

Review Paper Nedbank IMC 2019 **Marketing is Business™**

Key Insights and Reflections from
the 2019 Nedbank IMC Conference,
themed **Marketing Gets Nak*d™**



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IMC in association with MASA



CPD points to Designated Marketers
based on proof of attendance



NAMING SPONSOR





Table of Contents

1.	THE MARKETING PROFESSION	3
1.1	Education	3
1.2	Professional associations	3
2	THE RESPONSIBILITY OF BRANDS	4
2.1	Meaningful brands	5
2.2	The relevance of brands	5
2.3	Sponsorships and brands	6
2.4	Storytelling and brands	6
3	THE ROLE OF THE AGENCY	7
4	THE RELEVANCE IN THE SOUTH AFRICAN MARKET	7
5	CONCLUDING REMARKS	8
5.1	An understanding of customers' lives	8
5.2	Classical versus digital marketing education	9
5.3	Decisions and feelings	9
5.4	The importance of creativity	9
5.5	External factors	10
6	RECOMMENDATIONS	12

This paper draws together the main insights gained from the 2019 conference presenters. Most of the presenters are practitioners who are regarded as influencers in their respective fields. The insights gained from this conference focused on the practice of marketing rather than on an academic perspective on marketing. This document summarises these insights, poses a few questions and encourages further investigation, understanding, and collaboration on these ideas and topics. The paper begins by creating a context for some of the pertinent topics discussed; then it points to their relevance for practitioners and education; and it ends with concluding remarks and recommendations. The next section covers the following topics: the marketing profession, brands, the role of the agency, and the South African context.

1. The marketing profession

The fundamental question posed by **Greg Garden, CEO of the Marketing Association of South Africa (MASA)**, was: *“What is the current meaning, purpose, and value of marketing?” This question is critical, as it challenges the discipline of marketing to understand its value, as well as the advancement of marketing as a discipline.*

The conversation around the value of marketing is key to the role it plays in organisations, and ultimately in society. It is by no means a new conversation, since the introduction of marketing, questions and topics such as these have been present, Is marketing a science or an art?; The danger of marketing being too inwardly focused; The legitimacy of the discipline; and the challenges arising from data and digital technology.

Education and the professional association directly affect the marketing profession. Both these elements will now be discussed in relation to the marketing profession.

1.1 EDUCATION

Khaya Dlanga, columnist author and CMO of Rain, noted that customer insights and empathy are key themes in understanding customers effectively. The question that came to mind in this instance was, *‘Do our current curricula address and empower students with such knowledge and understanding?’*

As an applied science, marketers need both education and competencies to succeed in a marketing career. Competencies are generally developed through experience and training. Education, on the other hand, is fundamental to shaping the thinking of individuals in the marketing discipline.

1.2 PROFESSIONAL ASSOCIATIONS

Professional associations offer support and credibility for the profession, as well as the individual professional marketer. During the conference, **Greg Garden** stated that MASA is working towards creating sustainable personal, business, and social benefits. MASA aims to elevate the business interest and credibility of marketers to manage the process of professional certification, and to determine and manage the standards required at both local and international levels. MASA is currently busy with a study focused on CEOs’ perception of marketing and what they expect from marketers.

The conference highlighted that the industry faces a number of changes and developments. The results from the CEO expectation study may provide valuable insight into the value that marketing should bring organisations and it may also inform marketers about the gaps currently experienced. A closer relationship between academia, the professional association, and the industry might serve the marketing profession well. Collaboration from these three perspectives may enable a more balanced view for curriculum development and training programmes to advance the latest marketing thinking and to explore topics such as empathy and how this should be included in a curriculum in a unique and relevant way. Furthermore, marketing should be aligned with business goals and, ultimately, meet the business objectives.

The importance of brand was a key topic during the conference, current trends were noted as well as the role that brands currently play in business. It seems as though responsibility, meaningful brands, relevance, sponsorship and storytelling were some of the main topics related to brands and these are briefly discussed below.

2. The responsibility of brands

Brands are critical to the success of organisations and, in particular, to building a connection with their customers over time. During the conference, presenters positioned brands as meaningful and essential ways of connecting with customers. Such connections are carefully planned and crafted at both a strategic and a tactical level. Brands make promises and enable the connection with customers. Presenters emphasised the importance of understanding and living the brand's purpose, and of creating meaningful brands that





will resonate with customers. Brands need to find meaningful ways of connecting with customers, and carefully manage such relationships. Three examples were presented – Carling Black Label, Nando's, and Nedbank – each illustrated important aspects of brands in our current environment.

2.1 MEANINGFUL BRANDS

Brands can drive business growth, return on investment, and ultimately the way the business is run. These were some of the sentiments shared by **Grant Pereira, Brand Director: Carling Black Label, Anheuser-Busch InBev**. He shared a number of campaign examples during his presentation – truly meaningful campaigns that resonated with people – all in support of building his case for the importance of 'long-term investment'. He noted that, although some of the returns will only be seen later, brands have the potential to change the way in which organisations are run.

2.2 THE RELEVANCE OF BRANDS

Darren Hampton, GM of Digital and CRM, and representing Nando's – another successful South African brand – described the Nando's marketing journey since 1987. He stated that courage is part of Nando's DNA. The way that Nando's expresses itself, what it says, and how it says it, all speaks to the success of where the brand is today. The importance of remaining relevant in the minds of customers was evident in this presentation. Nando's illustrated how taking risks on incorporating political and social issues of the day have helped the brand to develop a unique voice and message through the years in the minds and hearts of South Africans.

2.3 SPONSORSHIPS AND BRANDS

Khensani Nobanda, Group Executive Marketing and Corporate Affairs for Nedbank, shared recent brand stories illustrating the importance of sponsorships for the positioning of a brand in the mind of customers. She believes that sponsorship is a way to get their brand closer to their customers. Some of the examples she shared illustrated how the brand had to make brave decisions and craft honest messages to connect with their customers.

2.4 STORYTELLING AND BRANDS

Gareth Whittaker, CEO of T+W, believes that stories make us more human, and create a balance between thinking and feeling. He noted that stories should be authentic, and that telling relevant brand stories should move us. He noted that stories have a certain gravity; yet good stories make time disappear. It seems as though storytelling has assumed a prominent role in brands. The critical stories are those that allow people to listen, engage, and act because they care about the stories.

Brands play an important role in realising business objectives. When brands are responsible, meaningful, relevant, and connect with customers through sponsorships and stories, they can drive business returns. It would be good to gain insight into the measures of success, the indicators that determine success. Therefore, understanding how these connections can be translated into measures for business success would contribute to these discussions.

Next, the role of the agency in the development of creative, relevant, and important messages is discussed.



3. The role of the agency

Agencies produce creative, relevant, and appropriate products for their client. Agencies were challenged to rethink and reposition themselves. Initially they regarded themselves as service providers; however, it was noted that they should rather think of themselves as producers of products. This would create a different perspective on the work that they do and the relationship that they have with the brand. Agencies were also challenged to be authentic, to connect with people, and to work with the right brands.

Gillian Rightford, CEO of Adtherapy, spoke about the importance of building a good relationship between a brand and an agency. It was noted that both the agency and the brand work together to serve the customer; so, working together to understand the lives of customers is key. The relationship between agencies and brands should clearly specify the goals and outcomes of a campaign in order for the agency to support the brand. A further challenge was noted for agencies and brands to take risks, as this could result in a winning campaign. Although agencies should focus on winning awards and being recognised for the work they do, it is equally important that there is a return on investment for the brand.

The business imperative should remain the focus of these relationships. However, the value that marketing brings to customers and the business should remain the focus. Strategy development should be informed by the external environment. An understanding of the local market is essential in order to create business and to produce financial and long-term benefits in support of the business objectives. The

local environment in which the brand and agency operate is complex and diverse, and so an authentic understanding of the market should drive a campaign to produce an engaging campaign that will connect with customers. The return on investment for a campaign should be effectively measured. Growing the bottom line is a key performance area; and the brand, the agency, and the relationship between them are important for these results.

4. The relevance in the South African market

GG Alcock, author and entrepreneur, provided thought-provoking information about the number of industries that are active and thriving; yet little attention is given to what he refers to as the 'invisible' sectors of our market. His book, *KasiNomics: African informal economies and the people who inhabit them*, describes sharing developments and opportunities, and how the size of this market is growing – and yet too little is known about this sector.

A brand's ability to use insights and obtain a greater understanding of the market they operate in is key to its success. There is an unknown part of the South African market that requires marketers to move closer and to gain a better understanding of the lives that customers live.



Bongani Chinkanda, CEO of HDI Youth Consultancy, noted that brands are not competing with other brands: they are competing with cultures. He also noted that an understanding of the market is needed, and that how one markets to younger generations, being authentic and connecting with customers where they find themselves is the challenge for marketing in the South African context. The view of **TBO Touch, founder of Touch, HD** was that in South Africa one cannot focus on the customers' pockets: one has to win their loyalty.

These comments are important, as marketers are challenged to learn more about young South Africans, what their needs are, and how they live, in order to connect effectively with these individuals. Furthermore, the shift away from merely focusing on a short-term transaction to building a longer-term relationship and brand loyalty remains relevant in the current environment. From these topics identified during the conference, a number of conclusions and recommendations are offered in the next section. These are the main insights gained from the conference, and should be explored and investigated further in order to determine the importance of these topics.

5. Concluding remarks

The development of a marketing mindset is a key enabler of the profession and its progress. This section reflects on how the conference topics and ideas could be considered in future to include and consider these topics in the education and training of marketers.

5.1 AN UNDERSTANDING OF CUSTOMERS' LIVES

A number of presenters referred to the importance of understanding customers' lives. Although marketing has always focused on determining the needs of customers, this is a different focus, as such an

understanding is fundamental to connecting with people. Although determining the needs of customers remains important, an extended view and understanding of how people live should be added. It also includes an understanding of the culture, language, and values of customers. Presenters referred to the importance of being human-centred for making the connection between customers and brands.

Brands and agencies probably have their own methodologies that they follow in gaining a better understanding of customers' lives. Moving closer to customers and their lives is what is required from marketing in this instance. It might be good to get an understanding of how this is done by a particular brand.

5.2 CLASSICAL VERSUS DIGITAL MARKETING EDUCATION

There currently seems to be an emphasis on technological, digital, and data perspectives on marketing. However, during the conference, the sentiment of the presenters seemed to be that there is still a need for a 'classical' marketing education, but that – complementary to such an education – there needs to be a greater understanding of and education in digital marketing. Therefore, it was noted that a balanced view of these two perspectives is needed in the practice of marketing.

Liaise with educational institutions in critically reviewing their current curricula. Practice and academia need to move closer together in order to gain input from both perspectives.

5.3 DECISIONS AND FEELINGS

Traditionally, one of the fundamental focus areas for marketers was that of customer decision-making. **Anne Thistleton, Mind Science practitioner**, shared her insights on the need for a greater emphasis

to be placed on studying both the conscious and the unconscious mind. Our understanding of how the mind works may offer a different model or approach to understanding how customers make decisions. A body of knowledge exists on the latest developments and research into the mind; and this will provide marketers with a new perspective on understanding customer decision-making. Emotions are an area that could provide rich insight for marketers in understanding customers and their behaviour more effectively. Thus, while the 'classical' models should remain part of the curriculum, the more recent developments in understanding the mind and of how it works should also be included. An understanding of the mind, how it responds, the importance of the choice of words, and the importance of feelings in the actions that customers take will serve marketers well.

It is important to review a body of knowledge that is fairly new to the generic discipline of marketing. Although a number of scholars are studying neuroscience, it seems to be important and relevant to equip ourselves with the latest developments in this area.

5.4 THE IMPORTANCE OF CREATIVITY

Creativity is seen to be fundamental to marketing success, as was noted by a number of the presenters. **Andy Rice, marketer-at-large**, argued that creativity increases effectiveness and wins audiences over. Marketers should be trained more specifically to develop their creative capabilities. The concept of 'creativity' should be deliberately included in marketing curricula, as this is a skill that will serve marketers and the industry well. Presenters also noted that creativity drives solutions to the marketing challenges faced by business.



The concept of 'creativity' is well-known, yet it is no longer restricted to the notions of design and art work (which remain important). Instead, the creative solution to a problem through a campaign is what is most valuable. Therefore, specific training in creativity and in learning about the tools and processes that can be used to ignite creativity is needed.

An important aspect is the environment that is needed so that creativity can develop. This type of environment speaks to the importance of a space where it is easier to take risks and to play, says **Prof. Elaine Rumboll** of the **Creative Leadership Consultancy**. An appetite for taking risks and experimenting is critical for creativity. Business environments are currently dominated by command, control, and certainty, which are not conducive to creativity. In the new world of work, in which increased volatility and uncertainty is present, experimentation and appreciation have become a reality. A different type of manager and leader is required for this environment: one who can facilitate and co-ordinate creative and playful activities.

Taking risks and being brave enough to explore and experiment with ideas and concepts, are fundamental building blocks for leaders in this volatile environment. Play can assist in creating a space to be creative and to ignite this type of thinking.

5.5 EXTERNAL FACTORS

A holistic and strategic view on marketing is important, as external factors affect marketers' actions. A number of presenters referred to the importance of technology and of the reality that it has changed marketing and business.

Refilwe Maluleka, Managing Director at Yellowwood, noted that technology has enabled customers to participate in the access



economy. She added that Yellowwood has developed a number of white papers addressing issues that are pertinent for the field of marketing. Major changes in technology have challenged marketing practice; and although these developments are critical, key metrics, such as sales and market share, remain important. Although the developments arising from artificial intelligence (AI) are already positively affecting the field of marketing, **Katherine Madley, Marketing & Customer Director at Game and Dionwired**, noted that marketers' own creativity and strategic thinking are important. **Musa Kalenga, Chief Future Officer at House of the Brave**, noted that ideas are at the core of what marketers do, and that marketers need to build application programming interfaces (APIs) that will drive value in the future. As an example, he showed how a tech company's development of an integrated application can be used to save lives. **Simon Lloyd, Managing partner, Algorithm**, noted that it is essential to ensure that people understand the data-driven environment; and so testing it through questioning is important.

Referring to the capabilities required for brands to connect with customers, it was noted that an understanding of **trends** is key to relevance. **David Duarte, CEO of Treeshake**, shared his view on tech, truth, and trends. He posed the question, *"How is marketing going to be different 20 years from now?"* and explored in greater depth how trends will affect brands and marketing in general. This illustrates the importance of having an outside-in approach to managing brands, and not being too narrowly or too inwardly focused. Regular environmental scanning activities and a good information management system will serve a brand well.

A broader holistic view on the environment and on the changes occurring in these spaces is a key input to effective strategy development. Finding the best way to inform the development of strategy is important when considering external factors such as technology and trends.

6. Recommendations

The conference managed to include a number of different perspectives from leading influencers in their respective fields. This final part of the paper focuses on recommendations that could be considered for next year.

It seems as though different ways of doing research should be explored and carried out; and it would be good to have a talk on the various ways of conducting research into how to understand customers' lives. There seems to be more of a focus on behavioural data instead of on perception and opinion-based data. Examples of how this is done from a practical perspective would have also contributed to the discussion.

A consideration of how the marketing practice could work closer with academia in an attempt to share the current status of the marketing industry would be very good to include. Given the nature of the discipline as an applied science, a relationship between industry and academia would be beneficial to all involved.

True to the theme of the conference – but not explicitly discussed during it – was the importance of business, and an understanding of it, for marketing to contribute to the bottom line. Unpacking this from both a brand and an agency perspective would have been very interesting and beneficial. Marketing should therefore have a good understanding of business in general, but also of the value that it can add to a business. A recommendation on this is possibly to share, either with academia or at the conference, the importance of business and what that means for a marketer.

This summary was aimed at IMC CEO Dale Hefer's desire to bring marketing back into the boardroom. It was illustrated at the conference and through this summary, of importance here the current knowledge base needed for marketers to be successful. A closer collaboration between marketing professionals, the professional association(s), trainers, and educators would be beneficial for the marketing industry to discuss the fundamentals for marketing at this time.

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...a ... the bottom line.

