

South Africa's no. 1 township brand revealed

Kasi Star Brands measure township-specific brand usage across 163 categories to identify the top 24 brands that are used most loyally by South Africa's township consumers. Koo Baked Beans came first, followed by All Gold Tomato Sauce in second place and Coca-Cola in third place.

"Koo is an iconic South African brand, made by South Africans for South Africans. It has been a trusted partner in bringing families, friends and people together for 75 years consistently, delivering great taste and quality. Its consumers are from every township, every suburb, every province, every part of our great rainbow nation; it is the original rainbow brand for the rainbow nation," says Christine Barnardt, Tiger Brands: Senior Brand Manager.

According to StatsSA (2011 - the most recent) 13.3 million people or 25.6% of South Africans live in townships; the Kasi Star Brands has a robust sample size of 6,763 people, which represents these 9.7 million people or 73% of the township population. BDO and sampling expert Dr Ariana Neethling audited the results of the survey.

Township symbols

"The winning champion brands just get what the township consumer wants and needs, these brands understand the township environment in all its diversity. Kasi Star Brands care enough to make themselves truly relevant, they have succeeded beyond a functional strategy," says Sarina de Beer, MD of Ask Afrika.



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Affordability and sustainability are key drivers in the purchase decision in the township market. Kasi Star Brands understand the significance of promotions and partner with retailers to enable effective regular promotions. These brands are woven into the fabric of the township community and often drive education and sustainability programmes.

Economic realities

According to Bonganza 2014 estimates, the township and rural areas spend at R308bn per year, and urban townships contribute approximately 41% of all consumer spending. It is important to note that the township consumers make up a quarter of the South African population and the same proximity does not imply sameness.

There is a culture of commonality, which there is in any environment, but this too is changing. People are also more aware and protective over their own progress. It is a living space characterised by social mobility and with structures that support this dictating spend. There is no linear relationship between income and spend. Perception often outweighs reality and is loaded with symbolism.

"We are dealing with hybrid consumers buying across the price spectrum; everything is calculated and planned with a very specific return in mind. Return on investment (ROI) is thus a pre-requisite, but looks different, depending on the subculture you identify with. Money is not spent where the return is not obvious," says De Beer.

Successful brands understand

Successful brands are practical, they get involved, they understand living and mind-sets. They are very specific with their target audience and display an authentic and deep understanding of the consumer group that they value. Strong dichotomies and tensions exist, making townships literally worlds within worlds. Marketers must understand these layers and tensions and adapt distribution strategies accordingly. Ask Afrika has identified four segments or subcultures in order to try and simplify this very diverse market.

"As much as there is a contextual reality, there is a people reality. Because individualism is huge globally we can cut and slice the data any way we want to and we will continue to find more dimensions. For practicality, we will work with four major segments, or subcultures, or structures, I am deliberately trying to not refer to segments, simply because how we typically think about segments might get us into trouble with this market. Things are never only how they seem," says De Beer.

Townships are forever changing and being redefined, the challenge for brands and marketers is how to keep up. Kasi Star Brand reports from Ask Afrika will help marketers get behind the needs, daily habits, and the motivation to buy. One cannot think of township residents as walking demographics. Proximity does not create homogeneity, it is necessary to grasp the under-current. Racial divides are not only outdated but also irrelevant; these have given way to individualism, shared interests and passions.

Mass communication fails to capture all the necessary dimensions; marketing strategy has to be very targeted and relevant. Marketers need to understand the complex levels of planning, calculated living in the township environment, where purchase decisions are often less impulsive and spontaneous. Ask Afrika can assist marketers in co-planning. For more information, go to www.askafrika.co.za.