

Creating global South African brands, one expat at a time



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I recently read <u>an article</u> in Harvard Business Review that I found fascinating. It's on diaspora marketing; how emerging market brands can go global by targeting their diasporas in the West.

It hails Nando's as a brand that has done this particularly well - they used South African communities in the UK, Canada and Australia as beachheads to the larger native communities, and have now grown to operate in 26 countries across the world (with a hefty £14.7million in profit from their UK restaurants alone).



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Huge potential

HBR identifies four useful segments of diasporas - from those who are so keen to integrate into their new culture that they will spurn brands from their home country, to those who celebrate where they are from - and asks some interesting questions, like 'will the diaspora's socio-economic profile help or hinder the brand?' and 'can it build universal appeal off the back of a niche community'?

The idea of African brands infiltrating and growing in the UK tickles me as a delightful twist on colonialism. But aside from that, it's an interesting strategy that holds huge potential for a number of South African brands looking to expand regionally or globally.

People are moving around the globe more than ever before - and there is opportunity in asking how brands can appeal to new expat communities, first generation immigrants and diasporas.

For many South African brands looking to expand across the continent, it may mean building brand loyalty with target nation diasporas within South Africa. Intel's strategy for Ghana entailed targeting Ghanaians in London as the influencers of tech trends back home. Could building relationships with Nigerians or Kenyans in South Africa help build your brand in those markets? For other South African brands the opportunity could lie in following South Africans wherever they have gone.

Strong at home

But diaspora marketing can only work when the brand is strong at home, otherwise it just leads to overstretch and collapse. For that reason, I'd recommend the following simple steps:

- 1. **Get the marketing right at home** ensure your brand is loved in South Africa, and really matters to the home market. Nando's is one of South Africa's favourite brands: it did not conjure that perception up from abroad.
- 2. **Take the experience with you** Vida e Café is expanding in the UK and they have taken their signature baristas with them; loud, boisterous and African. Half of the appeal of 'brands from home' to diasporas will be the nostalgia of the experience. If you can replicate it, they will keep coming back.
- 3. **Expand your segmentation** Perhaps it's time brand segmentation strategies included segments from outside the home market. Who are the clusters of people who hold potential for your brand beyond South Africa?
- 4. **Celebrate your provenance** moving from diaspora appeal to broader global appeal will require capturing the imagination of global audiences. This will be easier if you tap into the unconscious associations that the world already has

about South Africa. MTN taps into Africa's bright, loud joyfulness; Carrol Boyes designs have an African folkloric aesthetic. Whether it's sunshine or reconciliation or diversity, brands that work with the existing associations of Africa build credibility and affinity faster.

The 21st Century is Africa's Century, and we are already seeing the emergence of strong pan-African brands. It is no longer far-fetched to think that African businesses and brands can become global leaders. Perhaps part of that journey to greatness involves working better with our diasporas and turning expats into customers and social influencers of their new territories.

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