan leader, Colonel Muammar Gaddafi, in 2011 and subsequent civil war led most export-focused businesses to view the North African nation as a basket case.

But the oil-rich country has recently enjoyed increased peace and stability, enabling the economy to develop again. It grew by 19.5% in 2023 and will likely have 9.5% growth in 2024, according to Fitch Solutions. The International Monetary Fund (IMF) predicts 8% GDP growth this year.

Either way, the figure is well ahead of the average growth rate of 3.9% predicted for North African economies by the African Development Bank.

This growth in Libya, albeit off a low base, has led to increased demand for a variety of goods, including FMCG imports ranging from soft drinks to yoghurt.

The rising demand may have come to the attention of astute export marketers in April 2024, when Libya and Egypt became embroiled in a headline-making import-export spat at the Al-Salloum land border crossing.

Libyan authorities blocked the entry of various FMCG goods imported from Egypt and destined for Libyan consumers. Varying reasons were given, but commentators said the real reason was a tit-for-tat response to Egypt's decision to raise entry fees for Libyans entering the country. Citizens of both nations regularly cross the borders because they have family and tribal ties on both sides.

There have also been previous border spats between the two nations, indicating that the relationship is not always cosy, and the Libyans may be open to importing more goods from elsewhere.

DOMINANT TRADE PARTNER

Egypt, though, wants to become the dominant trade partner. In August 2023, it unveiled plans to develop a large logistics area close to the Al-Salloum land border, as well as a train link between the border and the Egyptian the city of Salloum.

In December 2023, Libya reciprocated by proposing a dedicated commercial crossing on the border to facilitate the flow of goods and enhance bilateral trade. This would be separate from the existing land crossing for individual travellers.

More recently – in May 2024 – there was talk of launching of a joint free-trade zone between Egypt and Libya in the Al-Jawf region, which is located in south-eastern Libya. Egyptian business groups have also been eyeing the cities of Tripoli, Misrata and Benghazi, which they believe have good growth opportunities.

Mohammed Al-Bahi, a prominent Egyptian business figure, has been quoted as saying that the Egyptian private sector had largely neglected the Libyan market in the past, and transactions were carried out with a degree of randomness and lack of interest in product quality.

Exporting into Libya would be one thing; investing in manufacturing or retail infrastructure would be a more daunting proposition, with the IMF saying major economic reforms are still needed.

Encouraging strong private sector participation in the Libyan economy is still relatively new. Also, by the admission of Prime Minister Abdul Hamid Dbeibah, the banking sector in Libya "has not yet awakened and is in a deep slumber, whether in the public sector or the private sector". ■

PHOTO: CÜNEYT TÜRKSEN VIA WIKIMEDIA COMMONS

Official Partner

CIM
The Chartered Institute of Marketing

ums | Uganda Marketers Society

Start your journey to becoming a top-notch marketing professional in Uganda and in the region.

Uganda Marketers Society is the premier organisation for marketers in the country, dedicated to promoting excellence in the field.

As a member, you'll gain exclusive access to cutting-edge marketing skill(s) development, ensuring you stay ahead in the ever-changing media and consumption landscape.

Our Mandate

Professional Skills Development

Promotion Of Professional Marketing Standards

Market Research And Consultancy

Our Core Values

COMMUNITY
At the core of who we are- we learn, grow, and build faster together than by individual effort: Extending a hand to those around us.

CREATIVITY
Fads come and go; but the one thing that powers us more than anything is exceptional ideas. Daring to define new frontiers.

LEARNING
We endlessly challenge ourselves to try new ideas, learn new skills, do what we've never done, or do what we've always done in new ways.

MASTERY
A professional edge to whatever we do. Investing our utmost: soul, heart, and skills- sparing no effort to get the best results possible

To join UMS
Email: admin@ums.co.ug
Phone: (256)787 433 057

Uganda Marketers Society
www.ums.co.ug

Why vodcasts are every African marketer's flexible friend

Repurposing marketing and social media content is a smart way to maximise digital spend. This flexibility is why vodcasts are taking off in Africa. By **Cara Bouwer**.

Daniel Acquisto and Raeesa Dhorat of Special Effects Media producing the *Surviving the Jungle* vodcast

PHOTOS: COTTONBRO STUDIO FROM PEXELS; SUPPLIED

WHAT IS A VODCAST other than a fancy podcast that incorporates video elements or visual techniques like image carousels, slides or still photographs?

Danilo Acquisto, co-founder and CEO of social video specialist, Special Effects Media, admits the definition is still rather sketchy.

"It's video and podcasts smashed together, but industry bodies need to start thinking about how we define these terms better," he says. "For marketers, it does get confusing. Does a radio show that is being filmed and cut down become a vodcast? Or a radio snippet?"

Another question that is frequently asked is: Must a vodcast have a visible microphone with a set question-and-answer format? Or can an existing podcaster film a conversation, stick it on YouTube, and then call it a vodcast?

While the concept remains broad and still slightly ambiguous, so is the reach of this video-driven format. Which is maybe part of the appeal.

In an 'attention economy' world, where marketers are battling to make their brands heard, Acquisto says attracting an audience has never been more important. Social media posts live for such a short time that brands and their marketing teams are struggling to feed through enough content.

"Best practice [on social media posts] is 15 seconds or less, so it's difficult to cram brand messages or unpack very complex brand needs and customer journeys into such a short-form piece of content," he emphasises.

As a result, marketers have developed a fondness for podcasting. This more informal format gives them the opportunity to "unpack at length, and in conversation with people, topics they wouldn't otherwise be able to do in the short-form space", Acquisto says.

He believes that vodcasts fall into the same conversational category as podcasts, except they offer even greater potential for repurposing quality content across multiple platforms.

A MULTI-TOUCHPOINT APPROACH

Moses Kemibaro, CEO of Kenyan digital business agency, Dotsavvy, affirms that "TikTok, YouTube and Instagram Reels have become an important aspect of the content mix when any brand is communicating" to an African audience.

Kemibaro should know. In addition to Dotsavvy, he has built a strong personal following thanks to his *Pure Digital Passion* podcast and his understanding of Africa's digital media ecosystem.

Kemibaro shifted into podcasting early on, and continued to create content during Covid using the Zoom communications platform. In most cases he opted for audio without video. But after using a professional film studio, he had an epiphany: "It hit me that when you do a video podcast, you end up with a number of assets."

Today, Kemibaro repurposes video content across LinkedIn, Instagram, his website and podcast. The secret, he says, is to use multiple platforms and multiple formats, but to craft the content in such a way that all the pieces work together. That, he emphasises, leads to significant aggregated reach and engagement.

AFRICA'S YOUTH LOVE A VODCAST

This multi-touchpoint approach ensures consumers can consume content as, when and where they prefer – which sits well with younger Africans.

Carving out time to sit and watch

BRANDS LEADING THE WAY

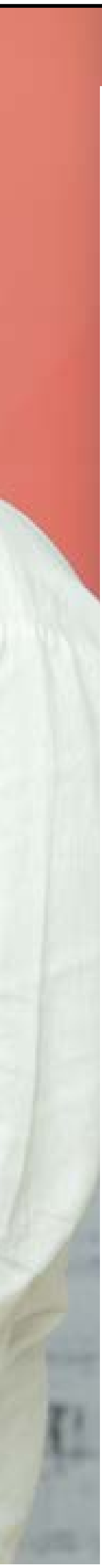
Some brands have jumped on the vodcast trend quickly and effectively. A great example is the Kenya Revenue Authority, which has a dedicated YouTube channel through which it shares video content to explain concepts and distribute information.

The authority, which has worked with Moses Kemibaro on two podcasts, also works with influencers and experts to boost the uptake of its messaging.

Similarly, in South Africa, Casey Mantel, Head of Digital: Special Effects Media, highlights wealth manager Investec's innovative approach that keeps its media fresh across channels. *Investec Focus Radio SA* podcasts are available on Spotify, while Investec's snappy interview vodcasts and video shorts are uploaded to YouTube.

Also in SA, Primedia Broadcasting films its radio shows and repackages that content into a vodcast format.

Moses Kemibaro, CEO of Dotsavvy



an hour-long vodcast is a significant time commitment, but nothing beats a video highlights reel for a quick overview. This also appeals to the 'attention light' younger demographics, who shy away from anything more than three minutes long.

"Video is just a younger thing," says Kemibaro. "With these guys, everything is visual, everything's on the smartphone. If you want to engage them, if you want to get that emotional resonance, they want to see a face. They want to make some kind of emotional connection with what they're seeing or consuming."

These young consumers aren't shy to disconnect from a message if it doesn't resonate, which is driving marketers to seek out new ways to connect with consumers who are becoming increasingly jaded by invasive traditional digital media ploys like website pop-ups.

TIME FOR AGENCIES TO RETHINK ENGAGEMENT

Kemibaro thinks influencers are very much part of this new ad-spend reality. This is why the vodcasts and podcasts of popular African influencers from Kenya to Nigeria, Ghana to Cote d'Ivoire, are thriving. Many are being sponsored or underwritten by brands like banks or telcos.

Yet, many marketers and brand agencies remain behind the curve, believe Acquisto and Kemibaro.

"Agencies need to possibly rethink how they do things," says Kemibaro. Specifically, how they work with influencers and content creators who are not just a form of media, but require a more relationship-driven collaboration. Kemibaro believes many African brands are "waking up to this" reality independent of their agencies, something Acquisto applauds.

"As a marketer you should know these things," he says. "There's a lot of outsourcing going on in brands today where they have this conglomerate of really big, very talented agencies that they're buying time from, and they've abdicated their responsibility to understand that marketing and effective marketing is an integration ... and the consumer interacts with this omni-channel world."

For this reason, Acquisto feels any marketing manager who isn't moving with the times and who doesn't see the potential for video content is "ill-qualified to do their job". Some may cite video production costs or the cost of data as barriers, but neither Acquisto nor Kemibaro believe this is a reason not to consider this route.

"Of course, there is a higher cost ... but data video content is increasingly what everyone consumes," says Kemibaro. "So you want to make sure you are playing in that space... It's not a silver bullet. It's just a question of how many ways you can unpack an insight or share a story, and then give it to people in a format that is the most preferable for them to consume it." ■

Cara Bouwer is an experienced writer, independent researcher, journalist and editor. Her words appear in media articles around the world, in business case studies, white papers, insight reports and corporate copywriting.

TIPS FOR STARTING YOUR OWN BUSINESS VODCAST

When starting a vodcast, Dotsavvy's Moses Kemibaro and the team from Special Effects Media both focus on the quality of content and storytelling. Yes, you need the right equipment and editing tools, but what attracts audiences is producing something of value.

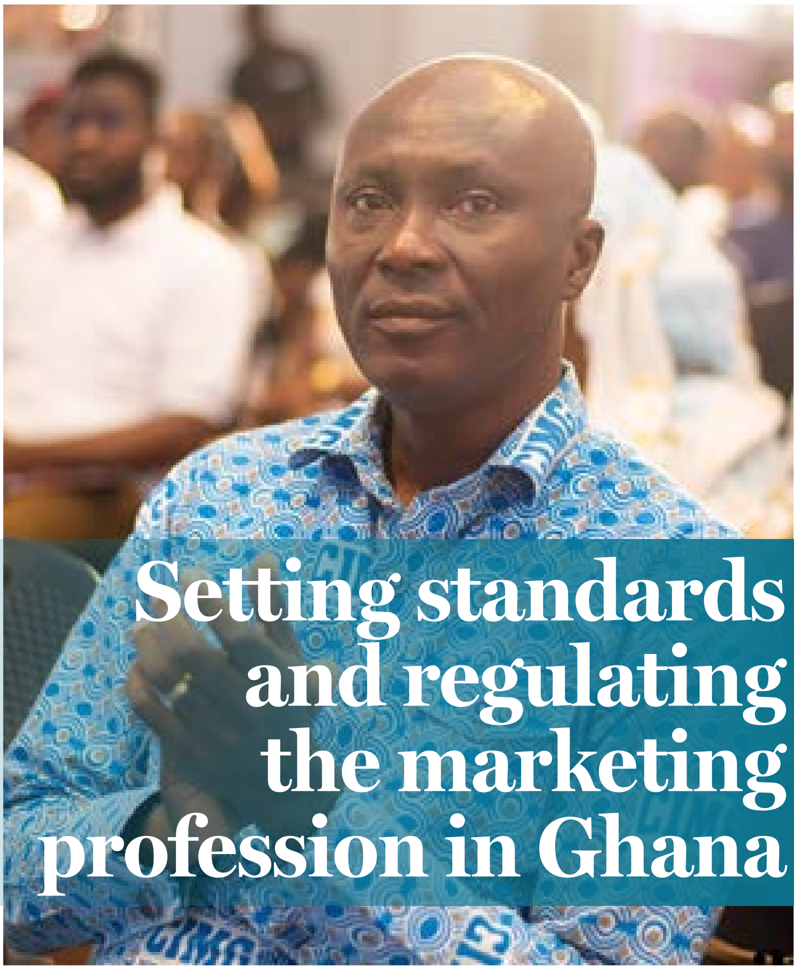
"Quality is about the storytelling and how valuable this content is to the audience," explains Daniel Acquisto, CEO of Special Effects Media.

"So, that doesn't mean you need a Coca-Cola budget to produce a podcast that will do well. There are a lot of African creators doing that silly thing where they each have their own cellphone and they are all recording separate audio tracks on their phones, while one camera sits there in the distance and just zooms into whoever is talking. But we watch it because it's intriguing. It's interesting. What they say matters – people care."

Once they care, the content must hold their attention, and one way to do that is tailor it to your audience. "If you understand that profile then you'll make sure the content is always skewed and packaged to be most appreciated by that audience," explains Kemibaro.

Speaking from an African brand perspective, Kemibaro has other tips for creating a successful vodcast:

- **Educate. Inform. Entertain.** "Ensure your content is either educational (meaning you teach somebody how to do something), informative (you tell them or show them something they didn't know) or entertaining (which means you kind of put a smile on their face). If you can hit those three, or any one of those three, then you usually have an audience."
- **Remember, brands have a story to tell.** Many brands today are going ahead of their agencies and looking for the type of engagement offered by content creators, vodcasters and bloggers, says Kemibaro. These marketers "want to tell their brand stories in interesting and novel ways that allow them to reach the people they are currently not reaching".
- **Content remains king.** "The reality is that value for money isn't there anymore. Audiences are fragmented," adds Kemibaro. "Return on ad spend is not very transparent or clear. I think in the next five to 10 years, it is going to look very different. The future will be around content for brands and how they engage their stakeholders."



Setting standards and regulating the marketing profession in Ghana

Promoting ‘Brand Ghana’, ‘Made in Ghana’ and advocating for more customer orientation in marketing are also passions for CIMG’s **Kwabena Agyekum**.

FOR KWABENA AGYEKUM, the Registrar and CEO of the Chartered Institute of Marketing – Ghana (CIMG), his journey in marketing has been a rich and diverse one.

That journey continues with his recent appointment as Vice President West Africa for the African Marketing Confederation, a role that aims to promote AMC membership in the region and runs in tandem with his varied duties at the CIMG.

Those responsibilities include driving the institute’s significant emphasis on enhancing professional marketing qualifications, training, research and advocacy in Ghana – a key set of responsibilities set out in the CIMG Act 2020 (Act 1021). This mandates the CIMG to set standards for the practice of marketing, as well as regulate the marketing profession in the country.

Commenting on this vital responsibility, Agyekum says: “We are confident that these endeavours will establish a strong licensing framework, aligning with our certification mandate, to grant licenses to deserving professionals in the foreseeable future. As we advance in certifying marketing practitioners, we anticipate a significant contribution to both business and the nation’s overall growth and development.”

In addition to these regulatory responsibilities, the CIMG is committed to advocating for initiatives such as the promotion of ‘Made in Ghana’ products, and enhancing the brand image of the country through initiatives like ‘Brand Ghana’.

“Furthermore, we actively support initiatives aimed at improving polytechnic education in Ghana, recognising its pivotal role in shaping the future of marketing professionals in the country,” he adds.

WELL VERSED IN THE CIMG

Agyekum is well versed in the objectives and achievements of the institute, having been a tutor at the Ghana School of Marketing, a Strategic Business Unit of CIMG, and then advancing to become the institute’s Registrar and CEO in the early 2000s. At the time, this made him the youngest CEO of a professional body in the country.

During his multi-faceted journey, he has consistently advocated for customer-oriented approaches in marketing. “I have been deeply engaged in fostering a customer-centric mindset among budding marketers,” he says of his time as an adjunct lecturer at institutions like the University of Cape Coast and the Simon Page Business School.

“Additionally, my role as the Ag. Coordinator for the Ghana Advertising and Media Research Foundation (GAMERF) further emphasises my commitment to driving customer-centric research and insights in the marketing domain,” Agyekum states.

Discussing the challenges facing Ghana’s marketers, he believes digital transformation is a key test, given that practitioners must embrace digital marketing channels and tools effectively, while overcoming limited internet access and digital literacy in some areas. Other challenges include evolving consumer behaviour, limited budgets, and a talent and skills gap.

On the opportunities side, he sees potential to leverage increasing mobile phone penetration to reach a wider audience. Social media and e-commerce growth also have significant potential.

“As we continue to uphold the highest standards in marketing practice and regulation, the CIMG remains dedicated to driving positive change and fostering growth within the marketing industry in Ghana,” he concludes. ■

PHOTO: CIMG

CIMG PROFESSIONAL MARKETER
Become a
world-class Marketer
with a CIMG qualification.
Sign Up Now
Contact +233 55 2746592
Chartered Institute of Marketing Ghana
cimggh
info@cimghana.org

How to harness marketing effectiveness amidst the chaos

'Marketing effectiveness' should not only focus on short-term perspectives like stimulating demand and reducing customer-acquisition costs. True marketing efficacy goes beyond that, writes **Dhatchani Naidoo**.

MARKETERS ARE faced with a myriad of challenges in today's chaotic environment, including – but not limited to – fast-paced technological change, shifting consumer behaviour, data overload, and shrinking budgets.

Against this backdrop, the importance of marketing efficacy cannot be overstated. Yet, if you mention the phrase 'marketing effectiveness' in boardrooms today, the understanding played back is likely to be a short-term perspective, one focused on stimulating demand and reducing the cost of acquiring customers.

But it's important to recognise that true marketing efficacy goes beyond short-term gains. It involves holistically managing brand and marketing operations to meet ever-evolving customer needs, and creating real value as these needs change.

RISKY BUSINESS

We know that in this chaotic world, the pressure to show return on marketing investment is high. It's precisely because of this uncertainty that a marketing plan geared towards the short term is risky.

Customer behaviour is becoming harder to predict, as consumers no longer follow linear pathways to purchase. Instead, they have circular and interconnected routes to choice, and are influenced by multiple data sources along the way. They've also adjusted to

Marketing efficacy must go beyond short-term gains uncertainty and are more cautious, risk averse, and focused on practical needs.

This has placed greater pressure on companies to demonstrate value, with the key being to build that value over both the short and long term. Capturing attention and driving sales will always have a place, but with a purely short-term focus, there is a risk of underinvestment in activities that foster brand salience, long-term memory and emotional connection with consumers. These are things that a customer can fall back on, even subconsciously, when making a choice.

Therefore, companies need to do the hard work of convincing consumers of who they (the brand) are, changing their minds about the brand if necessary, and guiding their affinity towards the brand. Only then will the potential customer consider them as part of the purchase decision-making process. In any pre-purchase situation, people are likely only choosing from a shortlist of brands within their consideration set. In short, 'You have to earn the right to sell'[1].

Focusing on short-term sales also assumes all buyers are actively in the market, overlooking the importance of reinforcing brand perception and readiness for future sales opportunities.

HOLISTIC BRAND MANAGEMENT

While many business executives would agree with the idea of building customer value over the short and long term, most don't see the ways in which they're deflecting marketing from this purpose within their organisations.

The ultimate role of the marketing function is to understand and connect with customers, aligning business strategies to deliver optimal value. This becomes hard to do when marketing planning is driven by isolated business silos rather than a cohesive brand and sales perspective.

When marketing is relegated to a secondary support function, charged with 'selling the things we make here', what results are disparate marketing activities, a lack of translation of customer information into actionable insights, and lukewarm value-proposition design.

This then manifests in complex brand architectures, overlapping product portfolios, and misaligned value propositions – ultimately diminishing the brand's impact and consumer perception. The result is customers who are confused and disconnected as they try to figure out who the company is and what value it really delivers to them.

CULTIVATING A CUSTOMER-DRIVEN COMPANY CULTURE

Encouraging executives, especially those outside the marketing realm, to grasp the broader mandate of marketing in organisational value creation requires a multi-faceted approach. We need more discussion at senior management level to improve the understanding of the inter-connectedness between marketing and overall business strategy.

The ultimate aim is to develop a stronger and more efficient brand and marketing system that achieves the following: efficient brand structures to maximise spending impact; customer value propositions aligned with customer values, making them easier to sell; and brand communication that stands out and attracts attention, while also generating demand and setting the brand apart.

This means driving home the operational shifts needed to prioritise the customer, putting the right insight against the right audiences, integrating marketing principles into business operations, planning marketing activity more strategically, and optimising resource allocation for maximum impact.

A great example of making this shift to a more holistic, effective marketing approach is AirBnB. In recent years the brand has balanced its approach to spend less on short term 'performance' marketing, while increasing the focus on building the brand to remind people what the heart of their business is about – hosts inviting guests into their homes. Performance marketing is now used to drive interest around specifics that customers seek. For example, classifications of home types, styles and locations that help users find exactly what they are looking for.

"Two years after the decision to reallocate marketing spend, the company reported its most profitable fourth quarter on record in February 2023"[2], reported the marketing industry publication, *The Drum*.

Checkers supermarkets is an example of a business that capitalises on data analytics to inform impactful market-facing initiatives

Marketing efficacy involves holistically managing brand and marketing operations

INVESTING IN DATA INSIGHTS

Connecting customer insight to the propositions developed is central, but often the ability to leverage information to derive actionable insights is an area under-invested in. Despite the wealth of available data, organisations often struggle to harness its full potential and extract relevant insights that drive value creation.

When sufficient focus is given to this, the effect is tangible in the market. The South African-based Checkers supermarket chain is a standout example of a business that has capitalised on data analytics to inform impactful market-facing initiatives.

Company management focused on mining data for insight about what customers value, and combined this with an investment in digital capability to deliver propositions like Checkers Sixty60, which is the country's #1 one grocery delivery app, and the Xtra Savings rewards programme, which is the biggest rewards programme in the country with close to 30-million subscribers.

These propositions created value for the business in their own right, but have also done the dual job of shifting perceptions and increasing affinity for the Checkers brand overall.

LEADERSHIP COMMITMENT TO THE REFOCUSING EFFORTS

Marketing has some work to do in asserting the value of a more holistic, effective brand and marketing approach – one that emphasises customer orientation, leveraging insight and strategic planning to drive sustained business growth and competitiveness.

But there is also a need for executives beyond marketing to embrace the possibilities this brings. In large, federated organisations (organisations with a network of semi-autonomous entities, each with its own degree of decision-making authority and operational independence), this often requires a subtle dance by marketing to cultivate internal support, addressing the perspectives of cynics while leveraging allies and internal influencers. Approaching marketing conversations pragmatically and highlighting strategic opportunities for enhanced effectiveness, while addressing existing pain points, is key.

The ideal is a customer-driven culture where the delivery of customer value is ingrained in every aspect of the organisation.

This means integrating customer impact into all decisions and discussions, ensuring that systems, operations, and executive decisions consistently prioritise delivering value to customers. Visible leadership commitment to this approach is essential, demonstrating the organisation's dedication to understanding and meeting customer needs effectively.

IN CONCLUSION

Navigating the chaos of today's marketing landscape demands a balanced approach that encompasses both short-term tactics and long-term strategies. While short-term sales are vital, they must be complemented by efforts to build brand salience, foster emotional connections with consumers, and prepare for future sales opportunities.

Achieving marketing effectiveness requires a holistic brand management approach that aligns business strategies with customer needs, and fosters a customer-driven culture within the organisation. By investing in data insights, fostering leadership commitment, and cultivating internal support, marketers can steer their organisations towards sustained growth and competitiveness.

Dhatchani Naidoo is Managing Director at brand and marketing consultancy Delta Victor Bravo. Prior to this, she spent four years in the UK overseeing brand, innovation, and research projects for clients in the UK, USA and Europe. She holds a BBusSci degree from the University of Cape Town and an MBA from the Gordon Institute of Business Science (GIBS). ■

References:

1. Les Binet and Peter Field on 10 years of The Long and the Short of It, *Marketing Week*, 20 Mar 2023 https://www.marketingweek.com/this-much-i-learned-les-binet-peter-field/

2. Airbnb CMO on ditching performance marketing for big, bold brand campaigns, *The Drum*, August 2023 https://www.thedrum.com/news/2023/08/24/airbnb-cmo-ditching-performance-marketing-big-bold-brand-campaigns

PHOTOS: PIXABAY VIA PEXELS; ALENA DARMEL FROM PEXELS; SHOPRITE CHECKERS

In large organisations, marketing may need to cultivate internal support

PHOTO: SUPPLIED

Malawi institute's President honoured as 'Woman of Substance'

Isabel Masi-Kachinjika recognised at Blantyre awards event for her contribution towards the marketing profession in Malawi.

EACH YEAR, THE PAN African Learning and Growth Network holds the 'Women of Substance Awards' (WOSA), an event that shines a spotlight on women who have made significant contributions across various sectors.

This prestigious event allows different professional bodies to submit nominations for their members, recognising those who have demonstrated exceptional achievements and positive influence in their respective fields, society and communities.

The Women of Substance Awards celebrates strong, powerful and inspirational women who have made trailblazing contributions. These women, often unsung heroines, are 'ordinary' individuals who accomplish extraordinary feats. They are frequently recognised and fully appreciated only by those closest to them – such as their associations, professional bodies or communities. WOSA aims to bring their remarkable achievements to a broader audience, honouring their dedication and impact.

The 2024 awards event, held for the third consecutive year, took place in April at the Amarylis Hotel in Blantyre, Malawi. This year's ceremony recognised 26 women from different professional bodies and 15 from various disciplines, including sports and entrepreneurship. The event highlighted the diverse fields in which women excel and their contributions to society.

Among the honourees was Isabel Masi-Kachinjika, the President of the Institute of Marketing in Malawi (IMM). Upon receiving her award, she expressed her heartfelt gratitude, stating, "I'm deeply honoured for being recognised at the 2024 Women of Substance Awards for my contribution towards the marketing profession in Malawi. Gratitude fills my heart for this acknowledgment. It's a testament to the collective effort and the supportive community around me."

The awards continue to be a significant platform for recognising and celebrating the exceptional achievements of women across Africa, inspiring future generations to strive for excellence and make a difference in their communities.

Among the first to congratulate Masi-Kachinjika were the members of the IMM Malawi, where she has been President since November 2020. The institute is one of the founding members of the African Marketing Confederation.

EXTENSIVE EXPERIENCE

In her professional life, she leads Brand and Innovations at Continental Holdings Limited, a position she took up in February 2023 after serving as Business Development Manager (centre and north) at Continental Asset Management for almost three years.

She has over 20 years of marketing, brand strategy and management experience, and led the rebranding of Airtel Malawi from Zain in 2010.

Masi-Kachinjika describes herself as "a dynamic and results-driven professional with a proven track record in brand strategy, productivity coaching, and change leadership. My commitment lies in fostering sustainable change and empowering individuals, businesses and communities to reach their full potential".

She also has a passion for empowering the youth. Recently she served on the panel of judges for the Top 16 Youth-Owned Brands Awards 2024. ■

institute of marketing in malawi

BECOME A MEMBER TODAY

OUR VISION

To develop Marketers into positions of influence.

WHAT WE DO

- Promoting professional development of Marketers in Malawi.
- Setting best marketing practice standards.
- Offering professional marketing training courses.
- Networking opportunities for Marketers.
- Organising marketing events.
- Providing guidance to marketing students.

MEMBERSHIP

We have individual and corporate membership categories.

Membership runs from
1st April 2023 to 31st March 2024.

To become a member contact
Vidah Mmadi on +265 991 00 83 88.

African tourism marketers seeing more potential in Chinese visitors

As more Chinese citizens signal their intention to travel abroad again, competition to attract them to the continent is increasing.

MORE THAN A YEAR after China reopened its borders, over 60% of its citizens are ready to begin travelling to foreign destinations again, according to a survey published in April. And many of these intrepid travellers say they want to venture farther afield than before.

With this in mind, African tourism marketers and government agencies are stepping up their efforts to entice more Chinese visitors to their countries.

Tanzania, for example, premiered a 25-minute tourism documentary aimed at Chinese consumers before a packed audience at the China National Opera House in Beijing on 15 May. The documentary, called '*Amazing Tanzania*', debuted at the gala opening of the 2024 China-Tanzania Culture and Tourism Year.

'*Amazing Tanzania*' features popular Chinese actor Jin Dong embarking on a journey exploring the diverse attractions of Tanzania under the guidance of Tanzanian President, Samia Suluhu Hassan, and Zanzibar President Hussein Mwinyi.

Last year, Tanzanian tourism authorities said that they had identified China as one of the country's new strategic tourism markets.

"I think Tanzania has been slow to deliberately grow numbers from China compared to other countries with comparable tourism industries in the region, so this is a positive move," Brian Mwinyi, a Dar es Salaam-based travel consultant, told the online news publication *Semafor Africa*. He cited South Africa and Kenya, which grew Chinese tourist arrivals by 216% and 154% respectively in 2023, compared with the previous year.

"Using media and entertainment is one way to really capture the imagination of many people, but we also need more direct flights and partnerships with travel agencies and other stakeholders to actually increase these numbers," Mwinyi said.

ANGOLA EYES CHINESE

Also seeing the potential is Angola. During a March visit, Angolan President Joao Lourenco told China Central Television his country would be marketing itself to Chinese citizens.

"I want to introduce Angola as a country brimming with opportunities, especially for investors and as a country that offers a lot of sightseeing spots for travel enthusiasts," Lourenco said.

"The country boasts beaches, sunshine, captivating waterfalls, and wildlife. We are planning to establish a large nature reserve in the southeastern part of the country. Tourists interested in large animals like lions and elephants will have the opportunity to witness them up close."

MORE AGGRESSIVE MARKETING

South Africa is among the countries that has seen a rise in Chinese tourist numbers. But its tourism marketers believe more still needs to be done. "Until now, we haven't been aggressive enough in promoting our country in China," said Gcobani Mancotywa, Asia Manager at the South African Tourism Board, in an interview with French newspaper *Le Monde*. "Now, we're designing targeted marketing campaigns by working with major Chinese platforms like Ctrip [a tour operator app] and Baidu [a major internet player]."

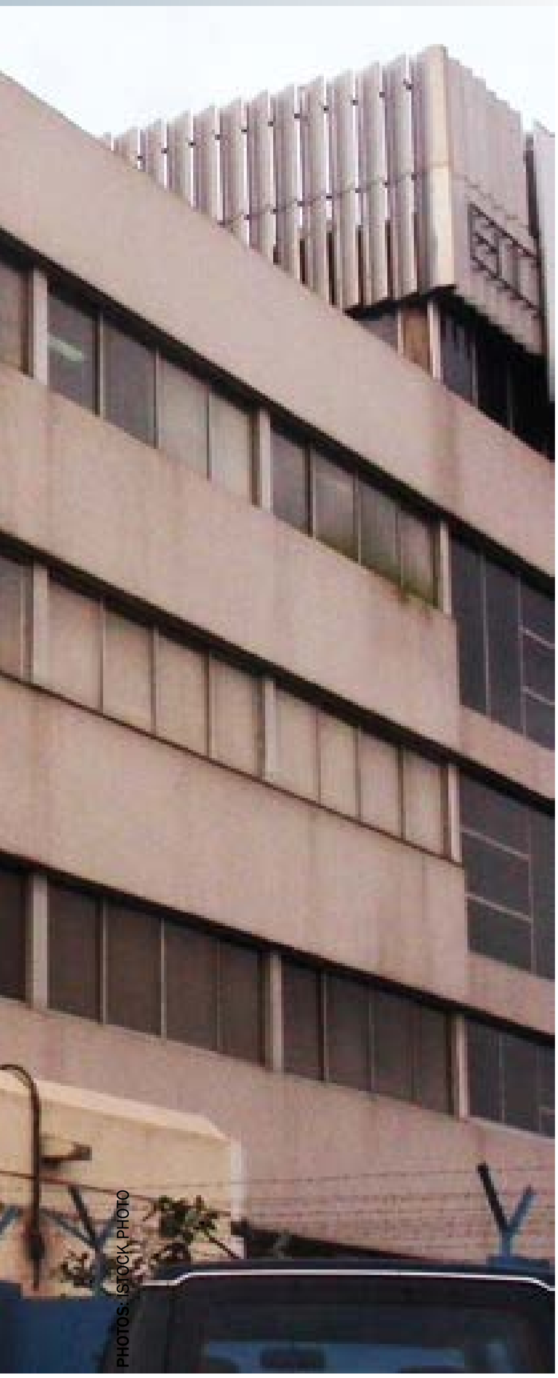
Not everyone is convinced the marketing efforts will pay off, though. "Chinese travellers prefer proximity – Asia – to long distances. And those who go farther afield concentrate on a few iconic destinations," Mike Fabricius, a consultant based in SA, said. ■

The great miscalculation – and exit – of multinationals from Africa ... again

A Unilever billboard on a wall in Abidjan, Côte-d'Ivoire

Many multinationals are exiting the continent. The reasons cited are identical to what many referenced almost a decade ago, writes **Efosa Ojomo**.

Children participate in the Nestlé-sponsored WASH programme in collaboration with the International Federation of the Red Cross and Red Crescent Societies (IFRC)



PHOTOS: ISTOCK PHOTO

DEJA VU. In 2015, many multinational companies exited Africa. Nestlé cut staff across 21 countries and Barclays, Coca-Cola, Cadbury, Eveready, and SABMiller retreated from different African markets they once believed had promise.

The allure of Africa, particularly the widely referenced Africa rising narrative, was fading. The reasons the multinationals cited were all too familiar: failing or inexistent infrastructure, smaller than expected consumer market, struggling institutions, and corruption. In effect, what they experienced in Africa was a disabling environment for business – as opposed to an enabling one.

After the lull in investment, which lasted a few years, the tides shifted. By 2019, Africa's demographics, including its growing population, youthful and entrepreneurial spirit, and sheer potential as the last economic frontier revitalised the continent's promise. "Africa poised to play a major role in the world" is how David Pilling, the *Financial Times* Africa editor put it, writing about Africa's promise. Naturally, investments began pouring in again and by 2021 foreign direct investment in Africa soared to almost US$80-billion, the highest number on record.

Today, like deja vu, many multinationals are exiting the continent again, according to a Bloomberg article. Bayer, GSK, Nestle, Unilever, and many others are cutting back significantly. The reasons cited are identical to what many referenced almost a decade ago: the lack of an enabling environment.

One business leader noted that being in Africa "doesn't justify the effort... If you do not have a conducive environment to grow and scale businesses, you will be left by the wayside." (For the record, even in this unconducive business environment, some companies are thriving, as the Bloomberg article notes. I have also written about it here).

But has Africa ever promised anyone a "conducive business environment"?

THE GREAT MISCALCULATION

Recently, I have been reflecting on Africa's business environment and have come to the conclusion that Africa has really never lied to anyone about what it takes to do business on the continent. The continent has never promised an enabling business environment, nor has it guaranteed ease of doing business.

First, by almost any metric that measures prosperity, the quality and predictability of a nation's institutions, the pervasiveness of corruption (or at least the perception of it), or the level of infrastructure, African countries tend to rank dead last. Whatever gains the continent has made are marginal, especially when compared to the gains many Asian countries, which African ones are often compared with, have made.

Second, a cursory overview of several reports shows the depth of Africa's development challenges and the long road ahead as the continent marches

The African middle class must first be created

towards prosperity. For example, consider this Pew Research Center study which provides insight on global income distribution. Fewer than 0.3% of people across Africa live on more than $50 a day, or $18,250 a year. Approximately 96% live on less than $3,650 a year, according to the report.

> *Companies were lured by Africa's potential growth*

This means Africa is full of non-consumers – hundreds of millions of people who would benefit from consuming a product or service but can't due to several barriers. The implication is that if a company is not focused on market creation – that is, transforming nonconsumption to consumption – it need not be in Africa. There is no African middle class to exploit. It must first be created.

Finally, a casual conversation with anyone who has ever done or who is currently doing business in Africa will expose the nuances or difficulties specific to different African markets. The fact that doing business in Africa is difficult should no longer make headlines.

Yet leaders of heavily resourced multinational companies were again lured by reports of Africa being the next great growth engine that would power their businesses and Africa being the last frontier where they could sell seemingly mundane products such as diapers, milk and detergent – and mint billions of dollars. This possibility captivated their imaginations and caused a great miscalculation.

Doing business in Africa is hard. And it should be. Not because there's something particularly wrong with Africa, but simply because of the stage of Africa's development. Most things in Africa – from education and healthcare to infrastructure and institutions – should be hard. One reason for this hardship is due to how much resources the continent has to spend on fixing itself. Take government expenditure per capita as an example.

The average government expenditure per capita across Africa is approximately $500. These funds go toward servicing a country's debt, building infrastructures, developing institutions, paying salaries, defence,

Efosa Ojomo, Director of Global Prosperity Research at the Clayton Christensen Institute for Disruptive Innovation

PHOTOS: ROBIN HYDER VIA FLICKR; ABDALLAH H VIA WIKIMEDIA COMMONS; CLAYTON CHRISTENSEN INSTITUTE; NESTLÉ; MIKE KNIBBS FROM PEXELS security, education, healthcare, and social-protection programmes.

In France, Norway, and the United States, government expenditure per capita is $24,000, $41,000, and $30,000 respectively. So, when a US or European company commits to do business in Africa and expects the business environment to be similar to the environment in a much wealthier region, the company places an unrealistic burden on its employees and on Africa. It is incredibly expensive to build an enabling environment and many African-country governments neither have the money nor the incentive to do so.

HOW TO SUCCEED HERE

Multinationals can succeed in Africa by understanding what the business environment resembled when today's wealthy countries were poor and by committing to market creation. I have written about that here too. Unfortunately, without that level of commitment, I'm afraid we will be here in 10 years talking about another mass exodus of multinational companies from Africa. ■

Nigerian-born Efosa Ojomo is Director of Global Prosperity Research at the Clayton Christensen Institute for Disruptive Innovation in Massachusetts, and co-author of* 'The Prosperity Paradox: How Innovation Can Lift Nations Out of Poverty'*. Efosa researches, writes, and speaks about ways in which innovation can transform organisations and create inclusive prosperity for many in emerging markets. He has a BS in Engineering from Vanderbilt University and an MBA from the Harvard Business School

AFRICA IS NOT A LAND OF QUICK WINS, IT'S A MARATHON

In late April, the Editorial Board of the *Business Day Nigeria* newspaper published an opinion article that also addressed the departures of several multinationals from Africa.

Headlined "Africa: The misunderstood boom and bust cycle", the opinion piece makes several key points.

Perhaps the most notable: "Here's the truth: Africa is not a land of quick wins; it is a marathon, not a sprint. Success hinges on a long-term commitment and a willingness to roll up your sleeves and build alongside the continent."

The editorial writers noted that Africa was once hailed as the next big frontier, a goldmine for businesses overflowing with potential.

"Multinationals flocked to the continent, their eyes gleaming with visions of exploding markets and endless profits. But wait a minute, haven't we seen this movie before? A wave of excitement crashes ashore, followed by a flurry of investment and grand pronouncements."

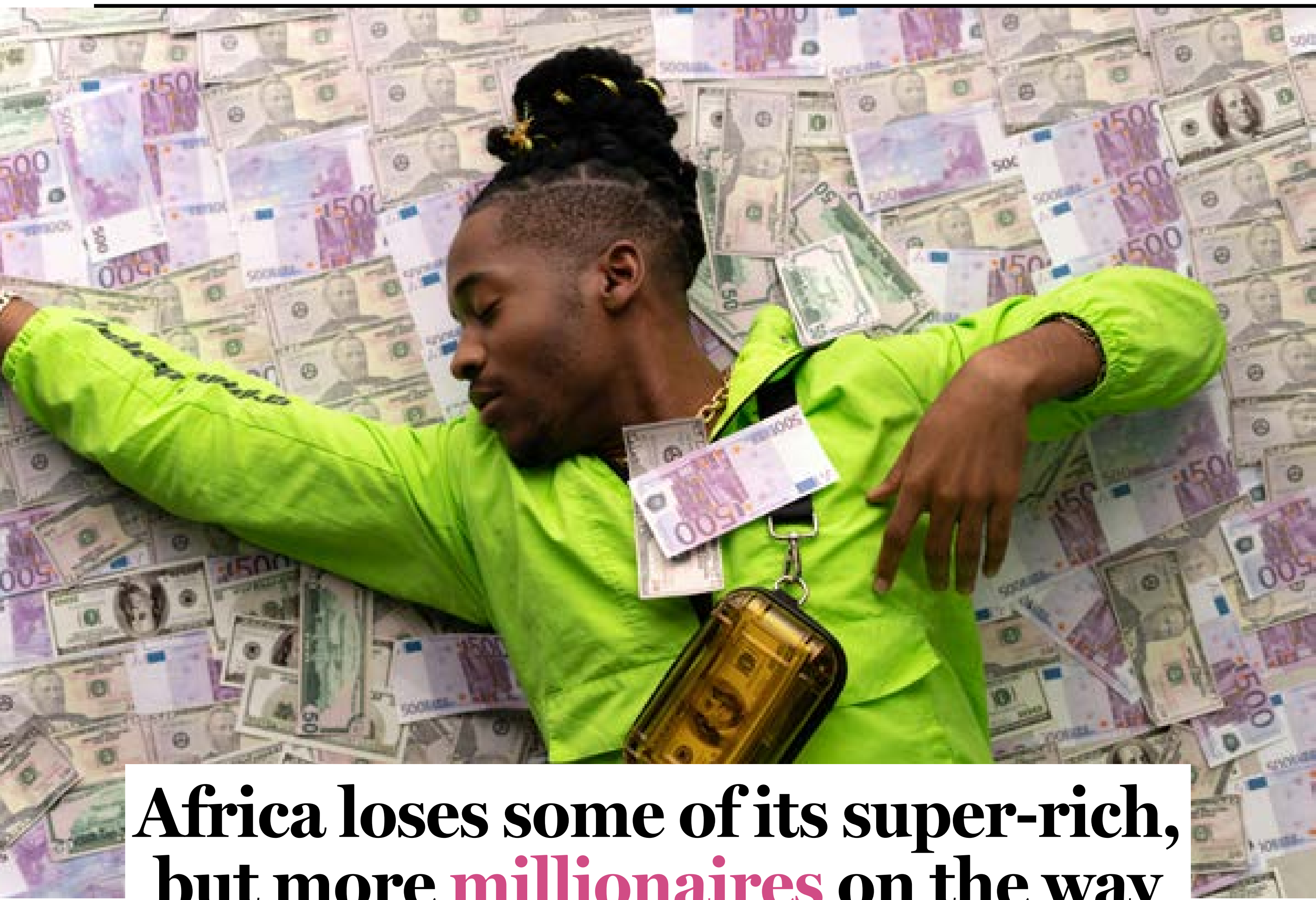
The editorial writers continue: "Then, just as abruptly, a tide of disillusionment washes over, and companies retreat, leaving a trail of unfulfilled promises in their wake. Here we are again, witnessing a mass exodus of multinationals – Nestle, Unilever, and Bayer – abandoning ship and leaving Africa to grapple with the aftermath of this boom and bust cycle."

Business Day Nigeria notes that the mirage of easy money has evaporated, replaced by the stark realities of a continent still under construction.

"The right partners will recognise that, and together, they can rewrite the narrative – not of a boom-and-bust cycle, but of sustainable growth and shared prosperity."

Readers of our Digital Edition can read the full editorial here.

By 2021, foreign direct investment in Africa had soared to almost US$80-billion



Africa loses some of its super-rich, but more millionaires on the way

Most very wealthy people found in South Africa, Egypt, Nigeria, Kenya and Morocco. Mauritius and Namibia are rising stars of the next decade.

FOR MARKETERS OF high-end luxury goods in Africa, the presence of wealth is a prerequisite. Fortunately for them, the continent's millionaire population is set to rise by 65% over the next 10 years.

This is according to the annual *Africa Wealth Report* published by international wealth advisory firm, Henley & Partners, in collaboration with New World Wealth.

The 2024 report reveals that there are currently 135,200 high-net-worth individuals (HNWIs) with liquid investable wealth of US$1-million or more living on the continent. There are 342 centi-millionaires (worth $100-million or more), and 21 dollar-billionaires.

Most of the super-wealthy are found in five countries: South Africa, Egypt, Nigeria, Kenya, and Morocco. Together, they account for 56% of the continent's millionaires and over 90% of its billionaires.

Dominic Volek, Group Head of Private Clients at Henley & Partners, says wealth growth on the continent has not been without its setbacks.

Five nations have most of wealthy

"Currency depreciation and underperforming stock markets have chipped away at Africa's wealth compared to global benchmarks," he notes.

Currencies in most African countries also performed poorly compared to the dollar over the past 10 years, with dramatic depreciations of over 75% recorded in Nigeria, Egypt, Angola, and Zambia. South Africa's currency depreciated by 43%.

MIGRATION ERODING WEALTH

African nations are also losing large numbers of HNWIs to migration, which is eroding the continent's wealth.

Explains Andrew Amoils, Head of Research at New World Wealth: "According to our latest figures, approximately 18,700 high-net-worth individuals have left Africa over the past decade (2013 to 2023).

"There are currently 54 African-born

billionaires in the world ... but only 21 of them still live on the continent. Most of these individuals have relocated to the UK, the USA, Australia, and the UAE."

SA'S WEALTHY INDIVIDUALS

Despite a tough past decade which saw a 20% decline in its millionaire population, South Africa remains home to over twice as many HNWIs as any other African country, with 37,400 millionaires, 102 centi-millionaires, and five billionaires.

It is followed by Egypt with 15,600 millionaires, 52 centi-millionaires, and seven billionaires. Nigeria sits in third place with 8,200 HNWIs.

Over the next decade (to 2033), the likes of Mauritius, Namibia, Morocco, Zambia, Kenya, Uganda and Rwanda are all expected to experience 80%-plus millionaire growth.

Mauritius, with its stable governance and favourable tax regime, is projected to experience a remarkable 95% growth rate, positioning it as one of the world's fastest-growing wealth markets. Namibia, too, is poised for impressive high-net-worth growth, which is forecast to exceed 85% by 2033.

Both Mauritius and Namibia offer investment migration pathways to attract global investors, the report says.

MILLIONAIRE-MAGNET CITIES

When it comes to cities and regions that will be home to Africa's millionaires of the future, Amoils says Cape Town, South Africa's Whale Coast (a coastal area about 120km from Cape Town with the town of Hermanus as its epicentre), Kigali in Rwanda, Windhoek and Swakopmund in Namibia, Nairobi, Tangier, and Marrakech are all expected to enjoy 85%-plus millionaire growth over the next 10 years.

The economic engine room of Rwanda, Kigali is home to a growing number of upper-middle class residents. It accounts for a high 52% of Rwanda's total wealth and over 60% of the country's millionaires. Its number of millionaires is expected to grow by 88%.

In the Moroccan city of Marrakech, the number of millionaires is predicted to increase by 65%. "Known for its beautiful architecture, Marrakech is an increasingly popular retirement destination for wealthy foreign nationals from the Middle East and Europe. It is also one of the world's top second-home hotspots for the super-wealthy and a major luxury tourism hub with several world-class hotels and resorts located in the city," the researchers say.

"Cape Town is on track to overtake Johannesburg to become Africa's wealthiest city by 2030. We expect several major Johannesburg-based companies to move their head offices to Cape Town over the next decade, which should help to drive wealth growth in the city," Amoils explains.

He adds that solid growth of over 80% is also projected in Lusaka and Mombasa, which may surprise some.

"Lusaka is the largest city in Zambia and one of Africa's top mining and agricultural hubs," the report explains. "Despite Zambia's debt crisis, there are a growing number of international companies setting up branches, shops, and top-end restaurants in Lusaka, which is indicative of its growing appeal."

In Mombasa, which is Kenya's main coastal city, there are several eco-estates on the outskirts of the city that are attracting HNWIs, the report states.

EXPENSIVE REAL ESTATE

When it comes to expensive luxury real estate, Cape Town continues to lead the way, with prime residential spaces valued at US$5,600 per m^2. Grand Baie in Mauritius is close behind at US$5,000 per m^2.

South Africa has five contenders in Africa's Top 10 Most Expensive Cities listing in the report. These are Plettenberg Bay ($2,400 per m^2), Hermanus ($2,300 per m^2), Umhlanga ($2,000 per m^2), and Sandton ($1,800 per m^2). Morocco's three major cities of Marrakech ($2,200 per m^2), Tangier ($1,600 per m^2) and Casablanca ($1,400 per m^2) all make it into the exclusive club, along with Egypt's capital Cairo ($1,500 per m^2), which is also one of Africa's largest cities.

Overall, the report projects solid growth over the forecast period in most major African cities. "We expect the key wealth-creating industries to be fintech, eco-tourism, business process outsourcing, software development, rare metals mining, green tech, media and entertainment, and wealth management," the research team concludes. ■

Kigali in Rwanda is predicted to grow its number of millionaires by 88% over the next decade

PHOTOS: COTTONBRO STUDIO FROM PEXELS; GATETE PACIFIQUE VIA WIKIMEDIA COMMONS

Why do identical informal businesses set up side by side in Africa?

You often see informal businesses offering the same service located side by side in Africa. It seems counter-intuitive, but it's a survival tactic. By **Professor Tim Weiss**.

Among other things, clustering creates an informal welfare system


The Dubai Spice Souk is another example of shops being clustered by product

THE POPULATION ON the African continent will have nearly doubled by 2050, according to UN projections. About 800 million more young Africans will enter the job market by then. Combine this forecast with the high youth unemployment rate in many African countries today, then the pressing question is: who will create stable jobs at mass scale?

Many policies to create new employment at scale focus on solution templates that have worked elsewhere, often outside Africa. These include enabling entrepreneurship to create high-growth start-up ventures, bringing in technological advances to potentially unlock new industries, or the establishment of outsourcing hubs for low-cost labour.

Few policies directly support homegrown solutions that already have a track record of creating large-scale stable employment.

Together with my co-authors, I looked for answers in a seemingly unlikely place. We studied how car repair businesses were organised. Specifically, we studied the neighbourhood of Dagoretti Corner in Nairobi, Kenya.

Here, 105 largely identical car repair businesses set up shop close to one another. Imagine corrugated iron sheets as fences to demarcate businesses which offer exactly the same service in the same location.

This phenomenon is common in major African cities. Thousands of different traders – from fruit sellers to furniture makers – set up next door to each other and co-locate. This doesn't make sense as a competitive strategy, so why do it?

We found that these businesses do this in part because it generates an informal welfare system. In our study, the car repair businesses mutually supported each other in a variety of ways to ensure they survived and thrived.

Our findings make a case that policymakers should focus on supporting these informal welfare systems. They abound in urban areas and create employment at scale. Yet, policies tend to support individuals, as opposed to groups, in informal economies. This could risk eroding these welfare systems, putting livelihoods at risk.

INFORMAL WELFARE SYSTEM

Over the past two decades, car repair businesses in Dagoretti Corner grew from 11 to 105 identical businesses. As the satellite images in the supporting video show (car repair businesses shaded in yellow), they have massively expanded and are now fully integrated into the urban infrastructure.

The agglomeration of businesses in this way is often seen as a sign of failed economic and urban development policy by industry analysts, development practitioners and policy makers. They tend to believe that agglomerated businesses should reach higher levels of efficiency, competitiveness, specialisation and innovation.

Yet, many businesses continue to operate the same way they did a decade ago with little change or upgrading. What benefit are these businesses reaping?

Through our fieldwork in Dagoretti Corner, visiting car repair businesses and conducting interviews with 45 owners, we identified five ways in which business owners create their own welfare system.

First, they save and invest money together. This is often done in small scale, informal rotating savings and investment associations. In Kenya these are known as chamas and savings and credit cooperative organisations (Saccos) and are akin to credit unions and cooperatives. Saving money together enables owners to get a loan and enables business owners to make investments together. Rather than being competitors, businesses are interdependent and trust each other to grow together.

Second, businesses offer apprenticeship opportunities, enabling the youth from rural Kenya to get trained and equipping them with the knowledge and resources to start their own car repair businesses. Through apprenticeships, mechanics become familiar with the welfare system and continue its upkeep into the future.

Third, trust is fragile and business owners come up with ways to self-police

In African cities, thousands of different traders – from fruit sellers to furniture makers – set up next door to each other

against free riding and theft. They address competitive behaviour through self-organised committees. Poaching customers from a peer business is seen as theft and is policed. Repeated shoddy repair work and alcohol abuse among mechanics is also policed. Particularly exploitative customers are blacklisted. After all, the owners want to make sure that customers perceive Dagoretti Corner as a safe place for customers to entrust their valuable cars.

Fourth, businesses support each other in times of crisis when nearing bankruptcy to ensure survival. Chamas and saccos make emergency money available to smooth over gaps. Businesses temporarily loan out their employees to other businesses to ease the financial burden of paying a wage. And businesses sub-contract repair work to distressed businesses, ensuring at least some cash flow until business picks up again.

Fifth, in times of personal crises when livelihoods are at stake due to high medical bills or funeral costs, peer businesses step in and provide a type of insurance policy. Owners, employees and apprentices collectively contribute funds to support those in dire need and prevent them from slipping into destitution. This informal insurance scheme even extends to family members.

This informal social welfare system is critical because it provides stable employment, saving and investment opportunities and insurance at considerable scale.

Policies that support the growth of individual entrepreneurs in these areas – such as through training and cash infusions geared towards business differentiation – are likely to introduce competitive behaviours among identical businesses. This risks the collapse of welfare systems and thus also employment at scale.

POLICIES MUST STRENGTHEN THESE INFORMAL SYSTEMS

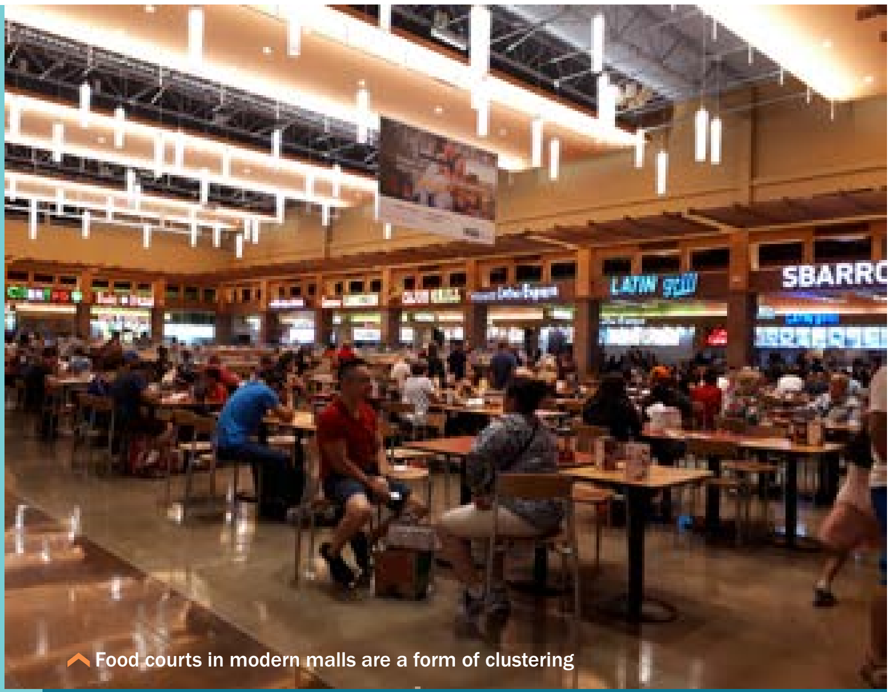
We concluded from our research that policies need to further enable, strengthen and then leverage the existing welfare systems of co-locating businesses to engender firm and employment growth. These are strongholds of cooperative behaviour that need to be protected rather than transformed or displaced.

One way this can be done is through the creation of transparent co-operative structures and exit pathways for individual businesses to grow. This would strengthen the welfare system and needs to be the starting point of policy discussions.

For example, targeted governance interventions could make chamas and saccos more robust to safeguard them against fraud and enhance their self-organising capacity. Digital technologies can play a role here to bring these saving and investment schemes into the modern age. Once made robust, cash infusions by the government to support firms in the informal economy can then happen through these, rather than through separate government-run entities.

We do not rule out the potential for policy interventions seeking to support individual firms. Yet, these need to be

At Dagoretti Corner in Nairobi, more than 100 identical car repair businesses have set up shop close to one another



Food courts in modern malls are a form of clustering

context-sensitive so that they can enable businesses to scale without eroding the social order.

This is just a starting point. In light of the pressing challenge to bring about labour-intensive growth in African societies, it is paramount to not only focus on importing solutions from elsewhere but to be intentional about enabling and supporting homegrown solutions that already work.

You can watch a YouTube video about the Kenyan study here. ■

This article is republished from The Conversation under a Creative Commons license. Read the original article here.

THE CONVERSATION

Tim Weiss is Assistant Professor at the Department of Management and Entrepreneurship, Imperial College London. His research has a strong focus on working on meaningful societal topics which can contribute to the advancement of scholarship and inform policy.

PHOTOS: MATT JEROME CONNOR FROM PEXELS; SYED PHOTOGRAPHY, SK STURM FAN, DON CHUKS AND SANDISTER TEI VIA WIKIMEDIA COMMONS

'CLUSTERING' IN FORMAL BUSINESS SECTORS TOO

It is not only informal African businesses that congregate in a particular geographic area to offer the same, or similar, products and services.

Auto dealers, for example, will often be found in the same part of town, along with businesses offering complementary services such as spare parts and vehicle servicing. In modern shopping malls, the 'food court' concept groups restaurants and fast-food outlets in a common area.

Marketing Mind Newsletter, published by the *Marketing Mind* industry website, says this concept of clustering is explained using 'Hotelling's Model of Spatial Competition'.

According to this model, all businesses want to be present in a location or area that is a prime attraction for customers. Every store owner wants their outlet to be in such areas and get the maximum market share.

Since every similar business will operate using a similar mindset, they will compete with one another, eventually causing similar businesses to end up in a cluster at some point.

'CLUSTERING' IN CITIES

An article published in *Voices* magazine, the publication of the British Council, examines what causes industries to cluster together in certain parts of a city, and whether it is a good thing.

Where lots of businesses cluster, people have plenty of potential employers, the article explains. They can share infrastructure, ranging from public transport to restaurants and theatres. And workers and businesses are likely to learn more from one another when they're close. This is called 'knowledge spillover'.

Lots of businesses in one place create a critical mass with clout when seeking support or investment. It also creates competition, which pushes companies to improve.

Skilled people working together also tend to form networks. These encourage the sharing of knowledge and generate social capital.


Dignitaries and guests at the site-handover ceremony in Kisumu

Feasibility study for Kenya-Uganda expressway project gets underway

Project is part of planned improvements to the Northern Corridor linking landlocked East African nations with Mombasa Port in Kenya.

A **US$1.4-MILLION** feasibility study is getting underway for the planned expressway to link Kenya's lakeside city of Kisumu to Kakira in eastern Uganda.

The study, funded by the African Development Bank (AfDB), will determine the economic viability of upgrading the existing multinational road sections from a single carriageway to expressway standards.

It forms part of planned improvements on the Northern Corridor which provides landlocked East African nations such as Burundi, Rwanda, Uganda and the DRC with faster access to Mombasa Port in Kenya. It is also part of the Mombasa-Kigali expressway that was prioritised by the East African Community (EAC) in February 2018.

The expressway is viewed as a potential game changer for regional logistics and supply chain management.

UNIFORM HIGH-QUALITY SERVICE

Speaking in Kisumu at the site-handover ceremony to the companies that will do the feasibility study – GOPA Infra Gmbh of Germany and ITEC Limited of Kenya – EAC Deputy Secretary General, Aguer Ariik Malueth, said the study will take about 18 months.

He emphasised the importance of uniform high-quality service along the entire corridor and urged EAC partner states to upgrade other sections of the Northern Corridor to create a comprehensive improvement of the road link.

> *High level of service along entire corridor*

"It is our expectation that partner states are also in the process of upgrading the other sections of the Northern Corridor from Mombasa through Nairobi up to Malaba, and from Kampala westwards towards Katuna and Mpondwe, so as to achieve a uniform high level of service along the entire corridor," the Deputy Secretary General said.

BORDER POSTS ASSESSED

In addition, the consultants will assess the performance of three One-Stop Border Posts (OSBPs) located in Malaba, Busia and Lwakhakha. These border posts play a crucial role in streamlining customs and immigration processes for goods and people moving across the Kenya-Uganda border.

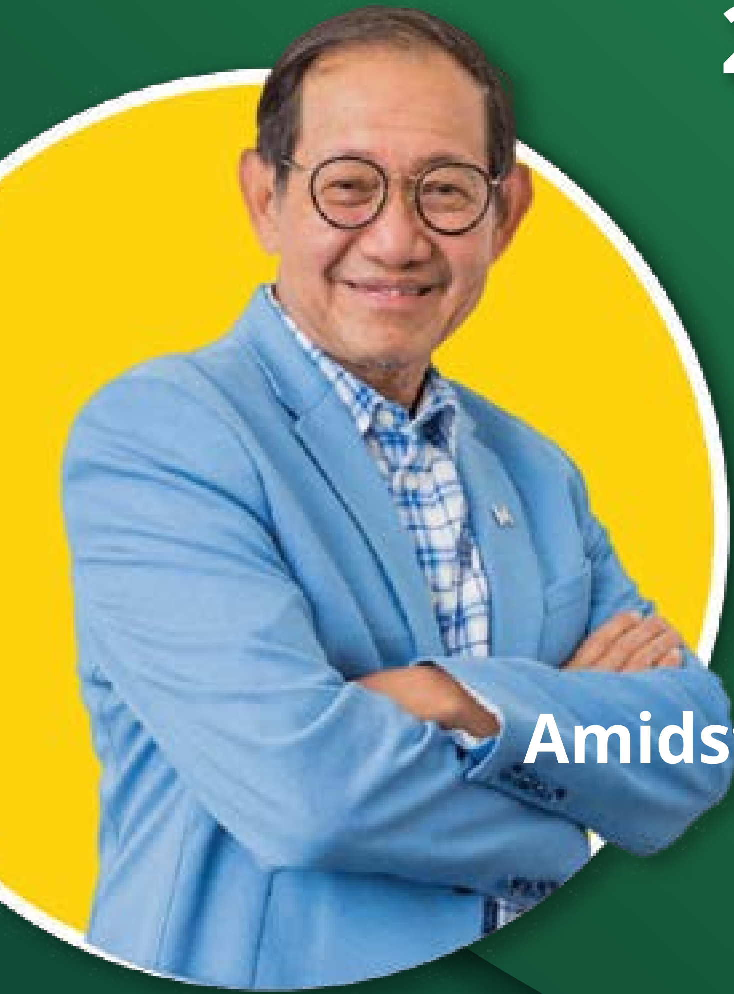
"The team will suggest improvements to optimise these border posts' operations, aiming to expedite procedures and alleviate the persistent issue of traffic congestion that often extends up to 5km at the borders," explains GOPA Infra Gmbh on its website.

The consultants working on the feasibility study are also expected to propose other measures including digitalisation of weighbridges, establishment of roadside rest areas, and intelligent transport systems.

Once completed, the Kenya-Uganda expressway will form part of the EAC Road Network Project, which consists of 10 cross-border corridors totalling 15,000km

Readers of our Digital Edition can watch a YouTube video about the proposed Kenya-Uganda expressway here. ■

PHOTOS: EAC




MSK
MARKETING SOCIETY OF KENYA
MY SOCIETY, MY PRIDE!
BE PART OF THE GROWTH
INDIVIDUAL MEMBERS CATEGORY
• Full Member (MMSK)
• Associate Member (AMSK)
• Students Members (SMSK)
CORPORATE MEMBER CATEGORY
• Platinum (CPMSK)
• Gold (GMSK)
• Silver (CSMSK)
BLOCK B UNIT 5,
51 LENANA ROAD,
KILIMANI, NAIROBI, KENYA
TEL: +254 20 2627684,
0792 001391
EMAIL: INFO@MSK.CO.KE
WWW.MSK.CO.KE