

Brands on fire

How the looting will determine brand strategy

It was really tough watching the local news over the past few weeks. The journalism was stunning, the content horrific. There is no doubt that we will recall the 'July of 2021' as a dark and cold month; one that was on fire. The questions being asked are numerous ...

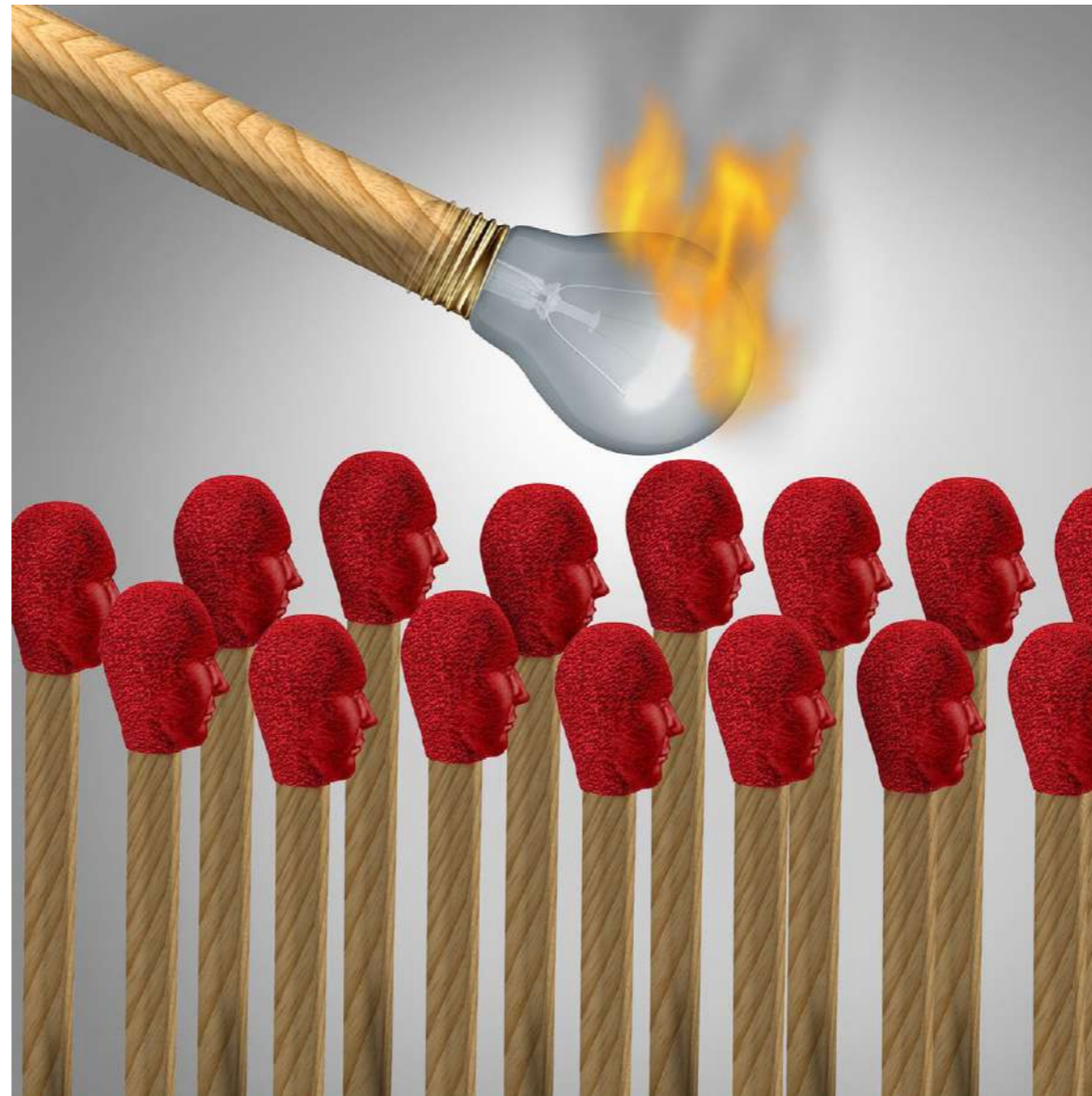
“ What resources are required?

How long will it take to replace the damaged infrastructure?

What is going to happen to the staff?
What is the actual cost of the damage?

How will insurance companies deal with the payouts? ”

The South African Property Owners Association (SAPOA) published some figures in a one page infographic titled *Counting the Cost*, and the numbers of those affected are gigantic; 200 shopping centres with extensive damage, 3 000 stores looted, R1,5 billion worth of stock lost in Durban alone and a R50 billion impact on the national GDP. Regarding the informal sector, a startling 50 000 informal traders have been affected. These are the businesses built on dreams, the ones that support entire families, many are



likely unable to make a comeback and this is truly heartbreaking.

Larger retail groups are scrambling to comprehend the true loss of their partially desecrated footprint.

According to the most recent SAPOA update (22 July 2021), 489 PEP, 190 TFG, 184 Spar, 109 Mr Price, 99 Famous Brands, 58 Lewis, 76 Pick 'n Pay Liquor and Boxer Liquor, 136 Pick n Pay, 31 Massmart and 36 Cash Builds were impacted and damaged.

The same goes for warehousing and distribution companies who have seen hundreds of millions of rands worth of stock and infrastructure looted and burned to the ground.

Whilst the private and commercial sectors have been quite remarkable in coming together to help with immediate challenges, like providing basic groceries to the hardest hit areas, the

supply chain has a long road of recovery ahead.

South African FMCG brands are equally lost. Some have decided to pull the plug on all advertising with immediate effect; a strategy that talks to the

extreme uncertainty of this period. Other brands see this as an opportunity to stand up and join hands with the South African people. We anticipate seeing some goosebump-worthy branding and advertising efforts rising from the ashes.

I imagine that brand managers could be compared to the many South Africans who are considering their futures in this country. There are two clear camps; the leavers and the stayers.

“ The leavers are the ones frozen and scared; these brands have put campaigns on ice and have temporarily stopped all advertising, through the line. ”

We cannot criticise them, they are doing what they believe is right for their brands at this time. They will recalibrate internally and get back on their brand-wagons when they have recovered.

“ Then there are the stayers; the ones who feel that now, more than ever, there is hope for South Africa and our people. The brand managers in this camp will be ferociously creating new and inspiring campaigns, promotions and in-store brand executions. ”

Their main goal will be to offer comfort and consistency to shoppers, participate in community upliftment challenges, increase their in-store brand presence and convey messages of hope on social and digital platforms. These brands know that



the demand to get back to normal will be higher than usual and that whilst the supply chain deals with incredibly difficult operational challenges, they cannot portray their despondency. Rather, they will be calling on their advertising agency partners, PR teams and media contractors to get to work on rebuilding.

None of us know what the real long term effects from this cold and dark July will be. Many of us are still dousing the flames and assessing the damage but there is always opportunity in these times. Brand Managers, this is your time to be brave, step up and honour your brand's purpose. The retailers have lit the path ahead of you with their

remarkable efforts to stand strong and united with their communities. It is now your time to support the retail industry; both in the formal market and general trade. **SR**



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