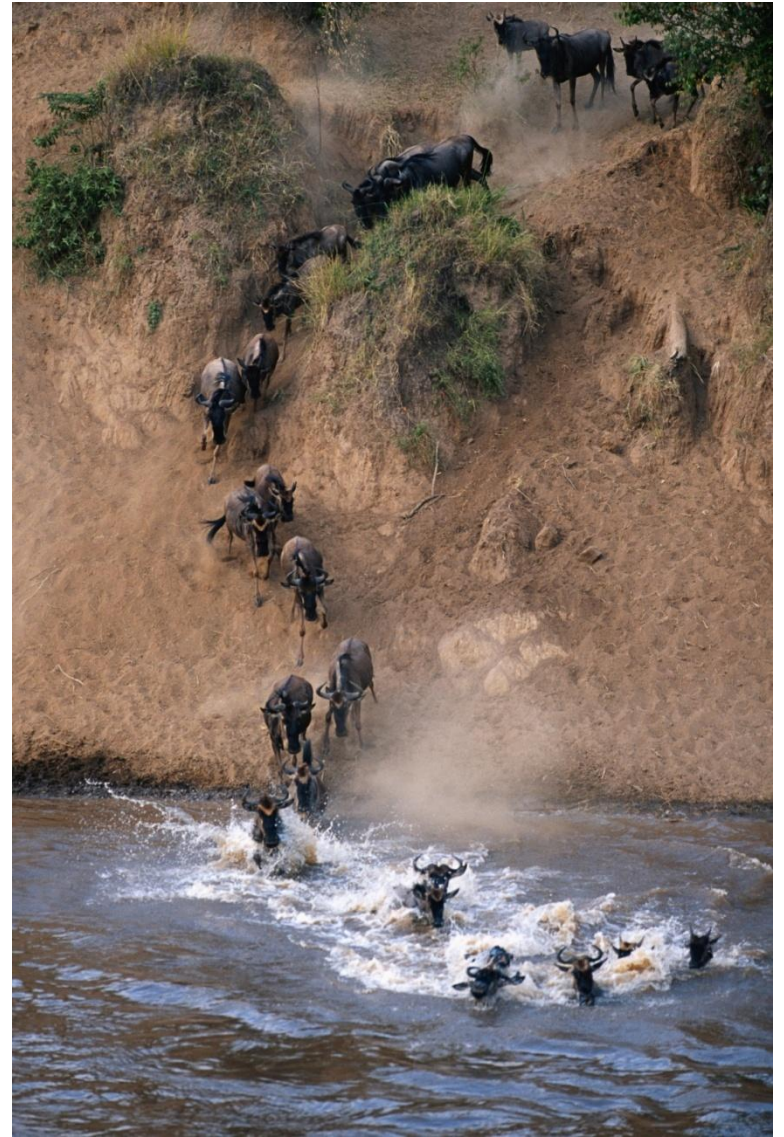




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Agenda

- Brief background
- How are we succeeding in Africa?



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Brief milestones

- SCANAD 1982
- JWT 1995
- McCann/ Grey/ FCBTZ/Redsky TBWA 2003 -06
- **Listing of Scangroup on the NSE 2006**
- WPP takes a 27.5% stake 2008
- JV with Millward Brown, H&K & Squad 2007-09
- JV with Ogilvy Africa & Smollan 2010

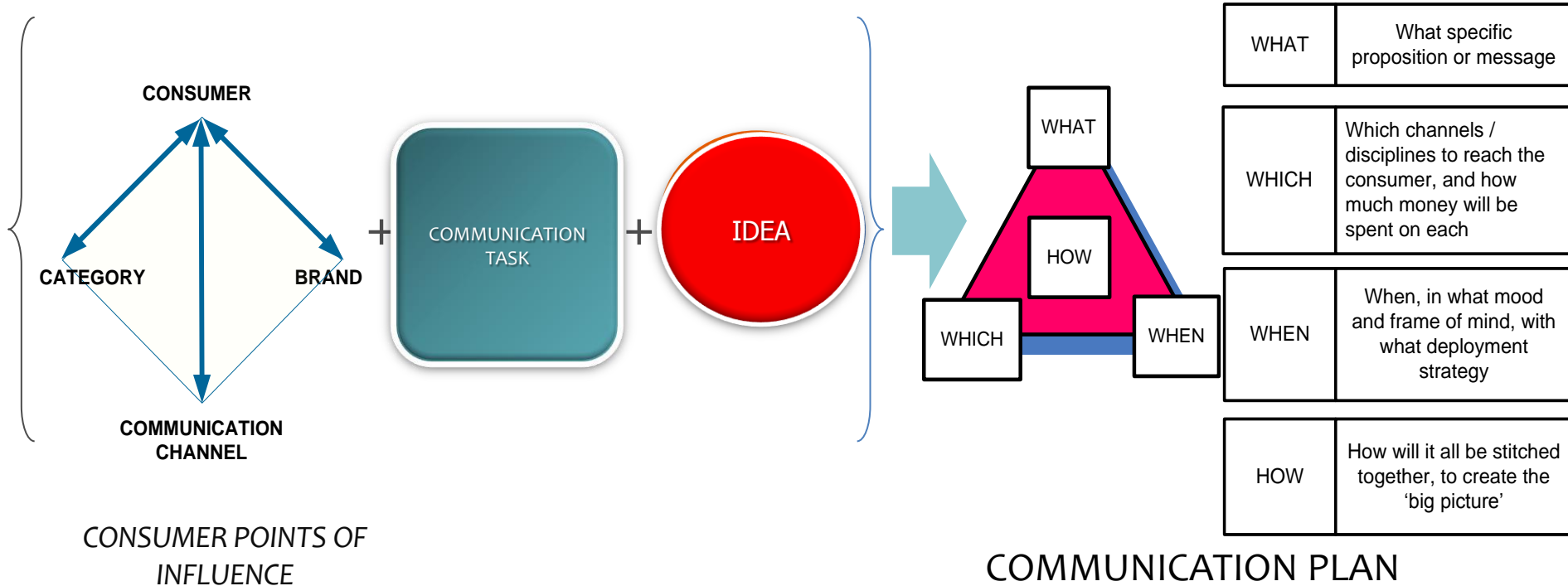


Our Vision

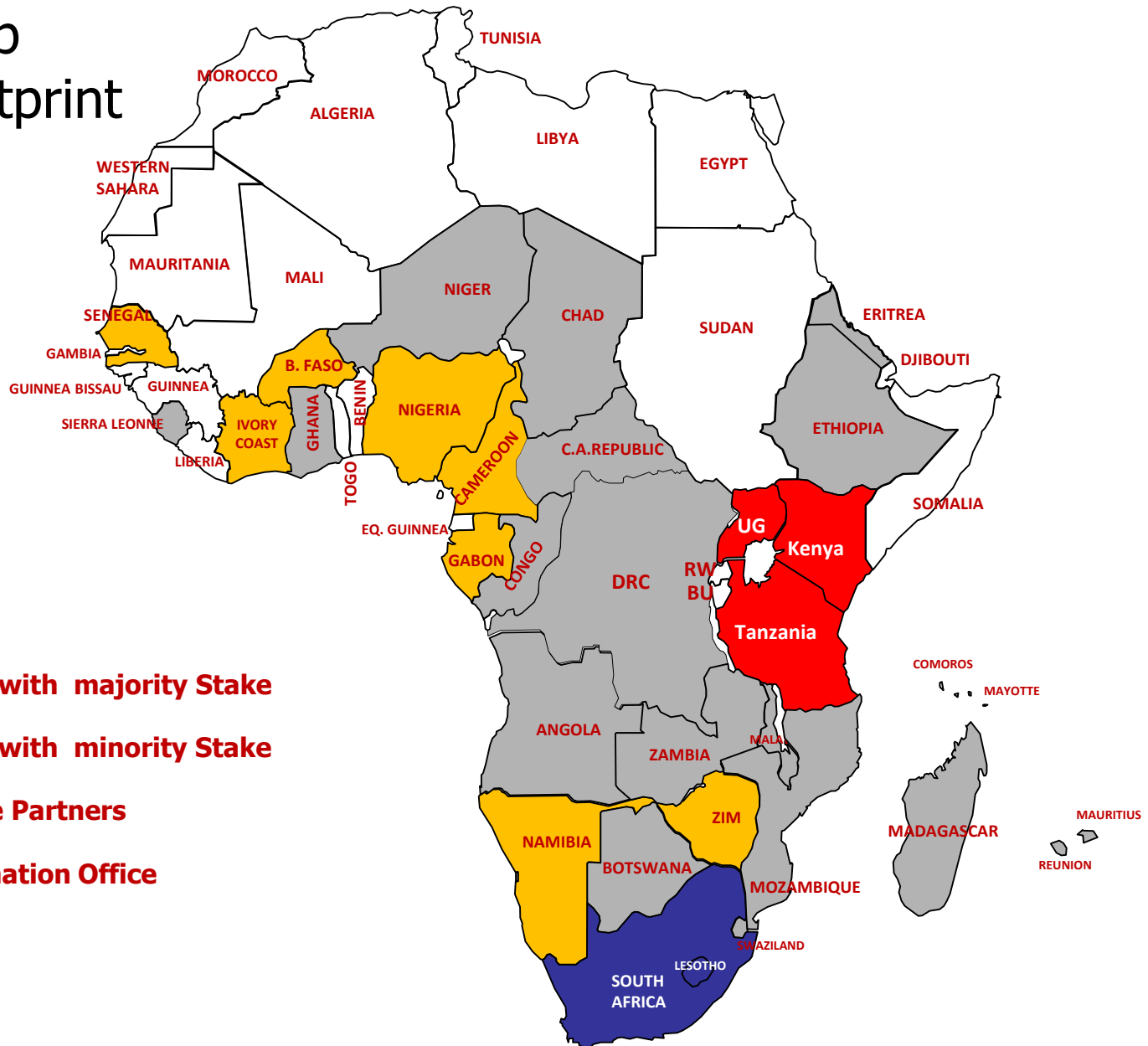
- To be the leading Marketing services company across Sub Saharan Africa



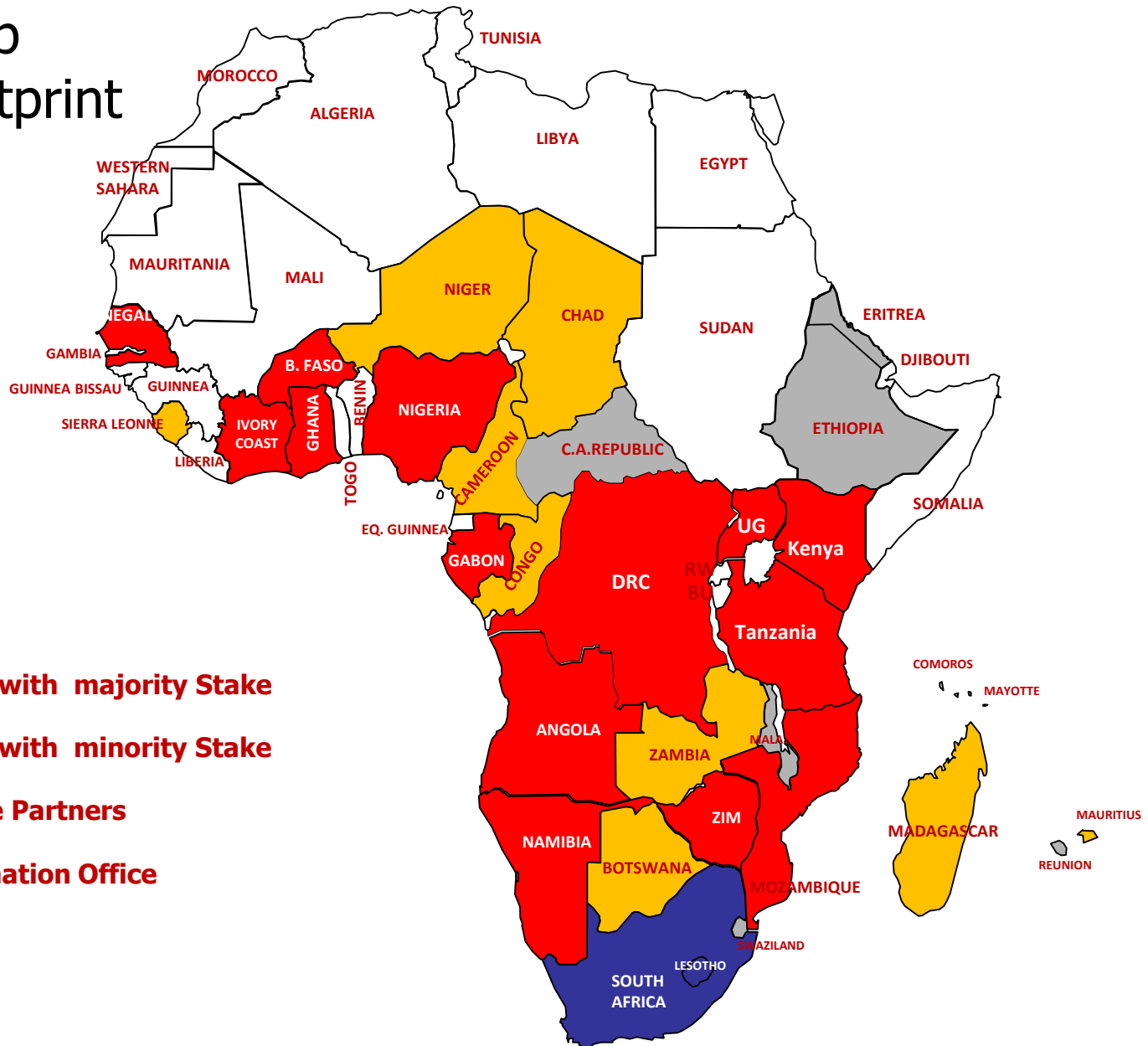
What do we provide?



Scangroup Africa footprint



Scangroup Africa footprint 2014



Advertising



A JV with Ogilvy



A partnership with JWT



An affiliation with Grey Worldwide



An affiliation with Lowe Worldwide



An affiliation with McCann Erickson



An affiliation with TBWA

Media Investment & Management



MEDIA INITIATIVE

An affiliation with Initiative

MEDIACOM

An affiliation with MediaCom

UniversalMcCANN



An affiliation with Universal McCann

PR, Research & Digital



A PR joint venture with the WPP Group



A Research joint venture with the WPP Group



A Digital joint venture with SIT Group India

Speciality Communications



An activation and event management company

Smollan

A field marketing JV with Smollan Group SA

Our Clients



DIAGEO



P&G



NOKIA



RECKITT
BENCKISER

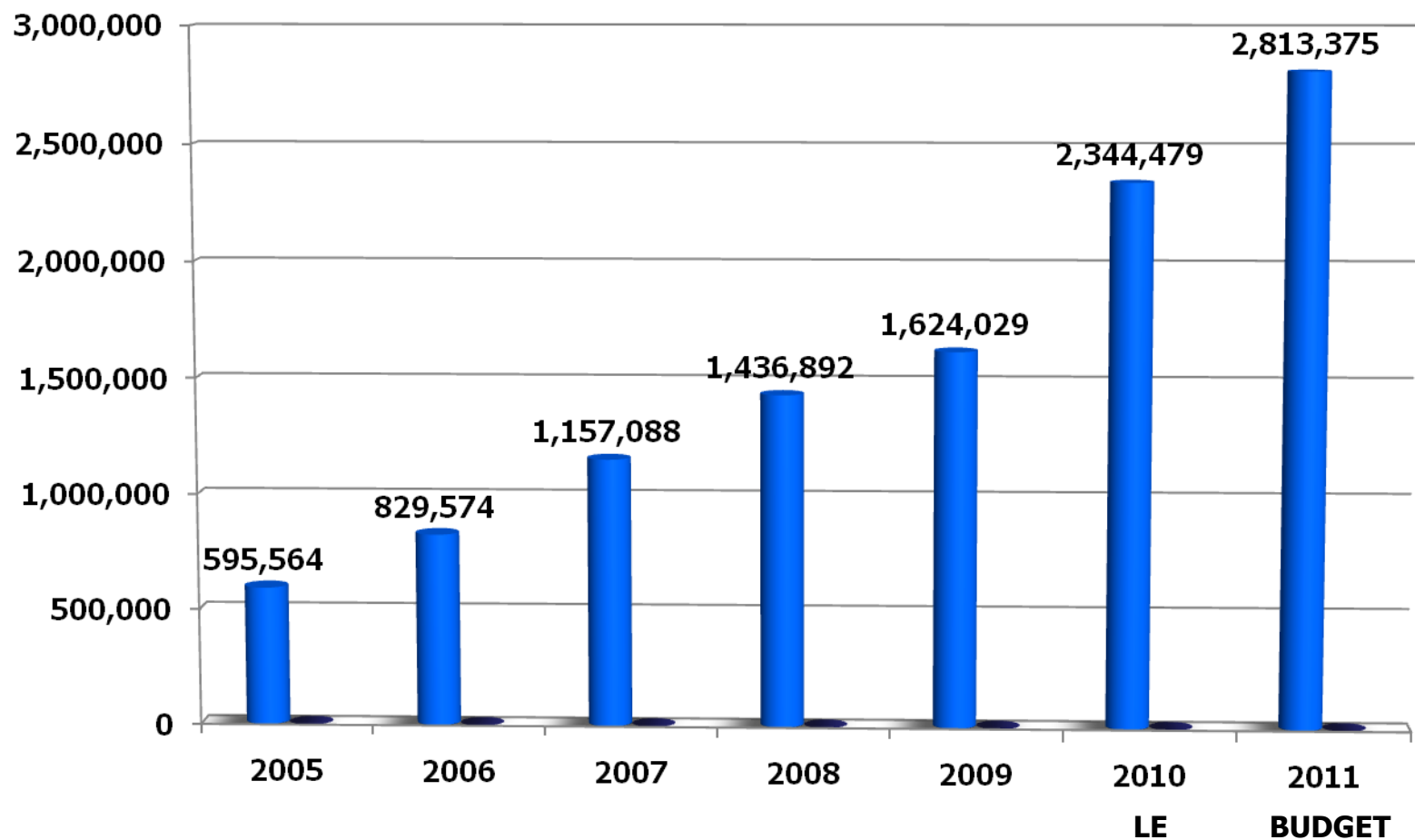


BDF ●●●●
Beiersdorf



Kenya Airways

Revenue Growth (Ksh'000)



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African Consumer: The Future Is Here

Conflict,
child soldiers, disasters,
corruption, political failure, civil war,
superstition, corruption, malnutrition,
failure of democracy, droughts, floods,
landmines, disease, famine, dictators,
worthless currencies, murder, sharia law,
ethnic conflict, patriarchal feudalism,
rape, mutilation, refugee camps, female
circumcision, urban decay,
HIV-AIDS, debt,
ignorance,
exploitation,
tyranny, fear,
uncertainty,
hopelessness,
despair,
breakdown

Positive Outlook

Independent
peacekeeping, stronger UN
profile, internal brokering,
information age growth, greater
political will, sustainable development,
new democracies, food programmes,
iconic Africans, new economic
powerhouses, 21st century
consumerism, post-conflict
societies, new female
leaders, war crimes
tribunals, publicity,
new cure hopes, debt
settlement, new knowledge
entrepreneurialism
new elections, bravery,
optimism,
belief,
renaissance



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How the world sees us



How we see ourselves



Let's meet the
Spirited
Afro-Optimists



Who Are They?

- Primary - 18-24 years
- Secondary 25 to 35 years
- Both male & female
- In university, colleges, working - probably first job, or job-hunting
- Or school drops outs.....self employed formal or informal trade



What Defines Them

- Many are **educated** -
or desiring an education
- They are **aspirational** - want a
better life
- They are **catalysts and
influencers** within their families
and the community at large



*Source – Youth Dynamix report 2010

What Defines Them

- **Technologically literate** and empowered by technology - tech stylists, tech leaders
- They are **materialistic**, and believe that money can make them happy – an enabler
- They are seeking out brands that provide them with a sense of **empowerment, enablement and belonging** - security



*Source – Youth Dynamix report 2010

Attitudes

- “Brands are a key part of my lifestyle, giving me status, making me stand out”.
- Money is key for lifestyle trends – they spend money on fashion, entertainment and relationships



*Source – Youth Dynamix report 2010

Why Africa

1. Political stability
2. Better governance and democratisation
3. Improved macroeconomic management
4. Improvement in the business environment



Political Stability

Post conflict countries (social stability, normalisation)

- Angola
- Mozambique
- DRC
- Rwanda
- Liberia
- Sierra Leone
- S Sudan



Political Stability

Still struggling

- Central African Republic
- Zimbabwe
- Madagascar

Difficult

- Stateless Somalia
- Ivory Coast
- Guinea
- Guinea Bissau



Better governance and democratisation

- Higher political awareness & maturity
- Africans went to the polls in 2008 in 10 countries
- 70% turnout (98% in Angola)
- Peaceful elections in Ghana, Angola, Rwanda, Zambia and hopefully Nigeria next month
- Power sharing in Kenya andZimbabwe??
 - a new concept in African politics



Improved macroeconomic management

- Monetary policy, inflation management and growth
- Exchange rates and capital management
(Remittances \$25B for 08...)
- Fiscal policy and public investment
- Emerging of the 'middle class' civil society



Improvement in business environment

- Ranked 3rd on the pace of reform after Europe and Central Asia
- Senegal, Burkina Faso & Botswana in the top 10 in doing business reformers in 07/08
- Intensified trade with emerging powers – India, China & Brazil reduced dependence on OECD
- African 'Brain Gain'



Average Growth Rates of African Regions

	2007	2008E	2009P	2010P
Central	4.0	5.0	2.8	3.6
East	8.8	7.3	5.5	5.7
North	5.3	5.8	3.3	4.1
South	7.0	5.2	0.2	4.6
West	5.4	5.4	4.2	4.6
Africa	6.1	5.7	2.8	4.5
Sub-Saharan Africa	6.4	5.5	2.4	4.7

Source: IMF World Economic Outlook

Key Challenges

- The global financial crises severely hampered Africa's otherwise robust growth plan
 - Reduced levels of FDI – 2007 \$53B – 2008 \$62B
 - Falling commodity prices
 - Depressed export demand
- Reversing recent political and economic developments
- Corruption
- Poverty



Advertisers on the Continent

Local Clients

Bank, Cellular , Utility & Public sector clients

African Multinational Clients

*Airtel, MTN, Vodacom, DStv, Eco Bank,
Kenya Airways, SAB Miller, EABL, Stanbic Bank etc*

Multinational Clients

*Coca-Cola, Unilever, Reckitt, P&G, Nokia, Diageo, Barclays,
LG, Samsung, etc*



Category Mix

Cellular – Local plus Pan African – over 50% of the spend

Financial Services – Local, Pan African & International

Beverages – Local & International, Alcoholic and non

Social and Behavioral Change – NGO, USAID etc

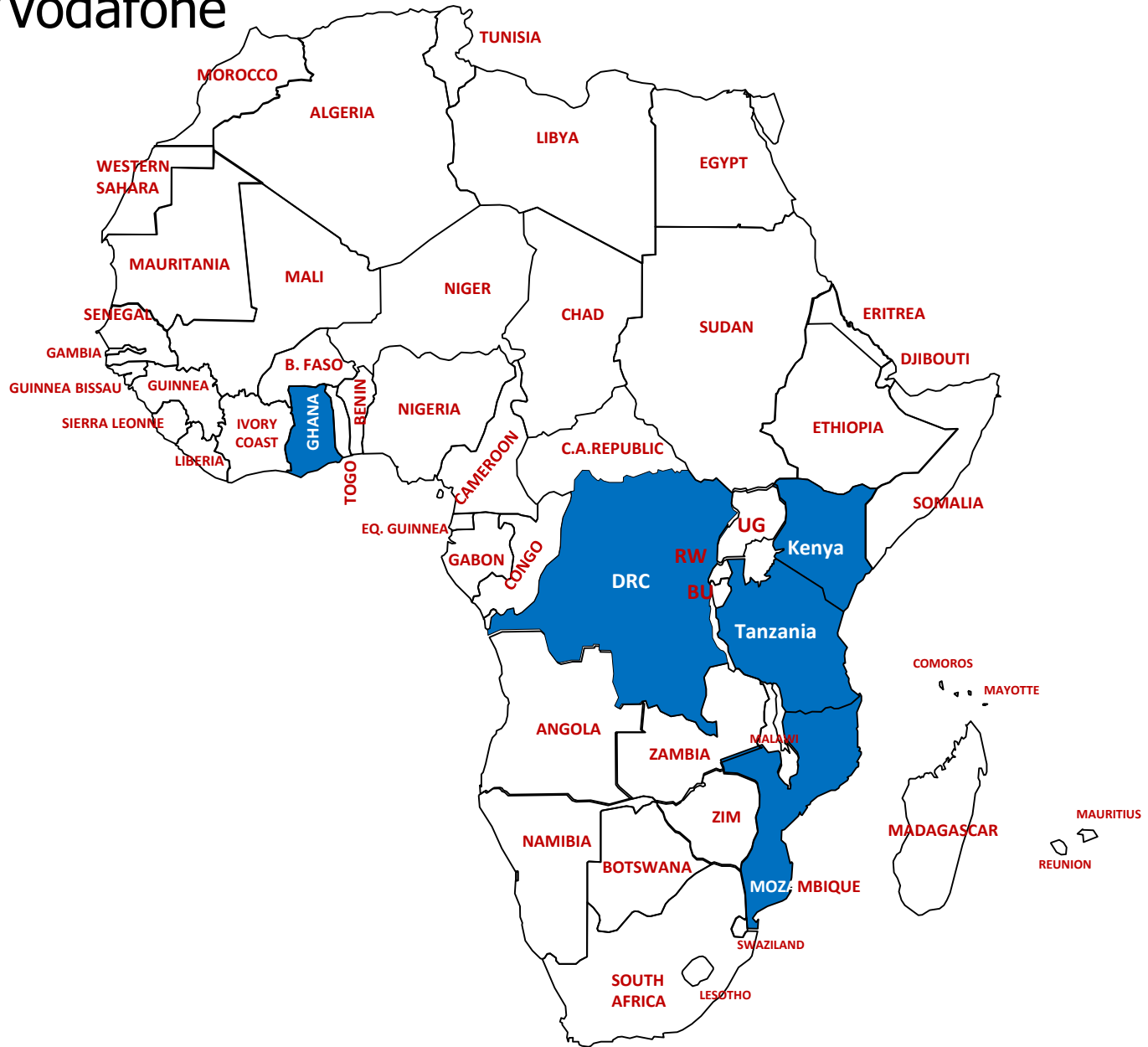
FMCG – Local, Pan African & Multinational



Airtel



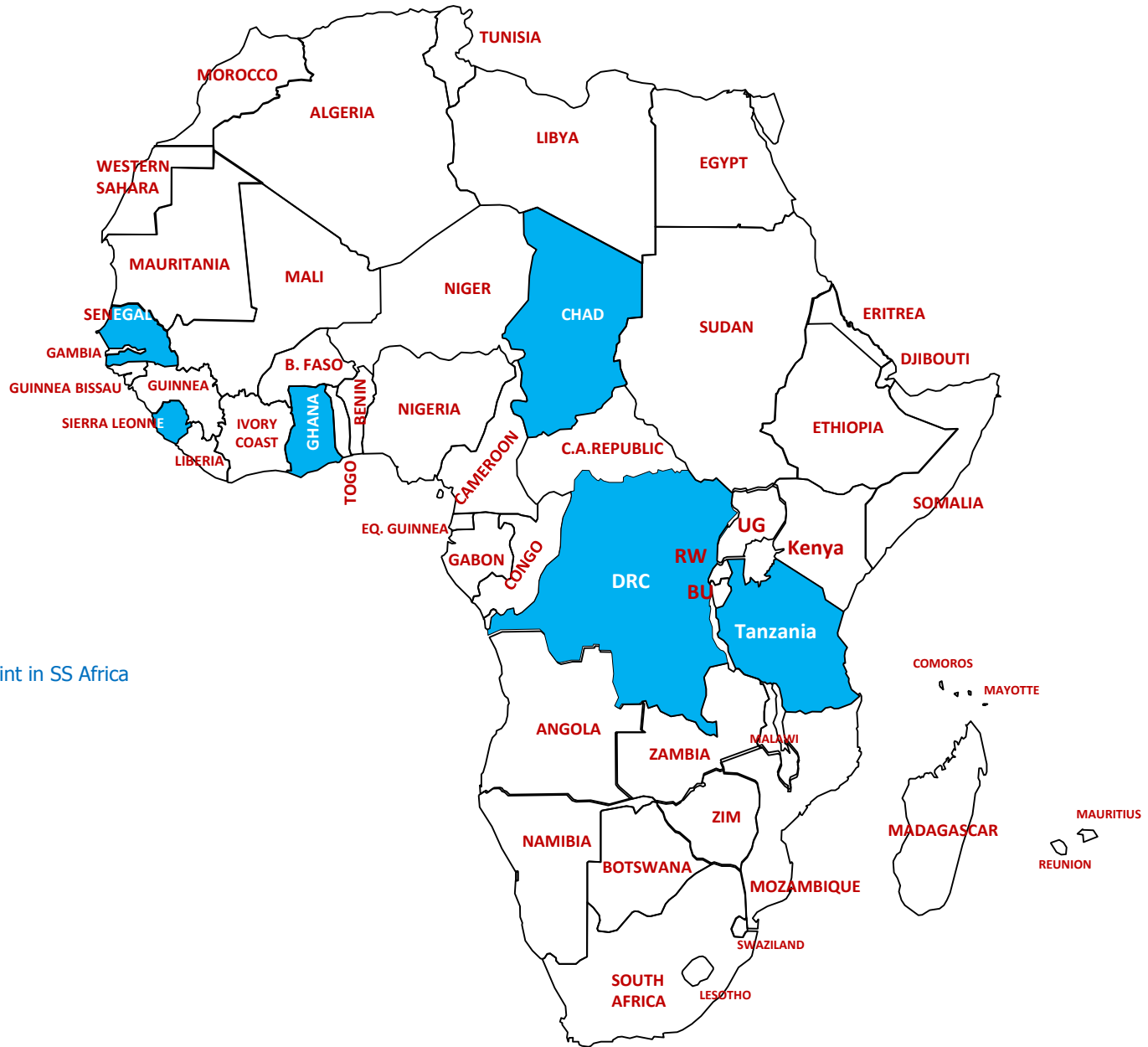
Vodacom/Vodafone





Tigo

 Tigo Footprint in SS Africa



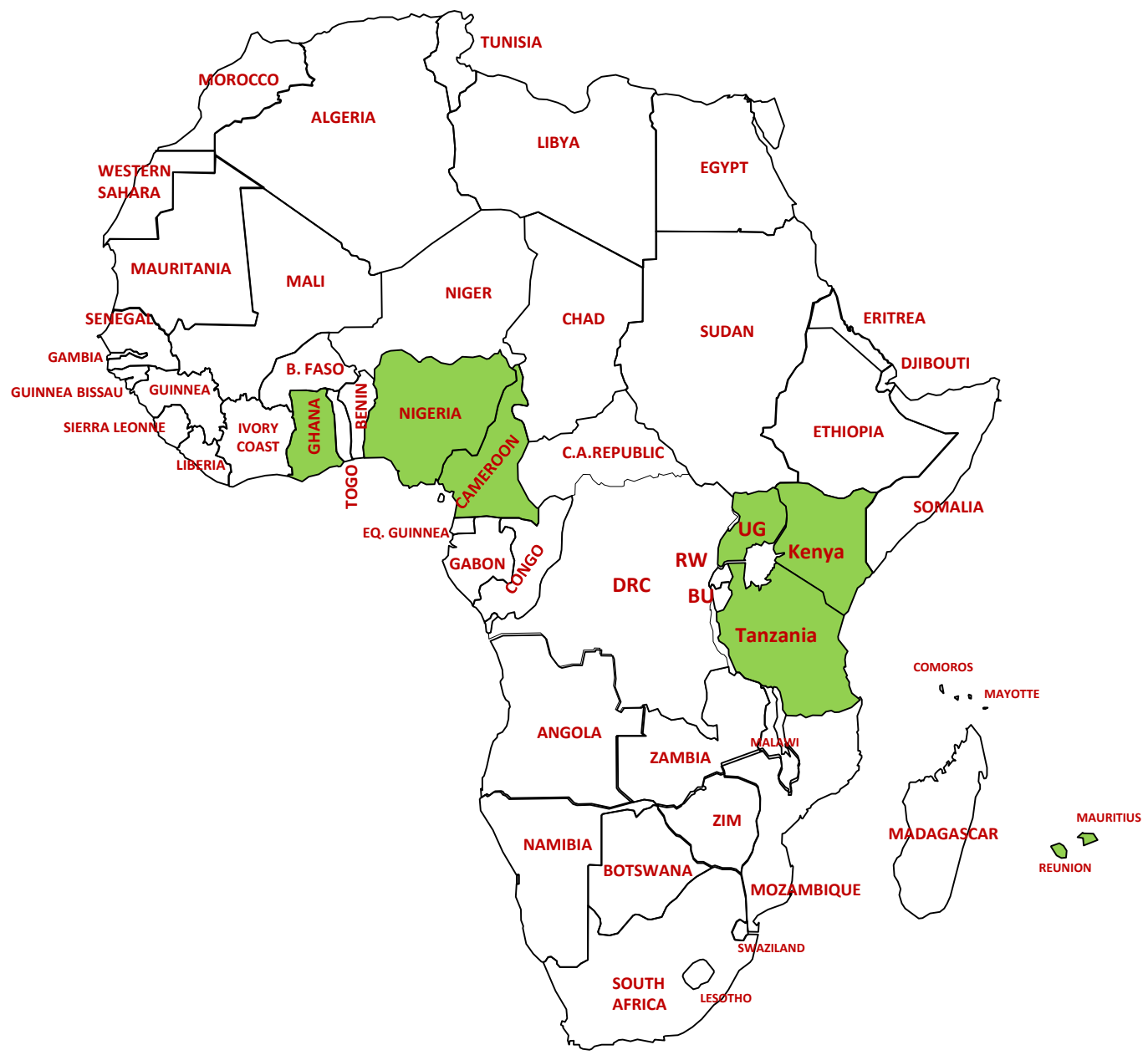
Coca-Cola



SAB Miller

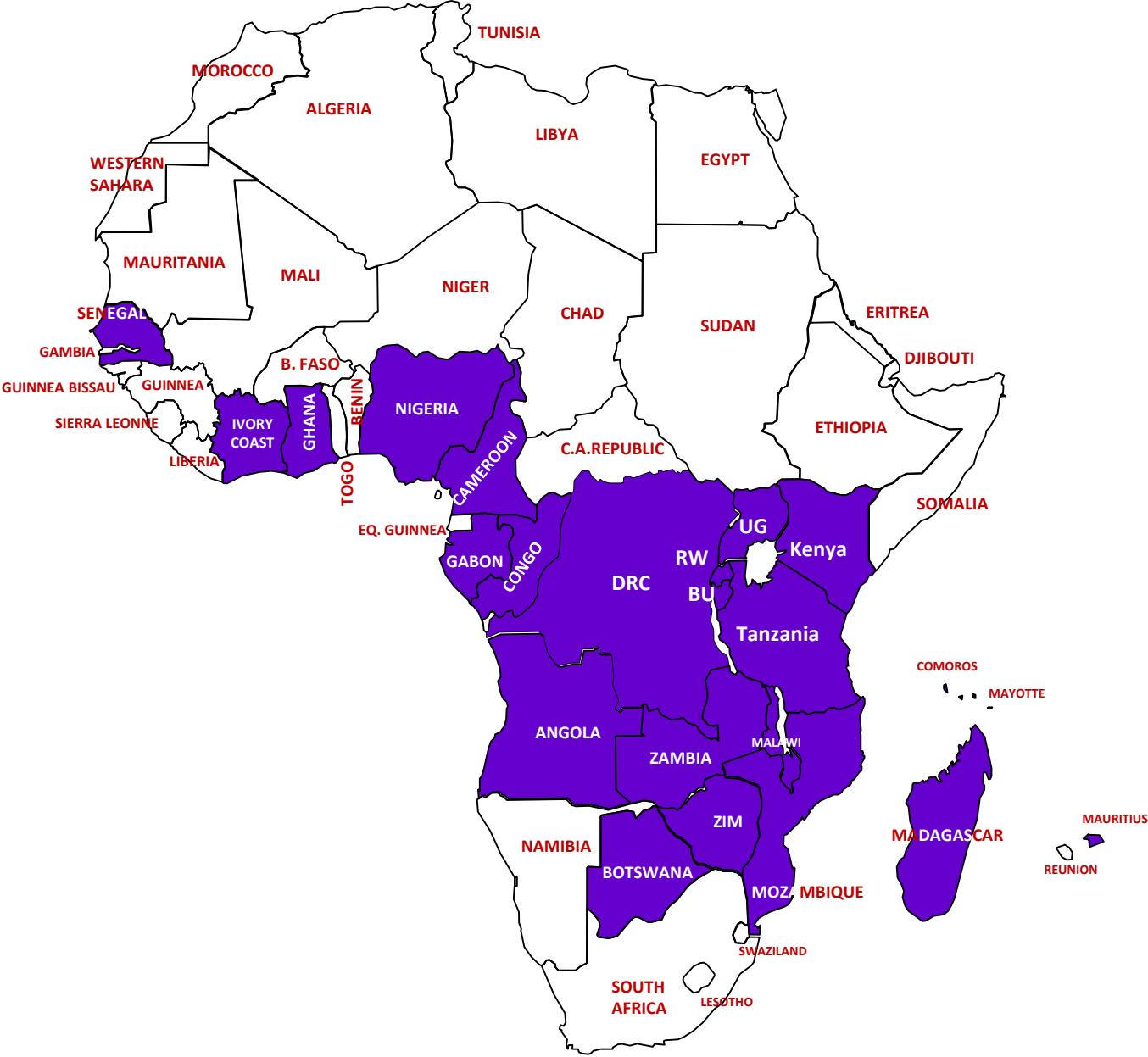


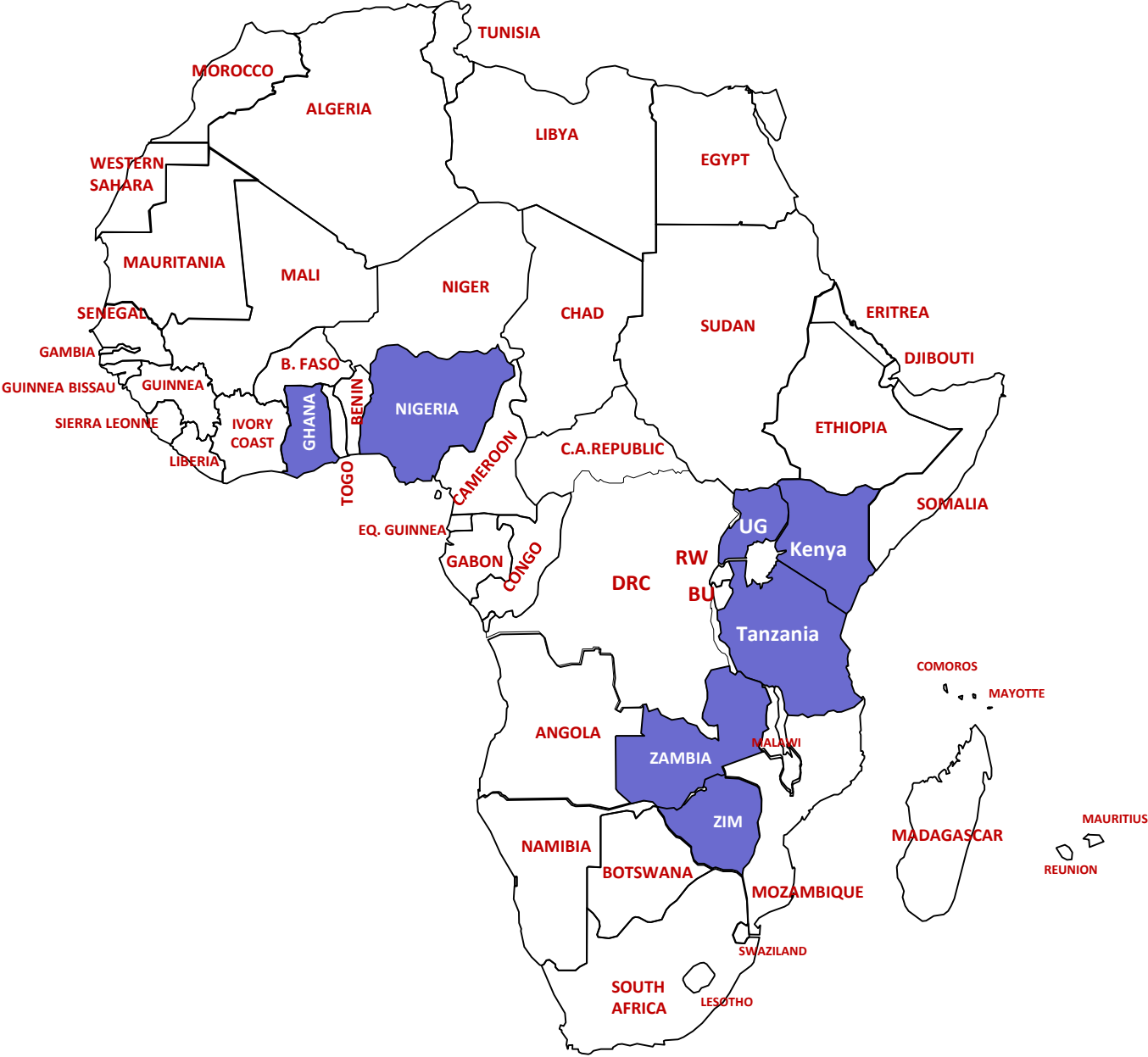
Diageo





Nestle





Our strategy is to take a long term view by;

- Invest and develop global best practices
- Understanding cultures and market conditions
- Developing Africans to grow our African franchises
- Hire the best people



Key Growth Markets

1. Nigeria
2. Angola
3. Mozambique
4. Ghana
5. DRC



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Other Opportunity Markets

1. Franco Phone countries
Cameroon, Senegal, Gabon
2. Uganda
3. Tanzania
4. Rwanda
5. Zambia
6. Madagascar
7. S Sudan



Our long term strategy

- Offer global best practices to our clients across all marketing service disciplines
- Across all geographies in Sub Saharan Africa



The Future

We are excited about Africa's future. Today's Africa is exemplified by the many success stories and stronger economic growth being driven by the dynamism of its people and economies. We therefore used the opportunity of our new Africa Strategy to listen, learn and define how we could better support the continent's aspiration as it maintains the momentum of economic reforms over the next decade,” said

**Obiageli Ezekwesili, the Vice President of the
World Bank for Africa Region.**



We will succeed in Africa



Thank you for your time