

TALKING POINTS FOR MASERAME MOUYEME AT INSTITUTE OF CHARTERED ACCOUNTANTS  
ZIMBABWE (ICAZ) WINTER SCHOOL

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**Date:** 21<sup>st</sup> July 2017

**Time Allocated:** 50mins +15min Q&A

*[How Zimbabwe Businesses Can Build Brands That Survive the Passage of Time and Transcend  
Regional and Global Borders]*

**PROPOSED NEW TITLE: BUILDING A DISRUPTIVE  
ZIMBABWEAN BRAND**

**SLIDE 1 – COCA-COLA DESIGN OPENING SLIDE**

Thank you for inviting me to speak today. Before I move forward to share my thoughts about how I believe **one can build disruptive Zimbabwean brands**, I would like to tell you a little bit about myself and my experience in the corporate world.

My career journey began over 25 years ago in the corporate world of Fast Moving Consumer Goods with Unilever, Kelloggs and The Coca-Cola Company, primarily in general management roles.

Zimbabwe has always been close to my heart. One of my first roles was as the Brand Manager for Coca-Cola in Southern Africa and that required frequent travel to this beautiful country. I have since moved on to roles of increasing responsibility working across Central, East and Southern Africa and one key thing I have learnt is that partnership is the bedrock of success. In particular, our partnership here in Zimbabwe with Delta Beverages, Schweppes Zimbabwe and Mutare Bottling has been exemplary both in terms of the strong leadership that has been

demonstrated as well as the System-wide commitment to Zimbabwe as it weathers several “storms”.

For that reason I feel the topic I was asked to talk about today was very interesting. **“How Zimbabwe Businesses Can Build Brands That Survive the Passage of Time and Transcend Regional and Global Borders”**.

My suggestion was that we alter the title slightly to talk more about **“Building Disruptive Zimbabwean brands”** as I believe any brand that is able to survive and thrive in these changeable times is a brand that is truly “disruptive”.

One of the most salient aspects of the two decades that I have served in the Fast Moving Consumer Goods and Advertising industry is that I still feel as though I have much to look forward to. **It is a very dynamic industry**. Every time you think you have “seen it all” or “been there, done that” you are faced with something new, something unknown and challenging.

Amidst this atmosphere of perpetual change – one thing has become increasingly apparent: the fact that our roles as consumers and as businesses have changed profoundly and, therefore, a brand’s ability to embrace and transcend these changes are key to its longevity. **Product, Technology, Innovation, Attitude (Authenticity), Culture and Agility (Wholefoods)** are a few of the key and interlinked themes I would like to address today.

**Having a well-positioned, quality brand with a clear intent and a product range is vital.** To give you an example, Coca-Cola may sell over 3,900 different products — from its range of sparkling soft drinks to water, teas and non-plant dairy drinks — **but in a world where consumers are increasingly demanding variety and nutrition from their beverages, and regulators across the globe are taxing sweet drinks in a bid to stall the rise in obesity, the company needs to do more.** Faced with a changing consumer and regulatory landscape there is a need for even further diversification, for greater execution in each market and it plans to accelerate investments in start-ups with promise. **The key learning is that the company must be capable of being bigger than its brand or brands and of weathering any storms that may come.**

***SLIDE 2: INNOVATION SLIDE***

**Technology has transformed the way that we live, work, shop and play.** The expansion of social media users and smart phone users across the Continent has allowed consumers to dialogue and directly influence the decisions brands are making today. The internet, social media, digital streaming and wireless networks have ushered in a new age of “real-time”, unfiltered, highly personalized, multi-channel communications that are literally rewriting the rules of brand management and marketing.

This has been a double-edged sword; on the one side, today, virtually any brand owner, large or small, can reach customers and prospects around the world with minimal investment. The

barriers to market entry have not merely been lowered – they have been obliterated. Consumers are shopping online, they are making decisions based on fast-moving lifestyles. To add to this, things which were once the feature of science-fiction movies such as drones and floating warehouses are now the new norm.

**As a brand, are you geared to truly tap into this?**

So a Zimbabwean brand that seeks an international market, no longer faces the barriers it may have done half a decade ago. On the flip side, it also given rise to new threats that are forcing brand owners and their Intellectual Property counsel to rethink how they view the challenge of protecting their brands from counterfeiters and those with criminal intent.

**So a key question that needs to be asked is, have you carefully considered the 360 degree impact of changing technology on your business and are you adapting to this new age?**

**This brings me to the topic of innovation.**

**Innovation can take several forms.** For example, whilst brand Coca-Cola will always be the heart and soul of **The Coca-Cola Company**, we have come to realize that the company has outgrown its core brand and we are now making a very conscious effort not just to expand our portfolio, but to shape our portfolio in a very deliberate way by bringing to market “consumer-centric” brands – including more low- and no-sugar options and drinks in emerging categories. There is continual innovation looking at new categories of beverage, reformulation of existing

beverages and scaling brands that are working, such as Smartwater or Honest Tea.

**An interesting fact is that approximately 75 percent of the company's billion-dollar brands were created in the field.** Therefore, to remain relevant it is important to nurture and invest in peripheral, smaller companies as well as to potentially acquire brands that add value to your portfolio.

Over and above this, we have come to realize that **we need to be taking more risks** and really jumping in there, moving far more quickly with our plans instead of incubating ideas for extended periods of time. The fact is that your competition is out there capturing market share, building their brand in the void that you are leaving. **So, I think that would be a good learning for any new brand; look at adopting more of a tech company modus operandi and really seizing opportunities that are out there without over-deliberating them.**

**Perhaps the piece we often miss when we look at a company through a purely financial lens is its "Attitude".** And I am deliberately using this word to cover several aspects, which include approach and authenticity and which are integral to a brand's success in any marketplace. A brand needs to speak to its consumers and stakeholders in an authentic manner – **it needs to stand for something and you have to make the choices of what you want it to stand for, and then stand behind those choices.** Andy Warhol said it well: "the great thing about Coke is that everyone can afford one. That is part of the Coke brand." **So**

a perennial question for Coca-Cola is, how you continue to remain true to that image whilst offering a wider selection of beverages to a broader range of consumers.

One thing that brings Coca-Cola the company together is its **brand message of inclusivity**. In the current climate, this often means taking a firm stand on rather politicized issues and as a brand you can sometimes find yourself in the midst of a crossfire. For companies attempting to please consumers of all political persuasions, this has posed challenges. Companies such as Starbucks and Kellogg's have incurred the wrath of consumers, particularly Mr Trump's supporters, who believe the brands are attacking their values. Even a seemingly harmless Coca-Cola ad championing diversity, which was aired during the Super Bowl, triggered a Twitter backlash.

How does a brand bridge issues of this nature – by connecting with its consumers on a deeper level. Be bold with your communication, be clear and, once you have taken a stand on something, don't waver.

**As a brand you need to be authentic, to know what you stand for and to be a true LEADER - this core message needs to be built in to the way you operate and communicate.**

**Today's consumer is looking to connect with a brand, to see whether a brand's values reflect their own personal beliefs, or not, as the case may be. Questions consumers ask themselves may be" does this brand do enough for my community, does it**

CARE?” “Is this brand worthy of my support, have I heard good things about it?” “Does this brand add purpose, pleasure, and value to my daily life as opposed to other local brands?”

So you need to be very local, very granular in your thinking and your ability to connect with your consumer – even if you are a global brand or a brand that seeks to gain global reach.

Tied in to the authenticity theme, you also need to be accountable for your actions, your decisions and to be able to uphold your position and beliefs. **Recently we've seen the impact that poor decision making has had on a brand like Volkswagen, which saw its share value plummet by 38% in 2 days following the revelation that 11 million of its cars appeared more environmentally-friendly than they actually were during emissions tests.** Bouncing back from the impact of such negative publicity can be very trying.

So my advice to you would be to really **take the time to invest in your value chain, in your people and in your communities as this speaks to the sustainability of your brand in the long term. Perhaps there is an interlinkage you can explore. A good example of this is The Coca-Cola Company's 5by20 program which seeks to empower women through the Company's value chain from the retail end to recycling its finished product.**

Once you have done this you will have something factual to talk about, a provable track-record to leverage and to tell the world about. But don't make the mistake of SAYING before you DO.

**The cornerstone of your success will be your ability to talk about what you have done, not what you WILL do.**

Having discussed Technology, Innovation and Authenticity as it relates to building a brand I would like to dwell for a moment on the subject of company Culture.

The internal and external **Culture** you build around your brands and company underpins the success of your business. Your people are your true **brand Ambassadors**. *Are they being given adequate support, are they empowered to be the best they can be?*

The fear of failure can also be counter-productive if it leads to inertia. At Coca-Cola we are working hard at re-enabling a culture which allows associates to make mistakes and to **shake off a culture of cautiousness**. I think this dials back to 1985 when the Company decided to reformulate Coke and it ended catastrophically with outrage from our consumers. So, whilst we have learnt that our consumers love our core iconic brand as it is and that we must not tinker with it – we are challenging our teams to experiment, to really make a step change in their thinking on smaller more emerging brands. As our CEO James Quincey recently put it **“If we are not making mistakes, we are not trying hard enough”**. *So encourage your teams to make mistakes and to take calculated risks.*



Consumer preferences and business needs are constantly shifting. So **as a brand you need to be prepared for the unexpected, be agile, flexible and adaptable to change as it is inevitable.**

**For instance, build new networks.** The trick for any business is to be clear where collaboration is necessary, and possible. The fact is that in an increasingly complex, and resource-constrained world, to be a leading business you need to be willing to collaborate much more willingly, and create new networks to deliver new solutions to old problems.

Are you thinking long term? Are you able to “change the system” when necessary to achieve your business goals. Don’t be an island.

**Apply a fresh new lens to what you are doing regularly.** And this is probably one of the most difficult aspects of business and of being a brand owner, in my opinion. The ability to rise above the day to day and to really question every step in a process.

For example, **Amazon’s recent purchase of Wholefoods** was the subject of much attention of late. A swift, agile move to not only purchase a brand to build the high end food retail side of Amazon’s business but to also acquire its plethora of warehouses in key locations.

**Disruptive competition comes out of nowhere, and it comes from where you least expect it.** I doubt that Google and Microsoft ever worried about the prospect that a book retailer,

Amazon, would come to lead one of their highest-growth markets: cloud services. **Uber became a threat to the transportation industry** by taking advantage of the advances in smartphones, GPS sensors, and networks. **Airbnb did the same to hotels** by using these advancing technologies to connect people with lodging. Netflix's ability to use internet connectivity put Blockbuster out of business. **Facebook's WhatsApp and Microsoft's Skype helped decimate the costs of texting and roaming**, causing an estimated \$386 billion loss to telecommunications companies from 2012 to 2018.

As an emerging brand you will need to have all hands on board — with all divisions working together to employ bold, new thinking and you will need to find ways to reinvent and defend yourself from the onslaught of new competition.

**So, I leave you with this thought today: as a new brand you need to disrupt or risk being disrupted.**

Thank you all.