

SA's MetropolitanRepublic silent on Uganda entry



18 Apr 2011

MetropolitanRepublic, a South African-based advertising agency, is expected to open business in Uganda after securing advertising business from telecommunications company, MTN. Metropolitan is reportedly causing ripples in the market with the deal and its anticipated entry.



For starters, it has poached a popular comedian and creative expert Hannington Bugingo from Lowe Scanad one of the leading communication agencies. Bugingo is said to have resigned from his job and taken up an offer at Metropolitan, according to the *Daily Monitor* newspaper.

But Dawn Klatzko the managing director, MetropolitanRepublic was tight-lipped on the company's next move when reached for a comment on Friday. "Our plans beyond South Africa are not for public information at this stage," Klatzko said in an interview.

Waiting for confirmation

Klatzko added that the firm was yet to get permission from its client on official communication about the deal. "I am waiting for our client that we mentioned in our release for approval and will then get the information to you," she said. MTN plans to issue a statement about its new agency this week.

Advertising firm QC Saatchi and Saatchi lost the lucrative advertising deal to Metropolitan after its contract came to an end, a source at MTN Uganda said. In 2010, corporate firms such as Airtel and MTN Uganda spent up to Shs395 billion advertising from Shs269 billion in 2009; according to a new report by Steadman Synovate on Uganda's advertising expenditure.

Saatchi and Saatchi becomes the second advertising firm to lose major telecommunication accounts on the African continent. Last year, ZK Advertising which is headquartered in Tanzania lost Bharti Airtel to Ogilvy Africa. The loss closely followed the acquisition of 15 subsidiaries of Zain Africa on the continent by the Indian telecommunications giant for

ZK Advertising's subsidiaries collapsed

As a result, some of ZK Advertising's subsidiaries like ZK Advertising Uganda have collapsed because they were largely dependant on the Zain account to thrive. ZK has debts to the tune of US\$700,000 according to the firm's former managing director Anthony Wanyoto. The money is owed to media companies, employees and other suppliers of the company in Uganda.

In 2010, MTN the largest mobile operator in Uganda also moved its public relations account from Media Age to Media Analyst after a three year partnership. Over the last three years, the communication agency business has been heating up with the entry of new players in the market. New players such as Fireworks Advertising, Tell-Em Public Relations and Media Analyst have been sweeping deals from old timers like; Media Age and ZK.

ABOUT WALTER WAFULA

Walter Wafula is a seasoned journalist who has reported for the Daily Monitor new spaper in Kampala-Uganda. He is also a contributor on Bizcommunity.com website. Email Walter at wafwalt@yahoo.com and connect on LinkedIn.

- Pepsi confirms Konshens & Alaine Kampala concert 14 Jun 2013
- Agency clients should know what they want 18 Jan 2013
 Samsung targets infrastructure deals in Africa 26 Nov 2012
- Pay TV subscribers get rewarded 22 Nov 2012
- Forum lines up top business minds in Uganda 12 Nov 2012

View my profile and articles...

For more, visit: https://www.bizcommunity.com