

Regulatory shifts bring risks and opportunities for brands and media owners

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13 Oct 2017

If you work in media, marketing and advertising today, you are probably dedicating much of your time to keeping up to date with how a changing compliance landscape will affect your interactions with consumers. These include the Consumer Protection Act (CPA), the Protection of Personal Information Act (PoPI), Cybercrimes and Cybersecurity Bill and last but not least the Liquor Products Amendment Bill is expected to be tabled in Parliament later this year or in 2018.



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Top of mind concerns

The Cybercrimes and Cybersecurity Bill in its present form would outlaw the use of analytics software to collect, monitor and analyse data traffic for marketing and advertising purposes as well as place onerous evidence preservation and disclosure obligations on companies that collect customer data, according to the IAB. Taken together, these laws and regulations highlight why compliance should be top of mind for media companies and brands alike.

If you're a media owner, some of these laws put key parts of your revenue mix under threat and create new business risks to manage. For example, the present Alcohol Bill would further restrict how, when and where liquor brands may advertise, putting a significant revenue stream – [estimated at around R2.4bn](#) at risk for many publishers and broadcasters.

Meanwhile, PoPI creates new demands around how you store and secure personally identifiable information as well as how you reach your audience with text messages, email and direct marketing. Once the Act comes into full effect, companies can no longer be sloppy in managing their email and SMS databases since there will be stiff fines for non-compliance.

Time to change tactics

This changing environment means that media owners and brands alike can no longer rely on the same tactics and channels we used in the past. For instance, the new restrictions on alcohol advertising mean that liquor companies will need to think about alternatives to big, flashy brand campaigns in favour of more direct engagement with customers.

The good news is that mobile channels offer a compelling new way to reach customers with engaging and personalised content, creating fresh opportunities for brands and consumers alike. According to World Wide Worx research, there are now more than 21 million internet users in South Africa, most of them on mobile. Here's the opportunity to bring together brand campaigns with one-to-one marketing to amplify reach.

The opportunities of the mobile channel will grow in the years to come as data prices fall and more people get smartphones. In South Africa, we're already seeing an explosion in consumption of video from mobile devices, delivering a powerful tool to reach customers beyond traditional media. In future, we may see more use of native advertising and advertiser funded programming to reach people watching video on their mobiles.

However, publishers and broadcasters will need to rethink aspects of their business models to cater for a dip in big campaigns, but many of them are already in a good position to add value for advertisers. Many media brands, for example, have strong followings on social media, users on mobile apps, and established SMS and email databases that they can leverage on behalf of brands.

PoPI and permission

Since PoPI means that companies won't be able to send marketing message to people who aren't already customers without first getting their permission, many brands will be eager to make use of media owners' qualified and established audiences to reach new customers. The added benefit here is that they will be able to better track engagement and conversion because of the data media companies can collect about their customers.

Premium publishers use the insights they gain from data and analytics to deliver more personalised content and experiences to their communities, as well as to help brands target consumers with more relevant and tailored marketing messages. Many brands will want to outsource the technical and regulatory complexity of managing the data and analytics to publishers.

Brands may want to remember that the PoPI's scope extends beyond SMS and email to include social media and all other forms of electronic communication. The fact that a consumer has clicked on the like or follow button does not mean an advertiser may indiscriminately populate his or her timeline with marketing messages, especially if the person's profile is private.

Unless the regulator grants an exemption, marketers must not process the information of children without the consent of a competent person (most often a parent) because this is prohibited by the Act. This applies even where personal information is publicly available. These are just some examples of the complexities brands and marketers face with full implementation of PoPI—and they need specialist attention.

An integrated approach

As challenging as the new legal and regulatory environment may seem, most media owners and advertisers already recognise that mass media is just part of the puzzle in today's consumer landscape. It is important today to maximise points

of contact with consumers by coordinating radio, TV and digital campaigns and integrating the measurement and management of these campaigns across print, PR, TV, outdoor and radio.

With consumers' attention fragmented across multiple channels and digital taking more of their time, leading brands are already implementing multichannel advertising and marketing strategies. The regulatory pressure is just one more reason to pick up the pace in implementing personalised, entertaining marketing strategies that delight the audience.

ABOUT WERNER LINDEMANN

Werner leads Mediamark, South Africa's leading integrated, multichannel media sales house, as it continues its journey to create a converged sales capability that can help customers leverage mobile, video and content marketing, in combination with its exceptional traditional platforms...

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