

A spike towards servicing global brands wanting to reach Africa

By  Michael Oelschig

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It is tough to look at the world and consider future trends without being exposed to some consequence of the pandemic. The world has transformed in so many ways over the last two years, and thankfully not all of it in a negative sense.



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The main role of agency leadership, much like any business, is quite simply to grow. Grow capabilities, grow talent, and, of course, grow revenue and profitability. However, due to our stagnant economy, made significantly worse during the pandemic, revenue growth in a South African advertising context is of the 'getting a bigger piece of the same pie' variety – yet little growing of said pie.

It is a zero-sum game – when an agency wins, there is more often than not a direct corresponding loss by someone else. Well, a growing trend has now emerged where we can have access to a new, entire pie factory.

For South African agencies with the right skill set, connections and, of course, ambition, I've foreseen an emerging trend that has the potential to not only fundamentally change the game for these agencies but can also have a profound positive impact on the economy.

When we take the ‘we can work from anywhere’ model and merge it with the growing reality of many global organisations looking to cut budgets, sorry to rather ‘drive efficiencies’; these organisations have realised they can (and now want to) outsource so much of their work to offshore agencies.

Global outsourcing has existed in the production of goods for decades – see ‘China Growth’ – but it is more and more starting to show up in the knowledge economy, sped up by the remote working brought on by Covid.

South Africa is uniquely positioned to take advantage of this global outsourcing – particularly for Europe. We are largely in the same time zone, we operate in English, and we have the same quality of talent (in some instances better, I would argue) –all of this at a fraction of the cost.

These opportunities are growing significantly from leading global pitches from South Africa to outsourcing the likes of media buying, content production and community management and being brought in as a specialist to take on aspects of global or regional pieces of work. This is also playing out in a similar trend of global companies using South Africa as a base to access the rest of the African continent.

Whatever the model – it can really be a game-changer

This presents opportunities for the country as a whole. We are desperate for ideas that can grow our economy, and if we (read: government) fully leverage South Africa as a part of the outsourced knowledge economy, the sky is the limit.

China built the second biggest economy in the world from outsourcing. There’s no reason South Africa can’t do the same with the brilliant minds we have across a range of sectors.

For those agencies looking to expand beyond our borders, here are some key things you will need to keep in mind:

The Toolbox

Tools and technology in this way of working have never been more important when working with teams in other or multiple other countries. You will need a solid workflow tool to manage the cross-border collaboration. You will need a DAM or other such file storing and sharing tool for easy access to and use of creative assets. Depending on the scale of the project, you will, in all likelihood, need access to and a working knowledge of DCO or other content automation tools.

Local is (still) lekker

The biggest barrier to this way of working is that it does not change the fundamental principle of advertising that you need to connect to the market you are selling to. And to connect to them, you need to understand them. Local nuance is critical, and this can get very complicated very quickly. Depending on the ask and the country, you may need partners in the market (or, if you are lucky, people on your team from that country) to assist with that localisation, transcreation and/or translation of the overall creative idea.

New operating and commercial models

More often than not – this requires new ways of doing things. You will need to be willing to explore different operating models designed to maximise ROI and not simply tick a marketing chase list. If you can’t prove the increased effectiveness of outsourcing, there is zero point in companies going this way.

ABOUT MICHAEL OELSCHIG

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