

The 'so what' marketing analysis on the growth of mobile in South Africa

 By Ben Evans

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It's an obvious truth that South African mobile penetration is at an all-time high...

The *Cape Times* has just reported a 100% rise in mobile commerce since 2013. The latest stats from eMarketer show 72% of the population are using mobile devices and MMA figures report a household penetration of 97% with local consumers spending an average of nearly two hours every day on their devices.

While the same research suggests that this penetration is flattening out - the forecast is set to peak at 75% in 2019 - the migration to smartphones is still on an explosive growth curve, with more than 50% of the market expected to be using them by 2019.



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It should be clear to everyone that mobile is the undisputed heavyweight channel through which to reach South African consumers, yet marketing efforts into this space are, by and large, featherweight.

Mobile gets less than 0.5% of SA channel spend (IAB & Nielsen) and still many marketers ask "So what?" as in "So what can I actually do on mobile for my brand?"

Here are four starter suggestions:

1. Re-platform to deliver the basics

Google recently altered their algorithm in recognition that more and more searches occur on smart phones - Google quotes this at 60% of all their traffic - so sites searched on mobile that are not optimised are rightly being relegated to virtual invisibility... The aptly named 'mobilegeddon'.

Without calling them out by name, the horrible truth is that even some of the most sophisticated digital platforms simply do not have the capability to render a site on a mobile device properly.

If this is the case, you need to re-platform immediately. Although this is a messy and expensive exercise, I'm afraid your customer sees it as nothing more than hygiene. In fact, expect brand damage if you don't.

2. Double down your investment in mobile and then raise it again

The huge under-representation in mobile investment across the marketing mix in South Africa represents a massive opportunity. In addition to the disproportionately small ad spend in mobile mentioned above, IAB research says only 48% of South African smart phone users remember being targeted with a mobile advert. which means not much is happening and what is happening is not memorable.

Impose a more aggressive mobile investment target as a percentage of your marketing budget to force yourself and your agencies to get further into the game. Invest now and stand to win your unfair share before the rest of the market plays catch up.

3. Take an R&D approach to developing smart phone-enabled experiences

Setting up useful, entertaining and effective smart phone experiences requires serious attention (and budget). Most apps and, by proxy, most mobile experiences, fail to engage. Global tech analysts Canalsys estimate that two-thirds of the apps in leading consumer app store catalogues receive fewer than 1,000 downloads.

Brands need to experiment and learn what drives customer engagement in their own specific context. There are unique engagement opportunities throughout every brand's customer journey. Take the time and effort to identify them and do not be afraid to experiment by exploiting them in new creative ways.

What's clear is that to stand a chance of winning in a world dominated by smart phones, investment has to be made into this space.

4. Test and roll out mass-personalisation programmes

Today, mobile is the No. 1 medium for reach but do not forget its unique ability to leverage any actionable data.

Mass personalisation at scale is a game-changing opportunity that will be exploited by the strategically fit and the data-savvy. Ensure that you have the right capabilities and partners in place to use the medium to its full potential.

Almost every brand these days talks about being customer-centric and mobile is the route to making that a reality.

ABOUT BEN EVANS

A key part of the Ogilvy & Mather South Africa team from January 2014, Ben is responsible for leading Ogilvy's digital portfolio of businesses comprising more than 200 people. This portfolio comprises OgilvyOne - Ogilvy's digital customer engagement specialist, Goo South Africa's leading digital design agency, Goo@Ogilvy - a full service creative digital agency formed from the merger of Goo and OgilvyOne in Johannesburg, Neo - Ogilvy's digital media and performance marketing business and Strike Media - a leading mobile agency.

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