

Conceptual framework for an Advertising Balanced
Scorecard: Case of the mobile network communication
industry in South Africa

By

Sandra Ayingono Moussavou

14248956

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Department of Business Management

Faculty of Economic and Management Sciences

Supervisor: Dr M.Terblanche-Smit

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Declaration

I, the undersigned, hereby declare that the work contained in this thesis is my own original work and that I have not previously in its entirety or in part, submitted it at any university for a degree.

Signature

Sandra, Ayingono Moussavou

____/____/____

Date

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I would to thank my portion, friend and lover of my soul **Jesus!**

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Abstract

Measuring advertising effectiveness has become an increasingly important issue due to the substantial sums of money invested in the advertising industry. The purpose of this research was to design an Advertising Balanced Scorecard (ABSC), which is an adaptation to the advertising field of the managerial Balanced Scorecard (BSC). The ABSC was developed to identify a balanced pattern between the perspectives leading to effectiveness, namely strategy, execution, media and creative, in order to measure and control advertising effectiveness. This study reviews the South African mobile communication industry and Vodacom in particular. It examines Vodacom's successful marketing and advertising strategy with a special attention given to iconic advertising by the use of a character such as Maurice the meerkat. After investigating the elements of Vodacom's award winning advertisements, a balance between strategy, execution, media and creative could not be isolated systematically. However, when fewer perspectives were involved balance could be reached. The results therefore confirm the complexity of advertising effectiveness measurement and indicate that measurement of advertising effectiveness is possible when focus is placed on fewer perspectives.

Opsomming

Die meet van die effektiwiteit van advertering word 'n al hoe belangriker aangeleentheid weens die aansienlike bedrae geld betrokke by die advertensiebedryf. Die doel van hierdie navorsing was om 'n Advertensiewese Gebalanseerde Tellingkaart ("Advertising Balanced Scorecard", ABSC) op te stel wat 'n aanpassing is van die bestuurswese Gebalanseerde Tellingkaart ("managerial Balanced Scorecard", BSC). Die ABSC is ontwikkel om 'n gebalanseerde patroon te identifiseer tussen die perspektiewe wat tot effektiwiteit lei, naamlik strategie, uitvoering, media en kreatief, om sodoende adverteringseffektiwiteit te meet en te beheer. Hierdie studie ondersoek die Suid-Afrikaanse mobiele kommunikasie-bedryf en Vodacom in die besonder. Dit stel ondersoek in na Vodacom se suksesvolle bemarking- en adverteringstrategie met 'n fokus op ikoniese advertering deur die gebruik van 'n karakter soos Maurice die Meerkat. Nadat die verskillende aspekte van die bekroonde Maurice-advertensies ondersoek is, kon 'n balans tussen strategie, uitvoering, media and kreatief nie sistematies geïsoleer word nie. Toe minder perspektiewe egter betrokke was, kon 'n balans verkry word. Die resultate bevestig dus die kompleksiteit van adverteringseffektiwiteit en dui aan dat die meting van adverteringseffektiwiteit moontlik is wanneer daar op minder perspektiewe gefokus word.

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Chapter 1: Introduction

Chapter 1: Introduction

1.1. Introduction

While it is generally assumed that marketing is about advertising and selling, the practice of marketing definitely encompasses both (Stone & Desmond, 2007). In the following two definitions, the essence of marketing is captured: According to Kotler (2005, p.1), marketing is the science and art of exploring, creating, and delivering value in order to satisfy the needs of a target market. After identifying unfulfilled needs and desires, marketing defines, measures, and quantifies the size of the market and its potential profit. It also pinpoints the most profitable market segment, then designs and promotes the appropriate products and services for it. The American Marketing Association defines marketing as an organizational function and a set of processes for creating, communicating and delivering value to customers. Marketing manages customer relationships in ways that it benefits the organization and its stakeholders (Keefe, 2004, p.17). As a result, depending on the perspective and the organization, marketing could be social or even political. The traditional framework of marketing, also called the Marketing Mix consists of the Four (4) P's which are namely the product, place, the promotion and the price (Clow & Baack, 2004).

The first element of the Four (4) P's focuses on the product. The specification of the product in terms of colours, scents, shapes and features is the concern of a product development team. It also includes the post-sales relationship with the company, for example, the after sale services or warranty. Then, place is related to channel of distribution, it focuses on how the product is delivered to the customer and where the product can be purchased. This distribution process can include any physical as well as virtual stores on the Internet (Shimp, 2003). The next element, promotion, focuses on communication with the customer. This includes advertising, copywriting, media selection, sales force, personal and mass selling, sales promotion and positioning. The final element, focuses on the price at which both the customer and producer could benefit, this also includes discounts. Each element within the Marketing Mix must be consistent with the others and optimizing the Marketing Mix is the primary concern of marketing in the global economy (Stone & Desmond, 2007).

Notwithstanding globalization, marketing is developing in a more complex and diversified marketplace as it tackles other challenges. Advertisers face conditions of increasing uncertainty due to similar competing brands, especially in the mobile network communication industry in South Africa. Wells et al (2006) define advertising as the use of paid persuasive communication tools be it signs, brochures, commercials, direct mailings, e-mail messages and personal contact to reach broad audiences, in order to connect an identified sponsor with a target and influence its behaviour. Advertising is one of the several activities subsumed under the rubric of marketing. It is an element of promotion, along with sales promotion and personal selling (Fletcher, 1991, p.8).

The purpose of advertising is to accomplish one or more of the following seven key functions of marketing (Wells et al, 2006):

- Building awareness of products and brands
- Creating a brand image
- Providing product and brand information
- Persuading people
- Providing incentives to take action
- Providing brand reminders
- Reinforcing past purchases and brand experiences

However, effectiveness in advertising remains an import issue. Along with the creative concept creation, it is rare that an advertising agency does not encounter the question of how to measure the effectiveness of the advertising investment. Hall (2002) confirmed after investigation that one of the most difficult problems advertisers face remains the issue of measuring the effectiveness of the advertisement they create and run. As Niven (2002) argues, measuring effectiveness is very important issue, because that measure can be used to evaluate, compare and express a variable. This it gives a point of reference, but when that measure is not available in numbers, it leads to a meagre and unsatisfactory knowledge. Subsequently, that the purpose of testing and measuring advertising is either to forecast the advertisements' effects or to measure whether objectives are going to be achieved (Ehsanul et al, 2005).

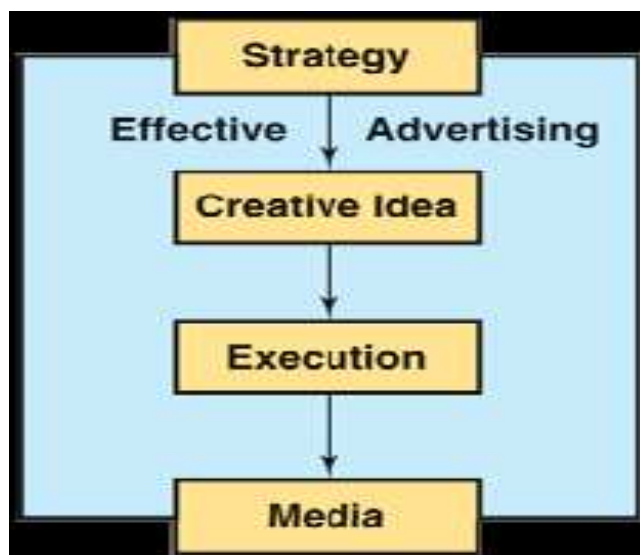
Moreover, Clow and Baack (2004) state that ineffective advertisements induce a company to spend additional funding to develop a campaign that is expected to fail from the start. A poor choice of advertisement may well result in sizeable sums of money being dissipated with little or no results (Cramphorn, 2004). Therefore, advertising research, testing and analysis have become extremely important (Fletcher and Bowers, 1991).

Wells et al (2006) argues that there are four fundamental elements that professionals use to analyze the effectiveness of their advertising efforts:

- The strategy
- The creative idea
- The execution
- The media

The figure below, Figure 1.1 gives an illustration of these elements.

Figure 1.1: Advertising Effectiveness Elements



Source: Wells et al, 2006, p.6

Following are the definitions and purposes of each elements of the Advertising Effectiveness Elements model.

The advertising strategy is the logic and planning behind the advertisement, it gives direction and focus (Ehsanul et al, 2005). Cramphorn (2004) stresses that advertising is intended to communicate specific brand ideas to a defined audience. Thus, the advertisement is developed to meet specific objectives provided by the strategy.

The second element of the model is the creative concept is the advertisement's central idea, which makes it attractive and memorable. It is the difficult task of an art director and copywriter to conceive this into visual form and written copy (Ehsanul et al, 2005).

The third element is execution which denotes the use of, among others, visual devices, advertisement tones, characters, formats and settings, information content, timing and music and aims to increase the potential of being noted or liked (Tustin, 2006). Provided that the likeability variable has the potential to significantly impact on the effectiveness of an advertisement, execution elements are to be researched thoroughly (Tustin, 2006).

Lastly, every message has to be delivered somehow and deciding the means and in which it is going to be done is the responsibility of a media planner. Most advertisers use media that reach a broad audience, such as television, magazines, or the Internet. The media planner's role is to give recommendations on the appropriate media strategy and to ensure media is purchased at a cost effective price. These Advertising Effectiveness elements are used in advertising effectiveness assessment

Implementing the Advertising effectiveness assessment can be undertaken before, after or during the advertising campaign (Stone & Desmond, 2007). In this research, the effectiveness of advertising efforts is assessed after a campaign has taken place. The topic of advertising and advertising research is discussed in more details in chapter two.

1.2. Background: Cellular mobile industry in South Africa

The South African mobile communication industry is growing and it has experienced an exponential growth rate since its introduction in 1994 (Buys & Malebo, 2004). With fierce competition among three network operators, Vodacom, MTN and Cell C, it is crucial to answer the question of how advertisers can acquire a better understanding of

advertising effectiveness. As the market leader in this industry, Vodacom will be the focus of this research.

In 2005, mobile subscribers constituted of approximately 49% of the South African population with 23 million subscribers and a penetration rate of 48% (South Africa, department of communications, 2005). South Africa, therefore boasts the largest and most developed telecommunications network in Africa, including the latest in fixed-line, wireless, satellite and cellular technology. The country has over 18 million mobile phone and almost five million fixed line subscribers (South Africa's telecommunications, 2007). Cellular communication is also currently a major sector in the local telecommunications industry. More than 5500 Vodacom base stations are in place to provide coverage to 60% of the geographical area of the country, hence allowing 19 million users to connect. Vodacom together with MTN and Cell C, cover more than 71% of the population. People who do not have cell phones in previously under-serviced areas are making over 35 million calls per month from Vodacom's 2135 community phone shops. It is estimated that the South African market is currently worth 23 billion South African Rands and will grow to around R54 billion by 2007 (Cellular online, 2006). The cellular mobile industry and Vodacom is discussed in more detail in Chapter 4.

This explains why the South African cellular mobile industry was chosen for this research. This industry's fast growing and dynamic pace together with a prominent advertising expenditure, attracts interests of numerous investors and scholars.

1.3. Problem Statement

Marketers are interested in knowing how effective their attempt at persuasive communication is in convincing consumers to buy or to know their brands. This straightforward and practical concern is deceptively complicated in the real business world as many uncontrollable variables such as advertising clutter that overloads the audience with advertising messages or individual conceptions that are based on one's background interact to influence the effect of an advertisement. Consequently, the topic of measuring the effectiveness of an advertisement is very complex both in theory and in practice (Driver and Foxall, 1984 as cited in Foxall, 2002). Each element of an advertisement must be tested must be tested to ascertain its effectiveness.

The research question of this study pertains to whether one can develop a framework to assess advertisement effectiveness in the form of an Advertising Balanced Scorecard (ABSC) that assesses four different aspects of an advertising message in one single model. In hypothesis, the ABSC is a simple tool that advertisers and advertising agencies could use to determine the effectiveness of their efforts. Based on literature, advertising researchers have not directed their efforts to the topic of developing a model that measures several aspects of a commercial within a specific framework yet. This research paper attempts to lay the foundations for such a framework, which is an adaptation of the balanced scorecard presented in detail in Chapter 3.

1.3.1. Strategy

The measurement of advertising effectiveness is the main focus of this study. According to Cramphorn (2004), the problem is that of measuring the advertising messages: does the advertising deliver against the strategic objectives?

1.3.2. Creative Idea and Execution.

Execution elements can be found in various combinations, such as testimonials with close ups that display individuals sharing their personal experiences, or products demonstrations with narration. Being aware of these elements and formats can help marketers follow trends in execution styles and provide greater understanding of the role that execution elements play in advertising effectiveness measures (Tustin, 2006). Understanding the best execution element to be used to achieve the strategy objectives is important.

1.3.3. Media Evaluation

Audiences do not necessarily absorb advertising messages carried by media. Viewers may leave the room or simply not notice a television advertisement (Roman and Maas, 2003). Advertising has little chance to be effective if no one sees it. Consequently, Wells et al (2006) state that analyzing the effectiveness of the media plan then, is another important part of assessment. Whether the plan achieved the frequency objectives is key to understanding effectiveness.

However no single criterion by which the effectiveness of all elements of advertising can be measured, precisely because advertising is not homogeneous with respect to each element's objectives, and the task that are assigned to them. Therefore, this study aims to overcome this limitation by investigating the testing of each criterion according to the element objectives in a single framework.

1.4. Objectives of the Research

The term "Advertising Balanced Scorecard" (ABSC) is derived from the management concept "balanced scorecard" (BSC) which was developed by Robert Kaplan and David Norton in 1990. The BSC aligned processes, people, and technology and the customer value proposition to the shareholders objectives (Kaplan & Norton, 2006). The BSC supplemented traditional financial measures with criteria that measure performance from three additional perspectives, those of customers, internal business processes, and learning and growth. It therefore enabled companies to track financial results while simultaneously monitoring progress in building the capabilities and acquiring the intangible assets they would need for future growth (Kaplan & Norton, 1996). In this research, the primary objective is to design an ABSC that is based on the BSC and extend it to advertising to measure the elements of advertisement success.

The purpose of the ABSC will be to assist advertisers and agencies in overcoming the issue of measuring different criterion of an advertisement effectiveness in one distinct framework. The proposed framework will encompass the different aspects of an advertisement according to their objectives by combining them in a single format. Award winning Vodacom advertisements is used to test the proposed framework by isolating the elements of their success.

1.5. Methodology

The target population of an advertisement which is defined as the collection of elements or objects that possess the information sought and about which inferences will be made has been identified in the young people (Malhotra & Birks, 2000). Young people are the leading edge of the next generation (Hawkins, 2001). These children of the original baby boomers were born between 1980 and 2000 (Schofield, 2006). They are

sometimes referred to as the “echo boom”. In addition, the South African Advertising Research Foundation (SAARF) and the 2005 All Media and Products Study (AMPS) confirmed that in 2005 the youth were the main consumers of cell-phone communication (SAARF, 2005). Thus, this research is tailor made to the generation “Y” individuals, which is people between the age of 18 and 28 years old as opposed to the generation “X” which is people aged between 29 and 55 years old. Within generation Y a specific sample is selected.

1.5.1. Sampling

Sampling is useful if the population size is large and if both the cost and time associated with obtaining information from the population is high, which is the case in this study (Kumar et al, 2002). Four different target groups are required for this study, namely the audience, advertisers, advertising agencies and media buyers, which represent four (4) different samples.

Sampling Frame: This is a representation of the elements of the target population that consists of a list or set of directions for identifying the target population (Malhotra & Birks, 2000). It is important that the sample is drawn from the correct population (Jones, ed Jones, 1998). In the case of this thesis, the sampling frames are the following:

- For the creative and execution perspectives, people that use the services of Vodacom and are exposed to its advertisements. As the generation Y individuals are the target of this research, the sample is drawn among university students fulfilling the requirements of a representative sample of the South African population. Also, advertising agencies and advertisers are a source of information for that perspective.
- For the strategy perspective, advertising agencies and advertisers can reveal important elements of an effective strategy.
- For the media perspective, media buyers, advertising agencies and advertisers can reflect an effective media strategy, so a sample of media buyer is required for that perspective.

Sampling Procedure: Probability sampling, a more precise and convenient sample and therefore not only has practical value but is also a good vehicle for gaining intuitive understanding was used in this study (Kumar et al, 2002).

Sampling Size: The selection of a sample that is representative of the target population is of utmost importance. In order to assure the reliability and validity of this study. Data for the study were collected on one hand, from a sample of 229 students similar to the sample used by Ashill (2005) to study the dimensions of advertising attitudes. On the other hand, from a sample 30 companies including media buyers, advertising agencies and advertisers; similarly to the sample used by Hill to determine the satisfaction of advertisers with advertising creative product (Hill, 2005, p.1261).

1.5.2. Data collection

After displayed cues of the selected Vodacom television advertisements, the respondents were asked to fill in questionnaires and to answer questions related to the advertisements shown. Different types of data were generated.

Type of data: Data collected by means of the questionnaires during the survey, depicts a more general view of different attitudes pertaining to creativity, execution, strategy and media perspective towards the advertisements. Attitudes were measured on a Likert scale indicating the degree of agreement and disagreement with each element.

1.5.3. Data Analysis

The questionnaires' coded answers were captured and analyzed with the assistance of the Centre for Statistical Consultation at the University of Stellenbosch

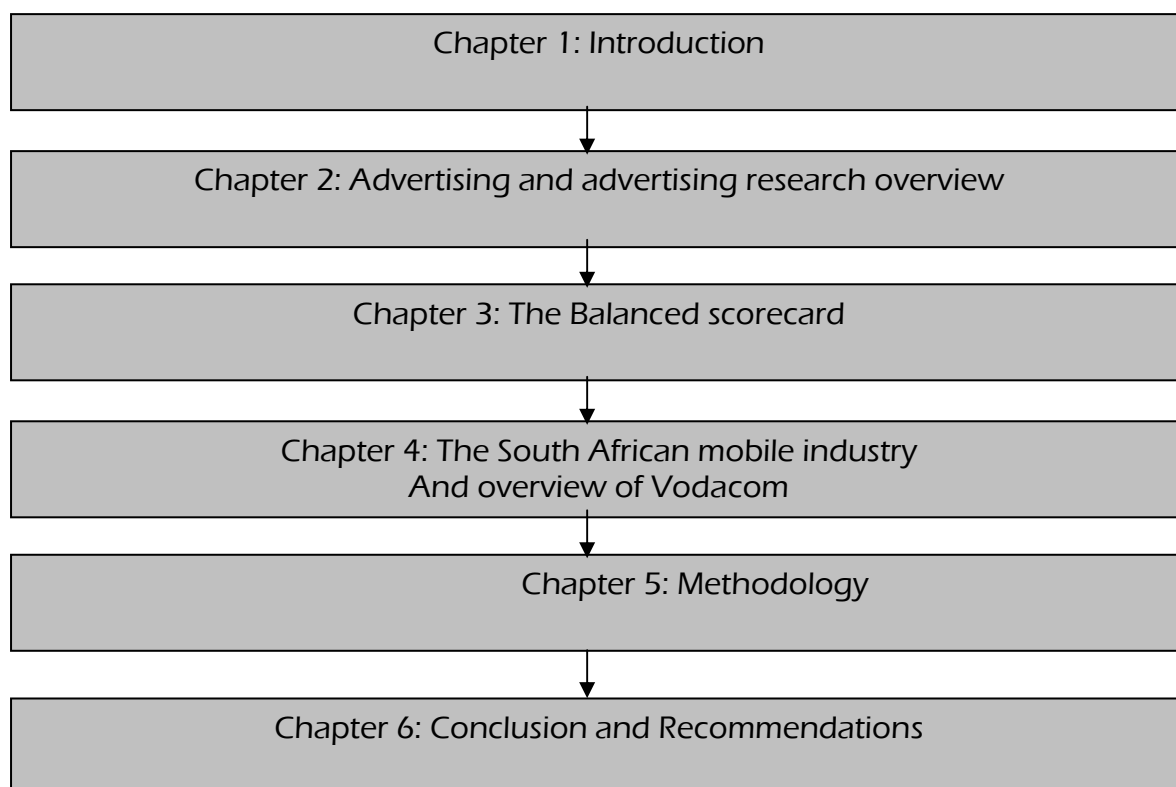
Interpretations of results: A final discussion on the results determines if the ABSC is reliable and can be validated or not.

1.6. Orientation of the study

This study contains six chapters. The first chapter introduction to the research, places the problem into perspective by giving the background, the problem statement and the objectives of the study. The second chapter gives an overview of advertising and

advertising research in more detail. Chapter three discusses the subject of this study by giving an in depth definition of what the Balanced Scorecard is and how it will be adapted to construct the ABSC. Chapter four investigates the South African mobile communication industry (specifically Vodacom), and provides an overview of its advertising its target markets and its advertising strategy. Data analysis and findings are presented in the methodology used for this study in chapter five. The final chapter, deals with the conclusion and recommendations derived from the outcomes of the study.

The following gives an overview of the structure of this research project.



1.7. Summary and Implications of the Study

In lieu of the investigation of this topic, one will understand how Vodacom could ensure its television advertisements are successful with regards to the objectives assigned, through the use of an Advertising Balanced Scorecard “ABSC”. This study about advertising testing in the South African mobile communication industry gives insight about an area that has not been investigated sufficiently.

Chapter 2: Advertising and Advertising Research

Chapter 2: Advertising and Advertising Research

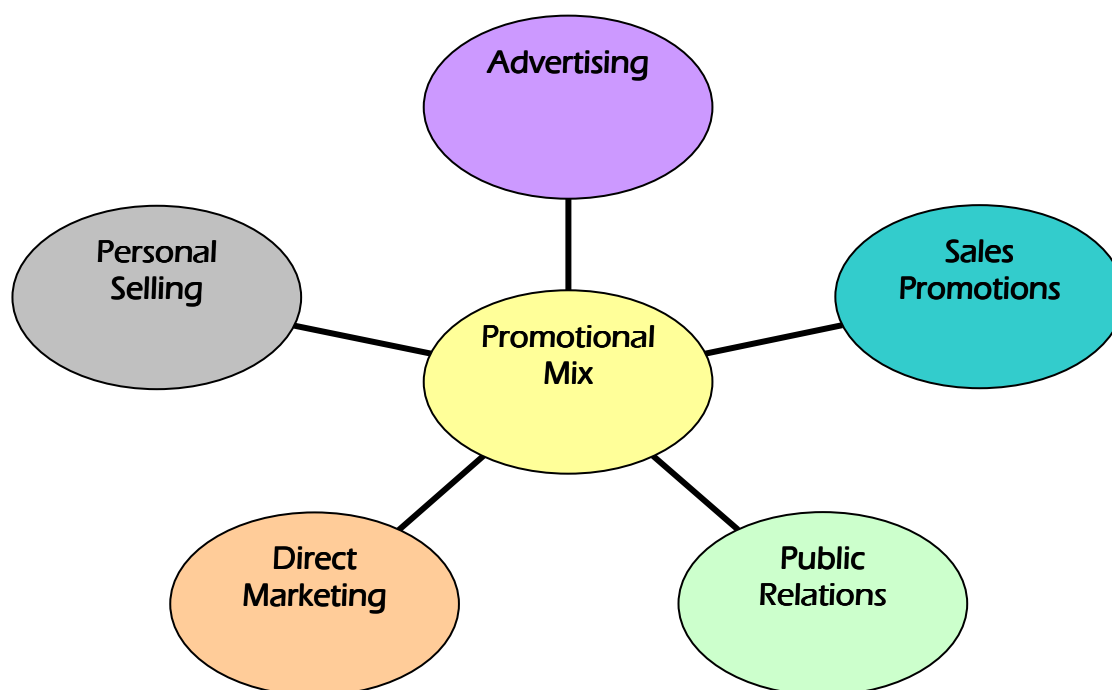
2.1. Introduction

This chapter considers advertising and advertising research in details, starting by giving a very structured definition of advertising. Next, the different types of advertising are explained in their contexts and the advertising key players are pointed out to understand their interactions and specific functions. This chapter also considers the 5 M's of advertising. Hereafter, advertising in the South African milieu will be put into perspective before investigating advertising research including testing methods of advertising effectiveness elements.

2.2. Definition of Advertising

Advertising is one of the activity of promotion. Promotion is defined as the coordination of the promotional mix elements to develop a controlled, integrated program of effective marketing communication (Belch, 2005). While implicit communication occurs through various elements of the Marketing Mix, most of an organization's communications with the marketplace take place as part of a carefully planned and controlled promotional program or mix (Belch & Belch, 2007).The Promotional Mix includes the activities depicted in figure 2.1:

Figure 2.1: Promotional Mix



Source: Berkowitz et al, 2003

- **Personal Selling** sales force is a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea (Belch, 2007). The two-way flow of communication between a seller and buyer is deliberately designed to influence the buyer's purchase decision. The power of personal selling resides in the ability to customize the product thereby offering communications appeal in order to deliver an immediate response to customer feedback (North & Eslin, 2004).
- **Direct Marketing:** Together with personal selling, direct marketing is an interactive promotional tool with the ability to personalize communication messages and gain customer feedback. Duncan (2002, p.600) explains that direct marketing is a closed-loop, interactive, database driven messaging system that uses a broad range of media to create a behavioural response in the consumer. Direct marketing communication can take on many forms, including direct mail, database management, catalogues, telemarketing, and direct response.

- **Public Relations and Publicity.** The function and practice of public relations, according to North (2004) entails the management of communication between an organization and the public. Public relations includes a broad range of diverse activities with the core objective of creating or building public goodwill, corporate identity, internal company communications, publicity, sponsorship and event marketing, as well as customer relationship and social responsibility programs, press releases, publicity, lobbying as well as securing editorial space, as opposed to paid space usually in print or broadcast media.

- **Sales Promotions:** sales promotions aim to stimulate immediate sales by providing extra value or incentives to the sales force, distributors or the ultimate consumer. Sales promotional activities are specifically employed by marketers to perform well in the short term and include trade deal discounts, samples, coupons, premiums, tie-ins, p-o-p, displays, sweepstakes, allowances, trade shows, sales representative contests, events/experiences and more.

- **Advertising:** Advertising is the use of “paid”, “persuasive”, “communication” that uses “non-personal” mass and other forms of interactive communication to reach broad audiences, in order to connect an “identified sponsor” with its target (Wells et al, 2006, p.5). These various notions of advertising which is the focus are explained hereafter according to Taflinger (1996).

2.2.1. Paid for

If an advertisement is created and placed in the media, the costs of creation and time or space in the media must be paid for. This is a major area in which advertising departs from public relations.

2.2.2. Persuasive

The basic purpose of advertising is to identify and differentiate one product from another in order to persuade the consumer to buy that product in preference to another.

2.2.3. Communication

Communication means not only speech or pictures, but any way one person can convey information, ideas or feelings to another. Thus, communication uses all of the senses: smell, touch, taste, sound and sight. However, Taflinger (1996) found that of the five senses, only sound and sight are useful in advertising.

❖ Sound:

Sound is extremely useful for advertising. It can be used in a variety of media, from radio and television to the new technology of binding micro-sound chips in magazines to present 20-second sales messages. Words, the method by which humans communicate their ideas and feelings, are conveyed through sound, by speaking aloud. Through the use of words it is possible to deliver arguments, discuss and evoke emotions.

Furthermore, Rothenberg argues that by sound it is possible to create images (as cited by Lindstrom, 2005). This means that sound can bring images and actions that do not visually exist to the listener's mind. For example, if you want to create the image of a party, you need merely to use the sound effects of people talking and laughing, the tinkle of glasses and ice, perhaps music in the background. To suggest images of a lovely spring day the sounds of a breeze rustling leaves, the chirrup of insects, the soft call of birds would be sufficient. The listener's mind will take these sounds, combine them, make sense of them, and create an image suited to his or her individual taste. Thus sound, in the forms of words and audio effects, is quite useful to the advertiser in affecting a listener.

❖ Sight:

Sight is arguably the most useful of the communication channels available to the advertiser (Lindstrom, 2005, p.100). Through sight, it is possible to use both words and images effectively.

Words do not have to be spoken to be understood. They can also be printed. There is an additional factor in sight that makes it excellent for advertising. When using sight to

convey meaning it takes longer to describe something as opposed to showing a picture of it. No matter how many words are used, some details will be left out that are visible at a glance. Thus sight can quickly and concisely show customers what the advertiser wants them to see, be it a product or how purchasing the product can benefit them.

Although it is difficult to convey in written words the emotional impact possible in speech, for speech has many nuances and subtle sound cues, written words can nevertheless be very persuasive in conveying and explaining complex ideas or arguments.

2.2.4. Non-Personal

There are two basic ways to sell: personally and non-personally. Personal selling requires the seller and the buyer to meet as opposed to non-personal, which does not require physical contact.

2.2.5. Identified Sponsors

An identified sponsor means whoever is advertising the product or service informs the audience what brand it is. This means a sponsor has to identify itself in the advertisement. If the sponsor does not, it is possible for the audience to believe the advertisement is for a competitor's product, thus wasting all the time, creativity and money that went into making and placing the advertisement.

2.3. Types of Advertising

Many types of advertising can be identified depending on their end target. The main types of advertising are as follow:

2.3.1. Brand Advertising

Brand Advertising, also called end-product advertising is extremely important for a number of product categories (Russel & Lane, 2002, p.46). According to Bass (2005) its effect is to gain market share. It also provides consumers with information about the brand's value proposition that differentiates it from its competitors, thereby encouraging

consumers to choose the advertised brand over competing brands (Krishnamurthy, 2001).

2.3.2. Retail or Local Advertising

Retail Advertising focuses more on price information, service and return policies, store locations and hours of operations; information that national advertisers usually cannot provide. This type of advertising operates in a limited geographical area such as a city or within a state in comparison to national advertising, which is aimed at a national market.

2.3.3. Direct-Response Advertising

This is an approach to the advertising message that includes a method of response such as an address or telephone number whereby members of the audience can respond directly to the advertiser in order to purchase a product. Direct response advertising is used to encourage an immediate direct response from the consumer.

2.3.4. Business-to-Business Advertising

This is an area of advertising for products, services, resources, materials, and supplies purchased and used by businesses (American marketing association, 2007). This area of advertising includes:

- Industrial advertising, which involves goods, services, resources, and supplies used in the production of other goods and services.
- Trade advertising, which is directed to wholesalers and retailers who buy the advertised product for resale to consumers.
- Professional advertising, which is directed to members of various professions who might use or recommend the advertised product.
- Agricultural advertising, which is directed to farmers as business customers of various products and services.

2.3.5. Institutional Advertising

This type of advertising has the primary purpose of promoting the name, image, personnel, or reputation of a company, organization, or industry. Its purpose is to gain public goodwill and support rather than to sell a specific product. Institutional

advertising refers especially to advertising undertaken for whole industries rather than to individual corporations.

2.3.6. Nonprofit Advertising

Nonprofit advertising is advertising performed on behalf of a client involved in a nonprofit business or cause. This type of advertising may be used by charities, religious groups, political candidates, for human welfare, or it can espouse viewpoints such as environmental issues or other causes. Nonprofit advertising is sometimes referred to as social advertising, for it promotes an idea or cause rather than a product or service (Russel & Lane, 2002, p.49).

2.4. Advertising key players

Regardless of the type of advertising at hand, there are five (5) important role players in bringing advertisements to consumers, namely:

2.4.1. The Advertiser:

The advertiser is the person or organization that usually initiates the advertisement process. The advertiser approves the audience, plan and budget of the advertising campaign and hires the agency. In the case of this thesis Vodacom is the advertiser.

2.4.2. The advertising agency

Independent advertising agencies are hired by advertisers to plan and implement part or all their advertising effort in a working arrangement known as the agency-client partnership. Advertising agencies such as BBDO, Saatchi and Saatchi, FCB SA or Ogilvy Cape Town are the most well-known in South Africa (AdFocus, 2006). The agency must have the creative expertise, media knowledge, workforce talent and the negotiating abilities to run advertising activities.

2.4.3. The Media

Media are the general communication methods that carry advertising messages, that is, television, magazines, newspapers, print, radio, outdoor, direct mail and the Internet. Vehicles in the advertising context, are the specific broadcast programmes or print

choices in which advertisements are placed (Shimp, 2003). Hence, television is a specific medium and programmes such as “Isidingo”, “Strictly Come Dancing” or “Carte Blanche” are vehicles to carry television advertisements.

2.4.4. Vendors

Vendors are groups of service organizations that assist advertisers, advertising agencies and media. The array of vendors mirrors the variety of tasks that it takes to put together an advertisement. Tasks involve a variety of people including songwriters, photographers, market researchers and so on.

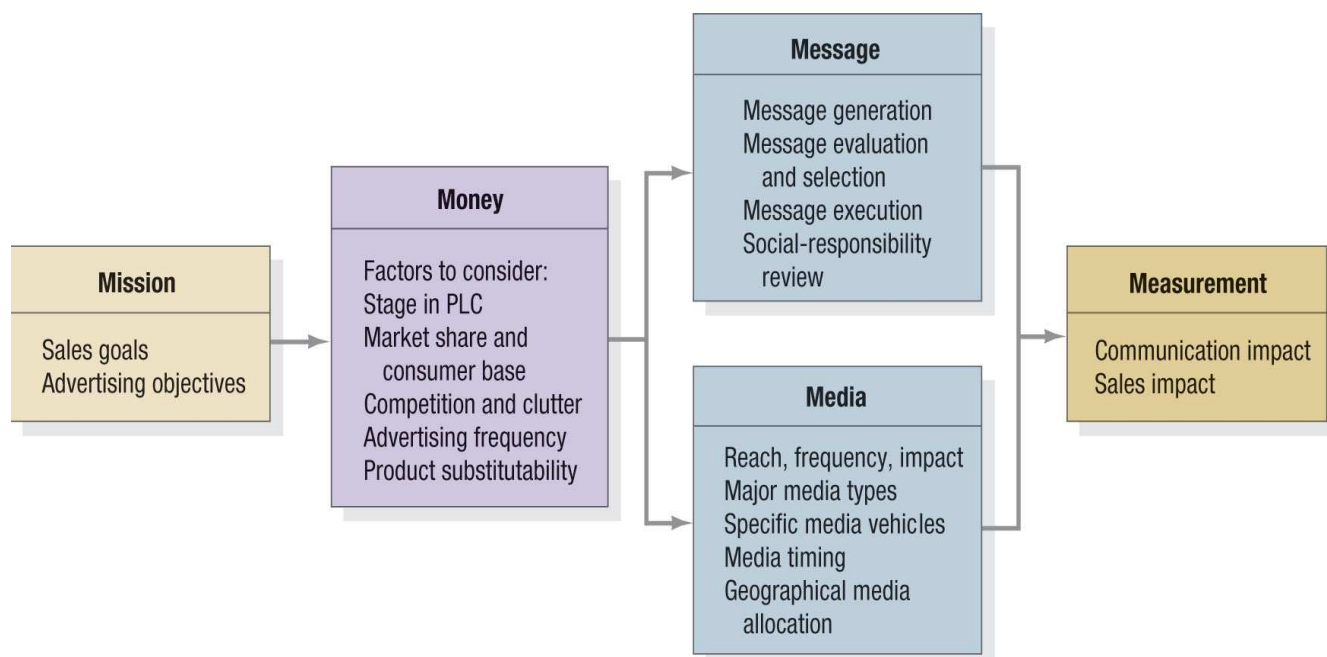
2.4.5. The Target Audience

The target audience consists of the people who are likely to buy or use the product or service, particularly those who are identified as regular users (Fletcher & Bowers, 1991).

2.5. Major advertising decisions

Advertisers must make five important decisions when creating and developing an advertisement (Kotler, 2006). Figure 2.2. represents the five M’s of advertising which are namely Mission, Money, Message, Media and Measurement.

Figure 2.2: Major Advertising Decisions



Source: Kotler and Keller, 2006, p.568.

The first major decision in developing a commercial is setting the objectives intended to be met by the advertisement in other words the "Mission" to be accomplished. Mission is the first "M". According to Colley (1961) a specific communication task is the key of measuring the effectiveness of an advertising message, therefore the objective has to be well defined. There are three primary advertising objectives (Kotler, 2004), classified according to the product life's cycle through which a product is launched, grows and declines. The following are the communication tasks:

- *Informing.* When a new product is launched informative advertising makes the consumers aware of it and it educates them about the features and benefits of the newly available product (Shimp, 2000).
- *Persuading.* Persuading customers becomes more important as competition increases. Persuasive advertising aims to create desire or conviction to buy (Ehrenberg and Jones, 1998). It influences existing users to consume more in order to insure their loyalty. It also aims to influence potential customers to try the product.
- *Reminding.* Reminding about a brand is important for mature well known products. It helps consumers to keep fresh memories of the product and maintains it in the top of mind awareness list.

The second decision reflects on planning budgets in other word "Money" which represents the second M of advertising. Several factors should be considered when setting the advertisement budget. These factors are as follows:

- *Stage in the Product Life Cycle:* New products typically receive large advertising budgets to build awareness and to gain consumer trial (Kotler, 2006, p.569), as opposed to mature products which do not need heavy advertising as they are already known by consumers.
- *Market Share and Consumer Base:* In order to maintain share, leading market share brands do not require as much advertising as low market share brands to

maintain share. It is less expensive for leading brands to maintain market shares for leading brands than it is for low share market brands.

- *Level of Competition and Clutter:* In very competitive and high advertising expenditure markets, heavy advertising is often required for a brand to be noticed.
- *Advertising Frequency:* Frequency is the number of times a message is placed or shown during a particular period of time (Evans et al, 2006, p.30). It has an impact on the budget. Because, the higher the frequency, the higher the costs.
- *Degree of Brand Differentiation:* Products that are easily substitutable and require a low involvement in the purchasing process necessitate heavy advertising to stay ahead and differentiate themselves from competitors. Furthermore, an indication of the budget for producing the advertising will set the boundaries for the creative team in terms of types of effects that can be used (Morrison, 2002, p.111).

Next, the third “M” involves decisions with regards to the “Message” and creative strategy are developed. The message strategy is designed to present the topic in a way that will be appealing to audiences (Gregory, 2006). At this stage, the strategy and the positioning of the brand clarify the message the advertiser attempts to convey. Subsequently, the creative strategy develops how the advertisement expresses the message by choosing from many executional styles in terms or tones, the use of humour, technical expertise, male character or animals intervening in the commercial. Ultimately, the message design should harmonize the message strategy and the creative idea.

The fourth M of advertising stands for “Media” selection. Television is generally acknowledged as the most powerful advertising medium and reaches a broad spectrum of consumers. The wide reach translates to low cost per exposure (Koltler, 2006, p.571). However, not only the levels of reach have to be taken into consideration when selecting a media, but also the frequency, impact and the cost of a media have to be considered. Stone (2007) suggests that the choice of the media has a major effect on

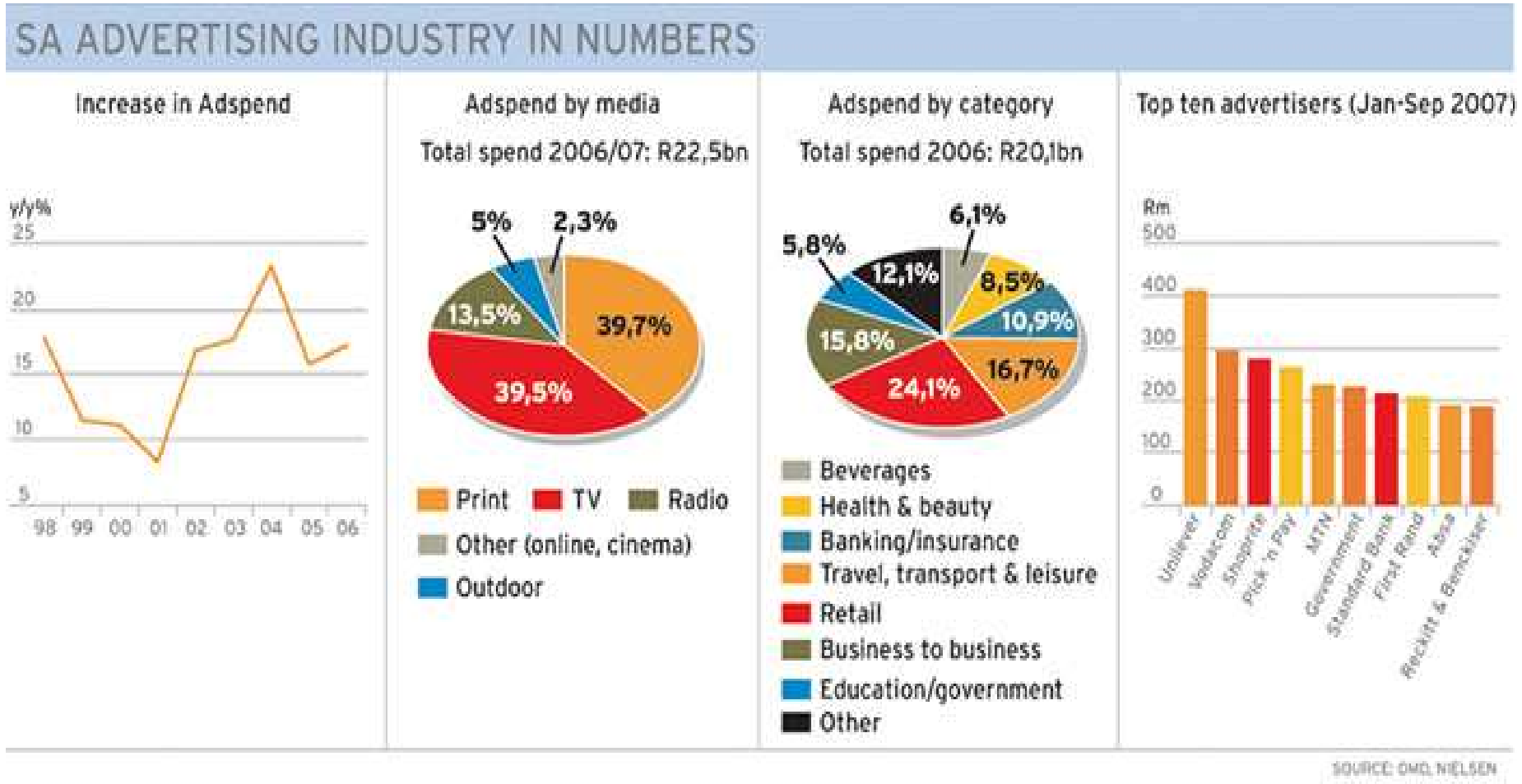
the content and form of the message and vice versa. The media habits of the target group and the nature of the product being advertised also play a role in the choice of media. Finally, the vehicles and the media timing also have to be specified.

The last decision to be made considers the overall evaluation and assessment of the campaign or the advertisement and measures both the communication and the sales impact. The final "M", measurement therefore focuses on both, the communication effect to give an indication on how well the message is perceived and understood, as well as on measuring the sales effect by comparing past sales before the advertising campaign is run with the sales after the advertisement is aired. This study will therefore investigate and focus on the effectiveness of communication effects.

2.6. Advertising in South Africa

The importance of advertising in South Africa is reflected in the enormous sums advertisers spend on promoting their products and services (Martins et al, 1999, p.550). Figure 2.3 illustrates that advertising messages are delivered in a wide variety of formats using different media such as print, television, radio, outdoor and Internet (Tustin, 2006). The expenditure figures in the increase in Adspend section reflects that the advertising industry is very much alive in South Africa and has grown exceptionally over time. In 2006 total advertising expenditure in all media amounted to R20, 1 billion. As illustrated in the graph Vodacom happens to be one of the top ten advertisers.

Figure 2.3: The South African Advertising Industry in Numbers.



Source: Motloug, M. 2007. Advertising Industry: The drought begins, Financial mail, 2007 retrieved from <http://secure.financialmail.co.za.ez.sun.ac.za/07/1123/features/73sads.jpg>

Table 2.1 Advertising expenditure share by media

Year	Print	TV	Radio	Outdoor	Cinema	Internet	Direct mail	Total
1996	45.6	37.8	12.8	2.9	0.9	0	0	100
1997	44.9	39	11.8	3.2	1.1	0	0	100
1998	44.1	40.8	11.1	2.9	1.1	0	0	100
1999	43.1	41.2	11.7	3.2	0.8	0	0	100
2000	43.5	36.1	14.7	4	0.8	0.2	0.7	100
2001	43.2	36.1	13.7	4.8	0.7	0.6	0.9	100
2002	41.7	36.8	15	4.3	0.8	0.5	0.9	100
2003	40.8	38.1	14.6	4.4	0.7	0.4	1	100
2004	40	38.7	13.5	4.3	1.8	0.8	0.9	100
2005	39.7	36.9	13.8	4.6	3.4	0.8	0.7	100
2006	39.9	38.3	13.2	5.1	2	0.9	0.7	100
Average	42.4	38.1	13.2	3.9	1.2	0.3	0.5	100

Source: AdFocus 1997-2007.

With the focus of the study confined to television advertising, it is also important to analyze the share of television advertising expenditure in total overall marketing communication expenditure. From the above table, it is clear that television advertising accounted for an average of just less than 40% of the total expenditure from 1996 to 2006. This is slightly lower than the average proportional expenditure on print media (42.4%). However, both average print and television expenditure outpaced other media types by far and together approximately accounted for 80% of the average expenditure between 1996 and 2006. This emphasizes the importance of television as an advertising medium and provides sufficient rationale for researching television advertisements in more detail.

However, the following two reasons make television as a medium dependent on advertisement effectiveness:

According to Scop (1999), the medium itself is effective and can deliver sales for the advertiser; but the effective use of the medium is up to the advertiser and the agency. The medium cannot make a bad advertisement better. The responsibility remains up to the advertiser and the agency to ensure that the advertisement is successful. To do this

the advertiser should conduct market research to ensure that the advertisement is understood, comprehended and liked in order to use television for instance to its full potential.

Furthermore, it is also proven by Ambler (2003) in his works investigating advertisement, that cut through becomes ever harder to reach objectives with the explosion in the amount of advertising, the diffusion of audiences across media, and the capacity to zip and zap television advertising at will by changing television channels to avoid commercials. It is far better to reach the right audience fewer times with effective advertising, than to repeatedly bombard them with meaningless imagery and ideas (Ambler as cited in Cramphorn, 2003). Therefore, research is more than ever needed.

2.7. Advertising Research

Advertising expenditures are too substantial to speculate about them, which is why research is needed (Slater, ed Jones, 1998, p.121). Furthermore, according to Maggs (2006) it is estimated that the average South African is exposed to as many as 800 commercial messages a day and that less than 10% of these advertisements register on the cerebral system. As uncertainties increase, advertisers face greater risk and have to rely more on research to guide their decisions in order to reduce risks and develop advertising strategies to rise above the clutter of advertisements.

According to Martins et al (1999), advertising research is the systematic, objective collection, analysis and interpretation of information for decision making in the field of advertising strategy from the planning, creative development, pre and post testing of message to the evaluation of overall campaign. Advertising research is conducted to improve the efficacy of advertising. Research may focus on a specific advertisement or campaign, or may be directed at a more general understanding of how advertising works or how consumers use the information in advertising (Young, 2005). Advertising research can answer questions about the nature of the market, appropriate advertising strategies, message effectiveness, and media audiences (Fletcher, 1991, p.1). It can entail a variety of research approaches, including psychological, sociological, economic, as well as other perspectives. Fletcher (1991) identified several categories of advertising research dependent on what the need is. Research on target market, competitive

activity, positioning, pretest message, posttest message, and audience are among the various categories of research Fletcher identified. Definitions of these categories follow below.

- Target Market Research

Target Market Research seeks to learn three things about consumer: their level of product usage, their important identifying characteristics, and their media usage patterns (Fletcher, 1991, p.21).

- Competitive Activity Research

The concern of Competitive Activity Research is to investigate how much money the competition spends on advertising and what media they use.

- Positioning Research

The concern of Positioning is to find out how the audience position the company's products compare to competitors' products.

- Pretest Message Research

The concern of Pretesting Message Research, as the name indicates is to test the effectiveness of advertisement before airing them on the media.

- Posttest Message Research

The purpose of posttesting is similar to these pretesting, and aim to test the effectiveness of advertisement but unlike pretesting research, only after the advertising campaign has taken place. The methods used are often the same as in pretesting.

- Audience Research

Audience research seeks information about the size and composition of audiences of media vehicles. Advertising planners use this information to select appropriate vehicles for advertising messages (Fletcher, 1991, p.29).

2.7.1. Strategy Testing

Effective advertising messages will achieve the desired objective on the target audience. For Colley (1961) the definition of objectives sought by advertising is the corner stone of

a sound strategy. The advertising strategy should support the marketing plan, which in turn supports the company business plan. From a clear understanding of what the advertisement has to accomplish specific goals have to be generated by the advertiser or the advertising agency.

2.7.2. Creative Idea Testing

The purpose of creative development research is to help the creative team develop an advertisement that not only incorporates the message that best meets the strategy but also conveys that message in an interesting way, stimulating and in a persuasive manner that is appealing to the target group and keeps in the values of the product (Martins et al, 1999, p. 554). This research is first exploratory and seeks to inspire creative thinking and has spawned the creation of various measures (Russell, 2001, p. 405). The predominant measure, Day-After Recall (DAR) was interpreted to measure an advertisement's ability to break through into the mind of the consumer (Young, 2005, p. 7).

Memory is a critical part of how advertising influences consumer behaviour. Consumers usually do not make brand purchase choices at the time of advertising exposure; rather, it is the memory of the advertised messages that influences consumers on the purchasing scene. The importance of recall stems from the fact that recall measures some aspects of this memory (Mehta and Purvis, 2006). Also, it is generally accepted that recall and attention have a moderately strong, positive correlation (Kastenholz and Young (2003) as quoted by Metha and Purvis, 2006). Therefore, recall assessment and measures can be seen as a derivative for exposure and attention measure.

2.7.3. Execution Testing

The third theme is the development of the execution testing, the main purpose of which is optimization. Understanding why a measure such as attention to an advertisement is high or low can help advertisers identify creative opportunities to improve executions. (Young, 2005, p.7). Also, Metha (2000) argues that executional elements significantly influence advertising performance, therefore making the choice of execution elements crucial. Subsequently, this research involves the identification of execution elements and their presence in a commercial which will be focused on in Chapter 5. Stanton (2003) in his research identified 24 execution elements; which are depicted in table 2.2.

Table 2.2: Execution elements used in television advertising.

Elements	Definitions
Brand differentiation	If the commercial has a message differentiating it from other brands
Number of brand name mentions	If the number of mentions in the commercial exceeds three (3) time it is considered present
Time until product category identified	If the brand name is mentioned before four (4) seconds, it is considered present.
Time until brand name identified	If the brand name is mentioned before five (5) seconds, it is considered present.
Time until product is shown	If the brand name is shown before four (4) seconds, it is considered present.
Time product is on screen	If the number the product is on screen exceeds 6 seconds, it is considered present.
Number of on-screen characters	If the number of on-screen characters exceeds 3, it is considered absent.
Nutrition or health claims	If either a nutrition or health claim is mentioned it is considered present.
Convenience of use	If the advertising describes the convenience benefits of the product, it is considered present.
If product has new or improved features	If the advertisement announces that some aspects of the product is new or improved, it is considered present
If product is double branded	If both the company and the brand are mentioned, it is considered present.
Setting related to product use	If the setting relates to the use of the product, it is considered present.
Substantive supers	If there is a substantial amount of supers, it is considered present.
Cute/ adorable	If in the opinion of the raters, the advertisement sought to be cute, it is considered present.
Use of humour	If in the opinion of the raters, the advertisement sought to be funny, it is considered present.

Use of indirect comparison	If a comparison is done between brands, but does not mention the other brand by name, it is considered present.
Demonstration of product in use	If the product shown in the advertisement is being used, it is considered present.
Product results demonstrated	If the results effects of the product is demonstrated it is considered present.
Male as principal character	If the principal character is male, it is considered present.
Actor playing ordinary role	If the principal character is playing an ordinary person, it is considered present.
No principal character	If there is no principal character, it is considered present
Use of background cast	If there is a background cast in the advertisement, it is considered present.
No particular setting	If there is no particular setting, ex: white background, it is considered present.
Use of children/infants/animals animated	If the advertisement includes children, animals, or animation, it is considered present.

Source: Stanton, L. 2003

2.7.4. Media Testing

Exposure to information in the environment refers to the fact that in order for the consumers to receive information, one or more of the receptor organs, eyes, nose, ears, skin- must be in physical contact with some stimulus containing the information (Foxall and all, 2002). This research implies the verification that the target group is indeed exposed to the commercial. The media plan will then be assessed to ensure that it delivers the expected impact.

2.8. Summary and implications for the study

As this chapter has shown advertising is versatile and applicable to different organisations and fields. Advertisers, vendors, customers and advertising agencies are the roles players that make advertising decisions. There is thus a need for advertising research as substantial amounts of money are spent on advertising and companies like Vodacom need to ensure that their advertising investment is profitable.

Chapter 3: The Balanced Scorecard

Chapter 3: The Balanced Scorecard

3.1. Introduction

The Balanced Scorecard (BSC) co-created by Robert Kaplan and David Norton, has been hailed as one of the most influential business ideas of the 20th Century (Niven, 2005). Its origin can be traced back to 1990 when the two authors organized a one-year study involving a dozen companies from diverse industries such as manufacturing, services and high tech. This study was motivated by the belief that existing performance measurement approaches relying on financial accounting were becoming obsolete (Kaplan, 1996). As a result of this project the BSC was born. The BSC is a strategic tool that measures organizational performance not only from a financial perspective but also from customers, internal business processes, and learning and growth perspectives.

To explain why and how the BSC has been developed, this chapter will firstly embark upon describing the context that triggered the creation of the BSC, which is the clash between the industrial age economy and the information age economy. A focus of the second section of this chapter will give a detailed overview and definition of the BSC, analyse its different components as well as how it is implemented. The third and last section will elaborate on the Advertising Balanced Scorecard (ABSC), what it is intended to do and its different components as opposed to the BSC.

3.2. The Clash between the Industrial Economy and the Information age Economy

The Industrial Age, from 1850 to 1975, was characterized by the specialization of companies in functional skills like manufacturing or purchasing. This specialization was meant to ensure success of companies by taking advantage of economies of scale. During this era, the traditional financial accounting was used to monitor efficient distribution of financial and physical capital and to gauge company success. As Niven stresses it, financial metrics were the de facto standard of measuring business success during this period (Niven, 2005). The development of formulas such as the return on equity, which measures the return on an owner's company, proved critical. In addition, the financial aspect of business unit was highly developed to meet the growing need for

short-term decision-making. Traditional accounting offered a great deal of information to companies about their past performances in a yearly or six-month report. These reports were used as a basis to give strategic directions and forecast production plans.

However, the current era, known as the Information Age (from 1975 onwards) has witnessed the emergence of intangible assets such as employee knowledge and skills, relationships with customers as well as culture. According to Rossouw (2003), these assets have become the driving currency of organizations wishing to effectively compete in the Information Age economy. Consequently, this new environment requires new capabilities for competitive advantage. The financial accounting model which did not take into account the company's intangible and intellectual assets has now become inconsistent with today's business realities (Niven, 2005).

3.3. The Information Age

The complexity of the Information Age has been captured by Kaplan and Norton. Kaplan and Norton have identified six (6) elements that characterize the new Information Age environment and triggered this shift. These elements are as follow.

3.3.1. Cross Functions

Although the functional specialization of Industrial Age companies yielded benefits such as economies of scale, it also led to inefficiencies. Indeed, specialization in some areas was to the detriment of others, causing hand offs between departments, and slowing down the response processes. In contrast, today's companies in the Information Age need to operate in integrated business processes that cut across traditional business functions to make use of them at the full potential.

3.3.2. Links to Customers and Suppliers

Information Age companies can integrate supply, production, and delivery processes so that customers activate operations. This was not the case for Industrial Age companies that produced extensively according to production plans in the industrial age to take advantage of the benefits of mass production.

3.3.4. Customer Segmentation

Industrial Age companies offered to a market that was deemed homogeneous low cost and standardized products and services, but nowadays it is recognized that consumers are not the same. Customers are nowadays segmented and need customized products to meet their specific needs and desires.

3.3.5. Global Scale

Globalization has pushed information companies to compete against the best companies in the world. Products manufactured locally are now consumed globally. Therefore, companies have to take into consideration local differences when launching new products and invest substantial amount of money in order to compete efficiently and meet the tastes local customers.

3.3.6. Innovation

Companies competing in rapid innovative industries such as high tech electronics must anticipate a customer's future needs. Product and service life cycles are shortening and companies in the new economy must be ready to offer new products on a regular basis to insure survival and long-term success.

3.3.7. Knowledge Workers

Most managers agree that employee knowledge and skills is at the utmost importance when it comes to determine the values driving the creation of their company (Niven, 2005). It is also stressed by Kaplan and Norton who agreed that investing in, managing and exploiting the knowledge of every employee is critical to the success of Information Age companies.

3.4. The Balanced Scorecard

As the Industrial Age is being replaced by Information Age competition the extensive and exclusive use of financial measurements is no longer sufficient to measure the value of a company. Kaplan and Norton state that financial measures tell a story of past events, an adequate story for Industrial Age companies for which investments in long-term capabilities and customer relationships were not critical for success. While in the past this was true these financial measures are now inadequate for guiding and

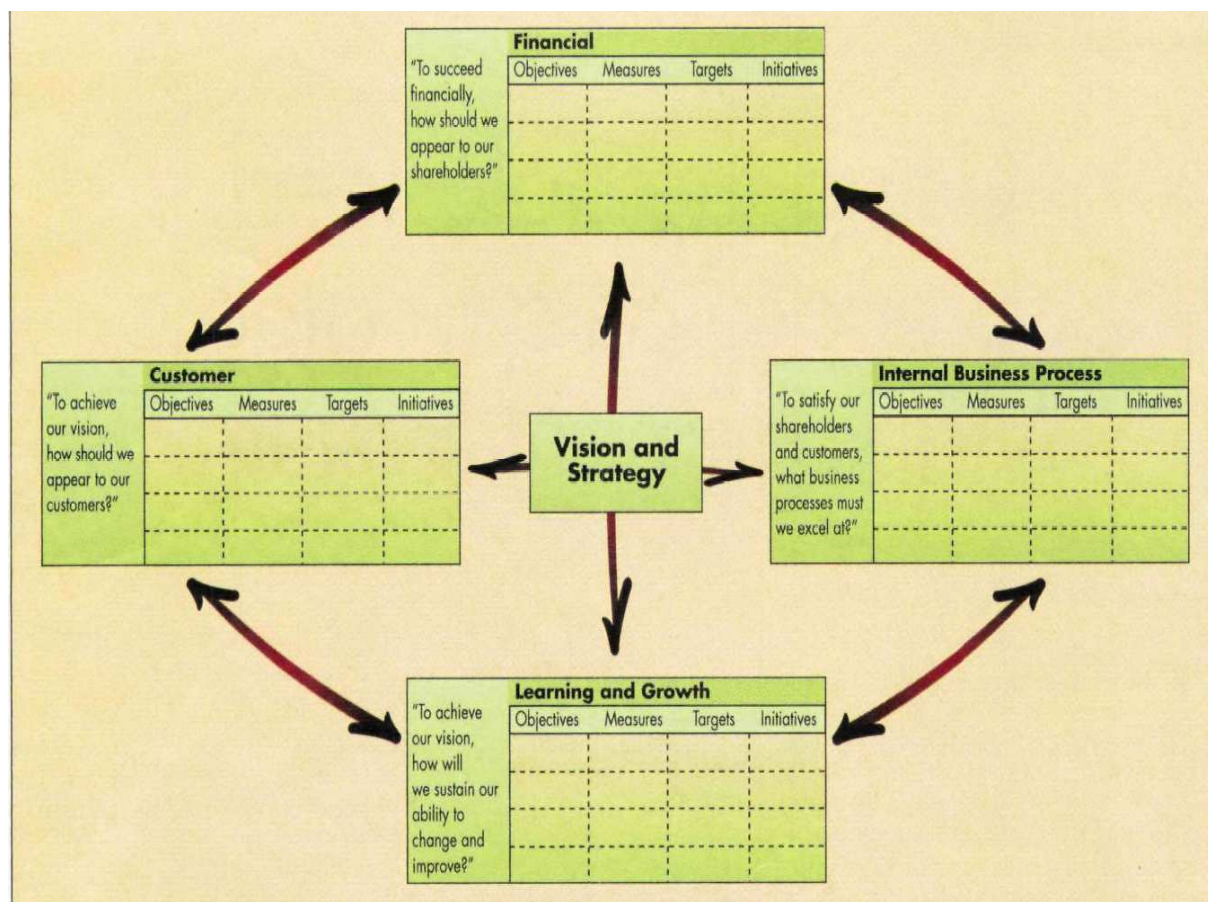
evaluating the journey that information age companies must make to create future value through investment in customers, suppliers, employees, processes, technology, and innovation (Averson, 1998). Moreover, today's firms also need a means to fulfil the competitive and social demands for external accountability. It is in response to these challenges brought by the new economy, and due to the limitations of the traditional financial accounting model that persuaded Kaplan and Norton (1996) to develop the Balanced Scorecard (BSC).

The BSC emphasizes a set of financial and non financial measures that are part of the information system for employees at all levels. It retains financial measurements as a critical summary of managerial and business performance, but in addition it highlights a more general and integrated set of measurements than the traditional accounting model. The Balanced Scorecard combines the specialization benefits from functional expertise sought in the industrial era with speed, efficiency and quality much needed in the new economy

3.4.1. How the Balanced Scorecard works

The BSC began as a measurement system, translating an organization's strategy into an interconnected set of financial and nonfinancial measures used to communicate strategy, build alignment, inform decision making, power performance management and prioritize resource allocation (Niven, 2005). Figure 3.1. illustrates the BSC's strategy and aim.

Figure 3.1: The Balanced Scorecard



Source: Kaplan R.S. and Norton D.P. 1996.

Taking the above figure into consideration, the BSC suggests a simple document, is a condensed way of placing all critical variables for the running of an organization onto one page. The notion of “balanced” refers in this figure to balance between the leading and lagging indicators, financial and non-financial measures, internal and external performance perspectives and short and long-term objectives of a company. Note that the “balance” does not necessarily imply equivalence among all measures. It simply means balancing the self-minded focus of financial measures with additional focus on non-financial ones (Kaplan and Norton, 2006). The following section gives details of the Balanced Scorecard’s financial, customer, learning and growth and finally, internal business process perspective.

3.4.2. Four Different Perspectives.

3.4.2.1. The Financial Perspective

The financial perspective addresses the question of what the shareholders' expectations in terms of financial performance are. As financial measures are typically related to profitability, they serve as goal for all the other scorecard perspectives. The BSC's creators stress that the financial perspective remains the primary concern and every other measure selected should be part of a link of cause-and-effect relationship that assists in improving financial performance. (Averson, 1998). The most widely used financial themes that link all perspectives are:

- increasing revenues,
- improving cost structure and productivity,
- enhancing asset utilization.

❖ Increasing Revenues

The first financial theme focuses on increasing revenues. The most common revenue growth measure would be sales growth rates and market share for targeted regions, markets and customers. Increasing revenue growth can be done by implementing the following:

- Introducing new products
- Developing new applications of existing products
- Reaching out to new customers and markets
- Building new relationships
- Creating new products and service mix
- Developing new pricing strategy

❖ Improving Cost Structure and Productivity

The Second financial theme focuses on improving cost structure and productivity. Efforts to reduce costs through dedicated automation and standardized processes may conflict with the flexibility required to customize new products and services for new markets. Therefore, productivity objectives should focus on revenue enhancement such as revenue per employee to enhance the capability of the organization.

Kaplan and Norton (1996) believe that achieving competitive cost levels, improving operating margins, and monitoring indirect and support expense level, contribute to higher profitability and return on investment ratios. Perhaps the simplest and clearest cost reduction objective is to reduce the unit cost of performing work or producing output (Kaplan and Norton, 1996).

❖ Enhancing Asset Utilization.

The final financial theme deals with enhancing asset utilization. Enhancing asset utilization can be done when objectives such as return on investment, return on capital employed or economic value-added are achieved, because they provide overall outcome measures of the success of financial strategies.

3.4.2.2. The Customer Perspective

The second Balanced Scorecard's perspective relates to customers. The customer perspective addresses the importance of reaching the financial objectives as well as focusing on how customer value is created and developed. Customer satisfaction becomes an important aspect, as customers select suppliers that meet their needs and avoid those that perform poorly in this perspective.

Generally, firms use customers as a measurement group in terms of:

- market share
- customer retention
- customer acquisition
- customer satisfaction
- customer profitability

The customer perspective provides a view of how the customers see the company. Kaplan and Norton contend that, "to put the balanced scorecard to work, companies should articulate goals for time, quality, and performance and service and then translate these goals into specific measures." Overall, this is a measure of how the company provides value to the customer. For example, it is not enough to bring down the cost of an item. The delivery time and manner in which the customer is dealt during times of sales and support are important as well. As Scherer underlines, the customer perspective

is now often considered in the form of Customer Resource Management (CRM). He also observes that the first wave of Customer Resource Management systems was deployed in the early 1990's, the same period that the balanced scorecard was developed. In fact, the arrival of customer focus into the world of corporate strategy can also be found in Kaplan and Norton's 1992 observation that, "Many companies today have a corporate mission that focuses on the customer" (Scherer, 2002).

All propositions typically incorporate:

- availability
- service
- quality
- price
- brand selection
- partnership

3.4.2.3. The Internal Processes Perspective

The next perspective focuses on internal processes and addresses the question of what processes the company must excel at to satisfy customers and shareholders' expectations. The internal business process perspective provides a view of what the company must excel at to be competitive. The focus of this perspective then is the translation of customer-based measures into measures reflecting the company's internal operations (Scherer, 2002). The highest level in this measure should be on customer satisfaction and factors affecting this such as cycle time, quality, employee skills and productivity. Kaplan and Norton recommend that, "companies should also attempt to identify and measure their company's core competencies, the critical technologies needed to ensure continued market leadership" (Kaplan & Norton, 1996). In terms of operations, Kaplan and Norton argue that companies should focus on:

- Operations management by looking into the future, and attempting to determine what the new business processes are that the company could excel at.
- Customer management processes, by determining what processes best deliver the outcomes desired by customers.

- Innovation processes by answering the question of what will be valued in the future, and how will innovation deliver future values?
- Regulatory and social processes by assessing new environmental and social regulations and adapt the company's policies accordingly.

3.4.2.4. Learning and Growth Perspective

The next perspective focuses on how the intangible assets, namely the people, systems and culture can be aligned to improve critical processes. This perspective includes employee training and corporate cultural attitudes related to both individual and corporate self-improvement. In a knowledge-worker organization, people are the main resource. Therefore, in the current climate of rapid technological change, it is becoming necessary for knowledge workers to be in a continuous learning mode (Averson, 1998). Knowledge workers should continuously improve their skills in the following areas:

- culture
- leadership
- alignment
- teamwork

The learning and growth perspective compliments the other three perspectives, namely that of financial, customers and internal processes. Ultimately, if the workforce is not enabled with knowledge, innovation and advanced skill sets, it will be unable to build and enhance innovative business processes that in-turn retain and acquire new customers and ultimately achieve financial objective.

3.4.3 Cause and Effect relationships

Norton and Kaplan (1996) emphasize the fact that every measure selected for a Balanced Scorecard should be an element of a chain of cause-and-effect relationships that communicates the meaning of the business unit's strategy to the organization.

Instead of viewing the multiple measures as requiring complex trade offs, the strategic linkages enabled the scorecard measures to be tied together in a series of cause-and-effects relationships. Collectively, these relationships describe the strategic trajectory how investments in employee re-skilling, information technology, and innovative products and services would dramatically improve future financial performance (Niven, 2005).

3.4.4. Objectives, Measures, Targets and Initiatives

As shown in the table 3.1. below each perspective of the Balanced Scorecard includes objectives, measures, targets and initiatives:

Table 3.1: Objectives, Measures, Targets and Initiatives

perspectives	Objectives	Measures	Targets	Initiatives
Financial				
Customer				
Internal processes				
Learning and growth				

The objective is the major objective to be achieved, in the financial perspective profitable growth for instance. The measure is the observable parameter that will be used to measure progress toward reaching the objective. For instance, the objective of profitable growth might be measured by growth in net margin. The target is the specific target values for the measures, for example 2%. The initiative could be diverse actions and programs to be implemented in order to meet the objective.

In practice, managers have to identify four or five goals they have within each of the perspectives, then demonstrate some inter-linking between them by plotting causal links on the diagram. Having reached some consensus about the objectives and how they inter-relate, suitable measures are chosen for each objective. Then specific targets are set according to the vision of the company and initiatives are put into action to reach these targets.

3.5. Use of the Balanced Scorecard in the advertising field: Advertising Balanced Scorecard (ABSC)

The ABSC provides a mechanism for improved and productive creative idea design by systematically bringing it into alliance with the advertising goals. Like the BSC the ABSC is a 4 perspective model.

3.5.1. The Strategy/Objectif Perspective.

Colley (1961) indicated that it was impossible to measure the results of advertising, unless the specific results sought by advertising have been defined. Conversely, advertising results can be measured if specific advertising's objectives are first defined. In the DAGMAR approach (Defining Advertising Goals for Measured Advertising Results), Colley (1961) illustrates the importance for setting advertising objectives. Under DAGMAR an advertising goal involves a communication task that is specific and measurable. A communication task involves something that can be performed by and attributed to advertising. Thus, the first and central perspective of the Advertising Balanced Scorecard is the objective perspective or the advertising goal perspective.

Characteristics of Objectives

A major contribution of DAGMAR was the specification of what constitutes a good objective. Four requirements or characteristics of good objectives were noted by Colley:

1. *Concrete and Measurable:* Objectives must be concrete and measurable. The communications task or objective should be a precise statement of what appeal or message the advertiser wants to communicate to the target audience. The objective should be measurable in that the method and criteria used for determining it has been properly communicated and specified.
2. *Target Audience:* A good objective should specify a well-defined target audience.
3. *Benchmark and Degree of Change Sought:* Another important part of setting objectives is having benchmark measures to determine where the target audience stands at the beginning of the campaign with respect to various

communication response variables such as awareness, knowledge, attitudes, image, etc. The objectives should also specify how much change or movement is required such as increase in awareness levels, creation of favourable attitudes or number of consumers intending to purchase the brand.

4. *Time Period*: A final characteristic of a good objective is the specification of the time period during which the objective is to be accomplished. The time period should be appropriate for the communication objective. Simple tasks such as increasing awareness levels can be accomplished much faster than a complex goal such as repositioning a brand.

As mentioned in the Introductory Chapter, depending on the specific case, advertising can be assigned the following goals (Wells, 2006):

- Building awareness of products and brands
- Creating a brand image
- Providing product and brand information
- Persuading people
- Providing incentives to take action
- Providing brand reminders
- Reinforcing past purchases and brand experiences

The communication task of advertising a product that has been around for a while and from which people have an impression, whether or not they have actually used it, is different from the communication task for a new product that is being launched on a new market. Advertising strategies should be based on particular communication tasks that are required to deliver the appropriate message to the target audience. This requires the translation of general marketing goals into communication goals and specific advertising objectives.

3.5.2. Creative Idea Perspective

This perspective assures that the audience has a correct understanding of the advertisement as well as a good interpretation. In this perspective, the primary concern

is to achieve the advertising goal by designing a creative that appeals to the target audience. A creative idea that draws attention and that is memorable. Successful concepts are not complicated. They are relevant and easy to understand. Creativity does not create something new out of nothing, it uncovers, selects, combines existing facts, skills and ideas (Roman, 2003).

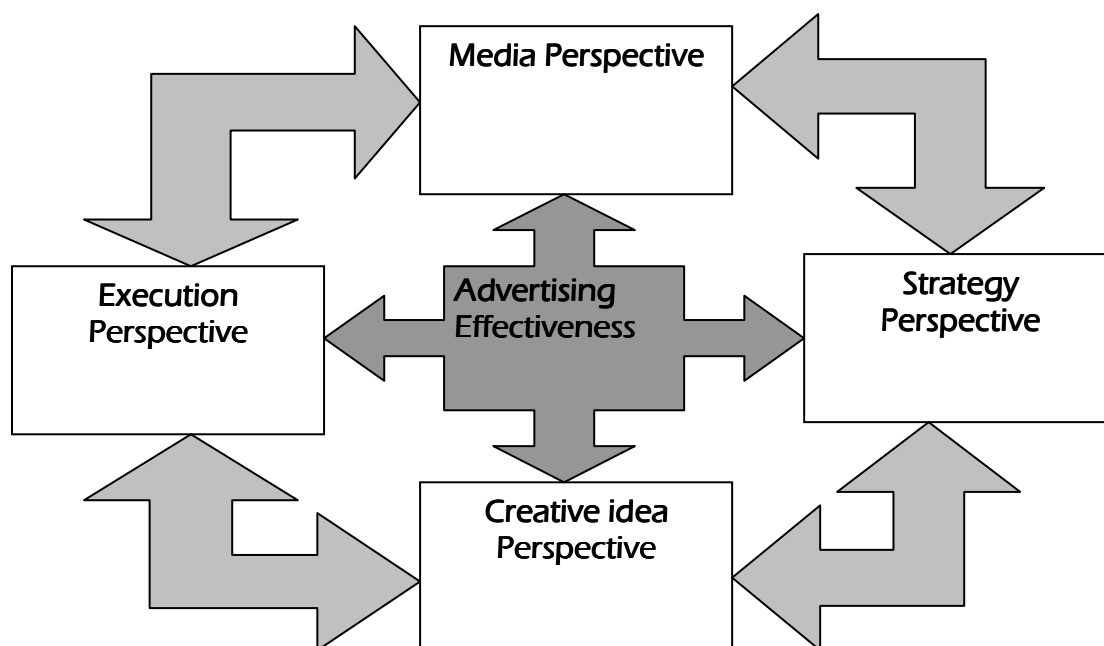
3.5.3. Execution Perspective

The presence of one or many executional elements determine the likeability of an advertisement. In Tustin's research (2006), many execution elements have been identified as having a significant level for liking and effectiveness. The measurement of this perspective is a value of the execution elements used in an advertisement.

3.5.4. Media Perspective

In this perspective, the issue is whether the media plan or television plan can achieve the strategy. The more repetition there is, the more retention; although, the plan should not saturate the audience. This perspective determines what frequency is sufficient to influence significantly the audience. Figure 3.2. gives an illustration of the ABSC.

Figure 3.2: The proposed ABSC



3.6. Summary and implications for the study

This chapter has given a brief of the Balanced Scorecard historically, from its origins to its use nowadays. The main idea of the BSC is to correlate the financial, customers, internal business process, and learning and growth perspectives, determining and harmonizing their objectives, measures, targets and initiatives. Consequently, the ABSC will seek to use the cause and effect principle borrowed from the BSC.

Chapter 4: Overview of the South African Mobile Communication Industry and Vodacom

Chapter 4: Overview of the South African mobile communication industry and Vodacom

4.1. Introduction

The South African mobile communication industry and Vodacom in particular is very much alive. Vodacom is the leading mobile network operator in South Africa and is largely responsible for the rapid growth of the market with its innovative strategy and creative advertising (Joosub, 2006, p.34). This chapter considers an overview of the mobile communication industry for the last decade in South Africa. But also reviews of Vodacom's history and the company's profile. Finally, a focus on Vodacom marketing will lead to investigate on how the company conducts its advertising and the market it targets.

4.2. Overview of the Mobile Communication Industry in South Africa

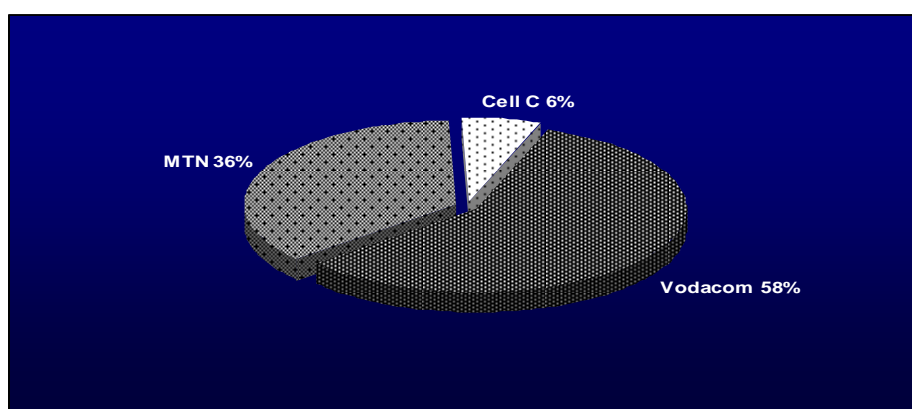
The South African mobile communication industry has experienced significant growth in the number of mobile users since the Global System for Mobile communication services (GSM) was launched in the country in 1994 (Telkom, 2007). The South African industry is the fourth fastest growing mobile communication market in the world (Jacobs, 2001). As a result, South Africa boasts the largest and most developed telecommunications network in Africa, including the latest in fixed-line, wireless, satellite and cellular technology (South Africa info, 2008).

The country's three mobile network operators (MNOs) which are Vodacom (Pty) Ltd , MTN (Mobile Telephone Networks) Ltd and Cell C (Pty) Ltd provide telephony to over 30 million subscribers, covering nearly half the South African population (Telkom SA Limited 2007). Note that a MNO is a company which utilises sophisticated radio

technology to provide wireless voice, data and triple play services to its subscribers (Telkom SA Limited 2007).

As illustrated in figure 4.1 below, Vodacom is the largest MNO in South Africa, with an estimated market share of approximately 58% based on total estimated customers as on March 31, 2007. Vodacom's extensive network covers approximately 69.4% of the total land surface area of South Africa (Telkom annual report, 2007). MTN follows with 36% share and the remaining market share which is 6% is assigned to Cell (Vodacom, MTN and Cell C reports, 2007). These market shares explain why Vodacom is the focus of this research.

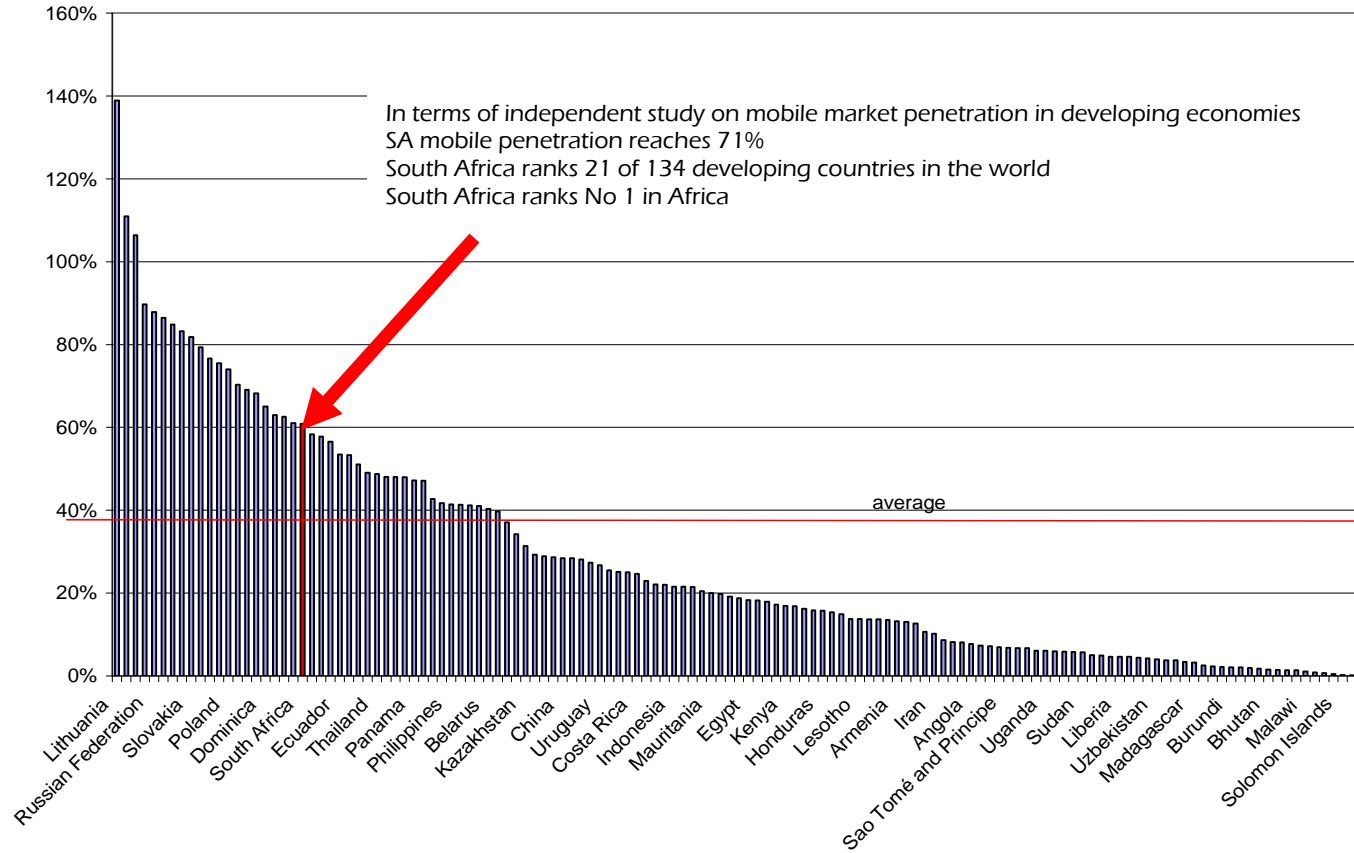
Figure 4.1: Mobile Cellular Operators Market Shares in 2007.



Source: compiled with Vodacom, MTN and Cell C annual reports 2007

The penetration rate of the GSM technology in the South African market increased from an estimated 2.2% on March 31, 1997 to an estimated 71% at March 31, 2006 putting the country number 1 in Africa in terms of mobile performance and penetration, refer to Figure 2 (Vodacom annual report, 2006). This large part of the growth in mobile services was due to the success of prepaid services since they were introduced in South Africa. Indeed, the emergence of prepaid technology resulted in rationalization as the industry matured. Not only has this ultimately resulted in significant economies of scale, it has enabled MNOs to have a more direct and closer relationship with their customers (Vodacom, 2007). Currently, subscribers count for 33 million representing two-thirds of the estimated subscribers' base in Sub-Saharan Africa (Telkom annual report 2006).

Figure 4.2: Mobile Market Performance – Population penetration



Source: www.wirelessintelligence.com

4.3. The South African Mobile Industry in Numbers

The following table shows how the mobile communication industry rapidly grew over the last decade. Vodacom maintained its leading position in terms of market share and number of subscribers. In 2006, the market consisted about 35 million subscribers. The total revenue in the market went up from over four million Rand in 1997 to about 60 million rand in 2006. This same trend has been observed in the total investment of all three Mobile Network Operators (MNOs).

4.3.1. Overview the Mobile Communication Industry in South Africa.

The following table (table 4.1) was compiled using business reports from Vodacom, MTN and Cell C. It is clear from these figures that the mobile communications industry is dynamic with an increase from 4.449 million Rand in 1997 to 37.177 million Rand of revenues in 2004. It also shows that Vodacom has been the market leader over the years and is fighting neck to neck with MTN in terms of subscribers. The increasing market share of Cell C, is below 10% and did not really put at risk its competitors. Vodacom still has the supremacy 58%, followed by MTN with 36% and Cell C with 6% of market share in 2006.

Tale 4.1: South African Mobile Communication Industry in Numbers

South Africa	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Total penetration(%)	2.2%	4%	6.8%	11.8%	19.5%	24.1%	28.8%	36.5%	49%	71%
Revenue (R'm)										
Vodacom SA	2.473	4.645	6.823	9.665	13.264	15.415	18.636	21.350	25.041	31.069
MTN SA	1.976	2.859	4.4453	5.929	7.492	10.714	12.433	15.184	20.101	24.578
Cell C	–	–	–	–	–			1.800	2.500	3.000
Total Revenue	4.449	7.221	11.276	15.594	20.755	26.129	31.069	37.177		
Investment (R'm)										
Vodacom SA	899	1.033	2.466	1.947	3.054	4.084	3.338	2.890		
MTN SA	296	572	980	1.482	2.023	1.071	692	1.073		
Cell C	–	–	–	–	–					
Total investment	1.195	1.604	3.446	3.429	5.077	5.155	4.030	3.363		
Market share (%)										
Vodacom SA		62	60	60	61.5	60	57	55	56.	58
MTN SA		38	40	40	38.5	35.5	34.5	35	34	36
Cell C	–	–	–	–	–	4.5	8.5	10	10	6
subscribers ('000)										
Vodacom SA		1.137	1.991	3.069	5.108	6.557	7.874	9.725	12.838	19.200
MTN SA		699	1.346	2.119	3.231	3.879	4.723	6.270	10.235	12.483
Cell C	–	–	–	–	–	500	1.200	2.300	2.900	3.400
Total subscribers	1.080	1836	3.337	5.188	8.339	10.939	13.797	18.295	25.973	35.083

Source: Vodacom and MTN annual reports from 1997 to 2007, estimates from CCN 2002 and Cell C Media briefing August 2006.

4.3.2. The New Competitor (Virgin Mobile)

Virgin Mobile has entered the South African mobile market during 2006 as a Mobile Virtual Network Operator (MVNO). An MVNO does not own a network infrastructure but buys network time from traditional MNOs, brands it and resells it to its customers. Although an MVNO can also be described as an “enhanced service provider”, it is usually seen as competing more with traditional MNOs than with traditional service providers. This certainly brings competitive pressure to a market that has always offered

differential prices for pre-paid and contract customers. Although Virgin Mobile uses Cell C's infrastructure, it operates as a completely separate brand, and ironically in competition with Cell C itself (Theron et al, 2005, p.17).

4.4. Vodacom

4.4.1. Vodacom Story

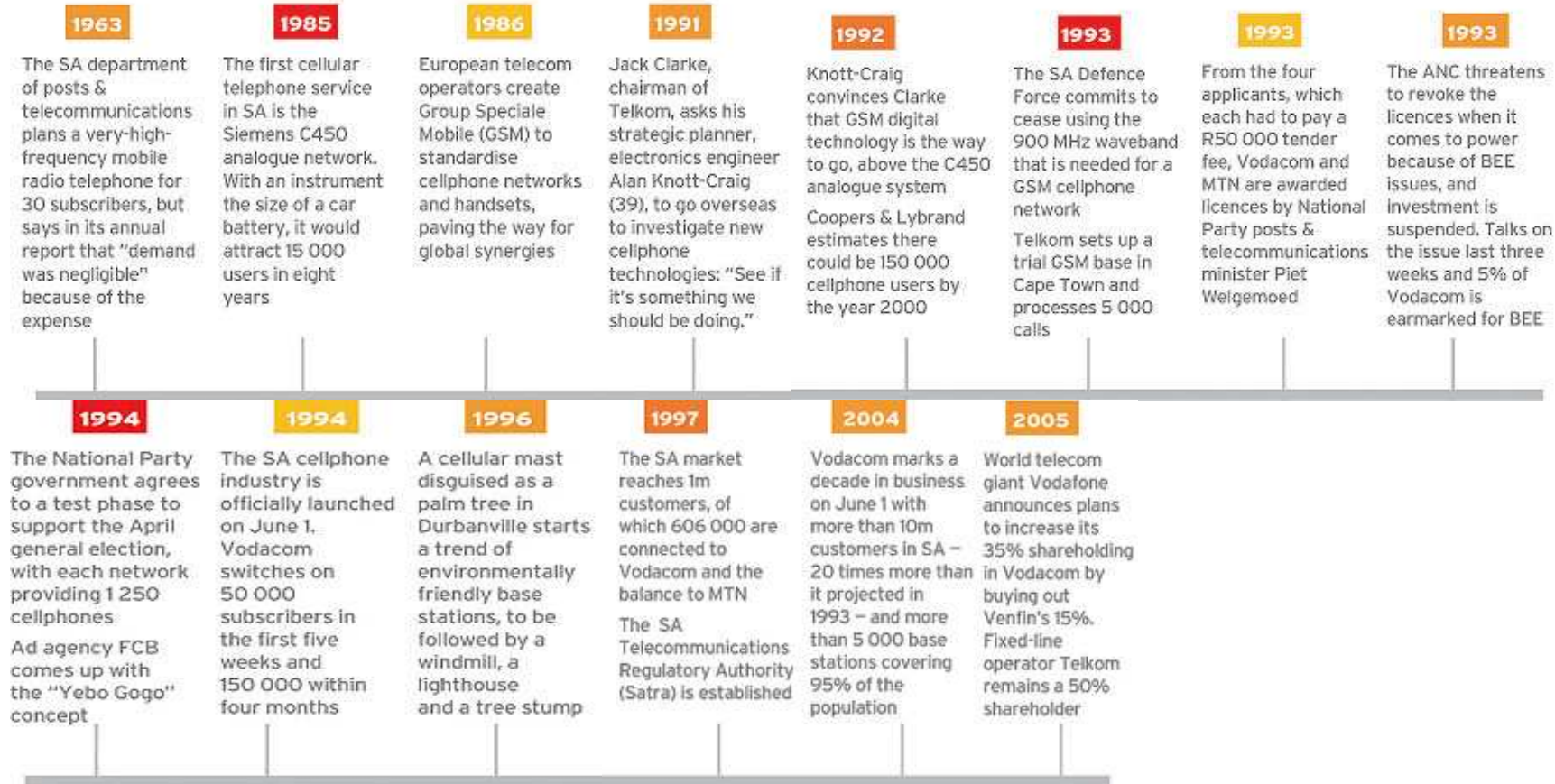
Early in 1963, an initiative of the South African Department of Post and Telecommunications aimed to emulate telecommunication infrastructure in developed countries. Although negligible and very expensive in the first three decades, the project of developing GSM services started to take shape in 1993 when the South African Defense Force renounced in using the equipment required by GSM technology. Subsequently, Vodacom and MTN were awarded the tender for the project and the MNO industry was officially born in 1994.

An exponential growth characterized Vodacom expansion as soon as it launched its activities. The number of subscribers recorded in this debut surpassed expectations in 2004 and Vodacom established itself the leader in the market and remained ever since. In 2005 Vodafone increased its share in Vodacom owing now 50% of the company like Telkom.

Figure 4.3 represents the premises of how Vodacom was established with the utmost involvement of founder and Chief Executive Officer (CEO) Alan Knott-Craig.

Figure 4.3: The Vodacom Story

VODACOM STORY

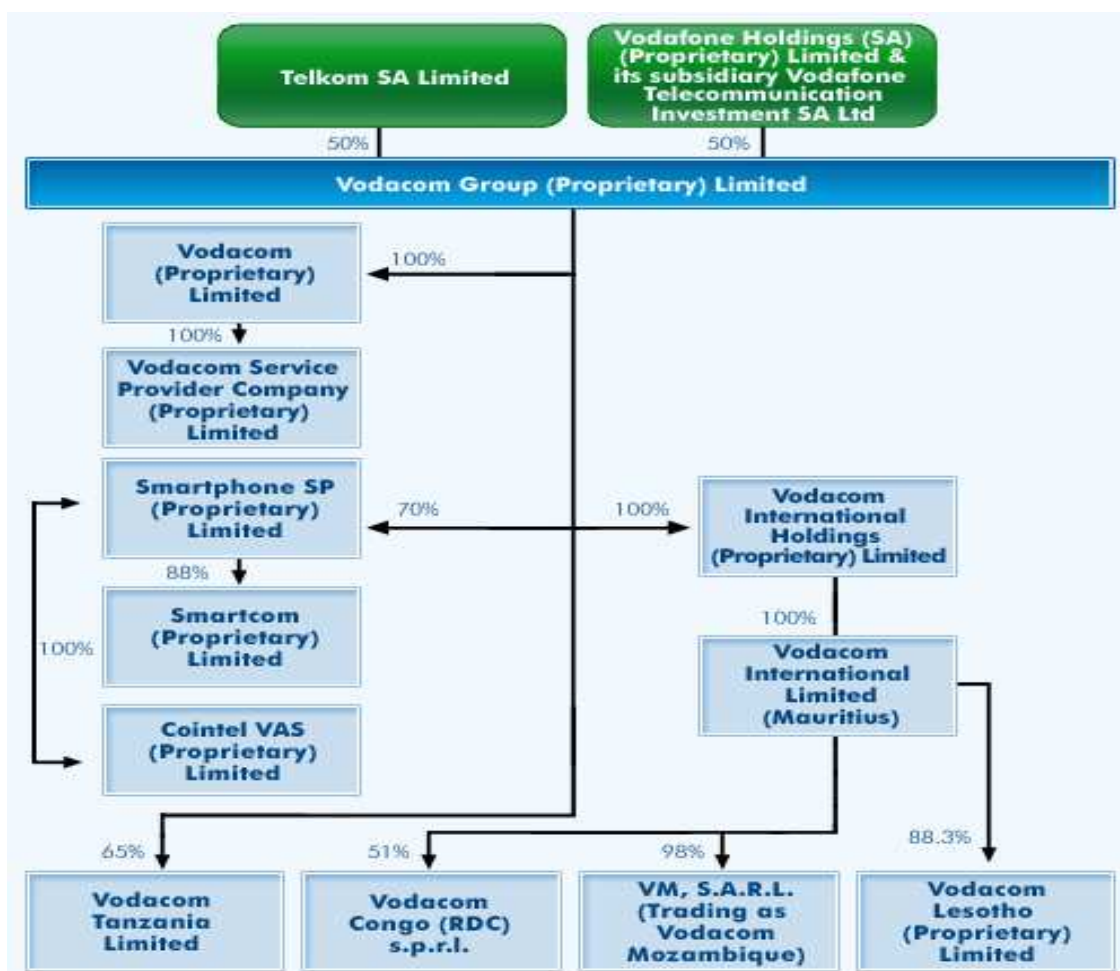


Source: David Williams, 2007, *Vodacom: The rate of Knotts*, Financial mail, retrieved March 2008 from, <http://secure.financialmail.co.za.ez.sun.ac.za/07/0727/features/afeat.htm>.

4.4.2. Company Profile

Vodacom is a Pan-African MNO providing a world-class GSM service to more than 23 million customers in South Africa, Tanzania, the Democratic Republic of the Congo, Lesotho and Mozambique. It is the market leader in all of the countries where it currently operates, only with an exception of satisfactory customer growth in Mozambique (Vodacom, 2008). Its shareholders are respectively Telkom SA, which owns 50% of the company and the Vodafone Group, which also owns 50% as shown in figure 4.4.

Figure 4.4: Vodacom Subsidiaries



Source: Vodacom 2008

As illustrated by the figure 4.4. Vodacom Group is the holding company of Vodacom, Vodacom Service Provider Company, and Vodacom International Holdings. Vodacom is the operating company responsible for construction and maintenance of the network's infrastructure in South Africa while the Vodacom Service Provider Company interfaces with customers. Vodacom International Holdings includes Smartphone SP and Vodacom international (registered in Mauritius) which includes Vodacom subsidiaries in Tanzania, the Democratic Republic of Congo, Mozambique, and Lesotho (Vodacom, 2008).

The Vodacom Service Provider Company's responsibility also includes the sourcing of mobile handsets from several manufacturers around the world, on behalf of its dealer and distribution network thus ensuring bulk discounts, which are passed on to the end-user. It also repairs handsets through its Vodacare outlets (Vodacom, 2008).

4.4.3. Vodacom's Marketing

According to Vodacom's executives, Vodacom's marketing brand power is built on the following key focus areas: great innovations, products and services, distribution channels, impact driven sponsorships, customer insight and iconic advertising (Vodacom shines at marketing excellence awards, 2006).

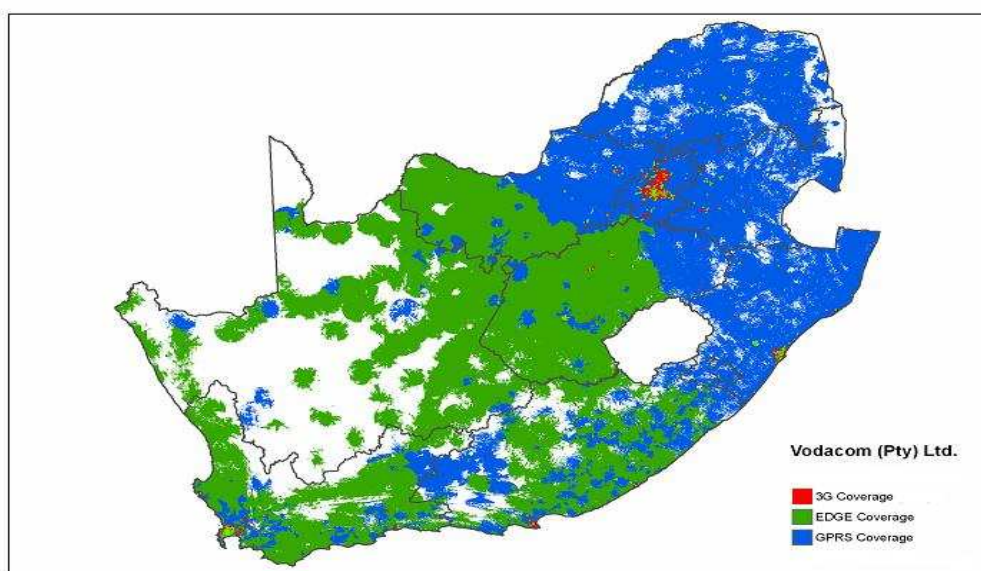
4.4.3.1. Great Innovations

Vodacom's CEO argues that while the company is constantly looking for opportunities to expand its growth horizontally by introducing the latest innovations in the mobile communication industry, it also pursues a vertical growth by entering new markets (Vodacom enters pay-TV market 2007). Vodacom has also opened a world of first class products and services to South African customers with technological innovations such as the 3G network (3rd Generation) , blackBerry and Vodafone Live, that gives the user access to sport, music, news, games, ring tones and TV from a cell phone (Vodacom recognized and rewarded by Superbrands 2005, 2005).

4.4.3.2. Broadband Technology

Vodacom's mobile data services offer access to the Internet and email from a cell phone, a laptop or a desktop. Subscribers can choose mobile data solutions to suit their needs from a wide choice of broadband technology options such as GPRS, EDGE, or 3G networks with the widest coverage in South Africa and abroad. Vodacom continues to increase coverage of these newer technologies to deliver better products and services to customers. Figure 4.5 below indicates the different coverage areas of 3G, GPRS and EDGE networks in South Africa (Vodacom Mobile Data, 2008).

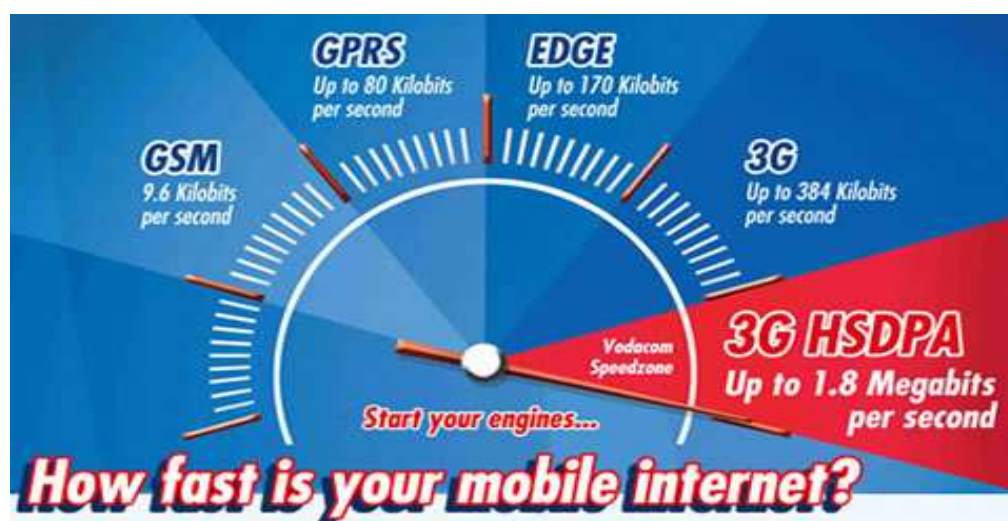
Figure 4.5: Vodacom's Geographic Network Coverage



Source: Vodaworld magazine, autumn 2008, p.38-39

Vodacom's latest innovation after introducing 3G to the South Africa in 2005 is 3G with HSDPA (High Speed Downlink Packet Access) in 2006, whereby connection to the Internet is five times faster in comparison to the 3G connection as illustrated in figure 4.6 (Carta, 2006).

Figure 4.6: 3G HSDPA



source: <http://www.halocom.co.za/Internet/vodacom3G.html>

4.4.3.3. Mobile Advertising

Vodacom launched in June 2007 another innovation by changing the media landscape with mobile marketing and advertising (Knott-Craig, 2007). The service called On-the-Line (OTL) offers advertisers a choice of targeted and personalized channels such as WAP sites, multimedia messages service (MMS) or short message service (SMS) to display their advertising banners (Green, 2007).

4.4.3.4. Products and Services

Vodacom is placing increased focus on customer retention and maintaining its market leadership by providing innovative value added services, data products, and superior customer service. In furthering of this strategy, Vodacom signed an alliance with its shareholder, Vodafone in the 2005 financial year, which gives Vodacom access to Vodafone's branded products and services, global research and development and access to Vodafone's marketing and buying powers (South Africa's telecommunications, 2008).

Vodacom's products and services provide for customer's requirements and continuously expose them to the latest technological advancements they can provide (Vodacom recognized and rewarded by superbrand 2005, 2005). The following are some of Vodacom's value added services organized in seven categories (Vodaworld magazine,

autumn 2008, p84-86): international travel, customer care, find it fast, email service, managing your calls, voicemail services and peace of mind.

4.4.3.5. Distribution Channels

As of March 31, 2006, Vodacom's distribution network consisted of the following (Joosub, 2006):

- **Vodaworld:** Vodaworld is the first and only dedicated cellular shopping mall in the world and a resounding success ever since its launch in Midrand in 1998. More than 70,000 people pass through its doors on a monthly basis. Face-to-face interaction is possible via its walk-in customer care centre. It is a unique one-stop mobile telecommunications platform displaying the latest technology in cellular hardware (Vodacom, 2007),
- **Dealers and franchises:** 610 company and independently owned cellular dealer and franchise outlets which include Vodashop, Vodacare, Vodacom 4U and Vodacom Active stores at Canal Walk in Cape Town (as illustrated in figure 4.7), Green Acres in Port Elizabeth and Gateway Shopping Mall in Durban as well as all over the country,
- **National chains:** 9,870 retail outlets,
- **Vodacom Direct:** Vodacom's call centre-based selling division,
- **Corporate solutions:** This is an extensive direct sales division within Vodacom, which concentrates on the sale of contracts, data products and value-added services to businesses,
- **Wholesale:** a significant channel representing the informal sector comprising of street vendors serving under-serviced areas; and
- **Service provider distribution:** consisting of direct, corporate dealers and franchise stores e.g. Smartcall, Smartcom, Nashua, Autopage, etc...

Figure 4.7: A Vodacom outlet: Vodashop in Cape Town



*Source: Vodacom, 2008, retrieved from
<http://www.vodacom.co.za/outlets/vodashops/about.jsp>*

4.4.3.6. Impact Driven Sponsorships

Vodacom invests in sports sponsorships and is seen as the greatest supporter of South African supporters (Corporate sponsors kick off Vodacom challenge, 2006). The list of sponsorships includes high profile sporting teams, such as the Springboks, and events such as the Vodacom Super 14 and Vodacom Challenge, the Cricket World Cup, All Africa Games, the Three Sopranos (Vodacom wins SA hearts, 2005). Other sponsorships include the Vodacom Durban July, the Vodacom Blue Bulls, Vodacom Cheetahs, Vodacom Stormers, Bafana Bafana, Kaizer Chiefs and Orlando Pirates. These umbrella marketing campaigns around these sponsorships have increased brand popularity among South African supporters (Joosub, 2006, p34).

Vodacom has built a strong brand loyalty in the past ten years and its strategic use of sports sponsorship has made vodacom a household name (Vodacom recognized and rewarded by superbrand 2005, 2005).

One of Vodacom's main objectives is to continue maximising the value achieved through its sports sponsorships by using these events to promote its products and services (Joosub, 2006, p34).

4.4.3.7. Customer Insight

The youth segment has emerged as an important growth opportunity for cellular companies after remaining untapped until October 2001 when Vodacom launched 4U, the first cellular youth brand with its separate identity. From there Vodacom invested heavily in the South Africa youth. Vodacom 4U was designed to include those elements of the cellular experience that are important to the 16 to 21 year olds such as per-second billing, ultra affordable SMS rates, a prepaid option with a 24 month time window and 32k WIG-enabled Sim cards (Vodacom's youth strategy spot on, 2002). Vodacom 4U was the first cellular tariff package in South Africa to bill customers in units of one seconds (Vodacom in tune with youth market, 2002). Figure 4.8 pictures scenes of the "bungee jumping baby" featured in the commercials for Vodacom 4U, with an unusually creative approach and addictive soundtrack (Budget windfall means increased cell spending by youth 2002).

Figure 4.8: Vodacom Bungee Jumping Baby Advertisement.



Source: Dickey, 2004 retrieved from <http://www.adfocus.co.za/adfocus2004/zzwad.htm>.

Vodacom's current strategy of marketing is to offer its prepaid cellular service Vodago to a younger, trendier audience that aims to increase awareness in the 18-25 age groups (Vodacom wins SA hearts, 2005).

4.5. Vodacom Advertising

Vodacom outsources its advertising from the advertising agency FCB Johannesburg. FCB Johannesburg advertises for Vodacom on a specific front, which is iconic advertising (Vodacom shines at marketing excellence awards, 2006).

4.5.1. Iconic Advertising

Vodacom focuses on building likeable brand icons or iconic advertising, an area which it excels in with its long-lasting duo Michael de Pinna and Professor Bankole Omotoso as well as Maurice the Meerkat who made his debut in 2005, or more recently George and Lucky (Vodacom brand takes top honours 2006).

Vodacom's advertising has gained momentum over the years, with increased media efficiencies and high liking scores resulting in highly effective communications (Joosub, 2006, p.34). This contributed to it being ranked number one advertising company (Knott-Craig, A. 2007), being the top ten of "coolest" South African brands and taking the lead in the new category "favourite advertisers" by the Markinor Sunday Times Survey 2006, a tribute to the consistent popularity of the brand advertising (Vodacom third best overall brand, 2005). Vodacom's iconic Yebo Gogo advertising was rated as one of the most popular and successful campaigns ever produced in South Africa. The "Meerkat" television commercial for Vodacom's Yebo Feva summer promotion was voted as South Africa's best liked television commercial for 2005 (Joosub, 2006, p34). This success is the reason why this study will be centered on the meerkat commercials. Further investigation in the following section will be discuss this icon.

4.5.2. Maurice (Mo) the Meerkat

Mo is FCB Johannesburg's response to a challenge put to Vodacom in 2004. For Vodafone Live!, Vodacom specifically tasked FCB to target the YAFS or young/active/fun/South Africans (South African youngsters like the way Mo and

Vodacom move, 2006). These consumers are aged 15 to 34 and are current cell phone users within the LSM 7-10 groupings (Living Standard Measure). Living Standard Measure is the most widely used marketing research tool in Southern Africa which divides the population into ten LSM groups, 10 (highest) to 1 (lowest). Perennially these consumers in the LSM 7-10 groupings are young-at-heart, they are the ultimate pleasure seekers and entertainment and enjoyment are their top priorities. They consumers have grown up with cell phones and are at the forefront of a technology revolution (Vodacom enters new multi-billion rand media space, 2007). When it comes to their consumption of cellular technology, they want to be seen with the latest gadgets and trends, and their cell phone is what connects them to their lifestyle (South African youngsters like the way Mo and Vodacom move, 2006).

To appeal to the youth market Vodacom must break the mould and come up with a device or character that has never be seen before. Although by no means handsome, Mo is plucky, charismatic, energetic, and self-assertive. He believes in himself and he has attitude (Doke, 2006) as depicted in figure 4.9.

Figure 4.9: Vodacom icon: Maurice the Meerkat



Source: <http://www.vodaworld.co.za/showarticle.asp?id=1677>

This is perhaps the reason why South African viewers loved the concept of Maurice so much that they have given the Vodafone live! advertisement in a phenomenal 9.24 likeability rating, with 57% of the target audience giving it 10 out of 10. This is the highest a Vodacom icon has ever scored! The only other advertisement that came close was the Yebo Gogo soccer commercial, which scored a close 8.7 in Vodacom's chosen

primary target market. The Vodafone live! advertisement also has an awareness Index of 14, which places it in the top 10% of all commercials tracked in South Africa in terms of overall media efficiency (Caught up in the Mo-ment, 2008).

Mo's performance in the Generation Next research ('Generation Next' is the largest youth brand preference study ever conducted in South Africa) follows his performance in the 2006 Khuza Awards (a research-based awards program where South African youth vote for their favourite ads and marketing campaigns), teens rated it as the winning campaign on television.

During any given year, Millward Brown tracks the liking and noting performance of all television commercials flighted in South Africa. At the end of the calendar year, it collates these scores into a comprehensive report highlighting the Top 100 performers in two Living Standards Measure (LSM) categories LSM 8-10 and LSM 5-7 (Jones, 2007). To date, Millward's Adtrack has tested more than 40 000 TV commercials under identical circumstances about three weeks past their respective launches (Foster, 2006). In 2006, 50,000 interviews were conducted in evaluating these results (Jones, 2007).

AdTrack literally tracks every new advertisement aired in South Africa on three measures:

1. Brand-linked Ad Awareness
2. Ad Noting (essentially the same as proven recall)
3. Ad Liking (rated on a scale of 1 to 10)

Out of the 2 300 new adverts launched In 2005 on Adtrack lists, Mo's second television commercial appearance in the advertisement "the way you move" proved to be the best-liked advertisement for the emerging market, it ranked number 1 (Foster, 2006). It also ranked number 3 for the developed market while his first television commercial Vodafone live ranked number 4 with a liking score of 8.6 for the emerging market, as shown in the following tables (South African youngsters like the way Mo and Vodacom move, 2006).

Table 4.2: Best Liked advertisements for 2005 in Developing Markets (LSM 5-6)

BEST-LIKED ADS 2005 (LSM 5-6)			
Ad Order	Date	Name	Liked total
1	07/11/05	Vodacom - Way you move	9,4
2	11/07/05	Eskom - Izinyoka 3	9,1
3	11/07/05	Joko Tea - A lift	8,8
4	25/04/05	Vodafone Live - Meerkat	8,6
5	03/10/05	Cell C - Half tiger - Sweetheart	8,4
6	13/06/05	Coca-Cola - I wish	8,4
7	30/05/05	Vicks VapoRub - Themba	8,4
8	09/05/05	FNB - Praise singer	8,2
9	23/05/05	Lays Chips - Ryk Neethling	8,2
10	18/07/05	National Lottery - Boardroom	8,2
11	12/09/05	Sunsilk - Beautiful	8,2
12	07/02/05	Danone Nutriday - Couple dancing in kitchen	8,1
13	30/05/05	Omo Multi Active - Phumzile	8,1
14	30/05/05	Kellogg's Cornflakes - Modern mealies	8,1
15	07/11/05	Vodacom - Soccer supporter	8,1
16	04/04/05	Omo Multi Active - Tried/Tested	8,1
17	26/09/05	Coca-Cola - Stadium	8,0
18	05/12/05	Engen - "Go Here - Go There"	8,0
19	03/10/05	Crosse & Blackwell - Sauce it up - Hot dog stand	8,0
20	28/03/05	Danone Vitalinea - Secret	8,0

Source: Millward Brown

Source:<http://www.adfocus.co.za/adfocus2006/adfocus2006publ/stories/118-blikedads2005lsm5zoom.jpg>

Table 4.3: Best Liked Advertisements for 2005 in Developed Markets (LSM + 7)

BEST-LIKED ADS 2005 (LSM 7+)			
Ad Order	Date	Name	Liked total
1	21/02/05	Klipdrift - Friendly Frikkie	9,0
2	16/05/05	Pedigree Meaty Nuggets - Dog	8,7
3	07/11/05	Vodacom - Way you move	8,6
4	21/02/05	Polka.com - Happy	8,5
5	04/07/05	Joko Tea - A lift	8,3
6	06/06/05	Sasol Turbo Fuel - Wedding	8,3
7	31/01/05	Std Bank Cricket - Cricket fan	8,3
8	28/02/05	Bokomo Weetbix - Jam & cheese	8,1
9	31/01/05	Toyota Camry - Tattoo	8,1
10	28/02/05	Pedigree - Dogs	8,1
11	28/02/05	Oreo Biscuits - Dad & son	8,0
12	10/01/05	Debonairs - Old age home	8,0
13	10/01/05	Simba Chips - Chickens	8,0
14	10/10/05	Smirnoff Spin - Snow	8,0
15	09/05/05	Johnsons Babysoft Lotion - Bubble	7,9
16	13/06/05	Kulula.com - Bushman	7,9
17	23/05/05	Lays Chips - Ryk Neethling	7,9
18	11/07/05	Mini Cooper - Bee sting	7,9
19	31/01/05	Ola Magnum - Dance	7,9
20	27/06/05	Polka.co.za - Schoolgirls	7,9

Source: Millward Brown

Source: cus2006publ/stories/118-blikedads2005ism7zoom.jpg

Likewise in 2006 Mo featured in another commercial with his girlfriend Moisha and scored 8.5 out of 10 in likeability in the lower LSM, while the same advertisement score 8.3 in the upper LSM as depicted in the following tables.

Table 4.4: Best Liked Advertisements for 2006 Developing Markets (LSM 5-7)

BEST-LIKED ADS FOR 2006 (LSM 5-7)			
	Month	Name	Liked Total
1	May	The Yellow Pages - Chain Reaction / Concrete Ball	8,7
2	January	Sasol Soccer Sponsorship - Picking Teams / Gary	8,6
3	November	Vodacom - Mo's Girlfriend / Looking for female meerkat	8,5
4	September	Ackermans Baby - Playing at driving	8,5
5	April	Vicks Vapo Rub - Goat Herder / Blocked nose, can't call goats	8,4
6	July	Chicken Licken - 25 Years / Moving in reverse	8,3
7	March	Nescafé Ricoffy - Bad Day / Series of mishaps ruin interview	8,3
8	October	Vodacom Talking Points - George Campaign	8,3
9	August	Illov0 White Sugar - Broken Car / Children listening to radio	8,2
10	August	Vodacom - Dance King / You can't touch this	8,2
11	April	Cadbury Lunch Bar - Mak's Son / Strength of 3 men	8,2
12	May	Pampers Active Baby - Choo Choo / Reading to baby	8,2
13	April	Coca-Cola - Soccer Kids / Playing in the street	8,1
14	May	Pepsi - Scaffolding / David Beckham introduces Pepsi to SA	8,1
15	April	Raid Dual Purpose Extra - Kitchen / Lady chases bugs	8,1
16	September	Coca-Cola - Vending Machine / Workings inside	8,1
17	May	Kleenex - Crying Baby / Soothed by tissue	8,1
18	October	Baby Soft Toilet Tissue - Guide Dogs / Soft toy dogs	8,1
19	March	Kiwi Shoe Polish - 100 Years / Different eras of dance	8
20	April	Nestiê Cremora Latte Creation - Flip, dis Lekker / French accent	8

Source: Millward Brown

Source: <http://www.adfocus.co.za/adfocus2007/adf2007/stories/119bestliked5-7.jpg>

Table 4.5: Best Liked Advertisements for 2006 Developing Markets (LSM 8-10)

BEST-LIKED ADS FOR 2006 (LSM 8-10)			
	Month	Name	Liked Total
1	September	Vodacom - Leeu Loop / Robbie Wessels	8,5
2	November	Vodacom - Mo's Girlfriend / Looking for female meerkat	8,3
3	March	Redro Fish Paste - Toast / Fish tank	8,3
4	September	Coca-Cola - Vending Machine / Workings inside	8,2
5	April	KFC Kentucky Dinner - Puncture / Instructions on how to change tyre	8,2
6	July	Wimpy Coffee - Foreign / Different coffee names	8,2
7	February	Klipdrift - P Bruwer / Looking for correct person	8,1
8	November	Vodacom - George Campaign	8,1
9	October	Baby Soft Toilet Tissue - Guide Dogs / Soft toy dogs	8,1
10	December	LG - Cricket Accident / Broken window & TV	8,1
11	November	McCain Peas - Spirit in the Sky / Life of a pea	8,1
12	June	Pampers Let's Go - 14 Months / Stand on own two feet	8,1
13	January	Liqui-Fruit - Protest Rally / Fruit for all	8,1
14	May	Whiskas Meaty Nuggets - Building Experiment / Dropping nuggets	8
15	July	Joko Gold Tea - Airport Announcement / Who am I?	8
16	March	VW Jetta - Carnival / Late for date	8
17	September	Bonitas Medical Aid Fund - Wedding / Looked after by fund	8
18	October	Mini Cooper Convertible - Red Light / Run around car when stopped	8
19	December	Oxy Face Wash - Matric Dance / Asks teacher out	8
20	March	Toyota Yaris Sedan - Cool Kid / Parked outside party	7,9

Source: Millward Brown

Source: <http://www.adfocus.co.za/adfocus2007/adf2007/stories/119bestliked8-10.jpg>

Advertising likeability is generally accepted as a reliable predictive measure of advertising effectiveness (The encyclopaedia of brands & branding in South Africa 2006, 2006). The Adtrack study is a definitive advertising effectiveness tool in a sense that it identifies the best-liked advertisements (Foster, 2007). Therefore, the commercials featuring Mo are rated as being effective; it is then the basis the methodology of this research.

4.6. Summary and Implications for the Study

This chapter has reflected on the South African mobile industry in general and on Vodacom in particular. It elaborated on the history and the company profile. Subsequently, a description of Vodacom competitive advantage that lies in its marketing and advertising takes the reader to one of the most successful Vodacom icon, which is Maurice the meerkat. In 2005 and 2006 “The way you move” was rated the best liked advertisement and Vodafone live! obtains one of the highest liking scores. Consequently, these two commercials are retained for further investigation.

Chapter 5: Methodology and Findings

Chapter 5: Methodology and Findings

5.1. Introduction

This chapter focuses on the methodology used to reach the goals of this study. The main objective of this thesis is to assess the effectiveness of advertisements based on four dimensions, namely strategy, creative, execution and media. Four different samples, which are namely the audience, advertising agencies, advertisers and media buyers, will provide the necessary data. Therefore, the information to be gathered for this study stems from multiple sources and is commonly called a 360-degree feedback process (Luthans, 2002).

A multisource feedback questionnaire is an increasingly popular process by which managers receive various feedbacks from a variety of sources. Luthans (2002) found that these sources include peers, managers, direct responses or customers, and information gathered from this technique can be used both for performance gaps and evaluation purposes.

5.2. Description of Advertising Contents

The advertisements in this research were examined performing a content analysis. This is an observational research method that can be used to examine an array of communication forms. It enables researchers to observe the content of communications and categorise it in order to examine trends and comparisons (Kolbe and Burnett, 1991 as cited by Mortimer, 2008). Two advertisements are analysed, namely Vodafone Live! and Meerkat Conga Line.

5.2.1. Vodafone Live!

Vodafone Live! is the first advertisement used for this study. is the debut commercial featuring Maurice the Meerkat, stripping for a rather mortified lady in her living room. The 45-second commercial features Maurice performing a "striptease" to the tune 'I believe in Miracles' by Hot Chocolate. FCB's executive creative director Brett Morris explained that the meerkat character was designed with the goal to illustrate that with Vodafone Live!, users can access any form of entertainment on their phones (A cat with attitude, 2005). Figure 5.1 below shows scenes from this commercial.

Figure 5.1: Vodafone Live!



Source: <http://www.bizcommunity.com/Article/196/12/6698.html>

A video clip of the advertisement is also available on the following link
<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409512>.

The following table 5.1 is the complete list of advertising elements used in this commercial. It has been compiled by performing a content analysis.

Table 5.1: Vodafone Live! Advertisement Content

Vodafone Live!	
Perspective	Description
Strategy	Humour and sexual appeal advertisement
Creative idea	Maurice
Execution elements	<ul style="list-style-type: none"> • Use of animated character (Maurice) • Use of a female character • Brand differentiation • Use of music (I believe in miracles) • Use of humour
Media	45 seconds television commercial

Source: Mortimer, 2008

5.2.2. Meerkat Conga Line

Meerkat Conga Line is the second advertisement used for this study. In this commercial Maurice the meerkat is doing a routine of his best sassy moves , then busting out with an air guitar solo, he shimmies to the tech-rock beat of Bodyrockers' song "I like the way you move" leading an exiting conga line in the streets of Cape Town. The commercial was shot in Cape Town with two celebrities endorser man-fish Ryk Neethling and Rubgy-man Brian Habana whose dancing talents are clearly proven on that track. Suburban Films, which produced the commercial, mustered an extensive crowd to perform the conga and control a shoot that bore more resemblance to a feature film (Vodacom summer "love" train..., 2005). All in all a crowd of 300 extras were filmed making it one of the biggest crowd scene and technically innovative commercials of the 2005. The commercial engenders a feeling of expectancy and infuses the viewer with happy summer vibes as depicted in figure 5.2. The advertisement claims that Vodacom is South Africa's leading cellular network and this is certainly correct.

Figure 5.2: Meerkat Conga Line



Source: <http://www.bizcommunity.com/Article/196/17/8754.html>

A video clip of the advertisement is also available on the following link
<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409569>.

The following table provides complete list of advertising elements used in the above commercial. It is the result of a content analysis.

Table 5.2: Meerkat Conga Line Advertisement Content

Meerkat Conga Line	
Perspective	Description
Strategy	Feel good advertisement
Creative idea	Maurice
Execution elements	<ul style="list-style-type: none"> • Use of animated character (Maurice) • Use of background cast • Brand differentiation • Use of music (I like the way you move) • Celebrity endorsers/actors playing ordinary roles
Media	59 seconds television commercial

Source: Mortimer, 2008

5.2.3. Animate

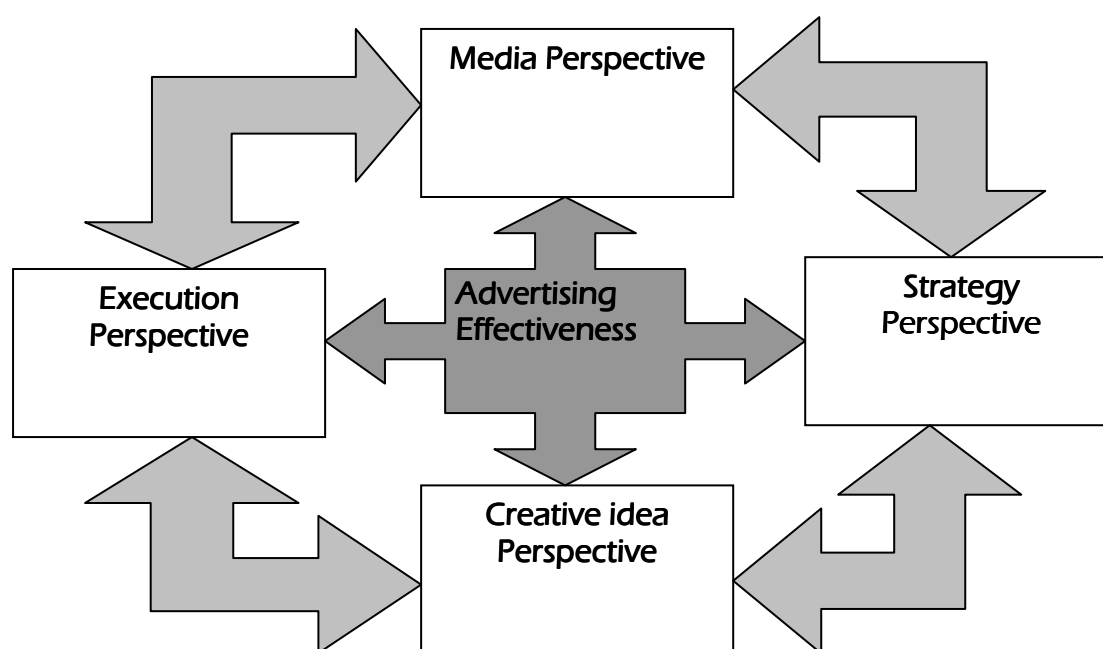
Vodafone Live! and Meercat Conga Line were designed by Animate. AniMate a computer animation studio, based in Johannesburg is responsible for creating the character of Maurice (Vodacom summer “love” train..., 2005). The performance animation for Maurice is recorded prior to the live shoot in AnimMate's Vicon optical motion-capture suite, currently the only one of its kind in Southern Africa. The performer of Maurice’s moves was covered with 46 strategically placed reflective dots and then performed for the array of 12 hi-tech cameras, which recorded his every movement at 150 frames per second for both commercials.

5.3. Research Method

As mentioned in the Introductory Chapter, the goal of this research is to design a conceptual framework for an Advertising Balanced Scorecard (ABSC). This is a conceptual theoretical tool that assesses the effectiveness of television commercials

based on four different perspectives as shown in figure 5.3. The overall purpose is to identify the commonalities in the award winning Vodacom “Vodafone Live!” and “Meerkat Conga Line” which may assist in establishing the ingredients of effective advertising (Mortimer, 2008). More specifically the content of the advertisement is analyzed with reference to the four areas of discussion in order to identify which are the independent variables in these areas that contribute to the effectiveness of this commercial. However before that, follows a detail of how each perspective is assessed to give more understanding of the overall questionnaires.

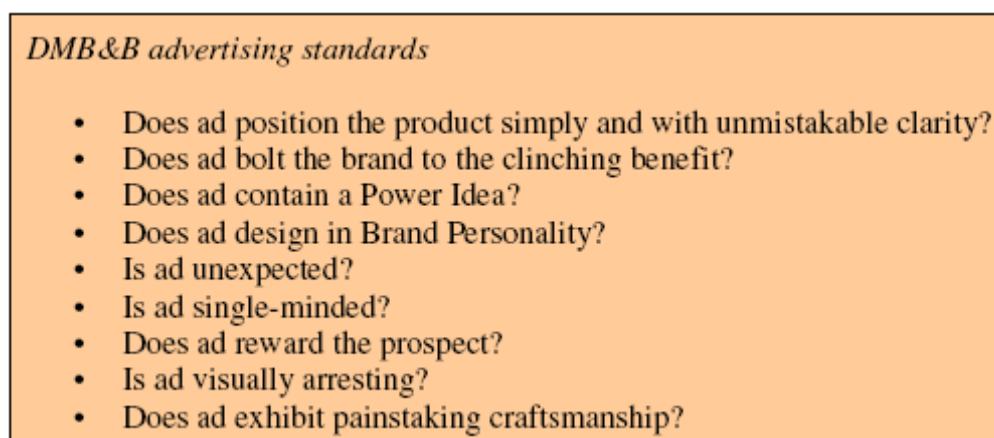
Figure 5.3: The Proposed ABSC



The Proposed ABSC was used as guide lines to develop the survey’s questionnaires. The survey consisted of questions covering perceptions of advertising effectiveness from the audience, advertising agencies, advertisers, and media buyers’ point of views what they like about the commercial, as well as information on exposure, recall and liking. Respondents received a covering letter and the questionnaire (Martin et al, 2002). Perceptions of advertising effectiveness related to four perspectives: the strategy, the creative idea and execution, and the media strategy perspectives. Respondents are asked to indicate their degree of agreement with statements related to the above, measured by a five point likert scale with anchors 1=strongly agree, 5=strongly disagree

(Martin et al, 2002). Additionally, respondents were to provide demographic information about them, including gender, age (Fam et al 2007) The overall survey was based on D'arcy, Masius Benton & Bowles's universal advertising standards to guide the conception of the questionnaire as shown in figure 5.4 (Belch & Belch, 2007, 242). Then additional statements were used according to each perspective.

Figure 5.4.: D'arcy, Masius Benton & Bowle's universal advertising standards



Source: Belch & Belch, 2007, p.242

5.3.1. The strategy perspective: Advertisers and Advertising Agencies

For the strategy perspective, only two sources could give feedback. Indeed, advertisers who developed strategies and advertising agencies that implemented them could only be assessed. Therefore, they were the designated sample for this perspective. Numerous authors agree throughout the literature that the type of appeal needs to match the product type for maximum effectiveness, i.e. that a rational appeal is more effective for a tangible product such as a car whereas an emotional approach is suitable for a service such as telecommunication services (Johar and Sirgy, 1991 as stated by Mortimer, 2008). Questions in this section of the questionnaires related to this matching approach, statements such as "I found the advertisement matches the personality of the product", or "I found the advertisement matches the nature of the product".

In addition, according to the objective advertisers and advertising agencies aim for a specific, a specific strategy or method as shown in Table 5.3. on page 75. In the case of this research, Vodacom hopes to instil brand preference by using humour, and feel-

good advertising messages as depicted in Vodafone live! and Meerkat Conga Line commercials. Statements about whether this method is appropriate and if the aim is reached constitute this perspective. The final statements about strategy are presented in table 5.4.

Table 5.3: Message Strategy Objectives and Methods

Objective: What the advertiser Hopes to Achieve	Method: How the Advertiser Plans to Achieve the Objective
<p>Promote brand recall: To get consumers to recall its brand name(s) first; that is, before any of the competitors' brand names.</p>	<p>Repetition ads Slogan ads</p>
<p>Instill brand preference: To get consumers to like or prefer its brand above all others.</p>	<p>Feel-good ads Humor ads Light fantasy ads Sexual-appeal ads.</p>
<p>Scare the consumer into action: To get consumers to buy a product or service by instilling fear.</p>	<p>Fear-appeal ads</p>
<p>Change behavior by inducing anxiety: To get consumers to make a purchase decision by playing to their anxieties; often, the anxieties are social in nature.</p>	<p>Anxiety ads</p>
<p>Transform consumption experiences: To create a feeling, image, or mood about a brand that is activated when the consumer uses the product or service.</p>	<p>Transformational ads</p>
<p>Situate the brand socially: To give the brand meaning by placing it in a desirable social context.</p>	<p>Slice-of-life ads</p>
<p>Define the brand image: To create an image for a brand by relying predominately on visuals rather than discourse.</p>	<p>Image ads</p>
<p>Persuade the consumer: To convince consumers to buy a product or service through high-engagement discourse.</p>	<p>Benefit-appeal ads Unique selling proposition ads Reason-why ads Hard-sell ads Comparison ads Information-only ads Testimonial ads Demonstration ads Advertorial ads Infomercials</p>
<p>Invoke a direct response: To get consumers to take immediate buying action, typically by providing a toll-free number.</p>	<p>Direct response ads.</p>

Source: O'Guinn & al, 2006, p.365

Table 5.4: Statements about Strategy

Statements about Strategy					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that the humoristic approach is appropriate for the product advertised					
I found that the humoristic approach in this advertisement does achieve brand preference					
I found this advertisement to create a brand personality.					
I found this advertisement rewards the viewer.					
I found this advertisement to contain a power idea.					

Source: *Belch & Belch, 2007*

5.3.2. The Creative Perspective: Customers, Advertisers and Advertising Agencies.

The aim of this section is to recognize which executional tools are found to be effective in commercials.

According to Mehta's findings (2000) about advertising attitudes and advertising effectiveness, research reminds us that to be effective, customers must like to look at an advertisement. A commercial must be entertaining and useful to keep up to date about products and services (Mehta, 2000). The design of an advertising message helps to determine whether people will pay attention to it, look at it, hear it, and remember it or whether it will affect what they do. Hence, the objectives of all advertisements are psychological and the testing methods are consequently psychological measures (Cramphorn, 2004). In addition, Mellilo (2006) confirms that agencies and advertisers use psychological measures to analyze consumer reactions to products and to develop new ones.

Some of the more important categories of psychological objectives include initial attention, perception, continued favourable attention or interest, comprehension, belief, recall, recognition, association and so on (Lucas and Britt, 1963).

Recall is one of the several major measures used in advertising effectiveness testing today, in addition to other measures such as persuasion and advertising liking (Braun-Latour, 2006). The conscious memory of brands, products and advertised ideas enters the buying situation in the form of recall and recognition. Pure recall of advertised ideas is demonstrated when people retain and reconstruct the ideas without cues to remind them of what they remember. Techniques to test memory and attention are qualitative and quantitative techniques (Shanker and Chakravarti, 1999). Recall of the commercial and recall of the specific aspects of the commercial are interpreted as a reflection of the amount of attention paid by the audience member (Hawkins and all, 2001). Recall measurement requires verbal proof of advertising exposure (Mehta and Purvis, 2006). Likeability, therefore has an important role to play in facilitating consumer responsiveness towards advertising, thereby creating the opportunity to develop effective communication (Fam et all 2007). Table 5.5 represents the model used to investigate the creative perspective.

Table 5.5: Statements about the Creative Idea

Statements about Creative idea					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found this advertisement to be memorable					
I found the information given in the advertisement to be relevant to the target market					
I found the advertisement message informative					
I found the claims clear					
I found the claims understandable					
I found the claims believable					
I found the advertisement catches attention					

Source: *Belch & Belch, 2007*

5.3.3. The Executional Tools Perspective: Customers, Advertisers and Advertising Agencies.

The sample used to enquire about execution includes the audience, advertisers and advertising agencies. Statements utilized in this section related to the background, the music and Maurice, the use of humour as shown in Table 5.6. below.

Table 5.6: Statements about Execution

Statements about Execution					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the use of the meerkat, the music, the setting and background creates an entertaining character					
I found the song X to fit the appeal of the advertisement.					
I found the character "Maurice" the meerkat likeable.					
I found the "meerkat" to be an effective tool in entertaining the viewers					
I found the character used to participate in creating humour in the commercial					

Source: *Belch & Belch, 2007*

5.3.4. The Media Perspective : Media Buyer, Advertiser and Advertising Agencies

Donaton (2007) argues that, advertising media strategy determines the "optimal" mix of media types and vehicles needed to effectively convey the creative message with a budget that should be a built-up determination of the money needed to do the job. Exposure to information refers to the fact that in order for consumers to receive information, one or more of the receptor organs, eyes, nose, ears, and skin must be in physical contact with some stimulus containing the information (Foxall, 2005). Consequently statements about the effectiveness of television as a media are used to determine whether the exposure purpose was achieved. Table 5.7 subsequently, represents the statements used to investigate this perspective.

Table 5.7: Statements about Media

Statements about media					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that X second advertisement is enough to capture the audience's attention.					
I found that X second advertisement is too long to keep the audience's attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

Source: *Belch & Belch, 2007*

Final questionnaires are available in the appendix.

5.4. Data Collection

The audience questionnaire was handed to a convenient sample of 229 students in the Stellenbosch area. The media, advertising agencies and advertisers' questionnaires were sent by email to a probability sample of 30 companies in Cape Town (10 companies per sample). However, only 10% of the sample returned the questionnaire completed. Therefore, a visit to each company took place in order to hand out and collect the questionnaires. Companies such as 34 Degree South, Bester & Burke, Acceleration Media, Notabene, Global Creative, King James, Saliency CC, Teamworks, Fox P2, Singh and Sons, 8 Image and Brand Consultancy, Ipsos Markinor, Edge Media, BBDO, Campus Media took part in the study.

5.5. Data Processing

Statistica computer package was used for the data processing. The Centre for Statistics Consultancy at Stellenbosch University processed data and created graphs in order to analyse results. The first step of the process, was to create and complete excel spreadsheets for each sample. As some respondents left out a small number of statements, the second step was to replace the missing data. The audience questionnaires as well as the resulting statistics are presented in Appendix A and B. Appendix C and D represent the advertising agencies questionnaire and results, Appendix E and F represent advertisers' questionnaires and results. Finally, Appendix G and H represent the media buyer's questionnaires and results.

5.6. Results and Findings

This section deals with the results of the statistical analysis described in the data processing section. The first part introduces results from the audience questionnaire; the second provides results as well as findings about advertising agencies' survey. The third part gives input from the advertisers' survey, while the last one deals with the media questionnaire. The next part reconciles all the findings.

5.6.1. Audience (AUD) Results and Findings

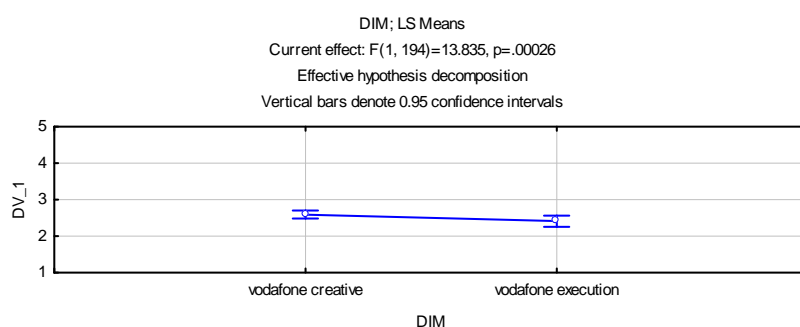
In terms of the biographical characteristics of respondents, the audience sample size was 229 respondents that ranged from 18 to 28 years old, with more people being 19 and 20 years of age and in general more females as pointed out in Appendix B. Figure 6.1 indicates that statement number two, which was "I found this advertisement interesting" received more agreement over all with regards to the creativity of the Vodafone Live! commercial. Details of the different scores for each commercial as well as each statement for the audience questionnaire are presented in Appendix B. The

numbers on the graphs are the number of respondents, percentage. For example 34,54% means 34 respondent which is 54% of the total sample. So The numbers after the comma add up to 100 (or very close to 100 due to rounding).

5.6.1.1. Vodafone Live! (VDL) / Audience (AUD) Results

Figure 5.5. compares the degree of agreement between the creative and execution perspectives and indicates that the execution style received a bit more agreement with than the creative perspective. Consequently, the effectiveness and success of the commercial is more based on the execution perspective.

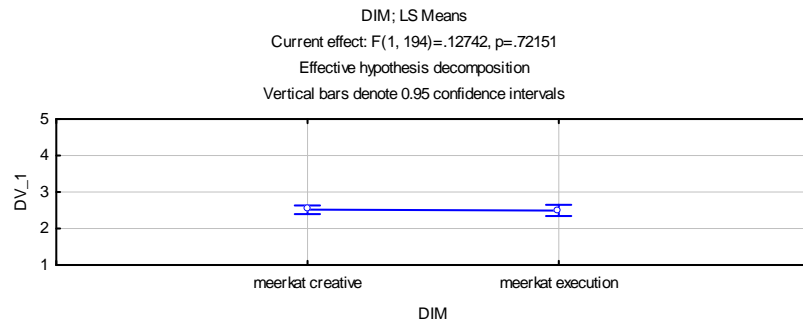
Figure 5.5.: VDL/AUD Execution/Creative means plot



5.6.1.2. Meerkat Conga Line (MCL) / Audience (AUD) Results

For the Meerkat Conga Line commercial, creative and execution are balanced as shown in Figure 5.6. In that specific case, both perspectives contributed equally to the success of this advertisement.

Figure 5.6: MCL/AUD Execution/Creative means plot



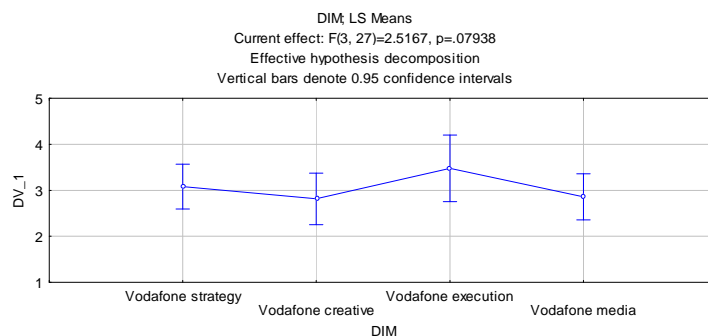
5.6.2. Advertising agencies (ADA) Results and Findings

Details of the different scores for each commercial as well as each statement for the advertising agencies questionnaire are presented in Appendix D.

5.6.2.1. Vodafone Live! (VDL) / Audience (ADA) Results

The perspective that was as seen contributing more to the overall success of this commercial by advertising agencies was the creative perspective, equally with the media perspective, then the strategy perspective and finally the execution. Consequently, there is no balance between the different perspectives, as each contributed to the success of this commercial at different degree as shown in Figure 5.7.

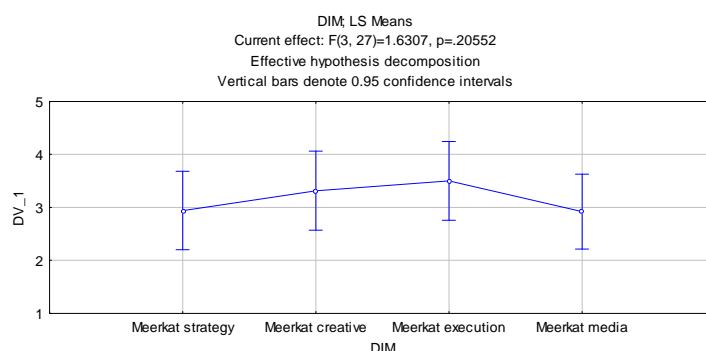
Figure 5.7: VDL/ADA Strategy/Creative/Execution/Media means plot



5.6.2.2. Meerkat Conga Line (MCL) / Audience (ADA) Results

There was no balance recorded between the perspectives for the Meerkat Conga Line commercial according to advertising agencies. While strategy and media perspectives are slightly balanced, creative and execution were rated neutral to no agreement with a score of 3.5 out of 5 as depicted in figure 5.8.

Figure 5.8: MCL/ADA Strategy/Creative/Execution/Media means plot



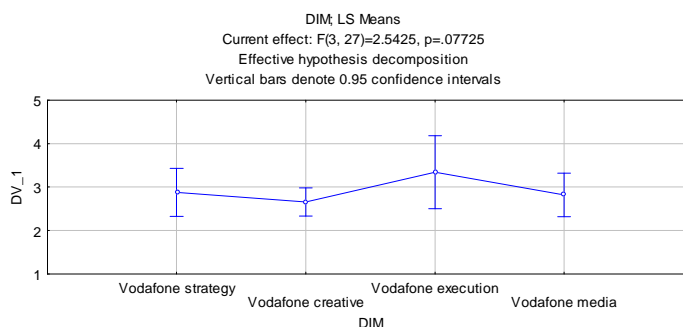
5.6.3. Advertisers (AD) Results and Findings

Details of the scores for each commercial as well as each statement for the advertisers’ questionnaire are depicted in Appendix F.

5.6.3.1. Vodafone Live! (VDL) / Advertisers (AD) Results

The same unbalanced results were recorded for the Vodafone live! advertisement. While strategy, media and creative follow each other very closely, the execution perspective did not receive as much agreement compare to the other perspectives. Figures 5.9 presents the final trend.

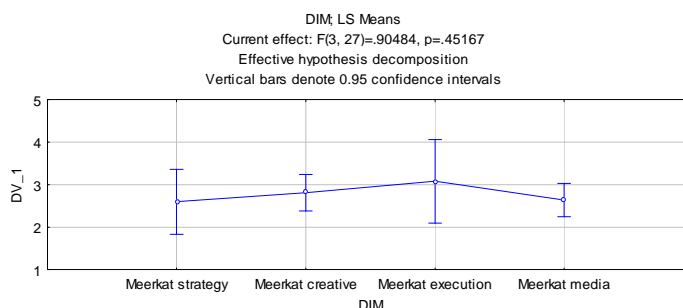
Figure 5.9: VDL/AD Strategy/Creative/Execution/Media means plot



5.6.3.2. Meerkat Conga Line (MCL) / Advertisers (AD) Results

In this instance, strategy and media were once more balanced, unlike creative and execution. Figure 5.10 points out a similar trend to the Meerkat Conga Line results from the advertising agencies point of view.

Figure 5.10: MCL/AD Strategy/Creative/Execution/Media means plot



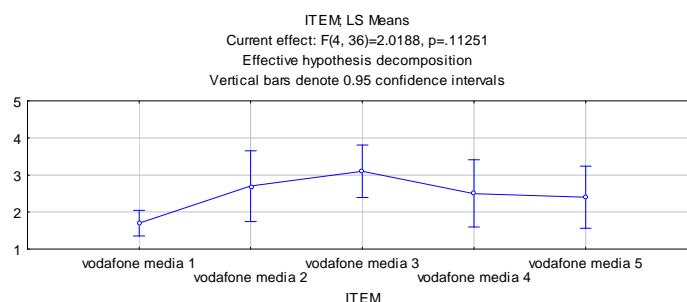
5.6.4. Media (M) results and Findings

Appendix H contains all relative histograms for each commercial as well as each statements for the media perspective. In this section, only the media perspective was investigated.

5.6.4.1. Vodafone Live! (VDL) / Media (M) Results

According to figure 5.11, statement 1 which was “I found that television is the best media that combines video and sound for this advertisement” received more agreement in comparison to the other aspects about the media used for the Vodafone live! advertisement.

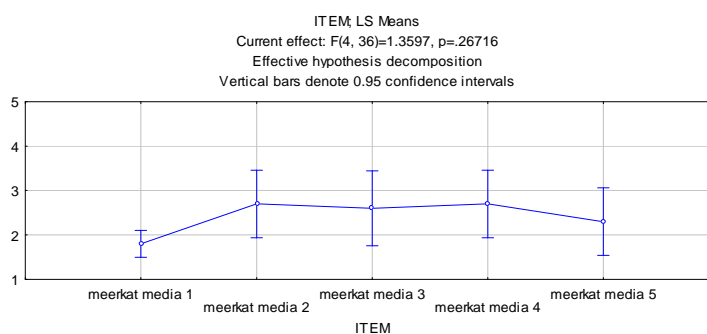
Figure 5.11: VDL/M means plot



5.6.4.2. Meerkat Conga Line (MCL) / Meida (M) Results

Similarly to the previous results, television is seen as the best media that combines sound and image and this was regarded as the key factor for the success of the Meerkat Conga Line advertisement as portrayed in Figure 5.12.

Figure 5.12: MCL/M means plot



5.7. Summary and implications of the study

The first step of the methodology was to conduct a content analysis to identify the strategy, the creative idea, executional elements and media strategy used in each Vodacom advertisement. Then the questionnaires were designed according to the different samples and perspectives. The survey investigated perceptions about advertising effectiveness and was conducted in the Stellenbosch and Cape Town areas.

Different results have been drawn and data analysis indicated unbalance in almost all cases. However, there is a similarity between the way advertisers and advertising agencies perceived the advertisement, since Figure 6.3 and 6.5 have the same trend, and figure 6.4 and 6.6 also have the same trend. In addition, the following observation can be made according to the pair of Figure means plots 6.3/6.5 and 6.4/6.6 it can be argued that advertising agencies were more critical and gave more neutral and “no agreement” scores than advertisers. These results will be taken into consideration in the conclusion and conception of the final ABSC in Chapter 6.

Chapter 6: Conclusion and Recommendations

Chapter 6: Conclusion and Recommendations

The purpose of the study was to investigate the elements of an advertisement that lead to advertising effectiveness and to establish a balance between these elements with the purpose of designing an Advertising Balanced Scorecard (ABSC). This study deals with advertising testing in the South African mobile communication industry and examined mobile network provider Vodacom's award winning television advertising messages.

In the course of this study, a close look at marketing in general and advertising in particular highlighted the different role players in the advertising industry, namely advertisers, vendors, advertising agencies and customers. Moreover, considering the substantial amount of money at stake in the advertising industry the need for advertising research is crucial in order to secure investments. The successful managerial tool namely the BSC (Balanced Scorecard) is useful in this research as it examines and controls the different aspects of management. The main idea of the BSC is to correlate the financial, customer, internal business process, as well as learning and growth perspectives, determining and harmonizing their objectives, measures, targets and initiatives. The effectiveness of the BSC lies in the principle of balancing these different aspects. Consequently, the ABSC was developed to investigate a correlation between the key success factors of an advertisement, namely strategy, execution, media and creative perspectives, in order to identify a balanced pattern between them.

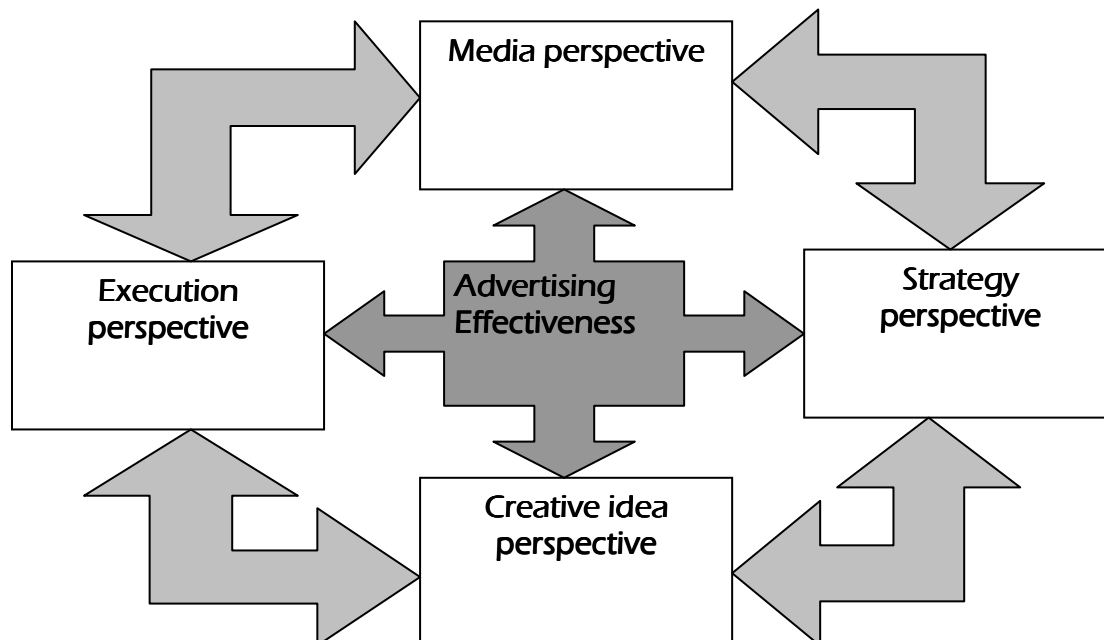
An overview of the South African mobile industry and Vodacom specifically elaborated on the history of the organization and its company profile. A description of the marketing strategy of the company revealed that Vodacom's competitive advantage lied in the use of iconic advertising. Indeed, in 2005 and 2006 "Vodafone live!" and "Vodacom Conga Line" advertisements were rated the best-liked advertisements and as a result of this, Maurice the meerkat, the iconic Vodacom mascot became one of the most popular Vodacom icons featured in these two advertisements.

The methodology of this study included a content analysis that was conducted to identify the strategy, creative idea, executional elements and media strategy used in each advertisement. Questionnaires were designed according to the different samples

and their unique perspectives, these included the audience, the media, advertising agencies and advertisers. The survey was ultimately designed to investigate perceptions about advertising effectiveness and was conducted in the Stellenbosch and Cape Town areas.

The data analysis revealed an unbalance between perspectives in 11 out of 12 cases. However, there was a similarity between the way advertisers and advertising agencies perceived the advertisements. This observation was done by analyzing mean plot graphs that had the same trend. In addition, the more perspectives involved, the less balance was reached among perspectives. Where only two perspectives such as media and creative ideas were involved from an audience perspective (in the Meerkat Conga Line advertisement), a balance was observed, but where more perspectives were implicated, unbalance was most likely to occur.

Figure 6.1: The Final Proposed ABSC



Unlike the BSC, the ABSC's perspectives are not balanced. Perspectives work together to make the advertisement successful. Figure 6.1 represents the final proposed ABSC with all the perspectives that remain relevant but not balanced.

The important observation to take note of in the above ABSC figure is balance. An aim of this thesis was to identify the same degree of input from strategy, media, creative and execution. Balance was achieved only for some perspectives related to the advertisement. Consequently, the success of these advertisements was due to an unbalanced mix of good music, icons and use of humour, as well as execution and creative idea and media.

According to Andre Beyers, managing executive of brand and advertising Vodacom South Africa, one of the key successes of Vodacom's brand power is the focus on iconic advertising because it creates familiarity and results in easy brand recognition. In today's myriad of brands and brand advertisements, icons add a measure of consistency and continuity that consumers can relate to. Good music can also contribute to the effectiveness of an advertisement merely by making it more attractive. The use of television as a media which combines sound and image also contributed to a successful collaboration. This research shows that all perspectives contributed to the success of these advertisements.

The shortcoming of this research is the sales or financial aspect which has not been examined and could be considered for further studies in this field. If the audience likes and agrees on the effectiveness of a commercial, the typical behaviour is to buy and to be loyal depending on the objective the advertiser tries to achieve. However, advertising likeability does not insure a sales increase. The ABSC does not take such measures into consideration. Further investigations would have to include a sales measurement aspect to the model to make it more holistic. In addition, advertising in theory can be simplistic but in practice, many factors influence perceptions so a simpler model involving only two perspectives could capture more balance.

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Appendices

Appendices

APPENDIX A: AUDIENCE'S QUESTIONNAIRE

SECTION A

Covering letter

Dear participant,

My name is Sandra Ayingono Moussavou and I am a Masters Student at Stellenbosch University. Thank you for taking the time to help me fulfil my thesis requirements by filling out this brief questionnaire.

The purpose of this questionnaire is to understand how people review and evaluate the variables that make an advertisement effective. Two (2) award winning advertisements and several statements are presented.. After reviewing advertisement cues, please tick in the box your degree of agreement to these statements.

Please, it is important that you know and like these advertisements, to be able to tell what you like about them, then just tick the statements as you would naturally.

After filling in your particulars, please start the survey in section B, it will take about 4 minutes.

1. Age

2. Gender: Male Female

3. Racial Group: White Coloured Black Other

4. First language: English Afrikaans Other

SECTION B

Following are several statements about perceptions concerning advertising effectiveness; please indicate how much you agree with each of these statements.

ADVERTISEMENT 1: "Vodafone Live!"

The 45-second commercial for Vodafone Live! features an animated Meerkat performing a "dance" to the tune 'I believe in Miracles' by Hot Chocolate for a rather mortified lady in her living room. While the meerkat is breaking a couple of decorative plates on the bookcase the advertisement claims that any form of entertainment is accessible on a mobile phone via Vodacom services.



Vodafone live! Statements about Creative idea					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I remember seeing this advertisement before					
I found the advertisement interesting					
I found the advertisement informative					
I found the advertisement message to be clear					
I found the advertisement message to be understandable					
I found that I can access any form of entertainment on a mobile phone with Vodacom					
Every time this advertisement was on TV I would watch it					

Vodafone live! Statements about Execution

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the advertisement entertaining					
I found the commercial funny.					
I liked the character Maurice the meerkat”.					
I liked the song “I believe in miracles”					
I found the lady sitting on the couch to contribute in making the commercial fun					

ADVERTISEMENT 2: “Meerkat Conga Line”

'Meerkat Conga Line' features a laid-back meerkat leading a conga line through the streets of Cape Town. Ryk Neethling and Brian Habana join the line as it grows longer and more fun than ever. This commercial claims that Vodacom is South Africa’s leading cellular network and lasts 59 seconds.



“Meerkat Conga Line” Statements about Creative idea

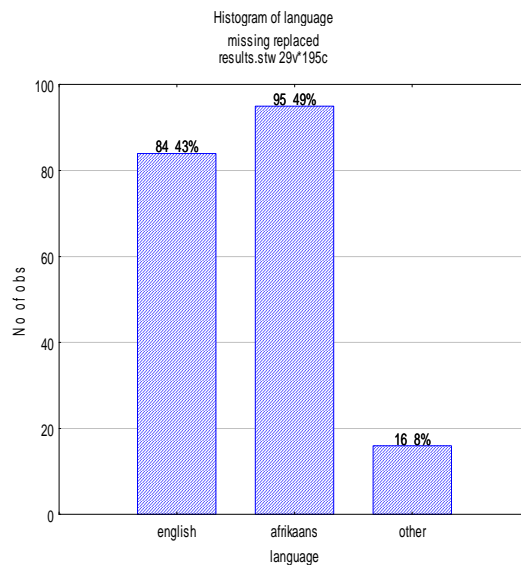
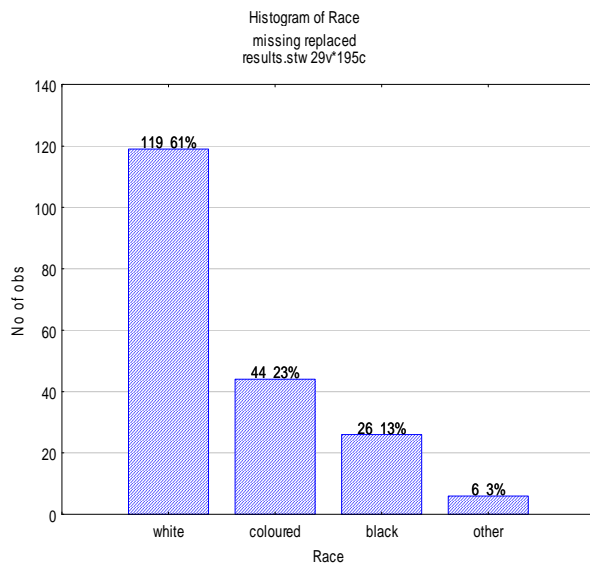
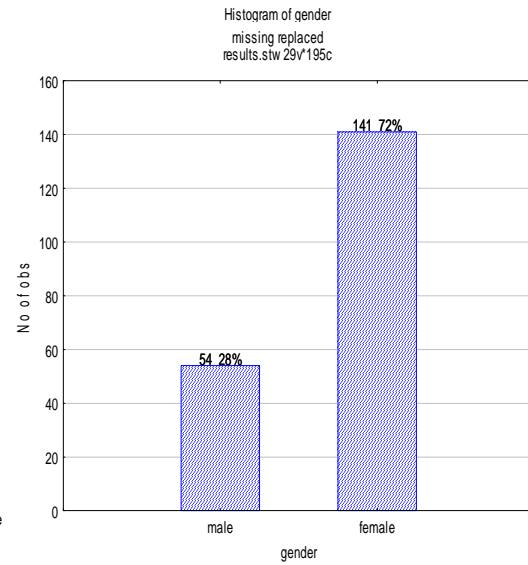
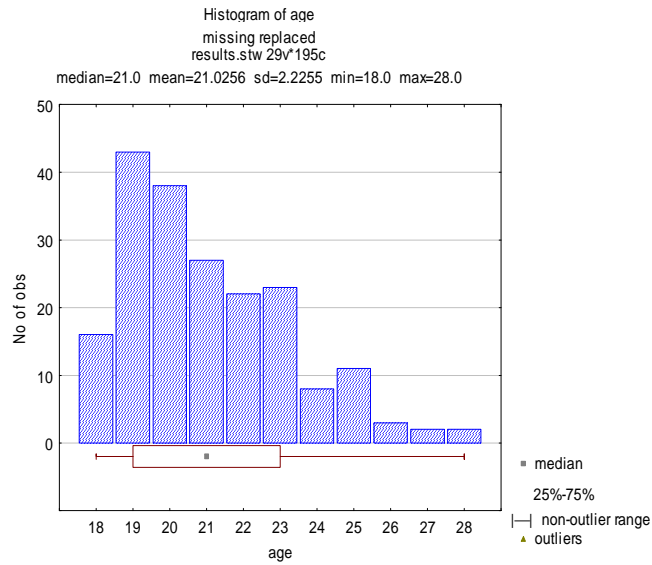
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I remember seeing this advertisement before					
I found the advertisement interesting					
I found the advertisement informative					
I found the advertisement message to be clear					
I found the advertisement message to be understandable					
I found that Vodacom is the South Africa’s leading cellular network					
Every time this advertisement was on TV I would watch it					

“Meerkat Conga Line” Statements about Execution

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the advertisement entertaining					
I found the commercial funny.					
I liked the character Maurice the meerkat”.					
I liked the song “I like the way you move”.					
Ryk Neethling and Brian Habana made me feel the product is a good one					

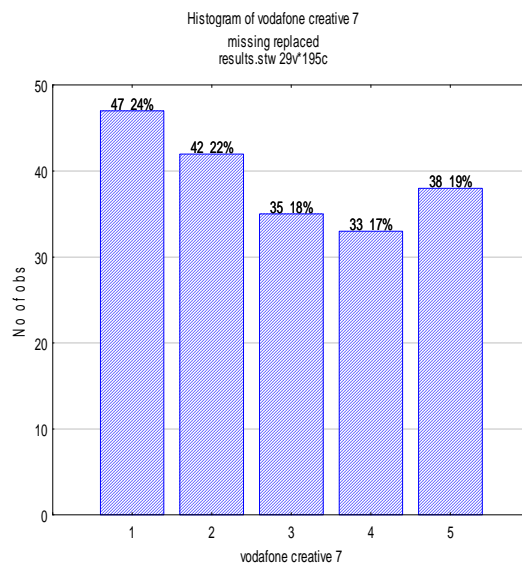
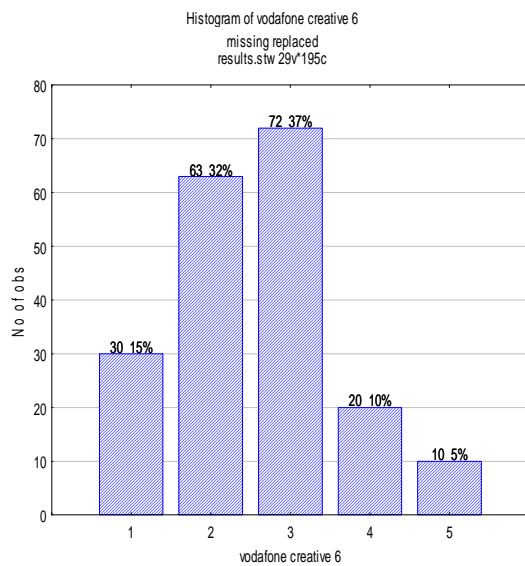
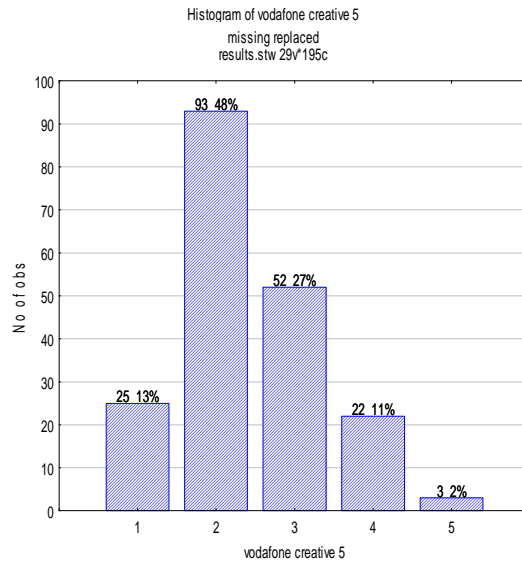
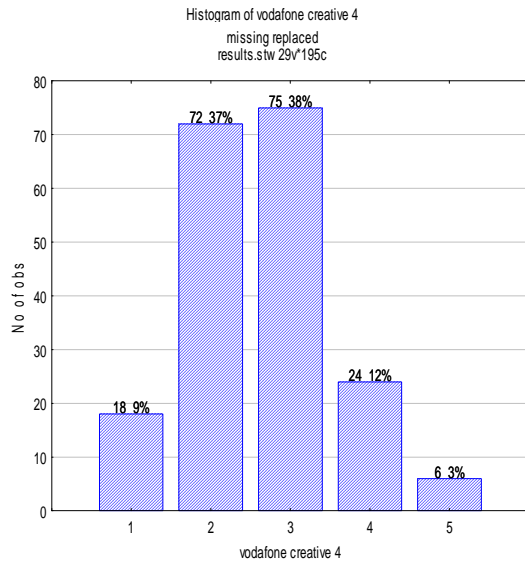
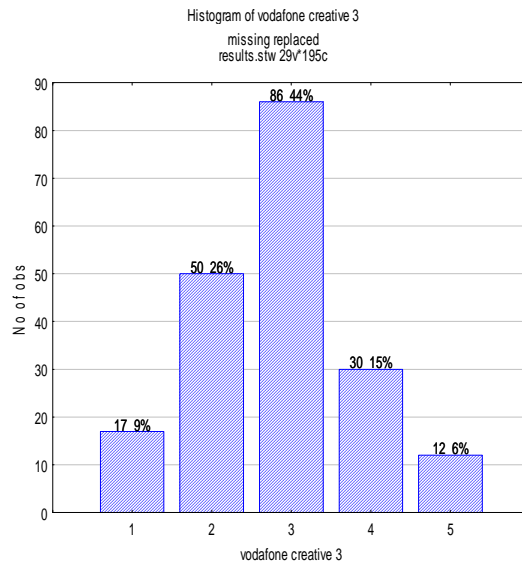
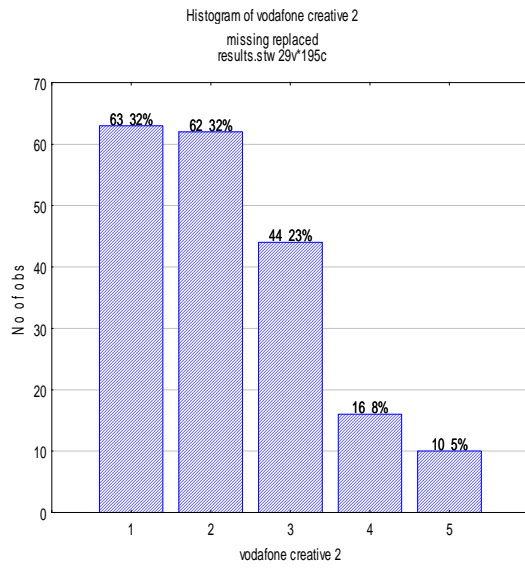
APPENDIX B: STATISTICAL ANALYSIS AUDIENCE SURVEY

Biographical characteristics of respondents

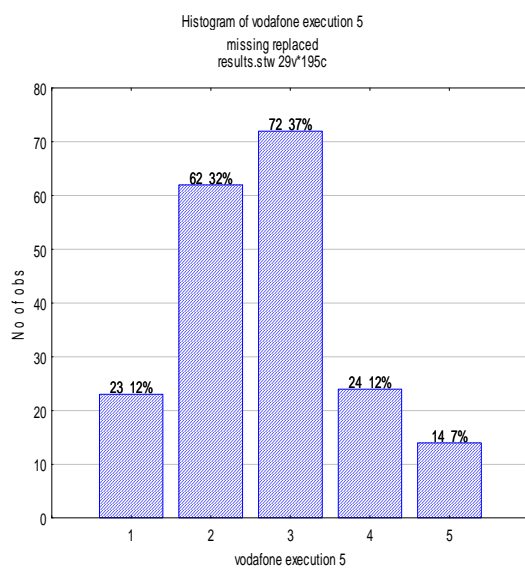
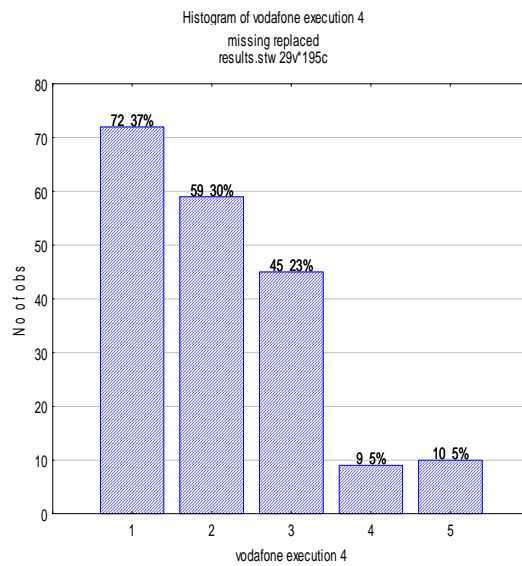
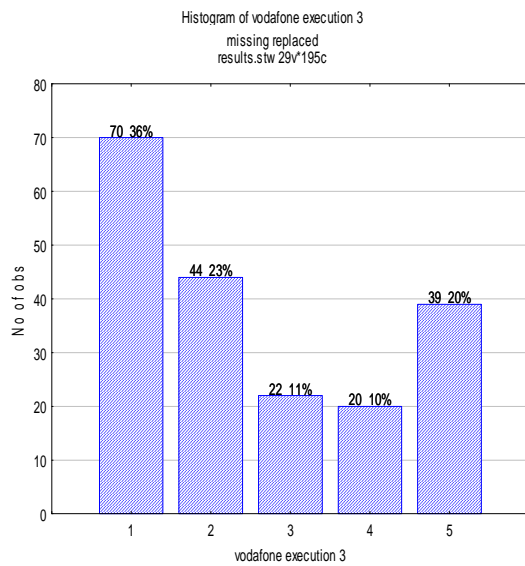
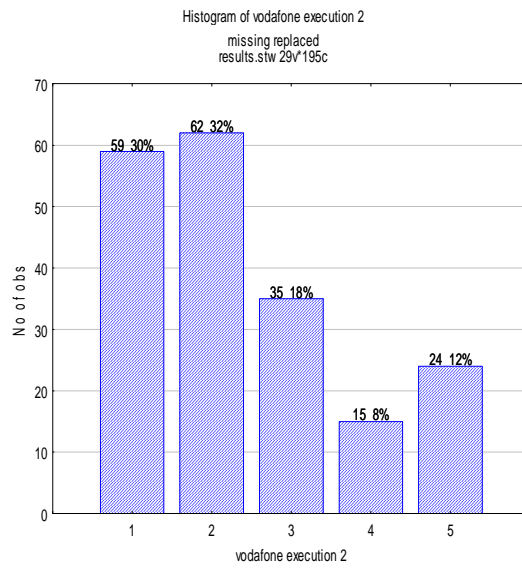
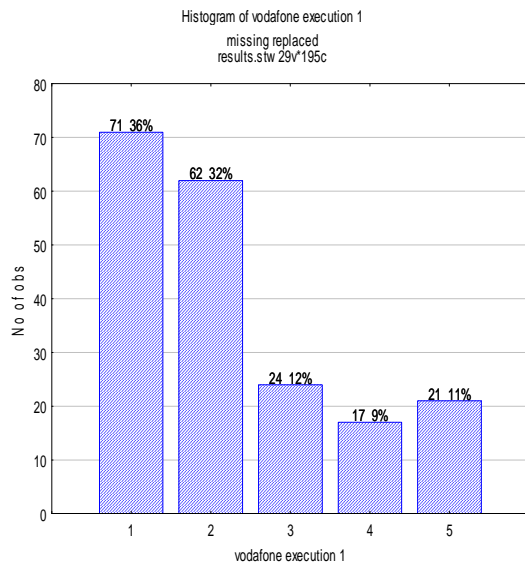


Vodafone live! results

Creative perspective

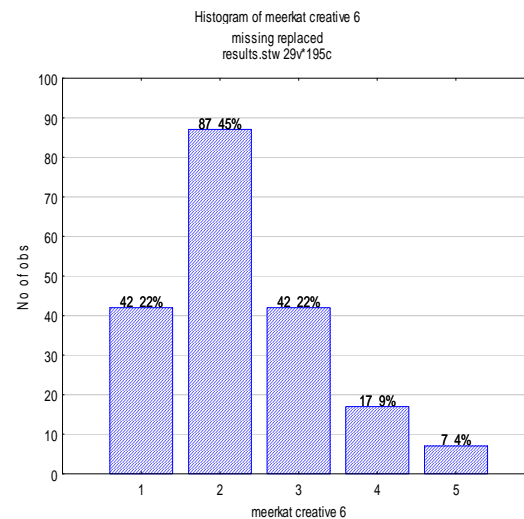
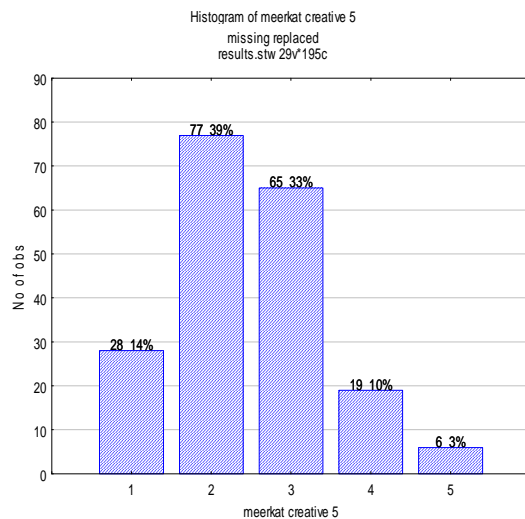
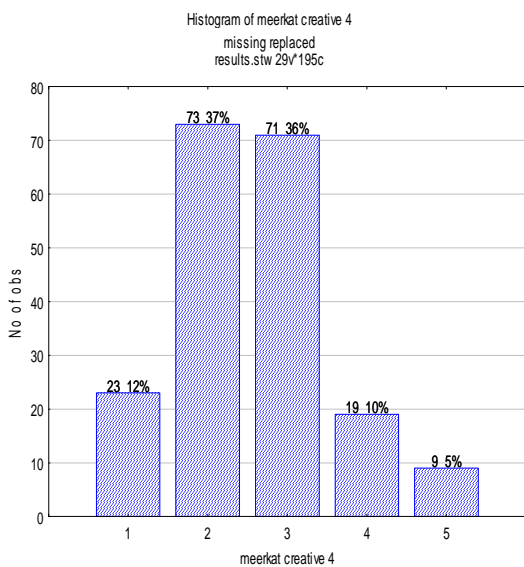
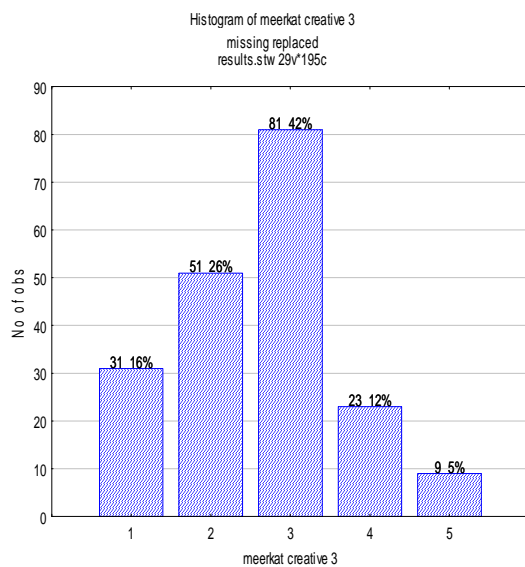
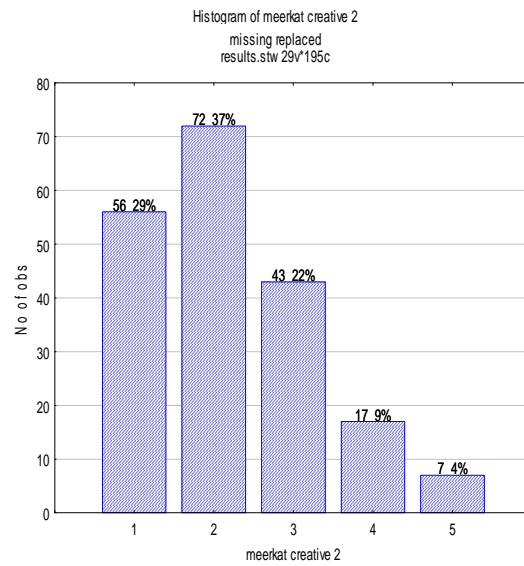
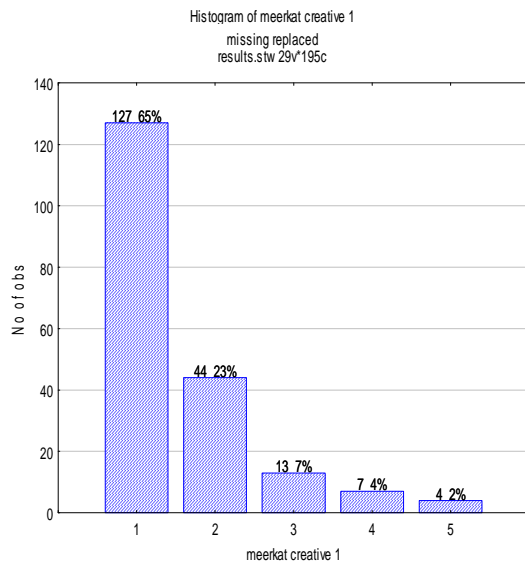


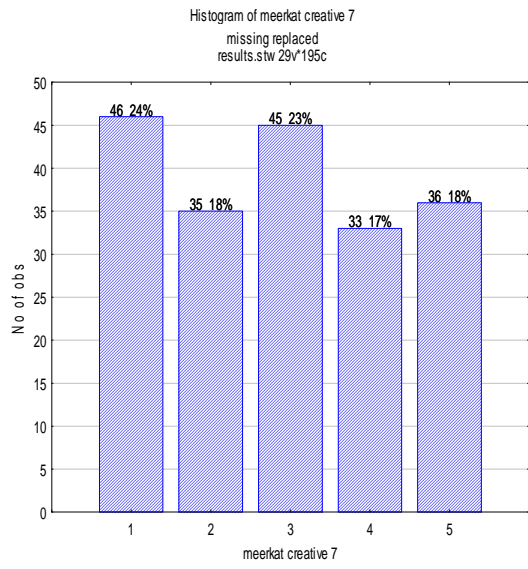
Execution perspective



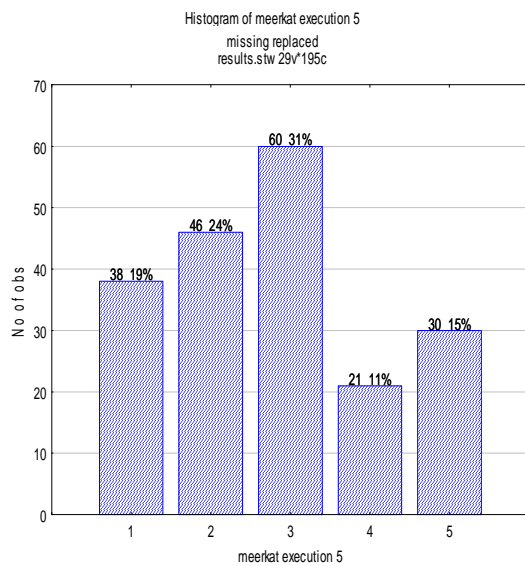
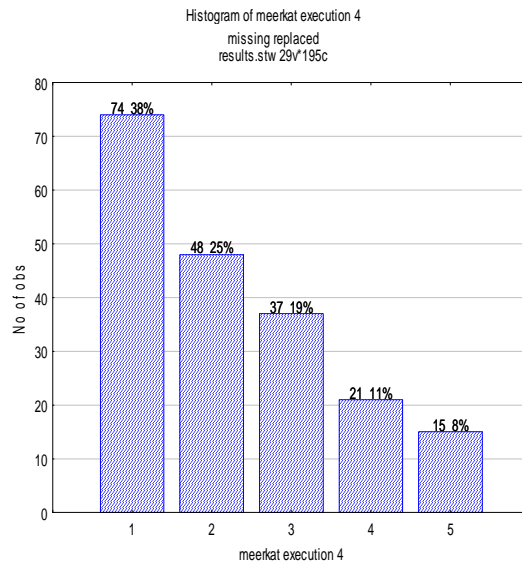
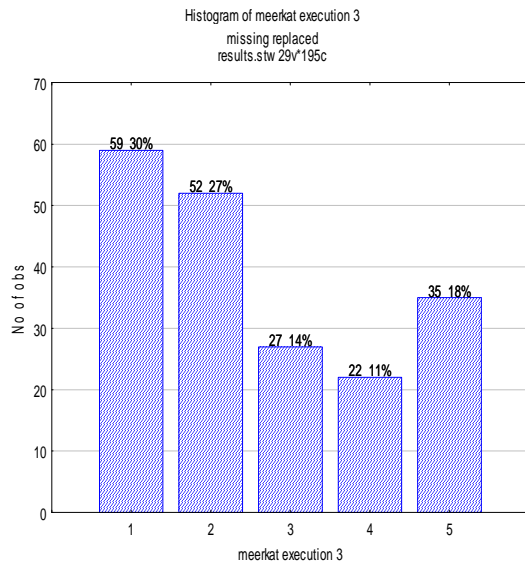
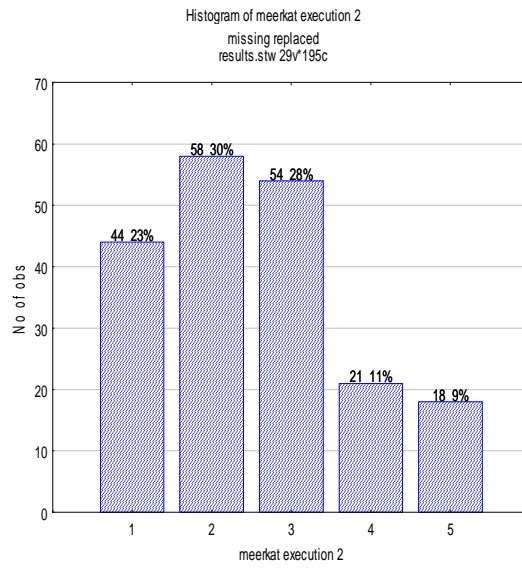
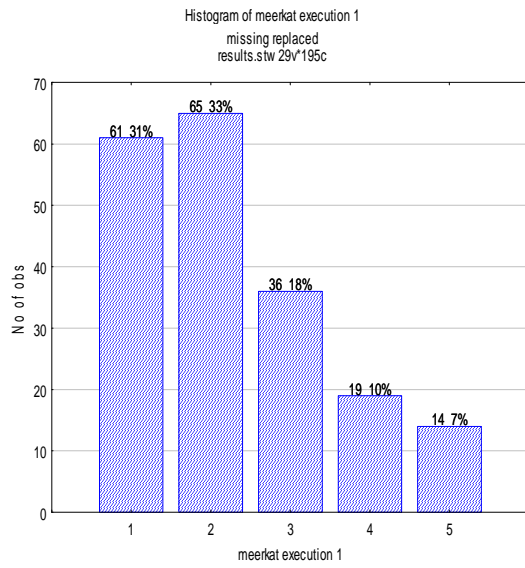
Meerkat Conga Line results

Creative perspective





Execution perspective



Covering letter

Dear participant,

My name is Sandra, Ayingono Moussavou and I am a Masters Student at Stellenbosch University. Will you please assist me in fulfilling my thesis requirements by filling out this brief questionnaire? It will take about 3 minutes. Thank you in advance for taking the time to help me.

The purpose of this questionnaire is to understand how people review and evaluate the variables that make an advertisement effective. Two (2) award winning advertisements and several statements are presented. After reviewing each advertisement cues, please tick in the box your degree of agreement to these statements.

There is no right or wrong answer. Please just tick the statements as you would naturally.

When you have filled in your particulars below, please turn to the next page and start the survey it will take about 3 minutes. Please revert by emailing the three pages back to me at the following e-mail address: 14248956@sun.ac.za at your earliest convenience.

Thank you

Yours sincerely

Sandra Ayingono Moussavou

General information:

Name of the company:

Job title in the company:

Advertising agencies' questionnaire

Following are several statements about perceptions concerning advertising effectiveness; please indicate how much you agree with each of these statements.

ADVERTISEMENT 1: "Vodafone Live!"

The 45-second commercial for Vodafone Live! features an animated Meerkat performing a "dance" to the tune 'I believe in Miracles' by Hot Chocolate for a rather mortified lady in her living room. While the meerkat is breaking a couple of decorative plates in the living room the advertisement claims that you can access any form of entertainment on your mobile phone with Vodacom.

You can access the advertisement by clicking on the following link

<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409512>.



Vodafone live! Statements about Strategy					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that the humoristic approach is appropriate for the product advertised					
I found that the humoristic approach in this advertisement does achieve brand preference					
I found this advertisement to create a brand personality.					
I found this advertisement rewards the viewer.					
I found this advertisement to contain a power idea.					

Vodafone live! Statements about Creative idea

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found this advertisement to be memorable					
I found the information given in the advertisement to be relevant to the target market					
I found the advertisement message informative					
I found the claims clear					
I found the claims understandable					
I found the claims believable					
I found the advertisement catches attention					

Vodafone live! Statements about Execution

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the use of the meerkat, the music, the setting and background creates an entertaining character					
I found the song "I believe in miracles" to fit the appeal of the advertisement.					
I found the character "Maurice" the meerkat likeable.					
I found the "meerkat" to be an effective tool in entertaining the viewers					
I found the lady sitting on the couch to participate in creating humour in the commercial					

Vodafone live! Statements about media

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 45 second advertisement is enough to capture the audience's attention.					
I found that a 45 seconds advertisement is too long to keep the audience's attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

ADVERTISEMENT 2: "Meerkat Conga Line"

'Meerkat Conga Line' features a laid-back meerkat leading a conga line through the streets of Cape Town. Ryk Neethling and Brian Habana join the line as it grows longer and more fun than ever. This commercial claims that Vodacom is South Africa's leading cellular network and lasts 59 seconds.

You can access the advertisement by clicking on the following link
<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409569>.



“Meerkat Conga Line” Statements about Strategy

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that the feel good approach is appropriate for the product advertised					
I found that the feel good approach in this advertisement does achieve brand preference					
I found this advertisement creates a brand personality.					
I found this advertisement rewards the viewer.					
I found this advertisement to contain a power idea.					

“Meerkat Conga Line” Statements about Creative idea

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found this advertisement to be memorable					
I found the information given in the advertisement to be relevant to the target market					
I found the advertisement message informative					
I found the claims clear					
I found the claims understandable					
I found the claims believable					
I found the advertisement catches attention					

“Meerkat Conga Line” Statements about Execution

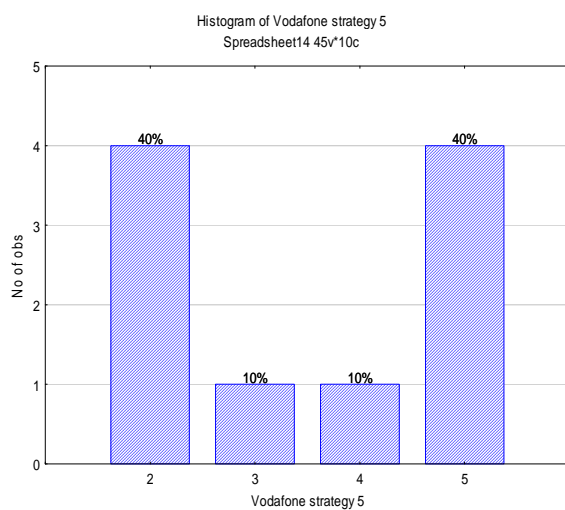
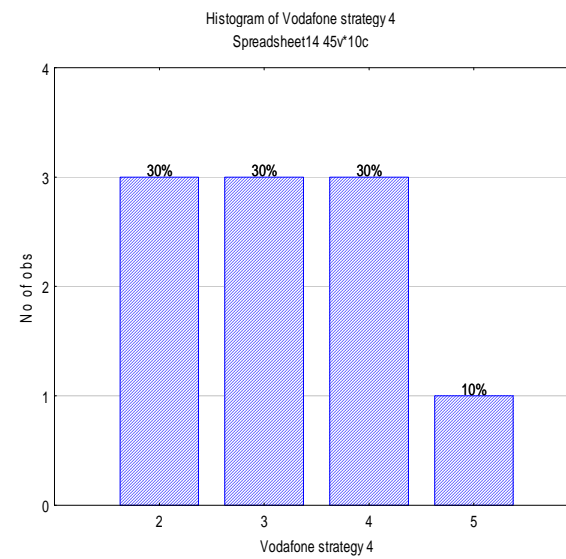
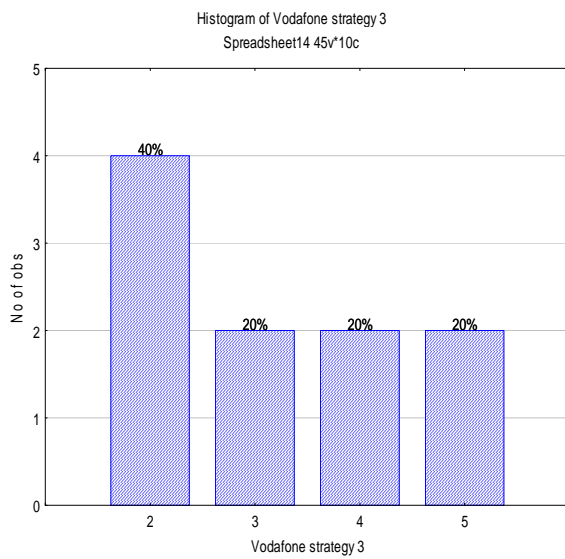
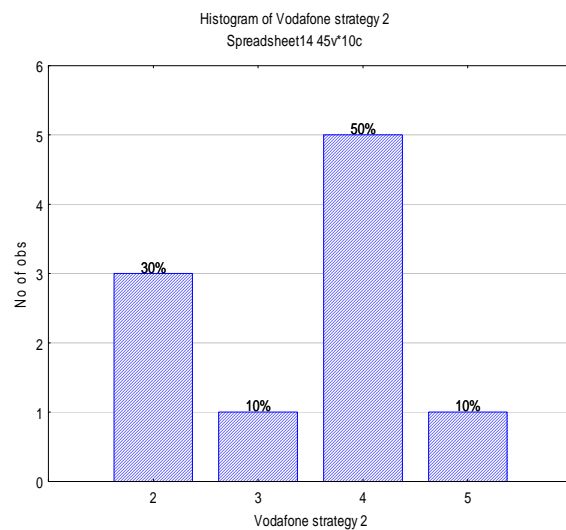
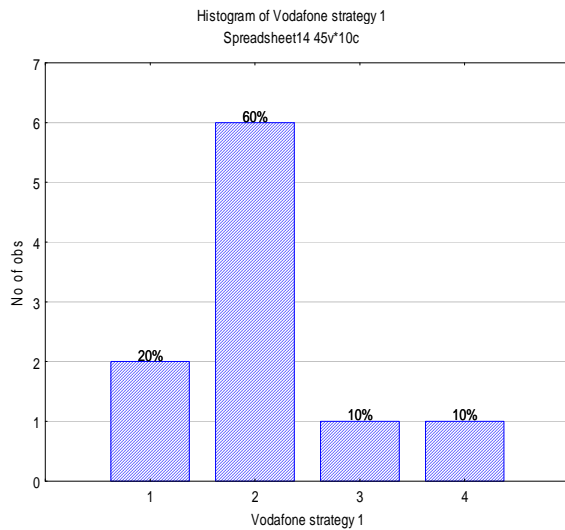
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the use of the meerkat, the music, the setting and background creates an entertaining character					
I found the song “I believe in miracles” to fit the appeal of the advertisement					
I found the character “Maurice” the meerkat likeable.					
I found the “meerkat” to be an effective tool in entertaining the viewers					
I found Ryk Neethling and Brian Habana to participate in creating a good image for the brand					

Vodafone live! Statements about media

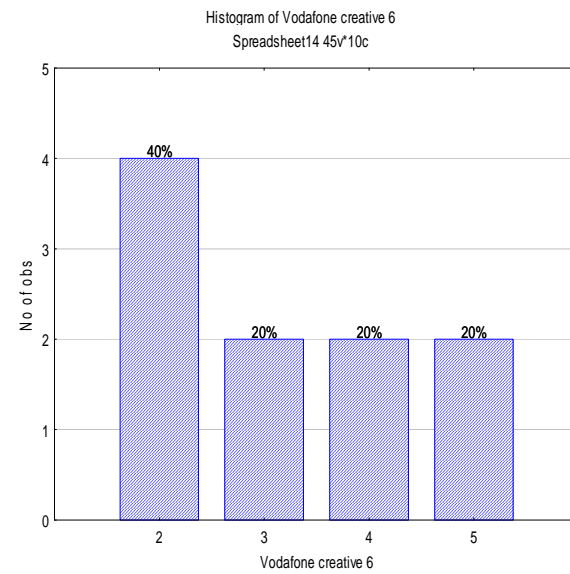
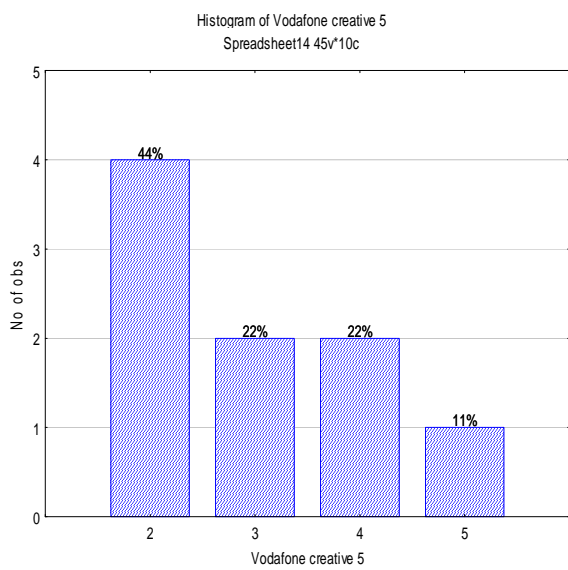
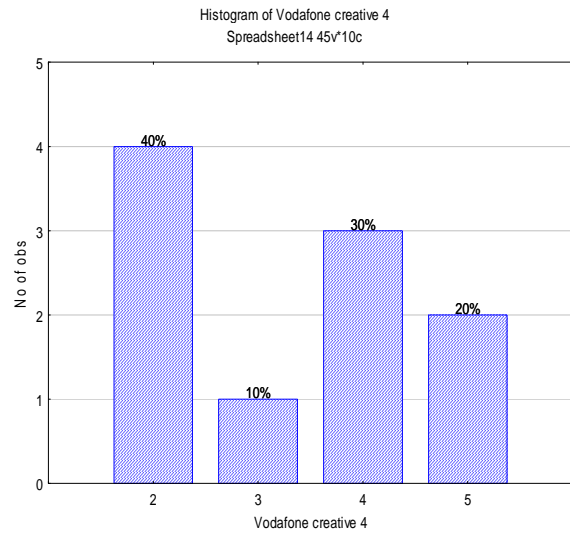
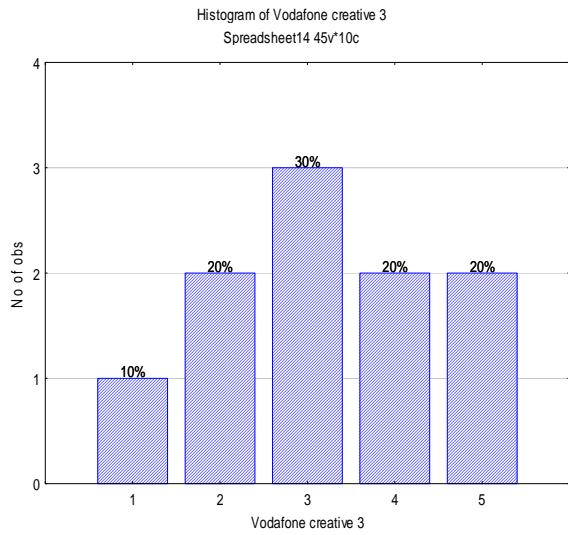
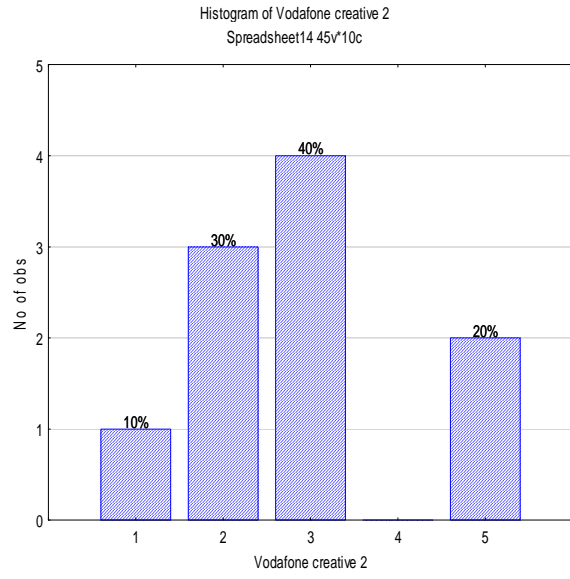
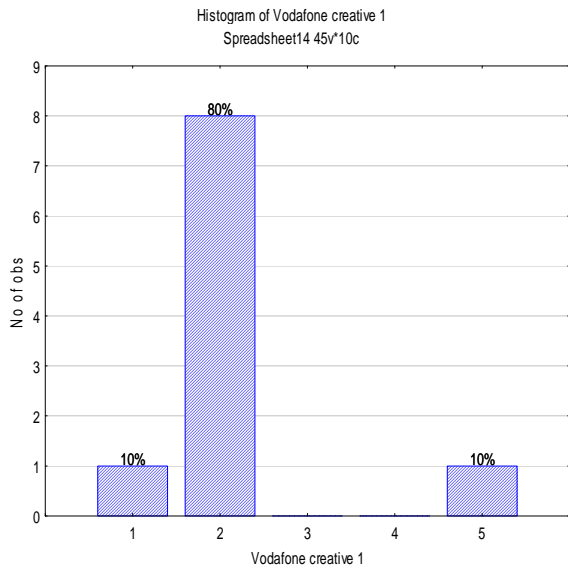
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 59 second advertisement is enough to capture the audience’s attention.					
I found that a 59 second advertisement is too long to keep the audience’s attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

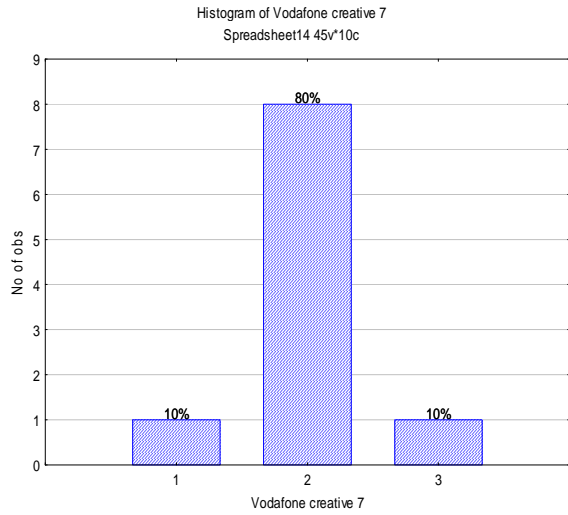
APPENDIX D: STATISTICAL ANALYSIS ADVERTISING AGENCIES SURVEY

Vodafone live! results Strategy perspective

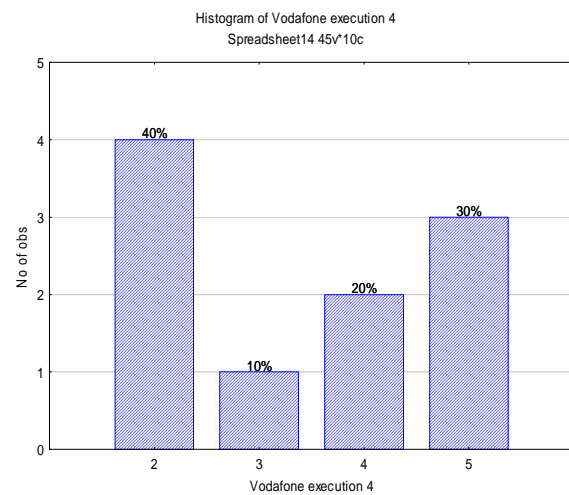
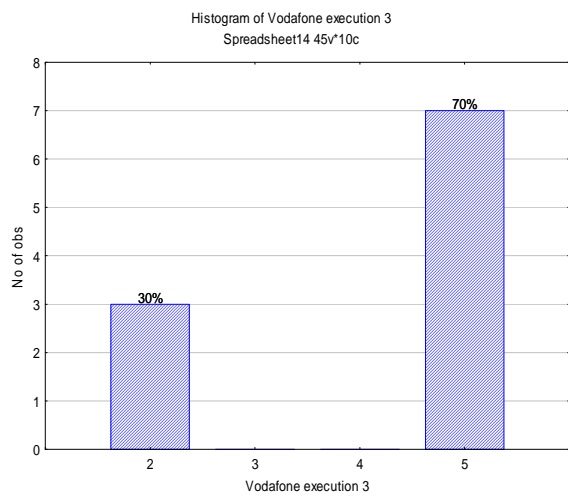
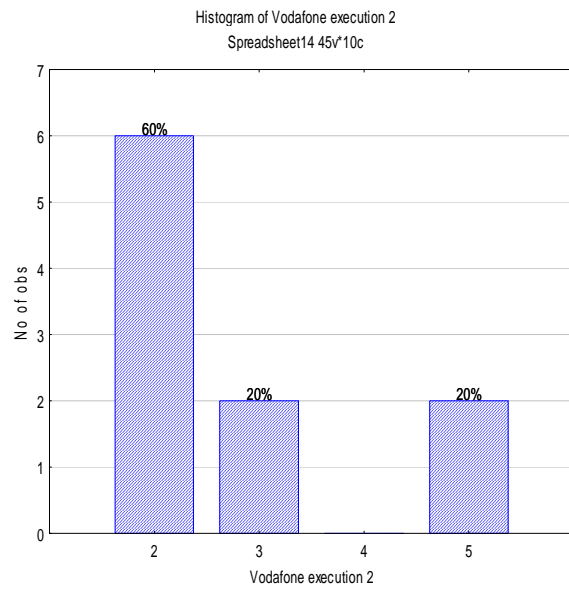
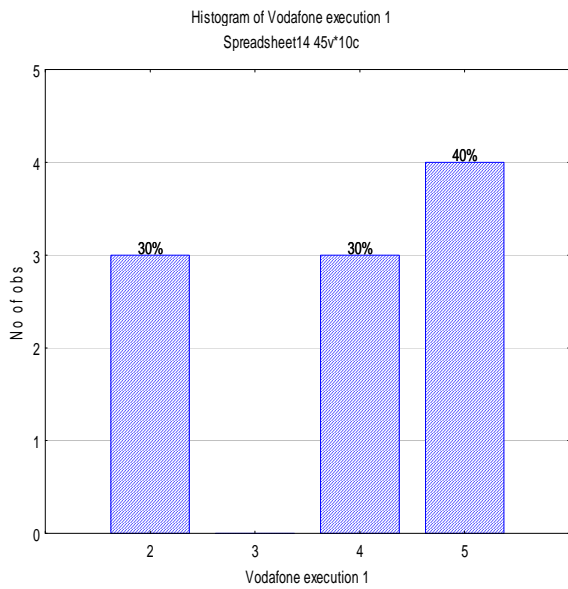


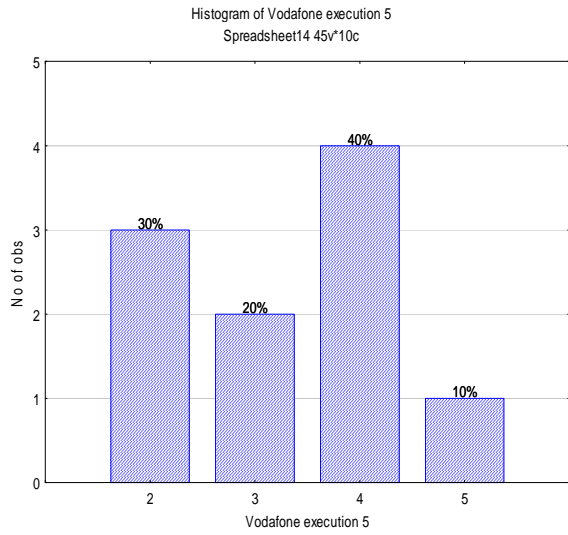
Creative perspective



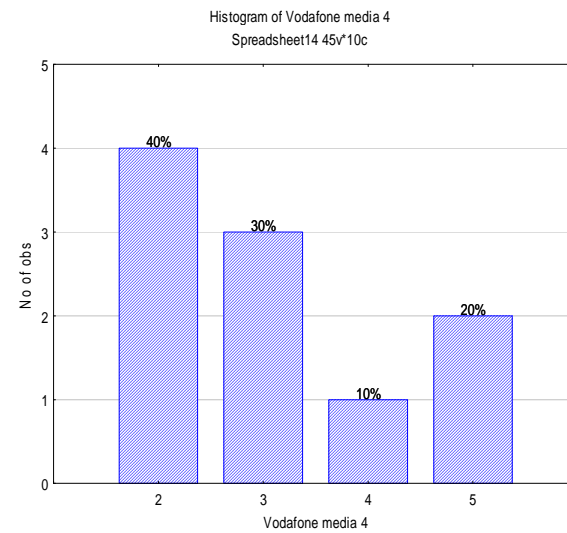
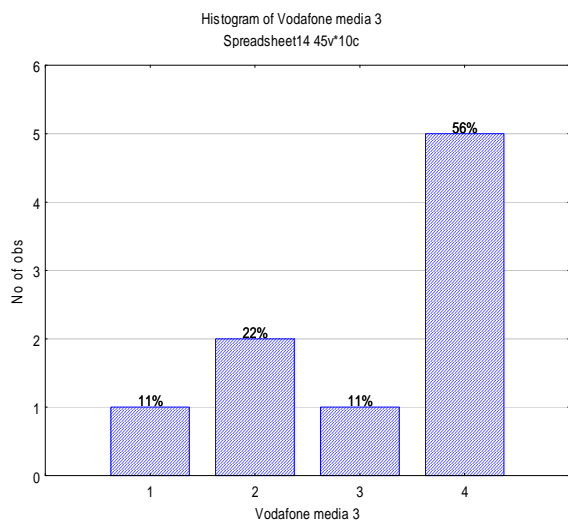
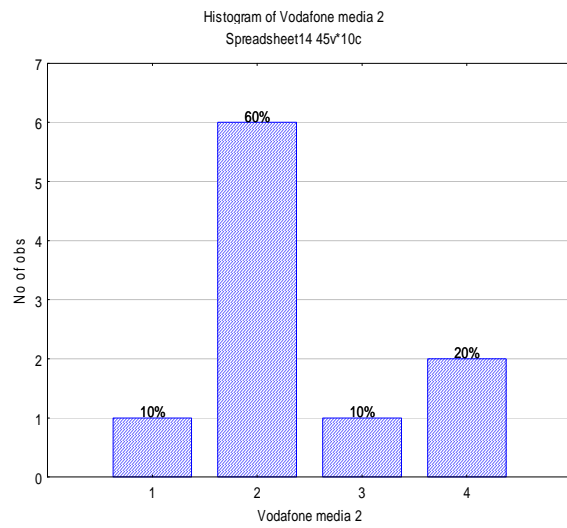
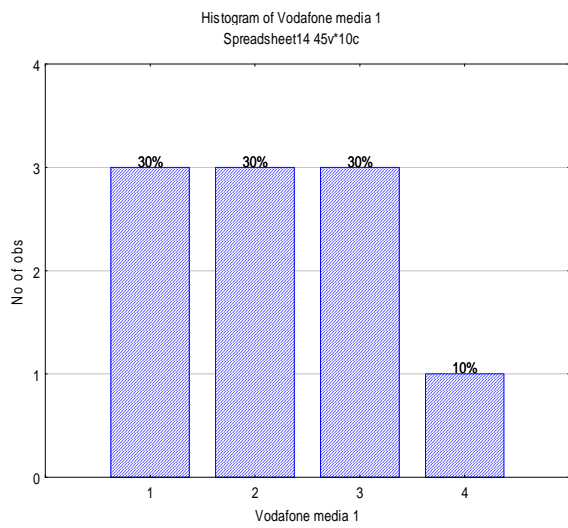


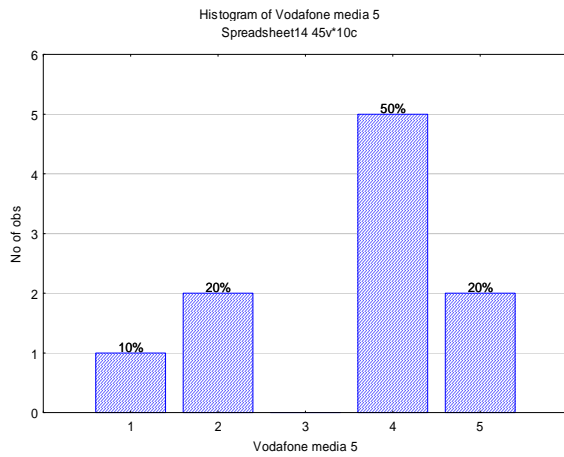
Execution perspective



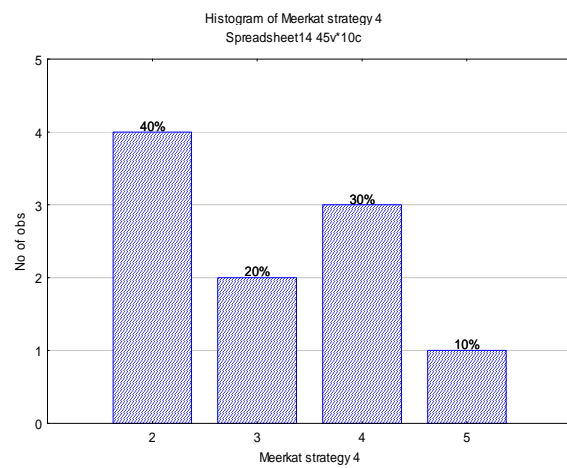
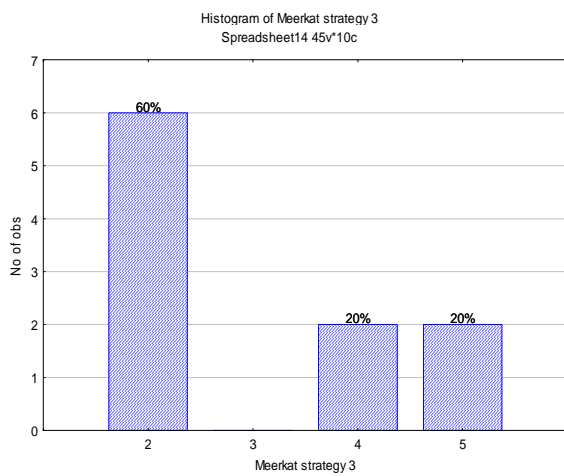
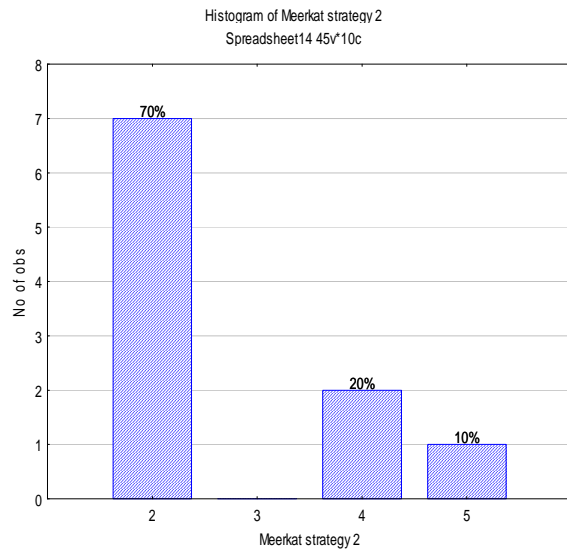
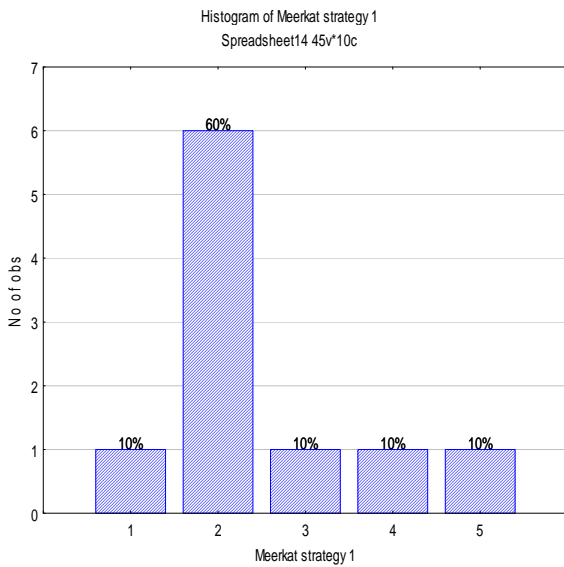


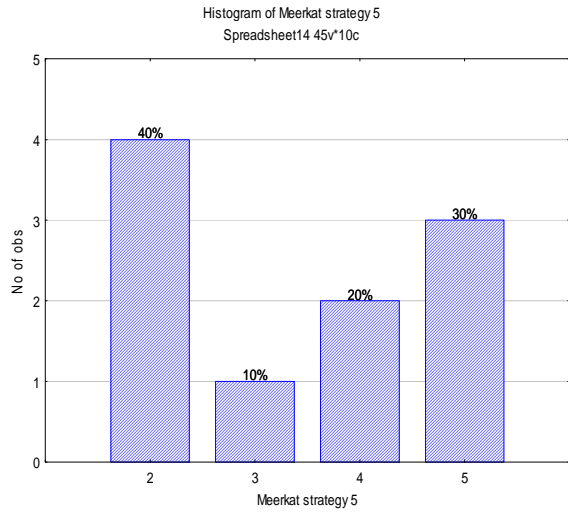
Media perspective



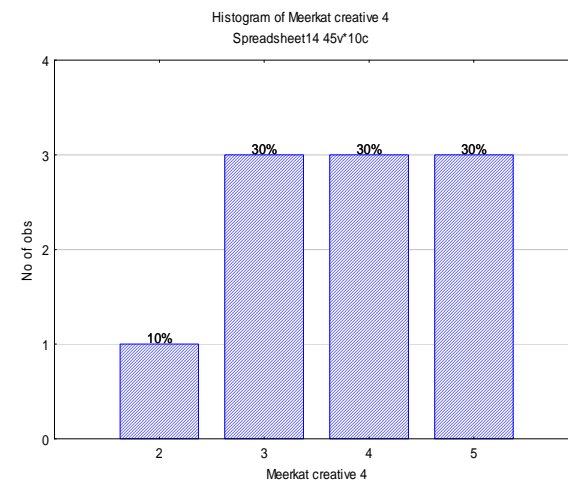
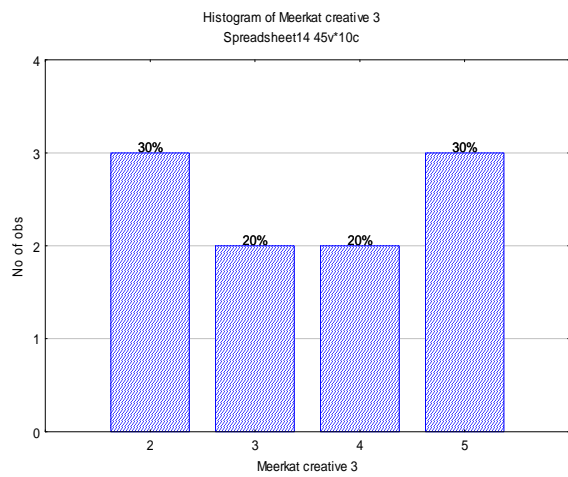
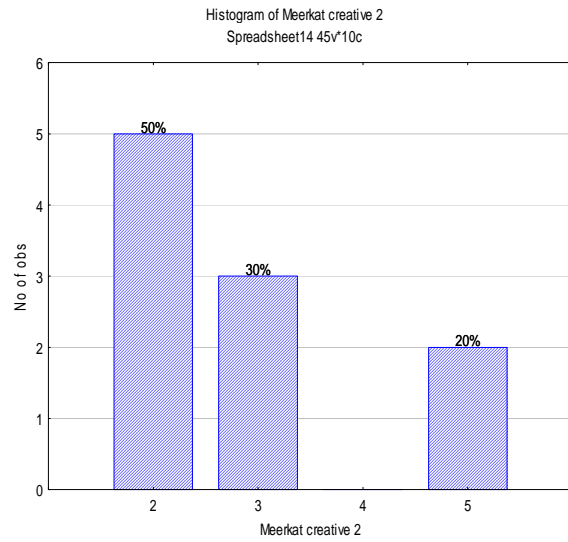
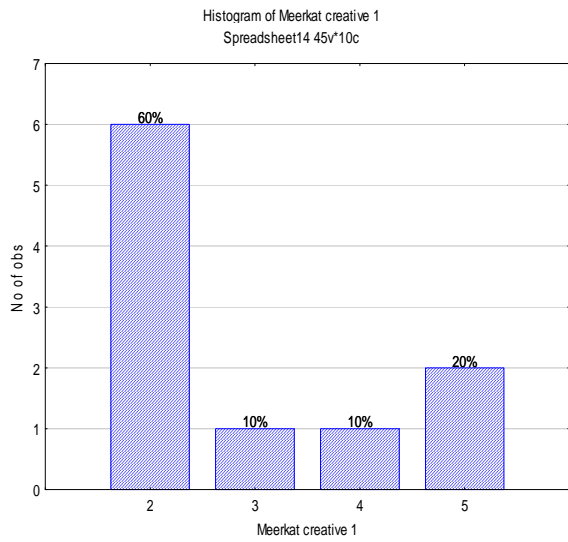


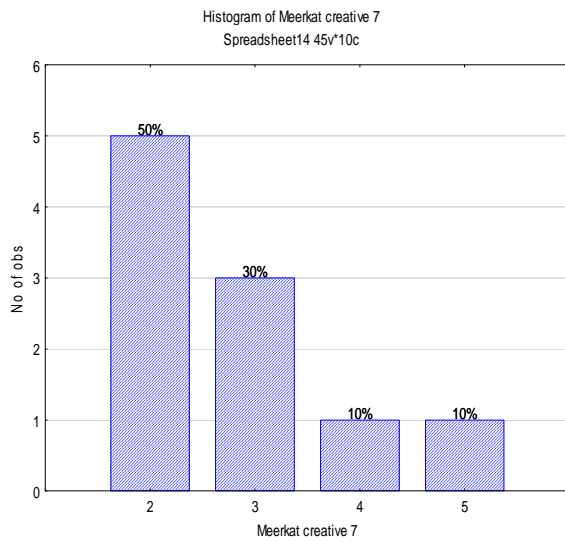
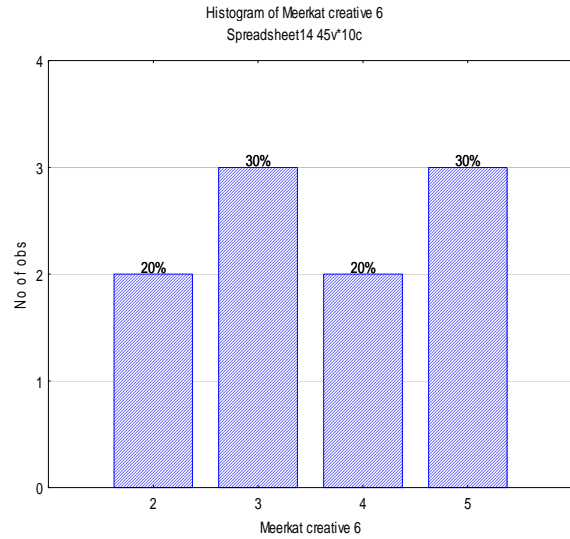
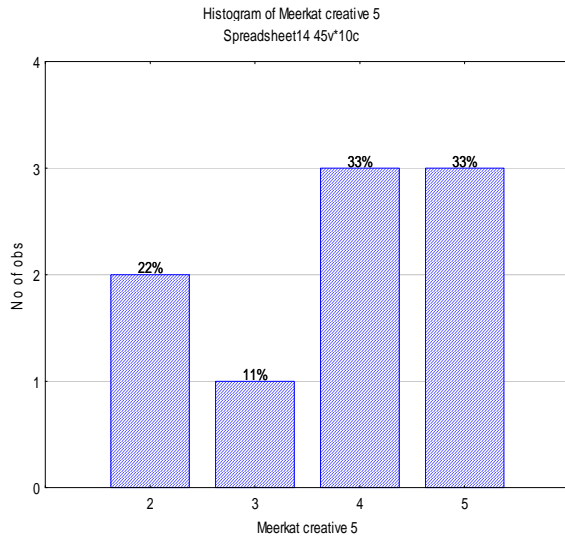
Meerkat Conga Line results Strategy perspective



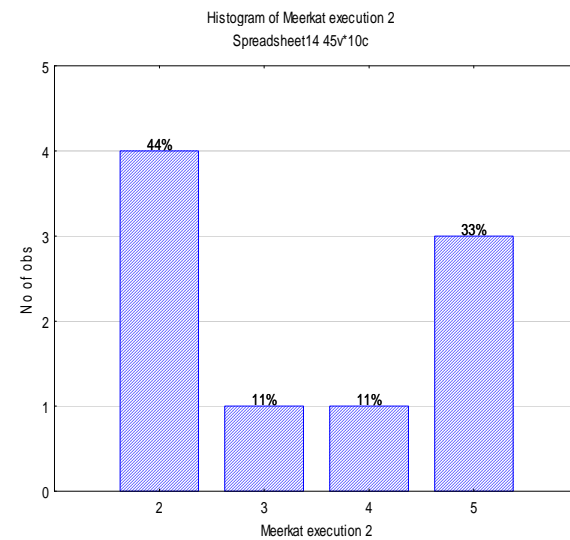
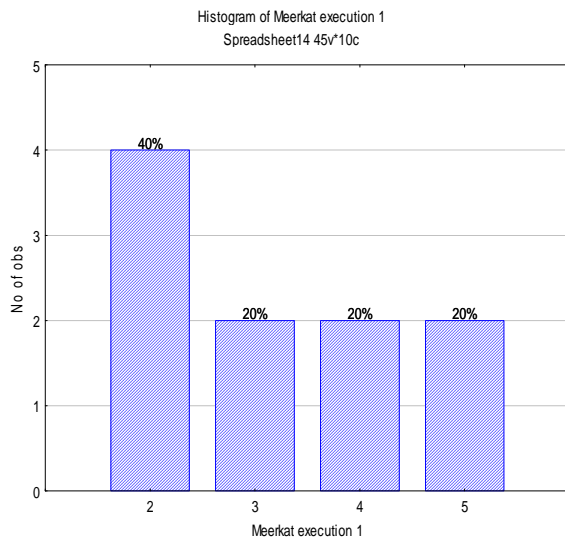


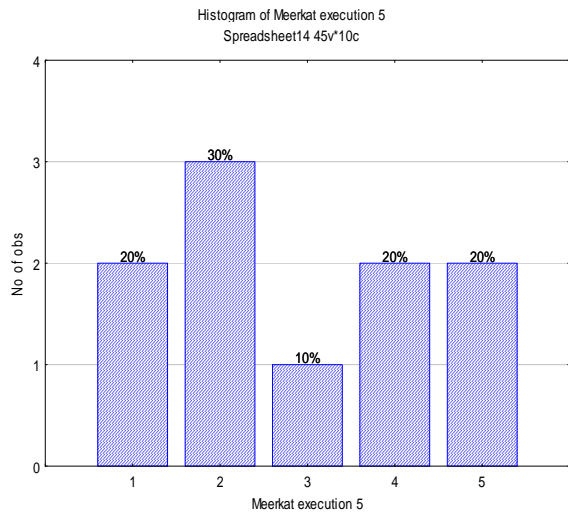
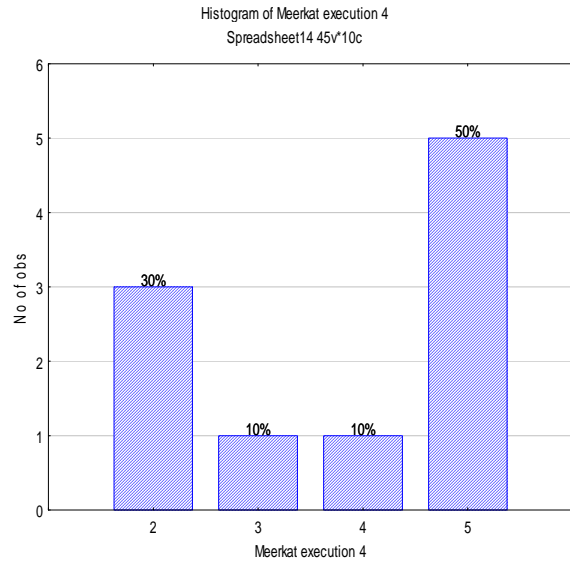
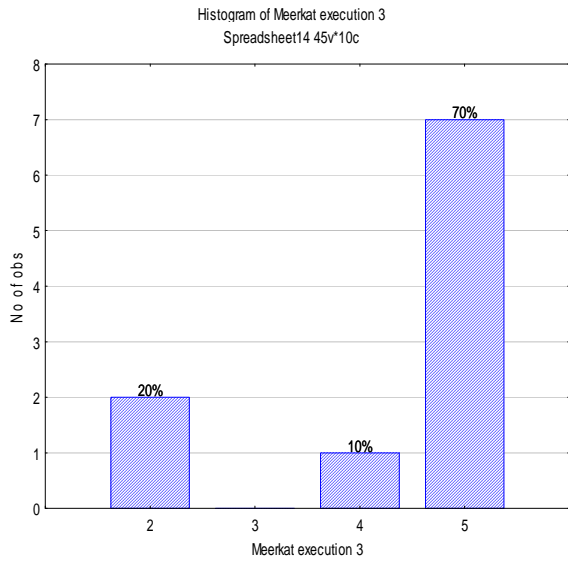
Creative perspective



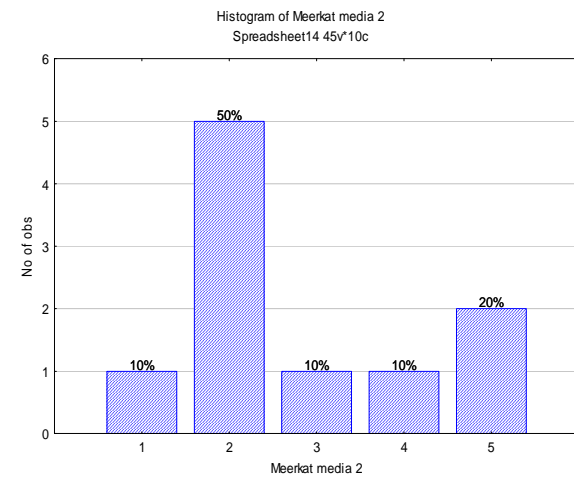
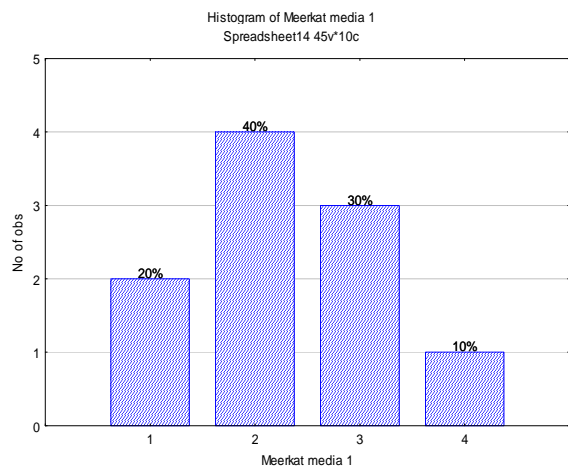


Execution perspective

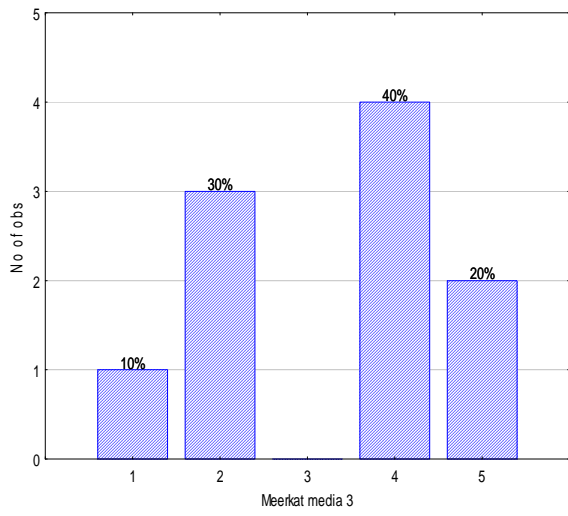




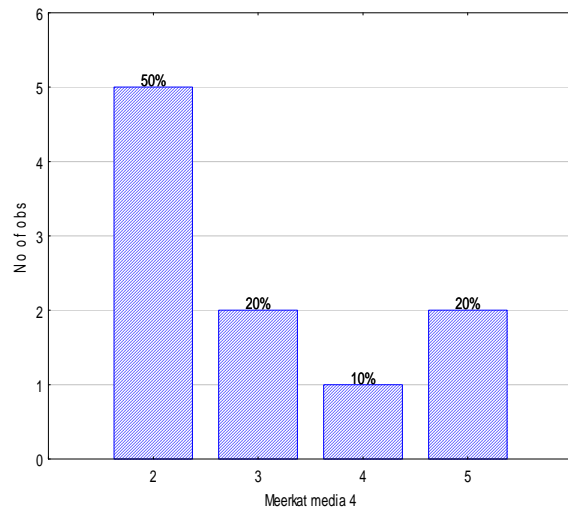
Media perspective



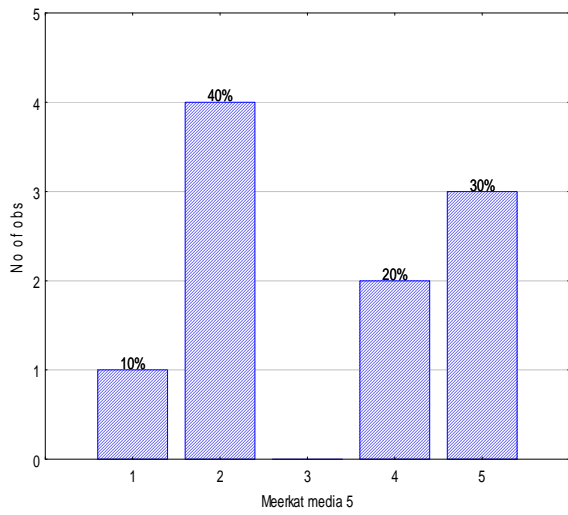
Histogram of Meerkat media 3
Spreadsheet14 45v10c



Histogram of Meerkat media 4
Spreadsheet14 45v10c



Histogram of Meerkat media 5
Spreadsheet14 45v10c



Covering letter

Dear participant,

My name is Sandra, Ayingono Moussavou and I am a Masters Student at Stellenbosch University. Will you please assist me in fulfilling my thesis requirements by filling out this brief questionnaire? It will take about 3 minutes. Thank you in advance for taking the time to help me.

The purpose of this questionnaire is to understand how people review and evaluate the variables that make an advertisement effective. Two (2) award winning advertisements and several statements are presented. After reviewing each advertisement cues, please tick in the box your degree of agreement to these statements.

There is no right or wrong answer. Please just tick the statements as you would naturally.

When you have filled in your particulars below, please turn to the next page and start the survey it will take about 3 minutes. Please revert by emailing the three pages back to me at the following e-mail address: 14248956@sun.ac.za at your earliest convenience.

Thank you

Yours sincerely

Sandra Ayingono Moussavou

General information:

Name of the company:

Job title in the company:

Advertisers' questionnaire

Following are several statements about perceptions concerning advertising effectiveness; please indicate how much you agree with each of these statements.

ADVERTISEMENT 1: "Vodafone Live!"

The 45-second commercial for Vodafone Live! features an animated Meerkat performing a "dance" to the tune 'I believe in Miracles' by Hot Chocolate for a rather mortified lady in her living room. While the meerkat is breaking a couple of decorative plates in the living room the advertisement claims that you can access any form of entertainment on your mobile phone with Vodacom.

You can access the advertisement by clicking on the following link

<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409512>.



Vodafone live! Statements about Strategy					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that the humoristic approach is appropriate for the product advertised					
I found that the humoristic approach in this advertisement does achieve brand preference					
I found this advertisement to create a brand personality.					
I found this advertisement rewards the viewer.					
I found this advertisement to contain a power idea.					

Vodafone live! Statements about Creative idea

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found this advertisement to be memorable					
I found the information given in the advertisement to be relevant to the target market					
I found the advertisement message informative					
I found the claims clear					
I found the claims understandable					
I found the claims believable					
I found the advertisement catches attention					

Vodafone live! Statements about Execution

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the use of the meerkat, the music, the setting and background creates an entertaining character					
I found the song "I believe in miracles" to fit the appeal of the advertisement.					
I found the character "Maurice" the meerkat likeable.					
I found the "meerkat" to be an effective tool in entertaining the viewers					
I found the lady sitting on the couch to participate in creating humour in the commercial					

Vodafone live! Statements about media

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 45 second advertisement is enough to capture the audience's attention.					
I found that a 45 seconds advertisement is too long to keep the audience's attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

ADVERTISEMENT 2: “Meerkat Conga Line”

'Meerkat Conga Line' features a laid-back meerkat leading a conga line through the streets of Cape Town. Ryk Neethling and Brian Habana join the line as it grows longer and more fun than ever. This commercial claims that Vodacom is South Africa’s leading cellular network and lasts 59 seconds.

You can access the advertisement by clicking on the following link
<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409569>.



“Meerkat Conga Line” Statements about Strategy

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that the feel good approach is appropriate for the product advertised					
I found that the feel good approach in this advertisement does achieve brand preference					
I found this advertisement creates a brand personality.					
I found this advertisement rewards the viewer.					
I found this advertisement to contain a power idea.					

“Meerkat Conga Line” Statements about Creative idea

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found this advertisement to be memorable					
I found the information given in the advertisement to be relevant to the target market					
I found the advertisement message informative					
I found the claims clear					
I found the claims understandable					
I found the claims believable					
I found the advertisement catches attention					

“Meerkat Conga Line” Statements about Execution

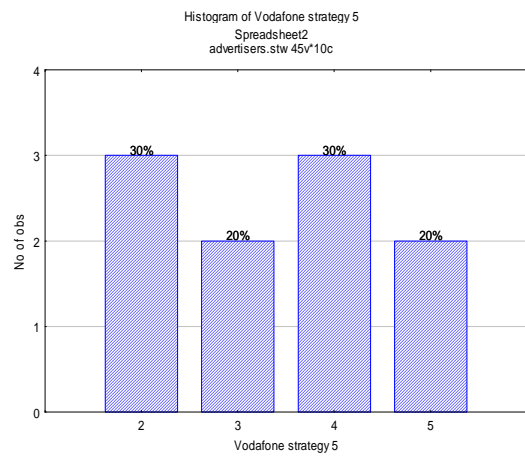
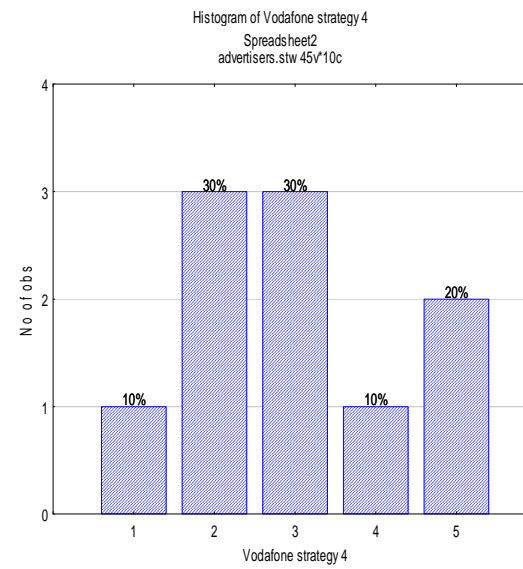
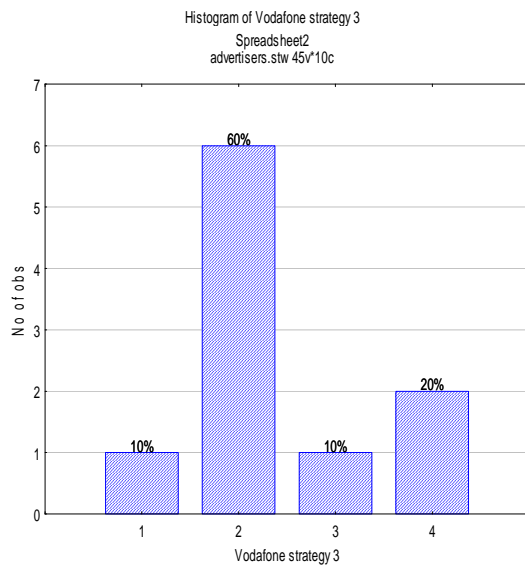
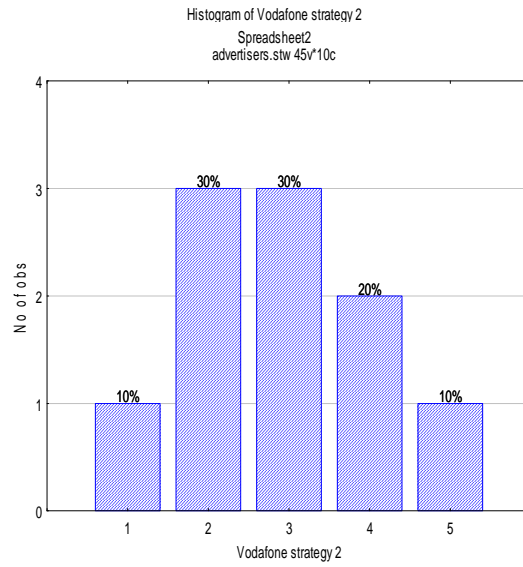
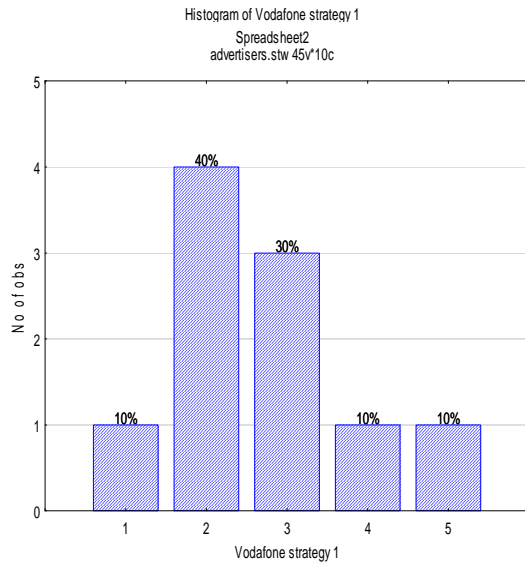
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found the use of the meerkat, the music, the setting and background creates an entertaining character					
I found the song “I believe in miracles” to fit the appeal of the advertisement					
I found the character “Maurice” the meerkat likeable.					
I found the “meerkat” to be an effective tool in entertaining the viewers					
I found Ryk Neethling and Brian Habana to participate in creating a good image for the brand					

Vodafone live! Statements about media

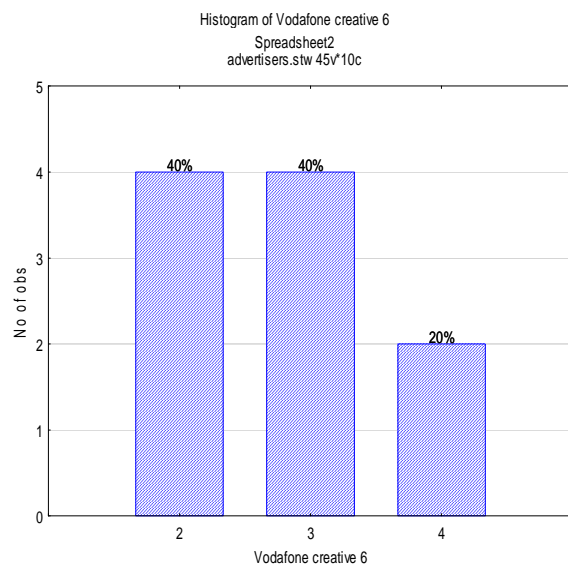
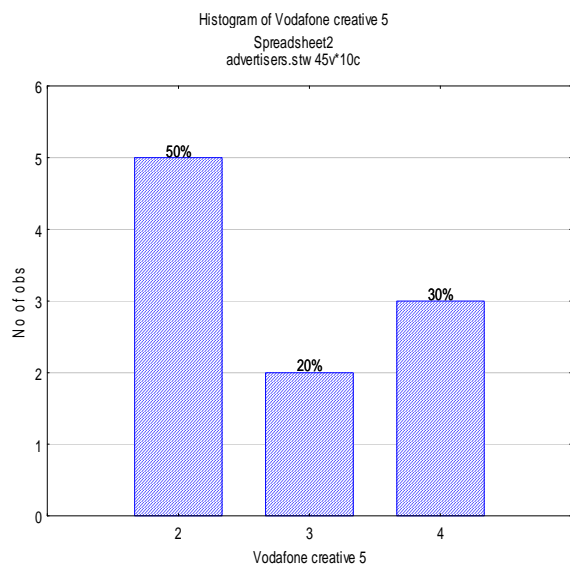
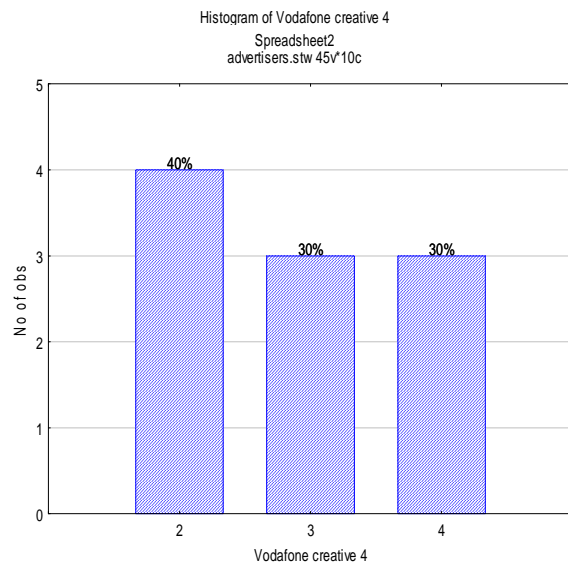
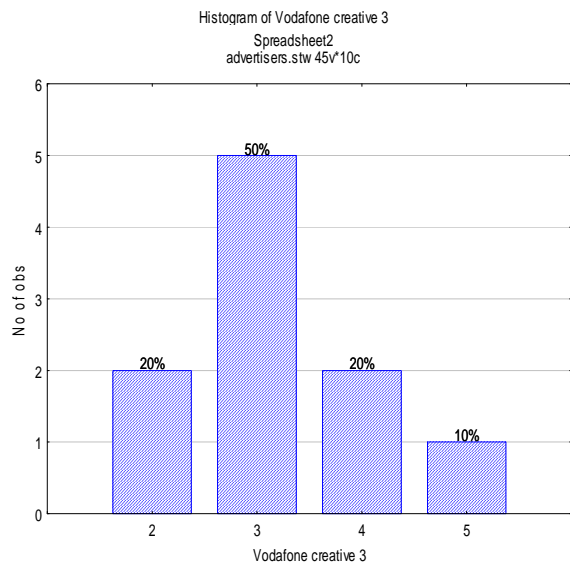
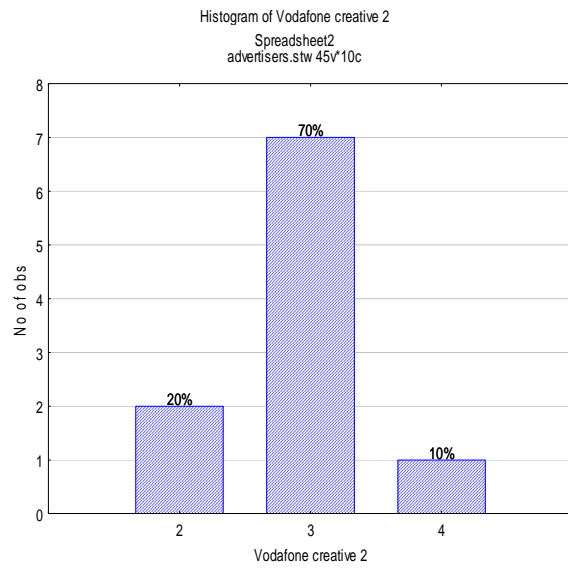
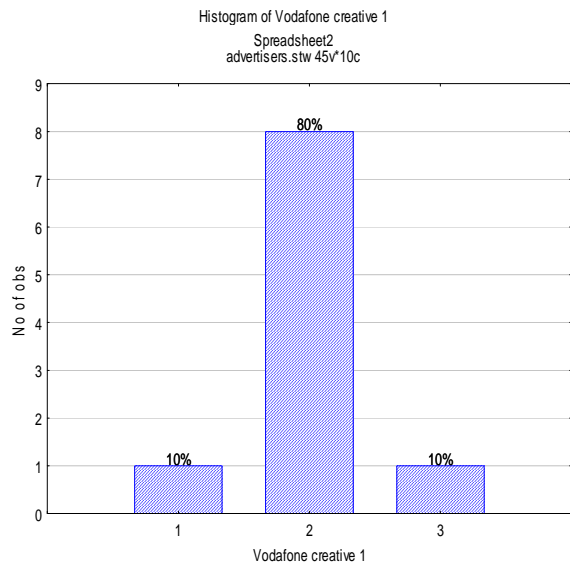
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 59 second advertisement is enough to capture the audience’s attention.					
I found that a 59 second advertisement is too long to keep the audience’s attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

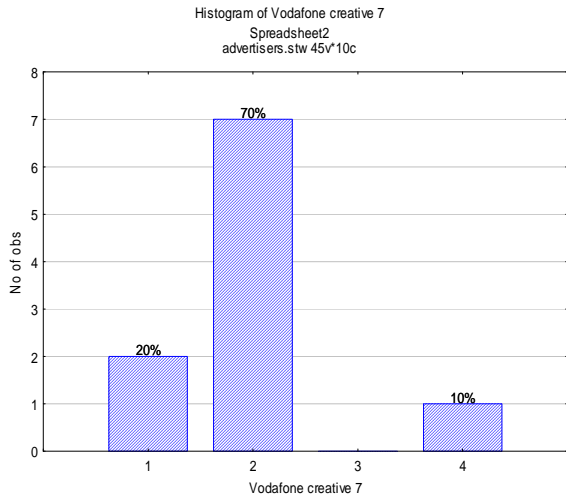
APPENDIX F: STATISTICAL ANALYSIS ADVERTISERS SURVEY

Vodafone live! results Strategy perspective

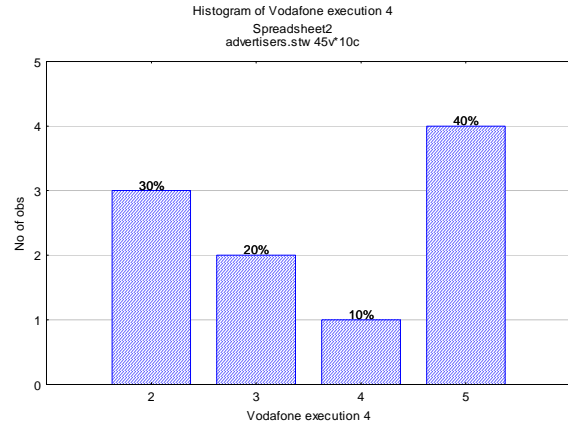
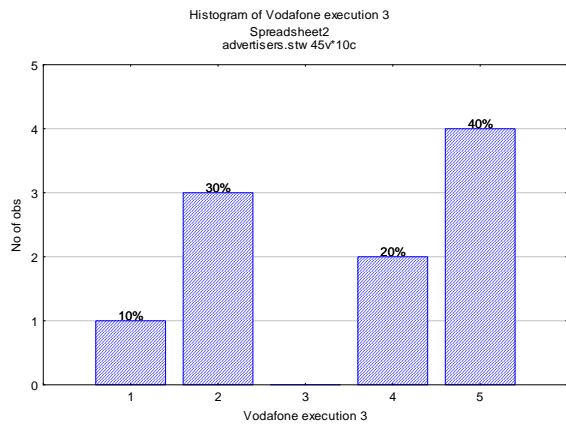
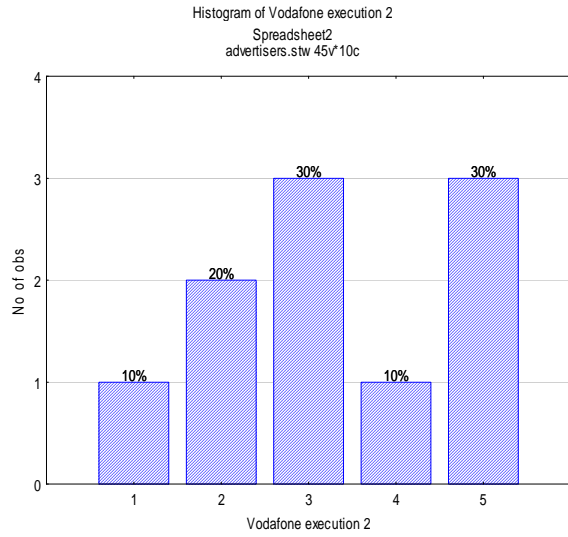
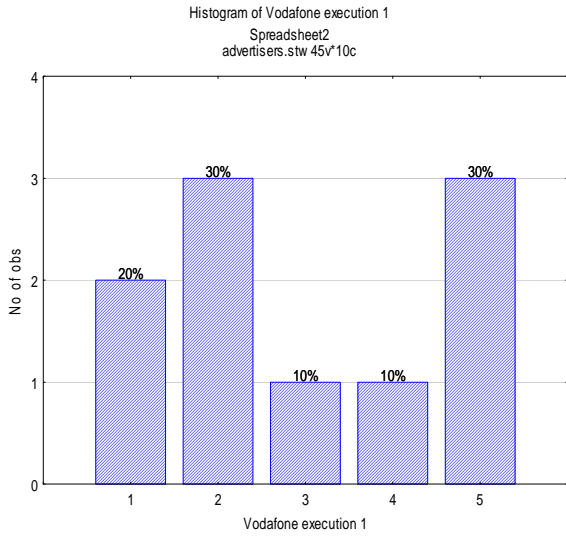


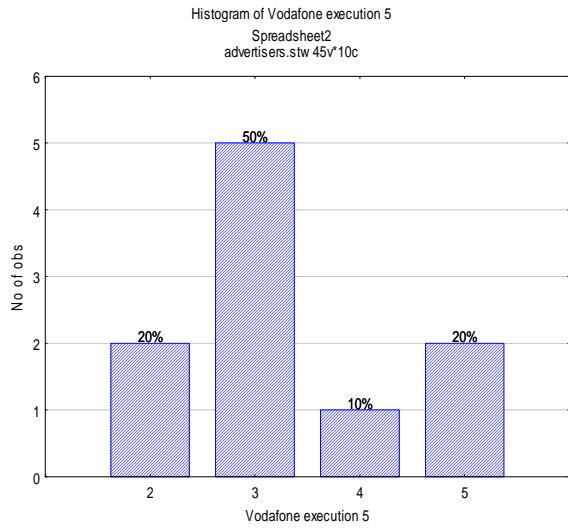
Creative perspective



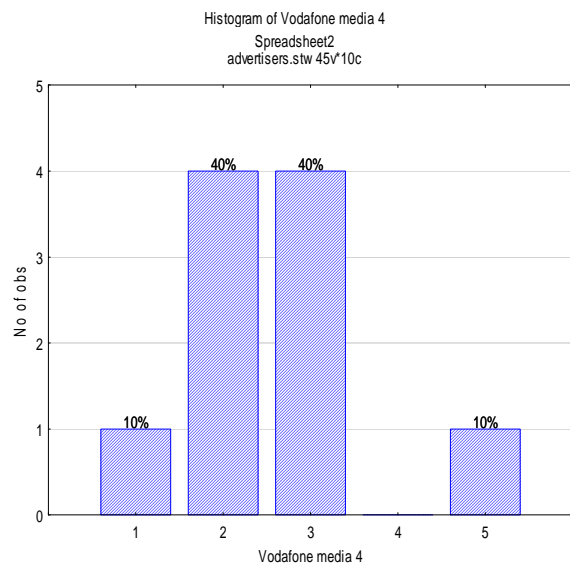
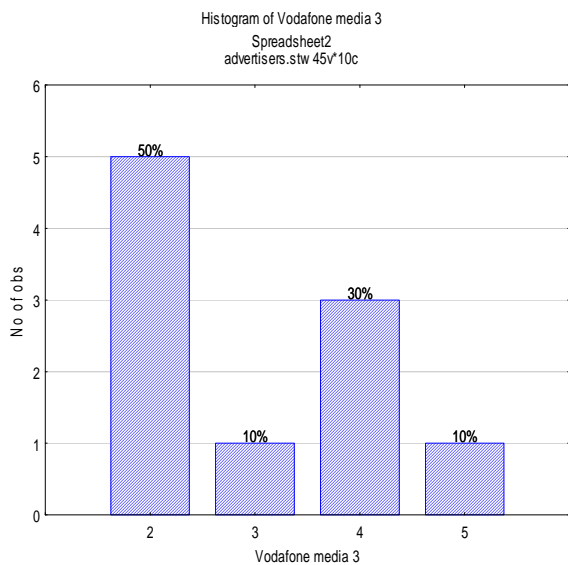
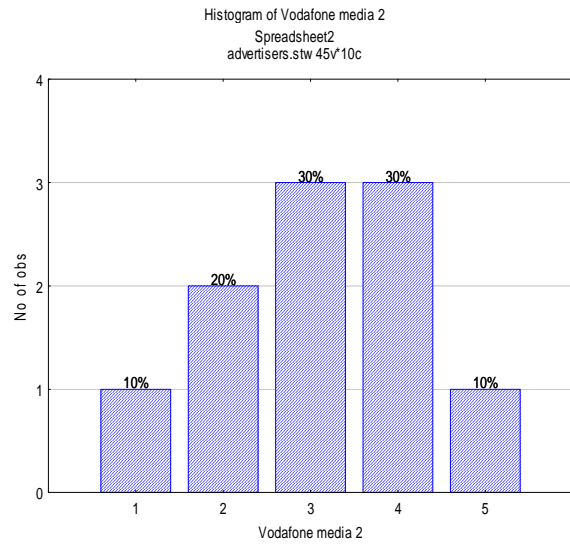
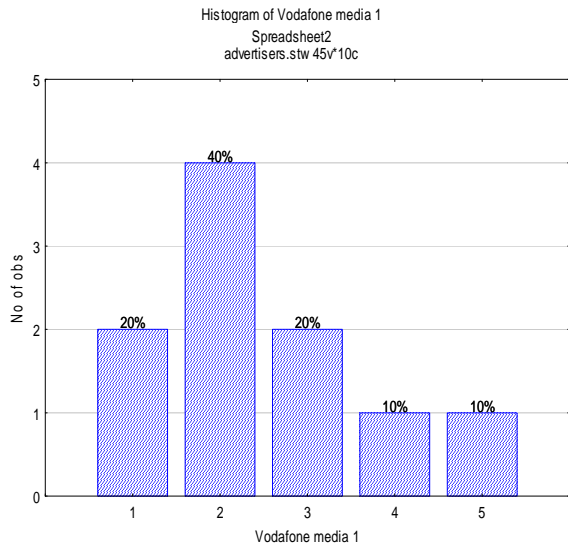


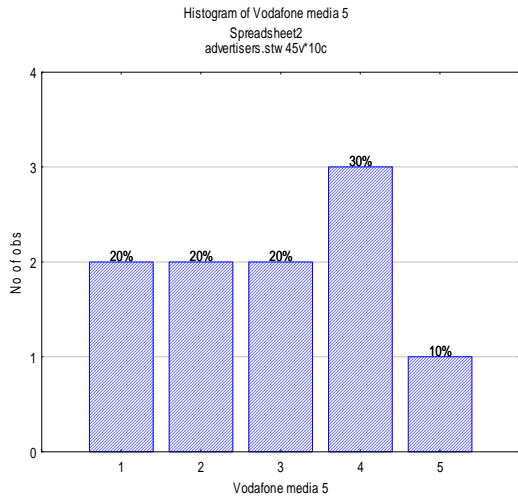
Execution perspective



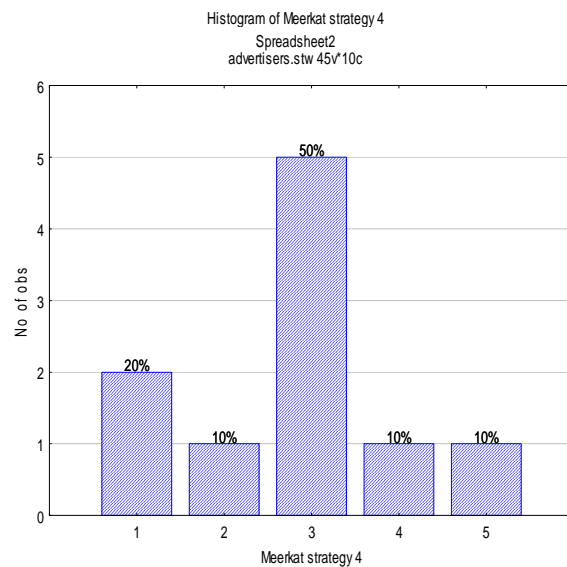
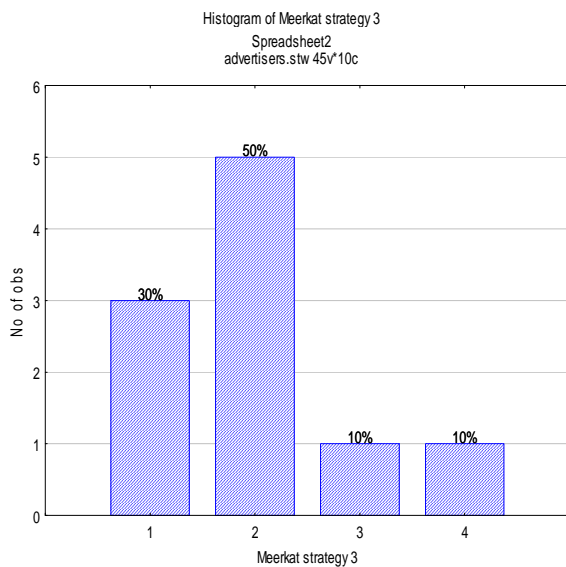
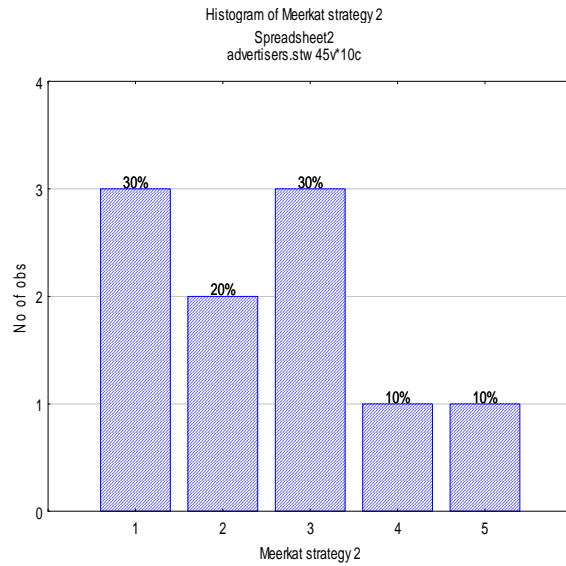
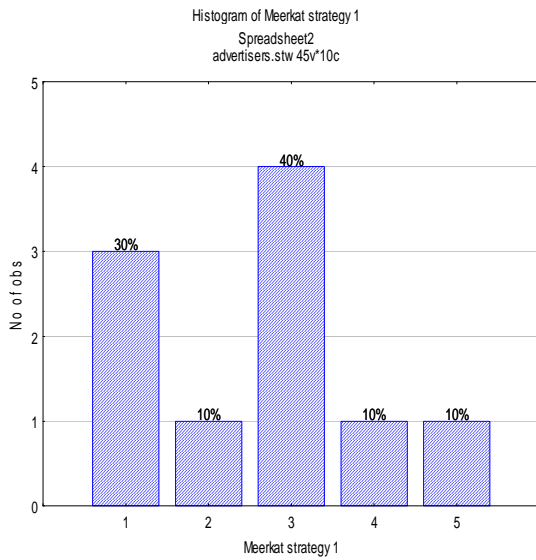


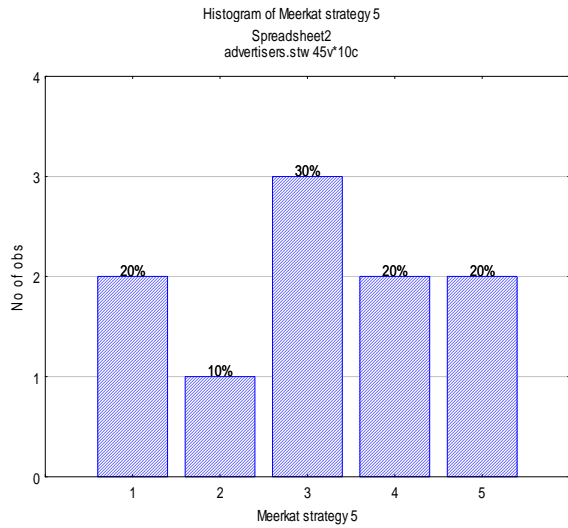
Media perspective



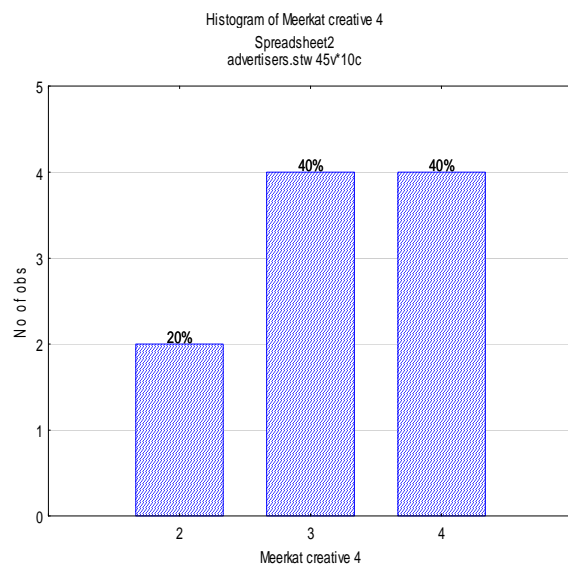
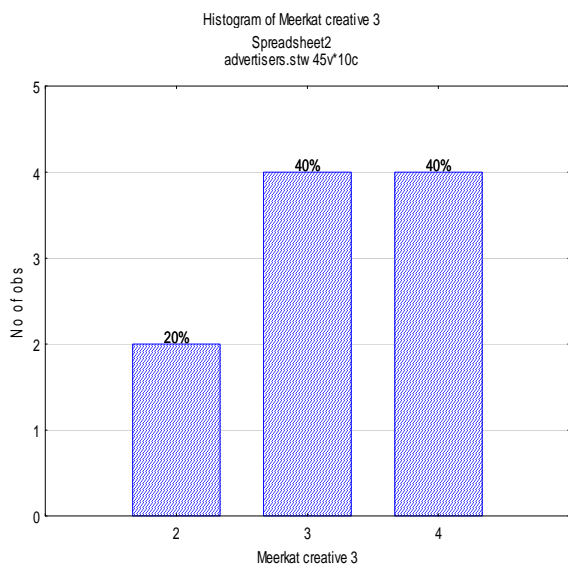
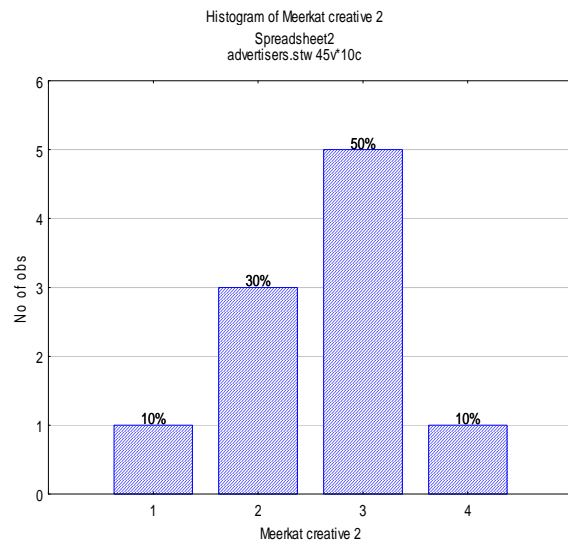
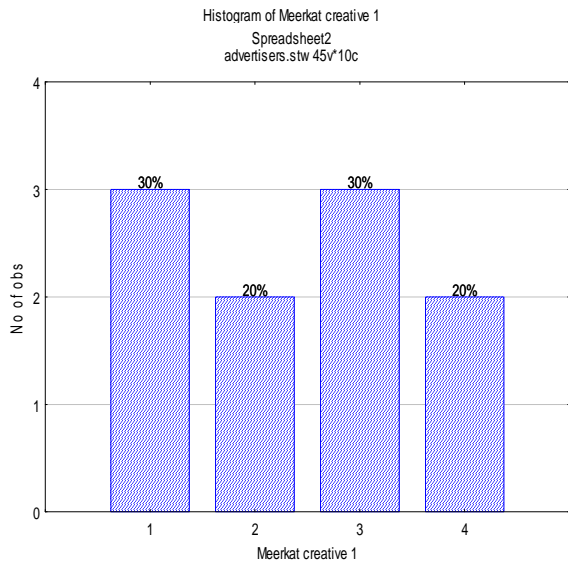


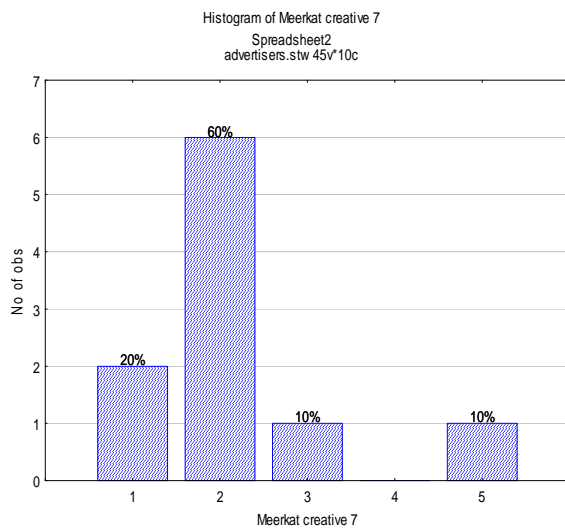
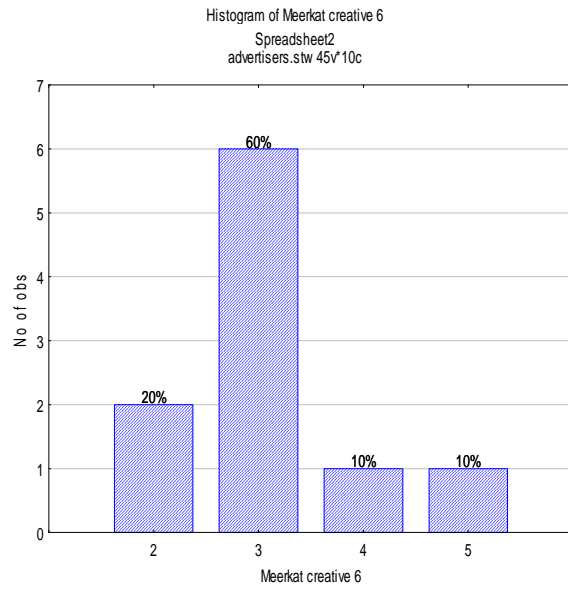
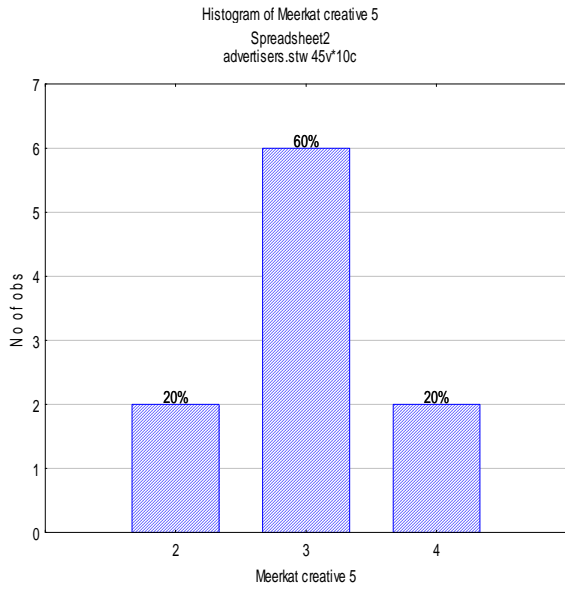
Meerkat Conga Line results Strategy perspective



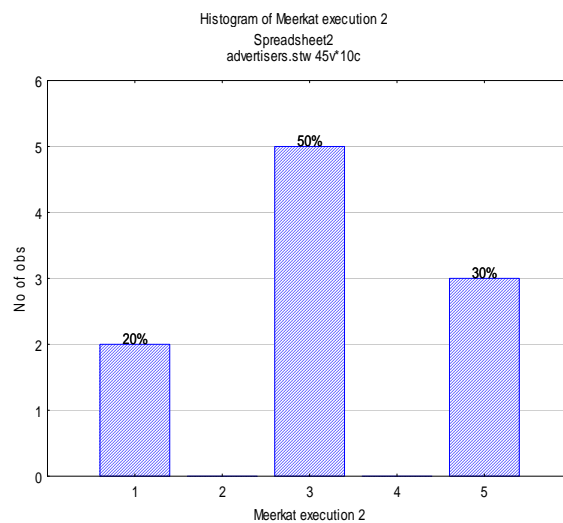
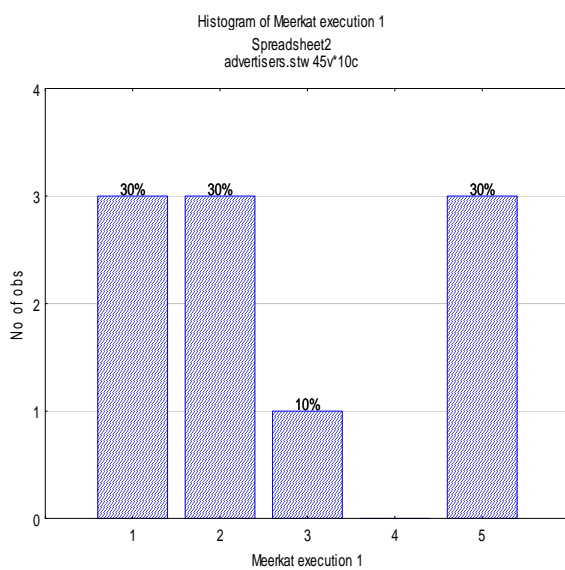


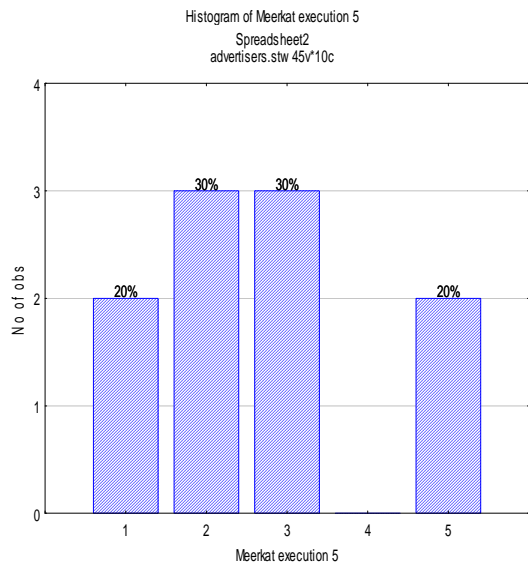
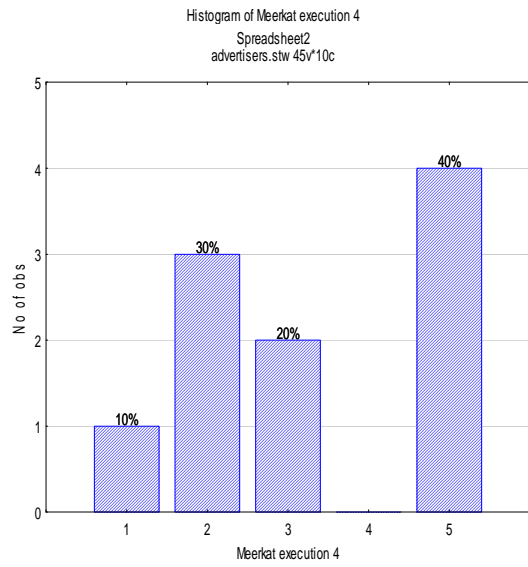
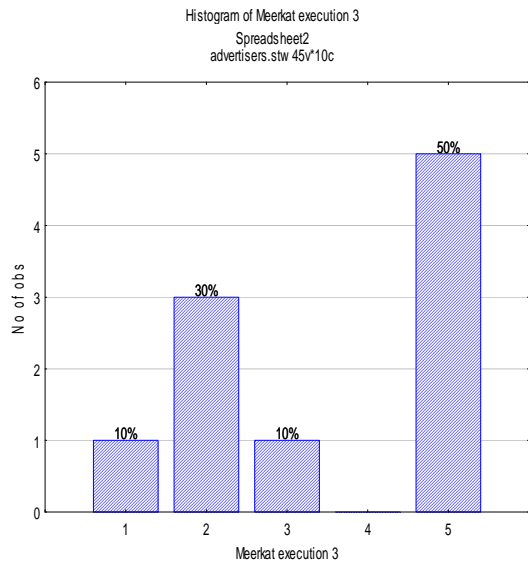
Creative perspective



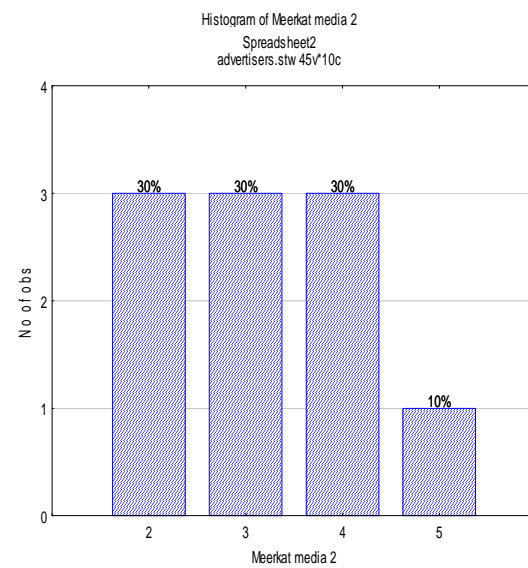
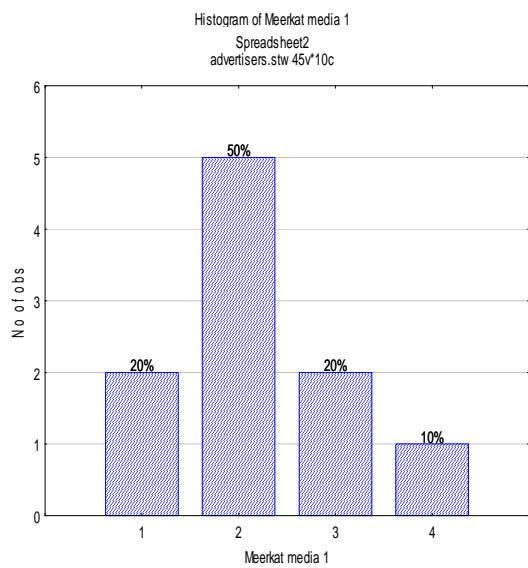


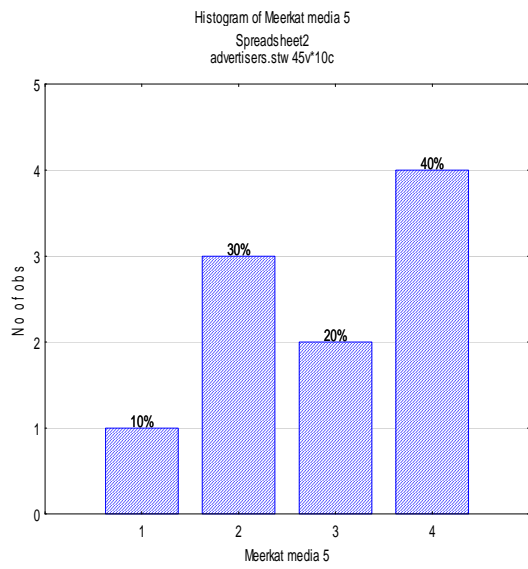
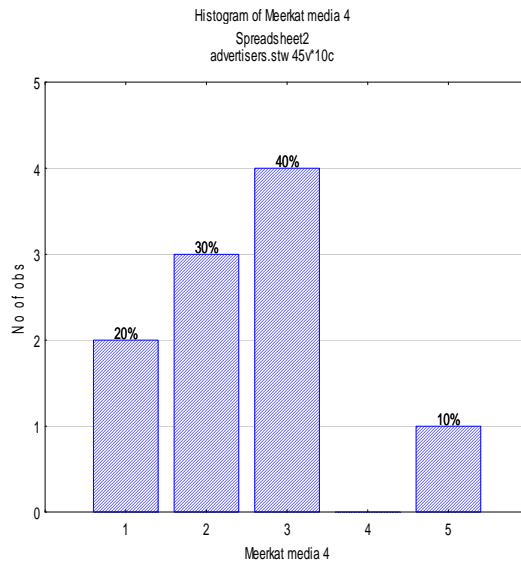
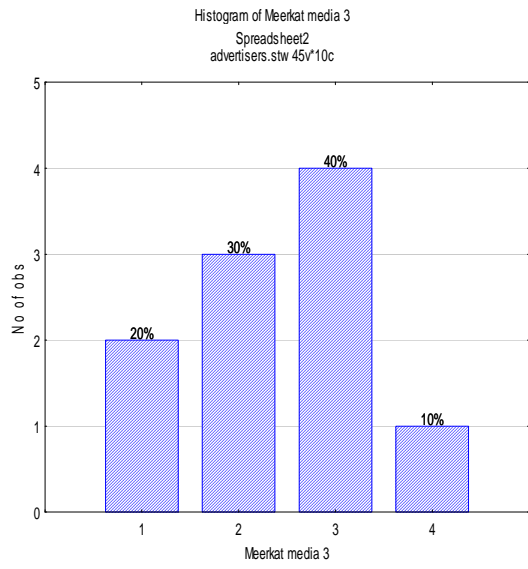
Execution perspective





Media perspective





Covering letter

Dear participant,

My name is Sandra, Ayingono Moussavou and I am a Masters Student at Stellenbosch University. Will you please assist me in fulfilling my thesis requirements by filling out this brief questionnaire? It will take about 3 minutes. Thank you in advance for taking the time to help me.

The purpose of this questionnaire is to understand how people review and evaluate the variables that make an advertisement effective. Two (2) award winning advertisements and several statements are presented. After reviewing each advertisement cues, please tick in the box your degree of agreement to these statements.

There is no right or wrong answer. Please just tick the statements as you would naturally.

When you have filled in your particulars below, please turn to the next page and start the survey it will take about 3 minutes. Please revert by emailing the three pages back to me at the following e-mail address: 14248956@sun.ac.za at your earliest convenience.

Thank you

Yours sincerely

Sandra Ayingono Moussavou

General information:

Name of the company:

Job title in the company:

Media buyers' questionnaire

Following are several statements about perceptions concerning advertising effectiveness; please indicate how much you agree with each of these statements.

ADVERTISEMENT 1: "Vodafone Live!"

The 45-second commercial for Vodafone Live! features an animated Meerkat performing a "dance" to the tune 'I believe in Miracles' by Hot Chocolate for a rather mortified lady in her living room. While the meerkat is breaking a couple of decorative plates in the living room the advertisement claims that you can access any form of entertainment on your mobile phone with Vodacom.

You can access the advertisement by clicking on the following link

<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409512>.



Vodafone live! Statements about media					
Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 45 second advertisement is enough to capture the audience's attention.					
I found that a 45 seconds advertisement is too long to keep the audience's attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

ADVERTISEMENT 2: "Meerkat Conga Line"

'Meerkat Conga Line' features a laid-back meerkat leading a conga line through the streets of Cape Town. Ryk Neethling and Brian Habana join the line as it grows longer and more fun than ever. This commercial claims that Vodacom is South Africa's leading cellular network and lasts 59 seconds.

You can access the advertisement by clicking on the following link
<http://myspacetv.com/index.cfm?fuseaction=vids.individual&videoid=409569>.

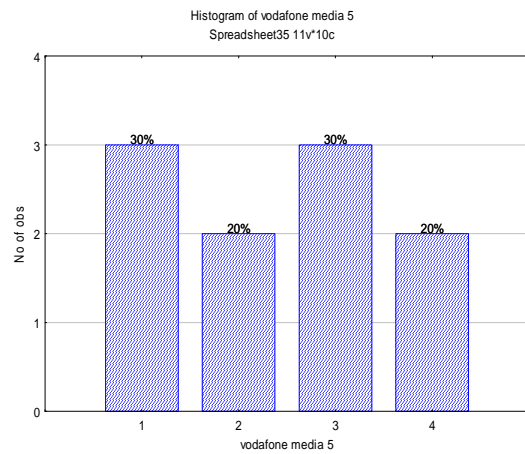
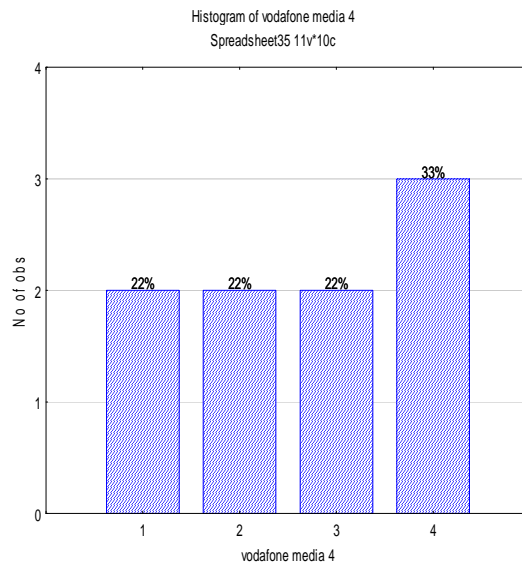
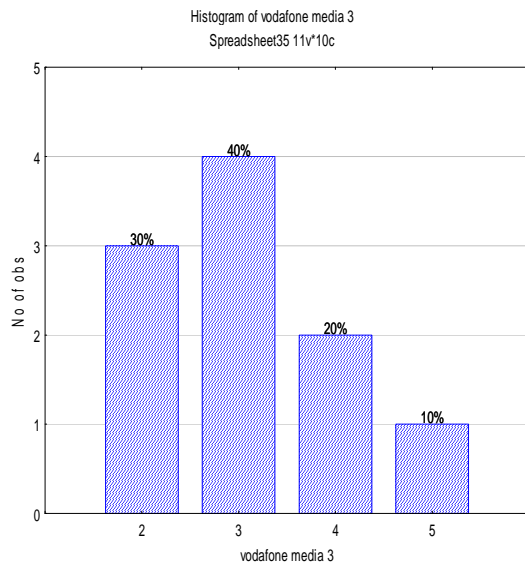
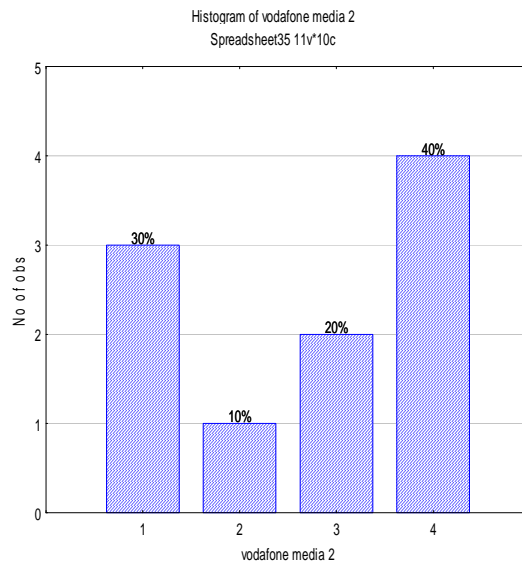
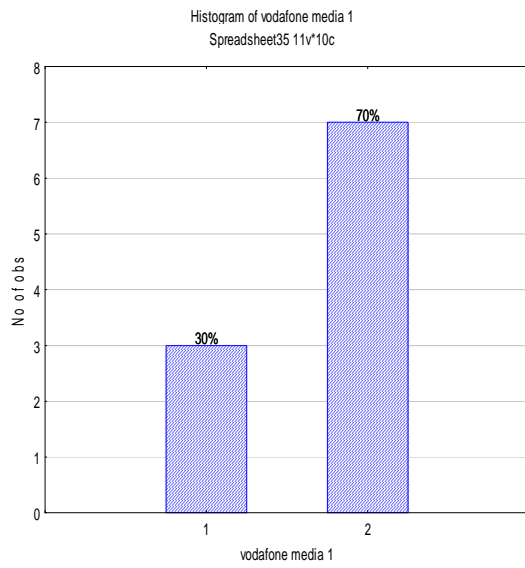


Vodafone live! Statements about media

Statements	Strongly agree	Agree	Neutral	Disagree	Strongly disagree
I found that television is the best media that combines video and sound for this advertisement					
I found that a 59 second advertisement is enough to capture the audience's attention.					
I found that a 59 second advertisement is too long to keep the audience's attention.					
I found this commercial to be visually arresting					
I found that television has been used to its full potential in this advertisement					

APPENDIX H: STATISTICAL ANALYSIS MEDIA BUYERS SURVEY

Vodafone live! results



Meerkat Conga Line results

