



SAFMA CONVENTION 2011

Where To From Here?
The Future of Business in SA:

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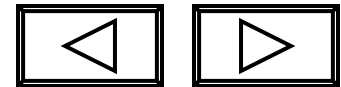
LET'S START WITH THE CONSUMER OF THE FUTURE

 the foundation
for service delivery!



David Ogilvy 1911-1999

**“The consumer
is not a moron.
She is your
wife.”**



WELL....ACTUALLY ...
ARE WE SURE ABOUT THAT ?



PEOPLE OF
WALMART



PEOPLE OF
WALMART





PEOPLE OF
WALMART



express

15 item limit

15 is THIS many:



expres

15 item limit

15 is THIS many:





SERIOUSLY THOUGH

WE ARE THE CONSUMERS OF THE FUTURE.

SEE IF THIS RESEARCH I DID RINGS A BELL WITH YOU...

WHO HAS LET US DOWN? POLITICIANS,
GOVERNMENTS, BUSINESS AND EVEN SOME OF OUR
CHURCHES.

News used to be the most TV programmes. Now its
Soapies and reality shows. Escapism?

**THE CONSUMER IS DESPERATELY LOOKING FOR
SOMEONE TO TRUST**

SO, THIS IS THE IDEAL OPPORTUNITY FOR US

**SO...GET OUR CUSTOMERS TO TRUST US AND
THAT'S IT ?**

TRUST, HONESTY & INTEGRITY ARE
NOT ENOUGH TODAY

WE NEED TO ENTRENCH LOYALTY

BUT HOW?



**START DELIVERING VALUE AND NOT EMPTY PROMISES.
(WE COULD ACTUALLY JUST STOP HERE)**

**STOP SAYING WE CARE AND OFFER ACTION. (IF WE DON'T
PROVIDE THE SERVICE YOU WANT WE WILL....)**

BE TRANSPARENT.



LET'S LOOK AT HOW WE WILL COMMUNICATE WITH THE CONSUMER OF THE FUTURE

THE AD INDUSTRY IS PRESENTLY REMOVED FROM ITS PROPER PLACE AS A DRIVER OF AN ECONOMY AND IS PERCEIVED AS AN UNBUSINESSLIKE TRIVIAL PURSUIT.

CONSUMERS HAVE CHANGED TO BECOME A LOT MORE SENSITIVE AND RESISTANT TO ADVERTISING THAT GRABS THEM BY THE LAPELS AND SHOUT IN THEIR FACES.

MEDIA PUBLICITY THAT RESULTS FROM SENSATIONALISM AND SHOCK TACTICS IN ADVERTISING TENDS TO PUT ADVERTISING INTO THE ENTERTAINMENT RATHER THAN BUSINESS ARENA THESE DAYS WITH THE RESULT THAT NON-MARKETING PEOPLE ON COMPANY BOARDS TEND TO REGARD IT IN THE SAME LIGHT AS REALITY TV SHOWS

HOW ADVERTISING WILL CHANGE:

BRANDED TV - PRODUCT PLACEMENT.

MASS MEDIA BECOMING TOO EXPENSIVE

16-24 YEAR OLD KIDS..EVERY MEDIA TYPE IS LOSING IN THIS SEGMENT

SA CONSUMER STILL TRUSTS SALES PEOPLE WHILE SPIVVING REMAINS RIFE.

THE FOCUS IN FUTURE ?

"IT IS NOT WHAT I WANT TO SAY.....

*.....BUT WHAT MY CUSTOMERS WANT
TO HEAR..."*

Example: People in the Pews

THE INFORMATION ECONOMY IS GIVING WAY TO THE ATTENTION ECONOMY.

-- HARVARD BUSINESS SCHOOL.

THE INFORMATION ECONOMY IS PROBABLY PAST ITS SELL BY DATE. THERE HAS JUST BEEN TOO MUCH OF IT AND THE MORE INFORMATION WE HAVE TO CONTEND WITH THE MORE IT PUTS PRESSURE ON THE CONSUMER'S TIME.

INDIVIDUAL ATTENTION IS SUDDENLY BECOMING A VERY SCARCE RESOURCE AND IT IS THIS SCARCITY THAT HAS PREPARED THE WAY FOR THE ATTENTION ECONOMY.

IN THE NEW ATTENTION ECONOMY, BUSINESS SUCCESS WILL BE DETERMINED AND DEFINED BY HOW YOU ARE AT GRABBING, HOLDING AND MANAGING THE ATTENTION OF OTHERS, WHETHER THEY ARE CONSUMERS, STAFF OR THE MEDIA.

IN THE OLD DAYS YOU ATTRACTED ATTENTION, IN ADVERTISING FOR EXAMPLE, BY SHEER SIZE AND FREQUENCY.

THERE ARE ALREADY BILLIONS OF CONSUMERS WHO FEEL THAT ADVERTISING IS INDEED TRYING TO BLUDGEON THEM INTO SUBMISSION.

GETTING ATTENTION IN THE FUTURE WILL REQUIRE FINESSE, SKILL AND A SOFT , DELICATE TOUCH. IT WILL INVOLVE A FAR DEEPER UNDERSTANDING OF WHAT MOTIVATES HUMAN BEINGS.

IN SETH GODIN'S BOOK "PERMISSION-LED MARKETING "HE SAYS HE AVERAGE INDIVIDUAL IS EXPOSED TO 1 0 000 MARKETING MESSAGES DAY.

Some examples of "getting attention without shouting"













Time for Silberman's Fitness Center.
899-9501

VIACOM





SOME FACTS ABOUT COMMUNICATING WITH CUSTOMERS IN SOUTH AFRICA

R50 BILLION WASTED ON MARKETING EVERY YEAR IN SA.

**IMPACT INFORMATION: 20% OF ALL ADVERTISING NOT
ONLY DOESN'T WORK BUT ACTUALLY DAMAGES THE
BRAND.**

AND ITS NOT JUST IN SA - ITS WORLDWIDE







- WE ALSO NEED TO BE CAREFUL WHERE WE
- PUT OUR MESSAGES TO THE CONSUMER



Childhood obesity.
Don't take it lightly.



Food Stamps can help. Call 1-888-328-3483 to see if you qualify.

472



The golden arches



my kinda
shoppin'
spree

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7152

34 11
Kitchi
Cafe & Deli
Take Out or Delivery
Tel: 584-1

dumpalink.com





GOT A GIANT THIRST?

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SweetZone
Sports Drink

- ✓ Taste Great
- ✓ Refreshing
- ✓ Great Taste
- ✓ Absorbs Quickly
- ✓ Fights Fatigue
- ✓ Great Cooling

CALL 800 388 3888
www.sweetzone.com

THE IMPORTANCE OF CUSTOMER SERVICE:

COLIN ADCOCK: *“AN OBSESSION WITH CUSTOMER SERVICE...”*

THE VERY SOUL OF BUSINESS

CUSTOMER SERVICE IS NOT A LAW, A REGULATION, A SET OF RULES. IT IS A SIMPLE WAY OF MAKING MORE MONEY.

HERE’S THE CREDO BY WHICH CUSTOMER SERVICE SUCCEEDS OR FAILS

**“ALWAYS AGREE WITH
YOUR MOTHER IN
LAW”**

WHAT MUST WE DO TO INSTIL CUSTOMER SERVICE ETHIC?

CHANGE MIND-SET. IT IS NOT A PAIN IN THE BUTT. ITS EASY WAY OUT.

PEOPLE WHO WORK FOR COMPANIES ARE TOO LOYAL. TOO DEFENSIVE.

MUST USE LOGIC.

**CASE HISTORIES: THE DUMB DOG OF DOG OF UMHLANGA.
THE DUMB DEALERS.**

**WE ALSO HAVE TO UNDERSTAND THAT YESTERDAY'S MESSAGES DON'T
WORK TODAY**



You mean a woman can open it?

If your husband ever finds out

you're not "store-testing" for fresher coffee...

*...if he discovers you're
still taking chances
on getting flat, stale coffee
...we be unto you!*

*For today
there's a sure
and certain way
to test for freshness
before you buy*



The Chef
does everything
but cook
- that's what
wives are for!



I'm giving my wife a

Kenwood Chef



Blow in her face and she'll follow you anywhere.

Hit her with tangy Tipalet Cherry. Or rich, grape-y Tipalet Burgundy. Or luscious Tipalet Blueberry. It's Wild! Tipalet. It's new. Different. Delicious in taste and in aroma. A puff in her direction and she'll follow you, anywhere. Oh yes... you get smoking satisfaction without inhaling smoke.



New from Muriel.

About 5 for 25¢.

Smokers of America,
do yourself a flavor.
Make your next
cigarette a
Tipalet.



According to repeated nationwide surveys,

More Doctors Smoke **CAMELS** than any other cigarette!

Doctors in every
branch of medicine
were asked, "What
cigarette do you smoke?"
The brand named most
was Camel!

You'll enjoy Camels for the same reason
so many doctors prefer them. Camels have
rich, soft nicotine, pack after pack, and
a flavor unmatched by any other cigarette.
Make this available now. Available only
Camels for 30 days put you into the Camel
zone you can't leave until they sell
their share of your ready market. You'll
no longer enjoyable a cigarette can be!

THE DOCTORS' CHOICE IS AMERICA'S CHOICE!



DR. J. H. ...



DR. ...



DR. ...



For 30 days, test Camels in your "V-Zone" (V for Throat, T for Taste).

SO THE HARDER A WIFE WORKS, THE CUTER SHE LOOKS!

GOSH, HONEY, YOU SEEM TO THRIVE ON COOKING, CLEANING AND DUSTING- AND I'M ALL TUCKERED OUT BY CLOSING TIME. WHAT'S THE ANSWER?

VITAMINS, DARLING! I ALWAYS GET MY VITAMINS

Kellogg's PEP
VITAMIN-ENRICHED
WHEAT FLAKES

Vitamins for pep! PEP for vitamins!*

NIEUWE OMO, WITTER DAN GOIT!

before



after



Funtal.com

BEER



HELPING UGLY PEOPLE
HAVE SEX SINCE 1862!

THESE DAYS WE HAVE TO TREAT WOMEN
DIFFERENTLY

BUT WE DON'T REALLY DO WE ?







JUST DO HER.

funmeme.com

HOWEVER, MORE AND MORE WOMEN ARE HAVING
THE LAST WORD IN ADVERTISING THESE DAYS



Perhaps it's time to turn to Pedigree light dog food.



THE DIGITAL AGE IS HERE – EMBRACE IT OR
GET LEFT BEHIND

ITS IS MAKING THE WHOLE BUSINESS OF
DOING BUSINESS CHEAPER



REACHING THE CONSUMER

- More than 50% of the world's population is under 30-years-old
- 96% of them have joined a social network
- The fastest growing segment on FaceBook is 55-65 year-old females
- 78% of consumers trust peer recommendations
- Only 14% trust advertisements
- One out of 8 couples married in the U.S. last year met via social media

THE IMMENSE POWER OF SOCIAL MEDIA

During the recent World Cup, the highest quality and most valuable "advertising" was Twitter.

What is "social media ?"

Social Media Explained



I need to pee

facebook

I peed

foursquare

This is where I pee

Quora

Why am I peeing?

You Tube

Look at this pee!

Linked in

I'm good at peeing

myspace.com
a place for friends

Why did everyone pee & leave?

Google+

Let's all pee together!



"Not tonight. Didn't you get my email?"



**“Dear Andy: How have you been?
Your mother and I are fine. We miss you.
Please sign off your computer and come
downstairs for something to eat. Love, Dad.”**

With the rapid escalation in the usage of the internet and mobile technology, linked to changes in consumer demand for digital entertainment, the world is already moving rapidly towards information on demand.

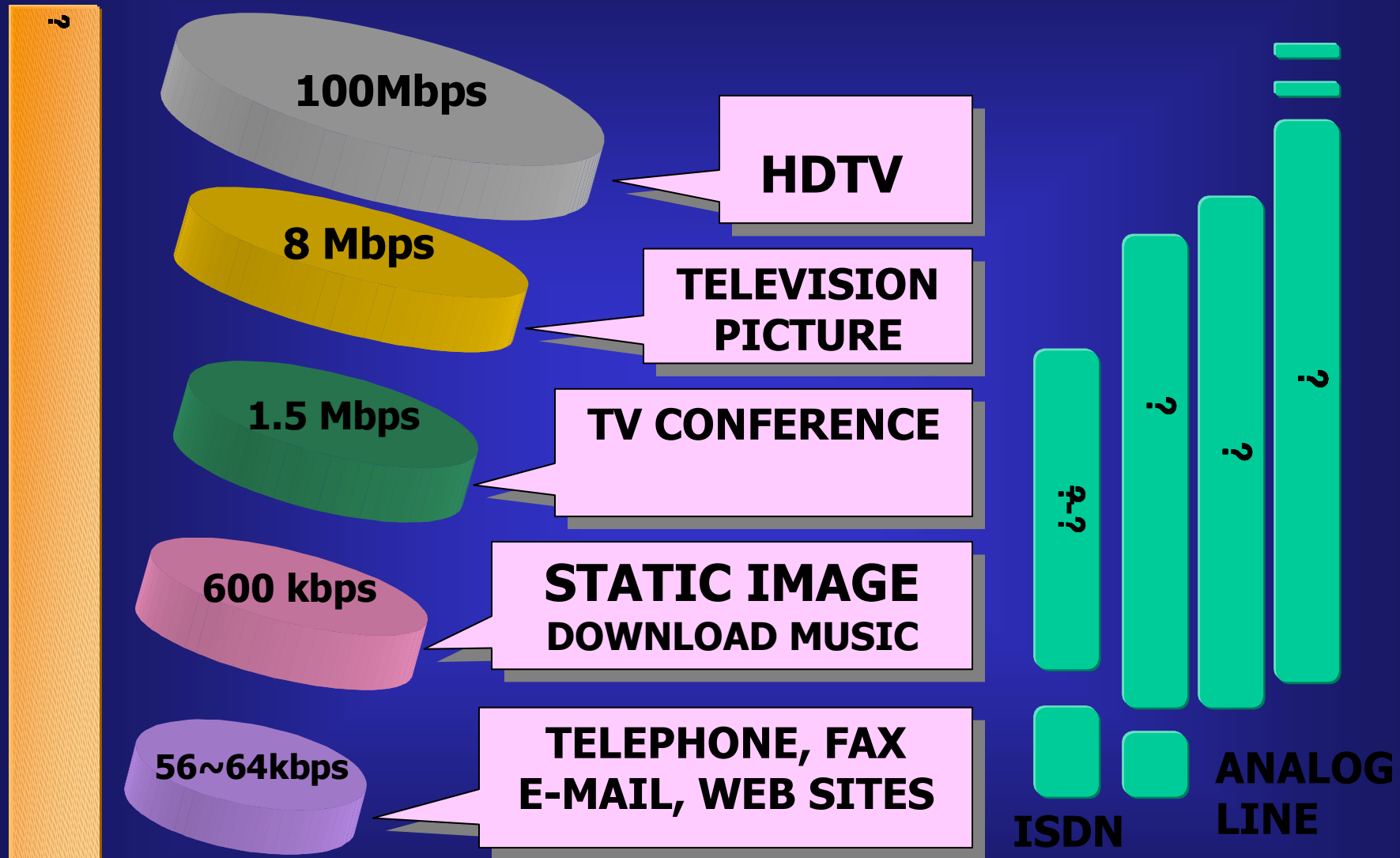
This not only applies to television, radio and online media but particularly to advertising where consumers will "demand" new product and service information and allow their systems both at the office and at home to source the relevant material.

How information on demand determines how we present our brands. Its all about SEO.

Sony case history

	ISDN(64kbps)	DSL(600kbps)	CATV(1.5Mbps)	FTTH(100Mbps)
MUSIC (5 min.)	10 min.	64 sec.	25.6 sec.	0.4 sec.
MUSIC (Album 74 min.)	2 hrs. 30 min.	15 min.	6 min.	6 sec.
MOVIE (2 hrs.)	125 hrs.	13 hrs.	5 hrs.	5 min.

Bandwidth and Available Contents



(WHITE PAPER Information and Communications in Japan, 2001, 2002,
Ministry of Public Management, Home Affairs, Posts and Telecommunications)

ONE UNHAPPY CUSTOMER CAN PUT THOUSANDS OFF YOUR BUSINESS IN JUST A FEW MINUTES.

Times have changed. Nowadays, that one unhappy customer can vent their anger within seconds of leaving your premises or putting down the phone to your call centre. And within minutes, hundreds and in hours thousands of your existing or prospective customers will know about it and may pass it on to hundreds and thousands more. It's all down to a combination of cell phone convenience, internet accessibility and the awesome might of social networking.

There are two simple solutions. The cynical one of saying improve your service so you don't make anyone angry. This is simple but impossible.

The second is to monitor social networks and nip the e-tsunami in the bud. And then turn it all into some positive publicity. Those thousands of unhappy people can become thousands of happy people, if you play your cards right.

So far South African business has been able to escape the full force of this phenomenon (Unlike Johnson & Johnson in the USA which recently got hit by a social network customer backlash of tsunami proportions.)

And the worst part is that the speed of all this means that these unhappy customers don't have time to calm down before giving vent to their frustration.

WEBSITES

1. A website is NOT a medium it is a portal
2. Use it for customer data collection.
3. Newsletters.
4. SEO is vital.

The Store of The Future

 the foundation
for service delivery!









Truworths – Store of the Future display

The Adidas store on the Champs Elysees in France, where the shopper can run on a treadmill and software records details and then makes suggestions about the specific shoe models that will be best for that shopper, are brought up onto the store assistant's PDA.

“Digital mannequins” are also being used, in stores, which identify the individual garment the shopper has picked up, and then displays what it looks like, and makes suggestions about which shoes or trousers, for example, to wear with it.

The shape of the screen is moving away from the stock standard rectangle shape, and we're seeing curved shapes.

In the US, cellphone stores are using intelligent surfaces, built into counter tops; the shopper places a phone onto the surface, and the surface brings up all the info about that phone, and the shopper interacts with the surface, to browse through the phone's functionality. Place two or more phones on it, and the surface will prepare comparison charts, so the shopper can compare phones.

In Dischem stores, Nivea is using interactive touch screens to allow the shopper to find out which product they need for their skin (and the screen reports back to One Digital Media).

American Swiss, too is using touch screens in shop windows, so shoppers can decide what sort of ring they need, and can then find out about each ring in that collection (price, materials etc). Plus, the store can then track what shoppers are interested in.

For brands, this sort of approach allows them to see which stores are getting the best traffic, and what sells best in each store.

Display screens are proven to drive sales - a year on year comparison of units sold of a deodorant brand showed a 200 per cent increase in sales.

Campaign central management systems (CMS) allow the marketer to check the performance of screens, and evaluate them by store, by region



ONLINE SHOPPING

Shopping centre in now global.

Lower prices, efficient delivery

Searching before shopping

CONCLUSIONS

IN MY COMPANIES WE APPLY KING 3 and MUCH OF THE PFMA

NO BACKHANDERS; NO BRIBERY

ENCOURAGE *REAL* NON-EXEC DIRECTORS



OUR MARKETING IS DEVELOPED ON...

AUDITS AND MEASUREMENT

RETURN ON INVESTMENT

EFFICIENCY

RELATIONSHIPS



SIMPLIFYING MARKETING

 the foundation
for service delivery!

|

MARKETING , STRANGELY ENOUGH, IS A DISCIPLINE THAT CAN BE FAR BETTER UNDERSTOOD BY ACCOUNTANTS THAN BY MARKETERS.

CHANGING MARKETING SPEAK TO BOARDROOM SPEAK.

MANY MARKETERS ONLY USE BITS OF IT - THAT'S WHY IT FAILS.

MARKETING IS NOTHING MORE THAN A CHECKLIST BY WHICH TO ENSURE ABSOLUTE EFFICIENCY. LIKE A BOEING 747.

SEARCH FOR " MARKETING MIX" IN GOOGLE YOU WILL GET 1,6MILLION RESULTS - ALL OF THEM PROBABLY DIFFERENT.

MARKETING IS AS LOGICAL AS ARITHMETIC.

**YOU CAN MEASURE MARKETING: YOU APPLY CHECKLIST
IT IS SELF MEASURING.**

**PR ANALOGY: No OF COLUMN CENTIMETRES OF GOOD PUBLICITY X AD
RATES:**

Case History - BMW

**EVERYTHING CAN BE MEASURED. SOMETIMES WITH DIFFICULTY ...BUT
WORTH IT.**

**YOU CANNOT MEASURE EFFECTIVENESS OF MARKETING NOR GET
AN ROI AFTERWARDS.**

**YOU CANNOT MEASURE BAD MARKETING
GOT TO BE BUILT IN AT THE START.**

|

DONT LEAVE MARKETING TO MARKETING DEPARTMENT. MARKETING INVOLVES EVERYONE IN THE COMPANY

HOLD A REGULAR MARKETING AUDIT....CHECK ON PAST, PRESENT AND FUTURE MARKETING .

CASE HISTORY : KWV's 49 PRODUCTS AND PRICE GAP

MARKETING AUDITS LOOK AT RELATIONSHIPS BETWEEN YOUR MARKETING DEPARTMENT AND SUPPLIERS

 **FM** the foundation
for service delivery!

NOT HAVING ENOUGH BUDGET IS SOMETHING THAT FRUSTRATES EVERY MARKETER THESE DAYS.

ZERO BUDGET DEPARTURE IS THE ANSWER:

THERE ARE TWO WAYS OF APPLYING THIS PROCESS.

FIRSTLY - CHANGING ONE'S MINDSET ABOUT THE WAY ONE APPLIES MARKETING STRATEGY.

INSTEAD OF LOOKING AT A BUDGET AND DEVELOPING STRATEGIES TO FALL WITHIN THE CONFINES OF THAT BUDGET, START THE PROCESS BY ASSUMING THAT YOU HAVE VERY LITTLE OR NO BUDGET AT

CASE HISTORY: BMW "MOUSE" ADVERTISEMENT

SECONDLY: IT IS ALSO POSSIBLE TO USE ZERO BUDGET DEPARTURE TO ACTUALLY CREATE MORE BUDGET.

DUAL BRANDING OR DOING SOMETHING IN CONJUNCTION WITH A BRAND THAT IS NOT COMPETITIVE BUT WHICH TARGETS EXACTLY THE SAME MARKET SEGMENT. THERE ARE MANY OTHER EXAMPLES.

THERE IS ALSO A CASE HISTORY OF A MARKETING DEPARTMENT THAT USED THE PSYCHOLOGY OF ZERO BUDGET DEPARTURE TO GET THE COMPANY'S TECHNICAL DEPARTMENT TO ACTUALLY PAY FOR A MARKETING LAUNCH.

DO YOU HAVE MARKETING SKILLS

IF YOU CAN SEE ANY DIFFERENCE BETWEEN THE TWO DOLPHINS IN THE NEXT SLIDE,
IT MEANS YOU HAVE A SUFFICIENTLY HIGH
IQ TO UNDERSTANDING MARKETING.



**62% OF ADVERTISING AGENCY
EXECUTIVES
FAIL THIS TEST !**

