

# Keeping local brands strong, twenty years into democracy



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Have South African marketers assumed that local brands are automatically more relevant to South African consumers than global brands are?

Our recent research found that 84% of South Africans do, in fact, prefer local brands. That is good news for local marketers. But the affinity becomes weaker at the extremes of income level - both the wealthy and the poor are less fiercely loyal to local brands.

Female consumers are twice as likely as men to prefer international brands, and preference for local brands gets progressively weaker as you move down the age groups. 25% of South Africans under 21 prefer international brands, for example, where only 10% of those older than 40 do.

What can local marketers do to reverse these worrying trends?

#### Don't skimp on quality

Consumers appreciate that local brands are often more affordable, but there is a perception that the quality of locally produced products is inferior. South African brands need to catch up to global standards of quality. Feedback from consumers was that "South African brands don't last that long" or "the quality is not the same."

In our research, quality came out as the number one attribute that consumers are looking for in a brand, beating both affordability and customer service. It is the reason consumers love brands like Woolworths and Nike, and if marketers want their brands to remain relevant they will need to be more generous with quality without increasing costs.

### Drop the stereotypes

Stereotypes remain alarmingly common in South African advertising. Women are often portrayed as silly or nagging and men as 'macho okes' watching rugby by the braai - something respondents told us does not resonate with them. Stereotypes are the result of lazy marketing and poor customer insight. The results are irrelevant at best, and offensive at worst.

### Be more targeted

Segmenting your market by demographics alone is not going to give you the kind of insight with which to build powerful brands. Use psychographics and situations. Tailor products and services to these segments. The drift of upper and lower income consumers away from local brands points to a gap in local brands offering targeted products, services and communications beyond the middle market.

#### **Invest in South Africa's success**

"Giving back" is not only something that appeals to wealthier consumers. All South Africans are looking for brands that make a real difference to people's lives - whether through greater employment, opportunities for consumers to participate in distribution and make money, or the more traditional CSR type initiatives.

## Discover what local means to your target market

Consumers don't want local brands that just mimic what is happening overseas. Being a "first to follow" brand is unsustainable in an increasingly globalised world where the brands that you are following are available to your customers. At the same time, consumers need to know that fashions, styles and technologies are keeping up with what is happening in the rest of the world. The sweet spot is a blend of local and global.

It will be different for different customer and categories, so it's important to understand what aspects of local your customers love. Nando's, for instance, uses local humour. BOS ice tea uses local ingredients and a quirkily Afro-pop design aesthetic.

Local brands have an advantage in that they are plugged in to local customs, psychologies and aesthetics. Integrate this with modern, first-world marketing to create truly relevant and innovative products and services. Global brands that feel relevant rather than foreign are doing this too: think of KFC "sithi salute kleva" and Coca-Cola's bottles with Thando and Gugulethu on them.

Local brands can maintain the loyalty that South Africans want to give them if they invest in their people, dial up the cultural insight, identify the aspects of local culture that resonate with consumers, and are much more generous with style and quality than they are used to being. The pressure is on to prove that local can stay lekker in a globalised South Africa.

#### ABOUT AL MACKAY

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