

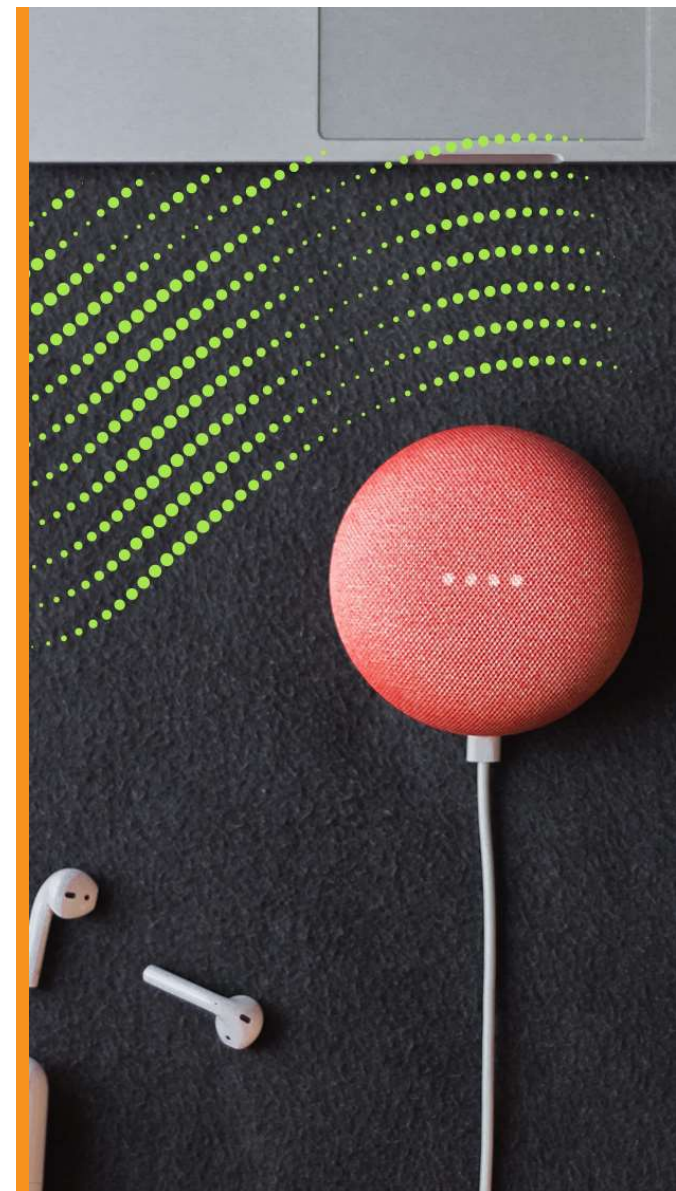
South Africa | 2018



Brands
in *Motion*

A country in motion

- South Africa has particularly high expectations. In just a few years the country has seen local and foreign investments remake the market, an increasingly powerful middle class expanding its purchasing power, and new devices and technologies changing daily life in South Africa for the better.
- But fears are also high. Cambridge Analytica and the high-profile cyberattack on Liberty Holdings has put security and data privacy in the forefront of consumers' minds — and unethical business practices from multinational corporations like SAP, KPMG, McKinsey and Steinhoff are changing how South Africans think about the role of business in society.
- Pair that with potential economic and political upheaval:
 - Land reform
 - New ANC leadership
 - Political opposition
 - Emerging market uncertainty in the wake of China-US trade wars
 - The fluctuating rand-dollar exchange rate.



South Africans have very high expectations

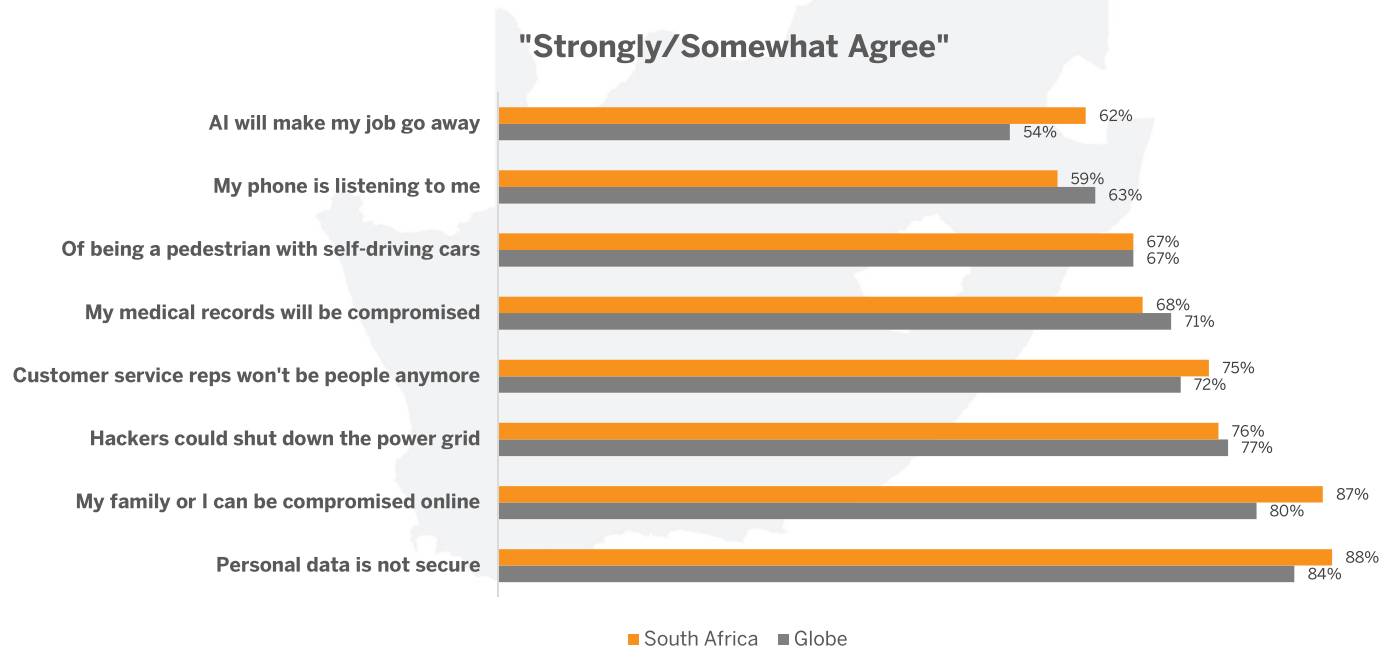
South Africa has seen incredible innovation over the last few years, and South Africans have considerably higher expectations of technology than other markets. We asked “over the next few years, to what extent do you think technology will allow companies and their products/services to...?”



Respondents were able to choose “Absolutely,” “Maybe,” or “Not at all”.

But fear of technology is also high

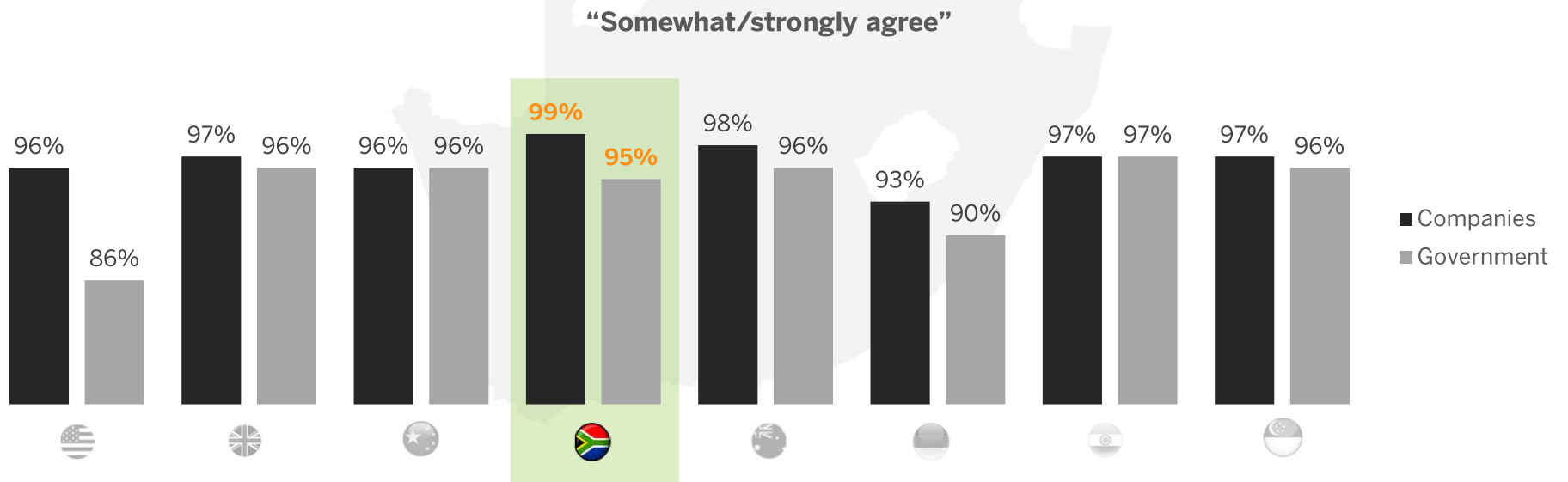
South African respondents' fears were close to the global averages. We asked to what extent respondents agree they are fearful of several scenarios.



Respondents were able to "Strongly agree", "Somewhat agree", "Strongly disagree" or "Somewhat disagree".

Ethics, who is responsible?

We asked to what extent respondents agree that companies have a responsibility to use technology ethically, and to what extent the government has a responsibility to ensure companies use technology ethically.





2017 Realities: Truer Than Ever

REALITY #1

Stability is an element of motion

REALITY #2

Cutting-edge is transcendent

REALITY #3

Good product, good purpose

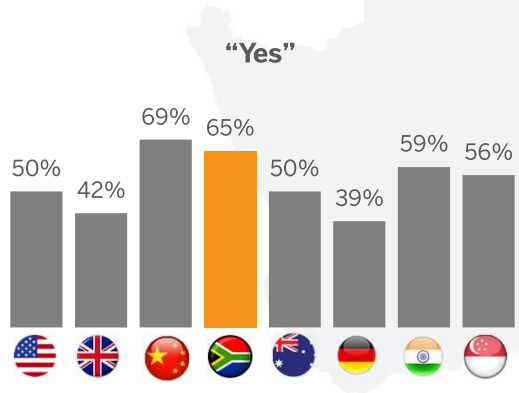
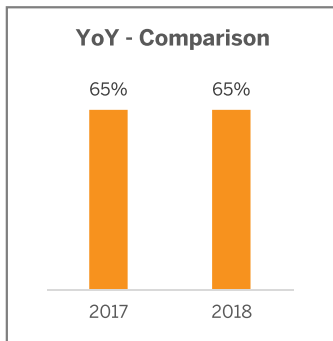
REALITY #4

Love you today, shame you tomorrow

Reality 1: Stability is an element of motion

Can brands provide stability?

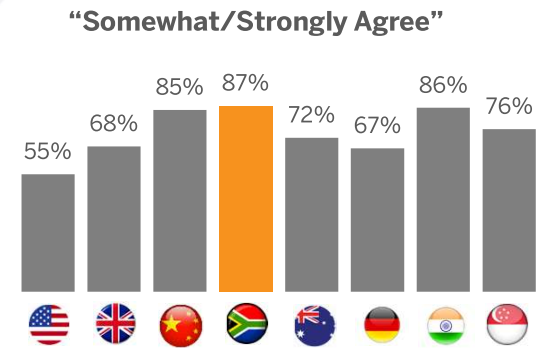
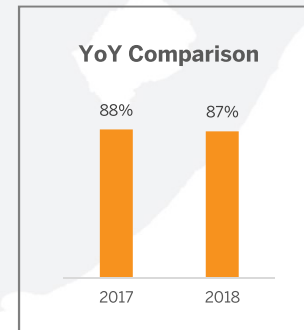
We asked “in a climate of uncertainty, do brands/businesses have the capability to provide stability?”



65% of respondents believe brands can.

Should brands take a stand?

We asked “How much do you agree with the statement...? “I expect brands to take a stand on important issues.”











87% of respondents have an expectation.

(agree or somewhat agree)

Reality 2: Cutting-edge is transcendent

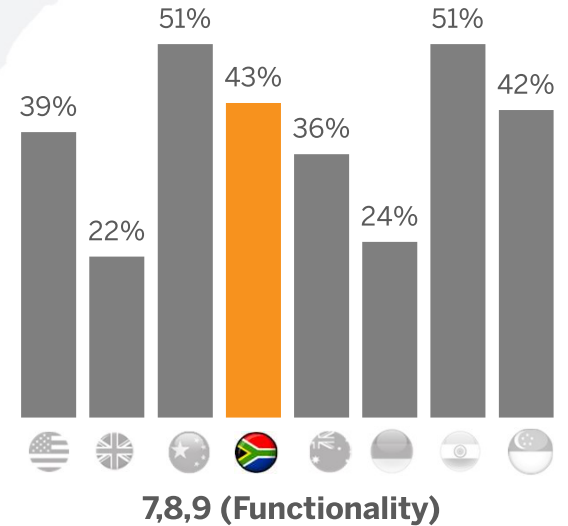
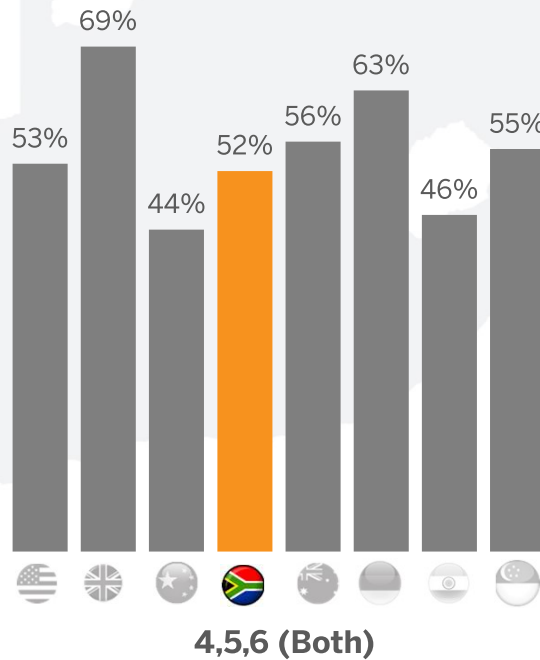
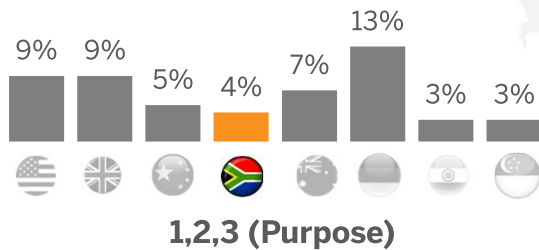
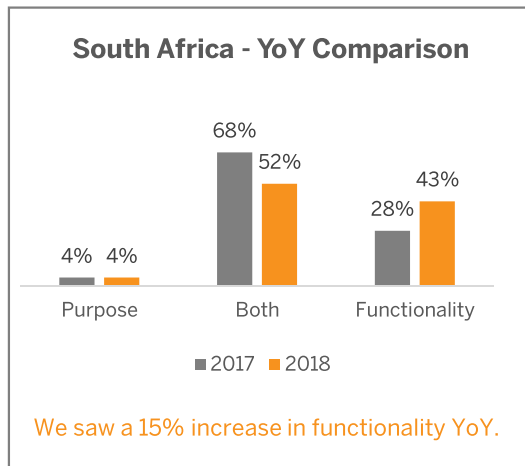
Being viewed as cutting edge, whether enabled by technology or inspired by it, leads to positive brand outcomes in areas that transcend product.

How they correlate with innovation

	Common good OR Does harm	It's a pleasure OR Completely miserable	Love OR Hate
	0.63	0.61	0.67
	0.59	0.57	0.61
	0.65	0.69	0.69
	2017 0.54 0.52	2017 0.63 0.61	2017 0.59 0.62
	0.63	0.64	0.68
	0.52	0.54	0.58
	0.56	0.64	0.62
	0.62	0.69	0.68

Reality 3: Good product, good purpose

We asked the question “Are you more likely to support a brand that has a high level of purpose or a high level of functionality?”



Motion Matrix: Understanding the axis points

South Africa was extremely optimistic in 2017 and is even more optimistic now. Average emotional responses are up 2 year-over-year and average rational responses are up 4.

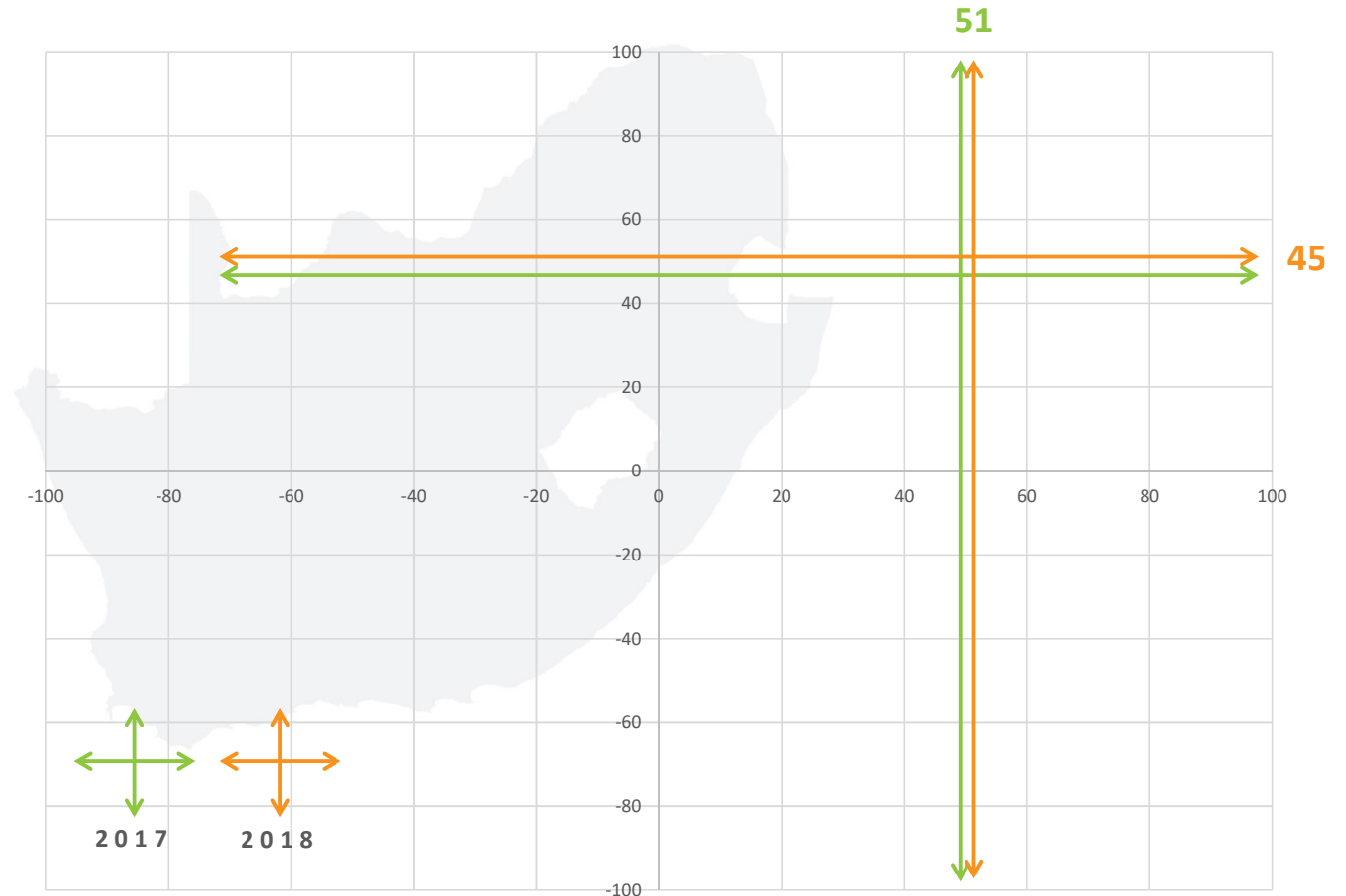
Other optimistic markets include China, India and Singapore.

2017

Category	Emotional	Rational
Computing Devices	52	51
Automobile	37	42
Finance	30	43
Technology B2B	52	53
Matrix Axis (Average)	43	47

2018

Category	Emotional	Rational
Computing Devices	55	58
Automobile	42	49
Finance	37	51
Health and Wellness	45	46
Matrix Axis (Average)	45	51



Motion Matrix: Year-over-year comparison



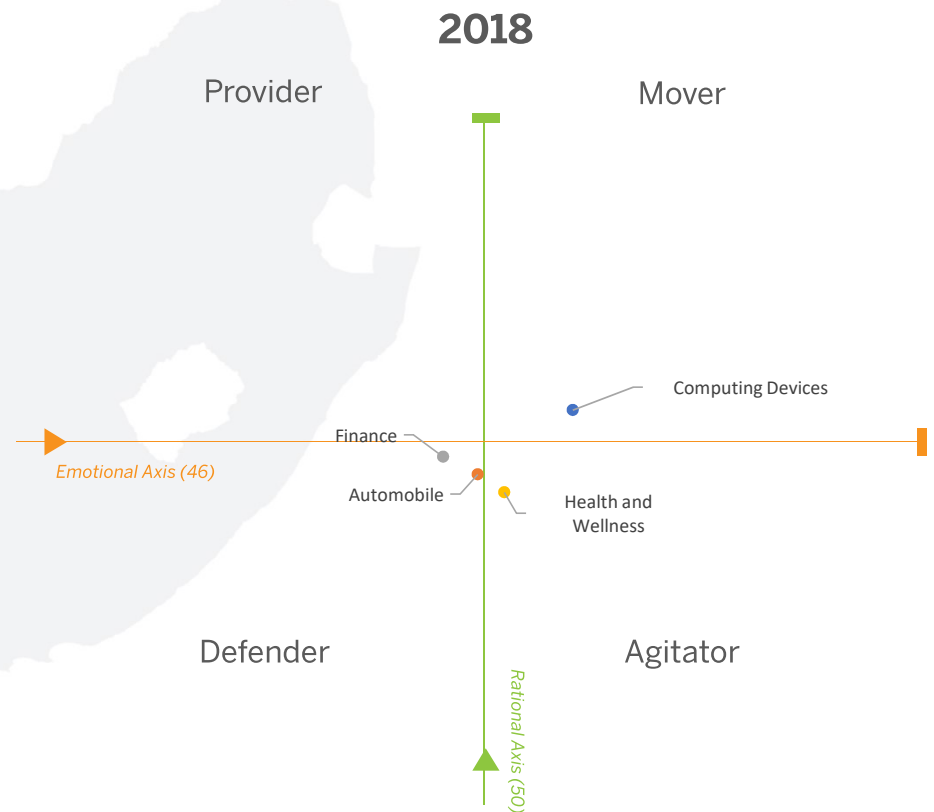
Motion Matrix: Key observations

Optimism and expectations in South Africa are high, which makes it difficult to be a mover. This year only one category surveyed landed in the mover quadrant.

Despite data breaches and compromised brands operating in the **finance and banking** sector, emotional and rational responses to this category are up. Innovations in onsumer-facing tech have given the finance category one of the biggest YoY jumps in any market.

South Africa fell in line with other BRICS nations regarding attitudes toward the **automotive** category. Respondents here saw it as cutting edge, and had a higher intent to purchase than in many western markets. Despite this, it's still in the defender quadrant.

The **computing devices** category was a big winner in South Africa in 2018, likely on the back of a booming smartphone market, a more customer-friendly telco market, and new devices reaching the market. That said, South African consumers are heavily indebted when it comes to their devices and contracts, which may impact the outlook of this category in years to come.



APPENDIX

ABOUT BRANDS IN MOTION





2018 STUDY

8 MARKETS

CHINA, UK, US, SOUTH AFRICA, GERMANY,
AUSTRALIA, SINGAPORE*, INDIA*

26,897 consumers and B2B decision makers

8 CATEGORIES

1. Business Technology Solutions
2. Computing Devices
3. Smart Home
4. Automobile
5. Finance and/or Banking Products
6. Health & Wellness
7. Prescription Health*
8. Food & Beverage*

What WE Measured



RATIONAL DRIVERS

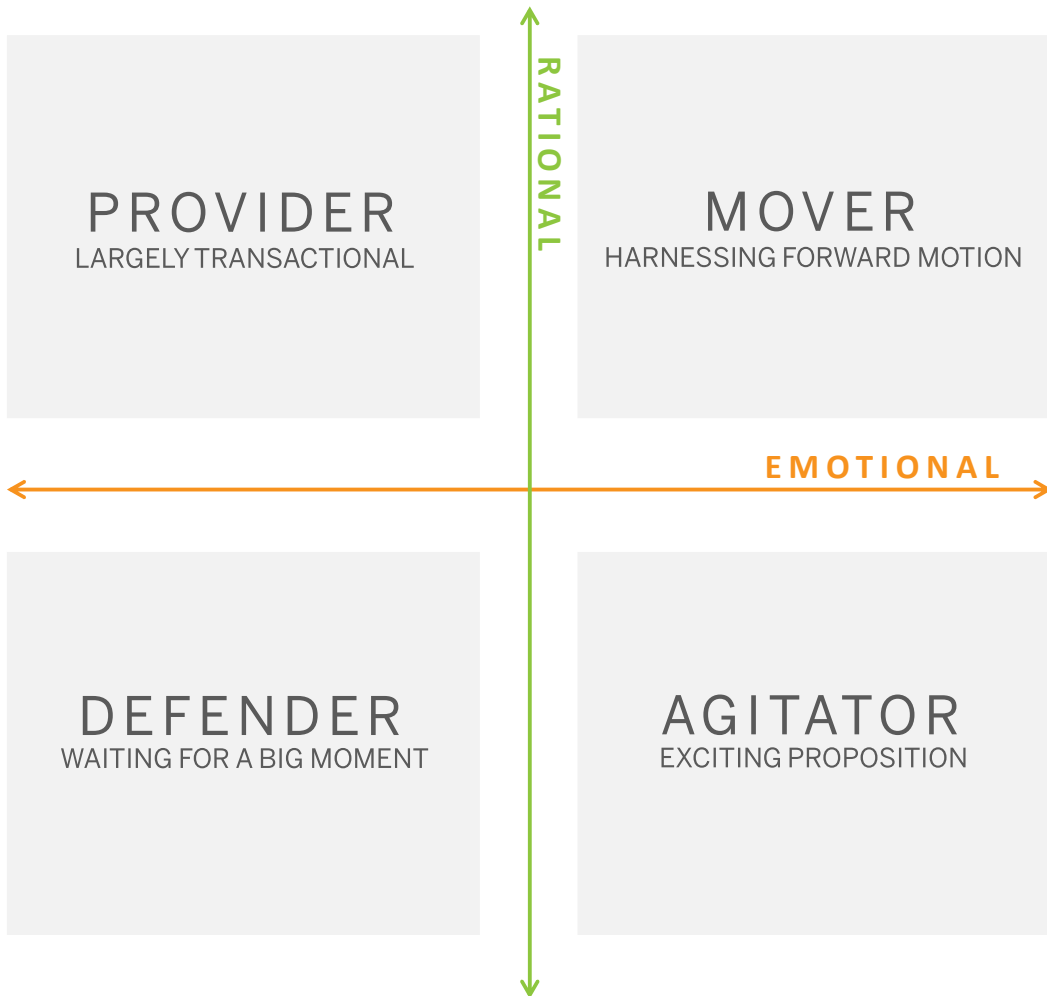
1. Executive behavior*
2. Innovative*
3. Intent to purchase*
4. Necessary*
5. Financial performance
6. Industry leader
7. Quality
8. Responsible
9. Value
10. Easy to work with



EMOTIONAL DRIVERS

1. Customer experience*
2. Defend or shame*
3. Disappeared*
4. Love/hate*
5. Overall impression*
6. Social impact*
7. Buzz
8. Forgive/not forget
9. Life impact
10. Shared values

* Measured at the category level



Defining the Quadrants

MOTION MATRIX QUADRANTS

1. Movers: Harnessing forward motion
2. Agitators: Exciting proposition
3. Providers: Largely transactional
4. Defenders: Waiting for a big moment