

# The morning after

 By [Jarred Cinman](#)

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*Jarred Cinman, CEO of VMLY&R South Africa and ACA Board member, who is going to be speaking at tomorrow's IAB Insight event, talks us through three things he believes the pandemic has changed...*



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The news right now is filled with hangover thoughts. Trump is defeated and on his way out. Covid will be vanquished by an imminent vaccine. Closer to home, Ace Magashule looks set to face corruption charges and Jacob Zuma has bought a ticket back to prison – this time for considerably less noble reasons.

As with all hangovers, though, there are a lot of headaches to get through. The global pandemic has wreaked havoc on the world economy. 400 million jobs have been lost. A 10% decline in global GDP seems optimistic. And in South Africa our economy has shrunk over 50% this year. That is a terrifying number that will ultimately leave no-one untouched.

Optimistically, economic activity may return to pre-Covid levels by 2024. We are all beachcombers until then.

But if there is any story other than Covid and the Trump attempted coup that defines 2020, it will be the accelerated

momentum of the digital revolution. A pandemic might be terrible for most things humans value, but it's been spectacular for the internet.

Three things the pandemic has changed:

## **Entertainment on the morning after**

Covid-19 did not invent streaming video services. Netflix was already on a steep upward trajectory and services like Disney+ and Apple TV+ were already in motion long before Wuhan. But the change to their fortunes has been almost unimaginable.

Streaming video viewership in the UK, for example, doubled this year. The global gaming market reached \$170bn – more than 30% growth. And while some of this will burn away as people return to their normal lives, a lot of it will stick.

Clearly all forms of homebound entertainment benefited from people being locked down. But digital subscription services are special. They go hand-in-hand with new habits forming, technology barriers falling and new devices being purchased. There is some churn on specific platforms, but for digital consumption it's a net gain.

## **e-Commerce on the morning after**

Unsurprisingly another massive beneficiary of Covid has been e-commerce combined with home delivery services. From restaurants needing to find a new hustle while closed, to major retailers who have had to modernise fast, online trade has been the saviour of many businesses this year.

Statista estimates that e-commerce sites have grown from around 14bn visits in 2019 to nearly 22bn by mid-2020. They estimate that for South Africa there has been a 25% increase year-on-year in e-commerce revenue. That's huge considering we're a country where many people can't access online shopping at all.

People are quick to point out that online retail numbers remain a tiny fraction of total retail in a country like ours. Obviously that's true, but for many product categories the money is made from a fairly small part of population anyway. The dynamics of an online business thus still has a dramatic impact on the shape of our society, from job descriptions to commercial property rentals.

## **Work on the morning after**

For those who have called in sick the morning after, this year is for you. By April this year, Microsoft Office 365 reached 258 million users (21% up on 2019). MS Teams – the love or hate it way most corporations are now communicating – doubled to 75 million users in just one month from March to April this year. And that was before the deepest part of the lockdowns worldwide.

Again, these numbers are less impressive in absolute terms than in the trends they indicate. Many companies have never considered remote working before this year. Important company meetings were held onsite, even if that meant exhausting travel for many. And conferences were the staple of huge venues, and equally huge bar bills.

Estimates are that at least half of all airline travel has vanished this year. A lot – certainly leisure – will return. But you can bet that many companies have just spotted an amazing way to permanently cut their travel budgets.

Survey after survey shows that few workers who can work from home want to return to the old five days a week office routine they used to have. And many companies – in even extremely traditional industries like insurance or banking – are plotting new trajectories that include permanent remote working. Why? Because executives and managers have benefited as much – or more – than average employees. They have relocated to lodges and holiday homes and reconnected with their families in ways that seemed impossible just months ago.

## So, what does this mean for digital marketing?

If you can overlook the global economic meltdown, the news for digital marketing is good.

Many of the disciplines that were arcane are now mainstream. Few if any major brands are not thinking of amping up their exposure on digital channels. Because this is an acceleration of existing trends rather than an anomalous pandemic spike, it is more reliable. Tech investments linked to Covid remain in place.

Brands are much more open to experimenting with new analytics tools, dynamic creative and other marketing automation. Us digital folk have asked for our chance for two decades. Well, it's arrived.

That said, the problems with digital advertising are almost under the spotlight. Fraud in the advertising ecosystem is routinely highlighted as a major problem by marketers. The privacy concerns that big tech have introduced are in sharp focus. And the role of social media in spreading conspiracy theories and mistruth has dimmed considerably the shine of the Web 2.0 days.

But, flaws and all, digital is now king. Even in so-called mass market brands, the rise of WhatsApp and other digital platforms is huge.

The IAB is now the most important advertising body in this country. And I say that as an ACA Board member, so I'm sure it'll get me in trouble. But it's true. What will you do with this new power and influence?

## What's next?

Above all other things, the priority of those who have a lot is to share and extend that privilege to those who have too little. The fibre bubble is just a new kind of ivory tower. And the promise of technology like 5G will mean nothing if it is only enjoyed by the elite.

The most important thing we all have to do is include everyone in this revolution. Thanks largely to Chinese smart devices and Android, millions can now access the internet. Can we use our collective intelligence, knowledge and money to enfranchise them using it? Can we reverse the trends toward inequality and elitism on the very medium which has given voice to the voiceless so many times?

The internet – and the mobile internet in particular – offers this hope. It is up to us to use the influence we have to make it happen. Covid has given this industry a turbo boost. Let's not waste it.

Register for tomorrow's IAB Insight event [here](#).

*The IAB SA has taken its Insight Series, in partnership with Everlytic, GetSmarter, a 2U Inc. brand and Bizcommunity, online to provide 60 minutes of insights, featuring fellow and future industry leaders, on subjects selected by IAB members and the industry at large to make better digital decisions. Post-event presentation videos are uploaded to the IAB member portal to access ongoing.*

## ABOUT JARRED CINMAN

As the Joint CEO of VMLY&R South Africa, Jarred leads both the Johannesburg and Cape Town offices. He oversees the inner workings of the agency, managing all departments from a business, HR and operational point of view. Jarred is also the executive in charge of HR and IT. Before VMLY&R was established in 2018, Jarred served as co-chief operating officer of Y&R Africa Group, overseeing operations at Y&R South Africa and NATIVE VML.

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