

2014

Telkom

Telkom Marketing

Analyst Day
04 August 2014

TELKOM MARKETING

Analyst Day
04 August 2014



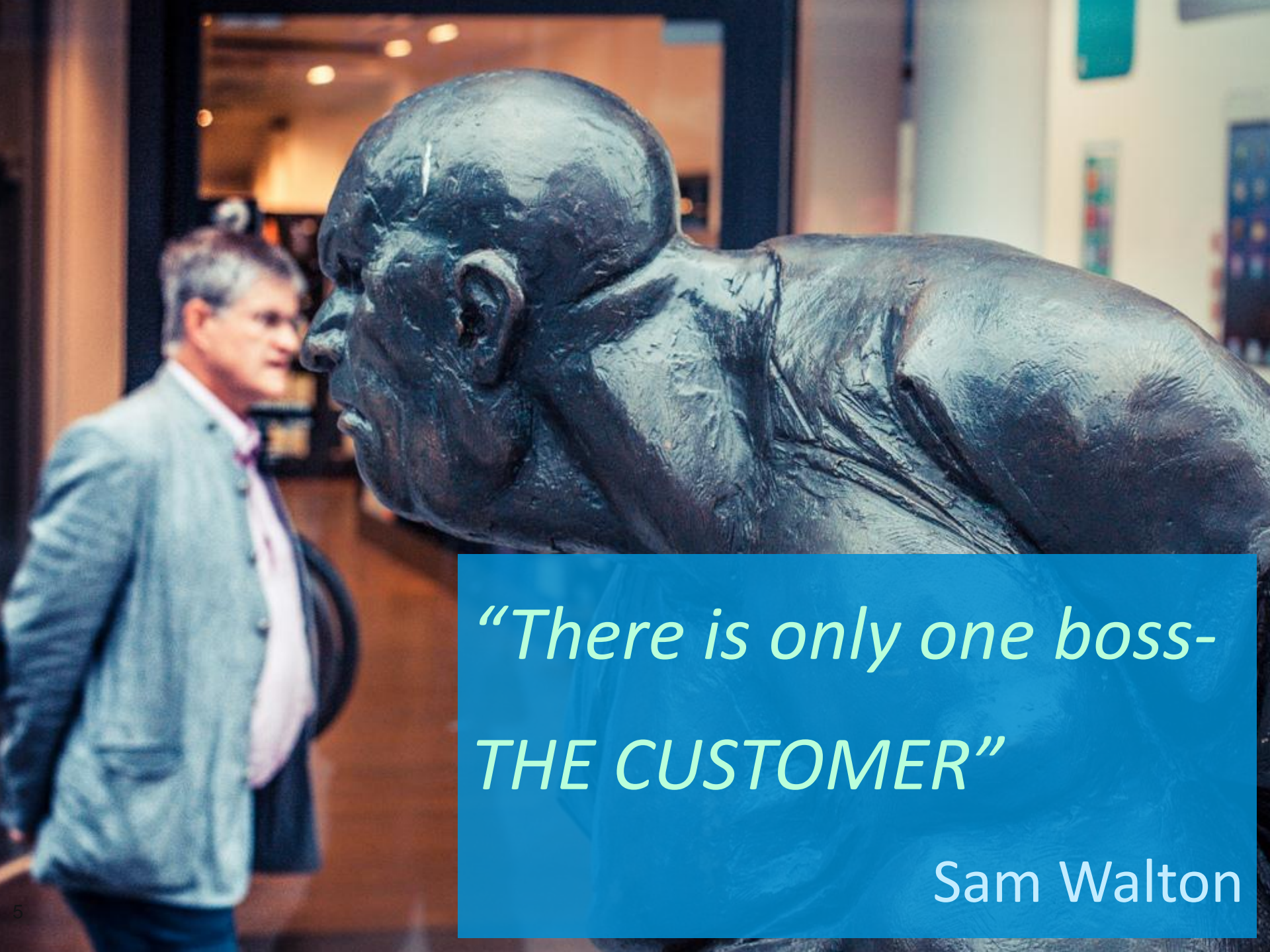
Contents

- Context
- Change
- Converge
- Conquer



- Context
- Change
- Converge
- Conquer

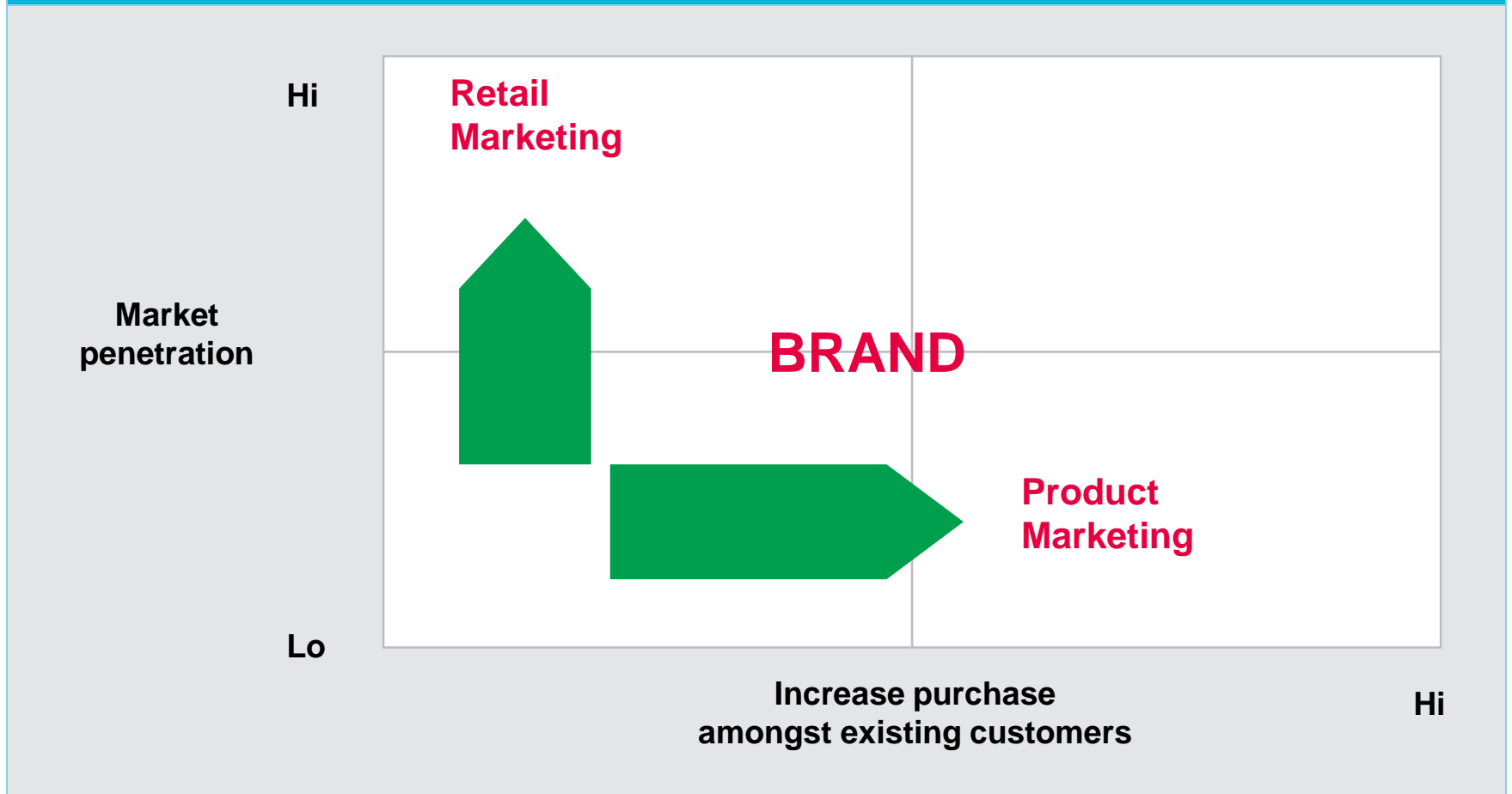
Marketing in 5 slides



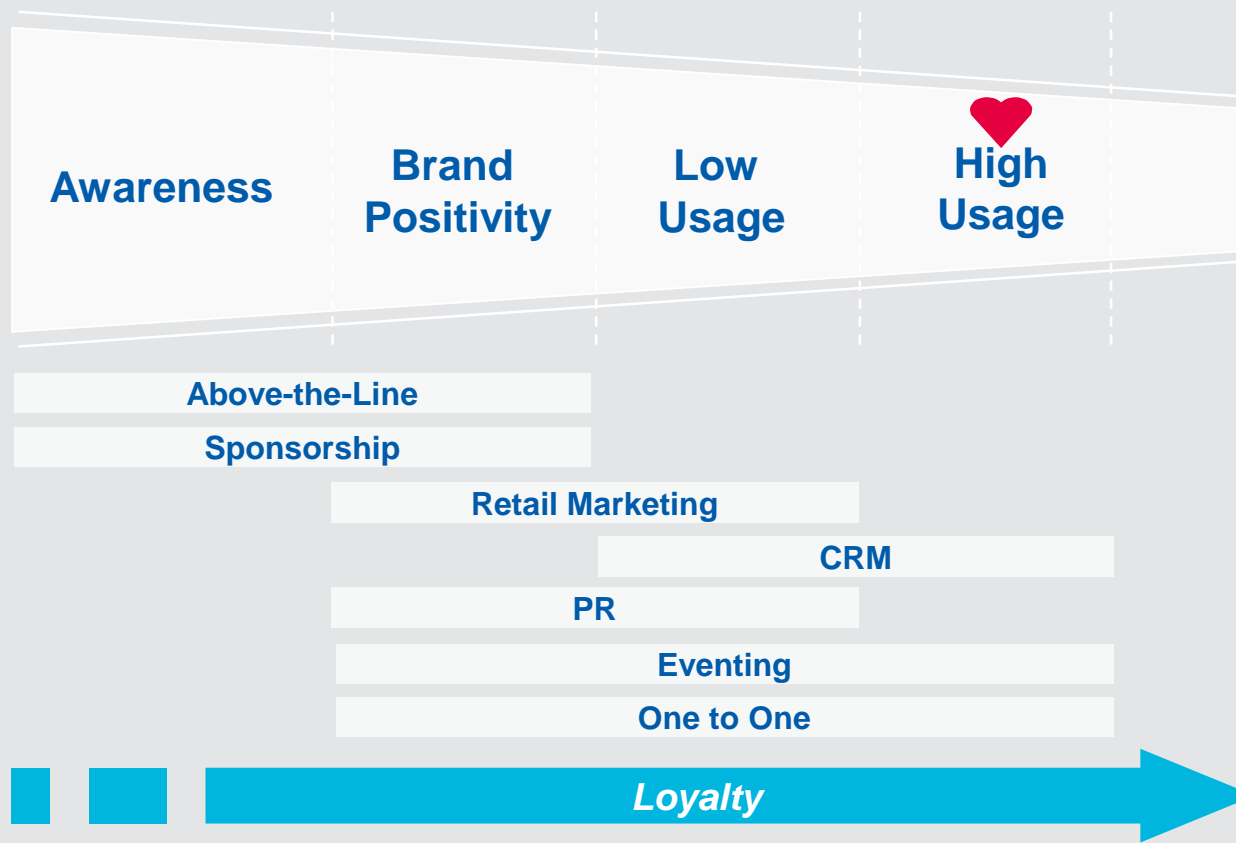
*“There is only one boss-
THE CUSTOMER”*

Sam Walton

Growth Model



Consumer Conversion Funnel



Great Brands are both.....





**27/325
LEO BURNETT
CHICAGO
USA**

- Context
- Change
- Converge
- Conquer

**The Telkom Challenge
in 5 Slides**

THEY ARE DOING A BAD JOB

WE NEED TO
REDUCE THE
MARKETING
BUDGET

WE DON'T HAVE
ENOUGH BUDGET !

I DON'T WANT TO BE
ASSOCIATED WITH THE OLD
DINOSUAR TELKOM MOTHER
BRAND. WE ARE DIFFERENT

FIXED IS
DIFFERENT FROM
MOBILE. IT'S
MORE COMPLEX

WE NEED TO GET
BACK TO OUR
ADVERTISING FROM
2003

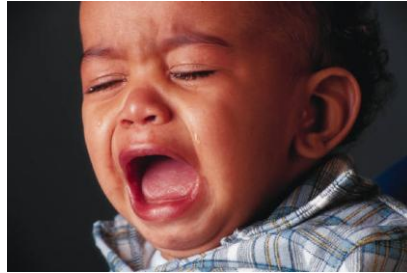
DEFEND! DEFEND!

WE CAN'T DO THAT.....
WE'VE TRIED THAT

YOU SOLD LTE!
WHO'S SIDE ARE
YOU ON 😊

WE ARE DOING A GOOD JOB





| | 2007 | | 2013 | 2007 | | 2013 |
|-------------------------|------|---|------|------|---|------|
| 1 st Mention | 22% | ↓ | 6% | 44% | ↓ | 17% |
| Unaided Awareness | 80% | ↓ | 59% | 63% | ↓ | 37% |
| Ever Tried | 71% | ↓ | 46% | 98% | ↓ | 83% |
| Current Usage | 43% | ↓ | 19% | 97% | ↓ | 76% |
| Main Brand | 19% | ↓ | 5% | 86% | ↓ | 67% |

Current Reality

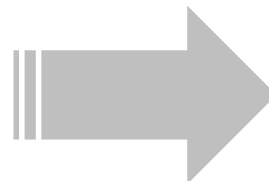
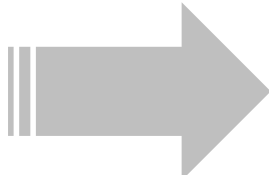
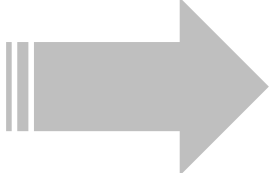
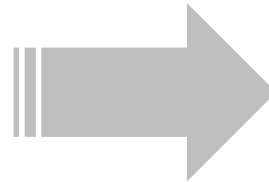
Multi-Brand

Voice

Features

Rational

Tolerated



Desired Reality

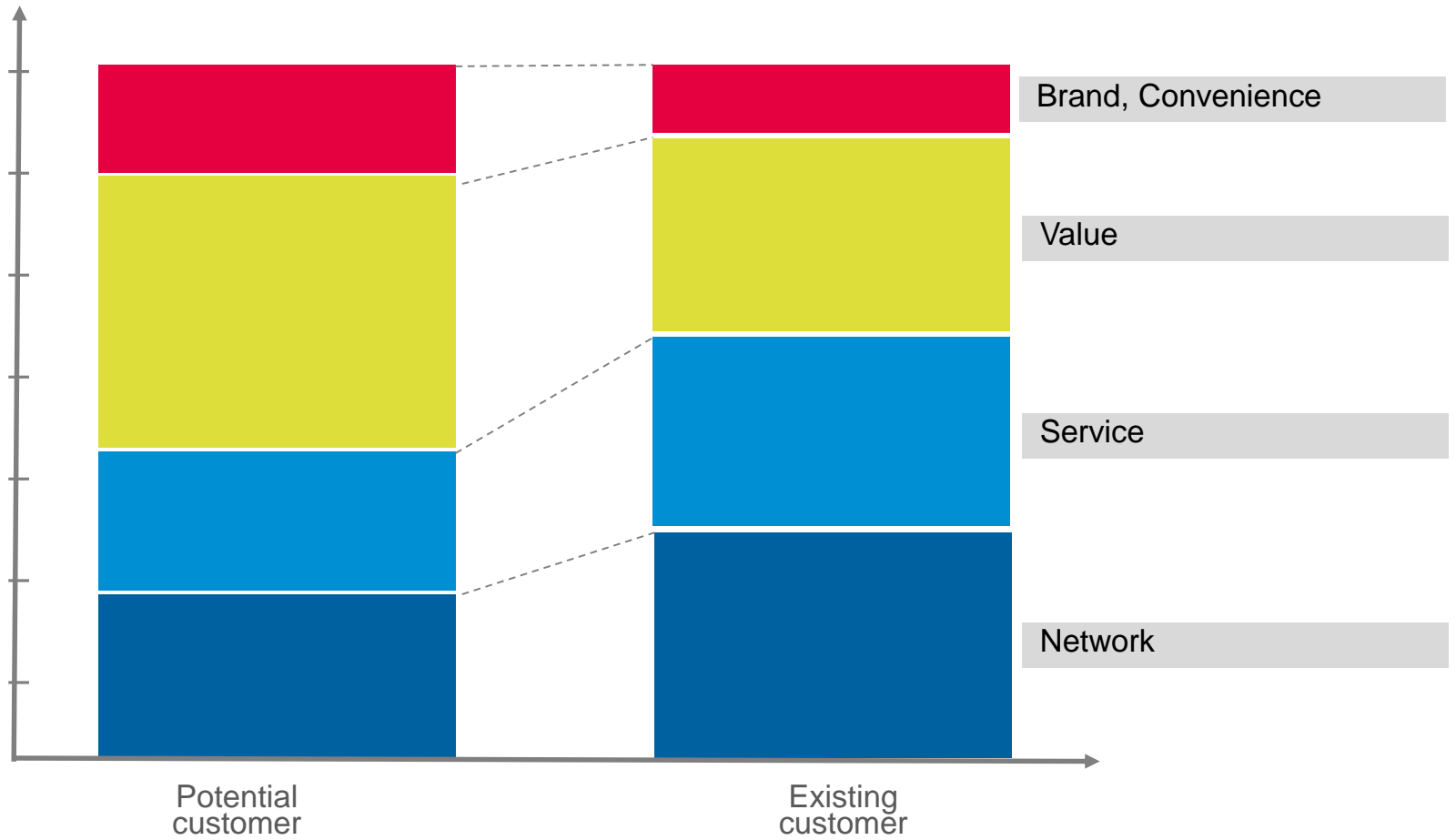
Monolithic

Data

Benefits

Emotional

Appreciated



Keep It Simple

- Context
- Change
- **Converge**
- Conquer

The Plan in 6 slides

July 2014



One Telkom

- One Brand
- One Team
- One Business
- One Agency Roster
- One Identity
- One creative platform

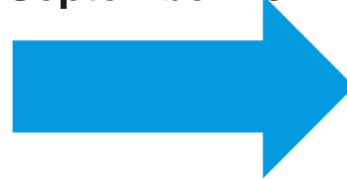
August 2014



Brand Emotion

- Develop a campaign that establishes the brand idea in an emotive way
- Emerging idea is TOMORROW STARTS TODAY

September 2014



Brand Advantage

- Build brand advantage through propositions that are unique different or better

Q1 2015



Brand Engagement

- Build sustainable engagement platforms for:
- Individual
 - Families
 - Business



Telkom



Telkom
Wholesale

Telkom
Business



Telkom
Foundation

Telkom
Mobile

Telkom

Segmentation

1. Primary target segments at high level to be:
 - Families
 - HV Individuals/ Youth
 - SMME

Brand Development

1. Develop a brand framework that can be used throughout Telkom
2. Develop a visual identity that ensures the brand is consistently represented
3. Sponsorship Rationalisation

Prioritisation

1. Invest primarily products that drive reputation & revenue
2. Invest selectively behind reputation driving products
3. Have a single business calendar

Investment

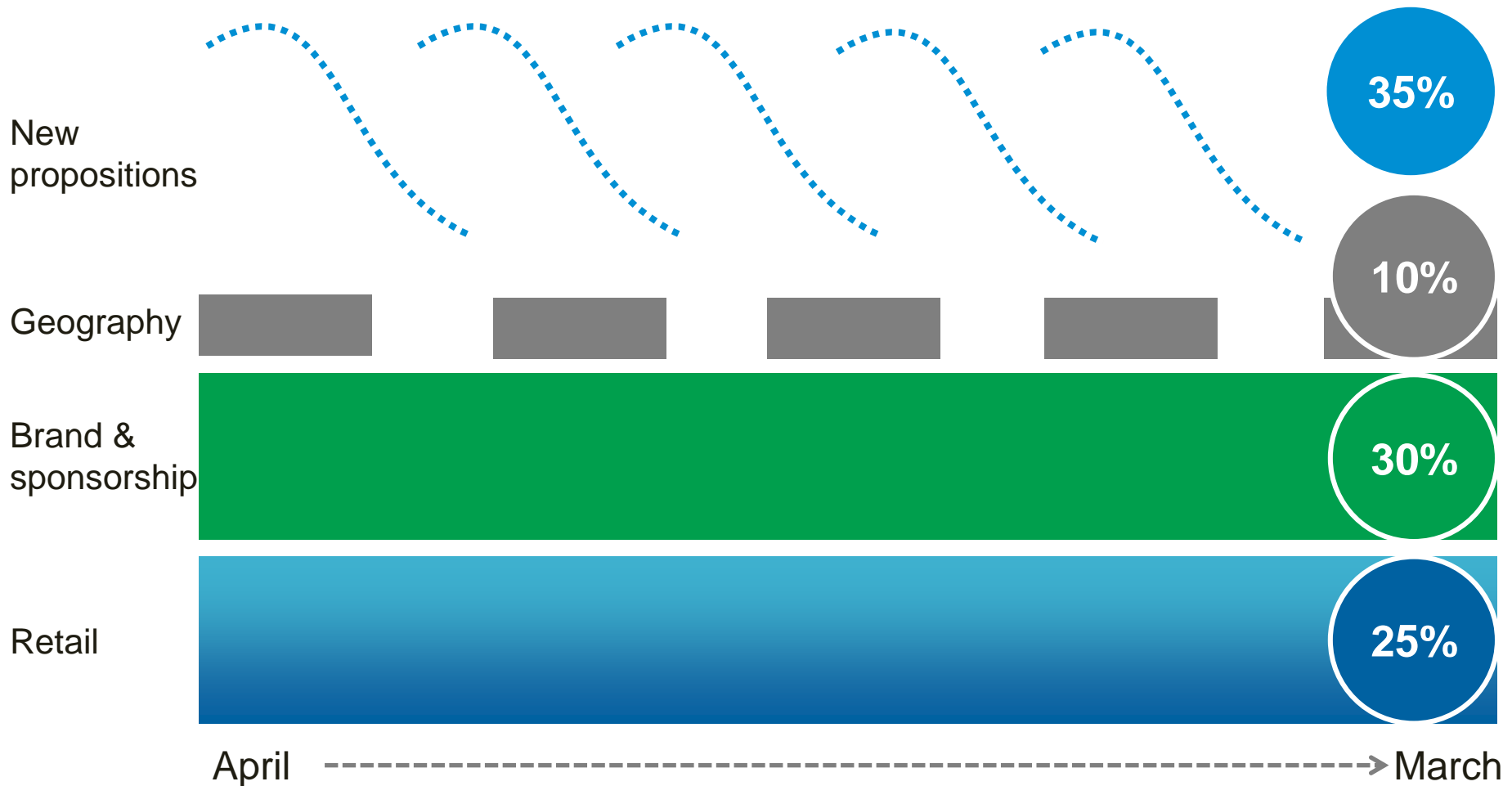
1. Invest disproportionately in brand while we fix the core
2. Invest in differentiating propositions & service

Execution

1. Execute less better to compensate for current negative imagery
2. Align to brands & events with greater consumer appeal than our brand

Measurement

1. Develop a scorecard that tracks lead indicators:
 - Consideration
 - Advantage
2. Media Efficacy



BRAND PURPOSE

Seamlessly connecting South Africans to a better life

BRAND POSITIONING

Brand **18%**

A brand offering converged solutions that allows you to get more from life
TOMORROW STARTS TODAY

S/Ship **15%**

STRATEGY

| Own The Home | Increase Share of SMME | Drive Leadership in Enterprise & Govt. | Create a Wholesale Commercial Capability |
|--|---|---|---|
| <ul style="list-style-type: none">▪ Target families▪ Drive education of Home Wifi▪ Drive benefits of the new home propositions | <ul style="list-style-type: none">▪ Position Telkom as your SMME CIO▪ Develop a platform for multiple product showcasing | <ul style="list-style-type: none">▪ Re-align reosurces to the new vertical business units▪ Continue 1on1 engagement of Top 30 CIOs | <ul style="list-style-type: none">▪ Africa's No.1 provider of fibre backbone▪ Developing more holistic wholesale propositions▪ Develop sales toolkits |
| 30% | 11% | 12% | 3% |

ENABLERS

1. One Telkom Brand- Internally & externally
2. A strong marketing capability (starting with internal)
3. A calendar that aligns the commercial value chain
4. Best in class digital transactional capability
5. Better retail execution
6. Scorecards that link lead & lag indicators

Fees **9%**

- Context
- Change
- Converge
- Conquer



WINNING- in 1 slide + a movie

- Focus on one Telkom Brand & Team
- Be Noticed
- Be Consistent
- Be Liked
- Excellence in Execution

We Need to be Crazy



A journey of a thousand miles
begins with a single step

LAOZI

Chinese Philosopher

Telkom

2014

**THANK
YOU**