

Harmonising media data and LSMs across Africa

A new focus by the South African Advertising Research Foundation (SAARF) and the Pan African Media Research Organisation (PAMRO) - to develop a questionnaire to deliver comparable data across African borders - promises to provide invaluable information to those planning and placing clients' advertising budgets across the continent.

To many advertisers and marketers, Africa north of the Limpopo River is still considered to be a "dark" continent as far as media is consumed. Misperceptions abound about largely rural and extremely poor populations, war-torn countries and under-developed economies. To those, however, who have travelled the continent and worked in markets in West and East Africa, the picture is very different. There is great potential for advertisers.

The Harmonisation Committee elected by PAMRO will investigate and make recommendations on how data can become comparable across different African countries. Research International (RI) pan-African director, Tendai Mhizha, chairs the committee, with George Waititu, managing director of Steadman Group, Kenya, and vice president of PAMRO, as secretary. Other committee members include Dr Paul Haupt, CEO of SAARF; Piet Smit, chief technical officer of SAARF; Tshifhiwa Mulaudzi, SAARF technical support executive; Lauren Shapiro of Telmar; Starcom's Celia Cowper; Tiaan Ras of Media24 and Gerry van Dyck of RI Ghana.

The survey's questionnaire is focused on the Pan African LSMs (Living Standards Measures) across 17 categories, developed by RI, which all the countries will work with. The committee is currently harmonising the data at question and answer level. They have agreed to include 10 to 15 questions to determine lifestyle, such as restaurant and cinema usage and have concurred on demographic comparisons such as age, education and work status. The questionnaire is currently being piloted in 12 African countries and, if approved, will be incorporated into other surveys such as SAARF AMPS.

Extremely large populations

Africa covers a vast area and boasts some extremely large populations with a myriad of cultural diversities. Sub-Saharan Africa's population is estimated at 880 million, with an annual growth rate of 2.5%. Nigeria is the most populated country with 100 million people, and East Africa's total population is 87-million.

Says Waititu: "These population sizes can no longer be ignored by advertisers and marketers. Urbanisation is gaining ground as more people migrate to the towns and cities in search of employment and improved living standards - and they are consuming media. But, even the subsistence farmers in the rural areas are beginning to enjoy cash crop farming which creates a cash economy, and thus potential purchasers of branded products. Small unit-sized packs of branded products have been exploited by marketers, not only in rural areas but also for low income urbanites living in areas designated as slums on the outskirts of cities.

"Targeting and promotion of these brands to these target audiences is very different, and in stark contrast to more conventional marketing methods to the urban middle classes and rich elite. It follows that the strategy and media choices need to be appropriately and specifically targeted too. But, how can this be done without information which segments and quantifies audiences? LSMs are not the only demographic measure used by AMPS, but they do differentiate for example, between large scale farmers at the one end and subsistence farmers at the other. LSMs do not only apply to urban populations."

Piet Smit of SAARF agrees. "The reality is that global marketers such as SAB, Coca-Cola, Nestle and Unilever, banking and hotel groups, and multi-national media companies such as MTN, Multichoice, Media24, Reader's Digest, SABC Africa and BBC World are extremely active across Africa. It goes without saying that these global companies require research into the markets in which they operate.

"And, despite the fact that media audience research is relatively young in many parts of the continent, countries such as Ghana, Nigeria, Kenya, Uganda, Tanzania, Cameroon, Zimbabwe and Zambia have a well-developed and expanding

advertising industry."

Proliferation of media choices

Continues Waititu: "In many countries, there has been a proliferation of media choices in the last seven years. If we look East Africa, for example, in Uganda alone there are over 100 radio stations - all regionalised. There are about 30 different languages with no lingua franca except English for the educated. Even with the benefit of occasional AMPS data, advertisers would be confused with so many choices, and many stations claiming to be No. 1.

"The existence of so many niche stations in different countries demonstrates the many target segments the advertiser needs to consider when planning a campaign. The savvy advertiser would use the data in order to make informed decisions for their product and targeted consumer."

Television is not mainstream in Uganda but in Tanzania it is, where there are seven TV stations, many regional. There are radio stations but, if national coverage is required, it is important to know which station to use. There are eight national newspapers but none has ABC certification and claimed circulation figures are different from readership data from AMPS. In the absence of ABC data and without AMPS, how could the marketer know which publication is reaching his or her target audience? AMPS data is available and accessible, and vital to avoid disaster and waste.

Kenya has the most developed and researched media industry in East Africa. There are ten TV stations, 42 radio stations 15 of which are mainstream, two national newspapers and 60 magazine titles, four of which boast significant national circulation figures.

"Kenya is in the fortunate position to have regular AMPS data - an annual national AMPS survey and quarterly Diary data from the eight main urban areas. The sanity within the Kenyan media industry is surely attributed to this data: in order to increase advertising revenue, the medium needs to prove it has an audience," says Waititu.

"The regular AMPS data has provided a base for media to evaluate themselves regularly and develop counter-strategies and plot and fine-tune their offerings. The data has also assisted advertisers in reaching their targets more effectively and economically.

"With many countries in Africa enjoying a positive GDP growth rate, it goes without saying that advertising activities will increase in tandem, and the growth in audiences will result in diversity in terms of needs and preferences. A good illustration of this in Kenya is the growth of 'yesterday internet use' from 2% in 2002 to 5% in 2004, and cell phones from 799 000 in 2001 to 4.3 million in 2005!"

Sizable sums of money

Although advertising spend is not accurately measured in many parts of Africa, the sheer number of multinationals operating in different countries is a very telling factor of the need for accurate data to guide their activities and advertising spend. In East Africa, the Steadman Group has produced the Adex data for the past 23 years. Gross advertising spend in East Africa totalled US\$126.42 million in 2005, for example, while Nigeria boasted a figure of more than US\$117 million in 2004. These are sizable sums of money that no marketer would want to see wasted, and more and more local and international companies are now utilising the data available to ensure an improved return on their investment.

"Africa offers the advertiser a huge market. But, not understanding the market has led to the downfall of some strong South African brands. Tackling Africa now requires the evaluation of hard facts, an understanding of local cultures and the use of as many modern market data techniques as the advertisers can lay their hands on."

Smit continues: "On no other continent, including the developed world, has harmonised continental data been considered and PAMRO is taking the lead in this regard. The development of a universal targeting tool such as the Pan African LSMs is also a world first, not to mention the scientific sophistication of this tool.

"International companies use AMPS data wherever it is accessible. With the proliferation of media, the media planner's work

has become even more complex, hence the need for more AMPS-type data. PAMRO's initiative to harmonise data defines as a point of reference for best practice principles of media researchers in Africa and further afield," concludes Waititu.

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