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Social cohesion critical for a united, prosperous nation

By: Phemela Mmotlane (GCIS)

The Medium Term Strategic Framework (MTSF) 2014-2019 and the National Development Plan (NDP) paint a picture of a country where South Africans will be more conscious of the things they have in common than those that differentiate them.

The MTSF and NDP envisage a country where lived experiences will progressively dissolve artificial divisions of race, gender, disability, space and class. In this South Africa there will be:

- Broad-based knowledge of and support for a set of values by all South Africans, including the values contained in the Constitution.
- An inclusive society and economy. This means the factors that sustain inequality will be met head-on by building capability and capacity, obstacles will be removed and the wrongs of the past will be systematically redressed.

The NDP identifies the broadening of social cohesion as an important enabler towards achieving Vision 2030, while it is included as one of the 14 priority outcomes in the MTSF.

Since the advent of democracy, extensive research has been conducted on the subjects of social cohesion and nation building, with the aim of understanding how South Africans view these.

Although South Africans are presented with

opportunities to participate in nation building programmes, more needs to be done to build a united country where everyone is more conscious of commonalities than perceived differences.

Do South Africans grasp the concept of social cohesion?

Social cohesion is often described as the bond between people and groups or, in a metaphorical sense, the bonding substance or "glue" that binds people together.

The Department of Arts and Culture, as the custodian of social cohesion in government, defines social cohesion as the degree of social integration and inclusion in communities and society at large, and the extent to which mutual solidarity finds expression among individuals and communities.

In terms of this definition, a community or society is cohesive to the extent that the inequalities, exclusions and disparities based on ethnicity, gender, class, nationality, age, disability or any other distinctions which engender divisions, distrust and conflict are reduced and/or eliminated in a planned and sustained manner.

Government Communication and Information Systems' (GCIS) National Qualitative Research (2014) shows that most respondents, across all demographics, do not adequately grasp the meaning of social cohesion when asked to define or explain it. Most said that it was the first time that they had heard the term, while others thought it was terminology used by politicians.

However, positives can be drawn from those who understand the meaning. Respondents who demonstrated an understanding of social cohesion, irrespective of their age, province of residence or LSM, associated it with "unity" and "togetherness" – words essentially common to what social cohesion entails.

Most of us relate well to and tolerate each other. Researchers (Finchilescu et al, 2007) suggest that friendships and interaction between races are important predictors of improved intergroup relations.

Most South Africans (70%) say they have friends from other racial groups – an increase of nearly 20% since 2011 (FutureFact, 2014).

### Graph 1: Friends from other racial groups
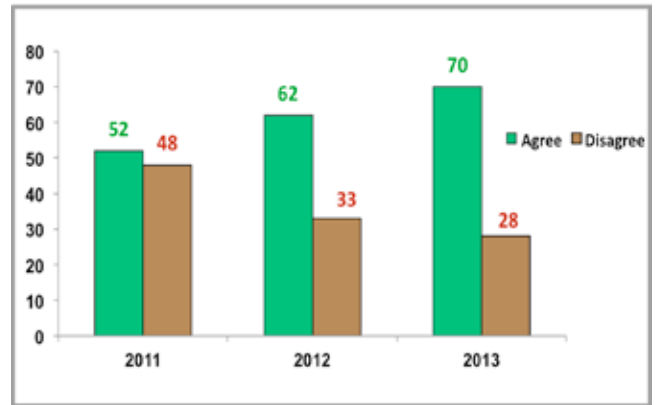
Source: FutureFact, 2014

Social tolerance

Researchers (Swart cited in van Zuydam, 2014) found that simply living close to people of various races or social groups can increase one's tolerance towards others. The 2011 SASAS (Human Sciences Research Council) study found that eight out of 10 South Africans (80%) reported that they would be comfortable living next to a neighbour who was dissimilar to them. The same study, however, highlighted intolerance towards certain sections of society.

Most of us identify ourselves, first and foremost, as South African. More than half (57%) of the respondents in the 2014 FutureFact survey said being South African is their first choice of describing themselves. Nearly a third (30%) prefer to describe themselves as African.
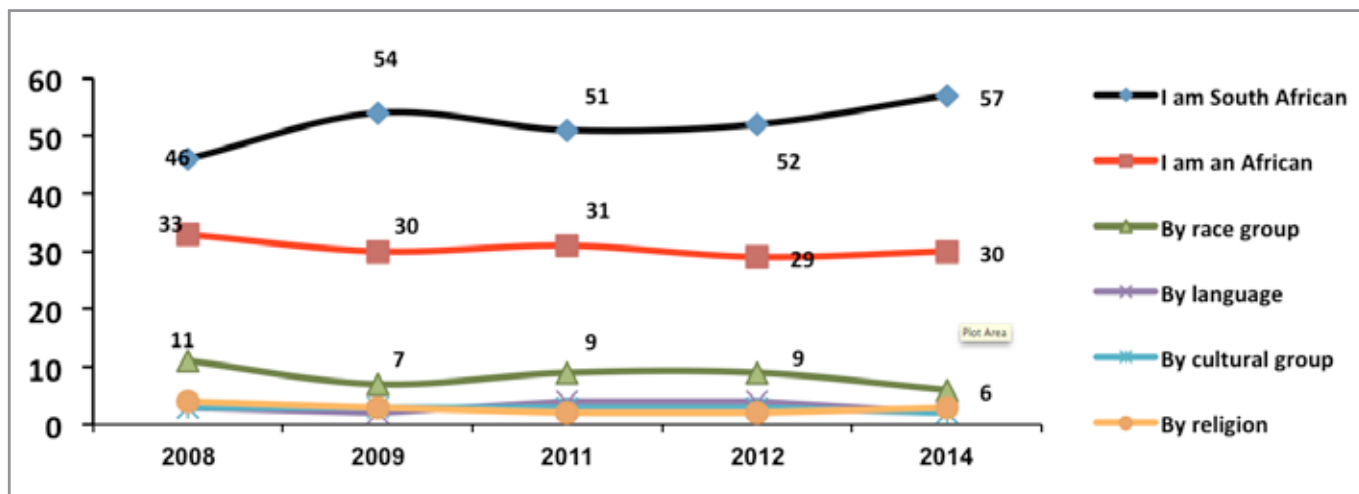
It is important to note that only 6% prefer to describe themselves by their race group. This has improved significantly

Graph 2: Social tolerance
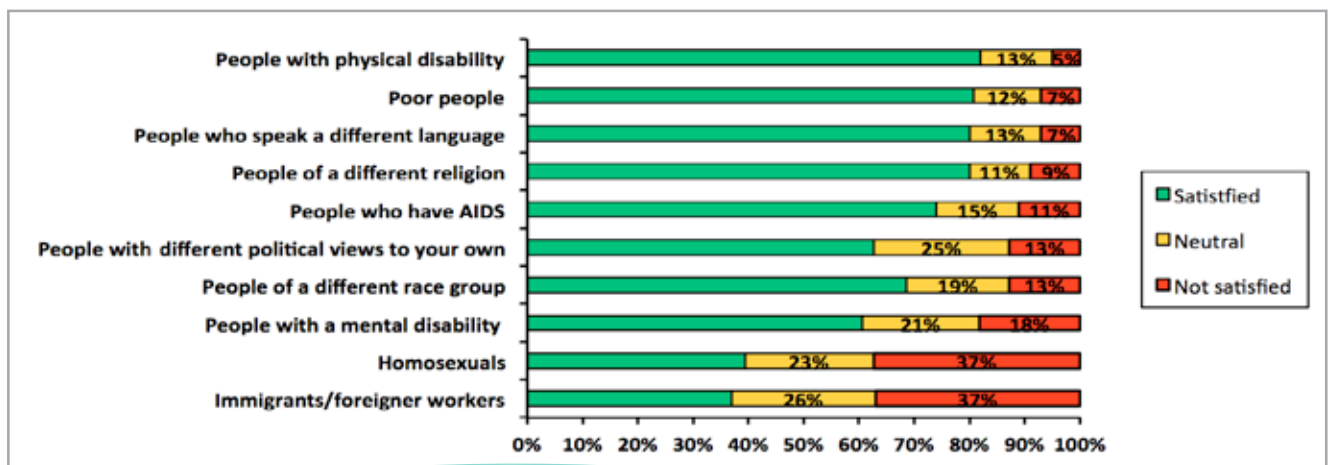
Source: HSRC SASAS 2011

Graph 3: How do South Africans describe themselves?

Source: FutureFact, 2014

since 2008, when 11% of respondents described themselves by race.

Most South Africans feel they belong

In the study on the "Sense of belonging and social cohesion", Tabane and Human-Vogel (2010) suggest that individuals' perceptions of their participation and level of acceptance in a group influences their sense of belonging and therefore their attitude as members of the group.
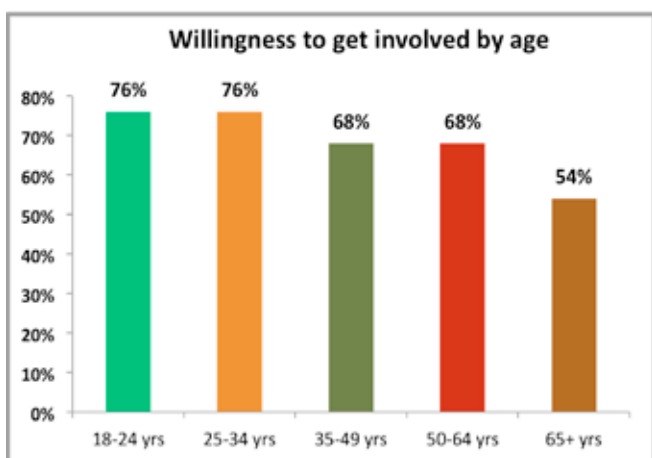
As part of a larger group, South Africans' high sense of kinship and belonging to their country is marked by a great majority showing pride and willingness to get involved to improve the country. It is encouraging to note that youth are more willing than older people to get involved in programmes to better

Graph 4: Willingness to become involved

Source: GCIS Tracker Research

South Africa. It is a natural consequence of life in an integrated society.

What we have learnt

- Meaningful progress has been noted in that more respondents describe themselves as being South African, while those describing themselves by race has declined significantly since 2008.
- Relations between different races in the country are improving, but it is clear that more needs to be done.
- South Africans are generally tolerant of differences, especially those of disability, language, religion, race, HIV and those who hold different political views. Challenges remain to increase South Africans' tolerance of people of a different sexual orientation and foreigners.

What should we do?

It would be fruitful to implement a concrete, tangible programme on social cohesion and nation building. It should address among others:

- Building integrated communities.
- Fostering tolerance and the ideals of our Constitution.
- Developing a strong sense of nationhood among South Africans, being unified by the principles of the Constitution.
- Improving interpersonal relations.
- Unifying communities.

Such a social cohesion programme could consist of:

- Commissioning of films, TV/radio series, books and plays that will deal with social cohesion issues.
- Community dialogues in strife-torn areas.
- Communication/advertising campaigns.

In addition, schools could be used to promote tolerance among learners and guardians, as a key component of South Africa's national identity.

Structuring a future-ready
communication function

*By: Ilona Fookes

Fickle markets, growing competition, increased business risks, pressure to increase productivity and time to market, cost reductions, the need for innovation and collaboration, decentralised teams, limited skillsets and talent – these challenges and requirements are the order of the day for organisations across business sectors.

As a result, many organisations are moving away from traditional silo-based models to a centralised approach that enables efficiency and excellence. Though the model has been prevalent for a number of years in areas such as IT, locally, companies have been slower in adopting a Centre of Excellence (CoE) for their communication function. However, now more than ever, communication as a business function needs to adapt or slowly die.

A CoE: Enabling excellence and efficiency in communication

In short, a CoE is a virtual collection of specialised skills, most commonly established as a digital platform with a community that includes external communications, internal communications, HR, digital and technology enablers (eg, IT), marketing, brand and external partners (eg, agencies and research consultancies).

A CoE enables the communication function to:
• Be individually and collectively more efficient.
• Shape culture.
• Create networks.
• Improve generalist and specialist skills (enhancing communicators' capabilities as trusted advisors).
• Drive modernisation and innovation in communication.
• Instil one shared narrative across shared message plans.

Establishing an optimised CoE for communicators in your business can improve existing communication practices and grow new capabilities to maximise value, enabling delivery on strategic focus areas.

Some of the tangible benefits of establishing a CoE for communication include:
• Elimination of silos, duplication and waste – ultimately reducing and ensuring maximum return on communication spend.
• Standardisation.
• Reduced complexity.
• Process alignment.
• Aligned strategic priorities, planning, focus areas and topics across marketing and internal and external communication.
• Interconnected communication – 'connecting the dots' for the organisation.
• Skills development opportunities across the communication community.
• Simplified team collaboration and shared learning.

In addition to knowledge transfer between the CoE and individual projects and campaigns within the business, a CoE also promotes knowledge transfer from external resources, like your agencies and other suppliers, which is critical to empowering self-servicing communicators. The result: overall alignment, quicker time to market, reduced costs and communication excellence.

Know more

If you would like to know more about establishing a CoE for your communication function, get in touch with icandi CQ.

Ilona Fookes is from icandi CQ.

icandi CQ has been adding creative intelligence to internal communication, branding and marketing projects since 1998 by combining imagination, innovation and inspiration to ensure business results for a range of blue chip clients. (Level 2 BBBEE status).
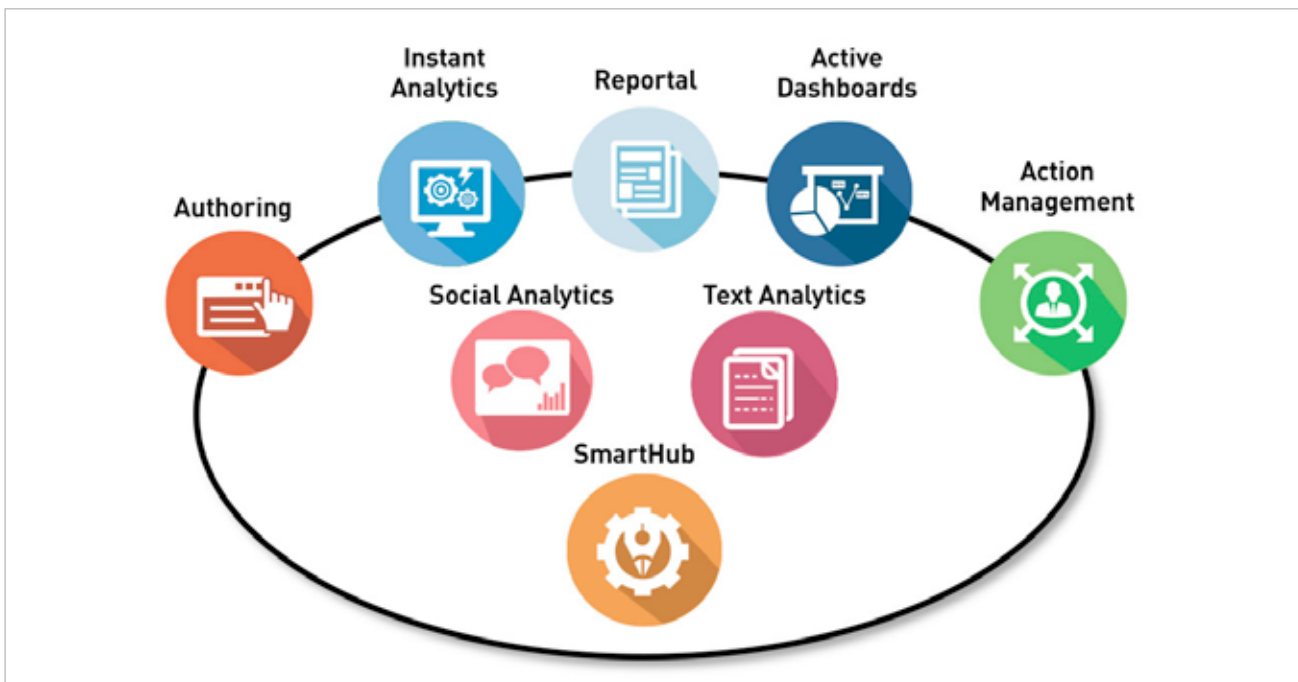Website: www.icandicq.co.za
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Innovative channels to drive
employee engagement

*Daniel Munslow

According to the 2013 Gallup State of the Workforce report, an estimated 30% of employees across more than 100 countries are engaged to their jobs. This means that two out of three employees are disengaged. When we speak of engagement, we refer to the emotional investment an employee has in his or her workplace, thereby leading to value creation. Employee engagement has become an increasingly important concern for global leaders and companies seeking to improve cost utilisation of labour in a global economy that continues to change.

Organisations most successful at engaging their employees are those that focus on the conversation of engagement in the workplace as a matter of routine rather than exception. Towers Watson released a 2012 study titled "Change and Communication ROI Study", which highlighted that "organisations that are highly effective in communication and change management are two and a half times more likely to report better financial performance than organisations that are not highly effective at either communication or change management (34% versus 13%)."

Engagement is an important topic for any organisation or government department. While the measurement parameters may be different, the principles are not. It is therefore important for organisations to clearly, continuously and effectively communicate the reasons behind their strategic goals and the advantages for the entity and its employees.

Communicators regularly grapple with a continuously changing communication landscape, not to mention the workforce landscape. The selection of channels and mechanisms used to reach, connect and engage with employees grows longer by the day. While this offers more choice, it can enhance connection with the workforce or confuse employees on where to get information.

Communication from leaders

Regular communication from the company's leaders is a key driver of a culture of engagement, leading to higher participation rates in various employee engagement activities and interventions. It is also the single largest contributing factor to an overall improvement in engagement metrics. This in turn leads to higher productivity, and consequently cost optimisation.

The 2013 Gallup Survey shows that approximately 70% of employees in America today are not engaged at work. They show up for their salary and do not release discretionary effort (the variance between the effort they put in and their cost to the business). This is due in part to the lack of an emotional connection to their leaders. Employees' perspectives of their leaders are often vastly different to their leaders' perceptions of themselves. Many employees simply perceive their leaders to not care about

them. This is why face-to-face communication is all about connecting leadership at multiple levels (board, exco, senior and middle management) to the entire workforce.

Think about this story in terms of how leadership is perceived. In February this year, Time Magazine featured Howard Schultz, the Chief Executive of Starbucks (the American coffee empire). Starbucks is well-known around the world for being a leader in employee engagement through visionary leadership, values and purpose.

Schultz tells about the time, 14 years ago, when he received a call in the middle of the night alerting him that three Starbucks employees at a store in Washington D.C. had been shot and killed, including an 18-year-old who had just recently begun working at Starbucks - it was his first job. Schultz was in New York City at the time. What Schultz didn't do, says a lot about leadership. He didn't immediately call Starbucks' public relations people, lawyers or even the press. Instead, he headed to Washington, where he first spoke to the police and then to the store to get the addresses of the three murdered Starbucks employees. He went to each of their homes, told their families he was sorry and shared their tears.

Schultz's compassion and empathy as a leader is what sets him apart from the rest.

This isn't just an anecdote. CEO.com's 360CEO report highlighted that employees want to hear from CEOs more. No fewer than 76% of executives and general employees said they'd like to hear from their CEO at least monthly. Only 55% of CEOs speak that frequently.

In the same study, CEOs ranked "transparency and information sharing" low on their list of priorities, but general employees think it's the top priority for their CEOs in driving a culture of engagement.

Collaboration forums

Communication practitioners are seeking new and innovative ways of engaging employees through virtual forums. The purpose of such forums is to create and sustain a culture of collaboration that in turn breeds innovation and unity among the workforce.

Organisations are using a multitude of enterprise social media tools to boost engagement, productivity, performance and collaboration. These are tools like Yammer, SnapComms and more.

Once the ideas are shared, communicators consolidate the collective knowledge pooled and

explore ways of using it to enhance business outcomes.

Virtual forums are highly popular in large, multinational and decentralised businesses as they offer a cost-effective way of continuously unifying employees in real time. But collaboration isn't obtained using virtual mechanisms alone.

Face to Face World Café or Blue Sky sessions are also becoming increasingly important to bridge the digital divide and enable employees to have conversations with their leaders in a more informal setting. It enables the workforce to share their views, be heard and take part in conversations that could impact on the direction of the business. Leaders who walk the floor, get involved in the business and even take call centre phone calls with their staff (like Delta Airlines CEO, Richard Anderson), drive significantly higher engagement than absent leaders.

Face-to-face forums are important to break down silos. In an interview for an internal communication audit, an employee working in a store in the retail business said something very simple, yet profound – "head office doesn't understand retail". From where they sit, head office issued policy directives or procedures that sound great on paper, but are impractical to the people who execute them. Executives with their fingers on the pulse know what would work and what wouldn't, because they engage their workforce at all levels.

Digital publishing and video

Progressive organisations are looking at ways of enriching employees' experiences when engaging with content. The proliferation of digital platforms enables organisations to look at rich media on multi-devices, mobile delivery and even social sharing. What it also allows is for a multidimensional experience, where an employee can, for example, read an article and immediately view a video embedded on the page to interact with the story.

Digital publishing is also about cost optimisation. Many employee engagement surveys show a decline in the number of employees who read company magazines in the traditional format. As a result, and to remain relevant with a new generation workforce, organisations are seeking new modern platforms, where multimedia can be embedded to increase appeal and ease of consumption.

Online publications have quicker turnaround times
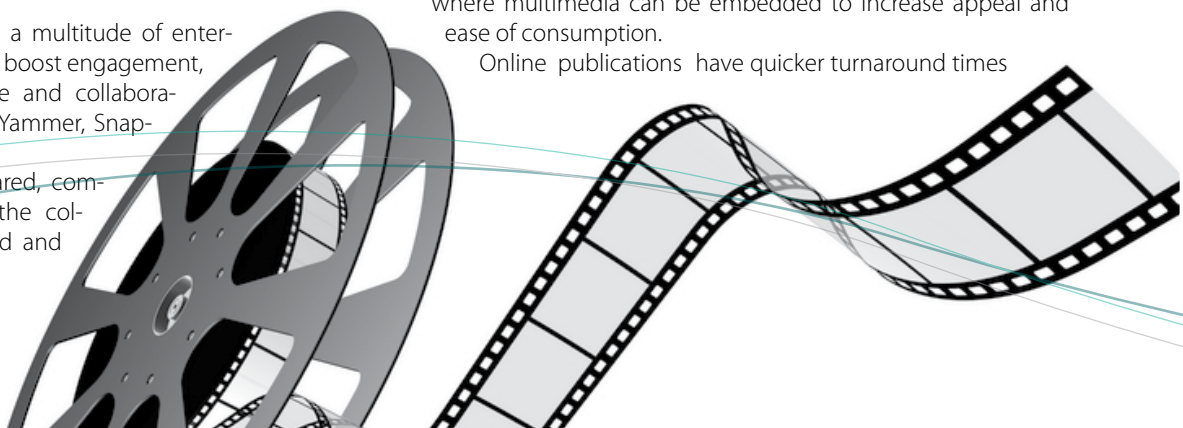
and better flexibility in integrating various media elements. Therefore, they can effectively bridge engagement gaps with leaders who can, for example, film a short snippet for inclusion in a brief business update. Historically, that would have been done face-to-face or via a video filmed especially for airing at a later date on a TV screen. Now, a video blog can be created in minutes and shared almost immediately.

Simply put, organisations need to find ways for people, process and technology to converge. A paradigm shift needs to take place to embrace new ways of doing the same thing.
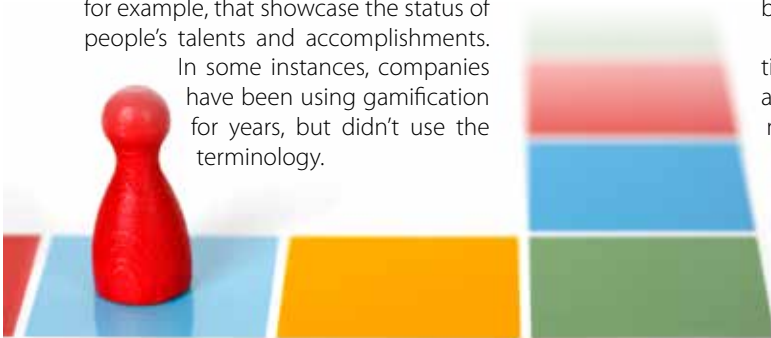
Gamification

Gamification has become big business around the world, including South Africa, where many organisations are using it to enhance their learning and development offering. In 2013, Forbes Magazine published an article by Gartner Inc, which said: "When designed correctly, gamification has proven to be very successful in engaging people and motivating them to change behaviours, develop skills or solve problems. Leveraging some of the features used in real games, gamification can turn many other types of activities into games."

Gamification is a well-known concept, but often still misunderstood. It is all about applying game mechanics and techniques to engage and motivate people to achieve a desired organisational goal. It is an evolution of classroom-style workshops and "death by PowerPoint" teaching, where employees traditionally sat through a learning session. These sessions are now interactive with a view to improve knowledge retention and drive behaviour change.

People have a natural desire to compete, collaborate, assist others and take pride in a sense of achievement. For this reason, businesses can use gamification to drive a desired set of employee behaviours that will assist the organisation to deliver on its brand promise. Gamified courses can be done in a learning environment, but also by implementing rewards systems using badges or points, for example, that showcase the status of people's talents and accomplishments. In some instances, companies have been using gamification for years, but didn't use the terminology.

Competition is another aspect of gamification. In the above example of a visible points-based rewards system, the desire to appear on the leader board drives employees to do their best for themselves and for the company, in order to feature as top achievers.

Infographics

Infographics are being used increasingly in all forms of communication, be it in newspapers to the public or internal communication. The idea is to simplify a vast amount of information - usually statistics - into easily digestible, often bite-sized chunks. A single page infographic could be the summary of an entire report, highlighting only salient points in simple and appealing graphics.

One of the hallmarks of the digital age and the Generation Y workforce is the speed at which information is exchanged. The "140-character generation" isn't a cliché – it's a reality.

Infographics can often balance the vast amount of information executives want shared with the business with the reality that, if not packaged and presented in an interesting way, it simply won't be read.

Digital signage

In many organisations there is a need to communicate to a diverse workforce in real time. With digital signage tools it's easy to land tailored messages to different audience categories in real time, using dynamic and easy to update tools.

In many multi-brand organisations (a single holding company made up of numerous entities or branded services), there is a challenge of ensuring the consistency of a primary internal brand, while customising messaging and brand identity that will appeal to employees who work for specific brands. This is important in the process of maintaining and leveraging existing brand equity and driving a uniform internal culture.

By segmenting the audience within an organisation, this can be done easily and at little cost.

The changing nature of today's workforce requires organisations to look at a multi-channel approach to communication and ensure that their communicators are upskilled on the new mechanisms available to use. It is not possible to abolish one channel at the expense of another. The challenge is to rather find innovative ways of complementing and integrating channel usage, to achieve improved organisation-wide engagement and productivity.

* Daniel Munslow is a Principal Consultant at VMA Group and Director of Munslow Corporate Communications. He has 12 years' experience in business communications and consulting, and has worked across multiple industries in numerous African countries. His experience includes media work at Primedia Broadcasting and the South African Broadcasting Corporation, Executive Marketing and Operations Strategist for a pan-African media monitoring company, and Director of a leading stakeholder engagement consultancy. He currently focuses on strategic consulting, recruitment and skills development for senior communication practitioners.

Delving into
online advertising

*By: Allison Cooper

The South African internet advertising market is growing at breakneck speed, with R1.3-billion in total revenues reported in 2013, according to the inaugural Internet Advertising Revenue Report prepared by PwC SA and released recently by the Interactive Advertising Bureau (IAB) South Africa.

The report is a landmark for the maturing South African digital industry, which has a growing need for reliable market intelligence to position itself as globally competitive.

According to the report, online advertising revenues, excluding search and mobile, amounted to R452-million in 2013.

Search dominance of internet advertising accounts for 52% of the total internet advertising revenue and, in line with the rest of the world, Google dominates the South African search market.

As a result of rapidly rising mobile and smartphone penetration in South Africa, mobile internet advertising revenue amounted to R172-million in 2013. Mobile remains the smallest medium within digital advertising.

Growth in the industry is fuelled by a variety of factors, including growing internet penetration, declining broadband prices, faster broadband, increased consumption and the rise of targeted advertising as a preferred advertising medium.

"From the outset, our objectives were to provide the South African digital industry and the advertising markets with precise and comprehensive insights into internet advertising spend, while ensuring uncompromised confidentiality throughout the entire process. We have succeeded at both," says Gustav Goosen, head of the IAB SA's Research Council, who acknowledges that the South African research team experienced the typical challenges associated with inaugural studies.

Other IAB member countries faced similar 'teething' issues, but have gone on to annually conduct the PwC study in their territories for a number of years.

"It will become easier for more industry players, both sell-side and buy-side, to participate and submit the required data to PwC for the second reporting period, ending December 31, 2014. The IAB SA will be working with PwC in the coming weeks to launch the submissions phase of the second annual study, and we look forward to seeing an extended list of contributors."

The study has two overarching long-term goals. The first is to increase the frequency of the report as soon as practically feasible. "We're an immediate medium and we need to strive to have this type of industry data available more frequently than on an annual basis. Second, the IAB SA wants to contribute South African data into the IAB's global data set to ensure that South African market insights reach a world audience. This would ensure our market is adequately represented and reflected on a global stage," says Goosen.

The results are considered the most accurate measurement of interactive advertising revenues because the data is compiled directly from information supplied by companies selling advertisements on the internet.

"Internet advertising is maturing as a medium," says Vicki Myburgh, entertainment and media leader at PwC Southern Africa. "This is a growing category owing to ongoing movement of ad spend into all three core categories: display, search and classifieds."

Industry's take on the report

According to Richard Lord, Business Unit Manager at The MediaShop, the report is a 'start'. "This is a mammoth task and getting all of the role players to participate is a massive challenge. But it is a good first stab. Hopefully we will see more agencies giving their input into next year's report, which should hopefully make the data a little more robust and representative. It was good to see all the major publishers participating, but they can only tell us one side of the

story – the display side. We cannot get a sense of what spend is going into search, programmatic or social media, unless the agencies participate and it was slightly disappointing to see that many agencies did not submit their data."

Craig Utermark, the CEO of Atmosphere Orange, says, "The report is a breath of fresh air as, up until now, we have not had the correct industry data to definitively predict the trends of digital media spending in South Africa. Globally, companies typically spend five times more of their entire media budget on digital communication than we do here in South Africa. This is a clear indicator that the growth we have seen in recent times is the start of South African companies embracing digital media and realising the inherent value that exists within the digital environment."

Klaus Germann, Digital Media Director at Hellocomputer says, "The fact that the report is a market snapshot from more than a year ago, of an industry that evolves almost entirely every 12 months, is testament to how out of sync it is with the state of digital media as it stands. I generally steer clear of any purported figures relating to digital spend in the region because most reports do not take into account all digital media formats available to advertisers and as a result fall well short of being accurate."

He explains that one needs to have a firm grasp of all the digital media opportunities available to advertisers to make a call on where to commit media investment. "Looking to market reports has traditionally been how marketers make calls on where to invest their money. However, in the case of digital, this is one of the biggest threats to the growth of investment in digital media. For many years, many brands have been hesitant to pioneer investment (and spend the right proportion) into digital because of a lack of understanding and courage. They stood on the sideline waiting for the figures to flip and for investment in digital to outstrip traditional counterparts, before getting on-board with digital media. Brands need to sit down with their agency to understand their media options and to evaluate the calculated risks and course of action that will best suit their brand campaign initiatives."

Marius Greef, the Commercial Director of Habari Media, acknowledges that the report has provided the digital advertising industry with its first benchmarking tool, comparable to what the overall industry received through AdEx. "While by no means a detailed breakdown across verticals, consumer spend or medium, it does provide us with an insight into overall declared revenue, category spend and pricing models that enables us to have more strategic conversations with clients and our third party international brands (such as LinkedIn, BBC, ESPN and BBM, among oth-

ers) around the level of maturity in our market and the potential for growth," he says.

"As the report requires proactive submission from media owners and agencies it does not, by any stretch of the imagination, provide us with the complete digital picture as revenue earned probably equalled double this number through undeclared international sources such as Google, Facebook and overall programmatic spend. That news continues to be the dominant publishing type out of the information that was submitted came as no surprise, with both the volume of local content being generated (News24, Mail and Guardian, NAB and eNCA) and the quality of international content available (BBC, Reuters) allowing for users to satisfy their ever-growing demand to be in the know. Social sharing further enhances this offering through content sharing and the virality and immediacy that it offers," adds Greef.

Steve Waidelich, the Digital Director at Starcom MediaVest Group, says, "It's interesting to see such a low investment in mobile media, given the large penetration of mobile in South Africa versus desktop. I think this will look dramatically different in 2014/2015. The report also notes a heavy dependence on display, which we expect to shift to social and mobile."

Online trends over the next year

Lord believes that programmatic digital buying will continue to grow. "It is still in its infancy in South Africa and spend is still relatively low, but it is growing and so I do believe that more agencies and clients will start to play in this space," he says. There are many benefits to programmatic buying over other forms of digital advertising. "Programmatic won't replace traditional display advertising, but rather supplement it – allowing for greater return on investment, bigger and more targeted reach and campaigns that can be optimised beyond just cost per 1000 impressions (CPM) and cost per click (CPC). We will also continue to see spend on social media platforms growing, as well as spend in the mobile space."

Utermark says that big data has been a buzz word globally for a few years. "Systems that work globally, in larger markets, however, do not necessarily translate into the South African context. I believe we will see localised data starting to play a much larger role in digital media to start with, followed closely by data initiatives in TV, radio and out-of-home, which will all drive increased relevancy."

Germann says the key trend will remain the one that has been around since the beginning of digital media - that investment in digi-

tal media will continue to be under reported. He says that Facebook has a firm hold in the online media space, with unparalleled targeting capabilities, which has powered its shift from a social platform for brands to a media channel for brands. "Brands that succeed will be the ones that adopt Facebook as a direct response channel, use it to draw targeted audiences towards their owned channels and re-engage users that have left their owned channels to come back through effective remarketing."

He explains that for many marketers, this will be their first foray into using owned-data such as engaged consumers - be it through a website visit (cookie) or email address - to adapt the message that the end user sees. As a result, they will be exposed to the dramatic lift in outcomes that intelligent online advertising that is powered by data has to offer.

"The plethora of online media offerings, along with the increased education around how to define outcomes to assess the performance of digital media (driven by direct response offerings that pull users to an immediate action), will create more data savvy marketers; marketers who have great respect for the way data can be used to improve marketing outcomes," he says.

Brands that understand first and third party data - and don't just talk about big data, but rather the intelligent definition of the data that matters and the implementation of this in a way that it empowers marketing - will pioneer the true one-to-one communication capabilities of the internet. "By this I mean that those that harness data efficiently will be able to realise the dream of true big business to individual messaging. For example, a company sends their marketing mailer on a Tuesday but you receive the email on a Sunday at 12pm, in a tone befitting your personality and with content you are genuinely interested in, because everything you told the brand today (including your email opening habits) tell it what time and content mix is most relevant to you," says Germann.

According to Greef, video and mobile will continue to dominate the crystal ball over the next two years, as decreasing data costs and Wi-Fi projects enable access to the internet and social media. "New creative formats, more expansive engagement models and decreasing development costs will all play a part in driving conversion on mobile. Viewability, or the metric that aims to track only those advertising impressions that are actually seen by the user, is also gaining traction as adoption and optimisation

to this metric are being pushed from international agencies to their local counterparts. While this, in general, holds very little threat to social platforms, it does prove problematic for certain publishers - in particular news - that rely on high page view numbers to maintain their rankings and performance. Programmatic will also continue to grow, in development to a single inventory pool, across digital and, in the future, across all media types."

Waidelich foresees a larger investment in mobile, which will be particularly driven by social media. There will also be a move towards programmatic display, which tends to deliver better performance. "We project premium display spends to shift towards programmatic in the next 12 months."

Waidelich says there will be a much higher investment in video advertising. "As bandwidth costs decrease and connectivity improves, advertisers will look to online video as a key medium to reach users."

Are clients seeing advantages in online advertising?

According to Lord, the majority of spend is still on traditional media, such as TV, radio and press, but digital is growing rapidly. "More and more clients are starting to see value and they are starting to put bigger and bigger budgets towards digital media," he says.

Utermark says, "Our clients are receiving outstanding value from the digital environment. This is specifically due to our access to new technologies that are being released almost quarterly within the global market. Not all technologies these days are effective, however; if one has spent time and effort on the correct resources, then the advantages of digital advertising become more obvious and meaningful for the client."

"Those that are using digital are seeing amazing benefits. The key challenge that still exists is accurately assessing performance in terms of true return on investment, as the last mile in most instances is still hard to track," says Germann. He explains that the 'last mile' refers to people's behaviour. For example, driving people to call a car dealer from contact details garnered from a banner advert or brand site to test drive a car. "This cannot be easily tracked in the real world and thus the call, test drive and resulting sale aren't attributed to the banner that started this line of events. We are working hard with clients to more accurately pre-empt user paths to conversion and look at means of more efficiently tracking these to justify increased spend, through clearly articulating return on investment."

According to Greef, clients are seeing significant advantages to engaging with their customers online. "Whether it is the ability to target, monitor and refine their engagement with these customers or the ability to engage with them across different stages to the path to purchase, digital has become such an ingrained part of the individual's daily life and clever brands are taking cognisance of this. We have also seen a strategic shift across digital spending in the past two to three years, as clients start to understand the efficacy of digital advertising in conjunction with traditional media. The second-screen experience has now become commonplace jargon in advertisers' lives and platforms such as Twitter and the Vodacom rugby app significantly enhance consumers' brand recall and engagement."

Waidelich says there are huge advantages to using digital media, particularly in the telecoms and banking sectors. "Digital media continues to deliver some of the lowest acquisition costs for clients, while simultaneously delivering cost-efficient reach. We project an exponential increase in the percentage of budget that clients allocate to digital in the next 12 months."

Which advertising mediums currently offer the best return on investment?

"Television," says Lord. "It works. Advertisers wouldn't be spending the amount of money on it that they do if it didn't. Digital, however, is showing excellent returns – especially in the programmatic space. It is measurable and can be highly optimised and we can ensure that every cent spent is relevant and seen by the right people at the right time. For those clients who offer online fulfilment, programmatic buying can offer excellent returns against very specific metrics and campaigns can be optimised to very specific key performance indicators beyond just CPM or CPC."

According to Utermark, digital media is far more directional and controllable. "We often refer to a digital campaign as a knowledge curve because we can micro-manage the outcome of a campaign based on the data that we receive daily. With response times being so dramatically shortened, digital media allows more flexibility when it comes to quantifying campaign successes or identifying what is causing a campaign to fail and being able to rectify the issue within a short period of time." With regard to the best medium for return on investment, Utermark says it's difficult to say whether a TV advert offers a better return or not, since the measureable elements of media vary depending on both the campaign and the medium it is displayed on. "Essentially one needs to create and evaluate a sustainable media mix, where audiences are constantly evaluated, and a 'one voice' communication policy is adopted."

Germann agrees that this isn't a simple question. "It negates the technicality of audience and outcome. In digital, unlike most forms of traditional media, there are many different solutions for the different stages of consumers' path to conversion. When I say this I feel like I am negating the comprehensive range of traditional offerings from above-the-line awareness through to the below-the-line point of sale traditional offerings that do intersect the consumer at the point of conversion. My point is that digital keeps being compared to traditional media, without any further breakdown into the different roles it can and should play. YouTube video ads, for example, are excellent at reach and awareness, whereas search ads are incredibly adept at intersecting interest and remarketing display ads are amazingly effective at completing the loop on conversions. When you have a comprehensive mix in digital, that takes the full path of the consumer into account, digital advertising as a whole is incredibly effective."

Greef believes that there is no single advertising medium that provides a turn-key solution to all advertisers' needs and a combination of all the mediums to reach and engage consumers is the most effective strategy. "Understanding your consumer, through research and insights form tools such as Telmar, Roots and Storyteller, will enable you to better plan and effectively manage your ROI."

Waidelich says digital has shown excellent ROI, which has been proven through extensive research in developed markets. "Hence the massive shifts of budgets globally towards digital. South Africa is slightly behind the curve on this research, which has led to a lag in the shift."

* All revenues included in the report are recorded on a net basis and therefore exclude rate card discounts and agency commissions. Information is prepared according to survey responses received from the participants. Figures are based on the information submitted and have not been verified. Search revenues were obtained from the PwC Entertainment and Media Outlook: 2014–2018, South Africa–Nigeria–Kenya survey. Both publishers and agencies have participated in the survey. PwC does not audit the information and provides no opinion or other form of assurance with respect to the information. Only aggregate results are published and individual company information is held in strict confidence by PwC.

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Advertising –
not a numbers' game, a people's game

* By Veruschka Khan

An advertising sales rep trying to convince you to purchase premium space always leads with their traffic. Of course they should, but their traffic shouldn't be presented as a figure. Advertising in 2015 is not a numbers' game.

Many companies are happy to pay to assemble an audience – the bigger, the better – and then to broadcast a message to them. In theory, you have a better chance of being spotted using this approach, but you are choosing visibility over connectivity. You might be getting clicks, but are you making sales?

Mobile technology has changed the world. Communication has moved into our personal sphere, and we've invited it to do so. Unlike conventional television that is still largely aimed at mass audiences, our mobile phones know what we like, what we are interested in, what we should be reading, who our friends are and how we spend our time. Our mobile phones wake us up in the morning, travel with us to work and are often the last thing we look at before we go to sleep. According to Arbitron and Edison Research, 52% of mobile phone owners always keep their device within arm's reach and another 30% do so most of the time. We are either directly or ambiently plugged into our phones all day long and the relationship is personal. Brand messages that don't directly address who we are, aren't going to interest us.

Mobile advertisers also fall into the trap of presenting their impressive figures, but mobile can't be used like mass media. Readers make visual decisions in less than three seconds. They may log into their phones for at least three hours a day, but they spend less than two minutes at a time doing so. Unless they are already interested in what you are selling, grabbing their attention is going to be difficult.

My philosophy is simple. Technology rules the moment. You aren't meeting someone in a place anymore, but in a mind-set. Someone who is visiting a news site to do a quick two minute scan of the daily headlines is going to spot your family health insurance advert, but he is less likely to engage with you. However, someone who is spending five minutes scrolling through pages of adverts hoping to buy a stroller or a cot for a baby might be prompted to click on a banner that says, "Have you added your new arrival to your medical plan yet?" Someone picking out a new car will be exponentially more interested in finding out if you can beat their car insurance quote or offer more competitive financing than someone visiting a weather site to figure out if they need to take a jacket along for the day.

This is why impersonal and uninteresting advertising is not going to cut it. That's why I don't present numbers to prospective clients – I present buyer intent. I tell you why customers are where they are. Brand experiences are only dead ends if we design them that way. If you leave a compelling enough trail of digital breadcrumbs, you can pull someone deeper and deeper into engaging with you. But you have to seize that moment of interest, that three-second window of their attention, to keep your costs low and your hits high.

It's easy to be dismissive of sites like classifieds, because someone is "looking for a bargain". It's not necessarily true – as many high-end cars, houses and furniture are sold on classifieds as they are anywhere else – but let's assume that it is true for a specific customer. She is spending her time looking for bargain Louis Vuitton handbags and jewellery. She's forking out less than the retail price for sure, but what do her searches tell you? She has enough disposable income to put down a few thousand rand on glamour items, and is certainly an aspirational shopper. Isn't she the perfect candidate to sign up for a store card at a fashion or jewellery outlet? She is interested in the items, she has disposable income, she is likely to shop for years to come and she would love an opening offer that includes an incentive, like fashion vouchers.

Of course, every prospective advertiser will tell me that they want to speak to our six million browsers. But you have to narrow it down. Do you want to speak to new parents, bargain hunters, car shoppers, casual browsers or adrenaline junkies? There is nothing more personal than a classifieds page, where the content is provided by individuals, rather than a corporate. Every person that clicks through to a platform and spends time there has a compelling reason to do so. Either to save money, redecorate, upgrade their car, buy their first home, look for a job…how do you fit into that moment?

Advertising shouldn't talk at consumers, but with them. Online behaviour is little more than a realisation of our thought processes – either to evaluate alternatives, seek information, purchase or plan. Therefore you need to offer information and alternatives and be an active participant.

When planning your next campaign, get tactical. Get mobile and target specifics. Your consumers' interests are being carried around in their pocket. If you can address them, you'll get them in the bag.

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