

Advertising - What brands need to be aware of in 2020



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The belief has always been that 'when the economy is struggling, advertising is the first cost to be cut'. This has proven true in every down cycle even though evidence shows those who invest wisely in tougher times gain market share.



Jason Stewart, co-founder of HaveYouHeard.

• Purchase decisions are influenced by intangible and unconscious ROI equations

But, just as brands are under pressure, so are consumers. As a result, they are downgrading and looking for more value, or alternative solutions that can deliver more – or the same – for less. They are driven by their ROI evaluation of a brand, which is usually an irrational equation based on intangibles, such as where the brand sits on the status spectrum.

Today's world is creating a negative and overwhelmed consumer

As consumer watchers and insights gatherers, we are seeing a consumer who is feeling overwhelmed, pressured and threatened whether it be because of growing financial strains, threats from climate change, future uncertainty or the depressive and exploitative negative views pushed through media and social platforms.

• Brands become tribal identifiers as in-grouping grows

This has made people become more tribal and 'in-group'; which means that they move closer to people just like them and close off those people different to them.

Direct friends and family become more important, and people move from being more open and experimental to becoming more closed off and risk-averse.

We are also seeing a pronounced shift away from individuality (I am unique) towards in-grouping (I am with these people) and ideology (a belief system stemming from political, economic, environmental or social issues).

Brands, therefore, play a very important role in identifying in-groups and providing tribal distinctions of familiarity. They are becoming badges and statements to others for what you believe in, based on what the brand represents.

Africa is rediscovering, rewriting and redefining who we are

A year ago, many South Africans had a very strident view – they did not want their culture or Africaness to be defined by others and embarked on internal exploration, discovery and expression. In general, this need for self-determination has grown rather rapidly, but is more strongly bought into by some groups than others.

The constant is that no brand should fall into the trap of trying to define what 'being African' is. Instead, they should respect the process and facilitate it.

Brands need to become strong, confident, calm, trusted leaders

Because consumers are feeling so threatened, they are looking for guidance and protection. 'Ramaphoria' showed just how hungry South Africa was for a strong leader; it is an example of the desperate need we have for anyone or anything to provide hope.



'Ramaphoria' and its effect on the property market

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No matter their size, brands need to exhibit strength, stability and calm while doing everything to provide consumers with confidence, and build trust. This sounds obvious, but the execution isn't as easy ... only brands that can deliver consistently across all touchpoints will win.

A shift away from traditional advertising

With performance marketing and measuring ROI, bottom-line results are more important than ever. But even though the majority of adspend is moving online with more targeted messaging, brands are fighting for less attention in an ever-growing, cluttered and distracted space.

Advertising has, unfortunately, less and less cultural relevance. The majority of work that is producing bottom-line results is the work that doesn't look like advertising, but rather adds value and becomes part of the consumers' lifestyle. This allows a brand to be both distinctive and authentically part of the community.

Time to get deep and personal

While aligning your brand's proposition with your consumers' deepest core drivers is a pretty obvious tactic, we are finding that consumers' needs and wants are shifting more frequently today than ever before. Staying abreast and in tune with your consumer is imperative. Investing in understanding their evolving and shifting needs and wants will prove valuable.

Don't discount, add value

The knee-jerk reaction in today's economic climate is to 'discount to gain volume', but we know that destroys longterm equity and future margin opportunities. There are increasingly more ways to tangibly and intangibly add value that should be explored first.

As consumers evolve, so too should our approach to advertising

We have entered a new era for humanity. One that is being reshaped by technology, globalisation, climate change, and economic and political uncertainty. Never before have there been such dramatic and consistent shifts in consumer attitudes, beliefs and behaviours. Our approach needs to also evolve.

A few examples of additional points of view we have seen and will see more of, are:

- From the brand essence to what the brand stands for (on key issues)
- From profiling demographics to profiling on behaviour, beliefs, values and ideology
- From building awareness through reach to building reputation through trusted advocacy
- From media channels to building brand and content ecosystems
- From broadcast message to activity and engagement embedded as part of the culture
- From annual, unmovable brand plans to allowing for agile movement guarterly, to stay relevant to new opportunities and evolving culture of the consumer

ABOUT JASON STEWART

Jason Stewart is the co-founder and MD of HaveYouHeard (www.haveyouheard.co.za), a communications agency immersed in culture to influence it. With 11 years' trading experience and offices in Johannesburg, Cape Town and London, Have You Heard uncovers unique insights to create innovative ideas that influence the audience by bringing the brands it partners with to the centre of culture.

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