



Brand-building: a telling story

Why word-of-mouth marketing speaks to the important consumer community of black middle-class women in South Africa.

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The spending power of black middle- to upper-class South Africans, commonly known in the marketplace as Black Diamonds, is growing fast. But while it already constitutes close to 40% of the total consumer spending power in South Africa, recent research shows that local advertising is not yet fully targeting this increasingly wealthy section of the market. The car industry is a good example. Adex 2008 indicated that, although the black market at that stage already purchased 30%

of new vehicles per year, SABC1 only received 2% of all branded car advertising; yet SABC1 is acknowledged as the main mass-media channel for reaching Black Diamonds.

South African brands are not yet exploiting the inherent potential in differences in consumer communities. They fail to use more creative marketing activities to take advantage of the different psychographic profiles of such communities, which could make it easier to develop a bond with particular

communities. Instead, conventional advertising is simply applied across the board.

Local brand marketers show a specific lack of knowledge about the emerging black market. And they largely overlook the latent power of word-of-mouth marketing in this segment, especially among women, for whom conversation is an important part of social life and story-telling an integral part of cultural heritage. Research done by the UCT Unilever Institute of Strategic Marketing found that Black Diamond women represent over 40% of total female consumer spending, which was estimated at R120 billion in 2008. They are not only becoming more powerful in the business world, closing the income gap between themselves and their male counterparts, but increasingly share the decision-making authority at home.

A general ignorance about this market and about word of mouth as a way of building brand loyalty prompted research at the University of Stellenbosch Business School (USB). Several South African studies had previously investigated significant aspects of the black middle-class female market. In addition, a wealth of knowledge about this market, as well as the phenomenon of word of »

VALUE OF WORD OF MOUTH

- A study published in the *Harvard Business Review* suggests that 91% of people trust word-of-mouth recommendations from a friend as reliable advice about products. In contrast, only 14% truly believe in advertising messages.
- A global study conducted in 2007 by Millward Brown found South African consumers to be the most inclined to spread positive stories about brands. More than 80% of South Africans are likely to recommend a brand to another person, compared to a global average of 69%.

mouth in this market, resides in individual experts. The USB research aimed to consolidate the scattered knowledge in order to answer the question: How can marketers launch a successful word-of-mouth campaign among South African middle-class black women? Gaining a deeper understanding of the strength of brand loyalty and the cultural interpretations of brands among black South Africans was central to this aim.

Sources of information

The data for the USB study were collected from three sources: global studies on word-of-mouth marketing and marketing to women; South African studies on black South African women in a consumer context; and in-depth personal interviews with seven specialists in the fields of word-of-mouth marketing and marketing to black middle-class women.

The experts who were interviewed were connected to: B-two Strategic Marketing; the Unilever Institute of Strategic Marketing of the University of Cape Town (UCT); the Faculty of Commerce of UCT; the Faculty of Economic and Management Sciences of the University of Stellenbosch; and Instant Grass, a consumer-insight agency specialising in seeding and word-of-mouth marketing.

Lifestyle and culture

For marketers to better understand the black middle-class female market, some basics of history and

culture have been extracted from the wide variety of viewpoints and experience brought together by the USB research on this market.

Emancipation of women

A central aspect to be aware of is the progressive emancipation of black women since 1994 – both from political oppression and from male domination. Black women nowadays have much more freedom, brought about by, for example, access to education

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and the increasing representation of women in the workplace as a result of black economic empowerment. Middle-class black women have been playing a more dominant role as decision-makers in the home. They enjoy high levels of independence and are set on raising their children with high expectations.

Brand trust

Through the years, black people have shown a particular loyalty to the brands they trust. While

this loyalty is generally stronger among rural black people as meagre incomes force them to buy products they can rely on, it is also evident in the townships near cities. Generic or retailer-branded product names may be more affordable, but they are often not found in township spaza shops because well-known and trusted brands are still preferred.

The continued loyalty to brands found among the black middle class can be better understood when one takes into account that most Black Diamonds come from either a single-parent family or circumstances where both parents were working, which meant that the children did most of the housework. These children became used to certain brands at a very young age. Often they were also the ones who did the buying. As adults moving up the economic ladder, they are prepared to experiment with other brands, but must make the choice between emotional attachment and progressive needs.

Word-of-mouth tradition

Marketers need to recognise that word-of-mouth communication is embedded in African culture. African history and folklore were passed on through generations via the spoken word in the form of stories.

African culture continues to have a deep-seated influence on how Black Diamond women view the world. Research has found that most women maintain a strong sense of pride in their culture and customs. However, as a result of exposure to a westernised business world many no longer practise all the traditional rituals. Verbal communication still has a major place in their lifestyles.

Emerging middle-class black women prefer to blend in, rather than stand out from the crowd. They want to express themselves proudly in their own unique ways rather than imitate white peers. Acceptance by their black female peers is important. Since trendiness matters to them, peer groups will actively exchange information about trends, product choices, clubs, events and shopping places.

Places of conversation depend on the context of what is being discussed. Money issues will more readily be discussed outside the home than with family members who depend on them for financial support, as this may put strain on the relationship. Women will, for instance, easily share personal problems in taxis with strangers,

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The USB study made use of findings of the following research:

- The Black Diamond Surveys on the emerging middle-class black consumer in South Africa conducted from 2005 to 2008 by the UCT Unilever Institute of Strategic Marketing in conjunction with TNS Research Surveys and B-two Strategic Marketing.
- The Wildfire Index published in 2006 by the UCT Unilever Institute of Strategic Marketing in conjunction with TNS Research Surveys.

often seeing such conversations as a form of therapy. Research shows that Black Diamond women also enjoy meeting in shopping malls and coffee bars for social and business interaction.

Black women are also increasingly active in the digitally connected world. While all have cellphones, close to 50% have internet access. Their use of the internet and the social media is strongly on the rise.

These examples serve to illustrate the strength of word of mouth among Black Diamond women and their general reliance on peers and personal conversation as a trusted source of advice.

Distinct groupings

Black Diamond women are by no means a homogeneous group; they display distinct differences, both from each other and also from other South African women. The speed of change in South Africa has resulted in two broadly opposing mindsets among black women. At the one end of the spectrum are women who hold to that with which they grew up; they are known as *status quo* Black Diamonds. At the other end are those who embrace change and focus on the future, referred to as *future-focused* Black Diamonds. *Status quo*-oriented people generally prefer to stay in the townships where they feel comfortable and secure, whereas *future-focused* people rather move to the suburbs.

A word-of-mouth marketing campaign could have a higher chance of success if *future-focused* rather than *status quo* individuals are targeted

The spending power of the two groups differs, with the *status quo* segment earning on average half of what the *future-focused* segment earns. *Future-focused* Black Diamonds are also more likely to be influential in social networks. A word-of-mouth marketing campaign could have a higher chance of success if *future-focused* rather than *status quo* individuals are targeted.

Besides these two main segments, marketers active in this market have already identified other segments, each with distinguishing differences in behaviour, attitudes and media usage. It is therefore crucial for marketers to study how the market further

MARKETING TO WOMEN

When marketing specifically to women, marketers can leverage the distinct differences between men and women.

- Women have highly developed peripheral vision and pick up strongly on subtleties in marketing efforts. They are likely to attach importance to a brand's values and want to make sure that these correspond with their own.
- Women yearn for an emotional connection to a brand. When one sells to women, connecting with the person, respecting personal values and making time to listen to personal stories – thus building a meaningful relationship with the customer, as opposed to driving a quick sale – pays off in the end.
- Some successful brands have appealed to women by facilitating their interaction with other women. The brand is pitched as the catalyst that brought them together. In other words, connecting the brand's prospective customers to one another also connects them with the brand.
- Women thrive on relationships and therefore often discuss product information. Before buying something, they would often turn to a trustworthy source that already owns and uses the product. Social networking is an integral part of how women make purchasing decisions.

segments in relation to their product lines and to design marketing communication with the specific aspirations and sensitivities of the intended audience in mind.

Word of mouth as a marketing strategy

While there is no generally accepted recipe for achieving positive word-of-mouth campaigns, valu-

Word of mouth will only grow in importance as the postmodern consumer becomes sceptical of misleading advertising messages. Advice from friends and information available via online social networks and blogging sites are trusted more as unbiased sources of product information.

Past studies emphasise that word of mouth can be planned. It is not only a spontaneous consumer response. There are ways to ignite the consumer into further stages of spontaneous action. This study has developed a few pointers to guide such a process, as explained below.

Have the right product. Only special products will inspire consumers to talk about them. People who stand out from the crowd always seem to have some kind of charisma; likewise, it has been shown that one of the more successful ways to build a strong brand strategy and win share of heart is to create a charismatic personality for the brand.

Products that are innovative and exciting are more easily sensed as charismatic and attractive for word of mouth – the more exciting, the better. The product should also be *contagious*, a term used for a product that is likely to be widely used and much talked about.

Ultimate *share of heart* is reached when a product name becomes distinctive and memorable in the minds of consumers. It is as if the consumer takes ownership of the brand. Google is a good modern-day example. »

Choose the right people. The next step in building a successful word-of-mouth campaign is to find people who can bond with the product and spread the message.

First one has to keep in mind the market segment at which the product is aimed. Different audiences have different propensities for talking naturally about products. Some of these differences may be cultural; some may be based on age. Younger people, for example, socialise more and are more likely to be influenced by peers, whereas older people tend to rely less on advice from others.

In order to launch word of mouth as a company strategy, *influencers* are needed. They are people with a strong standing in their social networks who can be exposed to new products with the intention that they recommend these in their spheres of influence. Another term, one defined by the UCT Unilever Institute, is *igniters*. The word is used to denote positive-minded, ambitious individuals with influence over large personal networks of friends,

carefully developed and blended into the broader marketing campaign.

The key word here is *buzz*. To get strong word of mouth going, provocative ads are needed to create buzz. The ad or message must be simple and concise; if customers cannot articulate the main message, they will not be able to pass it on. News that is crisp, and also interesting and exciting, travels much more quickly.

Activate and maintain the campaign. Lastly, it is time to start the word-of-mouth campaign. *Influencers* need to be introduced to the product, properly informed about it, and motivated to spread the word.

Some companies allow consumers to be co-creators in the development stages. This involves letting them in on in-house information, not only about product development matters, but also about the marketing process. Being invited to contribute makes them feel part of the process.

how they can support issues and causes close to people's hearts, as this could help to spread word-of-mouth messages. Such support should, however, be genuine and devoid of deceptive tactics.

Getting influential voices talking

When envisaging market growth for their brands, brand managers can hardly ignore the Black Diamond women market as a substantial and growing segment. According to the Black Diamond research (2008) 96% of Black Diamond women are igniters, compared to the average of the total South African population of only 23%. The Wildfire Index (2006) indicates that 80% of all Black Diamonds are igniters – this would mean that women (as opposed to men in the Black Diamond market) have shown a much higher degree of ambition and influence.

The research shows that word of mouth is a powerful option for spreading the message in this market: it neatly blends in with the ways in which women get acquainted with products as well as with African culture that treasures the spoken word. Word of mouth often happens spontaneously, but it can be planned, kindled and maintained by attentive brand managers. The key is understanding the market. ■

Marketers should get out of their offices and into the field where the company's product is consumed

family and business contacts. The chances of sparking active word of mouth among consumers are much greater when igniters are identified and targeted in a marketing strategy.

Finding influencers can be tricky and tedious. Companies can, for example, start with the existing customer base as long-term relationships with the product on the part of some customers may already exist. Good prospects may also be people who are regular trade magazine readers, or who are active as chat hosts on a topic related to the product in the online world. The company could approach them via these media.

However, it is not only about finding the influencers, but also about understanding their context. Marketers should get out of their offices and into the field where the company's product is consumed. Time should be spent in these customers' environments. By understanding their cultures, the marketer could align the campaign better with the context of people's lives, needs and desires.

Develop the right message. Another important factor is having a powerful message, which is

Cooperation with retailers who are active in informing customers about what is new, interesting and exciting could be valuable to kick-start a word-of-mouth initiative. Many retailers are trusted by their customers.

It is crucial to have at least one person in the company who is obsessed with spreading the word. Such an individual must be persistent and brave enough to be innovative and ignore conventional channels, and must work hard at creating sales blitzes to get the product and message moving.

Ongoing communication should be encouraged. People have a natural longing to be liked and to receive attention. Research shows that many companies lose customers because they feel neglected. Brand managers should therefore nourish ongoing relationships. Companies should develop tools that allow the customer to give feedback and to make it easier to tell a friend, for example, creating forums and engaging with social networks. It has been shown that the higher the degree of connectivity among the company's customers, the more likely it is that word of mouth will accelerate.

Companies may find it fruitful to investigate



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This study was conducted by Marthinus van Loggerenberg as an MBA research project supervised by Prof Frikkie Herbst. The research report, *Word-of-mouth marketing to emerging black middleclass women in South Africa*, was presented to the University of Stellenbosch Business School (USB) in December 2009. This research also resulted in a paper by the two authors, *Word-of-mouth marketing to middle-class black women in South Africa: an emerging perspective*, which was delivered at the twelfth annual international conference of the Global Business and Technology Association (GBATA) held in South Africa from 5 - 9 July 2010. It won the best paper award at the conference.