

When things get tough, we must get tougher

 By [Michelle Beh](#)

13 Jan 2020

2019 proved to be a difficult year for everyone in South Africa.



Michelle Beh, managing and strategy director at The Jupiter Drawing Room

The government faced challenges and roadblocks in their attempts to reform the country's economic infrastructure and fundamentals. Even businesses that have always done well, like Shoprite, struggled in the uncertain trading conditions. More consumers, across all segments, are trying their hardest to stretch their income and are coming short.

2020 is not going to be any easier. In such tough times, how does a brand and business grow; especially when they will need to watch their operating costs and have little room for missteps? This is when tough decisions need to be made, both on what will make the biggest impact on the business and what sacrifices need to be made.

Don't sacrifice your brand

Where there is pressure, it is easy for businesses to focus on driving short-term results. There is a lot of focus currently on performance marketing and tactics that drive immediate sales. However, performance attribution across all marketing activities is still at its infancy amongst most businesses in South Africa.



The future of marketer/creative agency compensation practices

John Little 27 Apr 2017



It is still difficult for most marketers to directly showcase that investing in brand will result in better business performance. Building brand equity takes time and the returns may not always show up in the short-term.

Some businesses that have shifted more investment behind driving digital, sales-driven marketing have realised that this strategy does not necessarily pay off in the long run.

Adidas, for example, have admitted that their strategy of focusing on marketing efficiency rather than effectiveness have impacted negatively on their long-term growth. They created an expectation of price discounts amongst consumers, who are buying because there is a promotion, not because they really want the brand.



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Michelle Beh 24 Jan 2019



They found that brand-building advertising actually has a stronger impact on sales than they thought, as they were only tracking tactics that had direct attribution to sales.

“ The lesson for marketers who are under pressure is to figure out howto balance short-term needs vs long-term investment. This is where brand owners need to understand what their brand assets are, and howto leverage them, even for tactical activities. ”

One of the best examples is probably Coca-Cola’s Share a Coke campaign, which was able to achieve both, building brand equity for long-term and driving interest in their product in the short-term.



How 'brand you' came to be

Gary Mortimer 22 Feb 2018



Creativity matters even more

When things get tough, the natural instinct is to go back to what we know and are familiar with. Why rock the boat, when the sea is already rough, trying a new idea that we are not sure will work?

If you see it from a different perspective, when things get tough, you need to take a different approach to create any difference. As Albert Einstein said: “The definition of insanity is doing the same thing over and over again, but expecting different results.”



The risk of not taking risks

Damon Stapleton 27 Nov 2019



Agencies have the power of applying creative thinking across all functions of their clients' business to drive impact in a low growth environment.

By applying critical thinking to problems and thinking out of the box, with our understanding of the consumers and not being tied to internal pressures, we can create new solutions that will stand out. That applies not just to advertising and communications, but also for their clients' products, experiences and processes.



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A very simple and personal example I'd like to share is that of Dinu. I bet you have not even heard of that brand.

I was in a friend's bathroom, and came out excitedly to ask him where he got his toilet rolls from, because the illustrations on them are different and cute. Who talks about toilet paper!? They just applied a simple, creative way to make something so basic distinctive and fun.

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A post shared by DINU (@dinu_upp) on Apr 26, 2018 at 12:28am PDT

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It is tough to take a chance to try something new, but there is never a better time when you need your money to create the most impact for your business. Businesses need to extract the most value out of their agencies by expecting them to come with interesting and unusual solutions.

"Packing lightly": Less is more

Strategy is about making sacrifices. If everything is important, then really nothing is important. In times when you cannot afford everything, then you need to think hard about what is important to spend on.

Making a difficult decision to not do everything and sacrifice certain segments or activities is not easy when you feel that every little bit counts. The question to ask is whether doing 50 things with 20% resources or effort put into each of them, is better than doing 10 things with 100% resources and effort behind each of them.



Is long-term strategy still relevant?

Michelle Beh 8 Mar 2019



How do we make a decision on what to focus on? Data can help in identifying activities that could provide the biggest return for the business, or the segments that can be de-priorised, or products that need the least help in marketing. However, we will never have perfect information, and there is always some risk involved. To not make a decision because there isn't enough data to back it up is the biggest mistake a business can make.

I like to use the "packing lightly" rule. Put down all the activities that you'd like to do for the year. Then start cutting out half of them, because you can't afford all of them. Be cruel – you can't afford to check-in your baggage, so you only have carry-on luggage. What do you really need? How do you take what you need and still fly high?

Don't forget about innovation

It is important to go back to basics, but businesses still need to think about future growth. Making bold bets in uncertain times has the potential of helping you leapfrog ahead of competitors.

The '[Growth Horizon](#)' by McKinsey advises the 70:20:10 rule, where 70% of resources should be spent on defending the businesses' core, 20% on expanding current products and services and the last 10% on transformative growth.

The [Harvard Business Review](#) outlines six ways a company can achieve transformative growth:

- **1. New processes:** Find innovative ways of producing or delivering products to customers.
- **2. New features:** Sell enhanced features to increase price and margin or get people to upgrade.
- **3. New experiences:** Deliver a distinctive or disruptive experience that makes your brand the preferred choice or be able to charge more.
- **4. New customers:** Find new segments to market to.
- **5. New offerings:** Develop a new product.
- **6. New models:** Sell your products or services in a new way.



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As you see, innovation doesn't necessarily need to be product-related or even be seen by end-consumers. It is really about defining problems or barriers for your business or consumers, and finding new ways to solve them.

Tackling 2020 head-on

The above are not trends, but recommendations for business leaders and marketers on how to face what could be an even tougher year, and come out on top.

ABOUT MICHELLE BEH

I play a dual role at The Jupiter Drawing Room Cape Town where I drive the existing and new business for the agency, as well as develop brand and communications strategies for our clients such as Burger King SA, Lewis Group, Sasko Bread and Flour, Virgin Group, and KVV Wines.

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