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The State of The Industry: Mobile Marketing in South Africa 2017

Chapter 1

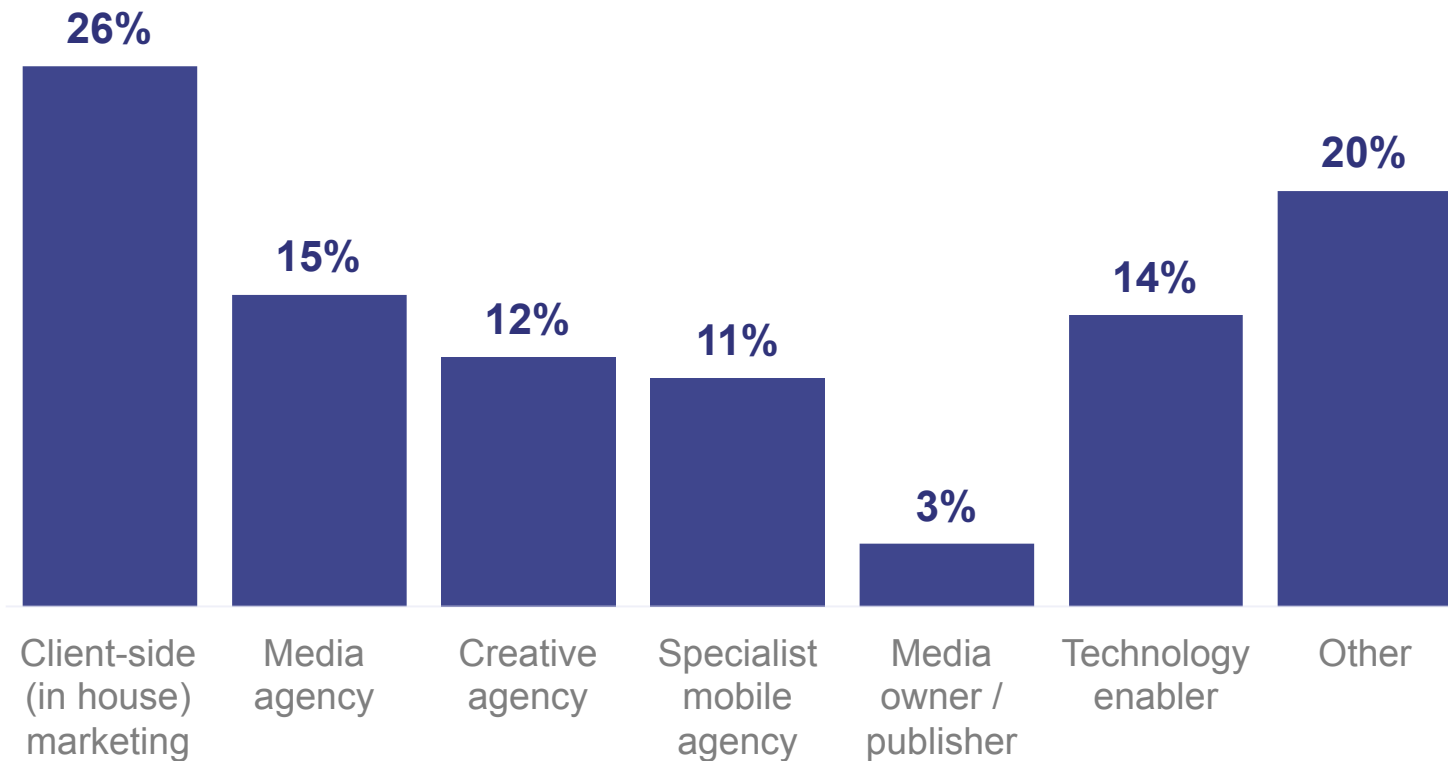
Demographics



Respondent company types

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MMA
SOUTH AFRICA



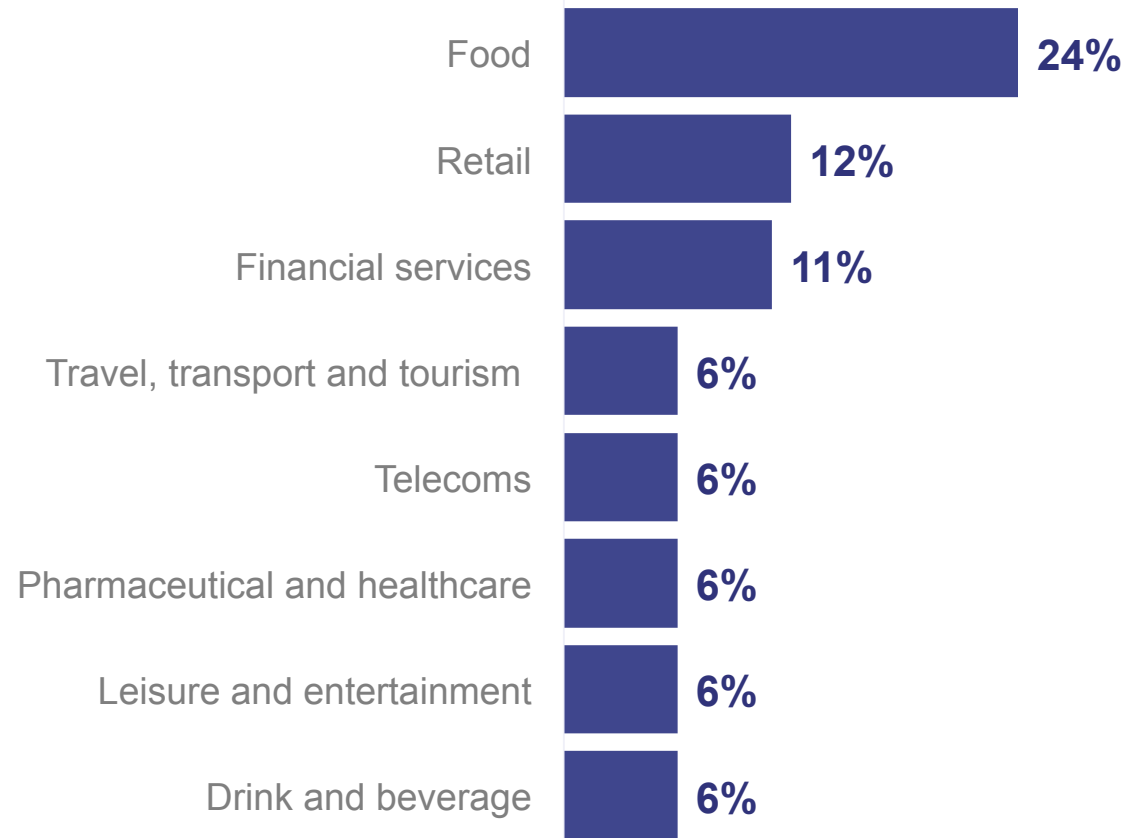
Commentary

- ✓ 26% of respondents are brand-side marketers, working in-house.
- ✓ 38% came from agencies, and the remainder from technology vendors, consultants and media owners.

All respondents

Q: *What type of company do you work for?* 2017 n=66

Respondent sectors



Client-side respondents

Q: In which sector or industry do you work? n=66

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Commentary

- ✓ Respondents from the client-side were based across the sectors shown, with almost a quarter working in the food sector.

Chapter 2

Mobile strategy, budgets and integration

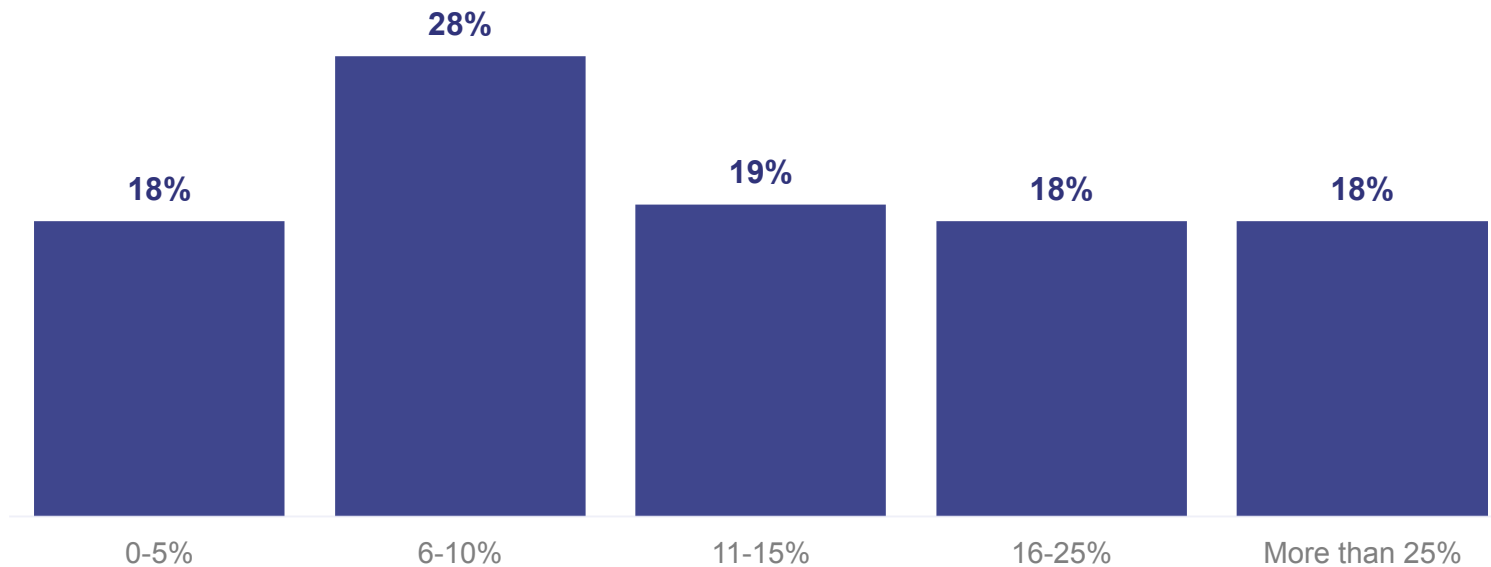


Key Insights

- ✓ Mobile budgets have increased since last year, with 18% now spending more than a quarter of their budget on mobile
- ✓ For the majority of marketers, mobile budgets are expected to increase over the next year
- ✓ Over the longer term, the proportion spending more than 25% of their budget on mobile will more than double by 2022

Mobile budget allocation has increased

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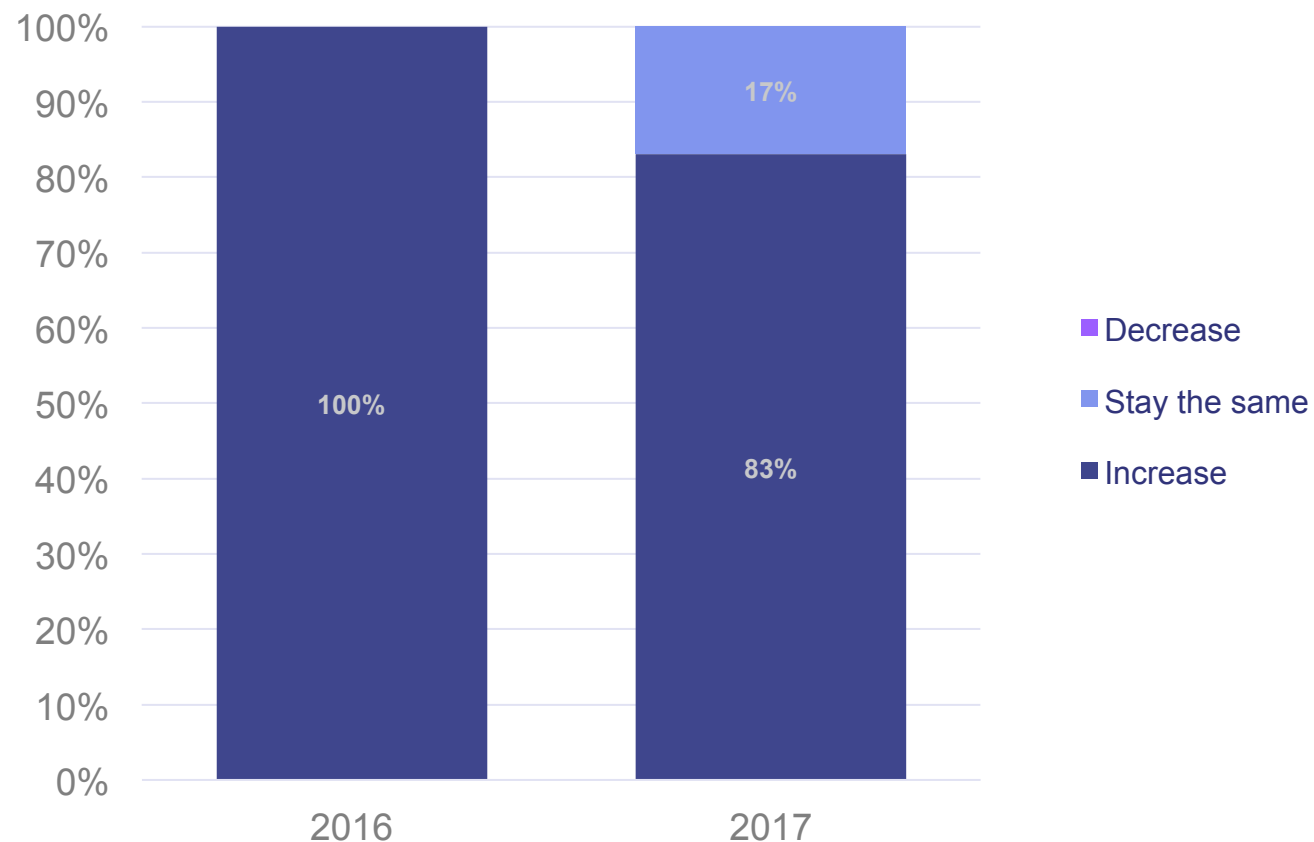
All respondents

Q: What percentage of your, or your clients' typical, overall marketing budget is being allocated to mobile marketing and advertising? 2017 n=57

Commentary

- ✓ Since last year, mobile budget allocations have increased. Almost a fifth of respondents in South Africa are now spending more than 25% of their marketing budget on mobile.

Increasing mobile budget allocation is set to continue



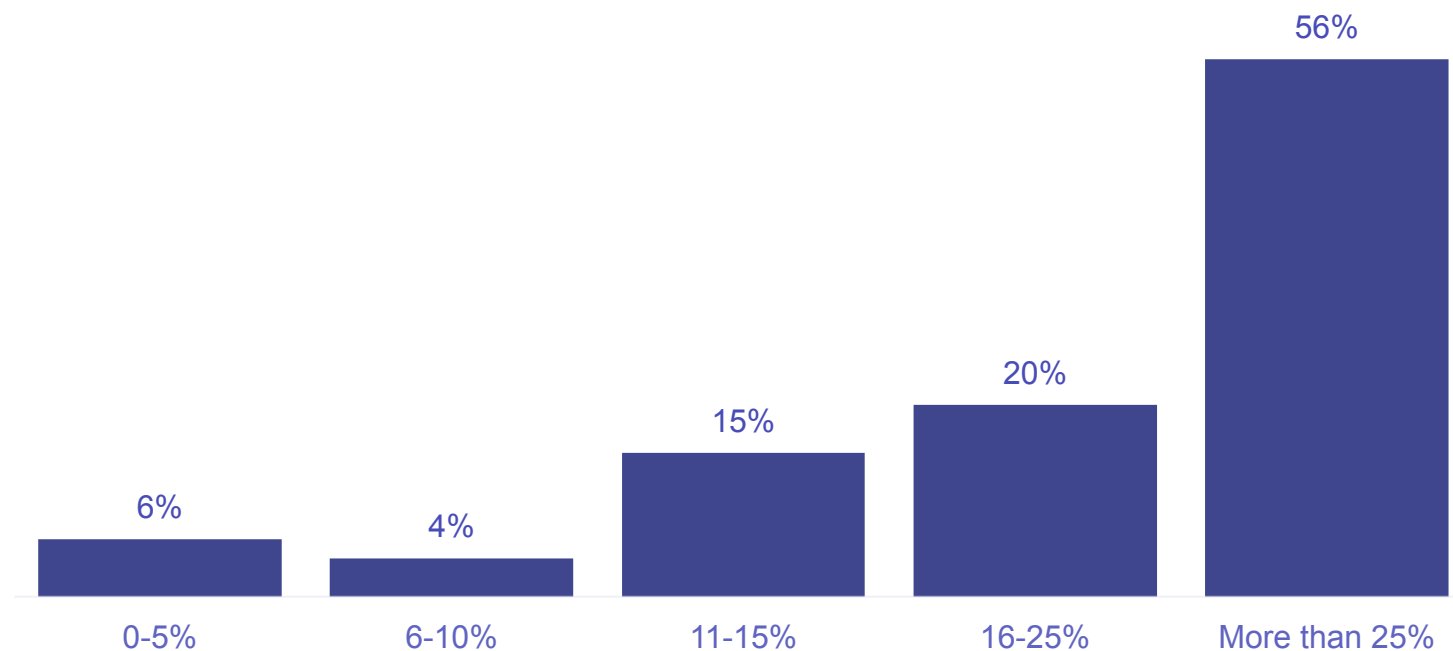
Commentary

- ✔ Budgets are expected to grow or remain steady over the next year in South Africa. Of those expecting budgets to increase, 84% expect an increase of up to 25%, and 2% expect their budget to increase by between 51% and 100% over the next year.

All respondents

Q: How do you expect your mobile marketing budget to change over the next 12 months? 2016 **n=18**, 2017 **n=60**

In five years' time, nearly 60% of marketers will spend more than a quarter of their budget on mobile



Commentary

- ✓ Asked to predict their allocation of budget to mobile in five years' time, 56% expect more than a quarter of their budgets to be spent on mobile, compared to only 6% allocating less than 5% to the channel.

All respondents

Q: What percentage of your (or your clients') overall marketing budget do you expect to be allocated to mobile marketing and advertising in five years' time? n=54

Chapter 3

Mobile tactics and technologies



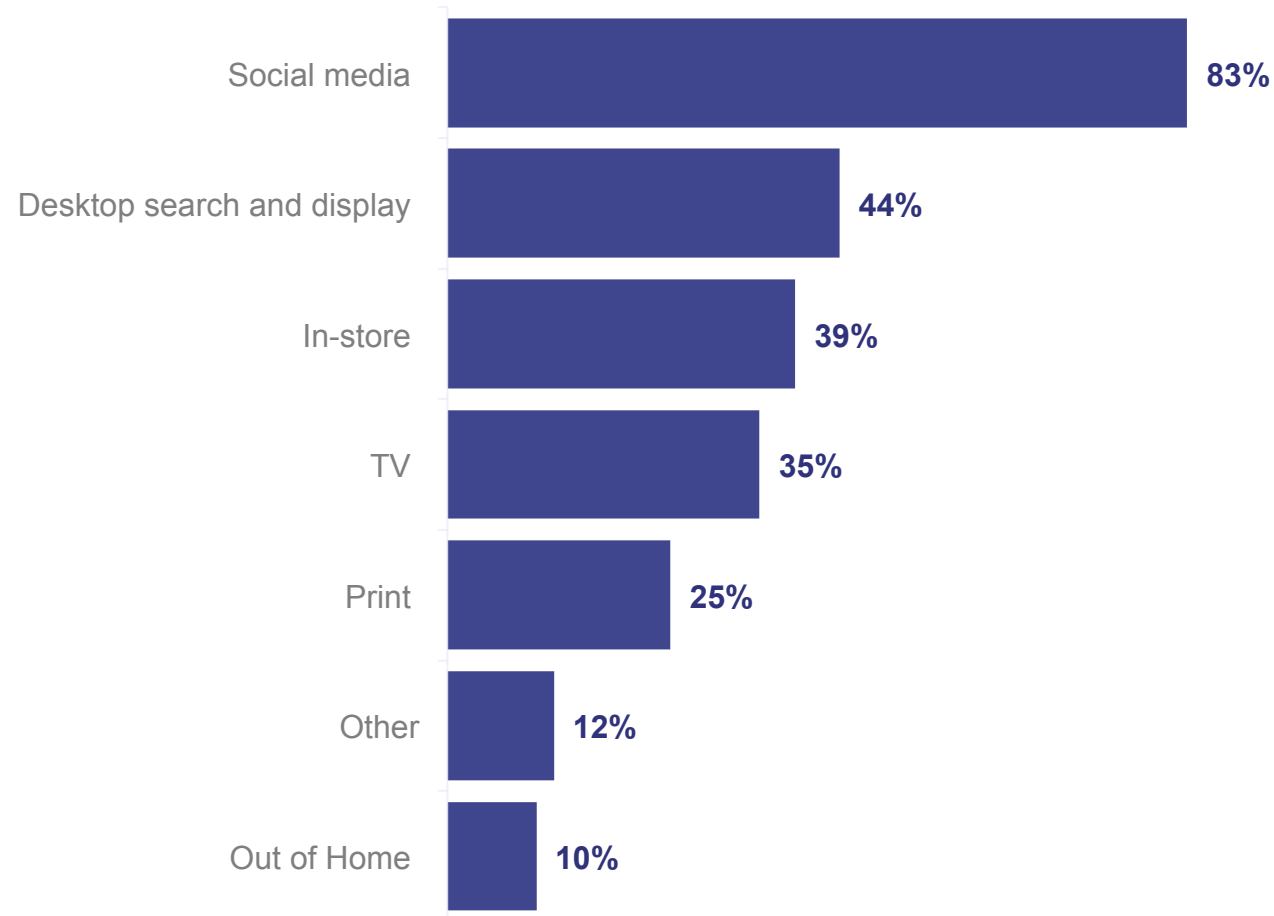
Key Insights

- ✓ Social media is the most frequently used media channel with mobile; Facebook is the most used platform
- ✓ Mobile-based coupons and discounts is the most popular form of mobile advertising. Mobile-based branded content has the most potential
- ✓ Mobile video and social advertising are the focus for 2017
- ✓ Location data, live streaming and video are at the core of mobile growth in 2017

Social media is the most frequently-used media channel with mobile

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MMA
SOUTH AFRICA



Commentary

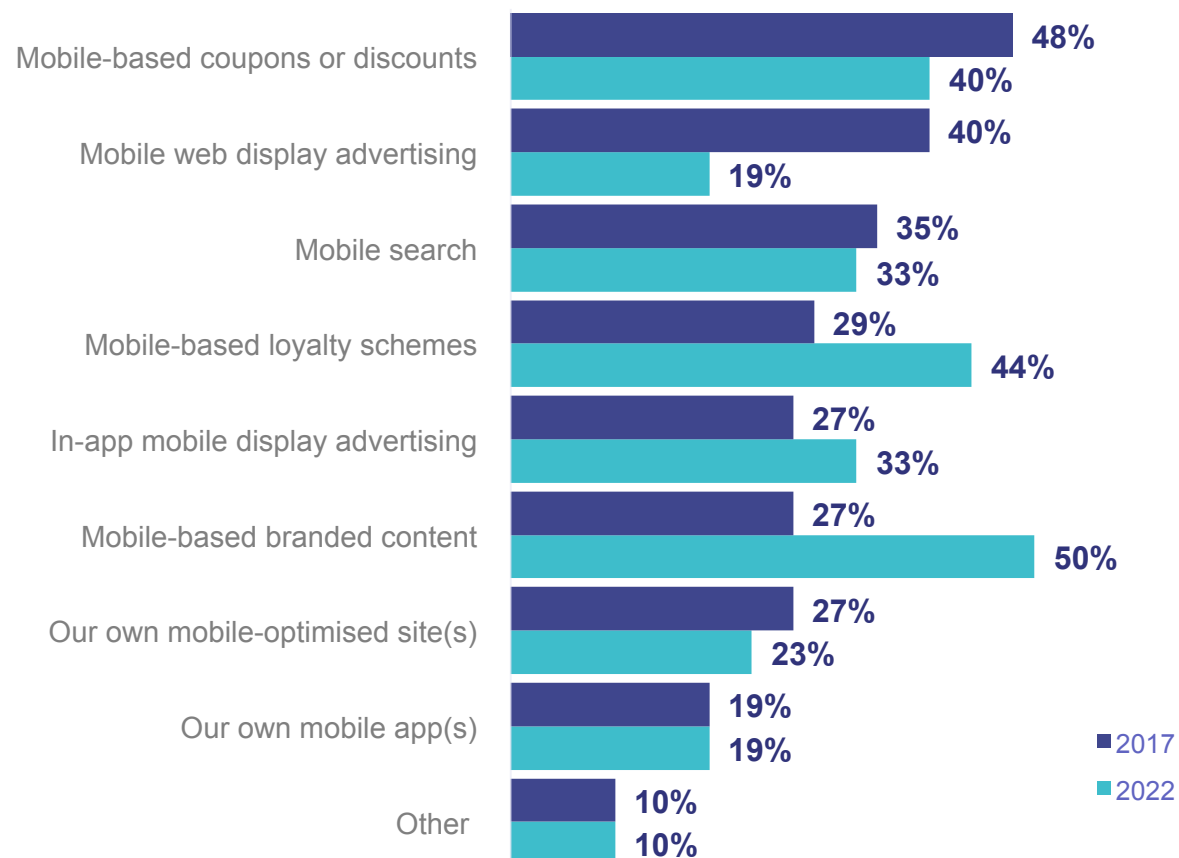
- ✓ Social platforms are used widely (83%) alongside mobile in campaigns, followed by desktop search and display being used by 44%.
- ✓ Recent innovations from Facebook and Instagram, such as Facebook Pages and Instagram Business Profiles, have brought new opportunities for marketers to reach larger audiences via their mobile phones.
- ✓ Of those who selected social media, 96% said they had used Facebook for mobile marketing, followed by Twitter (85%), YouTube (76%), Instagram (71%), and Snapchat has been used by 7%.

Nb. Desktop search and display read 'Online (including search)' in 2016 survey.

All respondents

Q: In your experience, which media channels are used most frequently with mobile? 2017 n=41

Mobile-based coupons most popular now, but mobile based content will be in five years' time



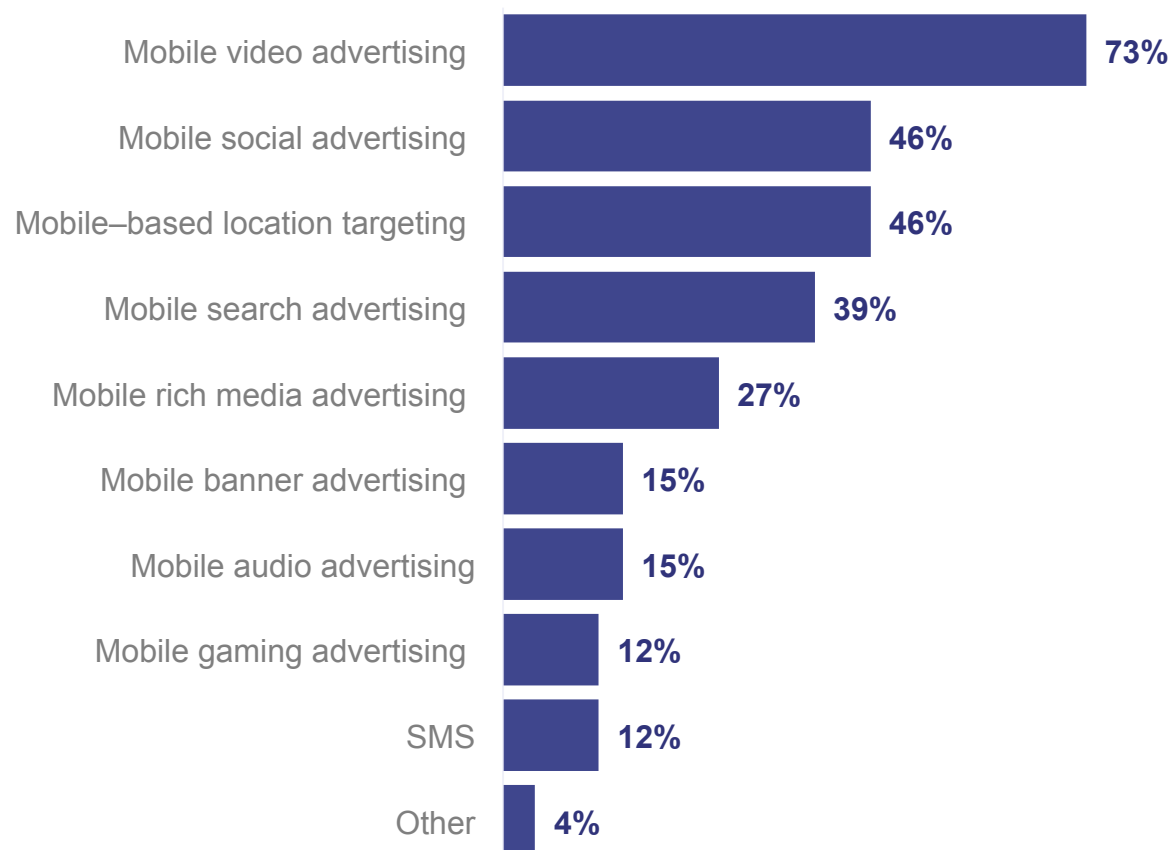
Commentary

- Over the next year, marketers in South Africa are focusing on *mobile-based coupons or discounts* (48%), *mobile web display advertising* (40%) and *mobile search* (35%) with significantly fewer prioritizing their own *mobile apps* (19%).
- Asked what they expected to be focusing on in five years' time, *branded content* will become the focus. This is likely a reflection of the expectation that screens and devices will become increasingly suited for consuming longer-form content, and mobile-optimised websites the norm.
- After content, mobile-based coupons or discounts are expected to be a continued focus, and *mobile-based loyalty schemes* and *mobile-based branded content* are expected to rise significantly in the priorities of marketers, from 29% to 44% and 27% to 50% respectively by 2022.

All respondents

Q: Which types of mobile marketing and advertising are you/your clients focusing most on in your marketing activities in 2017 and in five years' time? n=48

Mobile video is by far the focus for 2017, with mobile social important but a distant second



Commentary

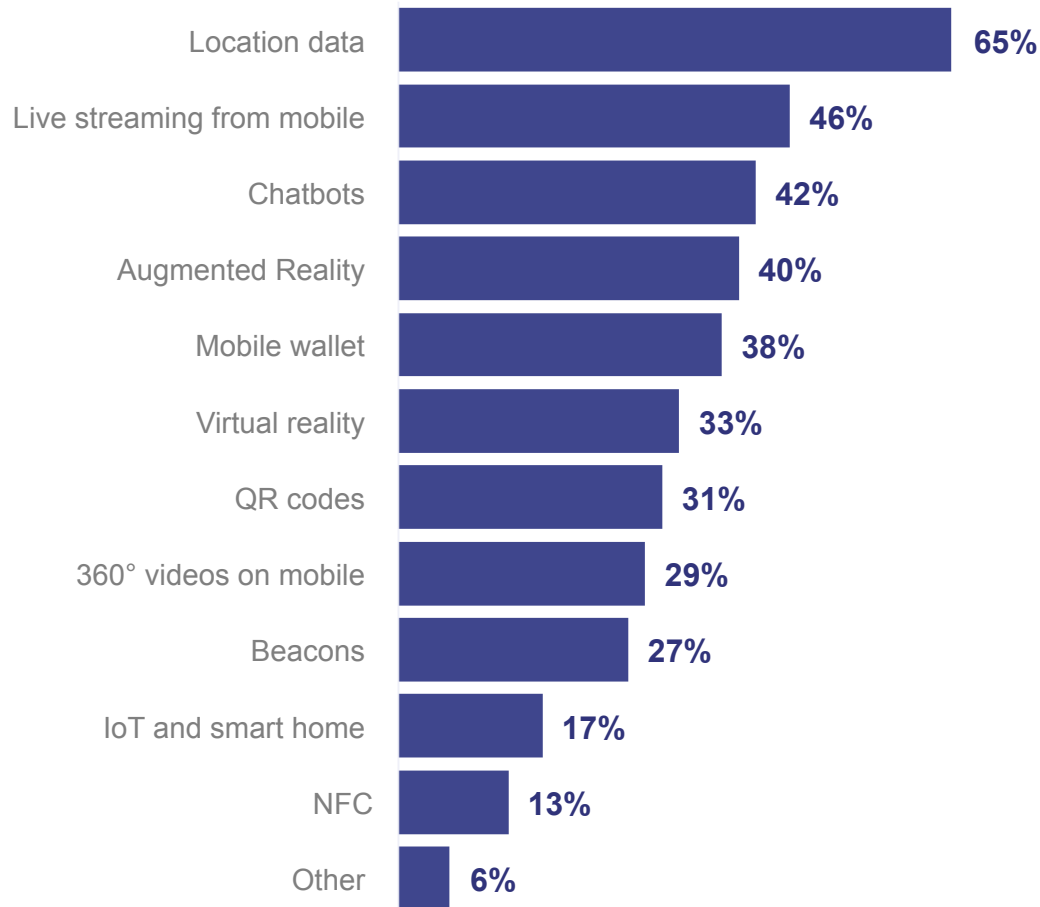
- ✓ In South Africa, *mobile video advertising* is a focus for 73% of respondents, followed by 46% using *mobile social advertising* and *mobile-based location targeting*.

All respondents

Q: Specifically for mobile advertising, which of the following are you/your clients planning to focus on in 2017? n=26

The strength of location data and its uniqueness to mobile continues

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Commentary

- ✓ This year, almost a third of marketers will use *location data* as part of their mobile marketing strategy.
- ✓ *Live streaming from mobile* has increased in significance for marketers in South Africa. 46% of respondents are planning to use live streaming this year, compared to 9% saying the same last year.
- ✓ Chatbots and the IoT and smart home were added as options for this year's survey.

All respondents

Q: Are you/your clients planning to use any of the following and their associated mobile technologies in 2017? n=52

Chapter 4

Barriers and challenges



Key Insights

- ✓ Data pricing for mobile is a problem for marketers in South Africa
- ✓ Mobile marketing effectiveness is measured through behavioural metrics like post-click engagement
- ✓ Mobile skills have become less of a barrier to mobile marketing in South Africa over the past 12 months

Data pricing is a problem for marketers



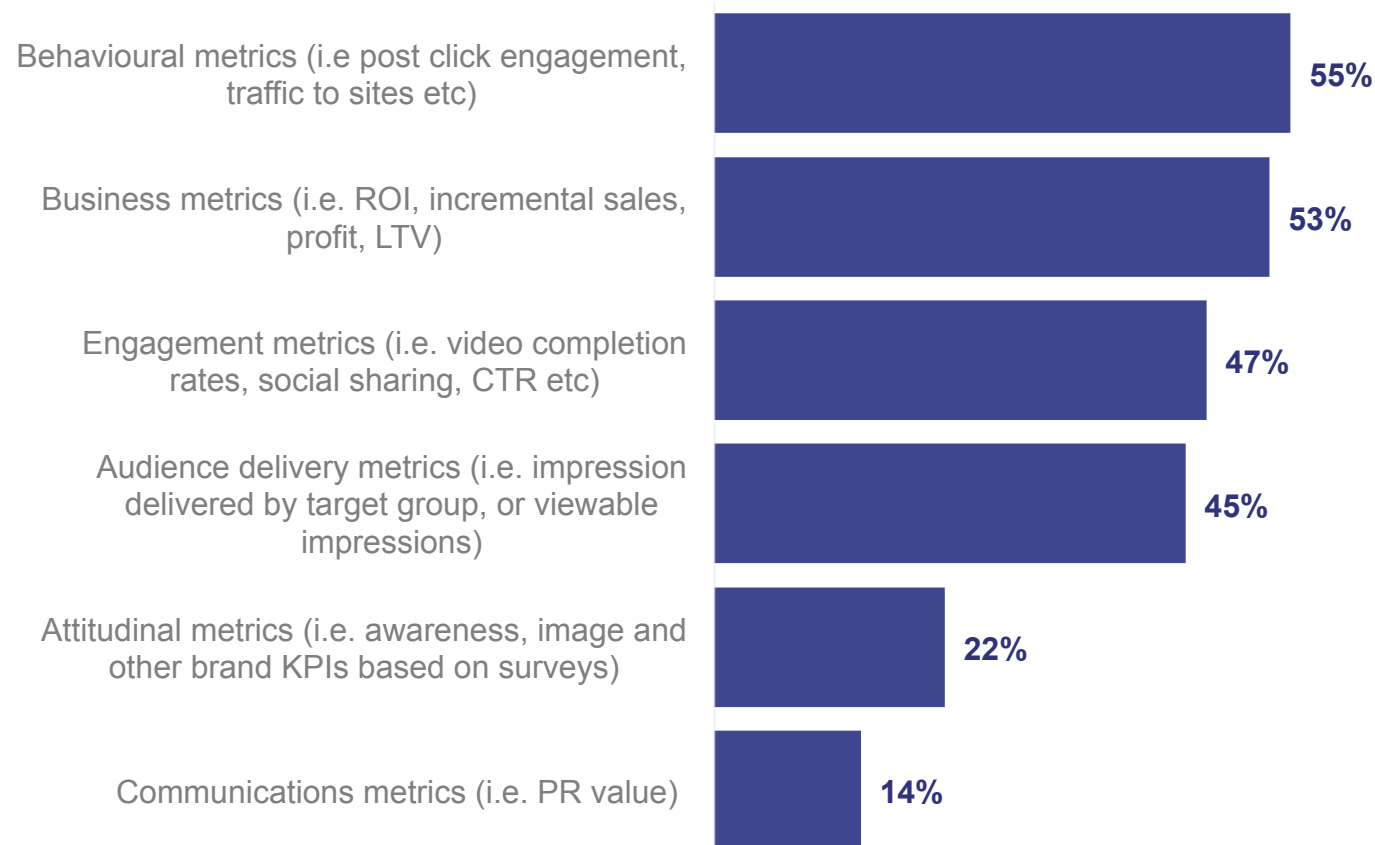
Commentary

- ✓ The biggest barrier to the growth of mobile in South Africa is data pricing, according to 60% of marketers surveyed.
- ✓ Mobile marketing in the region also appears to be held back by education around mobile marketing; 33% said each respectively was a barrier to growth in the region.
- ✓ Mobile skills have evidently improved in the country, with the proportion saying skills are a barrier dropping by 45 percentage points.
- ✓ Missing data for 2016 are where options were added to refresh the 2017 survey.

All respondents

Q: In your opinion, what are the biggest barriers to the growth of mobile marketing and advertising in South Africa? n=57

Mobile marketing effectiveness is measured through behaviour



Commentary

- Behavioural metrics are used by the biggest proportion of marketers in South Africa (55%) to measure mobile marketing effectiveness, followed by 53% of the respondents tracking business metrics.

This is in contrast to most of the other regions tracked in the full EMEA survey, marketers in which were most likely to track engagement metrics, with business metrics tracked by less than half of respondents.

All respondents

Q: Which of the metrics below do you or your clients most use to measure mobile marketing effectiveness? n=51

More from WARC

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About the study

This report is based on an online survey of 597 marketing professionals, carried out in March and April 2017.

The survey link was disseminated to WARC and MMA lists, and respondents received a complimentary copy of the report in addition to being entered into a prize draw.

This report contains the response of those based in South Africa, and were a mix of client-side, agency and technology vendor marketers.

About WARC

WARC.com is an online service offering advertising best practice, evidence and insights from the world's leading brands. WARC helps clients grow their businesses by using proven approaches to maximise advertising effectiveness.

WARC's clients include the world's largest advertising and media agencies, research companies, universities and advertisers.

About the MMA

The MMA is the world's leading global non-profit trade association composed of more than 800 member companies, from nearly fifty countries around the world. Our members hail from every faction of the mobile marketing ecosystem including brand marketers, agencies, mobile technology platforms, media companies, operators and others. The MMA's mission is to accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement.

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